

MARYLAND HEALTH CARE COMMISSION

Approval of Acquisitions with Conditions

March 19, 2026
(Corrected April 16, 2026)

Nancy Lane, PDA
2016 Cameron Street, #201
Raleigh, North Carolina 27605

RE: Acquisition of Operations and Bed Rights for Six Nursing Homes in the Baltimore Metro Region

- Blue Point Healthcare Center – Blue Point SNF, LLC/OHI Asset (MD) Baltimore-West Belvedere, LLC (135 beds)
- Ellicott City Healthcare Center – Ridge (MD) Leasing Co., LLC/ OHI Asset (MD) Ellicott City, LLC (182 beds)
- Fayette Health & Rehabilitation Center – Fayette Leasing Co., LLC/Fayette Asset Ownership, LLC (156 beds)
- Holly Hill Healthcare Center – Holly Hill Nursing, LLC/PV Realty-Holly Hill, LLC (75 beds)
- Laurelwood Healthcare Center – Laurel Leasing Co., LLC/CSE Elkton LLC (110 beds)
- Northwest Healthcare Center – Northwest SNF, LLC/OHI Asset (MD) Baltimore-Pall Mall, LLC (91 beds)

ACQUISITION DESCRIPTION

This order authorizes the acquisition of the operations and bed rights of the above identified nursing homes by the entities identified in Appendix 1, subject to conditions.

ORDER

I. The Maryland Health Care Commission reviewed the Staff Report and based on the analysis and record **ORDERED** on March 19, 2026 that the acquisitions are approved with the following conditions:

1. Within 90 days of the contract execution, the buyers must submit a Quality Improvement Plan for the Commission staff's approval that is consistent with the [CMS Quality Assurance and Performance Improvement \(QAPI\) plan](#) for each acquired facility in collaboration with the real property owners. The Plans must include actions to eliminate documented harm tags and a detailed budget of planned quality improvement investments. If a facility has an overall rating below three (3) stars in the CMS Nursing Home Compare rating system, the plan must include measurable

performance improvement goals to raise quality scores and associated quality metrics to an overall rating of 3 stars.

- a. Each facility's plan, budget, and updates shall be single, consolidated submissions by the operations-acquiring entity, and should utilize the reporting format provided by the Commission, if one is provided. Commission staff will review the submitted Plans and budget and may recommend revisions prior to approval.
 - b. Buyers shall submit status updates on the Plan, including current expenditures on quality improvement, to the Commission every six months for the next three years, which the Commission may make public, in whole or in part.
 - c. The facility shall make demonstrable progress towards quality improvement to satisfy the terms of this condition.
2. Within 90 days of contract execution, buyers and affiliated entities must disclose any individuals that have a financial stake or managerial authority in both the applicant and any company that contracts with an acquired facility. Each disclosure shall identify: the name of the contracting entity, the services provided and associated fees, the individuals holding the financial interest and the value of the interest. If the payment for a specific contracted service exceeds fair market value, or upon the Commission's request, buyers must provide the Commission with adequate justification for the payment. Buyers shall update this information on an annual basis as part of the post-acquisition report required by COMAR 10.24.20.06C(1).
 3. For any facilities for which a waiver request was denied in whole or part, buyers must submit a detailed plan for how the applicant intends to eliminate or further reduce the resident rooms containing more than two beds within 90 days of contract execution.
 4. If the applicant fails to meet any conditions on bed waiver approvals or conditions of the acquisition, the applicant may be subject to fines, penalties, and/or revocation of bed waivers.
- II. In consideration of the applicants' requests for waivers of the requirement to fully eliminate all rooms with more than two beds for Blue Point Healthcare Center, Fayette Health & Rehabilitation Center and Northwest Health Center, as well as Staff's Report and analysis, the Commission further **ORDERED**:
1. That the waiver request for **Blue Point Healthcare Center** is APPROVED and the facility may retain 15 triple rooms, subject to the following conditions:
 - a. The facility must continue to provide services to substance use disorder treatment and wound care; and

