Senate Bill 291/House Bill 301 - Creation of a State Debt - Maryland Consolidated Capital Bond Loan of 2022, and the Maryland Consolidated Capital Bond Loans 2022

Position: Support

March 1, 2022
Senate Budget & Taxation Committee
Capital Budget Subcommittee

March 2, 2022
House Appropriations Committee
Capital Budget Subcommittee

MHA Position

On behalf of the Maryland Hospital Association’s (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment in support of Senate Bill 291/House Bill 301.

Process for Selecting and Recommending Projects
MHA has been a dedicated steward of the Private Hospital Facilities Grant Program since its inception in 1993. This year 10 hospitals submitted applications requesting $9.2 million. The Hospital Bond Project Review Committee recommends all 10. Due to state budget limitations, the Committee reduced final funding recommendations closer to the allocated funding levels for this program. The recommended projects, totaling $6.5 million, will enhance and expand access to health care in Maryland, including crisis services and critical services in rural areas, so patients can seek care close to home.

The committee conducts a fair and rigorous review process that prioritizes worthy capital projects that incorporate both state and health care criteria. MHA engages an independent consultant to help review applications. The review Committee convened in August to allow applicants to present their proposals. The Committee includes peer hospital leaders, trustees, state departments of Budget and Management and Legislative Services staff, an independent consultant, and MHA staff. The committee conducts a final review, determines scoring based on established criteria, and makes final funding recommendations during this process.

Rationale for Recommendations
We urge you to fully fund the Committee’s recommendations. Although each hospital faces challenges unique to the communities they serve, collectively the field has been profoundly impacted by the COVID-19 pandemic. Access to capital funding is critical due to the financial distress hospitals across the state and country face. The recommended projects all address identified needs, such as access to crisis services for behavioral health patients within the community and renovating spaces to better serve the needs of newborns with opioid withdrawal syndrome. Each project was scored on criteria aligned with the goals of Maryland’s Total Cost of Care Model, including controlling cost growth, improving quality, and enhancing the health of communities.
**Recommendations**
The 10 recommended projects support care in Anne Arundel, Baltimore, St. Mary’s, and Washington counties, as well as Baltimore City.

**Greater Baltimore Medical Center** (Baltimore County)

**Project Name:** Wound Center Renovation

**Recommended Allocation:** $600,000

This project will relocate the Wound Center at Greater Baltimore Medical Center, currently on the fourth floor of the hospital, to the ground level in closer proximity to the adjacent parking lot. Renovations will reconfigure the small treatment rooms, widen hallways and increase clinical space and ventilation. This project will improve patient comfort, convenience, and satisfaction, in addition to health outcomes—especially for patients who are morbidly obese, elderly, and/or those who use wheelchairs, walkers, scooters, or stretchers. Almost 80% of the Wound Center’s patients come from outside the hospital’s primary service area, including almost half from medically underserved areas.

**Luminis Health Anne Arundel Medical Center** (Anne Arundel County)

**Project Name:** Hybrid Operating Room

**Recommended Allocation:** $600,000

This project will renovate existing shell space adjacent to the surgical suites to create the hospital’s first hybrid operating room, which will allow the new cardiac surgery program to meet the increasing patient volume and complexity. The hybrid operating room will allow the cardiac surgery team to work on complex surgical cases in an innovative environment. After the renovation, Luminis Health Anne Arundel Medical Center will decommission an existing operating room, making this project capacity neutral for operating rooms. This will meet a critical need in the community in the most appropriate and fiscally responsible manner, without altering hospital surgical capacity.

