

July 19, 2023

VIA EMAIL AND FEDEX MAIL

Ms. Ruby Potter
ruby.potter@maryland.gov
Health Facilities Coordination Officer
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215-2299

*Re: Hygea Detox at Camp Meade, LLC
CON Application for the Establishment of Intermediate Care Facility
817 S. Camp Meade Rd, Linthicum Heights, MD
Docket No. 23-02-2468*

Dear Ms. Potter:

On behalf of the applicant Hygea Detox at Camp Meade, LLC, we are submitting an electronic version and four (4) hard copies of its Responses to First Set of Completeness Questions dated July 5, 2023 and related exhibits. We will be providing a WORD version of the responses, and an EXCEL file of the MHCC tables under separate email.

We hereby certify that a copy of this submission has also been forwarded to the appropriate local health-planning agency as noted below.

If you have questions about the information provided above, please contact us at your convenience.

Sincerely,



Ella R. Aiken



Mallory Regenbogen

Ms. Ruby Potter
July 19, 2023
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ERA:vtl

cc: Tonii Gedin, RN, DNP, Acting Health Officer, Anne Arundel County
Health Department
Ben Steffen, Executive Director, MHCC
Wynee Hawk, RN, JD, Director, Center for Health Care Facilities Planning and
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Stacy Fruhling, MBA, LCPC, COO and Executive Clinical Director, Hygea Detox
at Camp Meade, LLC
Craig L. Wheelless, Consultant

**HYGEA DETOX AT CAMP MEADE, LLC
APPLICATION TO ESTABLISH AN ALCOHOLISM AND DRUG
TREATMENT INTERMEDIATE CARE FACILITY
Matter No. 23-02-2468**

Response to Completeness Question Dated July 5, 2023

Commission staff has reviewed the application submitted by Hygea Detox at Camp Meade, LLC. (Hygea) for Certificate of Need (CON) approval to establish a 16-bed Track One Level 3.7/3.7WM medically monitored intensive inpatient treatment program (ICF) in Linthicum Heights, Anne Arundel County. The project cost for the ICF is estimated to be \$136,781. Staff found the application incomplete, and, accordingly, requests that you provide responses to the following questions.

PROJECT IDENTIFICATION AND GENERAL INFORMATION

1. The application states that the building is 5,851 sq. ft. Please provide the square footage of each of the private, semiprivate, and triple patient rooms.

[Applicant Response](#)

Attached as **Exhibit 16** are additional project drawings with a floor plan that clearly shows the square footage of each patient room. Below is a listing of the square footage of each patient room, which is exclusive of the room's bathroom square footage:

Private room

- Unit G - 151 SF

Semi-private rooms

- Unit A – 155 SF
- Unit B – 153 SF
- Unit C – 154 SF

Triple patient rooms

- Unit D – 265 SF
- Unit E – 261 SF
- Unit F – 263 SF

- 2. Will the proposed ICF have gender separate areas for male and female patients? If so, please provide floorplans clearly identifying where males and females will be housed.**

Applicant Response

All patient rooms are located on a single hallway corridor. Patients will be separated by room based on gender, with all male or all female patients being assigned to a given room. There will be fluidity in which rooms are assigned to male or female patients based on patient census at a given time.

- 3. Will gray area and private pay patients be integrated within the facility? Please describe the process.**

Applicant Response

Yes, gray area and private pay patients will be fully integrated within the facility. Bed allocation and treatment services will not differ between gray area and indigent patients and all other patients.

- 4. Provide an update on the status of any referral agreements. What plans are being made to develop relationships with inpatient and outpatient aftercare programs in Maryland?**

Applicant Response

Hygea Detox at Camp Meade currently has referral partner agreements in place with Maryland Addiction Recovery Center and Sheppard Pratt Health System. It has also reached out to Sinai Hospital and University of Maryland Baltimore Washington Medical Center and is working to establish referral partner arrangements with these facilities. As the Commission is aware, it is typical for ICF applicants who are new entrants to the market to continue working to establish referral partner arrangements following approval and prior to first use of the facility, as existing providers are at times reluctant to enter into an agreement until the Commission has approved the project. Hygea Detox at Camp Meade is continuing its outreach efforts and is working diligently to notify providers in the area of its plan to reopen an ICF facility at the prior location of the Maryland House Detox facility.

Hygea Detox at Camp Meade is also working to establish a relationship with the Anne Arundel County Department of Health. The parties recently met on July 5, 2023 to discuss the program and services that will be offered at the Hygea Detox at Camp Meade facility. Hygea intends to continue working closely with the County Health Department and will supplement this filing with a letter memorializing this recent meeting.

Hygea Healthcare is also working to develop additional treatment options within the continuum of care for patients with SUDs. It intends to open an outpatient program offering multiple levels of care (residential, intensive outpatient program, and outpatient program) located at 6415 Belair Road, Baltimore, Maryland this coming fall. This location will also be another potential location to refer Hygea Detox at Camp Meade patients for aftercare programs, assuming patient preference is met. Hygea Detox at Camp Meade will work to assure care coordination for all patients by ensuring patients are matched with appropriate aftercare programs.

Hygea Detox at Camp Meade understands the importance of collaboration with other providers and of entering referral agreements. It remains willing to accept a condition on approval requiring it to document additional agreements prior to first use and opening.

5. **On page 11 it states Malibu Detox has three locations, however on page 4 it states that it has five locations-please reconcile.**

Applicant Response

It was an oversight to include only three of its five Malibu Detox locations in the Applicant History Section. Attached as **Exhibit 17** please find an updated Applicant History section with all five locations:

22766 Saddle Peak Rd, Topanga, CA 90290

21965 Saddle Peak Rd, Topanga, CA 90290

501 Sadie Rd, Topanga, CA 90290

7212 Birdview Avenue, Malibu, CA 90265

7214 Birdview Avenue, Malibu, CA 90265

STANDARDS

.01 Utilization Review and Control Program

6. **The policies in the exhibits are labeled excerpts, please provide the complete policy for each.**

Applicant Response

The policies provided are complete drafts for the individual policies referenced/titled at the beginning of each policy. The policies are part of a working document that will become Hygea Detox at Camp Meade's Policies and Procedures Manual. The remainder of the material in that manual is not yet complete and/or is not in a form that Applicant is prepared to share publically, and will address functions outside of the scope of this CON review. Hygea Detox at Camp Meade expects to complete the manual sometime after CON approval, if obtained. The policies included in the extract attached to the application are in their complete draft phase, subject to any changes that may be required during this review process before the MHCC and/or during the accreditation or licensing process. The policies may also be subject to changes based on any required CARF accreditation policy updates that occur annually.

.050 Outpatient Alcohol and Drug Abuse Programs

7. **Document that the outpatient care organizations with which Hygea has referral agreements have appropriate staffing levels and offer group therapy.**

Applicant Response

As noted in response to question 4 above, Hygea Detox at Camp Meade currently has referral partner agreements in place with Maryland Addiction Recovery Center and Sheppard Pratt Health System. Both of these organizations offer types of group therapy.¹ Staffing information for these organizations is not within the Applicant's purview; however, these organizations' staffing is subject to State licensure standards and authority, and thus, the Applicant expects that these organizations' staffing is in line with licensure requirements.

