

House Bill 1277- Department of Commerce
University of Maryland – Harford Memorial Hospital Closure – Economic Impact Study
UM Upper Chesapeake Health
Written Testimony

Before the House Health and Government Operations Committee
March 2, 2020

University of Maryland Upper Chesapeake Health (UM UCH) has been planning for health care transformation for several years and it is a project we refer to as “Your Health. Our Mission (YHOM).” Our YHOM plan includes the development of a new, modern medical campus in Aberdeen, MD, which requires the transitioning of our current acute care hospital (Harford Memorial Hospital – UM HMH) to a modernized, freestanding medical facility in a new location. This re-location provides two key benefits. First, it provides easier health care access to residents on the eastern portion of Harford County. Second, it will allow UM UCH to close an obsolete facility that cannot be cost-effectively renovated to meet the ever changing technology advancements available within the industry. This replacement facility will be state of the art, and along with its sister facility, UM Upper Chesapeake Medical Center (UM UCMC) in Bel Air a full service community acute care hospital 14 miles away, will support the needs of modern healthcare delivery in our service area.

In addition to the transition of UM HMH, our YHOM plans include the development of a special psychiatric hospital (as part of a Behavioral Health Pavilion) on the Aberdeen campus as well. The Behavioral Health Pavilion will serve the inpatient mental health needs of our community as well as expanded outpatient services that will help individuals to transition through multiple stages of behavioral health treatment without having to move to multiple geographic locations to receive care. Our planned Behavioral Health Pavilion will serve individuals from young adults (over age 18) to the senior population in need of mental health stabilization, treatment and ongoing counseling. Further, the Emergency Department services within the planned freestanding medical facility will include a dedicated area for individuals suffering from a behavioral health emergency. I believe the committee is extremely knowledgeable about the behavioral health crisis that exists in our state as well as in our country, for sufficient community-based mental health services.

Additional components of our YHOM plan includes the expansion of acute care services at our Bel Air location at the UM Upper Chesapeake Medical Center campus, with the goal of continuing to regionalize health care services in the most appropriate, cost-efficient manner

while delivering the highest quality of care; as well as the expansion of outpatient services at both the Bel Air and Aberdeen campuses.

Individuals and select community leaders have raised some concerns over the impact of the closure of UM HMH on the city of Havre de Grace as reflected in areas of focus in this house bill. UM UCH leadership and our Board have, and will continue to be, committed to working collaboratively with the city of Havre de Grace as well as community representatives in our Community Relations council as it relates to the future re-use of UM HMH. With that focus in mind, UM UCH has engaged the brokerage firm, Cushman Wakefield to complete a preliminary UM HMH Re-Use study and has begun conversations with the Department of Housing leadership to better understand the opportunity zone opportunities that exist in the Havre de Grace area. With our strong commitment to the community, we do not feel that it is necessary or appropriate for a state agency to legislate the execution of a revitalization plan as outlined in section (c) (3) which notes that the proposed economic impact study “includes opportunities for public-private investment from the local, State, and University of Maryland Medical System partnership.” This focus is redundant with the planning that has taken place to date, and will continue in the future, as a private, not for profit organization in the sale of its property, in this case the sale of the UM HMH.

In addition it is also important to note, that the inclusion of Section 1 (b) (2) (ii) which states “the effect on employment at the existing facility at Harford Memorial Hospital, including the costs and benefits of relocation to the new facility,” far exceeds the purview of a state agency to mandate legislatively. As a component of both the Maryland Health Care Commission Certificate of Exemption process and from a standard business practice modeling, UM UCH has and will continue to oversee the transition of its team members currently working at UM HMH to all available positions both locally within the UM UCH facilities as well as within the UMMS. We are 100% committed to our team members as we transition our facilities as well as our overall care delivery model. Lastly, it is equally important to note that **I/we** believe it is not within the purview of a state agency to legislate the evaluation of the costs and benefits of closing a private, not-for-profit organization. This is a responsibility of the leadership and Board of UM UCH and one we also take very seriously.

For these specific reasons, I, as a representative of UM UCH leadership and on behalf of our Board of Directors, strongly oppose the passing of HB 1277.

Submitted By:

A handwritten signature in black ink, appearing to read "Lyle E. Sheldon". The signature is fluid and cursive, written over a white background.

Lyle E. Sheldon FACHE
President/Chief Executive Officer
UM Upper Chesapeake Health