



April 25, 2023
Corrected

VIA Email & U.S. MAIL

Ms. Jessica Farrar
Vice President of Strategic Planning and Decision Support
2001 Medical Parkway
Annapolis, Maryland, 21401

**Re: Luminis Health Doctors Community
Medical Center-CON for Obstetrics
and Facility Modernization
Docket No. 23-16-2466**

Dear Ms. Farrar:

Commission staff has reviewed the Certificate of Need (CON) application from Luminis Health Doctors Community Medical Center (LHDCMC) for an Obstetrics program and facility modernization. There are areas in the application submitted which were found by staff to be incomplete, and therefore please provide responses to the following questions:

Proposed Project

1. Application page 25 asks about any required approvals and site control. The applicant states not all approvals have been obtained. Please provide an estimated timetable for all approvals and utilities.
2. Please include a description of the connection between the existing hospital and the new acute care pavilion and the plans to manage the renovations without disruption to the hospital.
3. MHCC reports that the applicant had four outpatient general operating rooms, and nine mixed use general operating rooms in 2019¹. For clarification, please confirm the proposed project will yield 10 mixed use ORs and 2 ORs used for C-sections.
4. Please include at least one clear floor plan/drawing that is legible on an 8.5"x11" page.

¹https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_hospital/documents/acute_care/con_chartbook_md_gen_spec_ial_hospitals_20220930.pdf, Table 16.

Project Schedule

Applicant History

5. Application page 32 question 2 asks if the applicant, owner, or responsible person listed in the application has been involved with other healthcare facilities and directs the reader to Exhibit 4. Exhibit 4 has no names, only facilities provided. Please supply information on facilities affiliated with Deneen Richmond and any other persons responsible for the project.
6. Application page 32 question 4 asks if the applicant has had any possibility of penalties and directs the reader to Exhibit 5. Please provide more information on:
 - (a) the basis of the Self Disclosure to the Office of Inspector General in January 2023;
 - (b) the applicant not receiving findings from the OHCQ survey conducted in February 2021. (If survey findings are received while the application is pending, please share them with MHCC staff).

Budget

7. In the applicant's budget (Table E) please provide the basis for:
 - (a) the calculation of the applicant's contingency allowance and its inflation allowance;
 - (b) the 3M in loan placement fees under financing cost, when there are no loans identified as a source of funding;
 - (c) the terms for the authorized bonds (type, issued by, term, interest rate).

Acute Care and General

Quality Care

8. Commission staff utilizes the Maryland Quality Reporting found on the Commission's website² which was accessed by staff on April 10, 2023. Staff found that not all the below average metrics were responded to. Please respond to the omitted metrics and provide the date data was accessed:
 - (a) Nurse communication with patients;
 - (b) Explanation about medication before giving to the patient;
 - (c) How often patients received help quickly from staff;
 - (d) Area around the patient's room quiet at night;
 - (e) Patient rooms and bathrooms kept clean;

² <https://healthcarequality.mhcc.maryland.gov/>



- (f) Wait time for cardiac patients needing to be transferred to another hospital for a procedure;
- (g) Deaths within 30 days after receiving hospital care for pneumonia.

Cost-Effectiveness

- 9. Although not selected for the project, what were the cost estimates of Option B Converting Existing Hospital Space and Option C Vertical Expansion of Existing Hospital?

Construction Cost of Hospital Space

- 10. Please provide the Excel spreadsheet used for the MVS calculation.

Efficiency

- 11. In the application p. 53, please elaborate on whether the project will maintain staffing efficiency with the impact of 107.6 new FTEs?

Financial Feasibility

- 12. Provide assumptions used by the applicant in the Exhibit 1 financial tables A-L.
- 13. Please discuss the implications on the financial feasibility of the project if the requested rate relief from HSCRC is not granted.

Obstetrics

Need

- 14. Please provide the source for this statement on page 63 “The total number of licensed obstetrics beds in the local region has declined from over 100 obstetric beds in FY2015 to fewer than 50 today.”
- 15. Please provide the source of information for the initial two introductory paragraphs in the Obstetrics section under 1. Need.
- 16. Please provide Table 13 in the application in WORD format.

Staffing

- 17. For Table 13 on application page 86:
 - (a) Add a current staffing column to this table.
 - (b) Add physicians to the table (note contracted or staff) and include salaries.
 - (c) Please provide this table in WORD format.



18. Please identify where the physician expenses are in the tables package. If no physician expenses are projected, please explain.
19. Provide a sample schedule for physician staffing.
20. On page 73 it states Luminis will be hiring four OB/GYNs. Please explain the assumptions that were relied on to project that 4 OB/GYNs will meet the need for 20 Obstetrics beds?
21. In the application, it states that Luminis has the following recruiting strategies, please provide a timeframe in which these strategies will be implemented and include any other strategies that will be used.
 - (a) strategic investment in salaries;
 - (b) create a pipeline of clinicians by collaborating with medical schools (San Jorge, GWU, Hopkins and community colleges);
 - (c) work with private practice physicians and physicians employed by other hospitals;
 - (d) use of a “Laborist” model to work in conjunction with community physicians.

Community Benefit Plan

22. How will the Community Benefit Plan initiatives as described in response to the standard be staffed and funded?

Designated Bed Capacity

23. The standard states that “An applicant for a new obstetric service shall designate a number of the beds from within the hospital’s licensed acute care beds that will comprise the proposed obstetric program.” However, the CON application, page 100 states that the beds “will be new beds, not taking away from the hospital’s existing licensed acute care beds.” Please explain how this plan complies and why the applicant is not designating MSGA beds for the Obstetrics program.
 - (a) Exhibit 1, Table A and Table F show 20 Obstetric beds. Please reconcile this number with the number under the Designated Bed Capacity standard on page 100 which states there will be 21 licensed beds.
 - (b) Page 8 states there will be six LDRs and three Antepartum rooms, however the line diagram shows seven LDRs and two Antepartum. Please reconcile these numbers.

