



City of Havre de Grace

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March 12, 2020

The Honorable Shane E. Pendergrass
Chair, Health, and Government Operations Committee
Room 241 House Office Building
Annapolis, Maryland 21401

Position: Support

Re: House Bill 1571

Dear Madam Chair and Members of the Committee:

The City of Havre de Grace supports House Bill 926 with amendments, HB 1277 with amendments, and HB 1571. HB 926 would require the publication of notice of a hospital closure or partial closing and would require municipalities and other local authorities to receive interested party status automatically. HB 1277 would require an impact study be conducted in conjunction with the City of Havre de Grace in accordance with the City's comprehensive guide, charter, code, and the authority granted to the City in the Annotated Code of Maryland to analyze the economic and health care impact that the closing of Harford Memorial Hospital (HMH) would have on the community. HB 1571 would provide funding for hospital employee retraining in the event of a closure, merger, or full delicensure.

The City of Havre de Grace is a municipality located in Harford County, Maryland, with a population of approximately 15,000 Citizens. The City has always placed a high value on providing its Citizens and neighboring communities with access to high-quality health care and has always considered HMH a pivotal partner. The City is also home to the Susquehanna Hose Company, which is considered to be one of the fastest responding fire departments in the country and the Havre de Grace Ambulance Corps; both are volunteer organizations that interface closely with HMH.

Since the early nineteen hundreds, HMH has operated in the heart of downtown Havre de Grace. From the very beginning, the hospital has provided a wide variety of critical services to the Citizens of Havre de Grace and northern Maryland and has served as an economic stimulator. According to the University of Maryland Medical System's website, these services currently include "anticoagulation, behavioral health, heart and vascular, Imaging, pulmonary care, rehabilitation, sleep disorders, and stroke."

Over the last nine years, Upper Chesapeake Health (UCH) has released several different proposals that would affect health care services in northern Maryland. To date, none of the proposals have been approved by the Maryland Health Care Commission (MHCC).

In 2011, UCH announced they would replace HMH and build a new full-service hospital, including outpatient facilities and medical buildings, to be located in the City of Havre de Grace. However, in 2017, UCH rolled out a different proposal. This new proposal did not include the building of a full-service hospital in Havre de Grace as previously announced; instead, the new plan called for the construction of a psychiatric hospital and free-standing medical facility. It needs to be noted a free stand medical facility is not a hospital, nor is it equipped to handle life-threatening emergencies adequately. In fact in the Annotated Code of Maryland under the Health General Article section 19 (b) (5) the code states that free-standing medical facilities should "refrain from the use of the words 'emergency department', 'emergency room,' or 'hospital.'" In 2018, UCH announced an even different plan. Instead of building any facility in the City of Havre de Grace, they would now build a free-standing medical facility in Aberdeen, Maryland.

The City of Havre de Grace has had concerns since learning UCH would be closing its hospital in Havre de Grace and no longer intended to build a new hospital anywhere. These concerns stem from a lack of communication and transparency from UCH and the lack of legal safeguards that do not exist in the State of Maryland. Currently, under Maryland Law, municipalities are not automatically considered interested parties in the closures of medical facilities, nor are they legally eligible to receive interested party status. Because the City is not considered an interested party the City was never officially notified of the application withdraw, a new application for the hospital closure or any critical decision by UCH or application process by the commission.

The lack of authority for the City of Havre de Grace to declare itself an interested party in the closing of HMH was argued by UCH when they objected to the City's request to the MHCC. UCH argued under regulations found in COMAR that the City was not eligible to become an interested party since "The City of Havre de Grace has not and cannot show that it would be adversely affected by the approval of the proposed project, and therefore, it does not satisfy the definition of 'interested party.'" Additionally, UCH argued, "the City of Havre de Grace has not demonstrated that it would suffer a potentially detrimental impact from the Commission's approval of the proposed project." UCH made these arguments even though HMH has provided the Citizens of Havre de Grace and northern Maryland with critical health care services for over a century and is currently the City's largest employer. It also must be noted that after the City of Havre de Grace requested to be an interested party UCH ceased communications and informed the City that they could only speak with UCH attorneys. This was a surprise to the City because it was not involved in any litigation with UCH, nor was it anticipating litigation with UCH. While both parties have policy disagreements about health care, the City has always advocated for open communications with UCH, believing it's in the best interest of the Citizens.

While not a recognized interested party the, City of Havre de Grace has closely worked with the MHCC and other state agencies and is continuously working on this issue. Based on the information the City has obtained about UCH's plans, it has provided comments and concerns to

the MHCC. The City continues to be concerned about the future of health care in northern Maryland and the future of the HMM campus. Under the latest proposal by UCH the following unknowns and concerns include but are not limited to:

- The impact the closing of HMM will have on Citizens living in northern Maryland.
- Even though UCH had a feasibility plan completed years ago pertaining to the future of the HMM campus, they will not share its plan with the City of Havre de Grace.
- The impact the closing of HMM will have on the local economy including, the workforce.

If passed HB 926, HB 1277, and HB 1571 would install new legal protections for local political subdivisions regarding the closure of hospitals and would provide the City of Havre de Grace much-needed information about the future of health care in northern Maryland and the future of the HMM campus. The City of Havre de Grace urges the Committee to give HB 926, HB 1277 and HB 1571 a favorable report.