

January 13, 2023

VIA EMAIL AND U.S. MAIL

Ms. Ruby Potter
ruby.potter@maryland.gov
Health Facilities Coordination Officer
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

Re: University of Maryland Laurel Regional Hospital
Conversion to Freestanding Medical Facility
Second Request for Post-Approval Project Change

Dear Ms. Potter:

On behalf of Dimensions Health Corporation *d/b/a* University of Maryland Capital Region Health (“UM CRH”), University of Maryland Laurel Medical Center (formerly University of Maryland Laurel Regional Hospital) (“UM LRH”), and University of Maryland Capital Region Medical Center, we are submitting four copies of its supplement to Second Request for Post-Approval Project Change. This supplement includes an affirmation from Andrew Solberg, who prepared the MVS analysis, and a replacement Table D. We also enclose a revised full table set that includes replacement Table D as the only change.

We hereby certify that a copy of this submission has also been forwarded to the appropriate local health planning agency, the Health Services Cost Review Commission, and the Maryland Institute for Emergency Medical Services Systems, as noted below.

Sincerely,



Thomas C. Dame



Mallory Regenbogen

Enclosures

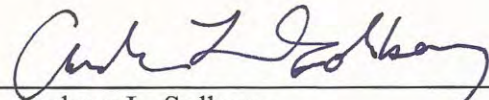
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cc: Wynee Hawk, Chief, Certificate of Need
Paul Parker, Director, Center for Health Care Facilities Planning & Development, MHCC
Alexa Bertinelli, Esq., Assistant Attorney General, MHCC
Caitlin E. Tepe, Esq., Assistant Attorney General, MHCC
Katie Wunderlich, Executive Director, HSCRC
Jerry Schmith, Principal Deputy Director, HSCRC
Stan Lustman, Esq., Assistant Attorney General, HSCRC
Theodore Delbridge, M.D., Executive Director, Maryland Institute for Emergency
Medical Services Systems
Pat Gainer, J.D., MPA, Deputy Director, Maryland Institute for Emergency Medical
Services Systems
Dr. Ernest L. Carter, Health Officer, Prince George's County
Jay Mittal, VP Business Strategy and Development, UM Capital Region Health
Richie Stever, VP of Real Estate and Property Management, UMMC
Michael Brozic, Chief Financial Officer, UM Capital Region Health
Sandra Benzer, Esq., General Counsel, UM Capital Region Health
Andrew Solberg

I hereby declare and affirm under the penalties of perjury that the facts stated in this Second Request for Post-Approval Project Change and its exhibits are true and correct to the best of my knowledge, information, and belief.

January 12, 2023

Date



Andrew L. Solberg
A.L.S. Healthcare Consultant Services

**TABLE D. ONSITE AND OFFSITE COSTS INCLUDED AND EXCLUDED IN MARSHALL VALUATION COSTS
(January 2023--CORRECTED)**

INSTRUCTION: If project includes non-hospital space structures (e.g., parking garages, medical office buildings, or energy plants), complete an additional Table D for each structure.

	NEW CONSTRUCTION COSTS	RENOVATION COSTS
SITE PREPARATION COSTS		
Normal Site Preparation	\$816,000	
Utilities from Structure to Lot Line	\$0	
Subtotal included in Marshall Valuation Costs	\$816,000	
Storm Drains	\$100,000	
Hillside Foundation	\$750,000	
Paving	\$700,000	
Exterior Signs	\$150,000	
Landscaping	\$200,000	
Walls	\$400,000	
Rock Blasting Allowance	\$250,000	
Site Fill	\$750,000	
Yard Lighting	\$100,000	
MBE Premium	\$34,000	
Subtotal On-Site excluded from Marshall Valuation Costs	\$3,434,000	
OFFSITE COSTS		
Other (Specify/add rows if needed)		
Subtotal Off-Site excluded from Marshall Valuation Costs	\$0	
TOTAL Estimated On-Site and Off-Site Costs <u>not</u> included in Marshall Valuation Costs	\$3,434,000	\$0
TOTAL Site and Off-Site Costs included and excluded from Marshall Valuation Service*	\$4,250,000	\$0
BUILDING COSTS		
Normal Building Costs	\$32,379,012	
Subtotal included in Marshall Valuation Costs	\$32,379,012	
Covered Walkway	\$1,200,000	
Canopies	\$1,500,000	
MBE Premium	\$1,399,126	
Subtotal Building Costs excluded from Marshall Valuation Costs	\$4,099,126	
TOTAL Building Costs included and excluded from Marshall Valuation Service*	\$36,478,138	\$0
Fixed Equipment Costs		
Normal Fixed Equipment Costs	\$480,000	
Subtotal included in Marshall Valuation Costs	\$480,000	
MBE Premium	\$20,000	
Subtotal A&E Costs excluded from Marshall Valuation Costs	\$20,000	
TOTAL Fixed Equipment Costs included and excluded from Marshall Valuation Service*	\$500,000	\$0
PERMIT COSTS		
Normal Permit Costs	\$100,000	
Subtotal included in Marshall Valuation Costs	\$100,000	
Subtotal Permit Costs excluded from Marshall Valuation Costs	\$0	
TOTAL Permit Costs included and excluded from Marshall Valuation Service*	\$100,000	\$0

Name of Applicant: Laurel Freestanding Medical Facility

Date of Submission: 1/13/2023 - CORRECTED

Applicants should follow additional instructions included at the top of each of the following worksheets. Please ensure all green fields (see above) are filled.

Table Number	Table Title	Instructions
Table A	Physical Bed Capacity Before and After Project	All applicants whose project impacts any nursing unit, regardless of project type or scope, must complete Table A.
Table B	Departmental Gross Square Feet	All applicants, regardless of project type or scope, must complete Table B for all departments and functional areas affected by the proposed project.
Table C	Construction Characteristics	All applicants proposing new construction or renovation must complete Table C.
Table D	Site and Offsite Costs Included and Excluded in Marshall Valuation Costs	All applicants proposing new construction or renovation must complete Table D.
Table E	Project Budget	All applicants, regardless of project type or scope, must complete Table E.
Table F	Statistical Projections - Entire Facility	Existing facility applicants must complete Table F. All applicants who complete this table must also complete Tables G and H.
Table G	Revenues & Expenses, Uninflated - Entire Facility	Existing facility applicants must complete Table G. The projected revenues and expenses in Table G should be consistent with the volume projections in Table F.
Table H	Revenues & Expenses, Inflated - Entire Facility	Existing facility applicants must complete Table H. The projected revenues and expenses in H should be consistent with the projections in Tables F and G.
Table I	Statistical Projections - New Facility or Service	Applicants who propose to establish a new facility, existing facility applicants who propose a new service, and applicants who are directed by MHCC staff must complete Table I. All applicants who complete this table must also complete Tables J and K.
Table J	Revenues & Expenses, Uninflated - New Facility or Service	Applicants who propose to establish a new facility and existing facility applicants who propose a new service and any other applicant who completes a Table I must complete Table J. The projected revenues and expenses in Table J should be consistent with the volume projections in Table I.
Table K	Revenues & Expenses, Inflated - New Facility or Service	Applicants who propose to establish a new facility and existing facility applicants who propose a new service and any other applicant that completes a Table I must complete Table K. The projected revenues and expenses in Table K should be consistent with the projections in Tables I and J.
Table L	Work Force Information	All applicants, regardless of project type or scope, must complete Table L.

TABLE A. PHYSICAL BED CAPACITY BEFORE AND AFTER PROJECT (January 2023)

INSTRUCTION: Identify the location of each nursing unit (add or delete rows if necessary) and specify the room and bed count before and after the project in accordance with the definition of physical capacity noted below. Applicants should add columns and recalculate formulas to address rooms with 3 and 4 bed capacity. See additional instruction in the column to the right of the table.