NEED

- 8. Does the recent CON approval for 36 Track One ICF beds for Alpas Wellness La Plata (Docket #22-04-2462) in Charles County affect the need for this project? Please describe.**

Applicant Response

The Alpas Wellness La Plata ("Alpas") facility will be located at 1014 Washington Ave, La Plata, Maryland, which is 53.7 miles away from Hygea Detox at Camp Meade. Given its location, the Alpas CON application focuses its services on residents of Southern Maryland. In its CON application response to COMAR Section 10.24.14.05B - Identification of Intermediate Care Facility Alcohol and Drug Abuse Bed Need, Alpas states "it is clear that the Southern Maryland region is currently in desperate need of increased Track One bed availability." *In re Alpas Wellness La Plata, LLC*, Docket No. 22-04-2462, CON Application, p. 18. In its CON application response to COMAR Section 10.24.01.08G(3)(f). – Impact on Existing Providers and the Health Care Delivery System, Alpas states "with the approved beds, the Southern Maryland region still projects to require an additional 203-264 beds. Alpas does not believe its proposed 36 additional beds will have a significant impact on other providers." *Id.* at 32.

Hygea Detox at Camp Meade is expected to serve the residents of Anne Arundel County and Central Maryland. As such, Hygea Detox at Camp Meade and Alpas will serve different regions in the State of Maryland. Even if the service areas of the two facilities were expected to overlap, the Hygea Detox at Camp Meade need analysis projects a need for up to 47 ICF Track One beds. Accordingly, the addition of 36 ICF Track One beds associated with the Alpas project would still not fully meet the need for ICF Track One beds in Central Maryland.

In addition, Hygea Detox at Camp Meade notes that the Commission's defined need methodology likely understates the need for Track One ICF beds in the State. This is particularly true given that the prevalence of substance use disorders in the State has increased significantly since this methodology was last updated, as discussed more fully in the Hygea Detox at Camp Meade's response to the general Need criterion at COMAR 10.24.01.08G(3)(b). The methodology was last published in 2002, with a supplement in 2013 that did not affect the calculation methodology.

¹ See Sheppard Pratt's Outpatient Mental Health Centers website, available at <https://www.sheppardpratt.org/care-finder/outpatient-mental-health-centers/>; see Maryland Addiction Recovery Center's Services website, which includes group therapy as part of its Community Living Treatment Program, Intensive Outpatient Treatment Program, and Process Addiction Therapy Groups, at <https://www.marylandaddictionrecovery.com/services/outpatient-treatment/>.

COMAR 10.24.14. Review of its sources demonstrates that it relies upon information significantly older than its publication date.

While the need for Track One ICF beds may be understated, the supply of Track One ICF beds in Central Maryland may be overstated. In March 2023, the Maryland Department of Health Behavioral Health Administration provided an updated ICF bed inventory (See **Exhibit 8**) that includes 145 ICF Track One beds in Central Maryland. These 145 ICF Track One beds are comprised of 24 beds at Baltimore Detox Center in Baltimore, Maryland and 121 beds at Ashley, Inc. in Havre de Grace, Maryland. Based on prior CON applications, Hygea understands that Ashley uses only a portion of its 121 beds at any given time for services falling within the Commission's definition of ICF Level 3.7 services. Thus, the inclusion of 121 beds based on Ashley's bed compliment may overstate the number of ICF Track One beds in the Central Region used for ICF services at a given time or on an annual average basis.

Given Alpas expects to serve residents of a different jurisdiction, the likely understatement of Track One ICF bed need in the State, and the likely overstatement of Track One ICF bed supply in Central Maryland, Hygea Detox at Camp Meade does not expect that the approval of the Alpas 36 Track One ICF beds will affect the need for the 16 Track One ICF beds included in the Hygea Detox at Camp Meade application.

9. Define the primary and secondary service area for the proposed project, including all jurisdictions that Hygea projects to obtain clients.

[Applicant Response](#)

In COMAR Section 10.24.14.05B(1)(a) - Identification of Intermediate Care Facility Alcohol and Drug Abuse Bed Need, the State Health Plan ("SHP") for Facilities and Services: Alcoholism and Drug Abuse Intermediate Care Facility Treatment Services states that for applicants seeking CON approval to establish or expand an intermediate care facility for Track One substance abuse treatment services, the Commission projects maximum need for alcohol and drug abuse intermediate care beds in a region using the need projection methodology in Regulation .07 of this Chapter and updates published in the *Maryland Register*. As such, the SHP requirement is to project Track One ICF bed need in a region.

There is no requirement in the SHP to define primary and secondary services areas. Unlike for hospitals and other facilities and service lines, the SHP does not provide a standard definition of or prescribe a method for how to define primary and secondary service areas. Furthermore, unlike hospital acute care services, there is no publicly available discharge database for ICF services to analyze current service levels in a jurisdiction and meaningfully project a service area bed need.

While the SHP does not require the definition of primary and secondary service areas, nor prescribe a method for defining a service area, Hygea Detox at Camp Meade expects to primarily serve the residents of Anne Arundel County. The other counties in Central Maryland including Baltimore City, Baltimore County, Harford County, and Howard County would be considered the secondary service area for the ICF services provided at Hygea Detox at Camp Meade.

10. Describe Hygea’s patient transportation services.

Applicant Response

Hygea Detox at Camp Meade will have agency transport vehicles available in order to transport patients to other medical services, as needed. Given the increased availability of telehealth services since the COVID-19 pandemic, Hygea anticipates transportation needs of patients will not be as great as prior to the pandemic given many patients are opting to use telehealth services for a variety of medical services. Vehicle expenses are accounted for in the financial projection assumptions. See **Exhibit 15**, Following Table D – Projected Revenue and Expense Assumptions, Rows 58-62.

11. Please clarify whether Hygea is planning to offer both level 3.7 WM (detox) services and level 3.7 medically managed inpatient treatment, and the number of beds allocated for detox patients and medically managed inpatient treatment?

Applicant Response

Hygea Detox at Camp Meade is planning to offer both level 3.7WM and level 3.7 medically managed inpatient treatment services. All beds will be equipped and capable of serving level 3.7WM and 3.7 services. Hygea Detox at Camp Meade has not allocated any particular beds for a particular service, and instead, intends for the beds to be used fluidly based on the needs of its patient census at a given time.

IMPACT

12. How will current ICF provider staffing shortages affect the project and impact staffing for existing ICFs?

Applicant Response

The Applicant is aware of ongoing staffing challenges for health care providers that have existed since the COVID-19 pandemic, including for SUD treatment programs. The Applicant is confident it will be capable of recruiting and retaining qualified staff for the Hygea Detox at Camp Meade Facility. First, the Applicant is in communication with prior employees of Maryland House Detox, who have expressed interest in working at Hygea Detox at Camp Meade given its convenient location. The Applicant understands that Maryland House Detox was fully staffed and had good staff retention rates, and thus, anticipates recruiting and hiring qualified individuals who formerly worked for Maryland House Detox.

Second, Applicant intends to offer enriched employment benefits and above market salary rates to recruit strong talent. Applicant is developing relationships with several college programs for access to counselors as well as utilizing recruitment strategies at conferences and through the Board of Professional Counselors, the Board of Social Work, and several region-wide organizations such as LCPCM and Maryland Social Workers Association.

TABLES AND EXHIBITS

13. Please explain why Table A shows three lines all marked as first floor of the building and the reason for the italics for one of these lines.

