



Maryland
Hospital Association

Senate Bill 182/House Bill 201- Creation of a State Debt - Maryland Consolidated Capital Bond Loan of 2023

Position: *Support*

March 7, 2023

Senate Budget & Taxation Committee
Capital Budget Subcommittee

March 8, 2023

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 182/House Bill 201. This year 10 hospitals submitted applications requesting a combined \$9.5 million. The Hospital Bond Project Review Committee recommended all 10 projects for a total funding request of \$7 million. MHA appreciates the Governor's generous increase in funding for nine of the recommended projects for a total of \$8.1 million—a \$1.1 million increase over the planned budget in the 2022 Capital Improvement Program (CIP). We also appreciate the increase in out-year funding. This increase will allow the Hospital Bond Program to expand the breadth of support for innovative projects that align with the goals of the Total Cost of Care Model.

However, we are disappointed funding for Meritus Health was not included in the final recommendations.

Process for Selecting and Recommending Projects

MHA has been a dedicated steward of the Private Hospital Facilities Grant Program since its inception in 1993. The Committee conducts an objective 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, which convened in August, includes Maryland hospital leaders, trustees, Department of Budget & Management and Department of Legislative Services staff, an independent consultant, and MHA staff. The Committee conducts a final review, determines scoring based on established criteria, and makes funding recommendations.

Rationale for Recommendations

We urge you to maintain the funding levels for the nine projects included in the FY 24 capital budget. These funding levels correlate with the amount originally requested by the applicants for these projects. Access to capital funding continues to be critical for hospitals as they care for their communities. The volume and complexity of behavioral health patients visiting emergency departments was rising even before the COVID-19 pandemic. This shift required hospitals to modify the emergency department footprint and create facilities in the community to help address unmet needs. Over half of these projects focus on the growing need for behavioral health services. Two projects serve special youth populations—youth diagnosed with autism and those

in clinical trials at the National Institutes of Health. 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 nine recommended projects support care in Anne Arundel, Baltimore, Howard, Montgomery, Prince George's, and St. Mary's counties, as well as Baltimore City.

Children's Inn at the NIH, Inc. (Montgomery County)

Project Name: A Place Like Home Renovation

Recommended Allocation: **\$1,400,000**

Redesign and renovate The Children's Inn at NIH to integrate telehealth and smart technology, modernize guest rooms; and update infrastructure to support children, adolescents, and young adults who participate in clinical research studies to treat rare and serious diseases at the National Institutes of Health Clinical Center. This project would be the first major renovation of The Inn in its 32-year history. The Children's Inn urgently needs to modernize its 60 guest rooms, update infrastructure and integrate telehealth capabilities and smart technology. The proposed project addresses the need to increase adaptability, upgrade technology, and redesign spaces and amenities to serve all young patients, regardless of the criticality of their diagnosis and condition. This project is essential to support the work and research mission of the NIH Clinical Center in translating scientific observations and laboratory discoveries into new approaches for diagnosing, treating, and preventing disease in young people throughout Maryland, the nation, and the world.

Howard County General Hospital, Inc. (Howard County)

Project Name: Behavioral Health Unit Renovation

Recommended Allocation: **\$576,000**

This project will convert a decommissioned patient care unit into a new and expanded behavioral health unit in the emergency department. Howard County General Hospital treats 2,000 behavioral health patients annually in the emergency department. The existing unit cannot accommodate the volume of patients arriving. This project will create a unit that is three and a half times larger, expanding behavioral health patient capacity from six to 24. The project will improve patient safety, therapeutic climate, amenities, the patient environment for long-stay patients, and emergency department throughput.

Kennedy Krieger Children's Hospital, Inc. (Baltimore City)

Project Name: Center for Autism and Related Disorders Renovation

Recommended Allocation: **\$1,300,000**

This project renovates 36,600 square feet of existing outpatient space into a modernized, state-of-the-art and safe environment for children and youth on the autism spectrum. The renovations will renew three floors of the Center for Autism and Related Disorders (CARD) in Kennedy Krieger's Creamer Building in Baltimore City. The Creamer Building, a former medical outpatient building (for adults), was originally constructed in 1984 and has not had major renovations in the last 15 years. Renovation of existing space will allow for a more efficient and effective patient experience, which will reduce delays in access to care, ultimately improving

outcomes for patients and their families. Importantly, the renovations are needed to incorporate structural features that keep children and youth safe and that provide a sensory-friendly environment.

Luminis Health Anne Arundel Medical Center (Anne Arundel County)

Project Name: Behavioral Health Emergency Department Renovation

Recommended Allocation: **\$863,000**

This project renovates 2,700 square feet on the first floor of the hospital pavilion to create a suite for adult behavioral health patients. This renovation will allow the emergency department to meet safety standards, improve patient safety and privacy, and increase workflow efficiencies. A new shower would allow these patients to maintain basic hygiene during their length of stay in a safe space for the patient and staff. The renovated space will offer a calm environment for patients as they await placement in a psychiatric facility. These changes will also enhance anti-ligature protection in the existing emergency department rooms and allow staff to care for increased volume and complexity of patients with behavioral health needs.