NOTE: Physical capacity is the total number of beds that could be physically set up in space without significant renovations. This should be the maximum operating capacity under normal, non-emergency circumstances and is a physical count of bed capacity, rather than a measure of staffing capacity. A room with two headwalls and two sets of gasses should be counted as having capacity for two beds, even if it is typically set up and operated with only one bed. A room with one headwall and one set of gasses is counted as a private room, even if it is large enough from a square footage perspective to be used as a semi-private room, since renovation/construction would be required to convert it to semi-private use. If the hospital operates patient rooms that contain no headwalls or a single headwall, but are normally used to accommodate one or more than one patient (e.g., for psychiatric patients), the physical capacity of such rooms should be counted as they are currently used.

Before the Project							After Project Completion						
Hospital Service	Location (Floor/Wing)*	Licensed Beds: July 1, 2017	Based on Physical Capacity				Hospital Service	Location (Floor/Wing)*	Based on Physical Capacity				
			Room Count			Bed Count			Room Count			Bed Count	
			Private	Semi-Private	Total Rooms	Physical Capacity			Private	Semi-Private	Total Rooms	Physical Capacity	
ACUTE CARE							ACUTE CARE						
General Medical/Surgical*	4C	35	2	18	20	38	General Medical/Surgical*	4C	0	0	0	0	
General Medical/Surgical*	3B - IMC	0	6	2	8	10	General Medical/Surgical*	3B - IMC	0	0	0	0	
SUBTOTAL Gen. Med/Surg*		35	8	20	28	28	SUBTOTAL Gen. Med/Surg*		0	0	0	0	
ICU/IMC	3A	10	10	0	10	10	ICU/CCU	3A	0	0	0	0	
Other	n/a	0	0	0	0	0	Other	n/a	0	0	0	0	
TOTAL MSGA		45	18	20	38	38	TOTAL MSGA		0	0	0	0	
Obstetrics	3C - MCH	0	3	13	16	29	Obstetrics	3C - MCH	0	0	0	0	
Pediatrics	n/a	0	0	0	0	0	Pediatrics	n/a	0	0	0	0	
Psychiatric	4A	16	3	7	10	17	Psychiatric	4A	0	0	0	0	
TOTAL ACUTE		61	24	40	64	84	TOTAL ACUTE		0	0	0	0	
NON-ACUTE CARE							NON-ACUTE CARE						
Dedicated Observation**	n/a	0	0	0	0	0	Dedicated Observation**	3C	10	0	10	10	
Rehabilitation	5C	28	2	13	15	28	Rehabilitation	5C	0	0	0	0	
Chronic Vent Unit	4B	46	2	18	20	38	Chronic Vent Unit	4B	0	0	0	0	
Chronic Vent Unit (overflow)	3B - IMC	0	0	4	4	8	Chronic Vent Unit (overflow)	3B - IMC	0	0	0	0	
Sleep Center	5B	0	2	6	8	14	Sleep Center	5B	0	0	0	0	
TOTAL NON-ACUTE		74	6	41	47	88	TOTAL NON-ACUTE		10	0	10	10	
HOSPITAL TOTAL		135	30	81	111	172	HOSPITAL TOTAL		10	0	10	10	

* Include beds dedicated to gynecology and addictions, if unit(s) is separate for acute psychiatric unit

** Include services included in the reporting of the "Observation Center". Service furnished by the hospital on the hospital's promise, including use of a bed and periodic monitoring by the hospital's nursing or other staff, which are reasonable and necessary to determine the need for a possible admission to the hospital as an inpatient; Must be ordered and documented in writing, given by a medical practitioner.

TABLE B. DEPARTMENTAL GROSS SQUARE FEET AFFECTED BY PROPOSED PROJECT (January 2023)

INSTRUCTION: Add or delete rows if necessary. See additional instruction in the column to the right of the table.

DEPARTMENT/FUNCTIONAL AREA	As Approved					Project Change Approved 7/21/22					Difference
	DEPARTMENTAL GROSS SQUARE FEET					DEPARTMENTAL GROSS SQUARE FEET					
	Current	To be Added Thru New Construction	To Be Renovated	To Remain As Is	Total After Project Completion	Current	To be Added Thru New Construction	To Be Renovated	To Remain As Is	Total After Project Completion	
Emergency Department		17,960			17,960		17,425			17,425	-535
Observation Unit		6,810			6,810		7,147			7,147	337
Imaging		3,535			3,535		3,542			3,542	7
Pharmacy		260			260		378			378	118
Lab		1,500			1,500		1,508			1,508	8
Outpatient Surgery/SPD		19,200			19,200		12,888			12,888	-6,312
Respiratory Therapy		230			230		262			262	32
Dietary (includes coffee kiosk)		700			700		1,097			1,097	397
Psychiatric Day Treatment		3,170			3,170		3,375			3,375	205
Administration		1,550			1,550		1,963			1,963	413
Community Space		0			0		1,379			1,379	1,379
Building Services		7,100			7,100		6,244			6,244	-856
Vertical Circulation		780			780		1,143			1,143	363
Lobby		1,570			1,570		3,217			3,217	1,647
General Circulation		7,670			7,670		8,692			8,692	1,022
Security		330			330		268			268	-62
Unregulated Medical Office Suite		3,490			3,490		6,896			6,896	3,406
Shell Space		0			0		6,319			6,319	6,319
Total		75,855			75,855		83,743			83,743	7,888

TABLE C. CONSTRUCTION CHARACTERISTICS (January 2023)

INSTRUCTION: If project includes non-hospital space structures (e.g., parking garages, medical office buildings, or energy plants), complete an additional Table C for each structure.

	As Approved		Project Change Approved 7/21/22		Difference
	NEW CONSTRUCTION	RENOVATION	NEW CONSTRUCTION	RENOVATION	
BASE BUILDING CHARACTERISTICS	Check if applicable		Check if applicable		
Class of Construction (for renovations the class of the building being renovated)*					
Class A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Class B	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Class C	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Class D	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Type of Construction/Renovation*					
Low	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Average	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Good	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Excellent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Number of Stories					
*As defined by Marshall Valuation Service					
PROJECT SPACE					
Total Square Footage	Total Square Feet: 75,855		Total Square Feet: 83,743		7,888
Basement					
First Floor	28,420		39,375		10,955
Second Floor	47,435		44,368		-3,067
Third Floor					
Fourth Floor					
Average Square Feet	37,928		41,872		
Perimeter in Linear Feet	Linear Feet		Linear Feet		
Basement					
First Floor	716		992		276
Second Floor	1,012		947		-65
Third Floor					
Fourth Floor					
Total Linear Feet	1,728		1,939		211
Average Linear Feet	864		969		105
Wall Height (floor to eaves)	Feet		Feet		
Basement					
First Floor	15		15		0
Second Floor	15		15		0
Third Floor					
Fourth Floor					
Average Wall Height	15		15		0
OTHER COMPONENTS					
Elevators	List Number		List Number		
Passenger					
Freight					
Sprinklers	Square Feet Covered		Square Feet Covered		
Wet System					
Dry System					
Other	Describe Type		Describe Type		
Type of HVAC System for proposed project					
Type of Exterior Walls for proposed project					

**TABLE D. ONSITE AND OFFSITE COSTS INCLUDED AND EXCLUDED IN MARSHALL VALUATION COSTS
(January 2023--CORRECTED)**

INSTRUCTION: If project includes non-hospital space structures (e.g., parking garges, medical office buildings, or energy plants), complete an additional Table D for each structure.

