



June 26, 2025

VIA E-MAIL

Howard Sollins
Senior Counsel
Baker, Donelson, Bearman, Caldwell & Berkowitz, PC
100 Light Street, 19th Floor
Baltimore, MD 21202

Re: Residences at Vantage Point - Certificate of Need Application
Conversion of 13 Continuing Care Retirement Community (CCRC) Nursing Home Beds
Matter No. 25-13-2472

Dear Mr. Sollins:

Upon review of the Residences at Vantage Point (RVP) application for a certificate of need (CON) to the Maryland Health Care Commission (MHCC or the Commission), Commission staff have questions and request written responses.

PART I: PROJECT IDENTIFICATION AND GENERAL INFORMATION

1. Identify the relationship between the following entities: Columbia Vantage House Corp., Vantage House LLC, and Life Care Services, LLC (LCS). Specifically, identify how they are related, including any common ownership.
2. Describe in detail the services provided by LCS.
3. Will all beds be dual certified for Medicare and Medicaid patients?
4. Regarding the patient rooms:
 - a. Identify which rooms are semi-private and private on the drawing.
 - b. Provide a table listing the dimensions of each patient room.

PART II TABLE SET QUESTIONS

5. Explain and justify the assumptions underlying Tables D (entire facility), E (new facility), F (revenues and expenses), and G (new facility revenues and expenses). Include assumptions for admissions, length of stay, payor mix, payor rates, and expense lines, addressing both CCRC and public patients.
6. Exhibit 17, the audited financial statements, has some inconsistencies with Table F, (revenues and expenses). The net operating revenue, total operating expenses, operating income and non-operating income under table F do not match the statement of operations published in the audited financial statements. Provide an explanation for the identified inconsistencies.
7. The projections in table H (workforce) are not consistent with salary and wage expenses provided in uninflated projections in tables F and G.
 - a. Current Year Total Cost column, at \$8.043 million, is expected correspond with Table F, current year fiscal year (FY) 2025 column, at \$9.267 million, but it does not.
 - b. Total Cost column (under project changes as a result of the proposed project), at \$591 thousand for the new facility, is expected to correspond with Table G FY 2032 at \$770 thousand,
 - c. Likewise, the Total Cost column (under project entire facility through last year of projection), at \$8.634 million for the entire facility, is expected to correspond with Table F, final year of projection FY 2032 (\$10.038 million).

Explain these variances and/or rework the tables.

8. Explain whether the workforce projections on Table H include benefits. If benefits are not included, state the percentage for reconciliation with revenue and expenses Table F and G.
9. Regarding Table F, explain why the salaries and wages (including benefits) and supplies expense lines show a downward trend from FY 2023 to FY 2025, despite increased occupancy during the same period. Typically, healthcare organizations anticipate growth in these areas. Additionally, these same line items reflect an increase from FY 2023 to FY 2024 on page 24 of the audited financial statements (Exhibit 17). Clarify this discrepancy.



10. Regarding Table F, explain why depreciation increases between FY 2023 – FY 2024, and then from FY 2025 and beyond. Commission staff expect that the depreciation (current depreciation) normally falls with time as assets become fully depreciated.
11. In Table I (staffing patterns), the Excel cells E-11-12 and cells J-11-12 are blank. Provide a revised table I with the number of licensed beds at project completion and the calculated hours of bedside care per licensed bed per day.

PART III - APPLICANT HISTORY, STATEMENT OF RESPONSIBILITY, AUTHORIZATION AND RELEASE OF INFORMATION, AND SIGNATURE

12. Indicate if the Executive Director, Pierce Carey has any relationship, ownership, or management of/to another health care facility and if so, what this relationship is.

PART IV – CONSISTENCY WITH GENERAL REVIEW CRITERIA

THE STATE HEALTH PLAN: NURSING HOME STANDARDS

Bed Need and Average Annual Occupancy

13. Who is the target population for the proposed project?

Community Based Services

14. How will RVP disseminate information about the Money Follows the Person program to its residents? Provide a copy of the information that will be disseminated.
15. Exhibit 10 informs “newly admitted residents” about community- based services. Does RVP have a similar notification for prospective residents (i.e., to give them an alternative to RVP)?
16. How does/will RVP minimize nursing home length of stay for residents?
17. Provide the documentation in the discharge plan policy (Exhibit 12) that references a 24-month plan with checks at 6-month intervals.

Appropriate Living Environment

18. Provide the plan of correction developed following the 12/13/2024 survey citation regarding: (a) failure to provide and implement an infection prevention and control



program; (b) failure to properly sanitize during a med pass; and (c) improperly discarding syringes into the sharps container.

19. How does RVP staff monitor residents with special needs—particularly those with dementia or other neurodegenerative disorders such as Alzheimer’s and Parkinson’s? In particular, how does RVP staff work to comply with and implement the FGI Guidelines 2.1-2.1.2.3(2)(a) on elopement prevention and A2.1-2.1.2.3(3)(b)(ii) on special room design for residents with a dementia care diagnosis?
20. Provide the length of the grab bars that are currently in place at the rear and sides of the toilets. Provide the length of the grab bars in the tub that is on the control wall and the length of the supplemental grab bar.
21. Exhibit 10 includes a letter stating that RVP offers various therapy services (i.e., physical, speech, and occupational). It appears this may only apply to the home health setting upon discharge. Explain where the nursing home patients will receive therapy in the facility. Include the dimensions of any therapy rooms at the facility.
22. Provide more information on how RVP plans to provide the option for the public nursing home residents to maximize their opportunities for ambulation and self-care, socialization, and independence.

