

ZA01
Maryland Hospital Association

Maryland Hospital Association Overview (Statewide)

General Obligation Bonds: **\$5,764,000**

Program Description: The Private Hospital Facilities Grant Program is designed to provide State support for the capital needs of Maryland's independent hospitals. Established in 1994, the program provides grants to assist in new construction and major renovations to hospitals that promote State health objectives. The projects are selected annually for funding by a committee appointed by the Maryland Hospital Association (MHA). MHA represents 67 institutions. The 11-person selection committee consists of 7 hospital trustees and 4 hospital executives from throughout the State.

Each project had customarily been identified through an individual bond bill, although in recent years, the projects have been ultimately folded into the capital bill. Beginning in fiscal 2010, the projects have been included in the capital bill as introduced.

The criteria used to rate applications for funding under this program are:

- how the project will improve patient care, particularly access to primary and preventive services;
- how the project improves the patient safety environment;
- how the project serves unmet community, health, and related social needs;
- whether project services are supplied by a sole provider;
- whether the project is in an underserved area;
- whether projects are of a regional or statewide significance;
- how the project encourages collaboration and the development of provider networks; and
- whether the community has demonstrated financial support for the project.

Program Analysis

Exhibit 1 details the eight projects proposed for funding in fiscal 2014.

Exhibit 1 Maryland Hospital Association Private Hospital Grant Program

<u>Subdivision</u>	<u>Project Title and Purpose</u>	<u>Total Estimated Cost</u>	<u>Fiscal 2013 State Share Amount</u>	<u>State Share (%)</u>
Anne Arundel	Anne Arundel Medical Center: Renovate and reconfigure space to enhance patient safety, facility security, and accommodate new programming for mothers and infants.	\$3,000,000	\$500,000	17%
Baltimore City	Johns Hopkins Bayview Medical Center: Renovate the emergency department to expand psychiatric evaluation capacity and other treatment space.	4,688,073	975,000	21%
Baltimore City	Kennedy Krieger Children’s Hospital: Renovate inpatient rooms in the Pediatric Rehabilitation and Pediatric Feeding Disorders Nursing units.	\$5,000,000	\$500,000	10%
Baltimore City	MedStar Good Samaritan Hospital: Expand the cancer center to improve access to services, patient flow, and coordination of care.	1,940,000	375,000	19%
Baltimore City	Saint Agnes Hospital: Renovate an existing unit to improve cardiovascular care.	3,220,000	674,000	21%
Kent	Chester River Hospital Center: Renovate and expand the emergency department to better serve behavioral health and other patients.	4,300,000	900,000	21%
Montgomery	Holy Cross Germantown Hospital: Construct a new perinatal unit to include labor and delivery rooms, operating rooms, antepartum and postpartum space, a neonatal unit, and prenatal care clinic.	15,071,872	1,300,000	9%
Talbot	Shore Health System: Renovate the diagnostic and imaging center to improve breast cancer services.	1,819,528	540,000	30%
Total		\$39,039,473	\$5,764,000	

Source: Maryland Hospital Association; Department of Budget and Management

ZA01 – Maryland Hospital Association

The Department of Legislative Services would note that there is additional funding for hospitals beyond the MHA program in the fiscal 2014 budget. Specifically, funding for the University of Maryland Medical System (UMMS) (\$15.15 million); the Prince George’s Hospital System (\$30.0 million); and Kennedy Krieger (\$2.0 million). UMMS typically does not receive support in the MHA program, the funding for Prince George’s Hospital System is tied to a larger State commitment for that system, and Kennedy Krieger’s project was ineligible for the MHA program because of the nature of the project.

Prior Authorization and Capital Improvement Program

Authorization Request
(\$ in Millions)

<i>Fund Source</i>	<i>2013 Approp.</i>	<i>2014 Allowance</i>	<i>2015 Estimate</i>	<i>2016 Estimate</i>	<i>2017 Estimate</i>	<i>2018 Estimate</i>
GO Bonds	\$5.000	\$5.764	\$5.000	\$5.000	\$5.000	\$5.000
Total	\$5.000	\$5.764	\$5.000	\$5.000	\$5.000	\$5.000

Summary of Recommended Bond Actions

1. Anne Arundel Medical Center
Approve.
2. Chester River Hospital Center – Emergency Department
Approve.
3. Holy Cross Germantown Hospital – Perinatal Unit
Approve.
4. Johns Hopkins Bayview Medical Center
Approve.
5. Kennedy Krieger Institute
Approve.
6. MedStar Good Samaritan Hospital
Approve.
7. Saint Agnes Hospital – Cardiovascular Services Unit
Approve.
8. Shore Health System – Diagnostic Imaging Center
Approve.