	NEW CONSTRUCTION COSTS	RENOVATION COSTS
SITE PREPARATION COSTS		
Normal Site Preparation	\$816,000	
Utilities from Structure to Lot Line	\$0	
Subtotal included in Marshall Valuation Costs	\$816,000	
Storm Drains	\$100,000	
Hillside Foundation	\$750,000	
Paving	\$700,000	
Exterior Signs	\$150,000	
Landscaping	\$200,000	
Walls	\$400,000	
Rock Blasting Allowance	\$250,000	
Site Fill	\$750,000	
Yard Lighting	\$100,000	
MBE Premium	\$34,000	
Subtotal On-Site excluded from Marshall Valuation Costs	\$3,434,000	
OFFSITE COSTS		
Other (Specify/add rows if needed)		
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TOTAL Estimated On-Site and Off-Site Costs <u>not</u> included in Marshall Valuation Costs	\$3,434,000	\$0
TOTAL Site and Off-Site Costs included and excluded from Marshall Valuation Service*	\$4,250,000	\$0
BUILDING COSTS		
Normal Building Costs	\$32,379,012	
Subtotal included in Marshall Valuation Costs	\$32,379,012	
Covered Walkway	\$1,200,000	
Canopies	\$1,500,000	
MBE Premium	\$1,399,126	
Subtotal Building Costs excluded from Marshall Valuation Costs	\$4,099,126	
TOTAL Building Costs included and excluded from Marshall Valuation Service*	\$36,478,138	\$0
Fixed Equipment Costs		
Normal Fixed Equipment Costs	\$480,000	
Subtotal included in Marshall Valuation Costs	\$480,000	
MBE Premium	\$20,000	
Subtotal A&E Costs excluded from Marshall Valuation Costs	\$20,000	
TOTAL Fixed Equipment Costs included and excluded from Marshall Valuation Service*	\$500,000	\$0
PERMIT COSTS		
Normal Permit Costs	\$100,000	
Subtotal included in Marshall Valuation Costs	\$100,000	
Subtotal Permit Costs excluded from Marshall Valuation Costs	\$0	
TOTAL Permit Costs included and excluded from Marshall Valuation Service*	\$100,000	\$0

TABLE E. PROJECT BUDGET (January 2023)

INSTRUCTION: Estimates for Capital Costs (1.a-e), Financing Costs and Other Cash Requirements (2.a-g), and Working Capital Startup Costs (3) must reflect current costs as of the date of application and include all costs for construction and renovation. Explain the basis for construction cost estimates, renovation cost estimates, contingencies, interest during construction period, and inflation in an attachment to the application.

NOTE: Inflation should only be included in the Inflation allowance line A.1.e. The value of donated land for the project should be included on Line A.1.d as a use of funds and on line B.8 as a source of funds

	As Approved			Project Change Approved 7/21/22			As Modified			Difference
	Hospital Building	Interim Location	Total	Hospital Building	Interim Location	Total	Hospital Building	Interim Location	Total	
A. USE OF FUNDS										
1. CAPITAL COSTS										
a. New Construction										
(1) Building	\$24,700,000		\$24,700,000	\$32,250,000		\$32,250,000	\$36,478,000		\$36,478,000	\$4,228,000
(2) Fixed Equipment	\$480,000		\$480,000	\$500,000		\$500,000	\$500,000		\$500,000	\$0
(3) Site and Infrastructure	\$2,900,000		\$2,900,000	\$4,250,000		\$4,250,000	\$4,250,000		\$4,250,000	\$0
(4) Architect/Engineering Fees	\$2,060,000		\$2,060,000	\$4,400,000		\$4,400,000	\$4,929,000		\$4,929,000	\$529,000
(5) Permits (Building, Utilities, Etc.)	\$100,000		\$100,000	\$100,000		\$100,000	\$100,000		\$100,000	\$0
SUBTOTAL	\$30,240,000	\$0	\$30,240,000	\$41,500,000	\$0	\$41,500,000	\$46,257,000	\$0	\$46,257,000	\$4,757,000
b. Renovations										
(1) Building		\$18,560	\$18,560		\$0	\$0		\$0	\$0	\$0
(2) Fixed Equipment (not included in construction)		\$102,295	\$102,295		\$0	\$0		\$0	\$0	\$0
(3) Architect/Engineering Fees			\$0			\$0			\$0	\$0
(4) Permits (Building, Utilities, Etc.)			\$0			\$0			\$0	\$0
SUBTOTAL	\$0	\$120,855	\$120,855	\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Other Capital Costs										
(1) Movable Equipment	\$11,780,000	\$5,000	\$11,785,000	\$17,000,000	\$0	\$17,000,000	\$18,232,000	\$0	\$18,232,000	\$1,232,000
(2) Contingency Allowance	\$3,000,000		\$3,000,000	\$3,000,000		\$3,000,000	\$3,000,000		\$3,000,000	\$0
(3) Gross interest during construction period	\$4,902,000		\$4,902,000	\$7,486,483		\$7,486,483	\$7,837,000		\$7,837,000	\$350,517
(4) Other (Specify/add rows if needed)	\$300,000		\$300,000	\$1,000,000		\$1,000,000	\$1,000,000		\$1,000,000	\$0
SUBTOTAL	\$19,982,000	\$5,000	\$19,987,000	\$28,486,483	\$0	\$28,486,483	\$30,069,000	\$0	\$30,069,000	\$1,582,517
TOTAL CURRENT CAPITAL COSTS	\$50,222,000	\$125,855	\$50,347,855	\$69,986,483	\$0	\$69,986,483	\$76,326,000	\$0	\$76,326,000	\$6,339,517
d. Land Purchase										
e. Inflation Allowance										
	\$2,000,000		\$2,000,000	\$514,186		\$514,186	\$742,714		\$742,714	\$228,527
TOTAL CAPITAL COSTS	\$52,222,000	\$125,855	\$52,347,855	\$70,500,669	\$0	\$70,500,669	\$77,068,714	\$0	\$77,068,714	\$6,568,044
2. Financing Cost and Other Cash Requirements										
a. Loan Placement Fees	\$298,000		\$298,000	\$554,554		\$554,554	\$607,000		\$607,000	\$52,446
b. Bond Discount			\$0			\$0			\$0	\$0
c. CON Application Assistance										
<i>c1. Legal Fees</i>										
	\$150,000		\$150,000	\$150,000		\$150,000	\$150,000		\$150,000	\$0
<i>c2. Other (Specify/add rows if needed)</i>										
	\$100,000		\$100,000	\$100,000		\$100,000	\$100,000		\$100,000	\$0
d. Non-CON Consulting Fees										
<i>d1. Legal Fees</i>										
			\$0			\$0			\$0	\$0
<i>d2. Other (Specify/add rows if needed)</i>										
	\$330,000		\$330,000	\$274,998		\$274,998	\$435,000		\$435,000	\$160,002
e. Debt Service Reserve Fund			\$0			\$0			\$0	\$0
f. Other (Specify/add rows if needed)			\$0			\$0			\$0	\$0
SUBTOTAL	\$878,000	\$0	\$878,000	\$1,079,552	\$0	\$1,079,552	\$1,292,000	\$0	\$1,292,000	\$212,448
3. Working Capital Startup Costs										
			\$0			\$0			\$0	\$0
TOTAL USES OF FUNDS	\$53,100,000	\$125,855	\$53,225,855	\$71,580,221	\$0	\$71,580,221	\$78,360,714	\$0	\$78,360,714	\$6,780,492
B. Sources of Funds										
1. Cash										
		\$125,855	\$125,855			\$0	\$743,714		\$743,714	\$743,714
2. Philanthropy (to date and expected)										
			\$0			\$0			\$0	\$0
3. Authorized Bonds										
	\$38,100,000		\$38,100,000	\$55,455,428		\$55,455,428	\$60,676,000		\$60,676,000	\$5,220,572
4. Interest Income from bond proceeds listed in #3										
	\$500,000		\$500,000	\$1,624,793		\$1,624,793	\$2,534,000		\$2,534,000	\$909,207
5. Mortgage										
			\$0			\$0			\$0	\$0
6. Working Capital Loans										
			\$0			\$0			\$0	\$0
7. Grants or Appropriations										
a. Federal										
			\$0			\$0			\$0	\$0
b. State										
	\$14,500,000		\$14,500,000	\$14,500,000		\$14,500,000	\$14,407,000		\$14,407,000	-\$93,000
c. Local										
			\$0			\$0			\$0	\$0
8. Other (Specify/add rows if needed)										
			\$0			\$0	\$0		\$0	\$0
TOTAL SOURCES OF FUNDS	\$53,100,000	\$125,855	\$53,225,855	\$71,580,221	\$0	\$71,580,221	\$78,360,714	\$0	\$78,360,714	\$6,780,493
	<i>Hospital Building</i>	<i>Other Structure</i>	<i>Total</i>	<i>Hospital Building</i>	<i>Other Structure</i>	<i>Total</i>	<i>Hospital Building</i>	<i>Other Structure</i>	<i>Total</i>	
Annual Lease Costs (if applicable)										
1. Land										
			\$0			\$0			\$0	\$0
2. Building										
			\$0			\$0			\$0	\$0
3. Major Movable Equipment										
			\$0			\$0			\$0	\$0
4. Minor Movable Equipment										
			\$0			\$0			\$0	\$0
5. Other (Specify/add rows if needed)										
			\$0			\$0			\$0	\$0