**MedStar Harbor Hospital** (Baltimore City)

**Project Name:** Renovation of Special Care Nursery

**Recommended Allocation:** $1,200,000

Renovation of the Special Care Nursery at MedStar Harbor Hospital will address functional space inefficiencies and allow the clinical team to meet the needs of infants requiring specialized care, including those who are born with a diagnosis of Neonatal Opioid Withdrawal Syndrome (NOWS). This space has not been updated since it was constructed in 1997. This renovation will result in improved health outcomes for infants and a reduction in infant and parent emotional and physiological stress levels during their stay. Because of the documented negative impacts of environmental stressors on infant development and the sensitivity of babies with NOWS to sound and light, the new space will be equipped with sound proofing and dimmable lights. Nurses and clinicians will benefit from a new central monitoring system and other facility upgrades, and privacy measures will allow the hospital’s peer recovery coaches to meet with mothers to promote addiction treatment. MedStar Harbor Hospital is the only birthing hospital providing services to underserved southeast Baltimore neighborhoods. The entire community surrounding the hospital is designated as a health provider shortage area and a medically underserved area.
MedStar St. Mary’s Hospital (St. Mary’s County)
**Project Name:** Surgical Sterilization Capacity Upgrades
**Recommended Allocation:** $600,000
This project will renovate the existing under-resourced Sterile Processing Department at MedStar St. Mary’s Hospital to meet industry guidelines and continue to address the surgical needs of a growing, yet rural, St. Mary’s County. The proposed renovations and the procurement of modern sterilization equipment that has a long service life will improve sterilization efficiency, thereby increasing the hospital’s capacity to perform safe, necessary surgeries. The project will allow the hospital to continue its upward trajectory for the recruitment of specialized surgeons and to increase its capacity to provide sterilization services to the surrounding community medical practices.

Mercy Medical Center (Baltimore City)
**Project Name:** Community OB/GYN Expansion – Mead Building Renovations
**Recommended Allocation:** $1,080,000
Renovation of the third floor of a Mercy-owned building (the Mead Building) adjacent to the main hospital campus will create a new facility to expand and grow obstetric and gynecological physician services. The new facility will provide enhanced access to prenatal care and other preventative services. This project will involve renovating 6,542 net square feet and will accommodate two practices with 10 physicians, two certified nurse midwives, one nurse practitioner, and 10 staff members. The project will include 13 patient exam rooms, office space for five providers, portable ultrasound machines and a dedicated phlebotomy lab, as well as patient waiting areas and restrooms. This is the second phase expansion of a 2018 state grant award, which supported the expansion of obstetric and gynecological and population health services on the second and fourth floors of the Mead building.

Meritus Health (Washington County)
**Project Name:** Behavioral Health- Opioid Crisis Beds
**Recommended Allocation:** $212,000
This project will convert existing hospital space to provide the first behavioral health crisis beds in the county. These beds will ensure temporary safety and care for individuals in a state of crisis or compromised health due to the influence of drugs or alcohol until referral and transfer to outside treatment facilities is secured. This space will provide a voluntary “step-down” intervention, diverting the need for inpatient hospitalization and unnecessary emergency department utilization. Patients will be monitored by behavioral health staff and offered short-term care, counseling and social support. The concept of a crisis stabilization unit was identified as a need by the Maryland Behavioral Health Administration, through the Local Addictions Authority in Washington County. There are no crisis beds that do not require a psychiatric diagnosis, or observation level of care within a 70-mile radius of Meritus Health.

Northwest Hospital Center (Baltimore County)
**Project Name:** Interventional Radiology Project
**Recommended Allocation:** $125,000
This project involves the renovation of 2,000 square feet of existing space within the radiology department and surgical services to create a new interventional suite that meets Facility Guidelines Institute regulations for a Class 3 space, based on the highest level of support needed by the patient. This suite will allow for the performance of a comprehensive array of complex image-guided diagnostic and therapeutic procedures, including image-guided, open procedures. This project will allow Northwest Hospital Center to offer an enhanced range of procedures, such as image-guided biopsies, imaging for patients who need clinical monitoring, percutaneous/minimally invasive procedures conducted under image guidance, and non-invasive fluoroscopy procedures. This renovation will minimize the need for patient transfer outside the facility for higher acuity interventional radiology procedures.

Sheppard Pratt (Baltimore County)
**Project Name:** Residential Crisis Beds in Baltimore City

**Recommended Allocation:** $1,200,000

This project will renovate a row house in the Midtown community of Baltimore City to develop an innovative 16-bed hospital diversion program for individuals with serious mental illness, in partnership with Greater Baltimore Medical Center Healthcare and other general hospitals in the Baltimore area. The proposed residential crisis services center will prioritize referrals from emergency departments and inpatient units of participating hospitals. A public-private partnership, Sheppard Pratt and hospital partners will contribute to start-up costs, and the specialty program will be sustained by fee-for-service reimbursement through Maryland’s public behavioral health system. When fully operational, this program is projected to save nearly $2 million annually by preventing and reducing inpatient hospitalizations and emergency department visits.

