



MARYLAND HEALTH CARE COMMISSION

4160 PATTERSON AVENUE – BALTIMORE, MARYLAND 21215
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Thursday, July 19, 2012

Minutes

Commissioner Tanio called the meeting to order at 1:10 p.m.

Commissioners present: Conway, Falcone, Fleig, McLean, Montgomery, Moon, and Schneider.

ITEM 1.

Approval of the Minutes

Commissioner Fleig made a motion to approve the minutes of the June 21, 2012 public meeting, which was seconded by Commissioner Schneider and unanimously approved.

ITEM 2.

Update of Activities

Ben Steffen, Acting Executive Director, provided a brief update on the progress of the Health Care Reform Coordinating Council, and the Health Benefit Exchange Board. He said that Chairman Tanio will serve as a member of the Health Care Reform Coordinating Council.

Angela Plunkett, Chief, Health Information Exchange, introduced Lynn Khoo who joined the organization as a Health Policy Analyst-Advanced within the Health Information Exchange Division. Sarah Orth, Chief, Health Information Technology, introduced Marya Khan who joined the organization as a Health Policy Analyst-Advanced within the Health Information Technology Division. David Sharp, Director of the Center for Health Information Technology, also provided an update on the annual Health Information Technology Assessment of Maryland Hospitals; the report is scheduled for release in July.

Bruce Kozlowski, Director of the Center for Long Term Care and Community Based Services, provided information regarding the update of the hospice chapter of the State Health Plan. Mr. Kozlowski noted that staff will continue to work with the stakeholders and will present recommended regulations for the Commission to consider for adoption as proposed permanent regulations at the September public meeting of the Commission.

Srinivas Sridhara, Senior Methodologist, presented the Maryland Physician Race and Ethnicity Report. He noted that the passage of HB 58 in 2006 mandated that the Commission collect racial and

ethnic information on the composition of the physician population, compare it to the racial and ethnic composition of the State's population, and provide the compiled information to the Department of Health and Mental Hygiene's Office of Minority Health and Health Disparities for publication in the "Health Care Disparities Policy Report Card." Dr. Sridhara compared race and ethnicity distribution of Maryland physicians and the overall total population. He also discussed the race ethnicity distribution of Maryland physicians for primary and specialty care, practice setting, and electronic medical record adoption. Dr. Sridhara said that, despite longstanding efforts to improve physician workforce diversity, minorities continue to be underrepresented among physicians, as compared to the population. He also said that evidence suggested that continuing and enhancing current efforts to reduce this disparity will improve services to vulnerable populations and overall population health outcomes and will increase physician-patient concordance and patient satisfaction.

ITEM 3.

ACTION: ManorCare Health Services, LLC (Docket No. 11-16-2324)

ManorCare Health Services, LLC, applied for a Certificate of Need to construct and operate a new 110-bed comprehensive care facility in the Bowie area of Prince George's County. Paul Parker, Director of the Center for Hospital Services, presented the staff recommendation. Mr. Parker said all of the beds for the new facility would be relocated from three existing nursing facilities in Prince George's County operated by affiliates of ManorCare Health Services and that no additional beds were requested. Mr. Parker said the total project cost was estimated to be \$16,042,836, funded from cash on hand and internally-generated and/or funds borrowed from HCR Health Care, LLC, the applicant's parent. Staff recommended that the Commission approve this project with a condition at the time of first use review, ManorCare Health Services shall provide the Commission with a completed Memorandum of Understanding with the Maryland Medical Assistance Program agreeing to maintain to minimum proportion of Medicaid patient days required by Nursing Home Standard COMAR 10.24.08.05A(2). Commissioner Conway made a motion to approve the staff recommendation, which was seconded by Commissioner Moon and unanimously approved.

ACTION: Certificate of Need – ManorCare Health Services, LLC (Docket No. 11-16-2324) – is hereby APPROVED.

ACTION: Cosmetic Surgery Center of Maryland d/b/a Bellona Surgery Center (Docket No. 12-03-2327)

Bellona Surgery Center applied for a Certificate of Need to add a second operating room by renovating existing space. Mr. Parker presented the staff recommendation. He said Bellona Surgery Center is a licensed physician's office surgery center with one operating room and one non-sterile procedure room location in Baltimore County. He said that, under Maryland law, the facility's proposal would establish a health care facility, namely, an ambulatory surgical facility, which is defined as a facility with two or more operating rooms. Mr. Parker noted that the project consists of renovating approximately 1,726 square feet of existing building space. The total estimated cost of the project is \$104,500 and will be funded by Bellona Surgery Center in cash. Staff recommended that the Commission approve this project with a condition at the time of first use review, Bellona Surgery Center will document that it has provided public notice and information regarding its charity care policy by a method of dissemination appropriate to the facility's patient population. Commissioner Fleig made a motion to approve the staff recommendation, which was seconded by Commission Montgomery and unanimously approved.