* Describe the terms of the lease(s) below, including information on the fair market value of the item(s), and the number of years, annual cost, and the interest rate for the lease.

TABLE F. STATISTICAL PROJECTIONS - UM Capital Region Health (January 2023)

INSTRUCTION: Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. 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.

	Two Most Recent Years		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
1. DISCHARGES								
a. MSGA	7,239	6,826	7,874	7,155	7,370	7,591	7,818	8,053
Total MSGA	7,239	6,826	7,874	7,155	7,370	7,591	7,818	8,053
b. Pediatric	-	-	-	-	-	-	-	-
c. Obstetric	1,369	1,350	1,418	1,550	1,597	1,644	1,694	1,745
d. RMC Acute Psychiatric	1,511	1,528	1,560	1,497	1,542	1,588	1,636	1,685
Total Acute	10,119	9,704	10,852	10,202	10,508	10,823	11,148	11,482
e. Rehabilitation	84	53	-	-	-	-	-	-
f. Chronic Care	57	24	-	-	-	-	-	-
TOTAL DISCHARGES	10,260	9,781	10,852	10,202	10,508	10,823	11,148	11,482
2. PATIENT DAYS								
a. MSGA	44,865	41,126	45,240	42,582	43,860	45,176	46,531	47,927
Total MSGA	44,865	41,126	45,240	42,582	43,860	45,176	46,531	47,927
b. Pediatric	-	-	-	-	-	-	-	-
c. Obstetric	3,550	3,333	4,678	5,115	5,268	5,427	5,589	5,757
d. RMC Acute Psychiatric	9,222	9,631	9,834	9,436	9,719	10,010	10,311	10,620
Total Acute	57,637	54,090	59,752	57,133	58,847	60,612	62,431	64,304
e. Rehabilitation	1,003	620	-	-	-	-	-	-
f. Chronic Care	2,098	795	-	-	-	-	-	-
TOTAL PATIENT DAYS	60,738	55,505	59,752	57,133	58,847	60,612	62,431	64,304
3. AVERAGE LENGTH OF STAY (patient days divided by discharges)								
a. MSGA	6.2	6.0	5.7	6.0	6.0	6.0	6.0	6.0
Total MSGA	6.2	6.0	5.7	6.0	6.0	6.0	6.0	6.0
b. Pediatric	-	-	-	-	-	-	-	-
c. Obstetric	2.6	2.5	3.3	3.3	3.3	3.3	3.3	3.3
d. RMC Acute Psychiatric	6.1	6.3	6.3	6.3	6.3	6.3	6.3	6.3
Total Acute	5.7	5.6	5.5	5.6	5.6	5.6	5.6	5.6
e. Rehabilitation	11.9	11.7	-	-	-	-	-	-
f. Chronic Care	36.8	33.1	-	-	-	-	-	-

	Two Most Recent Years		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
<i>Indicate CY or FY</i>								
TOTAL AVERAGE LENGTH OF STAY	5.9	5.7	5.5	5.6	5.6	5.6	5.6	5.6
4. NUMBER OF LICENSED BEDS								
a. MSGA	190	190	174	163	168	173	179	184
Total MSGA	190	190	174	163	168	173	179	184
b. Pediatric	2	2	-	-	-	-	-	-
c. Obstetric	30	30	22	22	22	22	22	22
d. RMC Acute Psychiatric	32	32	28	28	28	28	28	28
Total Acute	254	254	224	213	218	223	229	234
e. Rehabilitation	10	10	-	-	-	-	-	-
f. Chronic Care	12	12	-	-	-	-	-	-
TOTAL LICENSED BEDS	276	276	224	213	218	223	229	234
5. OCCUPANCY PERCENTAGE *IMPORTANT NOTE: Leap year formulas should be changed by applicant to reflect 366 days per year.								
a. MSGA	64.7%	59.3%	71.4%	71.4%	71.4%	71.4%	71.4%	71.4%
Total MSGA	64.7%	59.3%	71.4%	71.4%	71.4%	71.4%	71.4%	71.4%
b. Pediatric								
c. Obstetric	32.4%	30.4%	58.3%	63.7%	65.6%	67.6%	69.6%	71.7%
d. RMC Acute Psychiatric	79.0%	82.5%	96.2%	92.3%	95.1%	97.9%	100.9%	103.9%
Total Acute	62.2%	58.3%	73.2%	73.4%	73.9%	74.4%	74.9%	75.4%
e. Rehabilitation	27.5%	17.0%						
f. Chronic Care	47.9%	18.2%						
TOTAL OCCUPANCY %	60.3%	55.1%	73.2%	73.4%	73.9%	74.4%	74.9%	75.4%
6. OUTPATIENT VISITS (Includes RMC, Laurel FMF and BHC)								
a. Emergency Department	88,815	72,011	79,218	83,524	85,194	86,898	88,636	90,409
b. Same-day Surgery	2,136	1,965	2,349	2,573	2,624	2,677	2,730	2,785
c. Clinic	4,227	3,524	3,952	4,486	4,576	4,667	4,761	4,856
TOTAL OUTPATIENT VISITS	95,178	77,500	85,519	90,583	92,395	94,243	96,127	98,050
7. OBSERVATIONS**								
a. Number of Patients	5,532	5,573	5,917	5,636	5,749	5,864	5,981	6,101
b. Hours	153,531	139,923	144,279	137,428	140,176	142,980	145,839	148,756

* Include beds dedicated to gynecology and addictions, if separate for acute psychiatric unit.

** Services included in the reporting of the "Observation Center", direct expenses incurred in providing bedside care to observation patients; furnished by the hospital on the hospital's premises, including use of a bed and periodic monitoring by the hospital's nursing or other staff, in order to determine the need for a possible admission to the hospital as an inpatient. Such services must be ordered and documented in writing, given by a medical practitioner; may or may not be provided in a distinct area of the hospital.

TABLE G. REVENUES & EXPENSES, UNINFLATED - Capital Region Health (January 2023)

INSTRUCTION: Complete this table for the entire facility, including the proposed project. Table G should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table F 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.