- b. The facility must maintain 80% Medicaid participation rate.
2. The waiver request for **Fayette Health & Rehabilitation Center** is PARTIALLY APPROVED, the facility must further eliminate 6 quad rooms within 3 years of acquisition approval but may retain 7 multi-bedded rooms, subject to the following conditions:
 - a. The facility must continue to provide services for substance use disorder treatment, provide methadone, suboxone, psychotherapy and care for residents who are amputees; and
 - b. The facility must maintain 80% Medicaid participation rate.
3. The waiver request for **Northwest Healthcare Center** is PARTIALLY APPROVED and the facility must further eliminate 1 quad and 1 triple room within 3 years of acquisition approval but may retain 8 multi-bedded rooms subject to the following conditions:
 - a. The facility must maintain an 80% Medicaid participation rate; and
 - b. The facility must continue to provide services for substance use disorder and behavioral health residents.

PROPOSED CHANGES TO THE APPROVED PROJECT

Before making any changes to the facts in the acquisition applications approved by the Commission, the acquirers must notify the Commission in writing and receive Commission approval of each proposed change.

FACILITIES LICENSURE BY MDH

This application approval with conditions does not constitute a license or replace any approvals required by the Office of Health Care Quality (OHCQ) or others within the Maryland Department of Health (MDH). The acquirers must provide OHCQ and MDH with all information required for facility licensure.

NOTIFICATION OF ACQUISITION COMPLETION

Within 15 days following the completion of the acquisition, send notice of completion to the Maryland Health Care Commission and the OHCQ.

ANNUAL STATUS REPORTS

In accordance with COMAR 10.24.20.06, on or before July 1 immediately following the acquisitions of the nursing homes in these transactions and each year for 3 years thereafter the

March 19, 2026

Page 4

buyers shall provide the Commission annual status reports (Appendix 2). A report template for the annual reporting will be forthcoming. The due date of the first annual report is July 1, 2027.

SUBMISSION SCHEDULE

Date	Submission
90 Days After Contract Execution Approximately June 30, 2026	<ul style="list-style-type: none"> • Single, consolidated Quality Improvement Plan including plan, budget, and updates for each acquired facility submitted by the operations-acquiring entity in collaboration with the real property owners; • Overlapping interest disclosure for each acquired facility; and • Plan to eliminate or reduce multi-bedded rooms for each facility denied or partially denied multi-bed waiver.
9 months after contract execution Approximately January 2027, depending on closing date	<ul style="list-style-type: none"> • Single, consolidated Quality Improvement Plan update for each facility
July 1, 2027	<ul style="list-style-type: none"> • Annual Report required by COMAR 10.24.20.06 for each acquired facility, which shall include updates to the Quality Improvement Plan for each acquired facility, submitted by the operations-acquiring entity in collaboration with the real property owners, and overlapping interest disclosure update for each acquired facility.
January 2, 2028	<ul style="list-style-type: none"> • Single, consolidated Quality Improvement Plan update for each facility
July 1, 2028	<ul style="list-style-type: none"> • Annual Report required by COMAR 10.24.20.06 for each acquired facility, which shall include updates to the Quality Improvement Plan for each acquired facility, submitted by the operations-acquiring entity in collaboration with the real property owners, and overlapping interest disclosure update for each acquired facility.
January 2, 2029	<ul style="list-style-type: none"> • Single, consolidated Quality Improvement Plan update for each facility
July 1, 2029	<ul style="list-style-type: none"> • Annual Report required by COMAR 10.24.20.06 for each acquired facility, which shall include updates to the Quality Improvement Plan for each acquired facility, submitted by the operations-acquiring entity in collaboration with the real property owners, and overlapping interest disclosure update for each acquired facility.

ACKNOWLEDGEMENT OF RECEIPT

Acknowledgement of your receipt of this approval stating acceptance of its terms and conditions, is required within thirty (30) days.

