



January 12, 2024

VIA E-MAIL

James Buck, Esquire
Alison B. Lutich, Esquire
Gallagher Evelius & Jones L.L.P.
218 North Charles Street, Suite 400
Baltimore, Maryland 21201

RE: University of Maryland Upper Chesapeake Medical Center and
University of Maryland Harford Memorial Hospital
Merger and Consolidation, Docket No. 17-12-EX003
Request for a Project Change

Dear Mr. Buck and Ms. Lutich:

Thank you for your request for a post-approval project change on December 22, 2023. After review of the request, Maryland Health Care Commission (MHCC or Commission) staff has the following questions for University of Maryland Upper Chesapeake Medical Center (UMCC) and University of Maryland Harford Memorial Hospital (HMH):

1. Your letter states that the sole basis of the project change is increased capital costs. However, the reasons for the increase in capital costs were related to significant changes in the physical plant design. The supports of the existing structure needed to be redesigned and modified, and there was a “significant redesign of mechanical systems.” Please amend your request to include seeking approval of the significant design changes as well as the increase in capital costs.
2. Maryland’s state of emergency ended in July 2021, quarterly status reports on approved-but-not-completed projects were due on September 15, 2021, and every three months thereafter until the project was complete. Between September 2021 to December 2023, UCMC and HMH failed to submit any quarterly reports. Additionally, UCMC and HMH failed to timely seek approval for the project changes at issue in this request. You have broadly stated this was due to COVID and changes in staff. Please provide a more comprehensive explanation for non-compliance with these requirements.

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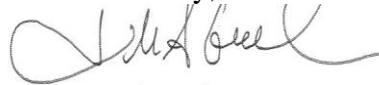
3. Revised Table E: Budget. In your request, you state that capital cost increases are not shown because they have already been incurred and paid for. Please create a side-by-side chart showing the comparison between the CON approved budget for UCMC and the Project Change budget for UCMC and include the capital cost changes.

Please reply to the above questions and items of additional information within ten working days of receipt. Also submit the response electronically, in both Word and PDF format, to Ruby Potter (ruby.potter@maryland.gov) and to mhcc.confilings@maryland.gov. If additional time is needed to prepare a response, please let me know at your earliest convenience.

All information supplementing the request must be signed by person(s) available for cross-examination on the facts set forth in the supplementary information, who shall sign a statement as follows: "I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief."

Should you have any questions regarding this matter, please reach out.

Sincerely,



Jeanne Marie Gawel,
Acting Chief, Certificate of Need Program

Cc: Wynee Hawk, Director, Center for Health Care Facilities Planning & Development
Eric Baker, CON Analyst
Alexa Bertinelli, Assistant Attorney General
Caitlin E. Tepe, Assistant Attorney General
Marcy Austin, Harford County Health Officer
Dr. Patricia Tomsko Nay, Executive Director, Office of Health Care Quality
Marco Priolo, Vice President of Finance/Chief Financial Officer, University of Maryland
Upper Chesapeake Health
Mark Shaver, SVP Strategy, Physician Services & Business Development at University
of Maryland Upper Chesapeake Health