Indicate CY or FY	Two Most Recent Years		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
1. REVENUE								
a. Inpatient Services	\$ 260,237	\$ 269,370	\$ 285,848	\$ 279,851	\$ 279,066	\$ 278,425	\$ 277,789	\$ 277,159
b. Outpatient Services	158,363	159,657	193,208	198,660	200,646	202,630	202,713	202,795
Gross Patient Service Revenues	418,600	429,026	479,056	478,511	479,712	481,055	480,502	479,954
c. Deductions	84,868	109,784	117,829	114,396	114,669	114,981	114,925	114,871
Net Patient Services Revenue	333,732	319,242	361,226	364,115	365,043	366,074	365,577	365,083
d. Grants	16,326	15,000	10,000	10,000	10,000	10,000	10,000	10,000
e. Other Operating Revenue	28,694	52,658	10,396	10,449	10,449	10,449	10,449	10,449
NET OPERATING REVENUE	378,752	386,900	381,622	384,564	385,492	386,523	386,026	385,533
2. EXPENSES								
a. Salaries & Wages (including benefits)	206,801	212,444	195,540	193,387	194,488	195,623	196,791	197,995
b. Contractual Services	81,678	96,489	78,221	77,318	58,102	49,617	48,519	47,375
c. Interest on Current Debt	519	1,288	6,569	6,424	7,157	5,925	5,825	5,582
d. Interest on Project Debt	-	-	-	-	3,034	2,978	2,920	2,859
e. Current Depreciation and Ammortization	15,826	16,546	33,185	36,418	39,023	41,228	38,254	34,661
f. Project Depreciation and Ammortization	-	-	-	-	3,104	3,104	3,104	3,104
g. Supplies - Drugs & Pharmeceuticals	10,231	7,342	8,931	8,995	9,079	9,166	9,255	9,347
h. Supplies - Medical & Non-Medical	34,195	34,452	26,168	26,381	26,637	26,900	27,169	27,447
i. Professional Fees	36,292	41,038	42,742	43,086	43,561	44,050	44,553	45,071
j. Utilities	11,310	7,568	10,996	10,729	10,462	10,462	10,462	10,462
TOTAL OPERATING EXPENSES	396,852	417,167	402,352	402,738	394,646	389,051	386,852	383,902
3. INCOME								
a. Income From Operation	(18,100)	(30,267)	(20,730)	(18,174)	(9,154)	(2,528)	(826)	1,630
b. Investment Income	4,262	1,360	3,387	2,998	3,133	3,261	3,424	3,623
SUBTOTAL	(13,838)	(28,907)	(17,343)	(15,177)	(6,021)	733	2,598	5,253
c. Income Taxes								
NET INCOME (LOSS)	(13,838)	(28,907)	(17,343)	(15,177)	(6,021)	733	2,598	5,253
a. Add Back Depreciation	15,826	16,546	33,185	36,418	42,049	44,254	41,280	37,687
CASH FLOW FROM OPERATIONS	\$ 1,988	\$ (12,361)	\$ 15,842	\$ 21,241	\$ 36,028	\$ 44,987	\$ 43,878	\$ 42,940

Indicate CY or FY	Two Most Recent Years		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
4. PATIENT MIX								
a. Percent of Total Revenue								
1) Medicare	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
2) Medicaid	26.3%	27.4%	27.4%	27.4%	27.4%	27.4%	27.4%	27.4%
3) Blue Cross	9.1%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%
4) Commercial Insurance	2.3%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
5) Self-pay	9.1%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%
6) Other	19.1%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
b. Percent of Equivalent Inpatient Days								
1) Medicare	41.4%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%
2) Medicaid	28.5%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%
3) Blue Cross	7.0%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%
4) Commercial Insurance	1.4%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
5) Self-pay	6.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
6) Other	15.3%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table G – Key Financial Projection Assumptions for UM Capital Region Health (Excludes HSCRC Annual Update Factors & Expense Inflation) (January 2023)

Projection is based on the Capital Region Health (CRH) FY2022 budgeted financial performance with assumptions identified below

Projection period reflects FY2023 – FY2027

Volumes	— See Table F of the application for volume projections
Patient Revenue <ul style="list-style-type: none"> ● FY2023 Adjustments to Permanent Revenue <ul style="list-style-type: none"> ○ Inflation — 0.00% ○ Shared Savings — -0.25% included in financial projection for UM CRMC ○ Demographic Adjustment — 0.02% ○ Other Rates — -1.92% — Total — -2.15% ○ UM LMC expects to charge up to its approved GBR in FY2023 which includes \$4.6M not charged in FY2022 ● FY2024+ Adjustments to Permanent Revenue <ul style="list-style-type: none"> ○ Inflation — 0.00% ○ Shared Savings — -0.26% ○ Demographic Adjustment — 0.02% — Total — -0.24% ● Revenue Deductions — 23.9% of gross revenue per year 	
Other Revenue <ul style="list-style-type: none"> ● Grants <ul style="list-style-type: none"> ○ State — \$10M in support from FY2022 - FY2027 ● Other Operating Revenue — 0% annual growth 	
Expenses <ul style="list-style-type: none"> ● Inflation — 0% annual increase ● Expense variability with volume changes <ul style="list-style-type: none"> ○ Salaries & Benefits — 20% ○ Professional Fees — 50% ○ Supplies - Drugs — 30% ○ Supplies - Medical & Other — 20% ○ Purchased Services — 0% ○ Insurance & Other — 0% Operating Expenses 	
<ul style="list-style-type: none"> ● Interest Expense <ul style="list-style-type: none"> ○ Existing Debt — CRH has existing debt of \$275.9M in FY2022 that is amortized ○ Project Debt — In FY2024, the new Laurel FMF will open and interest expense on \$58.8M of tax-exempt debt associated with these facilities will be recorded at an interest rate of 5.0% ● Depreciation and Amortization — Reflects the depreciation of existing assets with useful lives ranging from 5 to 30 years ● Performance Improvements <ul style="list-style-type: none"> ○ FY2023 — \$0 ○ FY2024 — \$18.2M ○ FY2025 — \$28.9M ○ FY2026 — \$35.7M ○ FY2027 — \$40.2M ○ Identified Improvements by FY2027 <ul style="list-style-type: none"> — \$10M - Denials improvement — \$5M - Reduction in force — \$3M - Medical Group improvement — \$6M - Agency improvement — \$2M - Productivity — \$5M - Market share revenue adjustments — \$1M - School of Medicine contract improvement — \$8.2M - Undefined Actions 	

TABLE H. REVENUES & EXPENSES, INFLATED - UM Capital Region Health (January 2023)

INSTRUCTION: Complete this table for the entire facility, including the proposed project. Table H should reflect inflation. Projected revenues and expenses should be consistent with the projections in Table F. 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.

	Two Most Recent Years		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
1. REVENUE								
a. Inpatient Services	\$ 260,237	\$ 269,370	\$ 285,848	\$ 286,931	\$ 293,652	\$ 300,536	\$ 307,586	\$ 314,806
b. Outpatient Services	158,363	159,657	193,208	203,686	211,132	218,721	224,456	230,341
Gross Patient Service Revenues	418,600	429,026	479,056	490,617	504,784	519,257	532,042	545,147
c. Deductions	84,868	109,784	117,829	117,290	120,662	124,112	127,252	130,474
Net Patient Services Revenue	333,732	319,242	361,226	373,327	384,122	395,145	404,789	414,673
d. Grants	16,326	15,000	10,000	10,000	10,000	10,000	10,000	10,000
e. Other Operating Revenue	28,694	52,658	10,396	10,658	10,871	11,089	11,311	11,537
NET OPERATING REVENUE	378,752	386,900	381,622	393,985	404,993	416,234	426,100	436,210
2. EXPENSES								
a. Salaries & Wages (including benefits)	206,801	212,444	195,540	197,254	202,345	207,596	213,013	218,602
b. Contractual Services	81,678	96,489	78,221	78,864	60,450	52,654	52,519	52,305
c. Interest on Current Debt	519	1,288	6,569	6,424	7,157	5,925	5,825	5,582
d. Interest on Project Debt	-	-	-	-	3,034	2,978	2,920	2,859
e. Current Depreciation and Ammortization	15,826	16,546	33,185	36,418	39,023	41,228	38,254	34,661
f. Project Depreciation and Ammortization	-	-	-	-	3,104	3,104	3,104	3,104
g. Supplies - Drugs & Pharmaceuticals	10,231	7,342	8,931	9,355	9,820	10,310	10,827	11,372
h. Supplies - Medical & Non-Medical	34,195	34,452	26,168	27,173	28,259	29,394	30,579	31,819
i. Professional Fees	36,292	41,038	42,742	44,379	46,214	48,134	50,145	52,250
j. Insurance and Other	11,310	7,568	10,996	10,944	10,884	11,102	11,325	11,551
TOTAL OPERATING EXPENSES	396,852	417,167	402,352	410,811	410,289	412,426	418,509	424,105
3. INCOME								
a. Income From Operation	(18,100)	(30,267)	(20,730)	(16,826)	(5,296)	3,809	7,590	12,105
b. Non-Operating Income	4,262	1,360	3,387	2,998	3,133	3,261	3,424	3,623
SUBTOTAL	(13,838)	(28,907)	(17,343)	(13,828)	(2,163)	7,070	11,015	15,728
c. Income Taxes								
NET INCOME (LOSS)	(13,838)	(28,907)	(17,343)	(13,828)	(2,163)	7,070	11,015	15,728
a. Add Back Depreciation	15,826	16,546	33,185	36,418	39,023	41,228	38,254	34,661
CASH FLOW FROM OPERATIONS	\$ 1,988	\$ (12,361)	\$ 15,842	\$ 22,590	\$ 36,860	\$ 48,298	\$ 49,269	\$ 50,389