MARYLAND HEALTH CARE COMMISSION

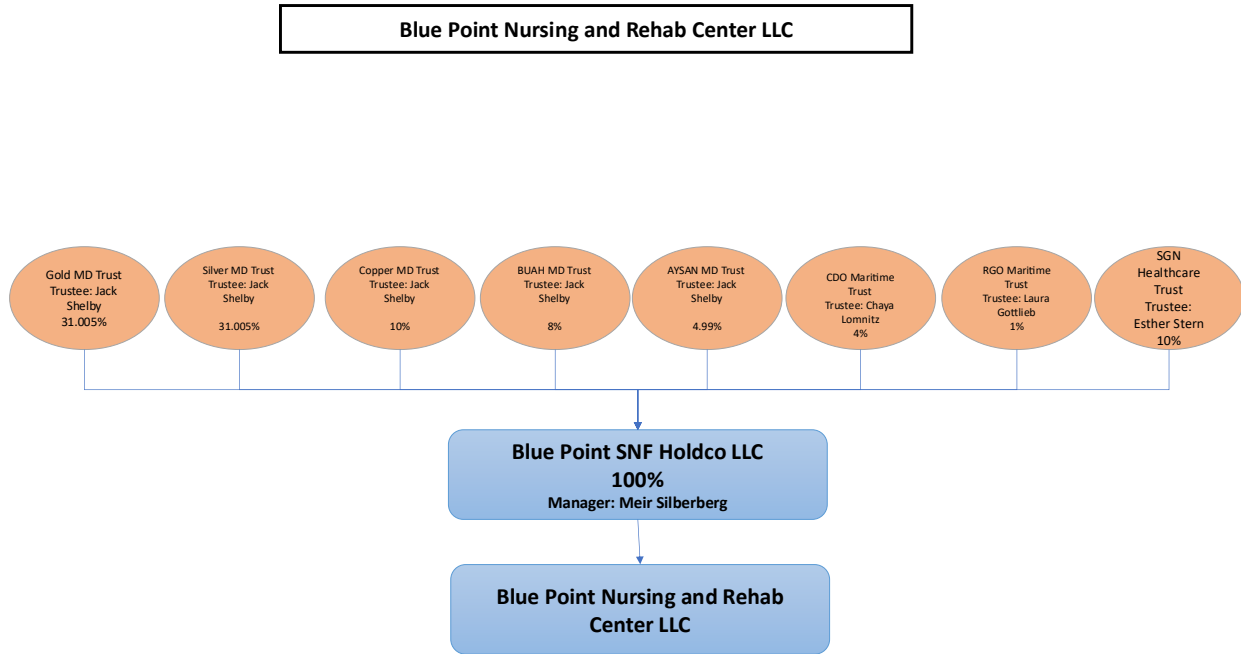
Douglas Jacobs, MD, MPH
Executive Director

cc: Meena Seshamani, MD, Ph.D. Health Secretary
Carmel Roques, Secretary of Aging
Tia Witherspoon, Office of Health Care Quality
Anthony G. Brown, Attorney General
Karrie Craig, State Long-Term Care Ombudsman
Dr. Michelle Taylor, Health Officer, Baltimore City
Dr Lucy Wilson, Health Officer, Baltimore County
Maura Rossman, M.D., Health Officer, Howard County
Dan Coulter, Interim Health Officer, Cecil County
Wynee Hawk, Director, Health Planning, MHCC
Alexandra Bryden, Chief of Staff, MHCC
Jeanne Marie Gawel, Chief of Facility Planning, MHCC
Heather Reed, Office of Health Care Quality, MDH
Catherine Victorine, Program Manager, MHCC
Deanna Dunn, Health Care Facilities Coordinator, MHCC
Alexa Bertinelli, Assistant Attorney General
Caitlin Tepe, Assistant Attorney General