[Applicant Response](#)

Table A includes a separate row for single, double, and triple occupancy rooms in order to clearly distinguish room occupancy for the single and double-occupancy rooms. See **Exhibit 15** for a revised Table A clearly labeling each row by room occupancy type. The italics formatting previously included in the second row was unintentional and has no separate meaning.

- 14. Table C shows an 8.3-day average length of stay for patients. Is this for patients receiving 3.7 care, 3.7 WM care or both?**

[Applicant Response](#)

The 8.3 ALOS is for 3.7WM services. Applicant does not have internal projections or data that would enable it to clearly distinguish between 3.7 and 3.7WM statistics for patient days and average length of stay. Further, Hygea Detox at Camp Meade anticipates that approximately 95% of patients will enter the facility requiring 3.7WM services at the beginning of their stay. Patients will continuously be evaluated and based on complexity and need, the Applicant will determine whether the level 3.7 services will be offered as a stepdown level of care as individuals are being transitioned in the system to lower levels of service that better meet their needs at that time, such as level 3.5 services and below.

- 15. Will the applicant offer any lower level of residential SUD treatment services?**

[Applicant Response](#)

Hygea Detox at Camp Meade does not plan to offer a lower level of residential SUD services at this facility at this time; however, Hygea Healthcare will offer a lower level of SUD residential services at its Hygea at Belair location discussed in response to question 4. Hygea Healthcare is working to develop services within the SUD continuum of care to adequately serve patients' varying needs, including working to develop several projects to establish facilities that will offer level 3.5 and 3.1 services.

- 16. Table D shows no change in inpatient revenue or salaries from 2025 to 2026. Please explain the assumptions whether this should be interpreted to represent no changes in reimbursement rates, or increases in staff salary and benefits over the course of this period?**

[Applicant Response](#)

The inpatient revenue and salaries are projected to remain constant from 2025 to 2026 because inpatient volumes and staffing are projected to remain constant from 2025 to 2026 and the instructions for Table D require that inflation be excluded from the projection.

In TABLE C. STATISTICAL PROJECTIONS - ENTIRE FACILITY in the Hygea Detox at Camp Meade CON application, inpatient discharges are projected to ramp up from 2024 to 2025, but then remain constant at 633 discharges in 2025 and 2026 (See **Exhibit 15**). Similarly, the projected patient days are projected to ramp up from 2024 to 2025, but then remain constant at 5,256 patient days in 2025 and 2026 (See **Exhibit 15**). As volumes remain constant from 2025 to 2026, staffing is also projected to remain constant.

In TABLE D. REVENUES & EXPENSES, UNINFLATED - ENTIRE FACILITY, the instructions state “Table D should reflect current dollars (no inflation)” (See **Exhibit 15**). As such, there are no assumed increases in reimbursement rates or increases in staff salary and benefits. In addition, the payer mix associated with revenue and patient days is also projected to remain constant from 2025 to 2026 as presented in Section 4 of Table D (See **Exhibit 15**).

With no projected increases in volumes, staffing, payer mix, reimbursement rates, or staff salary and benefits, the projections of revenue and salaries are projected to remain constant from 2025 to 2026.

- 17. Will the facility be accepting Medicare or Medicaid patients? If yes, at what percentage of total bed days?**

[Applicant Response](#)

Hygea Detox at Camp Meade does not intend to participate with Medicare or Medicaid. Applicant does expect to treat some Medicaid patients as part of its commitment to provide at least 15% or more of its patient days to indigent and gray area patients, though it will not be reimbursed for such services.

- 18. Provide a clear floorplan showing the layout of the entire facility, the location of the building on the site, the number of beds in each patient room and the sizes of the rooms.**

[Applicant Response](#)

Attached as **Exhibit 16** are additional project drawings issued by the prior architect, Studio 343 (formerly RPH Architecture), who prepared the Maryland House Detox project drawings. The additional drawings include a site plan and a clear floor plan showing the number of beds in each patient room and the sizes of the rooms.

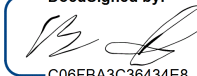
Table of Exhibits

Exhibit	Description
15	Revised MHCC Tables
16	Additional Project Drawings
17	Revised Applicant History Section

I hereby declare and affirm under the penalties of perjury that the facts stated in these Responses to the First Set of Completeness Questions dated July 5, 2023, and its attachments are true and correct to the best of my knowledge, information, and belief.

7/17/2023

Date

DocuSigned by:

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Robby Stempler
Chief Executive Officer
Hygea Detox

I hereby declare and affirm under the penalties of perjury that the facts stated in these Responses to the First Set of Completeness Questions dated July 5, 2023, and its attachments are true and correct to the best of my knowledge, information, and belief.

7/17/2023

Date

DocuSigned by:

Stacy Fruhling

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Stacy Fruhling, MBA, LCPC
Chief Executive Officer and
Executive Clinical Director
Hygea Detox

EXHIBIT 15

TABLE A. PHYSICAL BED CAPACITY BEFORE AND AFTER PROJECT

INSTRUCTIONS: Identify the location of each nursing unit (add or delete rows if necessary) and specify the room and bed count before and after the project in accordance with the definition of physical capacity noted below. Applicants should add columns and recalculate formulas to address rooms with 3 and 4 bed capacity. NOTE: Physical capacity is the total number of beds that could be physically set up in space without significant renovations. This should be the maximum operating capacity under normal, non-emergency circumstances and is a physical count of bed capacity, rather than a measure of staffing capacity. A room with two headwalls and two sets of gasses should be counted as having capacity for two beds, even if it is typically set up and operated with only one bed. A room with one headwall and one set of gasses is counted as a private room, even if it is large enough from a square footage perspective to be used as a semi-private room, since renovation/construction would be required to convert it to semi-private use. If the hospital operates patient rooms that contain no headwalls or a single headwall, but are normally used to accommodate one or more than one patient (e.g., for psychiatric patients), the physical capacity of such rooms should be counted as they are currently used.

Before the Project						After Project Completion					
Service Location (Floor/Wing)	Current Licensed Beds	Based on Physical Capacity				Service Location (Floor/Wing)	Proposed Licensed Beds	Based on Physical Capacity			
		Room Count			Bed Count			Room Count			Bed Count
		Private	Semi-Private	Total Rooms	Physical Capacity			Private	Semi- Private	Total Rooms	Physical Capacity
III.7 AND III.7D						III.7 AND III.7D					
1- Single	0	1	0	1	1	1- Single	1	1	0	1	1
1 - Semi-Private	0	0	3	3	6	1 - Semi-Private	6	0	3	3	6
1 - Triple	0	0	3	3	9	1 - Triple	9	0	3	3	9
				0	0					0	0
				0	0					0	0
Subtotal III.7 AND III.7D	0	1	6	7	16	Subtotal III.7 and III.7 D		1	6	7	16
RESIDENTIAL						RESIDENTIAL					
				0	0					0	0
				0	0					0	0
Subtotal Residential	0	0	0	0	0	Subtotal Residential		0	0	0	0
TOTAL	0	1	6	7	16	TOTAL		1	6	7	16
<i>Other (Specify/add rows as needed)</i>				0	0	<i>Other (Specify/add rows as needed)</i>				0	0
TOTAL OTHER	0	0	0	0	0	TOTAL NON-ACUTE		0	0	0	0
FACILITY TOTAL	0	1	6	7	16	FACILITY TOTAL		1	6	7	16