University of Maryland Baltimore Washington Medical Center (Anne Arundel County)
**Project Name:** Cardiovascular Care Capital Enhancements

**Recommended Allocation:** $500,000

Renovation and expansion of University of Maryland Baltimore Washington Medical Center’s Cardiology Department will increase the number of cardiac catheterization labs from two to three, replace one of the current labs, construct a new four bay radial recovery lounge, build two new cardiac diagnostic testing rooms, and create staff and patient-friendly supporting spaces. The support spaces include an updated nurses’ station with enhanced sightlines and new patient monitoring technology, administrative and provider offices, a conference room, a centralized supply area, an enlarged staff locker room and a new corridor that will improve foot traffic and patient movement. These improvements will improve patient safety and quality of care, promote efficient and effective patient care services, make treatment areas consistent with recent industry guidelines and improve staff workflows. It is anticipated that these improved cardiac care services will be accessed by over 2,500 patients per year.

University of Maryland Medical Center Midtown Campus (Baltimore City)
**Project Name:** Center for Addiction Medicine Relocation and Renovation

**Recommended Allocation:** 432,000

This project will relocate and renovate The University of Maryland Medical Center Midtown Campus Center for Addiction Medicine. The unit will consolidate trailers housing an opioid...
treatment program at 880 Linden Ave. and a separate ambulatory clinic in the 821 Eutaw St. professional building into a renovated space in the Armory Building adjacent to the inpatient hospital. The current layout of the facilities creates inefficiencies. The new space will provide patient-centered access and result in a faster intake process, stabilization, continuity of care, and improved interdepartmental collaboration. Of the 96 Opioid Treatment Programs, 85 offer methadone treatment (including prisons). The Center for Addiction Medicine is the only location that administers medication face-to-face—not through a window. This new integrated space will allow the Center to optimize the health of the West Baltimore community by incorporating social determinants of health into the practice design and individualized plans of care across the addiction continuum. Additionally, the new unit will enable the Midtown Campus to attract high-quality providers and increase the number of addiction specialists in the region.

**Department of Legislative Services’ (DLS) Recommendations**

We appreciate and support the inclusion of three amendments for prior projects. Luminis Health Doctors Community Medical Center plans to use these grant funds for an ambulatory behavioral health services unit. The hospital is partnering with Prince George’s County on a $20-million behavioral health initiative that will include inpatient and outpatient components. These funds will support the ambulatory behavioral health services unit—an outpatient component of the project. Although the scope of the original projects will be modified, state funding will still support a critical capital project that aligns with the goals of the Private Hospital Facilities Grant Program and the Total Cost of Care Model. The Johns Hopkins Hospital amendment allows for the acquisition and renovation of property to construct a residential crisis services center in the community.

For more information, please contact:
Jane Krienke, Legislative Analyst, Government Affairs
Jkrienke@mhaonline.org
## Summary of FY 23 Funding Recommendations

<table>
<thead>
<tr>
<th>Facility</th>
<th>Project</th>
<th>Total Project Cost</th>
<th>Total Requested Funds</th>
<th>Committee Recommendation</th>
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<tr>
<td>Greater Baltimore Medical Center</td>
<td>The Wound Center at GBMC</td>
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**Summary:**

- **Total Project Cost:** $33,954,519
- **Total Requested Funds:** $9,224,360
- **Committee Recommendation:** $6,549,000
2021 HOSPITAL BOND PROJECT REVIEW COMMITTEE

Olivia Farrow
Director, Community Development & Engagement
Ascension Saint Agnes

Becky Vaughan
Director of Strategy
Holy Cross Health

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UPMC Western Maryland

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Vice President, Government Affairs
Maryland Hospital Association
HOSPITAL BOND PROGRAM:  
PROGRAM SUMMARY

BACKGROUND

In the 1993 Joint Chairman’s Report, the General Assembly requested that a work group be formed to recommend a process for the allocation of state funds to private hospital capital projects that was similar to the process used by the private colleges and universities. The work group was chaired by a representative from the Department of Budget and Management [DBM] and included members from the Department of Health), Maryland Health Care Commission (MHCC), Health Services Cost Review Commission (HSCRC), and the Maryland Hospital Association (MHA). The work group’s recommendations, as accepted by the Governor and the legislature, included a delineation of “criteria for projects.” Further, it was recommended that each project undergo an application and screening process and then a scoring and ranking process. Finally, the work group recommended that the MHA establish an 11-member project review committee to implement the review process.