Luminis Health Doctors Community Medical Center (Prince George's County)

Project Name: Behavioral Health Emergency Department Renovation

Recommended Allocation: **\$500,000**

This project renovates a 1,310-square-foot area within the emergency department to create a secure behavioral health area to care for the rising number of patients with mental health and substance use care needs. These vulnerable populations should have a private designated safe space to receive care in the ED, given the sensitive nature of these cases. This project will improve patient safety and privacy, enhance safety for staff and improve resource utilization for this special patient population.

MedStar Montgomery Medical Center (Montgomery County)

Project Name: Emergency Department Redesign, Renovate, Reconfigure

Recommended Allocation: **\$1,350,000**

This project will renovate the emergency department at MedStar Montgomery Medical Center to better reflect and meet community needs. The project would update and expand the crisis evaluation unit (CEU) to deliver better quality of care to the increasing number of patients with acute psychiatric and substance abuse crises. Creation of a space for computerized tomography (CT) scans in the ED will help treat patients more rapidly and better serve patients experiencing a stroke. The renovations will also increase capacity for geriatric and behavioral health patients by increasing the number of beds in the geriatric ED and CEU. The renovation and right-sizing of the 39-bed emergency department will create a safer crisis evaluation unit for behavioral health patients, decrease door to imaging/needle time through more efficient access to CT imaging, and redistribute beds to meet the needs of growing behavioral health and geriatric patient populations in the region.

Sheppard Pratt Health System, Inc. (Howard County)

Project Name: Crisis Stabilization Center in Howard County

Recommended Allocation: **\$880,000**

This project involves the construction of a crisis stabilization center on the Sheppard Pratt Baltimore/Washington hospital campus in Elkridge. The facility will include 16 residential crisis beds and may also include walk-in urgent care with observation recliners, a receiving area for law enforcement drop-off, emergency medical services, and mobile crisis providers, ambulatory detoxification, medication-assisted treatment, and a bridge clinic to deliver short-term follow-up mental health and substance use disorder treatment until individuals can be connected to longer-term care. The proposed crisis stabilization center aligns with the goals of Maryland's Total Cost of Care Model to reduce total health care spending and improve population health. This facility is expected to create more equitable distribution of behavioral health resources while reducing potentially avoidable hospital utilization and associated costs through collaboration with Howard and other counties and community hospitals, including five in underserved Maryland jurisdictions.

St. Mary's Hospital of St. Mary's County, Inc. (St Mary's County)

Project Name: Behavioral Health Upgrades

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

This project renovates emergency department behavioral health treatment areas, inpatient behavioral health unit, outpatient day treatment program space, and several medical surgical rooms at MedStar St. Mary's Hospital to meet the needs of a growing population of psychiatric patients. The hospital intends to reconfigure the behavioral health treatment area to add an additional treatment room and security technology and upgrade these spaces to make the patient experience more therapeutic and pleasant. The proposed updates will contribute to patient and provider safety, increase staff efficiency, and improve patient clinical experience. MedStar St. Mary's is the only provider of emergency and inpatient psychiatric services for St. Mary's County. This project directly supports the behavioral health and psychiatric needs of this community.

UMSJ Health System, LLC (Baltimore County)

Project Name: Digestive Disease Center Renovation

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

This project renovates 5,960 square feet of the Digestive Disease Center (DDC) at University of Maryland St. Joseph Medical Center. The DDC has not been renovated since it was built in 1991. This project will remodel and reconfigure the patient bays with solid walls and breakaway sliding glass doors and redesign the scope reprocessing area to comply with Joint Commission standards. Renovations will result in a more private family sub-waiting area, reconfiguring the nurse station, and establishing a dedicated and physically separated work area for anesthesia services. The aim of this project is to create an environment of care that encourages preventive screenings, most frequently for cancer, and opioid-free pain management. The renovation will optimize infection prevention, enhance patient safety and privacy, and improve the patient experience.

Department of Legislative Services' (DLS) Recommendations & Questions

We appreciate and support the inclusion of the prior authorization for Garrett County Memorial Hospital's FY 2018 project. This grant was identified during our annual report process as needing an extension. We respectfully request an amendment for Adventist HealthCare's 2016

(G029) grant for Adventist HealthCare Hospital -Shady Grove Medical Center to extend the match certification and the termination dates. We are requesting an extension to June 1, 2024 for the match certification date and June 1, 2025 for the termination date. This amendment was not included in our annual report that was submitted on October 1, 2022. At the time the report was submitted, the hospital anticipated completing the project ahead of the June 1, 2023 termination date. However, due to supply chain delays and issues outside the control of the hospital, they have requested an extension to allow enough time to complete the project and submit the appropriate documentation to the state. We support this request and ask the Committee's consideration for approval of the amendment.