TABLE B. PROJECT BUDGET

INSTRUCTION: Estimates for Capital Costs (1.a-e), Financing Costs and Other Cash Requirements (2.a-g), and Working Capital Startup Costs (3) must reflect current costs as of the date of application and include all costs for construction and renovation. Explain the basis for construction cost estimates, renovation cost estimates, contingencies, interest during construction period, and inflation in an attachment to the application. If the project involves services other than level III.7 and III.7D explain the allocation of costs between the levels. NOTE: Inflation should only be included in the Inflation allowance line A.1.e. The value of donated land for the project should be included on Line A.1.d as a use of funds and on line B.8 as a source of funds

	Landlord Costs	Tenant/Applicant Costs	TOTAL
A. USE OF FUNDS			
1. CAPITAL COSTS			
a. New Construction			
(1) Building			\$0
(2) Fixed Equipment			\$0
(3) Site and Infrastructure			\$0
(4) Architect/Engineering Fees			\$0
(5) Permits (Building, Utilities, Etc.)			\$0
SUBTOTAL	\$0	\$0	\$0
b. Renovations			
(1) Building	\$9,743	\$34,870	\$44,614
(2) Fixed Equipment (not included in construction)		\$27,310	\$27,310
(3) Architect/Engineering Fees			\$0
(4) Permits (Building, Utilities, Etc.)		\$1,000	\$1,000
SUBTOTAL	\$9,743	\$63,181	\$72,924
c. Other Capital Costs			
(1) Movable Equipment		\$8,857	\$8,857
(2) Contingency Allowance			\$0
(3) Gross interest during construction period			\$0
(4) Other (Specify/add rows if needed)			\$0
SUBTOTAL	\$0	\$8,857	\$8,857
TOTAL CURRENT CAPITAL COSTS	\$9,743	\$72,038	\$81,781
d. Land Purchase			
e. Inflation Allowance			\$0
TOTAL CAPITAL COSTS	\$9,743	\$72,038	\$81,781
2. Financing Cost and Other Cash Requirements			
a. Loan Placement Fees			\$0
b. Bond Discount			\$0
c. CON Application Assistance		\$55,000	
c1. Legal Fees			\$0
c2. Other (Specify/add rows if needed)			
d. Non-CON Consulting Fees			
d1. Legal Fees			\$0
d2. Other (Specify/add rows if needed)			\$0
e. Debt Service Reserve Fund			\$0
i. Other (Specify/add rows if needed)			\$0
SUBTOTAL	\$0	\$55,000	\$55,000
3. Working Capital Startup Costs			\$0
TOTAL USES OF FUNDS	\$9,743	\$127,038	\$136,781
B. Sources of Funds			
1. Cash	\$9,743	\$127,038	\$136,781
2. Philanthropy (to date and expected)			\$0
3. Authorized Bonds			\$0
4. Interest Income from bond proceeds listed in #3			\$0
5. Mortgage			\$0
6. Working Capital Loans			\$0
7. Grants or Appropriations			
a. Federal			\$0
b. State			\$0
c. Local			\$0
8. Other (Specify/add rows if needed)			\$0
TOTAL SOURCES OF FUNDS	\$9,743	\$127,038	\$136,781
	<i>III.7 and III.7D</i>	RESIDENTIAL	TOTAL
Annual Lease Costs (if applicable)			
1. Land			\$0
2. Building		\$193,849	\$193,849
3. Major Movable Equipment			\$0
4. Minor Movable Equipment			\$0
5. Other (Specify/add rows if needed)			\$0

* Describe the terms of the lease(s) below, including information on the fair market value of the item(s), and the number of years, annual cost, and the interest rate for the lease.

TABLE C. STATISTICAL PROJECTIONS - ENTIRE FACILITY

INSTRUCTION: Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.		
				CY 2024	CY 2025	CY 2026
<i>Indicate CY or FY</i>						
1. DISCHARGES						
a. Residential						
b. III.7 and III.7D				465	633	633
c. Other (Specify/add rows of needed)						
TOTAL DISCHARGES	0	0	0	465	633	633
2. PATIENT DAYS						
a. Residential				0	0	0
b. III.7 and III.7D				3,862	5,256	5,256
c. Other (Specify/add rows of needed)				0	0	0
TOTAL PATIENT DAYS	0	0	0	3,862	5,256	5,256
3. AVERAGE LENGTH OF STAY (patient days divided by discharges)						
a. Residential				0.0	0.0	0.0
b. III.7 and III.7D				8.3	8.3	8.3
c. Other (Specify/add rows of needed)				0.0	0.0	0.0
TOTAL AVERAGE LENGTH OF STAY				8.3	8.3	8.3
4. NUMBER OF LICENSED BEDS						
f. Residential				0	0	0
g. III.7 and III.7D				16	16	16
h. Other (Specify/add rows of needed)						
TOTAL LICENSED BEDS	0	0	0	16	16	16
5. OCCUPANCY PERCENTAGE *IMPORTANT NOTE: Leap year formulas should be changed by applicant to reflect 366 days per year.						
a. Residential	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
b. III.7 and III.7D	0.0%	0.0%	0.0%	87.8%	90.0%	90.0%
c. Other (Specify/add rows of needed)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL OCCUPANCY %	0.0%	0.0%	0.0%	87.8%	90.0%	90.0%
6. OUTPATIENT VISITS						
a. Residential						
b. III.7 and III.7D						
c. Other (Specify/add rows of needed)						
TOTAL OUTPATIENT VISITS	0	0	0	0	0	0

* Include beds dedicated to gynecology and addictions, if separate for acute psychiatric unit.

TABLE D. REVENUES & EXPENSES, UNINFLATED - ENTIRE FACILITY

INSTRUCTION : Complete this table for the entire facility, including the proposed project. Table D should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table C and with the costs of Manpower listed in Table G. Manpower. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Specify the sources of non-operating income.

	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.		
				CY 2024	CY 2025	CY 2026
<i>Indicate CY or FY</i>						
1. REVENUE						
a. Inpatient Services				\$ 4,729,520	\$ 6,435,987	\$ 6,435,987
b. Outpatient Services				\$ -	\$ -	\$ -
Gross Patient Service Revenues	\$ -	\$ -	\$ -	\$ 4,729,520	\$ 6,435,987	\$ 6,435,987
c. Allowance For Bad Debt				\$ 94,590	\$ 128,720	\$ 128,720
d. Contractual Allowance				\$ 719,710	\$ 979,389	\$ 979,389
e. Charity Care				\$ 709,428	\$ 965,398	\$ 965,398
Net Patient Services Revenue	\$ -	\$ -	\$ -	\$ 3,205,792	\$ 4,362,480	\$ 4,362,480
f. Other Operating Revenues (Specify/add rows if needed)				\$ -	\$ -	\$ -
NET OPERATING REVENUE	\$ -	\$ -	\$ -	\$ 3,205,792	\$ 4,362,480	\$ 4,362,480
2. EXPENSES						
a. Salaries & Wages (including benefits)				\$ 1,716,827	\$ 2,289,103	\$ 2,289,103
b. Contractual Services				\$ -	\$ -	\$ -
c. Interest on Current Debt				\$ -	\$ -	\$ -
d. Interest on Project Debt				\$ -	\$ -	\$ -
e. Current Depreciation				\$ -	\$ -	\$ -
f. Project Depreciation				\$ -	\$ -	\$ -
g. Current Amortization				\$ -	\$ -	\$ -
h. Project Amortization				\$ -	\$ -	\$ -
i. Supplies				\$ -	\$ -	\$ -
j. Other Expenses (Specify/add rows if needed)				\$ 643,956	\$ 867,373	\$ 867,373
TOTAL OPERATING EXPENSES	# \$ -	\$ -	\$ -	\$ 2,360,783	\$ 3,156,476	\$ 3,156,476
3. INCOME						
a. Income From Operation	# \$ -	\$ -	\$ -	\$ 845,009	\$ 1,206,005	\$ 1,206,005
b. Non-Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SUBTOTAL	\$ -	\$ -	\$ -	\$ 845,009	\$ 1,206,005	\$ 1,206,005
c. Income Taxes				\$ -	\$ -	\$ -
NET INCOME (LOSS)	\$ -	\$ -	\$ -	\$ 845,009	\$ 1,206,005	\$ 1,206,005

TABLE D. REVENUES & EXPENSES, UNINFLATED - ENTIRE FACILITY

INSTRUCTION : Complete this table for the entire facility, including the proposed project. Table D should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table C and with the costs of Manpower listed in Table G. Manpower. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Specify the sources of non-operating income.

