



December 16, 2025

Via E-mail

Amon Chafukira, Program Coordinator
Quality One Care Home Health, Inc.
9221 Colesville Road
Silver Spring, MD 20910

Re: Consolidated CON Application to Establish a Home Health Agency in Baltimore City,
Baltimore County, and Howard County
Matter # 25-R2-2476, Baltimore City
Matter # 25-R2-2477, Baltimore County
Matter # 25-R2-2478, Howard County

Dear Mr. Chafukira:

Commission staff has reviewed the above-mentioned consolidated application for Certificate of Need (CON) approval to establish a new home health agency (HHA) to serve the following three jurisdictions: Baltimore City, Baltimore County, and Howard County. Staff found the application incomplete and, accordingly, requests that you provide responses to the following questions:

Part I – Project Identification and General Information

1. Please clarify the project description in response to item #11 focusing on explaining the HHA services that are planned to be offered. It seems you are describing that your current RSA Level Three license (Quality One Care Home Health, Inc.) will expand to also be providing HHA services?

2. Please review the organization chart in exhibit one for the proposed new HHA, Quality One Care Home Health, Inc. (QOC)¹, and explain how the HHA organizational chart relates to the existing Quality One Care RSA.
3. If it is the same chart as for the RSA, explain how QOC will manage the new services to be provided as a new home health agency. Verify if the same nursing personnel, administrative staff will be used for both organizations.
4. Your application states “QOC’s transition from an RSA to a Medicare-certified Home Health Agency aligns its payer participation with Maryland’s demonstrated utilization patterns and ensures broad financial accessibility.” (Table B-2D), The RSA and HHA will be two separately licensed entities, define what you mean by transition?
5. Please describe in detail the time frame for becoming licensed and certified and compliance with the 18-month time frame required by COMAR 10.24.01.12C.(1)(d).

Part II – Consistency with Review Criteria at COMAR 10.24.01.08G(3)

10.24.01.08G(3)(a). “The State Health Plan” Review Criterion

An application for a Certificate of Need shall be evaluated according to all relevant State Health Plan standards, policies, and criteria. (Note: HHA CON review standards are found in COMAR 10.24.16.08).

Note: 10.24.16.05B states, “Jurisdictions with a total population size of 300,000 or more will not be combined with other jurisdictions to create regional service areas.” As a result, all jurisdictional information must be submitted in a way that stands alone, and not combined into one population.

Populations and Services

¹ The proposed new HHA will be a distinct licensed entity separate from the existing Quality One Home Care RSA. License R3057. This project is for the establishment of a new HHA, and not for the expansion of an RSA license.



6. Please describe how the four new services—Physical Therapy Occupational Therapy, Speech Therapy, and Medical Social Services—in addition to the two existing services of the RSA [nursing and home health aides] will be implemented and integrated to provide quality client care.
7. Describe in detail how the new services will meet the needs of each jurisdiction.
8. Provide the information in Tables B-2A, 2B, 2C, by jurisdiction, and not combined. Provide responses regarding the demographic information which is reflective of each jurisdiction, and not the combined area.
9. Provide your proposed HHA admissions policy, describing the admission criteria along with the type of populations and services to be provided. Clearly identify which staff person(s) would be responsible for admissions.

Financial Accessibility

The applicant states that the financial team will assist clients with coverage options. What payment assistance resources are available outside of Medicaid and Medicare?

Fees and Time Payment Plan

10. Table D states the fees are from Table 20 of the Home Health Survey. MHCC staff finds that table to be: “Percent Distribution of Home Health Visits by Jurisdiction of Residence, Payment Source and Geographic Region.” The service type is not included in the table. Please explain how this fee was calculated and show the calculations for each jurisdiction.

Charity Care and Sliding Fee Scale

11. Please describe the process used, in question E(1), to determine probable eligibility for charity care. In your response, address: how requests are made (orally or in writing) and the required documentation.
 - a. Is a preliminary determination made within two days, with final determination made upon a complete application? If so, describe where in Exhibit 4, the Charity Care & Sliding Fee Scale Policy, it states that a preliminary determination is made within two days.



- b. Clarify how such documentation forms are similar or different than in the complete information used in making the final determination.
12. Please provide a copy of your proposed Public Notice, consistent with your charity care and reduced fee policies.
13. Question E(2): The applicant states that notices outlining eligibility criteria, application procedures, and available financial assistance will be posted prominently in QOC's administrative office and client facing areas. Given that an HHA is a home-based service and clients are primarily referred from medical settings, it is unlikely that clients will visit the administrative office directly. What specific "client-facing areas" are being referenced, and how will these postings effectively reach clients who do not typically come into the office?
14. The application form (Exhibit 4E) provided for determination of eligibility for charity care contains a question about the citizenship status of an applicant. The Commission does not accept forms containing this question. Please provide an application form that does not ask about citizenship status.
15. What protocol is followed when client needs exceed the charity care allotment, given QOC's stated commitment to providing services regardless of ability to pay?

