MARYLAND HEALTH CARE COMMISSION

Certificate of Need

TO: Mark Gold, President Amatus Health, LLC 1825 Woodlawn Drive Baltimore, MD 21207 March 19, 2020 (Date)

RE: Baltimore Detox Center Establish 24 bed Level 3.7-WM Medically Monitored Intensive Inpatient Withdrawal Management (Detoxification) Program in Woodlawn, Maryland <u>18-03-2419</u> (Docket No.)

PROJECT DESCRIPTION

This Certificate of Need authorizes Baltimore Detox Center (BDC) to establish a new Track One Intermediate Care Facility ("ICF") in Woodlawn, Baltimore County. The proposed program will operate 24 adult detoxification beds at Level 3.7-WM, Medically Monitored Intensive Inpatient Withdrawal Management (Detoxification) program at 1825 Woodlawn Drive.

The total project cost to renovate this space is \$585,982, with \$285,982 for the cost of renovations to the building for patient rooms and a nursing station and the purchase of beds and furnishings for the proposed program, about \$75,000 in CON application and legal fees, and around \$225,000 in working capital start-up costs to cover expenses that include payroll, lease, equipment, and other operational expenses. The applicant will finance the entire cost of this project with cash.

<u>ORDER</u>

The Maryland Health Care Commission reviewed the Staff Report and Recommendation and, based on that analysis and the record in the review, ordered on March 19, 2020 that a Certificate of Need filed by Baltimore Detox Center to establish a new Track One Intermediate Care Facility with 24 beds for a Level 3.7-WM Medically Monitored Intensive Inpatient Withdrawal Management (Detoxification) Program, at 1825 Woodlawn Drive in Woodlawn, Maryland, at a total cost of \$585,982 is hereby approved with the following conditions:

1. Baltimore Detox Center shall provide a minimum of 15% of patient days of care to indigent and gray area patients, as defined at COMAR 10.24.14.08B(9) & (11) and shall document the provision of such charity care by submitting annual reports auditing its total days of care and the provision of days of care to indigent and gray area patients as a percentage of total days of care. Such audit reports

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shall be submitted to the Commission following each BDC fiscal year, from the project's inception and continuing for five years thereafter.

- 2. Baltimore Detox Center must receive preliminary accreditation by the Commission on the Accreditation of Rehabilitation Services ("CARF") prior to receipt of First Use Approval and must timely receive final accreditation by CARF.
- 3. Baltimore Detox Center shall provide written transfer and referral agreements with the following entities or organizations prior to first use approval: acute care hospitals; halfway houses, therapeutic communities, long-term care facilities, and local alcohol and drug abuse intensive and other outpatient programs; local community mental health center or center(s); Baltimore County's mental health and alcohol and drug abuse authorities; the Behavioral Health Administration; and Baltimore County's agencies that provide prevention, education, driving-while-intoxicated programs, family counseling, and other services.
- 4. Baltimore Detox Center shall provide written referral agreements with outpatient alcohol and drug abuse programs that meet the requirements of (1) through (4) of COMAR 10.24.14.05O.

PERFORMANCE REQUIREMENTS

In accordance with COMAR 10.24.01.12C(3)(c), this project is subject to the following performance requirements:

- 1. Obligation of not less than 51 percent of the approved capital expenditure, as documented by a binding construction contract, within 18 months of the date of this Certificate of Need;
- 2. Initiation of construction no later than four months after the effective date of the binding construction contract; and
- 3. Documentation that the approved project has been completed, has been licensed, and has met all legal requirements and is providing the approved services no later than 18 months after the effective date of the binding construction contract.

CHANGES TO THE APPROVED PROJECT

Before making any changes to the facts in the Certificate of Need application approved by the Commission, Baltimore Detox Center must notify the Commission in writing and receive Commission approval of each proposed change, including the obligation of any funds above those approved by the Commission in this Certificate of Need, in accordance with COMAR 10.24.01.17. Pursuant to COMAR 10.24.01.17B(2), the project cannot incur capital cost increases that exceed

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the approved capital cost, inflated by an amount determined by applying the Engineering News Record Building Cost Index published on a quarterly basis by Global Insight in *Health-Care Cost Review*, unless it obtains a modification of this Certificate of Need from the Commission. Instructions for determining the threshold that necessitates Commission review and approval of changes to the capital cost approved in this Certificate of Need are located on the Commission's website: http://mhcc.maryland.gov/certificateofneed/mdreginflation.pdf.

DESIGN APPROVAL AND FACILITIES LICENSURE BY DHMH

This CON does not constitute a license or replace any approvals required by the Office of Health Care Quality or others within the Department of Health and Mental Hygiene ("DHMH"). Baltimore Detox Center must provide OHCQ and DHMH with all information required for plan approval and facility licensure, including information pertaining to project design and specifications required for a general hospice and for a hospice house.

QUARTERLY STATUS REPORTS

Baltimore Detox Center must submit quarterly status reports to the Commission, beginning June 19, 2020, three months from the date of this Certificate of Need, and continuing, at three-month intervals, until the completion of the project.

REQUEST FOR FIRST USE REVIEW

Baltimore Detox Center must request a first use review of the Track One Intermediate Care Facility from the Commission and the Office of Health Care Quality, including providing proof of Medicare certification. Such request must be in writing, must specify the anticipated date of first use, and must be received not less than 60 days but not more than 120 days before the first use.

The Commission will review the request in consultation with the Office of Health Care Quality, as provided in COMAR 10.24.01.18, to determine whether the project conforms to this Certificate of Need. First use approval does not constitute a license or replace any approvals required by OHCQ or others within DHMH to operate a health care facility. Therefore, Baltimore Detox Center should assure that OHCQ is notified of the imminent completion of the project and should arrange for completion of any inspections and or approvals required by OHCQ in a timely manner. First use approval remains in effect for 90 days. If first use of the a new Track One Intermediate Care Facility with 24 beds for a Level 3.7-WM Medically Monitored Intensive Inpatient Withdrawal Management (Detoxification) Program does not occur within 90 days of approval, Baltimore Detox Center shall reapply for first use approval.

ACKNOWLEDGEMENT OF RECEIPT OF CERTIFICATE OF NEED

Acknowledgement of your receipt of this Certificate of Need, stating acceptance of its terms and conditions, is required within thirty (30) days.

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MARYLAND HEALTH CARE COMMISSION

Ben Steppen

Ben Steffen Executive Director

cc: Patricia T. Nay, M.D., Executive Director, Office of Health Care Quality Will Andalora, Office of Capital Planning, Budgeting, and Engineering Services, DHMH Gregory Wm. Branch, M.D., Health Officer, Baltimore County