Indicate CY or FY	Two Most Recent Years		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
4. PATIENT MIX								
a. Percent of Total Revenue								
1) Medicare	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
2) Medicaid	26.3%	27.4%	27.4%	27.4%	27.4%	27.4%	27.4%	27.4%
3) Blue Cross	9.1%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%
4) Commercial Insurance	2.3%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
5) Self-pay	9.1%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%
6) Other	19.1%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
b. Percent of Equivalent Inpatient Days								
1) Medicare	41.4%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%
2) Medicaid	28.5%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%
3) Blue Cross	7.0%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%
4) Commercial Insurance	1.4%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
5) Self-pay	6.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
6) Other	15.3%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table H – Key Financial Projection Assumptions for UM Capital Region Health (Includes HSCRC Annual Update Factors & Expense Inflation) (January 2023)	
Projection is based on the Capital Region Health (CRH) FY2022 budgeted financial performance with assumptions identified below	
Projection period reflects FY2023 – FY2027	
Volumes	— See Table F of the application for volume projections
Patient Revenue <ul style="list-style-type: none"> ● FY2023 Adjustments to Permanent Revenue <ul style="list-style-type: none"> ○ Inflation — 2.53% ○ Shared Savings — -0.25% included in financial projection for UM CRMC ○ Demographic Adjustment — 0.02% ○ Other Rates — -1.92% — Total 0.38% ○ UM LMC expects to charge up to its approved GBR in FY2023 which includes \$4.6M not charged in FY2022 ● FY2024+ Adjustments to Permanent Revenue <ul style="list-style-type: none"> ○ Inflation — 2.58% ○ Shared Savings — -0.26% ○ Demographic Adjustment — 0.02% — Total 2.34% ● Revenue Deductions — 23.9% of gross revenue per year 	
Other Revenue <ul style="list-style-type: none"> ● Grants <ul style="list-style-type: none"> ○ State — \$10M in annual support from FY2022 - FY2027 ● Other Operating Revenue — 2% annual growth 	
Expenses <ul style="list-style-type: none"> ● Inflation <ul style="list-style-type: none"> ○ Salaries & Benefits — 2.0% ○ Professional Fees — 3.0% ○ Supplies - Drugs — 4.0% ○ Supplies - Medical & Other — 3.0% ○ Purchased Services — 2.0% ○ Insurance & Other — 2.0% Operating Expenses 	
<ul style="list-style-type: none"> ● Expense variability with volume changes <ul style="list-style-type: none"> ○ Salaries & Benefits — 20% ○ Professional Fees — 50% ○ Supplies - Drugs — 30% ○ Supplies - Medical & Other — 20% ○ Purchased Services — 0% ○ Insurance & Other — 0% Operating Expenses ● Interest Expense <ul style="list-style-type: none"> ○ Existing Debt — UM CRH has existing debt of \$275.9M in FY2022 that is amortized ○ Project Debt — In FY2024, the new Laurel FMF will open and interest expense on \$58.8M of tax-exempt debt associated with these facilities will be recorded at an interest rate of 5.0% ● Depreciation and Amortization <ul style="list-style-type: none"> ○ Existing Depreciation — Reflects the depreciation of existing assets with useful lives ranging from 5 to 30 years ○ Project Depreciation — Reflects a project budget of \$75.6M and a useful life of 25 years ● Performance Improvements <ul style="list-style-type: none"> ○ FY2023 — \$0 ○ FY2024 — \$18.2M ○ FY2025 — \$28.9M ○ FY2026 — \$35.7M ○ FY2027 — \$40.2M ○ Identified Improvements by FY2027 <ul style="list-style-type: none"> — \$10M - Denials improvement — \$5M - Reduction in force — \$3M - Medical Group improvement — \$6M - Agency improvement — \$2M - Productivity — \$5M - Market share revenue adjustments — \$1M - School of Medicine contract improvement — \$8.2M - Undefined Actions 	

TABLE I. STATISTICAL PROJECTIONS - UM Laurel Medical Center (January 2023)

INSTRUCTION: Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. 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.

	Two Most Recent Years		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Indicate CY or FY								
1. DISCHARGES								
a. General Medical/Surgical*								
b. ICU/CCU								
Total MSGA								
c. Pediatric								
d. Obstetric								
e. Acute Psychiatric								
Total Acute								
f. Rehabilitation								
g. Chronic Care								
TOTAL DISCHARGES								
2. PATIENT DAYS								
a. General Medical/Surgical*								
b. ICU/CCU								
Total MSGA								
c. Pediatric								
d. Obstetric								
e. Acute Psychiatric								
Total Acute								
f. Rehabilitation								
g. Chronic Care								
TOTAL PATIENT DAYS								
3. AVERAGE LENGTH OF STAY (patient days divided by discharges)								
a. General Medical/Surgical*								
b. ICU/CCU								
Total MSGA								
c. Pediatric								
d. Obstetric								
e. Acute Psychiatric								
Total Acute								
f. Rehabilitation								
g. Chronic Care								
TOTAL AVERAGE LENGTH OF STAY								

Indicate CY or FY	Two Most Recent Years		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
4. NUMBER OF BEDS								
a. General Medical/Surgical*								
b. ICU/CCU								
Total MSGA								
c. Pediatric								
d. Obstetric								
e. Acute Psychiatric								
Total Acute								
f. Rehabilitation								
g. Chronic Care								
h. Other (Specify/add rows of needed)								
TOTAL BEDS								
5. OCCUPANCY PERCENTAGE <i>*IMPORTANT NOTE: Leap year formulas should be changed by applicant to reflect 366 days per year.</i>								
a. General Medical/Surgical*								
b. ICU/CCU								
Total MSGA								
c. Pediatric								
d. Obstetric								
e. Acute Psychiatric								
Total Acute								
f. Rehabilitation								
g. Chronic Care								
TOTAL OCCUPANCY %								
6. OUTPATIENT VISITS								
a. Emergency Department	19,277	15,004	17,446	17,969	18,328	18,695	19,069	19,450
b. Same-day Surgery	994	709	968	1,089	1,143	1,201	1,261	1,324
c. Clinic	2,041	2,275	2,222	2,266	2,311	2,358	2,405	2,453
d. Imaging								
e. Intensive Outpatient Psych								
f. Partial Hospitalization Program								
TOTAL OUTPATIENT VISITS	22,312	17,988	20,636	21,324	21,783	22,253	22,734	23,227
7. OBSERVATIONS								
a. Number of Patients	1,231	1,107	1,322	1,362	1,389	1,417	1,445	1,474
b. Hours	24,730	27,499	27,090	27,910	28,468	29,038	29,618	30,211

* Include beds dedicated to gynecology and addictions, if separate for acute psychiatric unit.

