



2022 SESSION
POSITION PAPER

BILL NO: SB 804

COMMITTEE: Senate Finance Committee

POSITION: Support

TITLE: SB 804 - Continuing Care at Home - Certificate of Need - Exemption

BILL ANALYSIS

SB 804 - Continuing Care at Home - Certificate of Need - Exemption provides an exemption from the certificate of need requirement. This exemption does not include facilities that are for the exclusive use of the provider's subscribers who have executed continuing care at home agreements and paid certain entrance fees into a continuing care community and generally relating to continuing care at home and exemptions to certificate of need.

POSITION AND RATIONALE

The Maryland Health Care Commission supports SB 804.

Continuing Care Retirement Communities (CCRCs) can establish comprehensive care facilities (CCFs or nursing homes) without obtaining a Certificate of Need (CON). This exception to the CON law limits admission to such CCRC health care facilities, in general, to continuing care contract purchasers. About half of the CCRCs in Maryland operate such limited-use CCFs.

This bill would allow CCRCs with exceptional CCFs to admit purchasers of "continuing care at home" contracts, sold by the CCRC. "Continuing care at home" is a continuing care contract option, untested so far in Maryland, that differs from the traditional continuing care contract, in which purchasers reside as independent living or assisted living residents on the CCRC campus. Such "at home" contracts are required to provide that a CCF is available as an element of the continuing care at home continuum.

MHCC supports this narrow change in the statute. The original intent of this part of the law was to allow continuing care contract holders to have limited-use CCFs on their retirement community campuses, without the interference of CON regulation. To the extent that continuing care at home is now available in Maryland, and may be tested as a viable

enterprise, it is logical to make the “at home” option contract holders eligible for the same CCF services as the other types of continuing care contract holders. This makes sense from the interest of the public seeking continuing care agreements, making it easier for existing CCRCs to market more contract options to consumers with an assurance of available CCF services within the continuum.

For these reasons the Commission asks for a favorable report on SB 804.

Note: The Maryland Health Care Commission is an independent State agency, and the position of the Commission may differ from the position of the Maryland Department of Health.

