

March 23, 2016

**VIA EMAIL AND FIRST-CLASS MAIL**

Robert E. Moffit, Ph.D.  
Commissioner  
c/o Ruby Potter, Health Facilities Coordination Officer  
[ruby.potter@maryland.gov](mailto:ruby.potter@maryland.gov)  
Maryland Health Care Commission  
4160 Patterson Avenue  
Baltimore, Maryland 21215

Re: In the Matter of Dimensions Health Corporation *d/b/a* Prince  
George's Hospital Center; Mt. Washington Pediatric Hospital, Inc.  
Docket No. 13-16-2351

Dear Commissioner Moffit:

On behalf of Dimensions Health Corporation ("Dimensions"), we write to respond to your March 7, 2016 letter requesting a status update on the following issues: (1) Dimensions' partial rate application filed with the Health Services Cost Review Commission ("HSCRC") concerning this project; and (2) the possibility of a new memorandum of understanding ("MOU") among Dimensions, the University of Maryland Medical System ("UMMS"), and the State of Maryland.

**1. The HSCRC Partial Rate Application.**

As you noted in your letter, Dimensions submitted a partial rate application for Prince George's Hospital Center ("PGHC") with the HSCRC on December 4, 2015, seeking a permanent increase in PGHC's Global Budget Revenue, effective July 1, 2019 (the projected opening date of the proposed Prince George's Regional Medical Center). By letter dated December 11, 2015, the HSCRC staff stated that the partial rate application could not be docketed as presented. However, this letter did not end the process. Following the HSCRC's letter, there have been extensive discussions between representatives of Dimensions and the HSCRC staff covering numerous issues on the partial rate application, which culminated in a newly filed partial rate application.

On March 16, 2016, Dimensions replaced the then pending partial rate application with a new partial rate application. The new application addresses concerns expressed by the HSCRC about the initial application, including the use of preliminary FY 2016 revenue and rates. The new application relies upon approved FY 2016 revenue and rates. The HSCRC staff has requested additional information about the cost and size of the proposed project. Dimensions is scheduled to meet with the HSCRC staff within the next two weeks to provide the requested information.

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Dimensions expects that the newly filed partial rate application will be processed expeditiously and is optimistic that the new application will produce a favorable determination.

**2. The Status of a New MOU.**

In July 2011, Dimensions, UMMS, The University of System of Maryland, Prince George's County, and the State of Maryland entered an MOU concerning the Prince George's Regional Medical Center and the health care delivery system in the County. As you note, there have been recent media reports concerning a possible new MOU among certain regional medical center partners. However, no such MOU has been executed by either Dimensions or UMMS.

As you may know, there is legislation pending before both chambers of the Maryland General Assembly, which seeks to codify various aspects of the funding commitments by the State and Prince George's County (Prince George's County Regional Medical Center Act, Senate Bill 324 and House Bill 309). Principally, the legislation would require the State of Maryland and Prince George's County to provide specified operating and capital funding for a new Prince George's County Regional Medical Center. Also, the legislation would require the transfer of the governance of the facility to UMMS. Two versions of the bills have passed their respective houses—the Senate and the House of Delegates—with slight differences. Dimensions believes that one of these bills likely will pass the Maryland General Assembly before the conclusion of the legislative session. If the legislation is enacted, there will be no need for a new MOU, from a financial perspective, as the obligations of the parties would be established by statute.

Please let me know if you need any additional information. Thank you for your continued consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas C. Dame', with a stylized, cursive script.

Thomas C. Dame

GALLAGHER  
EVELIUS & JONES LLP  
ATTORNEYS AT LAW

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cc: Paul Parker, Director, Center for Health Planning and Development  
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