HOSPITAL BOND PROJECT REVIEW COMMITTEE

The Hospital Bond Project Review Committee is chaired by a hospital trustee and is composed of a mix of hospital trustees and hospital executives. A representative of the Department of Budget and Management and Department of Legislative Services serves in a non-voting, ex-officio capacity to provide technical assistance. The Committee will strive to ensure geographic diversity with regions represented by at least one member from: Baltimore Metro; Eastern Shore; Southern Maryland; Western Maryland; and, the Washington suburbs.

PROJECT SELECTION CRITERIA

According to these criteria, a requested project should:

a. Be hospital driven with at least a 50% ownership/interest of the hospital entity.

b. Align with the goals of Maryland’s Total Cost of Care Model to reduce total health care spending and improve population health.

c. Improve patient care by enhancing access to primary and preventive services; focus on unmet community health and related social needs; and, improve the patient safety environment.

d. Encourage collaboration with other community partners, where appropriate.

e. Where appropriate, seek to reduce potentially avoidable hospital utilization, resulting in more efficient and effective services.
In addition, serious consideration should be given to the unique needs of hospitals which are:

a. Sole community providers;
b. Proposing projects located in underserved areas;
c. Proposing projects of special regional or statewide significance; or
d. Proposing projects not requiring multi-year state bond funding.

APPLICATION AND SCREENING PROCESS

Applicants must submit a formal application to the committee. In addition to any other requirements established by the Hospital Bond Project Review Committee, applicants must:

• Submit relevant excerpts of the most recent Community Health Needs Assessment.

• Provide assurances that the project provides access to all citizens regardless of insurance status.

• Provide a signed Board Resolution in support of the project and the amount of the board’s financial commitment. If one or more organizations are involved, Board Resolutions from each entity are required.

• Obtain necessary approvals/exemptions for the proposed project from the MHCC (i.e., CON, rate orders, etc.). If the hospital is seeking a rate increase for this project, approvals/exemptions must also be received from HSCRC. Any request for CON determination must be accompanied by electronic submission to MHCC and HSCRC (if applicable) in Microsoft Word format ONLY. Once a response is received from the state agencies, it should be emailed to Jennifer Witten, Vice President of Government Affairs for MHA: Jwitten@mhaonline.org

All requests for CON determination should be sent to the following contacts:

Kevin McDonald
Chief - Certificate of Need Division
Center for Health Care Facilities Planning & Development
Maryland Health Care Commission
4160 Patterson Ave.
Baltimore, MD 21215
410-764-5982
kevin.mcdonald@maryland.gov
If applicable:

Gerard J. Schmith  
Deputy Director  
Hospital Rate Setting  
Health Services Cost Review Commission  
4160 Patterson Avenue, Baltimore, Maryland 21215  
Jerry.Schmith@maryland.gov

- Provide matching funds, including demonstrated community financial support (in most cases matching funds should be at least equal to the proposed grant and should not include real property or in-kind contributions)

- Submit proposals for projects which have at least a **15-year useful life, including information that the subject property is owned by the grantee or is to be held by them under a lease extending at least 15 years** (Note: this is a legal requirement for State of Maryland capital funding). Details on allowable projects can be found here: [https://dbm.maryland.gov/budget/Documents/capbudget/CapEquipGuidelines.pdf](https://dbm.maryland.gov/budget/Documents/capbudget/CapEquipGuidelines.pdf)

- Submit proposals for projects that are well-developed and ready to be initiated during the ensuing fiscal year. In some cases, the project may require hospital funds for pre-planning, site or building acquisition, etc. Hospitals **may** be able to count these funds as hospital funds committed to the project, but they should be expended as close to the beginning of the funding cycle as practical. However, the project is **not guaranteed approval** and any funds expended prior to the cycle may not be matched by the State. The intent of the program is not to provide reimbursement for completed projects. 2021 applications would be approved by the Maryland General Assembly during the 2022 session, with funding available beginning June 1, 2022.

