

MARYLAND HEALTH CARE COMMISSION

Certificate of Need

TO: Mari Shade, CEO/Administrator
SCA Health
904 Commerce Road
Annapolis, MD 21401

Date: November 20, 2025

Docket No. 25-02-2473

PROJECT DESCRIPTION

This Certificate of Need authorizes Anne Arundel – SCA Surgicenter, LLC, doing business as AAMC Surgery Center – Annapolis (AAMC) to establish an ambulatory surgical facility (ASF) located at 904 Commerce Road in Annapolis, Maryland (Anne Arundel County). AAMC will add one sterile operating room and one non-sterile procedure room to the existing center, resulting in an ASF with three sterile operating rooms and one non-sterile procedure room after project completion. The total approved project cost is \$4,198,499, which the applicant will fund through \$2.2 million in cash equity and with a mortgage loan of \$2.0 million.

ORDER

The Maryland Health Care Commission reviewed the Staff Report and based on that analysis and the Record of the Review, ordered on November 20, 2025, that a Certificate of Need be issued for the project, with the following conditions:

1. AAMC Surgery Center - Annapolis shall commit to provide an amount of charity care that is equivalent to or greater than the average amount of charity care provided by ASFs in the most recent year reported, measured as a percentage of its total operating expenses.
2. Prior to First Use, AAMC Surgery Center - Annapolis shall provide its Calendar Year (CY) 2023 and CY 2024 performance on the Ambulatory Surgical Center Quarterly Reporting as compared to other ambulatory surgical centers for the eight quality measures indicated as well as the following Claims-Based measures: ASC-17 (Hospital Visits after Orthopedic Ambulatory Surgical Center Procedures) and ASC-19 (Facility Level 7-Day Hospital Visits after General Surgery Procedures Performed at Ambulatory Surgical Centers).
3. For the next three years, collect and report annually to the Commission data on the Enhanced Preoperative Education Pathway. The reporting shall include submission of stratified patient-level sociodemographic data, outcomes from orthopedic procedures, the number of risk assessments conducted; and the connections to community-based resources to mitigate potential negative effects.

HOLDER RESPONSIBILITIES AND PROJECT IMPLEMENTATION

With the total project cost of \$4,198,499 for this Certificate of Need, in accordance with COMAR 10.24.01.12A, the project implementation schedule is that AAMC Surgery Center – Annapolis will sign a construction contract by December 15, 2025 and begin construction within 120 days of CON approval. The applicant projects completion of the renovations by August 28, 2026, with the start of utilization for the third operating room and the one procedure room by September 14, 2026.

OBLIGATION AND PERFORMANCE REQUIREMENTS

In accordance with COMAR 10.24.01.12C(1)(b), for a project involving an approved new non-hospital health care facility or involving a building addition or replacement of building space of a health care facility has up to 24 months to document the required obligation.

PROPOSED CHANGES TO THE APPROVED PROJECT

Before making any changes to the facts in the Certificate of Need application approved by the Commission, AAMC Surgery Center – Annapolis shall notify the Commission in writing and receive Commission approval of each proposed change in accordance with COMAR 10.24.01.17.

DESIGN APPROVAL AND FACILITIES LICENSURE BY DHMH

This Certificate of Need does not constitute a license or replace any approvals required by the Office of Health Care Quality (OHCQ) or others within the Maryland Department of Health (MDH). AAMC Surgery Center - Annapolis must provide OHCQ and MDH with all information required for facility licensure.

REQUEST FOR FIRST USE REVIEW

In accordance with COMAR 10.24.01.18 AAMC Surgery Center – Annapolis shall request in writing, not less than 60 days but not more than 120 days before the first use of the public use ambulatory surgical facility, a First Use review from the Commission, specifying the anticipated date of first use and documentation that the project has been substantially completed, the final cost of the project, a description of any differences in design, space or services in the completed project when compared to the description of the project reviewed and approved by the Commission. The request for First Use shall state the completion date, within 120 days or less, consistent with this Certificate of Need. Commission staff will review the request in consultation with the OHCQ, 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 MDH to operate a health care facility. Therefore, AAMC Surgery Center - Annapolis 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 does not occur within 90 days of approval, AAMC Surgery Center - Annapolis shall reapply for First Use Approval.

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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.

MARYLAND HEALTH CARE COMMISSION

A handwritten signature in black ink, appearing to read 'DJ', is positioned above the name of the Executive Director.

Douglas Jacobs, MD, MPH
Executive Director

cc: Oksana Likhova, Deputy Director, Federal Programs at Office of Health Care Quality
Tonii Gedin, M.D., Health Officer, Anne Arundel County Health Department