



MEMORANDUM

TO: Commissioners

FROM: Wynnee Hawk Chief, Certificate of Need

DATE: September 15, 2022

SUBJECT: Carroll County Home Health Agency Services Review
Adventist Home Health Services, Inc., Docket No. 22-06-2456
CareNet Health Systems and Services, Inc., Docket No. 22-06-2457

Enclosed is the staff report and recommendation for Home Health Agency (HHA) Services Review in Carroll County, which includes two applicants for a Certificate of Need (CON), Adventist Home Health Services, Inc., and CareNet Health Systems and Services, Inc., dba Lorien Health Services, Mt. Airy, Inc.

Adventist Home Health Services, Inc., (Adventist) a subsidiary of Adventist Healthcare (AHC) is a licensed home health agency currently authorized to serve eight jurisdictions and seeks to expand its service area by adding Carroll County. Adventist provides skilled nursing services, home health aide services, occupational therapy, speech/language therapy, physical therapy, and medical social services. The start-up cost of this project, inclusive of legal fees and contingencies, is estimated to be \$94,345. The applicant plans to fund project costs with cash.

CareNet Health Systems and Services, Inc., dba Lorien Health Systems–Mt. Airy (Lorien), is the other applicant in this review. Lorien qualified to be a HHA CON applicant based on its status as a Maryland nursing home currently licensed, accredited, and in good standing, and also operates a Residential Services Agency in the Baltimore area. Lorien provides skilled nursing services and has an acceptable, established quality assurance program, currently serving patients in Carroll County, where it proposes to establish a new HHA.

Lorien plans to provide skilled nursing, home health aide, occupational, speech and language therapy, physical therapy, and medical social services. The applicant projects spending \$155,000 in startup costs and \$30,000 in capital costs and \$45,000 in CON application and legal fees. The applicant plans to fund this project with cash.

Staff recommends that the Commission **APPROVE** the applications of both Adventist Home Health Services, Inc. and CareNet Maryland, L.L.C., d/b/a Lorien Home Health for a Certificate of Need authorizing the expansion or creation of home health agency services to Carroll County with the following conditions:

1. Maintain compliance with the provisions of COMAR 10.24.16.08E(1)-(4) regarding charity care, sliding fee scale, and reduced fee services;
2. Provide a level of charity care equivalent to or greater than the average level of charity care provided by home health agencies in Carroll County; and
3. Prior to its request for first use approval, provide documentation of its links with hospitals, nursing homes, continuing care retirement communities, hospice programs, assisted living providers, Adult Evaluation and Review Services, adult day care programs, the local Department of Social Services, and home-delivered meal programs located within its approved expanded service area.

And for Lorien, the additional condition that they:

4. Prior to their request for first use approval, provide documentation of their final version the proposed Charity Care Policy outlined in the application.