- Projects should be distinct and should be completed within the seven-year term of the grant. It is critical that members certify their matching funds within **two years** of the effective date of the grant, otherwise the grant will expire without intervention. For 2021 applications approved by the Maryland General Assembly during the 2022 session, the two-year period is June 1, 2022 – June 1, 2024. The majority of construction should occur in FY23, though certain pre-planning and acquisition costs may be incurred prior to the start of FY23.

- The State of Maryland requirements and timeline can be found in the Capital Grants Projects Booklet [https://dgs.maryland.gov/Pages/Grants/index.aspx](https://dgs.maryland.gov/Pages/Grants/index.aspx). Applicants should be familiar with the state requirements/deadlines and additional documentation required by specific state agencies including the Maryland Historical Trust, Department of General Services and the Office of the Comptroller.
• Community support letters should be submitted with the application. Support letters should be addressed to:

Bond Program Review Committee
c/o Jennifer Witten
Maryland Hospital Association
6820 Deerpath Rd.
Elkridge, MD 20175

Upon an applicant’s submission to MHA’s member specific SharePoint site, MHA staff and consultant will review the application to determine if additional documentation or clarification is needed before final review. Following completion, the hospital will present to the Hospital Bond Project Review Committee to be scored and ranked.

SCORING AND RANKING PROCESS

To make the scoring and ranking process as objective and quantitative as possible, the scoring criteria have been divided into several categories. For each category, the Hospital Bond Project Review Committee has approved a guideline narrative, a weight, and a maximum score.

Each project is scored individually using the project selection and scoring guidelines. All projects are then ranked against each other by category, with special attention being given to patient care, community needs, improving patient safety and alignment with Maryland’s Total Cost of Care Model goals that account for a significant portion of the category weights. The Bond Review Committee has final discretion over project scoring.

The Bond Committee may not recommend funding for any project that scores below a minimum threshold determined by the Committee. The committee assigns a point value to each criterion. For the 2021 cycle the Committee recommends that projects scoring below 60% of possible points may not be recommended for funding.

ELIGIBILITY

All MHA dues-paying hospitals are eligible to apply for funds each annual cycle. Should you have any questions about eligibility, please contact MHA staff prior to submitting an application.

FINANCIAL CAPACITY CRITERIA

When considering the merits of a project, the committee may examine the overall financial capacity, past funding allocations from the bond program and need of the hospital requesting
bond funds. In conducting this review, the committee shall, among other relevant factors, consider:

- Whether reimbursement/payments for the service rendered by the project will cover expected expenses and the hospital is committed to subsidizing the operating costs of the project
- The hospital’s level of uncompensated care
- The hospital’s debt to equity ratio
- The hospital’s debt service coverage ratio
- The hospital’s Medicaid disproportionate share

EXCLUSIONS

Hospital projects that will not be considered for funding under any circumstances include those for:

- Construction of new hospitals without a Certificate of Need
- Projects for which the result is a net increase in inpatient beds, not approved by the MHCC
- Purchase of major medical equipment
- Construction or renovation of parking facilities or other non-patient care-related facilities
- Retroactive grants
- Any project not meeting the Department of Budget and Management’s 15-year useful life cycle criteria.

Hospital projects that require CON approval or result in a bed increase may be considered, but all approvals must be obtained before submission. The MHA bond program’s 2022 budget is expected to be $6.5 million, therefore any projects requiring these types of approvals should be distinct and not part of larger expansion projects. An example of a smaller, distinct project might include a hospital unit renovation to convert Medical/Surgical capacity to Psychiatric capacity, with a small bed increase. The bond program was not intended to secure a small portion of funding for a much larger CON project and applications reflecting this approach will not qualify. An example might include seeking a $500,000 match as part of a $45 million hospital bed expansion.
Projects for consideration may not request more than 20% of the total amount budgeted for the program. For the 2022 cycle, the individual project request limit is $1.2 million.

In addition, any projects that the Governor determines to fund directly in the capital budget are separate and distinct from this program.

MATCHING FUNDS

As indicated above, most grants should be supported by cash-matching funds in an amount at least equal to the amount of the grant. In some circumstances, this requirement may prevent a project from moving forward. If a project meets a critical and urgent need to serve a low-income population and the requesting hospital is financially unable to provide an equal cash match, then the committee may recommend a more liberal matching fund requirement.

