

Testimony  
House Appropriations Committee  
Capital Budget Subcommittee

**TO: Chair Chang, Vice Chair Lewis, and members of the Capital Budget Subcommittee**

**FR: Kristin J. Bryce, SVP Chief External Affairs Officer  
University of Maryland Medical System**

**DA: March 1, 2023**

**RE: RQ00 University of Maryland Medical System – Capital Budget**

The University of Maryland Medical System (UMMS) deeply appreciates its partnership with the State and thanks the Governor for the inclusion of funding in the FY24 Capital Budget and the Legislature for its ongoing support of key projects that are critical to our shared goal of improving access to high quality health care in Maryland.

UMMS is especially grateful to the teams at both the Department of Budget and Management (DBM) and the Department of Legislative Services (DLS) for their professionalism and accessibility throughout the Capital Budget process each year.

UMMS agrees with the recommended actions included in the DLS FY24 analysis to “[a]pprove the proposed general obligation bond authorizations for the Capital Region Medical Center Oncology Center and R Adams Cowley Shock Trauma Center Renovation – Phase III projects.”

Funding for these major facility redevelopment programs recognizes UMMS’s close partnership with the State to improve access to care in communities where health disparities exist and in the case of Shock Trauma, to provide lifesaving care and treatment to the most severely injured as the State’s statutorily designated Primary Adult Resource Center (PARC). These projects support our unique mission to provide academic-level medical care to all Maryland residents, the Mid-Atlantic region and beyond. The UM Capital Region Center for Advanced Medicine and the improvements to the R Adams Cowley Shock Trauma Center further the provision of world

class clinical care to prevent, diagnose, evaluate and treat complex health and medical conditions delivered in best-in-class patient facilities supported by state-of-the-art clinical support infrastructure and the latest advances in medical technology.

**UM Cap Region Center for Advanced Medicine (formerly the Comprehensive Cancer Center)**

Cancer is the second leading cause of death in Prince George's County. The incidence rate for prostate cancer is higher in Prince George's County than that of the state as a whole. When viewed through the lens of race, the incidence rate of prostate cancer for blacks is 181.2 per 100,000 population as compared to whites at 90.7 per 100,000 population. Additionally, the County's mortality rates (2014-2018) for prostate (27.5), colon (17.7) and breast cancer (25.7) exceed the state of Maryland death rates of (20.0), (16.4) and (21.7), respectively.

This new Center will serve the residents of Prince George's County and the surrounding region. Through its affiliation with the University of Maryland Greenebaum Cancer Center (in Baltimore), it will be a premier clinical and research center. The Center will provide education, screening, diagnostics, treatment, research and ancillary support services. Clinical and patient/family support services will be offered in a single location with a patient focused design. Not only does this mean that patients do not need to leave the County to receive care, it will allow patients and their families to receive comprehensive cancer services in one convenient location. Oncologists and other physicians as well as imaging, diagnostics and treatments such as radiation and chemotherapy will all be co-located, facilitating collaboration and real-time consultation among care providers.

The expected impact of the program on health disparities in cancer within Prince George's County are

- Increased rates of early detection and treatment
- Improved access and reduced need to travel out of state and to other counties for care
- Improved treatment outcomes

The FY23 Capital Budget included \$40.5 million in funding and the proposed FY24 Capital Budget includes the remaining \$27 million of funding planned for this project. Construction is on time and on track and projected to be completed in Spring 2024.

### **R Adams Cowley Shock Trauma Center – Phase III**

The R Adams Cowley Shock Trauma Center provides care to over 6,000 individuals each year, with a survival rate of 97%. The Shock Trauma Center Renewal – Phase III capital program continues the significant facility improvements of the Phase I and Phase II renewal programs at the R. Adams Cowley Shock Trauma Center. The projects include the replacement, upgrade and expansion of the Trauma Resuscitation Unit, the acute care transfusion services, as well as other investments in major mechanical infrastructure and clinical equipment technologies that are required to support the life-saving medical services.

### **RESPONSES TO REQUESTS FOR FURTHER INFORMATION IN DLS ANALYSIS**

#### **UM Cap Region Oncology Center**

**Concern:** As currently outlined in the 2023 CIP, the State is contributing almost 85% of total project costs across fiscal 2023 and 2024. UMMS is set to contribute only \$12.7 million, or about 15%, of project costs using prior debt issuance. To the extent that project costs come in under budget or the scope of this project is later reduced, it is not clear if a portion of the savings would be shared with the State. Therefore, the State share of final project costs could potentially increase above 85%.

**Response:** Construction inflation, including the labor costs, have driven a significant increase in the total project cost. UM Capital Region's Chief Financial Officer and Chief Operating Officer meet with representatives of the 3<sup>rd</sup> party construction manager for the Cancer Center project on a frequent and recurring basis. As part of this process the budget is being monitored very closely. Based on progress and status of the project at this time it is projected that the total cost will be just over the current budget.

### **Shock Trauma – Phase III**

**Question:** UMMS should discuss the reasoning for limiting the scope of the project and provide cost estimates for the deferred project components. Additionally, UMMS should explain how deferring these project components impacts the Shock Trauma Center's operations and provide an updated timeline for completing all renovations that were included in the initial project scope.

**Response:** Two of the original components of the project plan (the 4<sup>th</sup> floor Orthopedic Unit and Hyperbaric Medicine) were deferred in 2021 due to phasing and projected increases in cost for the key Phase III priority components. The combined cost for both deferred project components is currently \$17 million, with renovation of the 4<sup>th</sup> Floor Orthopedic Unit accounting for the majority of that amount.

Deferring the 4<sup>th</sup> Floor Orthopedic Unit renovations impacts the ability to increase the capacity of that Unit by 6 beds. It is vitally important for Shock Trauma to bring lower level of care beds online to help with patient throughput and capacity. In addition, the orthopedic unit is dated in many ways, including the inclusion of two semi-private rooms. Semi-private rooms impact overall patient experience and throughput due to the need to match specific patients for appropriate pairing.

The Hyperbaric Chamber and unit supporting it is long overdue for renewal. The chamber itself is antiquated and needs upgrades for lighting, flooring, and overall maintenance. The unit proper has not been renewed since it was built. The chamber has a large percentage of outpatients that come for therapy several times a week. The unit is not patient friendly for those outpatients that have assistive devices and mobility impairments. The renewal would allow for a design to enhance the patient experience and workflow for clinical care and to ensure patient safety.

While these renovations are very much needed, ongoing financial challenges and the need to focus first on the other components of Phase III necessitate deferral at this time. UMMC is planning to add both projects to Shock Trauma Renewal Phase IV, which will be presented to the Department of Budget and Management by UMMS for

the FY25 Capital Budget cycle beginning in August 2023. Both projects are expected to begin work in 2026.

Again, the University of Maryland Medical System appreciates the continued support of the budget committees and the General Assembly as a whole and we look forward to bringing these projects to completion for the benefit of all Maryland residents.