



TO: Mallory Regenbogen, Counsel to the Applicant
Gallegher LLP

FROM: Jeanne Marie Gawel, Chief of Facility Planning

RE: Staff Report and Recommendation
Ruxton SurgiCenter, LLC
Docket# 25-03-2474

DATE: May 21, 2026

Enclosed is the Staff Report and Recommendation in the review of the Certificate of Need (CON) application by Ruxton SurgiCenter, LLC (Ruxton) to establish a new ambulatory surgery facility in Towson, Maryland through its relocation and expansion.

The relevant State Health Plan (SHP) chapter considered in the review of this project is COMAR 10.24.11, State Health Plan for General Surgical Services. Also considered was the general CON review criteria at COMAR 10.24.01.08G(3)(a) through (f). Commission staff recommends that the Maryland Health Care Commission **APPROVE WITH CONDITIONS** Ruxton's application for a Certificate of Need to establish a new ambulatory surgery facility.

Project Description

Ruxton submitted a Certificate of Need (CON) application to expand its surgical capacity by establishing a new ambulatory surgical facility (ASF). Ruxton currently operates at full capacity with two operating rooms and two procedure rooms. (DI #4, p.10). The proposed ASF will add three sterile operating rooms, resulting in a total of five operating rooms and two procedure rooms in a new ambulatory care building adjacent to the UM SJMC campus. (DI #4, p.8). The ASF will also have space for one additional room, which can be either a sterile operating room or procedure room, depending upon need at a later date.

The primary goals of the project are to increase capacity to meet rising demand for outpatient surgical services and to shift appropriate cases from UM SJMC to a lower-cost, ambulatory setting. The proposed ASF will offer a convenient and cost-effective environment for lower-acuity outpatient surgical care. This shift from inpatient to outpatient settings aligns with Maryland's health care delivery objectives by promoting cost efficient care in medically appropriate environments.

The project will replace Ruxton's outdated facility with a modern ambulatory surgery center designed to improve efficiency, support advanced technology, and enhance the patient and

provider experience. The new space will meet current codes and best practices, reduce maintenance challenges, and better accommodate future equipment needs, including robotics. (DI #4, p.10).

The ASF will be located at 7401 Osler Drive in Towson, Maryland 21204. Ruxton will lease and fit out approximately 22,145 square feet. Upon completion, the proposed ASF will include the following rooms (DI #4, Exhibit 2):

- Operating room 1 - 504-SF
- Operating room 2 - 525-SF
- Operating room 3 – 505 SF
- Operating room 4 – 511 SF
- Operating room 5 – 484 SF
- Procedure room 1 – 357 SF
- Procedure room 2 - 365-SF
- Future procedure room or operating room 491 SF. (proposed). (DI #4, Exhibit 2)

The total project is estimated to cost \$16,598,326. Most of the project funding will be obtained through a \$15.2 million bank loan. (DI #9, Exhibit 16).

Recommendation

Ruxton will continue to provide orthopedic, joint, and pain management procedures and surgeries. Once the ASF is established, it will expand access to outpatient surgical services for residents of Baltimore and the surrounding counties by offering care in a modern facility equipped with updated technology and designed to reduce costs. The project will accommodate the growing demand for orthopedic surgeries and procedures, allowing providers to treat patients in the most appropriate and efficient setting. By locating the new facility within an ambulatory building, Ruxton will be able to shift suitable orthopedic cases from the hospital setting to a more efficient outpatient environment.

The proposed project complies with the applicable standards in COMAR 10.24.11, the General Surgical Services chapter of the State Health Plan, and with the Certificate of Need review criteria at COMAR 10.24.01.08G(3)(a) through (h), and as explained more fully in this Staff Report, staff recommends the Maryland Health Care Commission find this applicant has met its burden and APPROVE Ruxton SurgiCenter application for a Certificate of Need with the following conditions:

Therefore, staff recommends that the Commission approve the expansion and relocation of Ruxton Ambulatory Surgical Facility with the following conditions:

1. Ruxton must receive accreditation by the Joint Commission, the Accreditation Association for Ambulatory Health Care (AAAHC), or the American Association for



Accreditation of Ambulatory Surgery Facilities or another accreditation organization recognized by the Centers for Medicare and Medicaid Services as acceptable for obtaining Medicare certification and approved by the State of Maryland within two years of first use.