In the budget analysis, DLS raised questions regarding funding for hospital projects outside of the Hospital Bond Program. While true that we have sanctions in place for hospitals that request legislative funding outside of the program for qualifying projects, the majority of the projects receiving funding outside of the Hospital Bond Program either do not qualify based on their size or amount of the requested funding or would not score competitively. The scoring criteria favors projects that are innovative, align with the Total Cost of Care Model, and have community support. Many of the funded projects are for routine maintenance or do not promote direct patient engagement. In the past, MHA has not recommended projects for funding that constitute routine maintenance to ensure the program's limited funding supports innovative projects with statewide or regional impact. More hospitals are seeking capital funding due in large part to the hospital rate setting system, which does not provide access to funding for capital expenses. Maryland hospitals operate under global budgets, which restrict their ability to plan for large capital projects. Until this is addressed at the state level, hospitals will continue to rely on the state legislature to support significant capital projects to ensure they meet the needs of the community and maintain their physical infrastructure.

We appreciate the legislature's long-time support of the Hospital Bond Program. We are happy to answer any questions and request full funding for the nine hospital projects included in the FY 24 capital budget.

For more information, please contact:

Jane Krienke, Senior Legislative Analyst, Government Affairs

Jkrienke@mhaonline.org

Summary of FY 24 Funding Recommendations

Facility	Project	Total Project Cost	Total Requested Funds	Committee Recommendation
Howard County General Hospital	Behavioral Health Unit Renovation	\$ 2,400,000	\$ 576,000	\$ 547,000
Kennedy Krieger Children's Hospital	Center for Autism and Related Disorders Renovation of Outpatient Space	\$ 3,200,000	\$ 1,300,000	\$ 1,105,000
Luminis Health Anne Arundel Medical Center	Behavioral Health Emergency Department	\$ 1,725,000	\$ 862,500	\$ 517,000
Luminis Health Doctors Community Medical Center	Behavioral Health Emergency Department Renovation	\$ 1,400,000	\$ 500,000	\$ 425,000
MedStar Montgomery Medical Center	Redesign, Renovate and Reconfigure Emergency Dept	\$ 2,774,225	\$ 1,349,938	\$ 1,146,000
MedStar St. Mary's Hospital	MedStar St. Mary's Behavioral Health Upgrades	\$ 1,400,000	\$ 200,000	\$ 200,000
Meritus Medical Center, Inc.	Meritus School of Osteopathic Medicine	\$ 70,928,726	\$ 1,400,000	\$ 840,000
Sheppard Pratt Health System	Sheppard Pratt Crisis Stabilization Center in Howard County: A Model of Care to Reduce Unnecessary Hospital Utilization.	\$ 4,400,000	\$ 880,000	\$ 880,000
The Children's Inn at the National Institutes of Health (NIH) Clinical Center	The Children's Inn at NIH: Renovating "A Place Like Home" to Meet Future Patient Needs of the National Institutes of Health Clinical Center	\$ 17,170,210	\$ 1,400,000	\$ 840,000
University of Maryland St. Joseph Medical Center	Digestive Disease Center Renovation	<u>\$ 2,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 500,000</u>
		\$ 107,398,161	\$ 9,468,438	\$ 7,000,000



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2023 HOSPITAL BOND PROJECT REVIEW COMMITTEE

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Ascension Saint Agnes

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Northwest Hospital

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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 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 Jane Krienke at Jkrienke@mhaonline.org

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

Wynee Hawk
Chief - Certificate of Need Division
Center for Health Care Facilities Planning & Development
Maryland Health Care Commission
4160 Patterson Ave.
Baltimore, MD 21215
wynee.hawk1@maryland.gov

If applicable:

Jerry Schmith
Principal Deputy Director
Revenue and Compliance
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://dgs.maryland.gov/Documents/grants/CGL_Booklet.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. Applications submitted this year that are recommended for funding by the Hospital Bond Project Review Committee would be approved by the Maryland General Assembly during the 2023 session, with funding available beginning June 1, 2023. The majority of construction should occur in FY24, though certain pre-planning and acquisition costs may be incurred prior to the start of FY24. **Please see the timeline graphic in the application materials to help determine the appropriate timing.**
- Projects should be distinct and 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 applications approved by the Maryland General Assembly during the 2023 session, the two-year period is June 1, 2023 – June 1, 2025.
- The State of Maryland requirements and timeline can be found in the Capital Grants Projects Booklet <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:

Hospital Bond Project Review Committee
c/o Jane Krienke
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 Committee has final discretion over project scoring.

The Committee may not recommend funding for any project that scores below a minimum threshold determined by the Committee. A point value is assigned to each criterion. 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 FY 24 budget is expected to be \$7 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 2023 cycle, the individual project request limit is \$1.4 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

flow and safety, etc.

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:

Renovation > 15 years	20
New construction	10
Renovation 5 – 15 years	5
Renovation < 5 years	0*

*** 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.