



## MEMORANDUM

**TO:** Commissioners

**FROM:** Jeanne Marie Gawel, Acting Chief, Certificate of Need

**DATE:** October 19, 2023

**SUBJECT:** Exemption from Certificate of Need Review  
Change in Bed Capacity of Fort Washington Healthcare Center and Clinton Healthcare Center  
Docket No. 23-16-EX015 (Agenda Item#4)

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Enclosed is the staff report and recommendation for an Exemption from Certificate of Need (CON) application filed by CommuniCare Health Services (CommuniCare) to change the bed capacity between two of its Comprehensive Care Facilities (CCF) in Prince George's County, Maryland. The first is Clinton Nursing, LLC d/b/a Clinton Healthcare Center (Clinton) and the second is Livingston Leasing Co., LLC d/b/a Fort Washington Health Center (Fort Washington). The project will result in enlargement of Fort Washington, which will add 46 beds, and a corresponding reduction of bed capacity operated at Clinton. As a result of the project, neither of the facilities will operate patient rooms that accommodate more than two patients after the project is completed.

The applicant states that this project is the second phase of CommuniCare's reconfiguration of Prince George's County CCFs. In October 2022, the Commission granted CommuniCare an exemption from CON with conditions for the first phase of its Prince George's County plan (Docket No. 22-16-EX014) (Clinton/Forestville Project). That project involved the reduction of bed capacity at Clinton from 267 beds to 230 beds and a corresponding increase in bed capacity at Forestville Healthcare Center (Forestville), from 162 to 199 beds.

The applicant states that the proposed project is part of a comprehensive strategic and capital improvement plan to eliminate all patient rooms licensed for three or four beds throughout CommuniCare's 18 Maryland facilities. The long-term plan involves closing and downsizing several CCFs, renovating existing facilities, and constructing new CCFs.

In this phase, Clinton will further reduce its licensed bed capacity by 46 beds, allowing Fort Washington, which currently has 150 beds, to increase its bed capacity to 196 beds

through construction and renovation. This reduction of bed capacity at Clinton would fully eliminate any three- and four-bed inpatient rooms at the Clinton facility. MHCC has not identified any additional need for CCF beds in Prince George's County, but CommuniCare's request for exemption maintains the existing bed supply without increases.

The project plan is for Fort Washington to renovate 8,596 square feet (SF) of existing space and add 32,420 SF of new construction to its current 54,833 SF facility to accommodate the additional beds and eliminate all four-bed rooms. Clinton will need no additional structural renovations. The total cost of the project will be \$18,098,308. CommuniCare will finance the project with about \$3.6 million in cash, with the remaining balance of \$14.5 million financed through a U.S. Department of Housing and Urban Development (HUD) secured mortgage loan.

Staff concludes that CommuniCare's application for an Exemption from a Certificate of Need is in the public interest, is not inconsistent with the State Health Plan and will result in the delivery of more efficient and effective health care services. Therefore, Staff recommends that the Commission **APPROVE** the project with the following conditions:

CommuniCare shall execute a Memorandum of Understanding with Medicaid to maintain the required proportion of Medicaid patient days in accordance with COMAR 10.24.20.05A(2)(b) for the Clinton and Fort Washington facilities and provide a copy of the memoranda to the Commission before a request for first use review and approval.