2. Ruxton must submit a CON application if they intend to utilize the designated “flex room” as an operating room in accordance with COMAR 10.24.11 D(1) and obtain approval from the Commission prior to such use. Alternatively, if the applicant elects to use the flex room as a procedure room, the applicant shall submit a determination of coverage letter to the Commission for review and confirmation prior to initiating such use.
3. Ruxton must commit to providing charitable surgical services to indigent patients that are equivalent to at least the average amount of charity care provided by ambulatory surgical facilities in the most recent year reported by the Maryland Health Care Commission, measured as a percentage of total operating expenses.
4. Ruxton shall provide its patients with an estimate of out-of-pocket charges prior to arrival for surgery.
5. Ruxton shall post copies of the financial policy and the financial assistance application on its website prior to first use.
6. For three years following first use, Ruxton shall:
 - Submit annual reports to the Commission, including, at a minimum: patient demographics (age, race/ethnicity), insurance type, employment status, number of patients requesting transportation assistance, number of patients who are limited English proficient or prefer to communicate in a language other than English, number of patients requesting interpreters including American Sign Language (ASL) interpreters, and key quality, access, and outcomes indicators and improvement initiatives as tracked and reported through Ruxton’s Quality Assessment and Performance Improvement (“QAPI”) program including stratification.
 - Maintain processes to support access to care and improve patient outcomes for all patients, including:
 - Verify a responsible adult and ride are available prior to surgery, and providing transportation assistance if requested and in alignment with applicable law;
 - Verify whether a patient prefers to communicate in a language other than English;
 - Based on patient verification, make real-time interpreter services for patients who prefer to communicate in a language other than English;



- Provide patients pre-operative education and post-operative discharge planning support in their preferred language, written at no higher than a 5th or 6th grade reading level, and with confirmation from each patient and/or the individual accompanying them to the appointment that they understand discharge and post-operative care instructions;¹
- Review on a quarterly basis key quality, access, and outcomes indicators through its QAPI program, stratified by sociodemographic information including, but not limited to race, ethnicity, age, and payer source, and identify any key trends and opportunities for improvement. Report findings of such review to Ruxton's leadership and formulate process improvement initiatives. Report such findings to the Commission as part of the annual report described in the condition above, including but not limited to improvement initiatives related to addressing observed health disparities.

Further Proceedings

This matter will be placed on the agenda of a meeting of the Maryland Health Care Commission on May 21, 2026, which begins at 1:00 p.m. at 4160 Patterson Avenue in Baltimore. This meeting is expected to be a “hybrid” meeting at which Commissioners and persons with matters before the Commission may attend in person or attend virtually. However, Commission staff requests that representatives who plan to speak on behalf of the applicant attend the meeting in person. Please let the Commission know as soon as possible if there are any concerns with my request to appear in person. The link to register to attend the meeting will be placed on the Commission's meeting page: <https://mhcc.maryland.gov/meetings>. After registering, each person will receive a confirmation email containing information about joining the Commission meeting via the Internet. The Commission will issue a final decision based on the record of the proceeding.

As provided in COMAR 10.24.01.09B, an applicant or interested party may submit written exceptions to the enclosed Staff Report and Recommendation. Written exceptions must identify specifically those findings or conclusions to which exception is taken, citing the portions of the record on which each exception is based. Copies of exceptions and responses to exceptions must be communicated to all parties, via regular mail or email, by the due date and time shown below. If the deadline is met via email, please assure that paper copies of the exceptions or response to exceptions are also mailed to the Commission the same day.

¹ ASF may refer to the Agency for Healthcare Research and Quality's (AHRQ) Health Literacy Universal Precautions Toolkit for additional information about helping make health information easier to understand and act on and increasing support for patients of all health literacy levels. <https://www.ahrq.gov/health-literacy/improve/precautions/index.html>



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Oral argument during the exceptions hearing before the Commission will be limited to 10 minutes for the applicant, unless extended by the Chairman. The schedule for the submission of exceptions and any response to exceptions is as follows:

Submission of exceptions: Monday, May 18, 2026, by 12:00 pm.

Commission Meeting: Thursday, May 21, 2026, at 1:00 pm

cc:

Tia Witherspoon Executive Director, Office of Health Care Quality, MDH

Douglas Jacobs, MD, MPH, Executive Director, MHCC

Alexa Bertinelli, Assistant Attorney General, MHCC

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