Hospitals may not use any regional transformation grant monies that were used for capital spending as a source of hospital matching funds. Funds received from the Maryland Health and Higher Education Facilities Authority also may not be used to satisfy the state’s matching requirement.

SANCTIONS

The Department of Budget and Management thoroughly reviews all projects submitted as part of the State’s capital budget.

• If a hospital does not apply for funds via the MHA program, then has a bond bill introduced outside of the program, the hospital is prohibited from submitting an application for two years.

• If an applicant is recommended for funding under this program and subsequently withdraws its project without good cause, the hospital is prohibited from submitting an application for two years.

• If an applicant is recommended for funding and funding is approved by the Governor and the General Assembly, but the applicant subsequently does not move forward with the project without good cause, the hospital is prohibited from submitting an application for two years.

• Note: MHA staff recognizes the extraordinary reshaping of the health care delivery system that occurred as a result of the new Maryland Total Cost of Care model. In certain cases, the significant changes to system incentives may have rendered past capital projects obsolete, and therefore hospitals withdrew or requested de-authorization of
funds. MHA staff will consider this should hospitals that withdrew or de-authorized funds wish to reapply within a two-year period.
HOSPITAL BOND PROGRAM:
PROJECT SELECTION AND SCORING GUIDELINES

Guideline Narratives

1. Improve patient care by enhancing access to primary and preventive services, and/or improving quality and clinical outcomes.

A) This criterion will be viewed as improving direct patient care.

Scores in this category will **relate to the breadth and depth of services provided.** For example, a high score could be obtained for an in-depth program in the patient care area or for a program that was less in-depth but focused on primary and preventive services. Projects that emphasize quality and clinical outcomes will be scored favorably.

As a direct result of the project, establishing new services which provide direct, hands-on care should be scored higher than indirect support such as patient education. These services would relate to a meaningful patient contact.

Maximum points in this category are attained for a project where new, hands-on services are broad-based innovative, across several departments, or across multiple medical disciplines. Points can also be attained if a project for existing services improves direct, hands-on care. If an existing service, the committee may differentiate between significant and limited project impact. No points are awarded if unrelated to patient care.

B) **Primary care** includes the following services: OB, pediatrics, family medicine, internal medicine, and behavioral health.

    Preventive services includes programs such as: wellness programs, pre- and postnatal care, screening, and early-detection programs.

C) **Uninsured/Under-insured** -- Scores in this category will relate to how the specific project significantly removes barriers to access for critical services. Applicants should demonstrate why this is a critical service and how this specific project would enhance access through creative strategies and action plans (e.g., expanding service times/staff/specialties; increasing special counseling and coordination for those needing assistance, etc.). New strategies are defined as ones which will be put in place during the grant cycle, not those which are presently being conducted. Scores will be determined based on new, innovative impact, not new but expansive impact, and little or no impact. Applicants can demonstrate why this is a critical service for uninsured/under-insured patients using measurements including percentages of uninsured patients, percentages of charity care and/or payor mix.
D) **Social Service integration** is defined as enhancing, expanding or improving social services as a specific result of the project. Projects that affect a population or subset of patients with significant social services requirement may receive partial credit. These may include social services related to:
- Particular community health problems;
- Self-assessment and chronic disease management;
- Patient education programs;
- Behavioral health
- Violence prevention
- Social determinants of health
- Health equity

2. **Focus on unmet community health needs in the local service area** (*Distinct from underserved as defined in #2 and #7*).

*Unmet* implies that **new services will be provided** or that **these services are not readily available from other community sources in the local service area**. Services that are not readily available, and that will be provided by the project should be specified and demonstrated. **A wide-range of services will be viewed favorably.**

**Scoring in this category will relate to evidence of defined and needed services and to the lack of availability of these services** from other sources in the community.

Evidence of service requests or endorsements of the project from the community, community agencies, businesses, and insurers will be favorably considered. Consideration may be given to the project’s correlation with unmet community health needs as identified in the hospital’s most recent Community Health Needs Assessment required by the Affordable Care Act. Documentation to reference whether services are available might include community health needs assessments, market studies, etc

3. **Alignment with the Maryland Model** agreement with CMS includes projects that align with specific quality, population, and care transformation efforts that the state has established within the Model agreement. This may reflect expanded primary and preventive services, or other services that have a positive return on overall service utilization. Consideration is also given for projects that promote population health goals, integrate physical and behavioral health, encourage coordination across care settings and address the social determinants of health.