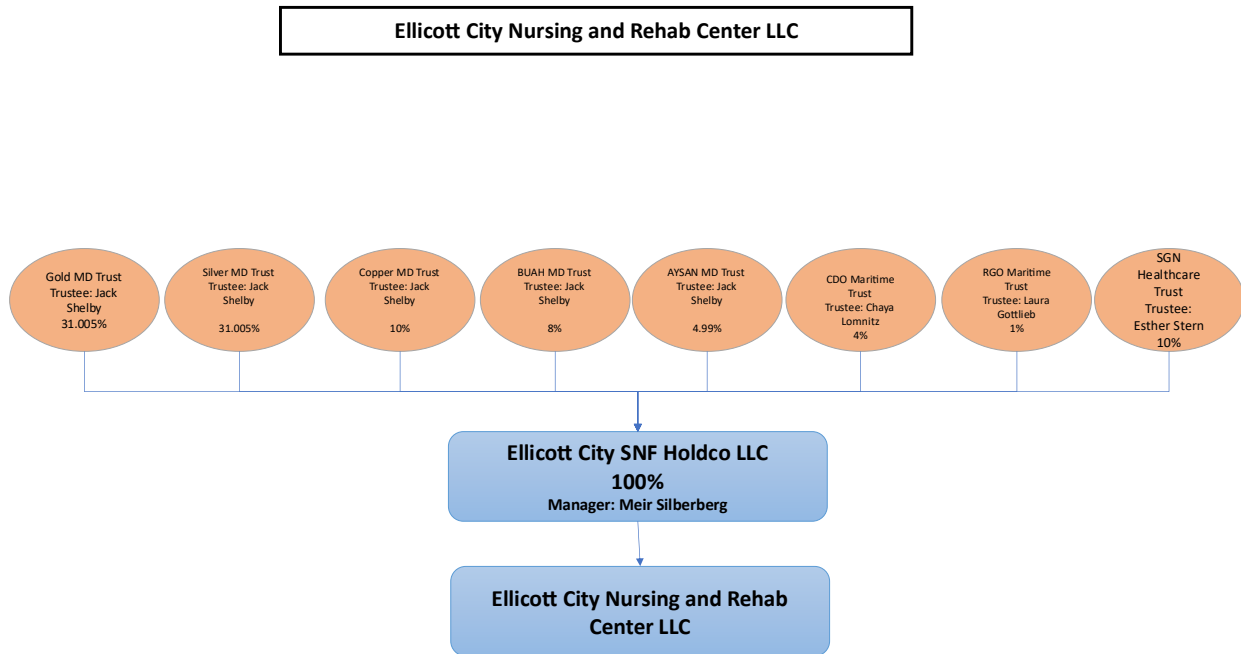
APPENDIX 1

Baltimore Metro

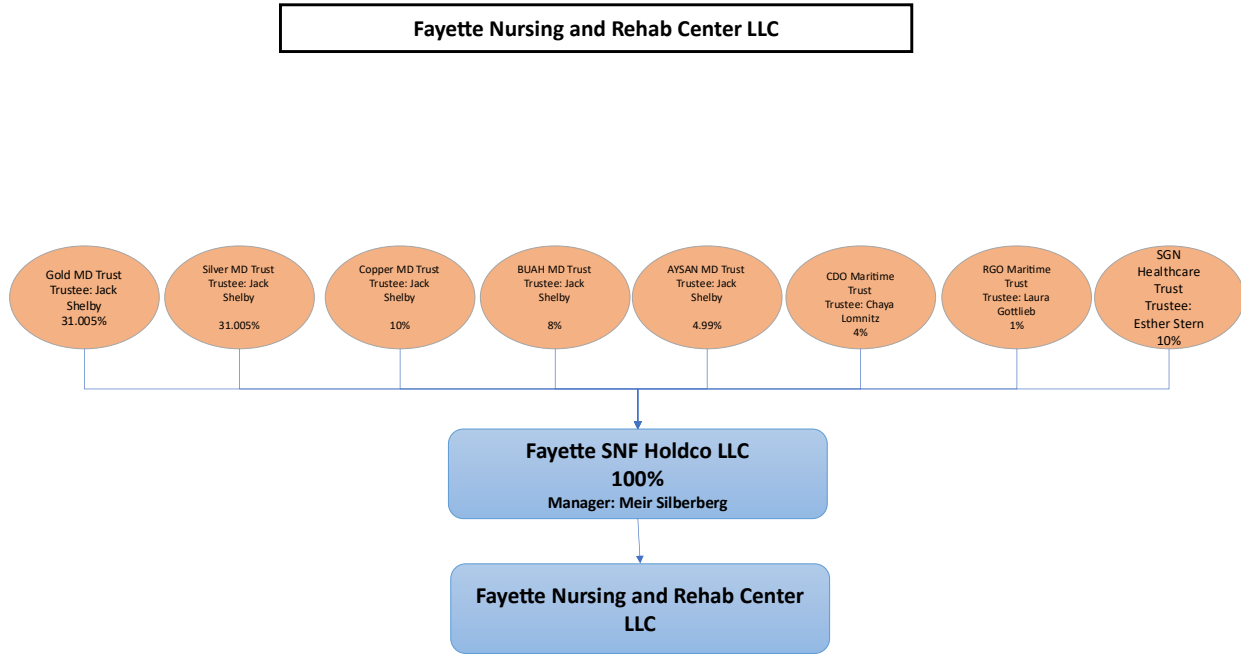
Blue Point Healthcare Center



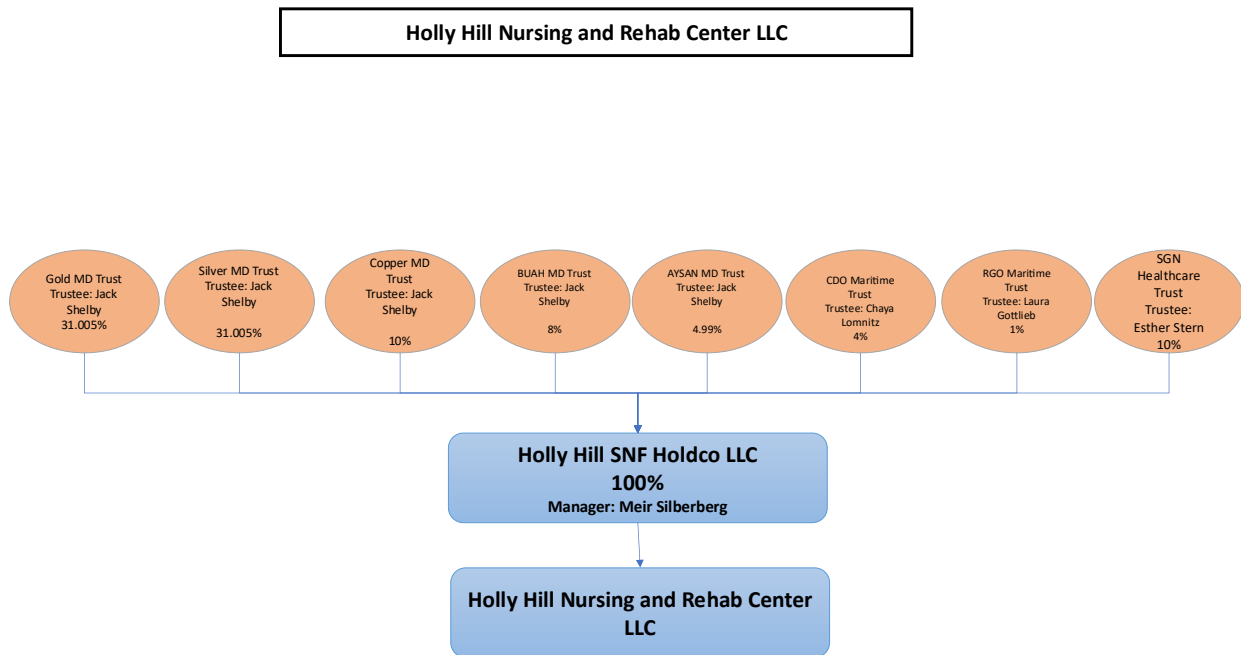
Ellicott City Healthcare Center



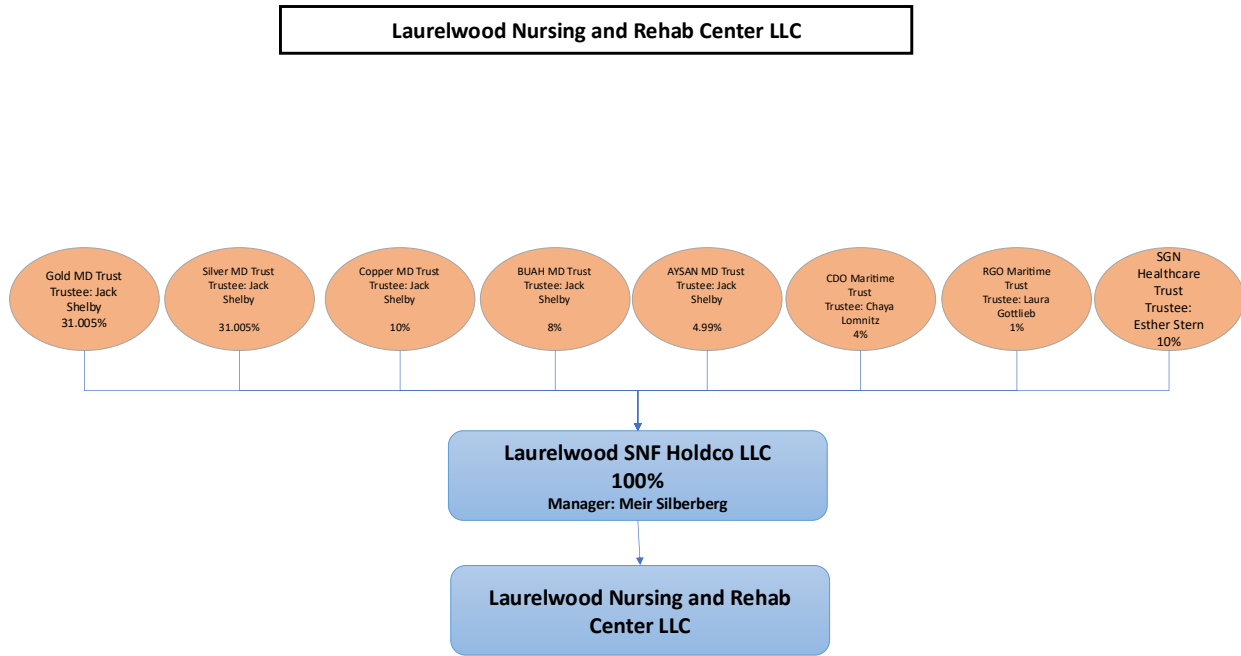
Fayette Health & Rehabilitation Center



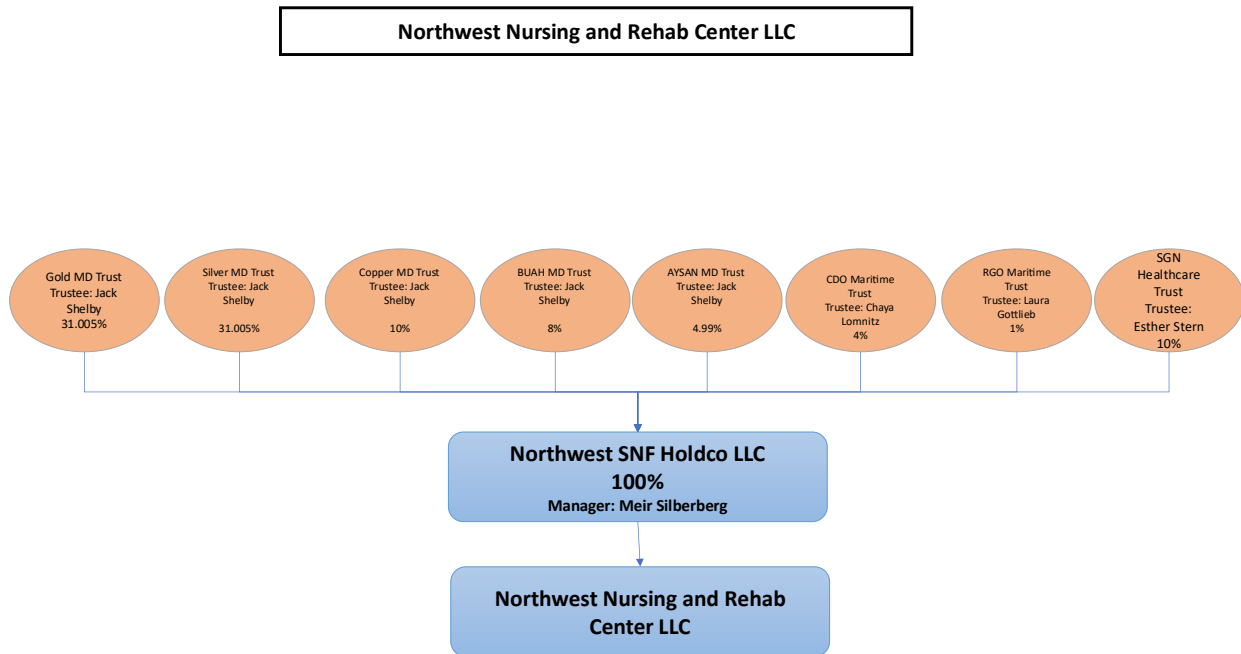
Holly Hill Healthcare Center



Laurelwood Healthcare Center



Northwest Healthcare Center



APPENDIX 2

COMAR 10.24.20.06C

(1) On or before July 1 immediately following the acquisition of a nursing home and each year for 3 years thereafter, the person that acquired the nursing home shall submit