



MEMORANDUM

TO: Commissioners

FROM: Jeanne Marie Gawel, Acting CON Chief

DATE: December 14, 2023

SUBJECT: Luminis Health Doctors Community Medical Center Certificate of Need for a 21-bed Obstetrics Unit in Prince George's County, Maryland (Docket No.) 23-16-2466

Luminis Health Doctors Community Medical Center Inc. (Doctors, the hospital, the applicant) is a non-profit acute care hospital in Lanham, Maryland, Prince George's County seeking Certificate of Need (CON) application approval for a 21-bed obstetrics unit. At the time of application Doctors had 210 licensed acute care beds¹, including 16 psychiatric beds recently approved by the Maryland Health Care Commission (MHCC or Commission Docket # 21-16-2448).

The proposed project consists of two main components: a new obstetrics program and a new acute care patient tower. The new obstetrics program will increase bed capacity and bring needed obstetric services to Prince George's County, which is currently experiencing out-migration of obstetric services. The increased bed capacity will also improve maternal/infant outcomes in the County and help to reduce disparities. In addition, the project will attract and retain providers of obstetric care to the community. The new tower will allow more room for support services such as the pharmacy, imaging, radiology, sterile processing, pre/post-op, food/nutrition, and patient flow. Surgical services will also move from the current space in the main hospital pavilion into the new pavilion. The project will include 301,952 square feet (SF) of new construction and renovation. The estimated total cost of the project is \$299,012,841. The applicant anticipates funding the project with \$33,688,629 in cash reserves, \$5,000,000 in philanthropic support, \$152,894,229 in interest income from bonds, and \$95,000,000 from the State of Maryland.

Based on the review of the proposed project's compliance with the Certificate of Need review criteria, and with the applicable standards in the State Health Plan, staff concludes that the project complies with the applicable standards, is needed, is a cost-effective approach to meeting the project's objectives, is viable and will have an impact that is positive with respect to the applicant's ability to provide obstetric services in Prince George's County.

¹ As of July 2023 there are 208 licensed beds.

The conditions of the CON are as follows:

Luminis Health Doctors Medical Center shall close its obstetric program, and its authority to operate will be revoked, if: (i) it fails to meet the minimum annual volume of 1,000 obstetric discharges annually for any 24 consecutive month period, and (ii) it fails to provide good cause for its failure to attain the minimum volume, and a feasible corrective action plan for how it will achieve the minimum volume within a two-year period

Luminis Health Doctors Medical Center shall continue to provide a patient with an estimate of out-of-pocket charges prior to arrival for surgery.

Before changing the funding mechanisms of the project, the applicant must submit a project change.

