



Maryland
Hospital Association

January 14, 2020

To: The Honorable Delores Kelley, Chairman
Senate Finance Committee

From: Jennifer Witten, Vice President, Government Affairs
Maryland Hospital Association

Re: Letter of Concern- Senate Bill 106 Health Care Facilities - Certificate of Need - Exception for State-Owned Facilities

Dear Chairman Kelley:

On behalf of the Maryland Hospital Association's (MHA) 61 member hospitals and health systems, we appreciate the opportunity to comment on Senate Bill 106. Ensuring the right mix of services and facilities are available and distributed throughout the state is essential to meet the demand for acute and post-acute care. The CON process plays an important role in estimating the need for health care services across the state.

Over the past two years, Maryland's hospitals, under the leadership of MHA sought to identify the types of patients who are difficult to discharge. These patients often end up getting "stuck" in a hospital setting rather than getting the care they need in a more appropriate setting. We conducted two surveys, focusing on behavioral health patients in both the inpatient setting and the emergency department.¹ These studies formed the basis for some of the work undertaken by the Department of Health's Post-Acute Care Workgroup.²

Through this work we found that the Certificate of Need (CON) process is not nimble or responsive enough to meet the changing needs of the patient population and the dynamics of the changing health care landscape. We appreciate the Maryland Health Care Commission's work to modernize the CON process. Exempting the state from CON would allow the state to increase capacity for important safety net services. We believe that the state should be subject to the same public information requirements as all acute care hospitals, should the state decide to reduce or eliminate services. Such decisions would impact all of Maryland's health care delivery system. These types of recommendations were not part of MHCC's Certificate of Need Task Force, further consideration is warranted. We look forward to being part of that discussion as this bill moves forward.

For more information, please contact:

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¹ https://www.mhaonline.org/docs/default-source/resources/mha-report-jan-2019.pdf?sfvrsn=74b0d40d_2
<https://www.mhaonline.org/docs/default-source/resources/behavioral-health/behavioral-health-patient-delays-in-emergency-departments-study-2019.pdf>

² <https://www.mhaonline.org/docs/default-source/events/post-acute-discharge-planning-workgroup-report.pdf>