Source of Patients

24. On page 99, the applicant states it is not currently providing OB services, however, data in the Medicaid table (p.68) shows OB cases. Please reconcile this contradiction.



General Surgical

General Standards

25. Please refer to the State Health Plan General Standards at COMAR 10.24.11. Provide a response to Paragraph .05A (1) Information Regarding Charges and Network Participation, Paragraph .05A (2) Information Regarding Procedure Volume, and Paragraph .05A (5) Transfer Agreements.

Design Standards

26. Please include a narrative that demonstrates the project's compliance with section 2.2 of the FGI guidelines.

New Minimum Utilization for Establishment of a New or Replacement Facility

27. On p. 112-113, LHDCMC states that it currently only uses eight of the twelve licensed general purpose ORs. The applicant's proposed project seeks to construct a replacement facility for surgical services. Using Paragraph .06A Assumptions Regarding Operating Room Capacity, submit a response to Paragraph .05B (2) that supports the need for ten dedicated inpatient and/or mixed-use ORs at optimal capacity by providing the following:
- (a) Two years of historical and current utilization for the 8 ORs in the surgical services at LHDCMC;
 - (b) Projected surgical utilization during the 66-month construction period for the new addition;
 - (c) Projected surgical utilization for the first three years after completion and the start of operations in the proposed new surgical services addition;
 - (d) Provide the assumptions and/or basis for any increases in projected surgical utilization that supports the need for ten ORs;
 - (e) Provide the Excel spreadsheet with the supporting calculations used to support the need for the ten operating rooms.
28. Please provide a list of the current number of surgeons (including specialties) that perform surgical services offered at LHDCMC. After project completion, please provide any expected changes in surgical staff.



Service Area

29. Please identify the service area for General Surgical Services.

Financial Feasibility

30. On page 111, under subpart (a) (ii) please elaborate the lack of projected increase in revenue associated with the expected increase in surgical cases.

31. On p. 112, the applicant reports the following inpatient and outpatient surgical cases and surgical minutes for FY 2022:

	Reported Cases	Reported Ave Min/Case	MHCC Calculated Total Minutes	Reported Minutes	MHCC Minutes/Case	% Difference
Inpatient	2,224	136	302,464	380,857	171.2	25.9%
Outpatient	4,037	97	391,589	534,485	132.4	36.5%

There is a discrepancy in the average minutes per case between what LHDCMC reports, and what MHCC staff calculates, please clarify the discrepancy.

General Review Criteria

Viability

32. Regarding the philanthropic portion of the applicant's funding plan, please provide applicant's historical success with similar fundraising campaigns.
33. In the application page 118, the applicant states it has already received a commitment of 21M by the State. Please document what was received in the recent 2024 budget and explain how a 2025 capital budget request can be projected with certainty.
34. Please discuss the applicant's contingency plan for the total State award in the event it is not received.
35. For community support, (Exhibit 20) staff are unable to read all the signatures on the form letters from Luminis Health. If the applicant wants the individual names included under the support section, please provide letters with legible signatures and/or typed names and titles.

Impact

36. Please resubmit Table 24 with Obstetrics units for service area discharges in addition to Obstetric units for the whole State.



Tables

37. Exhibit 1, Table B, staff found multiple mathematical errors in this table, please review for accuracy, and revise accordingly.
38. Table D, please identify the total site and off-site costs included and excluded from the MVS analysis for the \$127,369,727 in new construction.
39. The applicant states on page 3 of the Project Description that the new acute care pavilion will span 167,000 square feet, but Table D states 186,949 square feet. Please reconcile these numbers.
40. Table F is incomplete, please submit a completed table.
41. Table F for the Entire Facility shows that for the projected years after the new Obstetric program opens (2027-2031) the hospital occupancy is below minimum occupancy standards set forth in COMAR 10.24.10 State Health Plan Acute Care Hospital Services. Please comment on these projections.
42. The coversheet for Exhibit 1 has the correct table listings. Table H Revenue and Expenses Inflated has never been received and was instead submitted as a workforce table which should be Table L. Please resubmit the correct tables.
43. Please provide the assumptions used in your workforce table for calculating average salaries and note if there will be additional expenses related to contracted staff.
44. Are benefits included in the workforce table in Exhibit 1?
45. Please elaborate on the additional 8.7 FTEs needed under “other changes to operations.”

Please submit four copies of the responses to the above questions and requests for additional information within ten working days of receipt. Also submit the response electronically, in both Word and PDF format, to Ruby Potter ruby.potter@maryland.gov and mhcc.confilings@maryland.gov. If additional time is needed to prepare a response, please let me know at your earliest convenience.

As with the request itself, all information supplementing the request must be signed by person(s) available for cross-examination on the facts set forth in the supplementary information, who shall sign a statement as follows: “I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief.”



Jessica Farrar
LHDCMC CON Obstetrics Services
April 25, 2023 - Corrected

Should you have any questions regarding this matter, please contact me at (410) 764-3371.

Sincerely,



Jeanne Marie Gawel, Program Manager, CON

cc:

Marta Harding, Esquire
Wynee Hawk, Director Health Care Facilities Planning and Development
Bill Chan, Program Manager, MHCC
Ruby Potter
Caitlin Tepe, AAG
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Sanmi Areola PhD, Health Officer, Prince George's County Health Department

