

EXHIBIT 49

MARYLAND HEALTH RESOURCES PLANNING COMMISSION

Certificate of Need

TO: Allan E. Atzrott
Dimensions Health Corp.
d/b/a Prince George's Hospital Center
3001 Hospital Drive
Cheverly, Maryland 20785

January 14, 1997

(Date)

RE: Establishment of a Neonatal Intensive
Care Unit (NICU)

96-16-1901

(Docket No.)

PROJECT DESCRIPTION

Prince George's Hospital Center (PGHC) has 447 acute-care beds and 57 bassinets for the care of newborns and infants. Eighteen of those bassinets have been specially dedicated to the care of sick and premature babies in a Special Care Nursery. Those eighteen bassinets will be reconfigured as a Neonatal Intensive Care Unit (NICU). This unit will be able to provide highly technical treatments to medically fragile, very low birth weight babies as a Level III nursery.

Following the approval of this CON application, PGHC's existing capabilities will be called NICU services. The applicant will be able, through its rate agreement with the Health Services Cost Review Commission, to charge a different and higher charge for the care of the NICU patient than the patient who is a healthy newborn. With the approval, the hospital intends to make one change to its rates relative to this project. The change will be to request an amendment to PGHC's rate agreement to reflect a rate for NICU. The effect of this rate agreement will be "revenue neutral" but will permit higher charges for the care of sick neonates at PGHC than is currently the case. At the same time, charges for healthy newborns who do not require the costly care that is provided in the proposed NICU will be reduced.

ORDER

The recommended decisions of the Maryland Health Resources Planning Commission Staff on the Certificate of Need applications submitted by the Prince George's Hospital Center has been reviewed by the Commission. Based on the evidence in the record, PGHC is hereby awarded a Certificate of Need to redesignate their special care nursery as a neonatal intensive care unit with the following conditions:

- 1) Documentation that a formal neonatal transfer agreements with other care providers be in place. A description of the Hospital's transfer will be presented to the Commission within 90 days of the initiation of the NICU service.

Note: On January 22, 1996, Commission staff received a copy of the signed agreement between PGHC and Johns Hopkins Hospital for the transfer of newborns.

In accordance with Section .12(C)(3)(a) of Regulation 10.24.01, the project is subject to the following performance requirements:

1. Obligation of not less than 51% of the certified capital expenditures as documented by a binding construction contract or equipment purchase order within 12 months of the date of certification.
2. In the case of construction projects, initiation of construction within 4 months of the effective date of a binding construction contract; and
3. Documentation that the certified project has been completed, has been licensed if required, or has otherwise met all applicable legal requirements and is providing the certified service or services within 8 months of a binding construction contract or equipment purchase order.

Failure to meet these performance requirements shall render this Certificate of Need null and void.

Certificate of Need is a pre-requirement of licensure. This Certificate of Need is not a license to operate the facility.

If it is necessary to make any changes to the certified project before its approved first use, the State Agency must be notified and approval of the change must be received prior to implementation of the change/or obligation of any additional funds in accordance with Section .15 of Regulation 10.24.01.

Quarterly status reports must be submitted to the Maryland Health Resources Planning Commission beginning three months from the effective date of Certification and continuing through completion of the project.

Pre-Licensing approval must be requested not less than 60 days nor more than 120 days prior to the planned date of first use of the certified project specifying the anticipated date of first use. The request for Pre-License Certification will be reviewed in accordance with Section .16 of Regulation 10.24.01. A State license to operate the facility cannot be issued by the licensing agency until the MHRPC has issued Pre-Licensing Certification of the project.

Your acknowledgement of your receipt of this Certification is requested within thirty (30) days.

MARYLAND HEALTH RESOURCES
PLANNING COMMISSION

A majority of Commissioners, including two consumer members, having concurred in the decision.



James R. Stanton
Executive Director

JRS/SB/rp

cc: Carol Benner
Brian Dubey
Mary Joyce
Robert Murray
RR File

RR

MARYLAND HEALTH RESOURCES PLANNING COMMISSION

Certificate of Need

TO: Mr. Francis A Pommett, Jr., October 8, 1996
President (Date)
Mt. Washington Pediatric Health Systems
1708 West Rogers Avenue
Baltimore, Maryland 221209-4596

RE: Relocation of 15 Special Hospital Pediatric 96-24-1966
beds to Prince George's Hospital Center (Docket No.)