ACTION: Cosmetic Surgery Center of Maryland d/b/a Bellona Surgery Center (Docket No. 12-03-2327) is hereby APPROVED.

ACTION: Massachusetts Avenue Surgery Center, LLC (Docket No. 12-15-2328)

Massachusetts Avenue Surgery Center applied for a Certificate of Need to add a third operating room through the conversion of 435 square feet of shell space. Mr. Parker presented the staff recommendation and noted that the Massachusetts Avenue Surgery Center, LLC is a licensed ambulatory surgery center located in Bethesda, Montgomery County. He said that the Center is owned by twenty five physicians specializing in general surgery, gynecology, orthopedics, pain management, plastic surgery, podiatry, and urology. The Center expects to add three new physicians if it's CON application is approved. The total estimated project cost is \$780,682, and will be funded a mortgage loan of \$730,682 and \$50,000 in cash. Staff recommended that the Commission approve this project. Commission Moon made a motion to approve the staff recommendation, which was seconded by Commission McLean and unanimously approved.

ACTION: Massachusetts Avenue Surgery Center, LLC (Docket No. 12-15-2328) is hereby APPROVED.

ACTION: Hospice of Queen Anne's, Inc. (Docket 12-17-2329)

Hospice of Queen Anne's applied for a Certificate of Need to operate its six-bed residential Hospital Center as a general inpatient hospice facility under its general hospice license. Mr. Parker presented the staff recommendation, noting that Hospice of Queen Anne's is a general hospice authorized to serve Queen Anne's County. He said, if approved, Hospice of Queen Anne's would be allowed to bill Medicare and other third party payors for inpatient hospice care. He also said the Hospice of Queen Anne's would continue to provide routine hospice care in the facility in addition to general inpatient care. Mr. Parker noted that all patient rooms are single-occupancy with private bathrooms. The total projected capital cost of the project is \$110,400, which would be funded by cash. Staff recommended that the Commission approve this project. Commissioner Fleig made a motion to approve the staff recommendation, which was seconded by Commissioner Montgomery and unanimously approved. Commissioner Falcone recused himself from this action.

ACTION: Hospice of Queen Anne's, Inc. (Docket 12-17-2329) is hereby APPROVED.

ACTION: 525 Glenburn Avenue Operations, LLC d/b/a Chesapeake Woods Center (Docket No. 12-09-2331)

Chesapeake Woods Center applied for a Certificate of Need to add 23 beds to its comprehensive care facility and increase the number of private rooms at the facility through construction of a 32-bed building addition. Mr. Parker presented the staff recommendation. Mr. Parker said that Chesapeake Woods is a 98-bed comprehensive care facility located in Cambridge, Dorchester County that is operated by Genesis Corporation. Mr. Parker said that this project will take the facility from one with 6 private and 26 semi-private rooms to one with 47 private and 37 semi-private rooms. He said the project will include a 400 square foot rehabilitation gym and an outdoor courtyard. The total estimated cost of the project is \$3,492,000, which includes \$17,000 in cash from the applicant and \$3,475,000 in funds from Health Care REIT, owner of the real facility assets. Staff recommended that the Commission approve this project with the condition that, at the time of first use review, the Chesapeake Woods Center operator shall provide the Commission with a completed Memorandum of Understanding with the Maryland Medical Assistance Program agreeing to maintain the

proportion of Medicaid patient days required by Nursing Home Standard COMAR 10.24.08.05A(2). Commissioner Falcone made a motion to approve the staff recommendation, which was seconded by Commissioner Montgomery and unanimously approved.

ACTION: 525 Glenburn Avenue Operations, LLC d/b/a Chesapeake Woods Center (Docket No. 12-09-2331) is hereby APPROVED.

ITEM 4.

PRESENTATION: Patient Centered Medical Home Evaluation Plan

Legislation established the Maryland Multi-Payer Patient Center Medical Home program and requires that the Commission evaluate the effectiveness of the program in reducing health care costs, improving health care quality, and increasing patient and provider satisfaction with the delivery of care. The legislation also directs the Commission to assess the effectiveness of the Patient Center Medical Home model in reducing health care disparities. In January 2012, the Commission awarded a contract to IMPAQ International to evaluate the program based on the requirements of the law. Dr. Donald Nichols, Principal Investigator with IMPAQ International, the Commission's contractor, presented recent research findings on the Patient Centered Medical Home model and provided IMPAQ's evaluations approach.

The Commission is required to report the findings of the evaluation to the General Assembly by December 2014.

ITEM 5.

ADJOURNMENT

There being no further business, the meeting was adjourned at 3:00 p.m., upon motion of Commissioner Fleig, which was seconded by Commissioner Montgomery and unanimously approved.