	Two Most Recent Years (Actual)	Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.			
4. PATIENT MIX						
a. Percent of Total Revenue						
1) Medicare						
2) Medicaid						
3) Blue Cross			67.5%	67.5%	67.5%	
4) Commercial Insurance			32.5%	32.5%	32.5%	
5) Self-pay						
6) Other						
TOTAL	#	0.0%	0.0%	100.0%	100.0%	100.0%
b. Percent of Equivalent Inpatient Days						
1) Medicare						
2) Medicaid						
3) Blue Cross			70.0%	70.0%	70.0%	
4) Commercial Insurance			15.0%	15.0%	15.0%	
5) Self-pay						
6) Other			15.0%	15.0%	15.0%	
TOTAL	#	0.0%	0.0%	100.0%	100.0%	100.0%

**Hygea Detox at Camp Meade
Projected Revenue and Expense Assumptions**

	CY2024 (9 Mo)	CY2025	CY2026
STATISTICS			
Average Daily Census	14.0	14.4	14.4
Days in Period	275	365	365
PAYOR MIX OF PATIENT DAYS			
Carefirst BCBS	70.0%	70.0%	70.0%
UHC/Optum/Oxford	5.0%	5.0%	5.0%
Cigna	5.0%	5.0%	5.0%
Aetna	5.0%	5.0%	5.0%
Indigent	15.0%	15.0%	15.0%
Total	100.0%	100.0%	100.0%
REVENUE			
Gross Revenue per Day	\$ 1,225	\$ 1,225	\$ 1,225
Deduction % of Gross Revenue			
Allowance For Bad Debt	2.0%	2.0%	2.0%
Contractual Allowance	15.2%	15.2%	15.2%
Charity Care	15.0%	15.0%	15.0%
Net Patient Service Revenue	67.8%	67.8%	67.8%
Net Revenue per Day	\$ 830	\$ 830	\$ 830
PAYOR MIX % OF REVENUE			
Carefirst BCBS	67.5%	67.5%	67.5%
UHC/Optum/Oxford	12.0%	12.0%	12.0%
Cigna	15.1%	15.1%	15.1%
Aetna	5.4%	5.4%	5.4%
Indigent	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%
EXPENSES			
Salaries & Wages (including benefits)	* * * * * See G. Work Force tab * * * * *		

**Hygea Detox at Camp Meade
Projected Revenue and Expense Assumptions**

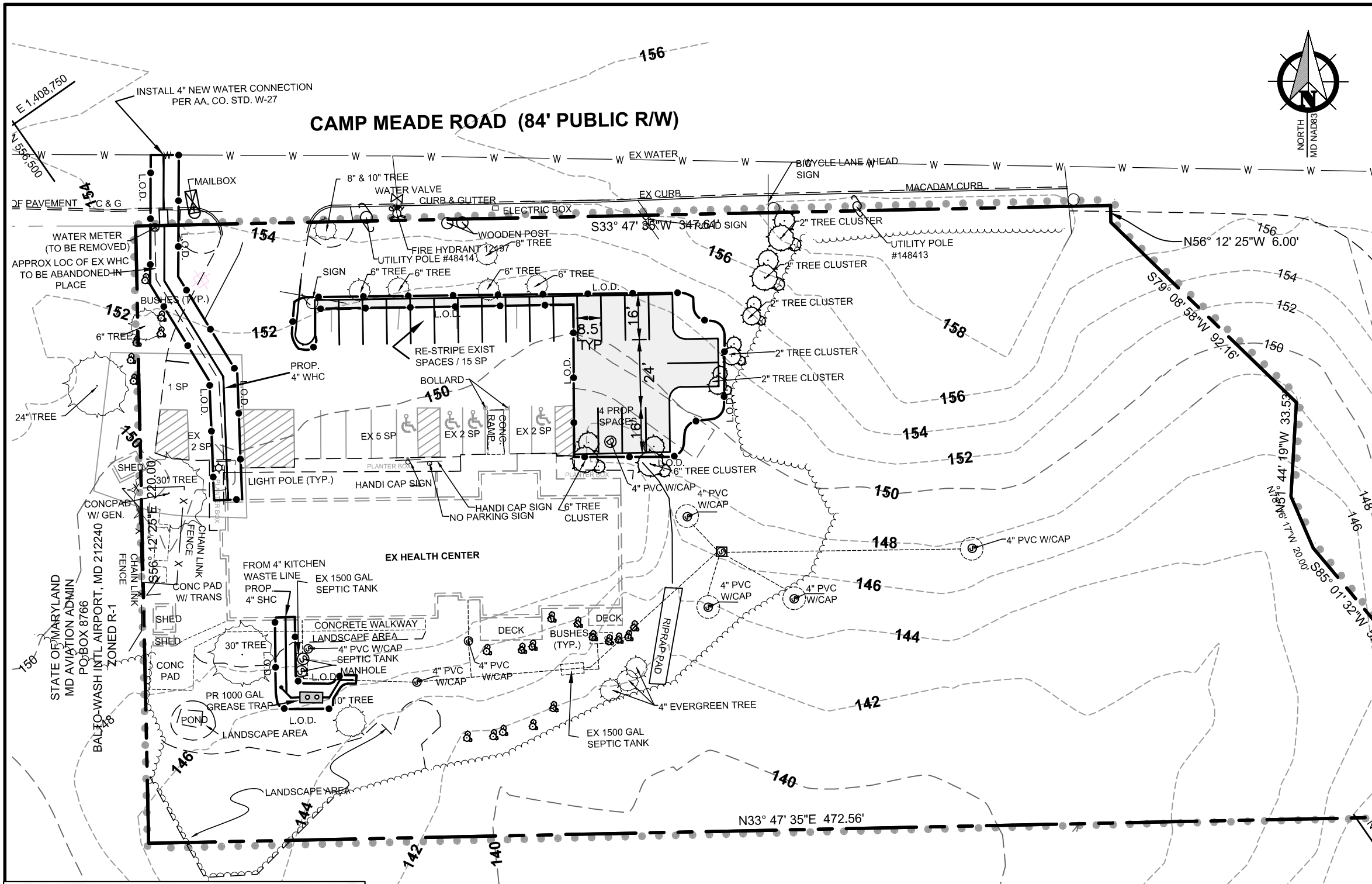
	CY2024 (9 Mo)	CY2025	CY2026
EXPENSES (continued)			
Other Expenses			
Property Expense			
Rent Payment	\$ 145,387	\$ 193,849	\$ 193,849
Property Taxes	\$ 6,000	\$ 8,000	\$ 8,000
Property Insurance	\$ 7,500	\$ 10,000	\$ 10,000
Property Management	\$ 9,000	\$ 12,000	\$ 12,000
Repairs and Maint (CAM)	\$ 12,960	\$ 17,280	\$ 17,280
Subtotal Property Expense	\$ 180,847	\$ 241,129	\$ 241,129
Utilities			
Gas/Electric/Water/Sewer	\$ 36,000	\$ 48,000	\$ 48,000
Phone/Internet/Cable	\$ 2,700	\$ 3,600	\$ 3,600
Subtotal Utilities	\$ 38,700	\$ 51,600	\$ 51,600
Vehicle Expense			
Auto-Fuel/Gas	\$ 5,400	\$ 7,200	\$ 7,200
Auto-Lease/Finance	\$ 9,000	\$ 12,000	\$ 12,000
Auto-Maintenance/Repairs	\$ 1,350	\$ 1,800	\$ 1,800
Subtotal Vehicle Expense	\$ 15,750	\$ 21,000	\$ 21,000
Office Supplies, Software and IT Support	\$ 45,000	\$ 60,000	\$ 60,000
Business Insurance	\$ 9,000	\$ 12,000	\$ 12,000
Other Employee Expense			
Hiring / Training	\$ 4,500	\$ 6,000	\$ 6,000
Payroll/HR fees and portals	\$ 9,000	\$ 12,000	\$ 12,000
Workers' Compensation Insurance	\$ 15,750	\$ 21,000	\$ 21,000
Subtotal Other Employee Expense	\$ 29,250	\$ 39,000	\$ 39,000
Client Expenditures			
Client Expenses	\$ 9,000	\$ 12,000	\$ 12,000
Client Food	\$ 96,560	\$ 131,400	\$ 131,400
Client Medical	\$ 9,000	\$ 12,000	\$ 12,000
Subtotal Client Expenditures	\$ 114,560	\$ 155,400	\$ 155,400
Client Incidentals	\$ 50,560	\$ 69,120	\$ 69,120
Billing Expense	\$ 160,290	\$ 218,124	\$ 218,124
Total Other Expenses	\$ 643,956	\$ 867,373	\$ 867,373

