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August 29, 2025

VIA HAND DELIVERED AND E-MAIL

Eric Baker, Program Manager, Certificate of Need
Center for Health Care Facilities Planning and Development
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215-2299

Re: **Residences of Vantage Point – Certificate of Need Application
Conversion of 13 Continuing Care Retirement Community (CCRC)
Nursing Home Beds
Docket No. 25-13-2472
Response to August 8, 2025 Letter Seeking Additional Information**

Dear Mr. Baker:

On behalf of Residences of Vantage Point (“RVP”) we are responding to your August 8, 2025 letter (the “August 8 Letter”) seeking additional information regarding the above-referenced certificate of need (“CON”) application.

The following is our specific response to the August 8 Letter:

PART II TABLE SET QUESTION

- 1. Line Item 1f 'Other Operating Revenues (Earned Entrance Fees)' under the revised Table F Entire Facility:**
 - a. Staff reviewed the revised operating revenue numbers for FY 2023 and FY 2024 and were able to accurately compare them with the numbers on the Statement of Operations (p.5 of Exhibit 17). Staff also read the notes on p.16 of Exhibit 17 for additional information; however, staff are not clear about whether these fees or other operating revenues are related to CCRC resident-beds, resident-beds of the assisted living (AL), or resident-beds of independent living (IL) units. Explain which of these operating units derive the fees.**

Response:

The Other Operating Revenues are nearly entirely related to resident-beds of Independent living (IL) units.

- b. If the year-over-year increase in Patient Days between FY 2024 and FY 2025 across CCRC Restricted, AL, and IL are 3.6%, 1.3%, and 0.7% respectively, explain the reason for the 43% increase in Earned Entrance Fees (EEF) during the same period.**

Response:

First, it should be noted that in the CON application the 3.6% was reported as a negative 3.6%. Second, the Other Operating Revenues are mainly driven by Earned Entrance Fees from the one-time Entrance Fee the IL Resident pays to move into the community. The one-time Entrance Fee varies according to the type of IL unit and whether the Resident agrees to a refundable or non-refundable Entrance Fee at departure from the community. In a mature, stable community such as RVP, the mix of types of agreements is more aligned toward those agreements with lower refundable Entrance Fees at departure. These Earned Entrance Fees are the recognition of the non-refundable portion of the IL unit Entrance that is paid when an IL resident moves into the community. The non-refundable portion is amortized over the expected life of the Resident. As the community has sold fewer refundable contracts over the last 5 years the non-refundable amount being amortized annually has increased significantly. If an IL resident moves out or dies before the assumption of the amortization table, the remaining non-refundable refund is fully recognized at the time. Thus, the Earned or vested Entrance Fees at RVP are increasing because of the increased number of non-refundable or lower refund resident agreements.

- c. If the EEF are related to CCRC residents, explain the growth in EEF from \$2.779M in FY 2025 to \$2.918M in FY 2026 and the stability thereafter?**

Response:

It is our understanding that the table is to reflect current dollars (no inflation). At a stabilized occupancy with no change in assumptions we would assume this to continue to be stable. This is a conservative assumption for the reasons explained above where EEF amounts are historically increasing because of the greater number of non-refundable or lower refund resident agreements in place at RVP.

- 2. Line item 1d 'contractual allowance' under the revised Table F Entire Facility: The contractual allowance, as a percentage of Medicare, Medicaid and Commercial Insurance revenue, (\$537,536 as % of \$639,209) appears to be 84% in FY 2023**

followed by 76% (\$616,302 as a % of \$813,582) in FY 2024 and then decreases to 33% (\$643,679 as a % of \$1,972,425) in FY 2025 and stabilizes at 44% (\$835,304 as a % of \$2,087,269) from FY 2026 and beyond.

Please share the percentage of contractual adjustments for Medicare, Medicaid, and Commercial Insurance and the rationale for the drop from Fy 2024 into future years.

Response:

The percentage of Medicare, Medicaid and Commercial Insurance does not include revenue from Medicare B or Managed B services provided. These services are mainly outpatient. The contractual allowance total of \$537,536 includes the contractual allowance for these services. The Medicare B and Managed B services are expected to be materially flat throughout the projection. The assumption for contractual allowance for these 4 categories is as follows:

- i. Medicare A – 40%
- ii. Commercial Insurance – 49%
- iii. Medicaid – 0%
- iv. Medicare/Commercial Insurance B services- 48%

With the introduction of Medicaid as a new payer source, the assumptions in the table reflect an increase in absolute dollars for revenue; however, the contractual adjustments showing a decrease are a result of contractual allowances as a percentage of overall revenue. Since Medicaid has a 0% contractual allowance, its inclusion lowers the overall percentage of contractual allowances. The decrease shown in the table is therefore the direct result of adding Medicaid as a payer source. Thus, the table shows a significant increase in absolute dollars while the amount as a percentage of revenue declines due to the addition of Medicaid revenue.