** Services included in the reporting of the "Observation Center", direct expenses incurred in providing bedside care to observation patients; furnished by the hospital on the hospital's premises, including use of a bed and periodic monitoring by the hospital's nursing or other staff, in order to determine the need for a possible admission to the hospital as an inpatient. Such services must be ordered and documented in writing, given by a medical practitioner; may or may not be provided in a distinct area of the hospital.

TABLE J. REVENUES & EXPENSES, UNINFLATED - UM Laurel Medical Center (January 2023)

<i>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.</i>									
Indicate CY or FY	Two Most Recent Years		Current Year	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.					
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	
1. REVENUE									
a. Inpatient Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Outpatient Services	31,273	26,275	34,512	38,305	38,754	38,762	38,769	38,777	
Gross Patient Service Revenues	31,273	26,275	34,512	38,305	38,754	38,762	38,769	38,777	
c. Deductions	8,214	4,274	10,341	7,661	7,751	7,752	7,754	7,755	
Net Patient Services Revenue	23,059	22,001	24,170	30,644	31,003	31,009	31,015	31,021	
d. Grants	-	-	-	1,000	1,000	1,000	1,000	1,000	
e. Other Operating Revenues	451	(45)	53	53	53	53	53	53	
NET OPERATING REVENUE	23,510	21,956	24,224	31,697	32,056	32,062	32,068	32,075	
2. EXPENSES									
a. Salaries & Wages (including benefits)	16,387	13,371	12,679	9,843	9,885	9,928	9,972	10,017	
b. Contractual Services	15,123	12,417	12,811	11,888	9,947	8,737	8,163	7,828	
c. Interest on Current Debt	1	-	-	-	-	-	-	-	
d. Interest on Project Debt	-	-	-	-	3,034	2,978	2,920	2,859	
e. Current Depreciation and Amortization	2,926	2,601	17	-	-	-	-	-	
f. Project Depreciation and Amortization	-	-	-	-	3,104	3,104	3,104	3,104	
g. Supplies - Drugs & Pharmaceuticals	765	230	675	692	703	715	727	739	
h. Supplies - Medical & Non-Medical	3,868	2,432	3,050	3,137	3,196	3,255	3,316	3,379	
i. Professional Fees	3,113	2,834	5,755	5,850	5,914	5,979	6,046	6,114	
j. Insurance and Other Expenses	1,217	2,248	2,947	2,680	2,414	2,414	2,414	2,414	
TOTAL OPERATING EXPENSES	43,400	36,133	37,934	34,091	38,197	37,109	36,661	36,452	
3. INCOME									
a. Income From Operation	(19,890)	(14,177)	(13,710)	(2,394)	(6,140)	(5,047)	(4,592)	(4,378)	
b. Non-Operating Income	147	(61)	221	221	221	221	221	221	
SUBTOTAL	(19,743)	(14,238)	(13,489)	(2,173)	(5,919)	(4,826)	(4,371)	(4,157)	
c. Income Taxes									
NET INCOME (LOSS)	(19,743)	(14,238)	(13,489)	(2,173)	(5,919)	(4,826)	(4,371)	(4,157)	
a. Add Back Depreciation	2,926	2,601	17	-	3,026	3,026	3,026	3,026	
CASH FLOW FROM OPERATIONS	\$ (16,817)	\$ (11,637)	\$ (13,472)	\$ (2,173)	\$ (2,894)	\$ (1,800)	\$ (1,346)	\$ (1,131)	
4. PATIENT MIX									
a. Percent of Total Revenue									
1) Medicare	21.0%	23.6%	23.6%	23.6%	23.6%	23.6%	23.6%	23.6%	
2) Medicaid	26.1%	29.5%	29.5%	29.5%	29.5%	29.5%	29.5%	29.5%	
3) Blue Cross	15.3%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%	
4) Commercial Insurance	4.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	
5) Self-pay	13.2%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	
6) Other	20.1%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
b. Percent of Equivalent Inpatient Days									
1) Medicare	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
2) Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
3) Blue Cross	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
4) Commercial Insurance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
5) Self-pay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
6) Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
TOTAL	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

Table J – Key Financial Projection Assumptions for UM Capital Region Health (Excludes HSCRC Annual Update Factors & Expense Inflation) (January 2023)

Projection is based on the Laurel FMF FY2023 budgeted revenues and FY2022 budgeted expenses with assumptions identified below

Projection period reflects FY2023 – FY2027

Volumes	— See Table I of the application for volume projections
Patient Revenue <ul style="list-style-type: none"> ● FY2023 Adjustments to Permanent Revenue <ul style="list-style-type: none"> ○ Inflation — 0.00% ○ Demographic Adjustment — 0.01% ○ Market Shift — -3.50% ○ Change in Markup — 1.18% — Total — <u>-2.31%</u> ○ UM LMC expects to charge up to its approved GBR in FY2023 which includes \$4.6M not charged in FY2022 ● FY2024+ Adjustments to Permanent Revenue <ul style="list-style-type: none"> ○ Inflation — 0.00% ○ Demographic Adjustment — <u>0.02%</u> — Total — 0.02% ● Revenue Deductions — 20% of gross revenue per year 	
Other Revenue <ul style="list-style-type: none"> ● Grants <ul style="list-style-type: none"> ○ State — 10% of CRH state funding allocated to Laurel FMF ● Other Operating Revenue — 0% annual growth 	
Expenses <ul style="list-style-type: none"> ● Inflation — 0% annual increase ● Expense variability with volume changes <ul style="list-style-type: none"> ○ Salaries & Benefits — 20% ○ Professional Fees — 50% ○ Supplies - Drugs — 75% ○ Supplies - Medical & Other — 75% ○ Purchased Services — 0% ○ Insurance & Other — 50% Operating Expenses 	
<ul style="list-style-type: none"> ● Interest Expense <ul style="list-style-type: none"> ○ Existing Debt — Laurel has little existing debt and related interest expense ○ Project Debt — In FY2024, the new Laurel FMF will open and interest expense associated with these facilities will be recorded at an interest rate of 5.0% ● Depreciation and Amortization — Reflects a useful life of 25 years ● Performance Improvements — 10% of CRH performance improvements are allocated to Laurel FMF 	

TABLE K. REVENUES & EXPENSES, INFLATED - UM Laurel Medical Center (January 2023)

