



Department of Health
and Human Services

Maine People Living
Safe, Healthy and Productive Lives

Paul R. LePage, Governor

Mary C. Mayhew, Commissioner

Department of Health and Human Services
Licensing and Regulatory Services
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February 12, 2015

Eastern Maine Healthcare Systems
Michelle Hood, President and CEO
43 Whiting Hill Road
Brewer, ME 04412

RE: Letter of Applicability: LOI- Acquisition of Operational Control of Maine Coast Memorial Hospital

Dear Ms. Hood:

This correspondence responds to yours dated February 9, 2015 in which Eastern Maine Healthcare Systems proposes to acquire control of Maine Coast Memorial Hospital.

Based on the information you provided, the Department of Health and Human Services has determined that the proposal as written is subject to review. The applicable reason(s) this is a covered project are indicated below:

- This project is a transfer of ownership or acquisition of control of a health care facility.
- This project is an acquisition of major medical equipment where the expenditure exceeds \$3,379,550.
- This project is a new health service where either:
 - Capital expenditures do exceed \$3,168,328 or,
 - Third year annual expenditures do exceed \$1,056,109.
- This project is a new health care facility where:
 - Capital expenditure do exceed \$5,280,547 for a nursing facility or
 - Capital expenditures do exceed \$3,168,328 for other covered facilities.
- The total capital costs associated with the project does exceed:
 - \$5,280,547 for nursing facilities.
 - \$10,561,095 for hospitals or other covered facilities.
- The project is an increase in a licensed bed category or in the case of hospitals greater than a 10% increase.

We have tentatively scheduled a Technical Assistance meeting for March 18, 2015 from 2:00-3:00pm; if you are unable to attend this meeting please contact Katie Wade at 287-9215.

Sincerely,

Larry Carbonneau, CPA
Senior Health Care Financial Analyst

cc: File