TABLE G. WORKFORCE INFORMATION

<i>INSTRUCTION</i> : List the facility's existing staffing and changes required by this project. Include all major job categories under each heading provided in the table. The number of Full Time Equivalents (FTEs) should be calculated on the basis of 2,080 paid hours per year equals one FTE. In an attachment to the application, explain any factor used in converting paid hours to worked hours. Please ensure that the projections in this table are consistent with expenses provided in uninflated projections in Tables F and G.											
Job Category	CURRENT ENTIRE FACILITY			PROJECTED CHANGES AS A RESULT OF THE PROPOSED PROJECT THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)			OTHER EXPECTED CHANGES IN OPERATIONS THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)			PROJECTED ENTIRE FACILITY THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS) *	
	Current Year FTEs	Average Salary per FTE	Current Year Total Cost	FTEs	Average Salary per FTE	Total Cost (should be consistent with projections in Table D, if submitted).	FTEs	Average Salary per FTE	Total Cost	FTEs	Total Cost (should be consistent with projections in Table D)
1. Regular Employees											
<i>Administration (List general categories, add rows if needed)</i>											
Executive Director			\$0	1.00	\$140,000	\$140,000			\$0	1.00	\$140,000
Medical Director			\$0	0.50	\$250,000	\$125,000			\$0	0.50	\$125,000
Clinical / BHT Supervisor			\$0	1.00	\$80,000	\$80,000			\$0	1.00	\$80,000
Facilities / Program Director			\$0	1.00	\$50,000	\$50,000			\$0	1.00	\$50,000
Case Management			\$0	2.00	\$45,000	\$90,000			\$0	2.00	\$90,000
Detox Counselor			\$0	2.00	\$65,000	\$130,000			\$0	2.00	\$130,000
SA Counselor			\$0	0.00	\$65,000	\$0			\$0	-	\$0
Business Development			\$0	2.00	\$75,000	\$150,000			\$0	2.00	\$150,000
Administrative Aide			\$0	0.00	\$45,000	\$0			\$0	-	\$0
Total Administration			\$0	9.50	\$80,526	\$765,000			\$0	9.50	\$765,000
<i>Direct Care Staff (List general categories, add rows if needed)</i>											
Director of Nursing			\$0	1.00	\$100,000	\$100,000			\$0	1.00	\$100,000
Psychiatrist			\$0	0.25	\$250,000	\$62,500			\$0	0.25	\$62,500
Mental Health Therapist			\$0	0.00	\$65,000	\$0			\$0	-	\$0
RN			\$0	2.50	\$85,000	\$212,500			\$0	2.50	\$212,500
LPN			\$0	3.00	\$70,000	\$210,000			\$0	3.00	\$210,000
Nurse Practitioner			\$0	1.00	\$110,000	\$110,000			\$0	1.00	\$110,000
BHT Supervisor / Lead			\$0	1.00	\$45,000	\$45,000			\$0	1.00	\$45,000
BHT			\$0	6.00	\$40,000	\$240,000			\$0	6.00	\$240,000
Social Worker			\$0	0.00	\$70,000	\$0			\$0	-	\$0
Total Direct Care			\$0	14.75	\$66,441	\$980,000			\$0	14.75	\$980,000
<i>Support Staff (List general categories, add rows if needed)</i>											
Billing Specialist			\$0	0.00	\$42,000	\$0			\$0	-	\$0
Driver			\$0	1.00	\$35,000	\$35,000			\$0	1.00	\$35,000
Housekeeper			\$0	1.00	\$35,000	\$35,000			\$0	1.00	\$35,000
Head Cook			\$0	1.00	\$50,000	\$50,000			\$0	2.00	\$50,000
Assistant Cook			\$0	2.00	\$40,000	\$80,000			\$0	1.00	\$80,000
Maintenance Specialist			\$0	1.00	\$40,000	\$40,000			\$0	1.00	\$40,000
Total Support			\$0	6.00	\$40,000	\$240,000			\$0	6.00	\$240,000
REGULAR EMPLOYEES TOTAL			\$0	30.25	\$65,620	\$1,985,000			\$0	30.25	\$1,985,000