- 3. For Table I, the (MHCC) application states *in error* that the staffing pattern is to be calculated based on licensed beds, rather than staffed beds. Please, recalculate the ratio as total hours of bedside care per average staffed bed per day, which is the correct number to use, instead of per licensed beds per day.**

Response:

- a. We assumed that the reference to staffed bed means occupied beds versus licensed beds since occupied beds is the standard used for licensing purposes under COMAR 10.07.02.19B
- b. Hours of Bedside care per occupied bed per day is 3.36
- c. This includes Registered Nurses, L.P.N.s and G.N.A.s. Total Hours of Bedside Care per occupied bed per day is 3.65.
 - i. This includes Registered Nurses, L.P.N.s, G.N.A.s and Ward Clerk.

This is a conservative calculation for licensing purposes since under the regulation occupied beds are staffed including by support personnel under COMAR 10.07.02.01B(73) "Support personnel" means an aide who:

(a) Is assigned to a particular service such as:

- (i) Nursing;
- (ii) Dietary;
- (iii) Physical therapy; or
- (iv) Occupational therapy; and

(b) Has been approved by the manager of the services as having sufficient training and experience to perform the assigned duties.

PART V – CONSISTENCY WITH GENERAL REVIEW CRITERIA

THE STATE HEALTH PLAN NURSING HOME STANDARDS

Bed Need and Average Annual Occupancy

4. **The information received by RVP regarding the standard on bed need and the quality of care states that all conditions (a-e) do not apply to the project. However, in response to Question 10 in Part I, RVP states the project is a change (emphasis added) in bed capacity.**

Commission staff believes condition (c) applies, as the jurisdiction does have an identified need for additional nursing home beds and the proposed increase does not exceed the identified need. Further, §(1)(d)(i) sets a condition that for an existing nursing home to expand (change) its bed capacity, it must have satisfactory quality rating, and the applicant (stated elsewhere that it) meets the quality requirement of this substandard.

Please affirm that RVP meets the need standard identified above.

Response:

RVP affirms that it meets the conditions set forth in 10.24.20.05(1)(c), i.e., that there is an identified need for 13 nursing home beds in the jurisdiction, and that if granted, its request to make 13 CCRC-restricted beds publicly available will not exceed that MHCC-identified need.

QUESTION: ADDITIONAL APPLICATION CRITERIA: HEALTH EQUITY

5. **The Medicaid population age 65 and older often has unique and significant health disparities resulting in higher rates of behavioral and mental health disorders, functional limitations, and the complexity of having multiple chronic conditions. Individuals who are dually eligible for Medicare and Medicaid have a significantly**

higher burden of chronic physical and behavioral health conditions compared to those with Medicare alone.¹ For example:

- **Multiple Chronic Conditions:** A large percentage of dually eligible beneficiaries have multiple chronic conditions, which require complex care coordination.²
- **Mental and Behavioral Health:** There is a higher prevalence of mental health disorders and cognitive impairments among this population.³
- **Limitations in Daily Living:** Dually eligible seniors are more likely to have limitations in activities of daily living (ADLs) such as bathing, dressing, and eating, requiring long-term care services⁴.

What steps will RVP take to serve this new patient population who may have been medically underserved, especially in comparison to the existing RVP nursing home patients? Describe in detail the plan RVP has in place to address each one of the three issues/areas mentioned above.

Response:

RVP has several established practices that contribute to its current CMS Five-Star rating and will translate well to serving the new population as described by staff.

First, RVP's Medical Director, Dr. Andy Lazris, is Board Certified in Internal Medicine. He has practiced both primary care Internal Medicine and Geriatrics for the past 30 years.⁵ He is also a certified wound specialist physician and also holds a Certified Medical Director (CMD) degree.

Most significantly, in addition to his work at RVP he also sees patients at several long-term care facilities in Howard County and beyond, currently visiting patients in the following facilities:

¹ <https://www.kff.org/medicare/issue-brief/the-landscape-of-medicare-and-medicaid-coverage-arrangements-for-dual-eligible-individuals-across-states>

² <https://pmc.ncbi.nlm.nih.gov/articles/PMC4194528/#:~:text=Significant%20service%20delivery%20and%20financing,Murray%20and%20Shatto%2C%201998>

³ <https://www.healthaffairs.org/content/briefs/integrating-medicare-and-medicaid-data-improve-care-quality-and-advance-health-equity>

⁴ https://www.cdc.gov/pcd/issues/2013/13_0064.htm

⁵ Dr. Lazris is a Magna Cum Laude and Phi Beta Kappa graduate of Brown University. He received a full merit scholarship to Albert Einstein College of Medicine in New York and completed his Internal Medicine training at University of Virginia Hospital. In 2021 and 2022 Dr. Lazris received the prestigious Top-Doc recognition in Geriatrics for the Baltimore region. In 2022 he was named one of America's most honored doctors. He has received numerous accolades and awards for his practice of medicine, his writing, and his work to reform health care.

