



August 8, 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:

The Maryland Health Care Commission (MHCC or the Commission) staff have reviewed your July 22, 2025 response to completeness. Commission staff find the responses sufficiently complete to proceed with docketing the Residences at Vantage Point (RVP) application for certificate of need (CON). However, Commission staff request additional information and clarification on some of the information provided in the application and the request for completeness. Commission staff have five remaining questions and request written responses.

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.
 - 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.

- 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?
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.

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 beds per day, which is the correct number to use, instead of per licensed beds per day.

PART IV – CONSISTENCY WITH GENERAL REVIEW CRITERIA

THE STATE HEALTH PLAN: NURSING HOME STANDARDS

(1) 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 mentioned above.



**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.

Please submit four copies of the responses to this request for additional information within 10 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.dunn4@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."

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>

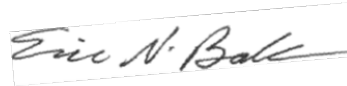
⁴ https://www.cdc.gov/pcd/issues/2013/13_0064.htm



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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
Wynce Hawk, Director, Health Care Facilities Planning and Development, MHCC
Vishal Mundlye, Methodologist, Health Care Facilities Planning and Development, MHCC
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