

IN RE: THE PARTIAL RATE	*	BEFORE THE HEALTH SERVICES
APPLICATION OF THE	*	COST REVIEW COMMISSION
ADVENTIST BEHAVIORAL	*	DOCKET: 2011
HEALTH	*	FOLIO: 1924
ROCKVILLE, MARYLAND	*	PROCEEDING: 2114N

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Staff Recommendation

August 11, 2011

This recommendation was unanimously approved by the Commission on August 11, 2011.

Introduction

On May 18, 2011, Adventist Behavioral Health (the "Hospital") submitted a partial rate application to the Commission requesting a rate for Psychiatric Intensive Care (PSI) services. As an acute psychiatric facility, the Hospital is the largest provider of mental health services in Montgomery County. The Hospital is requesting the lower of \$989.25 per patient day or the current statewide median rate for this service, to be effective June 1, 2011.

Staff Evaluation

The Hospital requested the new PSI rate because under an arrangement with the federal government, it will soon be treating patients referred by the U.S. military, who have more severe psychiatric conditions than the Hospital's current patient population. Due to the severity of their illnesses, these patients, at times, require 1:1 nursing care.

Since there are currently no other approved PSI rates in Maryland hospitals, staff requested financial projections from the Hospital. Based on the data provided by the Hospital, staff determined that the projected PSI rate is reflective of the projected increased costs and appears to be reasonable in light of the greater intensity of service required.

In addition, Staff determined that the Hospital was not required to obtain Certificate of Need approval to provide PSI services, since there are no new beds associated with this service.

Recommendation

After reviewing the Hospital's application, the staff recommends as follows:

1. That COMAR 10.37.10.07 requiring that rate applications be filed 60 days before the opening of a new service be waived;
2. That an PSI rate of \$989.25 per day be approved effective July 1, 2011; and
3. That the PSI rate not be rate realigned until a full year's cost experience data have been reported to the Commission.