Job Category	CURRENT ENTIRE FACILITY			PROJECTED CHANGES AS A RESULT OF THE PROPOSED PROJECT THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)			OTHER EXPECTED CHANGES IN OPERATIONS THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)			PROJECTED ENTIRE FACILITY THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS) *	
	Current Year FTEs	Average Salary per FTE	Current Year Total Cost	FTEs	Average Salary per FTE	Total Cost (should be consistent with projections in Table D, if submitted).	FTEs	Average Salary per FTE	Total Cost	FTEs	Total Cost (should be consistent with projections in Table D)
2. Contractual Employees											
Administration (List general categories, add rows if needed)											
Pharmacies			\$0			\$0			\$0	-	\$0
Billing Services			\$0			\$0			\$0	-	\$0
Food			\$0			\$0			\$0	-	\$0
Transportation Staff			\$0			\$0			\$0	-	\$0
Total Administration			\$0			\$0			\$0	-	\$0
Direct Care Staff (List general categories, add rows if needed)											
			\$0			\$0			\$0	-	\$0
			\$0			\$0			\$0	-	\$0
			\$0			\$0			\$0	-	\$0
			\$0			\$0			\$0	-	\$0
Total Direct Care Staff			\$0			\$0			\$0	-	\$0
Support Staff (List general categories, add rows if needed)											
			\$0			\$0			\$0	-	\$0
			\$0			\$0			\$0	-	\$0
			\$0			\$0			\$0	-	\$0
			\$0			\$0			\$0	-	\$0
Total Support Staff			\$0			\$0			\$0	-	\$0
CONTRACTUAL EMPLOYEES TOTAL			\$0			\$0			\$0	-	\$0
Benefits (State method of calculating benefits below):											
Assume 15% for employer portion of gross wages for payroll taxes and unemployment insurance plus the cost of employer-sponsored health insurance to all full-time staff.			\$0			\$304,103			\$0		\$304,103
TOTAL COST	0.0		\$0	30.25		\$2,289,103	0.0		\$0		\$2,289,103

EXHIBIT 16

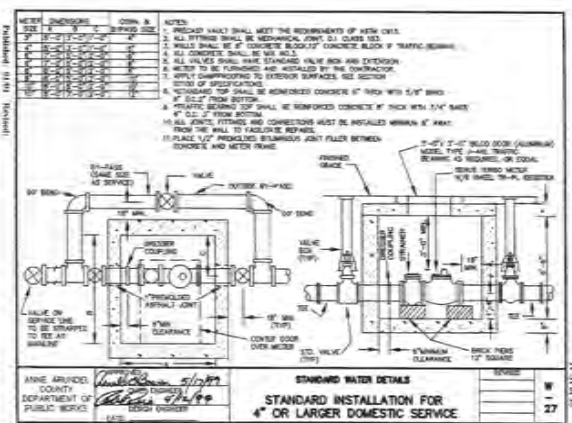


ADC PERMITTED USE NUMBER 21003176
VICINITY MAP
 SCALE: 1"=2,000'

SITE DATA	
PROPERTY ADDRESS:	817 CAMP MEADE ROAD LINTHICUM, MARYLAND 21090
OWNER ADDRESS:	MARYLAND HEALTH CARE REAL ESTATE LLC 10604 TRAIL ROAD COOPER CITY, FLA 33328 (C/O) RYAN COLLISION
TAX MAP:	4 GRID: 15 PARCEL 600
ASSESSMENT DISTRICT:	5
TAX ACCOUNT NUMBER:	5000-9006-6856
EXISTING ZONING:	C-3 PROPOSED ZONING: C-3
FEMA RATE MAP NUMBER:	24003C0033E 10/12/2012
FEMA RATE MAP ZONE:	ZONE X
CRITICAL AREA MAP:	N/A
CRITICAL AREA DESIGNATION:	N/A
WATER SHED:	LITTLE PATUXENT
EXISTING USE:	COMMERCIAL PROPOSED USE: COMMERCIAL
TOTAL SITE AREA:	91,778 SF. 2.10 AC.
LIMIT OF DISTURBANCE:	4997 SF. 0.10 AC.

PARKING CALCULATIONS
 13 EXISTING SPACES
 21 PROPOSED SPACES
 34 TOTAL SPACES

SCALE: 1" = 40'



MESSICK & ASSOCIATES
 CONSULTING ENGINEERS,
 PLANNERS AND SURVEYORS

MSA

2120 RENARD COURT
 ANNAPOLIS, MARYLAND 21401
 (410) 266-3212 * FAX (410) 266-3502
 email: info@messickandassociates.com

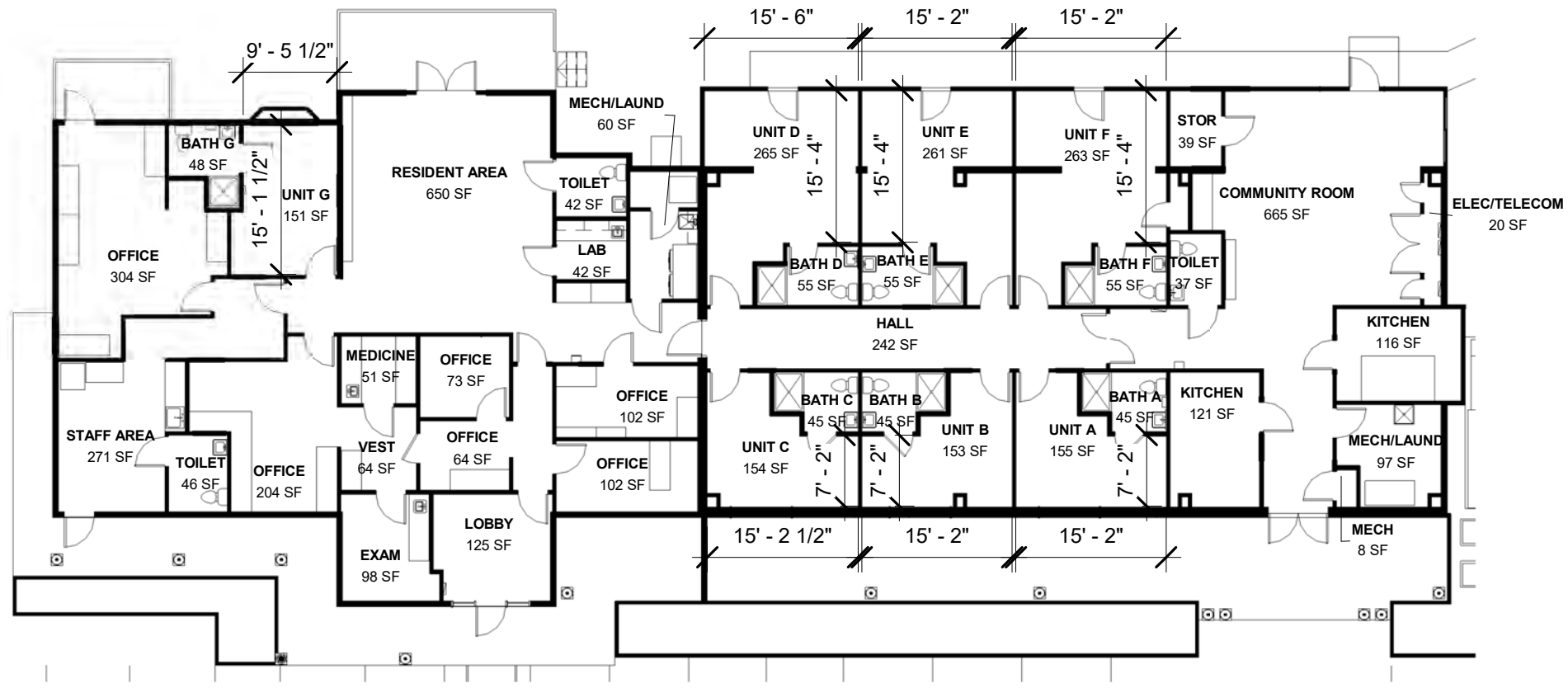
* MESSICK GROUP, INC. T/A MESSICK AND ASSOCIATES

