

# GALLAGHER

GALLAGHER EVELIUS & JONES  
ATTORNEYS AT LAW

May 31, 2024

**VIA EMAIL & FEDERAL EXPRESS MAIL**

[mhcc.confilings@maryland.gov](mailto:mhcc.confilings@maryland.gov)

Maryland Health Care Commission

4160 Patterson Avenue

Baltimore, Maryland 21215

Re: Second Request for Post Approval Project Change  
Construction of a Cancer Center at the  
University of Maryland Medical Center (19-24-2438)

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Dear Sir/Madam:

On behalf of the applicant University of Maryland Medical Center, LLC (“UMMC”), we are submitting four (4) updated hard copies of Tables G, H, J, and K, which have been revised following discussions with Bob Gallion at the HSCRC. Fields highlighted in blue represent the fields that have been updated since the tables were originally submitted as Exhibit 19 to the Applicant’s May 17, 2024 Response to MHCC Request for Additional Information Questions Dated May 6, 2024. We will be providing the EXCEL tables under separate email.

We hereby certify that a copy of this submission has also been forwarded to the appropriate local health planning agency as noted below.

If you have questions about the information provided above, please contact us at your convenience.

Very truly yours,

Sincerely,



Thomas C. Dame



Alison B. Lutich, Esq.

Maryland Health Care Commission

May 31, 2024

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cc: Ben Steffen, Executive Director, MHCC  
Wynee Hawk, RN, JD, Director, Center for Health Care Planning & Development,  
MHCC  
Jeanne-Marie Gawel, Acting Chief, Certificate of Need, MHCC  
Alexa Bertinelli, Esq., Assistant Attorney General, MHCC  
Caitlin E. Tepe, Esq., Assistant Attorney General, MHCC  
Ruby Potter, Health Facilities Coordination Officer, MHCC  
William Chan, Program Manager, MHCC  
Bob Gallion, Associate Director III, Revenue & Regulation Compliance, HSCRC  
Dr. Ihuoma Emenuga, Health Commissioner, Baltimore City Health Department  
Moirra A. Lawson, Program Manager, Certificate of Need, MHCC  
Brian Sturm, Vice President, Corporate Decision Support & Capital Planning, UMMS  
Dana Farrakhan, Dr. PH, MHS, FACHE, Senior Vice President, Strategy, Community  
and Business Development, UMMC  
Scott Tinsley-Hall, Senior Director, Strategic Planning, UMMC  
Christopher Tully, Esq., Associate Counsel, UMMS  
Thomas C. Dame, Esq.

**REVISED  
EXHIBIT 19**









**TABLE J. REVENUES & EXPENSES, UNINFLATED - NEW FACILITY OR SERVICE (Revised May 2024)**

*INSTRUCTION: After consulting with Commission Staff, complete this table for the new facility or service (the proposed project). Table J should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table I and with the costs of Manpower listed in Table L. Manpower. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Specify the sources of non-operating income.*

	Projected Years (ending at least two years after project completion and full occupancy) Add years, if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.						
Indicate CY or FY		FY26	FY27	FY28	FY29		
<b>1. REVENUE</b>							
a. Inpatient Services							
b. Outpatient Services							
<b>Gross Patient Service Revenues</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c. Allowance For Bad Debt							
d. Contractual Allowance							
e. Charity Care							
<b>Net Patient Services Revenue</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
f. Other Operating Revenues (Specify)							
<b>NET OPERATING REVENUE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>2. EXPENSES</b>							
a. Salaries & Wages (including benefits)		\$ 10,530	\$ 12,964	\$ 15,771	\$ 15,988		
b. Contractual Services		\$ 2,034	\$ 3,520	\$ 5,108	\$ 5,179		
c. Interest on Current Debt							
d. Interest on Project Debt		\$ 5,438	\$ 5,339	\$ 5,234	\$ 5,125		
e. Current Depreciation							
f. Project Depreciation		\$ 11,159	\$ 12,716	\$ 12,975	\$ 12,975		
g. Current Amortization							
h. Project Amortization							
i. Supplies		\$ 1,434	\$ 2,481	\$ 3,601	\$ 3,651		
j. Other Expenses (Specify)							
Other Expense (Utilities)							
<b>TOTAL OPERATING EXPENSES</b>	\$ -	\$ 30,594	\$ 37,019	\$ 42,689	\$ 42,919	\$ -	\$ -
<b>3. INCOME</b>							
<b>a. Income From Operation</b>	\$ -	\$ (30,594)	\$ (37,019)	\$ (42,689)	\$ (42,919)	\$ -	\$ -
b. Non-Operating Income							
<b>SUBTOTAL</b>	\$ -	\$ (30,594)	\$ (37,019)	\$ (42,689)	\$ (42,919)	\$ -	\$ -
c. Income Taxes							
<b>NET INCOME (LOSS)</b>	\$ -	\$ (30,594)	\$ (37,019)	\$ (42,689)	\$ (42,919)	\$ -	\$ -





**TABLE K. REVENUES & EXPENSES, INFLATED - NEW FACILITY OR SERVICE (Revised May 2024)**

*INSTRUCTION: After consulting with Commission Staff, complete this table for the new facility or service (the proposed project). Table K should reflect inflation. Projected revenues and expenses should be consistent with the projections in Table I. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.*

	Projected Years (ending at least two years after project completion and full occupancy) Add years, if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.						
Indicate CY or FY		FY26	FY27	FY28	FY29		
<b>1. REVENUE</b>							
a. Inpatient Services							
b. Outpatient Services							
<b>Gross Patient Service Revenues</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c. Allowance For Bad Debt							
d. Contractual Allowance							
e. Charity Care							
<b>Net Patient Services Revenue</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
f. Other Operating Revenues (Specify)							
<b>NET OPERATING REVENUE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>2. EXPENSES</b>							
a. Salaries & Wages (including benefits)		\$ 11,563	\$ 14,662	\$ 18,371	\$ 19,184		
b. Contractual Services		\$ 2,208	\$ 3,923	\$ 5,845	\$ 6,084		
c. Interest on Current Debt							
d. Interest on Project Debt		\$ 5,438	\$ 5,339	\$ 5,234	\$ 5,125		
e. Current Depreciation							
f. Project Depreciation		\$ 11,159	\$ 12,716	\$ 12,975	\$ 12,975		
g. Current Amortization							
h. Project Amortization							
i. Supplies		\$ 1,628	\$ 2,938	\$ 4,445	\$ 4,698		
j. Other Expenses (Specify)							
Other Expense (Utilities)							
<b>TOTAL OPERATING EXPENSES</b>	\$ -	\$ 31,995	\$ 39,577	\$ 46,871	\$ 48,066	\$ -	\$ -
<b>3. INCOME</b>							
a. Income From Operation	\$ -	\$ (31,995)	\$ (39,577)	\$ (46,871)	\$ (48,066)	\$ -	\$ -
b. Non-Operating Income							
<b>SUBTOTAL</b>	\$ -	\$ (31,995)	\$ (39,577)	\$ (46,871)	\$ (48,066)	\$ -	\$ -
c. Income Taxes							
<b>NET INCOME (LOSS)</b>	\$ -	\$ (31,995)	\$ (39,577)	\$ (46,871)	\$ (48,066)	\$ -	\$ -
<b>4. PATIENT MIX</b>							