PROJECT DESCRIPTION

Mt. Washington Pediatric Hospital, a specialty pediatric and rehabilitation hospital located in Baltimore, seeks to relocate 15 special hospital beds to Prince George's Hospital Center, an acute care hospital located in Prince George's County. The 15 beds are a part of the currently licensed but un-staffed 18 special hospital beds relocated from the Ashburton site to Mt. Washington Hospital in 1994. The beds will remain licensed to Mt. Washington Pediatric Hospital under a lease arrangement with Prince George's Hospital Center.

The total cost of the project is estimated to be \$1,268,168 consisting of \$419,212 of Capital Costs (\$225,000 renovation costs and 194,212 major movable equipment) and \$847,956 of Working Capital Startup Costs.

Mt. Washington Hospital will lease 6,700 sq.ft. of space from Prince George's Hospital Center to establish the project. The term of the lease is for space within Prince George's Hospital Center for three years with an option of two one-year extensions.

The annual lease expense will be \$134,000. Sources of funds will be cash of \$1,043,168 and a loan of \$225,000 from Prince George's Hospital Center.

ORDER

The recommended decisions of the Maryland Health Resources Planning Commission Staff on the Certificate of Need applications submitted by Mt. Washington Pediatric Hospital has been reviewed by the Commission. Based on the evidence in the record, Mt. Washington Pediatric Hospital is hereby awarded a Certificate of Need to relocate its proposed 15 special hospital pediatric beds to Prince George's Hospital Center.

In accordance with Section .08C(3)(b) of Regulation 10.24.01, the project is subject to the following performance requirements:

1. Obligation of not less than 51 percent of the certified capital expenditure, as documented by a binding equipment purchase order within six (6) months of the date of certification;
2. N.A.
3. Documentation that the certified project has been completed, has been re-licensed and has met all legal requirements and is providing the certified services within twelve (12) months of a binding equipment purchase order.

Failure to meet these performance requirements shall render this Certificate of Need null and void.

Certificate of Need is a pre-requirement of licensure. This Certificate of Need is not a license to operate the facility.

If it is necessary to make any changes to the certified project before its approved first use, the State Agency must be notified and approval of the change must be received prior to implementation of the change/or obligation of any additional funds in accordance with Section .15 of Regulation 10.24.01.

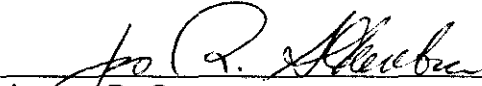
Quarterly status reports must be submitted to the Maryland Health Resources Planning Commission beginning three months from the effective date of Certification and continuing through completion of the project.

Pre-Licensing approval must be requested not less than 60 days nor more than 120 days prior to the planned date of first use of the certified project specifying the anticipated date of first use. The request for Pre-License Certification will be reviewed in accordance with Section .16 of Regulation 10.24.01. A State license to operate the facility cannot be issued by the licensing agency until the MHRPC has issued Pre-Licensing Certification of the project.

Your acknowledgement of your receipt of this Certification is requested within thirty (30) days.

MARYLAND HEALTH RESOURCES
PLANNING COMMISSION

A majority of Commissioners, including two consumer members, having concurred in the decision.


James R. Stanton
Executive Director

JRS/AT/rp

cc: Carol Benner
Clarice Thompson
Mary Joyce
RR File

MARYLAND HEALTH RESOURCES PLANNING COMMISSION

Emergency Certificate of Need

TO: Francis A. Pommett
President
Mt. Washington Pediatric
Health System, Inc.
1708 West Rogers Avenue
Baltimore, Maryland 21209-4596

February 18, 1994

RE: Relocation of a 27
Special Hospital - Pediatric
Beds

94-24-1741

PROJECT DESCRIPTION

This project involves the emergency relocation of 27 Special Hospital - Pediatric beds from the Mt. Washington Pediatric Hospital (MWPB), 730 Ashburton Street, Baltimore, to the Montebello Rehabilitation Hospital (MRH), 2201 Argonne Drive, Baltimore. The relocation involves 27 of the 55 bed complement of the Ashburton unit which closed on January 16, 1994. At that time, approximately 43 patients were transferred to the Rogers Avenue site of MWPB following an environmental emergency beyond the control of MWPB at the Ashburton site. Despite the fact that the Rogers Avenue site of MWPB is licensed for 84 beds, a total of 94 patients were being cared for at that site following the transfer, and approximately 98 patients were being cared for on February 17, 1994.