Financial Feasibility -

16. Explain how competitive QOC will be with the existing Home Health Agencies that provide a greater volume of comprehensive home health care services..
17. The copy of your HHA admission and discharge policy; Exhibit 12, refers to western Maryland, and not the three jurisdictions in the application. Please provide corrected policies
18. Provide a more complete description of all assumptions that "fed" the revenue and expense tables, and the rationale behind those assumptions.
19. For the project Budget, what is included in "other" costs.
20. MHCC staff have several questions regarding the budget for staffing.



- a. It appears that the budget for salaries does not match the FTE level of staffing proposed. The information requested in the Excel CON table set, Table L, should help correct this discrepancy.
- b. Trained coders for OASIS and HHCAHPS data collection and submissions to CMS are required, please explain why is there no coder included in the staffing projections?
- c. Explain how the Home Health Aide staffing of 0.75 FTE is sufficient to provide the estimated hours of services to 3 counties.
- d. The application shows an incremental increase in the FTE of physical therapists that will be hired/contracted. Please describe the hiring process for these individuals?
- e. Is transportation time included in the calculation of FTEs needed to serve this population?

21. Has the need for contractual part-time staff been included in the project budget and how will that need impact the budget?

22. Please include an analysis of the average number of visits that are expected to be provided to a client for each service line, and how that compares with existing providers in the region.

Financial Solvency

23. The information submitted in the financial statements for the existing RSA operations indicate net income has declined over each of the past three years. The totals are:

Summary of the Financial Statements

Income/Expense	Jan - Dec 2	Jan - Dec 23	Jan - Dec 24	Change 22-24	% Change 2022-24
Total Revenue	\$ 13,840,361	\$ 16,482,073	\$ 17,235,327	\$ 3,394,966	24.5%
Total COGS	\$ 11,268,518	\$ 14,654,754	\$ 16,167,562	\$ 4,899,044	43.5%
Net Revenue	\$ 2,571,843	\$ 1,827,319	\$ 1,067,764	\$ (1,504,079)	-58.5%
Total Expense	\$ 1,268,513	\$ 1,484,322	\$ 1,609,106	\$ 340,593	26.8%
Net Income(Loss)	\$ 1,303,330	\$ 342,997	\$ (541,342)	\$ (1,844,672)	-141.5%

- a. While revenue increased by over 24 percent, cost of goods sold increased by over 43 percent, yielding a decline in revenue between 2022 to 2024 of over 58 percent. Based on the declining income from operations, what resources



does QOC have to sustain the additional startup costs in developing and providing a new service?

- b. The net operating margin percentage declined from +51 percent in 2022 to -51 percent in 2024. The net profit of the new service is less than \$80,000, with a loss in the most recent year of over \$500,000. What plans does QOC have to increase revenue (charges) yet remain competitive in the market?
- c. Is QOC planning on taking on any debt to finance the expansion of its operations, or financing from cash on hand?

24. What is your understanding of:

- a. How CMS uses enhanced oversight, including potential payment delays and/or holds via the Provisional Period of Enhanced Oversight (PPEO) for new home health agencies (HHAs), and
- b. How CMS links quality reporting non-compliance directly to payment reductions (Annual Payment Update - APU), affecting new HHA cash flow and reimbursement.
- c. How new HHAs face heightened scrutiny (like pre-payment reviews) for fraud and waste during the PPEO (30 days to 1 year), and risk losing a portion of their annual payment if they fail the Home Health Quality Reporting Program (HHQRP).

25. Given the CMS policy regarding new HHAs, are the cash reserves that QOC has available sufficient to cover the initial PPEO time period from CMS which will delay Medicare payments for services provided?

Linkages with Other Service Providers

26. Identify the formal linkages and relationships that will lead to contracting any services.
- a. Are there any written cooperation agreements in place? If so, please provide the agreements.
 - b. If not, do you have a list of organizations where QOC plans to develop formal linkages and relationships for contracted services? Please provide this information.

10.24.01.08G(3)(c). Alternatives:



27. Please provide a more complete analysis of other alternatives (i.e., expansion of existing providers, retaining designation of RSA, etc.) to achieve the goals of the project.
28. Provide the strategy to be used to recruit part-time home health aides.
29. Explain why the existing HHA providers do not have the capacity to serve the existing client population.