4. **Improve the patient environment.**

*Improve the patient environment* means to enhance the efficiency and effectiveness of the delivery of patient care; i.e., redesign of nurses’ station(s) to streamline workflow and access to patients; redesign of patient rooms, operating rooms and treatment areas (consistent with the most recent industry guidelines), to accommodate new technology and enhance traffic.
Concurrent with a renovation there may be improvements in the patient environment, which are not presently in place. Some may be substantial, while others may be more restricted/limited in scope.

Substantive enhancements are those which are **multifaceted**. In such cases, the benefits should be enumerated, described, and demonstrated.

Examples of substantive enhancements include multiple benefits to patients through improved technology, security, observation; increased access to patients through improved visibility and consolidation of services; reduced patient movements among services and medical professionals; lessened wait times; safety code issues; decreased number of patients leaving the emergency department without being seen; and/or improved workflow issues.

Examples of limited enhancements include those for a single service or those where technology improvements, etc. are secondary to the main project.

5. **Last renovations.**

Points in this category are attained if the project is new construction, or if the project is for a unit(s) or part of a unit(s) that has not been upgraded/renovated in the last five years or more. *If the upgrade/renovation is for a project that received state funding within the last 15 years, it is not eligible for funding.*

Points in this category will be allocated as follows:

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<th>Renovation &gt; 15 years</th>
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<td>New construction</td>
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<td>Renovation 5 – 15 years</td>
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<tr>
<td>Renovation &lt; 5 years</td>
<td>0*</td>
</tr>
</tbody>
</table>

*Projects that affect a unit or part of a unit that has been upgraded within the last five years will be scrutinized by the committee and may be grounds for disqualification.*

6. **Sole community provider or sole provider of a service.**

The intent of this category is to give extra credit to a hospital that is a **sole provider** or sole provider of a service in the county. A sole provider is defined as being the only hospital in the county.
7. **Serious consideration should be given to underserved areas (Distinct from unmet needs as defined in #2 above).**

An **underserved area** means that a federal, state or local agency has deemed the area as underserved (for example: Health Professional Shortage Areas or Medically Underserved Areas). Dated documentation must be provided to support the designation. Consideration will be given to project service areas without an official designation that may be “moderately served” areas if information is supplied to support this description. This information may relate to inadequate capacity, withdrawn services, or patient travel to such services.

8. **Serious consideration should be given to projects of statewide or regional significance.**

The subject of the project enhances access to services beyond the primary service area. Documentation to validate this may include market analyses to show the service has a statewide or regional impact.

*Statewide* means a unique/specialized service(s) to be provided by the project. This does not include general services provided by a hospital to out-of-state patients by virtue of the fact the hospital is a border-state hospital.

*Regional* designation means beyond the primary service area into the secondary service area and beyond.

9. **Encourage collaboration with other community partners.**

Collaboration would include a project or service delivered through a partnership with the hospital. Activities should be those which, are a **direct result of the project** and specifically **not activities** which are presently underway. Consideration also will be given to downsizing and other cost efficiencies. Scoring will be based on the scope of activities undertaken with outside partners, as well as how the dollars are applied. Projects of the nature described here that specifically demonstrate collaboration with other existing providers or entities in the community **for this project** will be evaluated favorably.

Consideration may be given to projects that are part of the Health Services Cost Review Commission’s regional transformation grants or other related initiatives. **However, hospitals may not use any regional transformation grant monies that were used for capital spending as a source of hospital matching funds. Hospitals are prohibited from using dollars financed through the Maryland Health and Higher Education Facilities Authority (MHHEFA) as matching funds.**

10. **Demonstrate community financial support for the project.**

The intent of this category is to give weight to demonstrated financial support from the
community. An amount of support equal to or greater than five percent (5%) of the requested project funds would be classified as support. It is recommended that the financial support actually be in hand. Special consideration will be given to mitigating circumstances presented by a hospital when an active fundraising effort did not raise the five percent amount. Community support is an amount equal to or greater than five percent of the requested project funds, not total project cost.

11. **Committee discretion.**

Each committee member has approximately 10% of total point value as discretionary adjustments to consider unique circumstances of each applicant. The committee discretion is defined exactly as its description – it is up to the committee to add up to 10% as they determine.