a report to the Commission that includes the following information from the prior calendar year:

a. Financial metrics. Financial performance statements, audits and reports, including a copy of the most recent annual operating budget, which shall specify:

- i. Net operating revenue;
- ii. Total operating expenses;
- iii. Net income;
- iv. Occupancy levels.

b. Ownership Information

- i. Identification of all operating entities, license holders, affiliates and related parties in which the person has an ownership or control interest of 5% or more and that provides any service, facility, or supply to the nursing home;
- ii. An updated ownership chart including ownership interests in other facilities for each owner, identifying any changes from the chart submitted in the application;
- iii. A list of an organizational chart for all related entities that provide any service, facility, or supply to the acquired nursing home.

c. Regulatory Compliance

- i. A status report on the progress made toward the elimination of resident rooms containing more than two beds;
- ii. Any citations, deficiencies or corrective action plans;
- iii. Status of any conditions on the nursing home's license.

d. Staffing Metrics

- i. The ratio of direct care staffing to residents;
- ii. The hours of bedside care per licensed bed per day;
- iii. Any changes in staffing including the increase or decrease in the utilization of licensed or certified staff;
- iv. Staff turnover, retention strategy and staffing agency utilization.

e. Clinical Metrics

- i. Clinical outcomes such as rates of falls, pressure ulcers, infections, and hospitalizations, including the percent of Hospital Admissions and Readmissions;
- ii. Infection survey results obtained from the Office of Health Care Quality;
- iii. Quality improvement initiatives; (iv) Resident and family satisfaction surveys.

f. Any other information requested by the Commission.