MWPB has also requested a waiver of the 30 day deadline for filing a formal application for Certificate of Need for the requested relocation.

FINDINGS OF FACT

A waiver to the 84 bed licensed capacity of the Rogers Avenue site of MWPB was issued by the Office of Licensing and Certification Programs allowing 94 patients to remain on a temporary basis until a relocation occurs. Following the issuance of the waiver, an inspection of the Rogers Avenue site of MWPB was conducted by officials of the OLCP on February 17, 1994.

A report of that inspection was made and inspectors found very crowded and cluttered conditions with 100 patients at the site. Inspectors also expressed concerns over relaxation of infection control practices. In light of these findings, the Director of the OLCP stated to Staff that licensure action to permit the relocation of 27 beds to MRH should not be delayed.

Discharge planning activities are undertaken for a number of

patients at MWPH. According to officials at the Governor's Office of Children, Youth and Families (OCYF), approximately 10 patients once cared for at the Ashburton site will likely be discharged by the end of March/beginning of April. Efforts to secure additional placements are underway.

Montebello Rehabilitation Hospital is a licensed and accredited specialty hospital. On this basis, officials from the OLCP have expressed confidence that the facility can be licensed to accommodate the 27 beds requested by MWPH. There remains the need for MWPH and State of Maryland authorities to agree to mutually agreeable conditions for a lease arrangement. This agreement may ultimately require concurrence by the Board of Public Works. It is anticipated that right of entry and occupancy will be granted to MWPH prior to completion of a lease agreement in order to resolve the immediate overcrowded conditions at the Rogers Avenue site and permit the relocation to take place promptly.

MWPH will not staff and operate 28 of its 55 beds once licensed and operated at its Ashburton Street site. These beds will be the subject of future development plans of MWPH, and subject to future consideration by this Commission. No additional MWPH beds will be eligible for use at the MRH beyond the 27 requested for relocation.

ORDER

This project to transfer the beds and program described above has been reviewed by the Executive Director of the Commission. The Executive Director considered the OLCP survey report of current bed utilization and capacity, the resulting overcrowded conditions, and the concerns of OLCP inspectors. He agrees with the assessment of the Director of OLCP that the requested relocation and licensing action not be delayed.

He also considered the discharge planning activities being undertaken for patients at MWPH. As noted above, these discharges, as well as the requested relocation, will contribute to relieving the crowded conditions at MWPH. The temporary relocation of 27 beds is a corrective action to relieve overcrowding.

Following consultation with the Commissioner who chairs the Certificate of Need Commission of the Commission, an Emergency Certificate of Need is hereby approved with the following conditions:

1. A full and complete Certificate of Need application must be filed on or before March 18, 1994.
2. A progress report on the relocation of beds and patients from MWPH to MRH must be filed with the Commission by February 25, 1994. This report will include a description of the agreement permitting the relocation to

MRH to take place. If such an agreement is not provided by that date, this Certificate of Need will become null and void. Another request for relocation would be considered at that time for an alternative site.

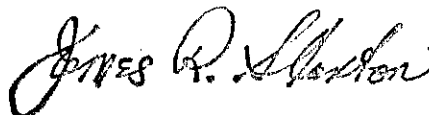
3. Because this granting of this Certificate of Need does not guarantee the approval of the formal Certificate of Need application to be submitted by MWPH within 30 days, the lease agreement to permit the relocation of 27 beds from MWPH to MRH should include a contingency addressing this possibility. A copy of the completed lease agreement shall be forwarded to the Commission when it becomes available.

This project is not subject to performance requirements. The emergency Certificate of Need is temporary and may not exceed 165 days. During the effective dates of this emergency Certificate of Need, the formal application will be reviewed and acted upon by the Commission. The requirement to file a complete formal application within 30 days of the issuance of this CON remains in effect, and is not waived.

Acknowledgment of receipt of this emergency Certification is requested, in writing, within seven days.

MARYLAND HEALTH RESOURCES PLANNING
COMMISSION

In consultation with the
Chair of the Certificate of Need
Committee



James R. Stanton
Executive Director

JRS/RJC/rp

cc: Marcia G. Pines
Mary Etta Mills
Nelson Sabatini
Carol Benner
Daniel O'Brien
Patricia Brown
Richard Coughlan
Elizabeth Kameen
Clarice Thompson
RR file