Quality

23. RVP was below the Maryland average for residents receiving the pneumonia vaccine and below the Maryland average for staff receiving the COVID and flu vaccines. What steps have been taken to improve this performance?
24. What steps has RVP taken to improve its response rate for the MHCC *Family Experience of Care Survey*?

Quality Assurance

25. Exhibit 15 includes performance improvement projects (PIP) as an agenda item. MHCC would like to see the PIP related to the infection control citation.
26. Your response states that the Quality Assurance committee meets “quarterly” but monthly meeting dates are shown for the past three years. Clarify the frequency of this meeting.



Collaborative Relationships

27. The response to question 9a on page 31 does not demonstrate evidence of relationships with BrightStar, Harmony Hall, or Copper Ridge. RVP does not indicate that it has any relationships with adult day care programs or other community providers in the long-term care continuum. Provide documentation of these relationships.
28. According to the Medicare Care Compare data on June 24, 2025, the facility received an overall rating of two out of five stars for long-term resident care, with several substandard metrics in comparison to the national average. These are:
- Hospitalizations (2.36% compared to 1.84%)
 - Residents receiving antipsychotics (33.3% compared to 14.6%)
 - One or more falls with major injury (7.9% compared to 3.3%)
 - Pressure ulcers (13.1% compared to 5.5%)
 - UTIs (4.9% compared to 1.9%)
 - Resident receiving pneumonia vaccine (88.9% compared to 93.4%).

Describe any actions RVP plans to take to improve these measures.

ADDITIONAL APPLICATION CRITERIA:

NEED

29. Provide population projections for adults age 65-69.

ALTERNATIVES TO THE PROJECT

30. Provide the occupancy for the 44 skilled nursing beds between calendar year 2014 and 2023, for comparison to the information supplied in the table for 2024 through 2033. Maximum beds should be stated as whole numbers.
31. Related to planning the project, what factors were considered in the decision to open the existing nursing home beds to the Medicaid population, for example, reimbursement rates, cultural differences, mental health needs, disparities, etc.?

PROJECT FINANCIAL FEASIBILITY AND FACILITY OR PROGRAM VIABILITY

32. The audited financial statements show no excess of revenue over expenses—excluding other non-operating income—for the audited financial years 2023, 2024, the current year 2025, as well as projected years. Considering this, why do you think the opening of 13 beds to the general public represents a strategic opportunity to strengthen RVP's



financial outlook and how do you think it would support ongoing viability or sustainability of the facility?

33. Per review of Table F, RVP as an organization (entire facility) appears to have an average cost to revenue ratio (operating expenses over operating revenues) of 113% from fiscal year 2023 to 2032, which means the expenses are higher than revenues. Staff recognize that cash-basis operating income (adding back depreciation and amortization to operating income) yields a better margin of 8% (FY 2023), 17% (FY 2024), and 15% (FY2025 and beyond). Provide the cost-optimization or cost-effectiveness measures being considered to sustain future operations of the facility.
34. Per review of Table F, the non-operating income does not appear to be sustaining the overall profitability for RVP. FY 2023 and FY 2024 generate losses for the organization, despite having non-operating income of \$1.824M and \$2.219M, respectively. Given the unreliable nature of investment portfolios and their exposure to market risks, how do you expect this income to generate positive returns from FY 2025 and beyond?

HEALTH EQUITY

35. What community input was sought by RVP regarding the project? What was the community response/feedback?
36. The instructions state that “the applicant shall identify the specific medically underserved area(s)/group(s) ¹ within the designated service area.” Explain how RVP plans to recruit and enroll Medicaid and other underserved populations ages 65 and over in the Howard County service area?
37. Describe the barriers to nursing home care for residents of Howard County, if any. State any proactive solutions that RVP has developed to reduce these barriers to access.
38. Does the annual training provided include information on implicit bias? If not, how does RVP plan to ensure that all staff will receive implicit bias training?

¹ According to HRSA, medically underserved populations and areas are identified as those which lack access to primary care services. These groups may face economic, cultural, or language barriers to health care. Some examples include: People experiencing homelessness, people who are low-income, people who are eligible for Medicaid, Native Americans and other historically disadvantaged populations of color, migrant farm workers, etc. (<https://bhwh.hrsa.gov/workforce-shortage-areas/shortage-designation#mups>)



CHARACTER AND COMPETENCE

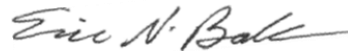
39. Describe the character and competence of the LCS leadership, and how that will assist RVP maintain its own character and competence.
40. “Ownership interest” means an owner, former owner, member of senior management or management organization, or current or former owner or senior manager of any related or affiliated entity during the past three years. If there have not been any past negative issues, please include in your narrative any history that has been a positive reflection of the character and competence for both Pierce Carey, Executive Director, and Alexis Hitchcock, Administrator, in senior management.

Please submit four copies of the responses to this request for additional information within ten working days of receipt. Also submit the response electronically, in both Word and PDF format, to Deanna Dunn and MHCC to the following email addresses deanna.dunn1@maryland.gov and mhcc.confilings@maryland.gov. If additional time is needed to prepare a response, please let me know at your earliest convenience.

As with the request itself, all information supplementing the request must be signed by person(s) available for cross-examination on the facts set forth in the supplementary information, 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 N. Baker
Program Manager, Certificate of Need

cc: Maura Rossman, M.D., Howard County Health Officer
Pierce Carey, Executive Director, Residences of Vantage Point
Wynee Hawk, Director, Health Care Facilities Planning and Development, MHCC



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Vishal Mundlye, Methodologist, Health Care Facilities Planning and 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

