



**TESTIMONY BEFORE THE
SENATE FINANCE COMMITTEE**

March 10, 2022

Senate Bill 804: Continuing Care at Home - Certificate of Need – Exemption
Written Testimony Only

POSITION: FAVORABLE

On behalf of the members of the Health Facilities Association of Maryland (HFAM), we appreciate the opportunity to express our support for Senate Bill 804. HFAM represents over 170 skilled nursing centers and assisted living communities in Maryland, as well as nearly 80 associate businesses that offer products and services to healthcare providers. Our members provide services and employ individuals in nearly every jurisdiction of the state.

Senate Bill 804 provides that the definition of a health care facility, for the purpose of providing an exemption from the certificate of need requirement, does not include certain 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.

Specifically, this legislation provides an option for Continuing Care Retirement Communities (CCRCs) to have a continuing care at home agreement for individuals that live in the community-at-large (not on the campus of the CCRC) and for those individuals to pay entrance fees and use nursing home certificate of need (CON) exempt beds at the CCRC.

Senate Bill 804 does not amend the calculation of the number of exempt nursing home beds based on independent living units. This legislation does not change the definition of "independent living units," nor does it change the calculation of the exempt bed formula. It would only affect CCRCs that currently have CON excluded beds. Finally, to be explicit, this bill will have no impact on certificates of need and per the State Health Plan, the formula does not change for SNF beds.

Continuing care at home provides a retirement option for older adults who wish to continue living independently wherever they call home, with the assurance and peace of mind knowing that they have guaranteed lifetime access to a wide range of health care should their health needs ever change.

Continuing Care at Home (CAAH) is one model that has proved useful in meeting older adults where they are and in supporting older adults in aging well at home. The focus of CCAH is a coordinated long-term care plan for healthy, independent seniors who want to stay at home. CCAH is a more affordable option and has the potential to support different socio-economic and diverse groups of older Marylanders.

HFAM has long advocated that Marylanders in need of long-term care should receive care in a clinically appropriate setting that meets both their medical, safety, and personal needs. HFAM has also long supported access to care and adequate funding across settings.

If a person can safely receive care support at home, then they should certainly have the opportunity to do so. The Continuing Care at Home (CCAH) is one model that has great potential on that front.

This legislation makes clear that a CCRC can establish a CCAH program and use CON-excluded beds at the CCRC for the provision of nursing home care to the CCAH's subscribers.

The vast majority of people who receive care in Maryland skilled nursing and rehabilitation centers are medically complex and require round-the-clock care. Most often, they do not have family members who can provide the high level of support that they need at home. Therefore, they are unable to safely receive care at home. If not cared for in skilled nursing centers, these residents and patients would otherwise receive care in a hospital at a much higher cost to the state and other payors—putting at risk Maryland's Total Cost of Care Contract.

It is a positive step forward if the Continuing Care at Home (CCAH) model is one of several public policy approaches to delay or prevent unnecessary long-term care nursing home residency that also taps in to the value and clinical expertise of skilled nursing centers while keeping older Marylanders engaged with their family and community.

For these reasons, we request a favorable report on Senate Bill 804.

Submitted by:

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