10.24.01.08G(3)(d) Project Financial Feasibility and Facility or Program Viability

30. The required CON Table Package files were not completed. Please provide Tables F, G, I and J. Include table L for both the existing FTEs of the RSA and the change due to the addition of the HHA employees. The tables are available from: https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/documents/con_hospital_application_table_package_20170501.xlsx. These files should be submitted in Excel. In the discharges and revenue category, replace the two lines with medical surgical and ICU/CCU services, or inpatient or outpatient services, with the total volume or revenue for the total for home health services.
31. For the revenue and expense statements submitted from 2022 through 2024, explain:
 - a. the change in net income from a profit of \$1,207,850 in 2022 to a loss of (546,779) in 2024,
 - b. The decline in volumes over the period,
 - c. The plan to return the existing services to a profit to sustain the new services.

10.24.01.08G(3)(g) Health Equity

32. Provide the source for this statement “Home health access disparities remain significant across the tri-county region, particularly among dual-eligible adults, low-income older adults, Black and Latino residents, and individuals with chronic or behavioral-health comorbidities. These populations experience longer wait times for HHA admission, higher referral-denial rates, and lower rates of provider participation, especially in Baltimore City.”
 - a. What are the reasons for the high denial rates within this population, and how will QOC work to overturn these denials so that individuals who were previously denied can obtain the necessary health services they need?

10.24.01.08G(3)(h) - Character and Competence



33. Describe QOC’s community engagement efforts or provide other examples that reflect positively on QOC’s character and competence?

Tables

34. Explain why with the growth in number of clients and visits, tripling from 2026 to 2028 in Table 2B, that there is no or very limited corresponding increase in staffing (Table 5), for the three years (2026 – 2028).

a. Please complete the information outlined in the table below for analysis:

FTE and Change in FTE and Visits by Year

Position	2026 Change in FTE	26 Volume in Visits	27 Change in FTE	Total 27 FTE	27 Volume in Visits	28 Change in FTE	Total 28 FTE	28 Volume in Visits
RN/LPN								
PTs								
OTs								
STs								
HHAs								
Med. Soc.								
Admin								
Nurse Supervisor								

b. The total salaries in Table 5 for 2028 do not calculate correctly, compared to the results for 2026 and 2027. Please review the FTE total for 2028 and total salary expense and submit a revised Table 5 for 2028.

c. Clarify why there are no projected contractual services in Table 5, if you are proposing to contract for some services.

d. Explain why Table 4A and 4B have the same percentages as “of Total Revenue” and also as “of Total Visits”.

35. Salaries, wages, and professional fees (including fringe benefits) do not consistently align with the information presented in the Statements of Revenues and Expenses – financial statements for 2023 and 2024. The Table L submission should reflect the totals in the Statements of Revenues and Expenses from the CPA and the salary total financial totals in table G.



36. For Table F-1, confirm the source of the data, and the volumes. MHCC staff download of the annual survey data indicates Table 25 is the charity care total, and not overall total, of visits by jurisdiction. Table 19 has HHA visits by payer and jurisdiction, and Table 23 has HHA visits by age and jurisdiction.
37. For Table F-2: Explain how this was calculated? Table 20 from the Annual Survey is titled, "Percent Distribution of Home Health Visits by Jurisdiction of Residence, Payment Source and Geographic Region: Maryland, Fiscal Year 2023." This does not correspond to the data presented in Table F-2. MHCC staff download indicates that table 9 has "Total Visits and Average Cost Per Visit by Discipline and Home Health Agency," which is the closest to what you provided in the tables.

Please submit four copies of the responses to the additional information requested in this letter within ten working days of receipt. (Note: extensions are routinely available upon request). Also submit the response electronically, in both Word and PDF format, to Deanna Dunn at (Deanna.Dunn4@maryland.gov).

All information supplementing the application must be signed by a person(s) available for cross-examination on the facts set forth in the supplementary information, and 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."

Should you have any questions regarding this matter, feel free to contact me at (410) 764-3324.

Sincerely,



Eric Baker
Program Manager

cc: Wynne Hawk, Director, Center for Health Care Facilities Planning and Development, MHCC
Ewurama Shaw-Taylor, Chief of Certificate of Need, MHCC
Michelle Taylor, M.D., Baltimore City Health Officer
Lucy Wilson, M.D., Baltimore County Health Officer



Amon Chafukira, Program Coordinator
Quality One Care Home Health, Inc. Completeness Questions
December 16, 2025
Page 10

Maura Rossman, M.D., Howard County Health Officer
Alexa Bertinelli, Assistant Attorney General, MHCC
Caitlin Tepe, Assistant Attorney General, MHCC
Deanna Dunn, Health Care Facilities Coordinator, MHCC

