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Division of Licensing and
Regulatory Services

January 4, 2010

Larry Carbonneau
Certificate of Need Unit
Division of Licensing and Regulatory Services
Department of Health and Human Services
State House Station #11
41 Anthony Avenue
Augusta, ME 04333

Re: Clover Manor

Dear Larry:

On behalf of our client, Clover Manor, we are advising you of the intent to renovate the facility at a cost of approximately \$891,000. The renovations will result in the change from 23 skilled nursing beds to 15 and the increase in nursing facility beds from 87 to 94, which is a net reduction of one bed. Clover would like to transfer that one bed to Gorham House and is in the process of making that request.

The total project is expected to be completed over a four-month period beginning in January 2010. The project will be financed by NHP, consistent with the terms of the master lease agreement.

This is a follow-up request to our original request dated August 21, 2009. The project was delayed purposely to go in effect consistent with 22 MRSA §329 (effective date September 12, 2009) which increases the threshold requiring a Certificate of Need to projects with capital expenditures of \$1,000,000 or more.

It is our understanding, based on the new law; there is no requirement to file a Certificate of Need for capital expenditures less than \$1,000,000. We specifically request a response from the Department verifying our interpretation of the rules as it applies to the renovation project at Clover Manor.

Our client is planning to begin the renovation process immediately and therefore a prompt reply to our response would be greatly appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Rice".

Stephanie Rice

cc: Cathy Cobb
Herb Downs
Joe Hogan
Venise Minkowski