



**DATE:** August 17, 2023

**TO:** Commissioners

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

**SUBJECT: Exemption from Certificate of Need Review**

Hospice of the Chesapeake, Inc. - Hospice of Charles County, Inc. and  
Calvert Hospice, Inc. Merger  
Docket No. 23-02-EX016

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Enclosed is the staff report and recommendation for approval of the Exemption from Certificate of Need (CON) in the matter regarding the merger and consolidation of the Hospice of Charles County, Inc. (Charles) and Calvert Hospice, Inc. (Calvert) by Hospice of the Chesapeake, Inc. (HOC). Charles and Calvert are both licensed general hospices. Charles is licensed to provide hospice services in Charles County and Calvert is licensed to provide hospice services in Calvert County. HOC, also a general hospice is licensed to serve the residents of Anne Arundel and Prince George's Counties.

Charles and Calvert hospices affiliated with HOC on October 2, 2020, and June 14, 2022, respectively. Each affiliation agreement was approved by the Maryland Health Care Commission (MHCC or Commission). HOC now requests an exemption from CON review pursuant to COMAR 10.24.01.04 to merge the current affiliated Charles and Calvert hospices to consolidate administrative functions and insurance enrollments under HOC.

Staff recommends that the Commission **APPROVE** this exemption request based on staff's conclusion that the proposed project:

- (a) Is in the public interest because it will consolidate three separate programs into one regional program creating opportunity for enhanced services and improved coordination.
- (b) Is not inconsistent with the State Health Plan because the change is relatively minor, i.e., there is no expansion, relocation, reduction, renovation, new construction or change in bed capacity and much of the consolidation has already transpired as a result of the affiliation agreements. MHCC staff did assess quality

at the time of the request and found with one exception,<sup>1</sup> all three hospices scored average or above average on all quality measures. All three hospices are currently accredited and Medicare certified.

- (c) Will result in more efficient and effective delivery of health services by enhancing support services and development of shared resources throughout the four-county region.

Upon Commission approval, HOC will be authorized to serve the residents of Anne Arundel, Calvert, Charles, and Prince George's Counties.

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<sup>1</sup> For the measure related to the percentage of patients who received visits from a registered nurse or medical social worker on at least two of the final three days of their life, HOC and Calvert Hospice scored 56.8% and 51% respectively which is above the national average of 49.2%. However, Hospice of Charles County only scored 29.3%.