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.									
Indicate CY or FY	Two Most Recent Years		Current Year	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.					
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	
1. REVENUE									
a. Inpatient Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Outpatient Services	31,273	26,275	34,512	39,746	40,780	41,840	42,928	44,044	
Gross Patient Service Revenues	31,273	26,275	34,512	39,746	40,780	41,840	42,928	44,044	
c. Deductions	8,214	4,274	10,341	7,949	8,156	8,368	8,586	8,809	
Net Patient Services Revenue	23,059	22,001	24,170	31,797	32,624	33,472	34,342	35,235	
d. Grants	-	-	-	1,000	1,000	1,000	1,000	1,000	
e. Other Operating Revenues	451	(45)	53	54	55	56	58	59	
NET OPERATING REVENUE	23,510	21,956	24,224	32,851	33,679	34,528	35,400	36,294	
2. EXPENSES									
a. Salaries & Wages (including benefits)	16,387	13,371	12,679	10,064	10,335	10,614	10,901	11,196	
b. Contractual Services	15,123	12,417	12,811	12,126	10,349	9,271	8,836	8,643	
c. Interest on Current Debt	1	-	-	-	-	-	-	-	
d. Interest on Project Debt	-	-	-	-	3,034	2,978	2,920	2,859	
e. Current Depreciation and Ammortization	2,926	2,601	17	-	-	-	-	-	
f. Project Depreciation and Ammortization	-	-	-	-	3,104	3,104	3,104	3,104	
g. Supplies - Drugs & Pharmaceuticals	765	230	675	720	761	804	850	899	
h. Supplies - Medical & Non-Medical	3,868	2,432	3,050	3,231	3,390	3,557	3,733	3,917	
i. Professional Fees	3,113	2,834	5,755	6,026	6,274	6,534	6,804	7,087	
j. Insurance and Other Expenses	1,217	2,248	2,947	2,734	2,511	2,561	2,613	2,665	
TOTAL OPERATING EXPENSES	43,400	36,133	37,934	34,901	39,758	39,423	39,759	40,369	
3. INCOME									
a. Income From Operation	(19,890)	(14,177)	(13,710)	(2,050)	(6,079)	(4,895)	(4,360)	(4,075)	
b. Non-Operating Income	147	(61)	221	221	221	221	221	221	
SUBTOTAL	(19,743)	(14,238)	(13,489)	(1,829)	(5,858)	(4,673)	(4,139)	(3,854)	
c. Income Taxes	-	-	-	-	-	-	-	-	
NET INCOME (LOSS)	(19,743)	(14,238)	(13,489)	(1,829)	(5,858)	(4,673)	(4,139)	(3,854)	
a. Add Back Depreciation	2,926	2,601	17	-	3,104	3,104	3,104	3,104	
CASH FLOW FROM OPERATIONS	\$ (16,817)	\$ (11,637)	\$ (13,472)	\$ (1,829)	\$ (2,754)	\$ (1,570)	\$ (1,035)	\$ (751)	
4. PATIENT MIX									
a. Percent of Total Revenue									
1) Medicare	21.0%	23.6%	23.6%	23.6%	23.6%	23.6%	23.6%	23.6%	
2) Medicaid	26.1%	29.5%	29.5%	29.5%	29.5%	29.5%	29.5%	29.5%	
3) Blue Cross	15.3%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%	
4) Commercial Insurance	4.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	
5) Self-pay	13.2%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	
6) Other	20.1%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	20.6%	
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
b. Percent of Equivalent Inpatient Days									
1) Medicare	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
2) Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
3) Blue Cross	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
4) Commercial Insurance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
5) Self-pay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
6) Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
TOTAL	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

Table K – Key Financial Projection Assumptions for UM Laurel Medical Center (Includes HSCRC Annual Update Factors & Expense Inflation) (January 2023)

Projection is based on the UM Laurel Medical Center FY2023 budgeted revenues and FY2022 budgeted expenses with assumptions identified below

Projection period reflects FY2023 – FY2027

Volumes	— See Table I of the application for volume projections
Patient Revenue <ul style="list-style-type: none"> ● FY2023 Adjustments to Permanent Revenue <ul style="list-style-type: none"> ○ Inflation — 3.76% ○ Demographic Adjustment — 0.01% ○ Market Shift — -3.50% ○ Change in Markup — 1.18% — Total <u>1.45%</u> ○ UM LMC expects to charge up to its approved GBR in FY2023 which includes \$4.6M not charged in FY2022 ● FY2024+ Adjustments to Permanent Revenue <ul style="list-style-type: none"> ○ Inflation — 2.58% ○ Demographic Adjustment — 0.02% — Total <u>2.60%</u> ● Revenue Deductions — 20% of gross revenue per year 	
Other Revenue <ul style="list-style-type: none"> ● Grants <ul style="list-style-type: none"> ○ State — \$1M state grant each year ● Other Operating Revenue — 2% annual growth 	
Expenses <ul style="list-style-type: none"> ● Inflation <ul style="list-style-type: none"> ○ Salaries & Benefits — 2.25% ○ Professional Fees — 3.0% ○ Supplies - Drugs — 4.0% ○ Supplies - Medical & Other — 3.0% ○ Purchased Services — 2.0% ○ Insurance & Other — 2.0% Operating Expenses ● Expense variability with volume changes <ul style="list-style-type: none"> ○ Salaries & Benefits — 20% ○ Professional Fees — 50% ○ Supplies - Drugs — 75% ○ Supplies - Medical & Other — 75% ○ Purchased Services — 0% ○ Insurance & Other — 50% Operating Expenses ● Interest Expense <ul style="list-style-type: none"> ○ Existing Debt — Laurel has little existing debt and related interest expense ○ Project Debt — In FY2024, the new Laurel FMF will open and interest expense on \$58.8M of tax-exempt debt associated with these facilities will be recorded at an interest rate of 5.0% ● Depreciation and Amortization — Reflects a project budget of \$75.6M and a useful life of 25 years ● Performance Improvements — 10% of UM CRH annual performance improvements are allocated to Laurel FMF 	

TABLE L. WORKFORCE INFORMATION (January 2023)

INSTRUCTION: List the facility's existing staffing and changes required by this project. Include all major job categories under each heading provided in the table. The number of Full Time Equivalents (FTEs) should be calculated on the basis of 2,080 paid hours per year equals one FTE. In an attachment to the application, explain any factor used in converting paid hours to worked hours. Please ensure that the projections in this table are consistent with expenses provided in uninflated projections in Table J.

<i>UM Laurel Medical Center</i>	PROJECTED ENTIRE FACILITY THROUGH THE LAST YEAR OF PROJECTION (2023)	PROJECTED ENTIRE FACILITY THROUGH THE LAST YEAR OF PROJECTION (2027)
FMF Job Category	Projected FTEs	
1. Regular Employees		
Division Administrative Support Coordinator (DASC) - nursing	0.5	0.5
Billing/Scheduler - OR	1.0	1.0
Director of Nursing	1.0	1.0
Nurse Manager - ED/OBS	1.0	1.0
Nurse Manager - OR	1.0	1.0
Nurse Manager - PHP	0.5	0.5
Nursing Supervisor (ED/OBS)	3.3	3.3
Nurse Educator	1.0	1.0
Risk Management	0.5	0.5
Executive Office	1.0	1.0
Medical Staff Office	1.0	1.0
Total Administration	11.8	11.8
RN - ED	26.3	28.0
Patient Care Tech - ED	8.4	8.4
RN - OBS (current Med/Surg)	8.7	9.3
Patient Care Tech - OBS (old M/S)	4.2	4.2
RN - OR	5.0	5.3
RN - OR Pre-OP	3.0	3.2
RN - OR PACU	4.0	4.3
OR Tech	3.5	3.5
PA	1.1	1.1
Equipment Tech	0.5	0.5
RN - PHP	0.5	0.5
Social Worker - PHP	3.0	3.0
RN Case Manager - house	2.0	2.0
Radiology - Tech	7.8	7.8
Radiology - clerical (days)	0.4	0.4
Radiology - supervisor	0.6	0.6
Radiology - US (24/7)	5.8	5.8
Radiology - CT (24/7)	5.8	5.8
LAB - medical technologist (24/7)	5.5	5.5
LAB - Sr Tech (days)	1.0	1.0
LAB - Mannager (3 days/week)	1.0	1.0
CSP	3.0	3.0
PHP Coordinator	0.5	0.5
Pharmacy	1.0	1.0
Pharmacy Tech	1.0	1.0
Respiratory	4.5	4.5
Wound Care	5.9	5.9
Physical Therapist	1.0	1.0
Occupational Therapy	0.5	0.5
Cardiovascular Tech	1.2	1.2
Total Direct Care	116.7	119.7
Unit Clerk - ED	4.2	4.2
Unit Clerk - OBS	1.0	1.0
Unit Clerk - PHP	1.0	1.0
EVS - OR	16.0	16.0
Maintenance	2.0	2.0
Storeroom	1.0	1.0
Food Services	3.5	3.5
Registration	12.4	12.4
Total Support	41.1	41.1
REGULAR EMPLOYEES TOTAL	169.6	172.6
Average Salary per FTE (2022 Dollars)	\$48,690	\$48,690
SALARIES	\$8,257,874	\$8,403,945
BENEFITS % of SALARIES	19.19%	19.19%
BENEFITS	\$1,585,033	\$1,613,070
TOTAL COST (2027 UNINFLATED)	\$9,842,907	\$10,017,015