- Vantage Point, Charter Senior Living, and Sunrise in Columbia;
- Heartlands, Morningside House Friendship, Shangri-La, Encore, and Lighthouse in Ellicott City;
- Harmony Hall, Wintergrowth, Brightview (Severna Park, South River, Crofton, Annapolis, Columbia);
- Mt. Airy Assisted Living, Spring Arbor (Severna Park, Crofton); and
- Arbor Terrace (Maple Lawn, Crofton).

Many of these communities serve a population similar to the population staff describes.

Dr. Lazris' extensive experience in these facilities has exposed him to patients with multiple chronic conditions, mental and behavioral health issues, and limitations of daily living. His guidance will provide a solid foundation for providing care to the target population, including a new patient population that may have been medically underserved relative to RVP.

Second, our commitment to care coordination, which we call Health & Wellness Navigation Program™, is a core principle of our community. From developing unique meal and exercise plans to scheduling appointments and transportation, the Health & Wellness Navigator handles health care logistics and planning so each resident can focus on their own health.

Evolving research shows that physical, intellectual, social, vocational, emotional and spiritual activity are keys to aging people keeping their health, their mental skills and quality of life. It's why we developed this program to focus on the 8 Dimensions of Wellness. As an exclusive LCS Signature Experience, the Health & Wellness Navigation Program contributes to longevity and enriches the resident experience.

Life Care Services is committed to pioneering programs that benefit the lives of the seniors we serve. This commitment will serve residents well into the future. We understand that every generation is different, so residents can remain confident we are committed to conquering every challenge ahead.

RVP currently employs two Social Workers who assist residents with chronic condition management and mental health services and who are responsible for ensuring that the Health and Wellness Navigation Program is fully integrated with resident life. Additionally, the facility contracts with CounterPoint Health Services, a provider specializing in geriatric mental health care.


Lastly, as previously noted in the application, our Five-Star staffing rating reflects RVP's commitment to ensuring a safe and hospitable environment that supports residents in all activities of daily living (ADLs). Our community serves residents who require total assistance with ADLs as well as those with only minor impairments. This same commitment will extend to the new population.

Furthermore, our partnership with Aegis Therapies⁶ ensures that residents at any level of independence will receive support to maintain or improve their ADLs when clinically appropriate.

In short, RVP has the staff, partnerships, and resources necessary to ensure that the new population will have access to high-quality, person-centered care. Our dedicated team and strong network of partners have been key drivers of the facility's success and will continue to deliver the same quality outcomes for this population.

Thank you for the opportunity to provide this additional information.

Sincerely,



Howard L. Sollins

HLS/lam

Enclosures

cc: Maura Rossman, M.D., Howard County Health Officer
Pierce Carey, Executive Director, Residences of Vantage Point
Kevin McDonald, Consultant
John J. Eller, Esq.
Wynee Hawk, Director, Health Care Facilities Planning and Development, MHCC
Vishal Mundlye, Methodologist, Health Care Facilities Planning & Development, MHCC
Ewurama Shaw-Taylor, Chief, Certificate of Need, MHCC
Jeanne Marie Gawel, Chief, Long Term Care, MHCC
Amani Miles, Program Manager, MHCC
Alexa Bertinelli, Assistant Attorney General, MHCC
Caitlin Tepe, Assistant Attorney General, MHCC
Deanna Dunn, Health Care Facilities Coordinator, MHCC

⁶ <https://aegistherapies.com/>

AFFIRMATION

I hereby declare and affirm under the penalties of perjury that the facts stated in this document are true and correct to the best of my knowledge, information and belief.



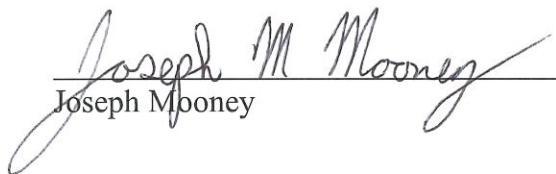
Pierce Carey
Pierce Carey, Executive Director
Residences of Vantage Point

8/29/25

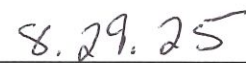
Date

AFFIRMATION

I hereby declare and affirm under the penalties of perjury that the facts stated in this document are true and correct to the best of my knowledge, information and belief.



Joseph Mooney



Date

AFFIRMATION

I hereby declare and affirm under the penalties of perjury that the facts stated in this document are true and correct to the best of my knowledge, information and belief.

Kevin McDonald

August 29,2025

Kevin McDonald
Consultant

Date