OWNER / DEVELOPER
 MARYLAND HEALTH CARE ESTATE, LLC
 817 CAMP MEADE ROAD
 LINTHICUM, MD 21090

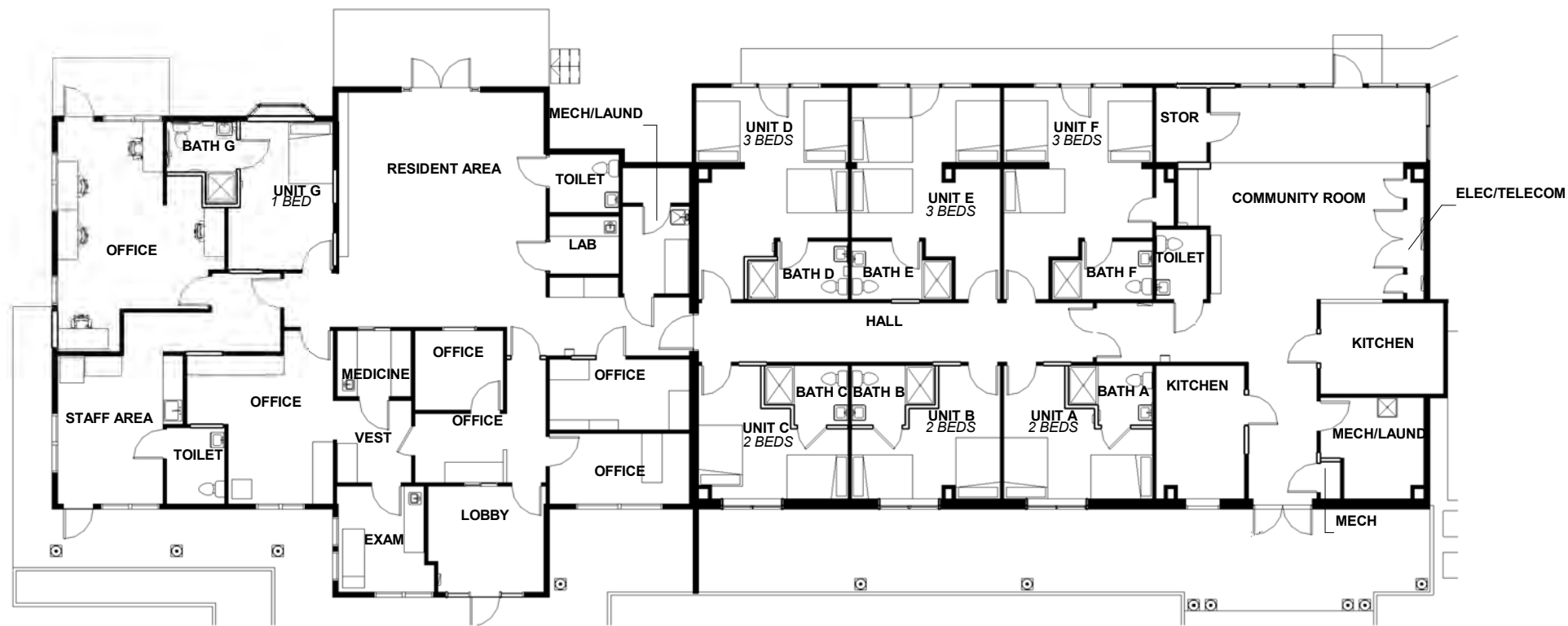
SITE PLAN TO ACCOMPANY BUILDING PERMIT

MARYLAND HOUSE DETOX

TAX MAP: 4 GRID: 15 PARCEL: 600
 5TH ASSESSMENT DISTRICT ANNE ARUNDEL COUNTY, MARYLAND (21090)
 SCALE: AS SHOWN DATE: JULY, 2016 SHEET: 1 OF 1



① FLOOR PLAN
 1/16" = 1'-0"



② FURNITURE PLAN
 1/16" = 1'-0"

HYGEA DETOX
 817 S. CAMP MEADE RD
 LINTHICUM, MD

MHCC APPLICATION
 PLANS
 DATE 7/17/23
 PROJECT # 15043

FLOOR PLANS

A100

EXHIBIT 17

PART III - APPLICANT HISTORY, STATEMENT OF RESPONSIBILITY, AUTHORIZATION AND RELEASE OF INFORMATION, AND SIGNATURE

List names and addresses of all owners and individuals responsible for the proposed project.

Robby Stempler, 400 Redland Court, Suite 102, Owings Mills, Maryland 21117

1. Is any applicant, owner, or responsible person listed above now involved, or has any such person ever been involved, in the ownership, development, or management of another health care facility? If yes, provide a listing of each such facility, including facility name, address, the relationship(s), and dates of involvement.

Yes. Robby Stempler has been the CEO and Owner of Malibu Detox, LLC from November 2016 through present. Malibu Detox, LLC has three locations:

22766 Saddle Peak Rd, Topanga, CA 90290

21965 Saddle Peak Rd, Topanga, CA 90290

501 Sadie Rd, Topanga, CA 90290

7212 Birdview Avenue, Malibu, CA 90265

7214 Birdview Avenue, Malibu, CA 90265

Each location is accredited by The Joint Commission and licensed by the California Department of Health Care Services.

In addition, Robby Stempler has been the owner and CEO of Hygea Detox, Inc. from December 2020 through present. Hygea Detox, Inc. is an adult ICF facility that is expected to open in the first quarter of 2024 and will be located at 1210 Middle River Road, Baltimore, Maryland 21237.

-
2. In the last 5 years, has the Maryland license or certification of the applicant facility, or the license or certification from any state or the District of Columbia of any of the facilities listed in response to Question 2, above, ever been suspended or revoked, or been subject to any disciplinary action (such as a ban on admissions) ? If yes, provide a written explanation of the circumstances, including the date(s) of the actions and the disposition. If the applicant(s), owners, or individuals responsible for implementation of the Project were not involved with the facility at the time a suspension, revocation, or disciplinary action took place, indicate in the explanation.

No

-
3. Other than the licensure or certification actions described in the response to Question 3, above, has any facility with which any applicant is involved, or has any facility with which any applicant has in the past been involved (listed in response to Question 2, above) ever received inquiries from a federal or any state authority, the Joint Commission, or other regulatory body

regarding possible non-compliance with Maryland, another state, federal, or Joint Commission requirements for the provision of, the quality of, or the payment for health care services that have resulted in actions leading to the possibility of penalties, admission bans, probationary status, or other sanctions at the applicant facility or at any facility listed in response to Question 2? If yes, provide, for each such instance, copies of any settlement reached, proposed findings or final findings of non-compliance and related documentation including reports of non-compliance, responses of the facility, and any final disposition or conclusions reached by the applicable authority.

No

4. Has any applicant, owner, or responsible individual listed in response to Question 1, above, ever pled guilty to, received any type of diversionary disposition, or been convicted of a criminal offense in any way connected with the ownership, development, or management of the applicant facility or any of the health care facilities listed in response to Question 2, above? If yes, provide a written explanation of the circumstances, including as applicable the court, the date(s) of conviction(s), diversionary disposition(s) of any type, or guilty plea(s).

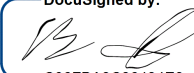
No

One or more persons shall be officially authorized in writing by the applicant to sign for and act for the applicant for the project which is the subject of this application. Copies of this authorization shall be attached to the application. The undersigned is the owner(s), or Board-designated official of the applicant regarding the project proposed in the application.

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.

7/17/2023

Date

DocuSigned by:

C06FBA3C36434E8...

C.E.O., Hygea Detox at Camp Meade, LLC
Title

Robby Stempler
Printed Name