## KOZAK & GAYER, P.A.



MAINE OFFICE 160 CAPITOL STREET, SUITE 4 AUGUSTA, MAINE 04330 Tel: (207) 621-4390 FAX: (207) 621-4394

COLORADO OFFICE 134 F STREET, SUITE 207 SALIDA, COLORADO 81201 TEL: (719) 207-4440 FAX: (719) 207-4466

WWW.KOZAKGAYER.COM

Michael A. Burian

Taylor D. Fawns

Steven L. Johnson
Admitted in Colorado, Maine, New Hampshire (Inactive), and Vermont (Inactive)

Joseph M. Kozak
Admitted in Maine, New Hampshire, New York and Vermont

Michael D. Seitzinger

Benjamin P. Townsend
Admitted in Maine, New Hampshire, New York and Versiont

Gordon K. Gayer (Of Counsel)

September 26, 2017

## Via Email and Hand Delivery

Sarah Taylor, Director (Sarah.Taylor@maine.gov)
Larry Carbonneau, Program Manager (Larry.Carbonneau@maine.gov)
Division of Licensing and Certification
Maine Department of Health and Human Services
11 State House Station
41 Anthony Ave.
Augusta, ME 04333

Re: Certificate of Need: Letter of Intent

Neuro Rehab Associates, Inc. (d/b/a Northeast Rehabilitation Hospital Network)

New Inpatient Rehabilitation Hospital

Dear Ms. Taylor and Mr. Carbonneau:

On behalf of Neuro Rehab Associates, Inc. (d/b/a Northeast Rehabilitation Hospital Network) ("NRH"), we respectfully request a ruling from the Department regarding the applicability of the Certificate of Need Act of 2002 (the "Act") for a proposed project to create a new rehabilitation hospital service and facility in York, Maine. The project would consist of operating a new 20-bed inpatient rehabilitation hospital in York, Maine, located on the campus of York Hospital. York Hospital would construct a new 20,030 square foot shell facility that would be leased and built out by NRH.

Formed in 1983, NRH is a New Hampshire corporation that operates four inpatient rehabilitation hospitals in New Hampshire and provides adult and pediatric outpatient rehabilitation services, home health services, and other outpatient services in southern New Hampshire and northern Massachusetts, NRH's hospitals and home health services are accredited by The Joint Commission, and the hospitals are additionally accredited by the Commission on Accreditation of Rehabilitation Facilities ("CARF"). Moreover, NRH has certifications for brain injury and stroke specialty services from both The Joint Commission and CARF, and an amputee rehabilitation certification from The Joint Commission. NRH participates in the Medicare and Medicaid programs.



Sarah Taylor, Director Larry Carbonneau, Program Manager Page 2 September, 26, 2017

NRH believes this project is subject to review under the Act under 22 M.R.S.A. § 329. The project will involve creating a new health service offered by or on behalf of a new health care facility – namely, an inpatient rehabilitation hospital – that will have both capital expenditures exceeding the current threshold of \$3,394,609 and third year incremental operating costs exceeding the current threshold of \$1,131,536. The current budget estimate is that the facility shell construction and build out will cost between \$10.5 million and \$11.1 million. Third year incremental operating costs are estimated to be \$6.5 million. In addition, the project will separately meet the threshold for requiring a Certificate of Need for construction of a new health care facility with capital expenditures that exceed \$3,000,000.

NRH respectfully requests that the Department issue a response letter indicating that the proposed project is subject to review and schedule a technical assistance meeting.

If you have any questions, please let us know. We look forward to working with you and your staff.

Sincerely,

Jøseph Kozak, Esq.

Michael Burian, Esq.

cc: John F. Prochilo, CEO/Administrator Mark R. Taylor, Esq., General Counsel