



January 31, 2023

VIA E-MAIL

Thomas C. Dame, Esquire
Mallory M. Regenbogen, Esquire
Gallagher, Evelius & Jones, L.L.P.
218 North Charles Street, Suite 400
Baltimore, Maryland 21201

RE: Laurel Freestanding Medical Facility
Second Request for a Project Change
Docket No. 18-16-EX002

Dear Mr. Dame and Ms. Regenbogen:

After review of the above-referenced request, Maryland Health Care Commission (MHCC) staff has the following questions and additional information needs.

Acceptability, COMAR 10.24.19.04C(3)(c)(v) and (vi) and Utilization, Financial and Staffing Projections, COMAR 10.24.19.04C(8)(f)

1. Please document that the revenue projections provided to MHCC for the proposed FMF remain consistent with the rate of reimbursement HSCRC will authorize in establishing global budget revenue for the proposed FMF.
2. Table H appears to show a significant reduction of the interest expense on current debt for the University of Maryland Capital Regional Health (UM CRH). As noted in the projection for FY 2025, the interest on current debt was \$9.176M on the 07/15/22 submission, while it is now \$5.925M on the 01/13/23 submission. There is a change in Table K for University of Maryland Laurel Regional Hospital, (UM LRH, or Laurel) from \$2.395M in 2022 to \$2.978M in 2023, for the interest on project debt.
 - a. For the financial analysis, please provide Current Balance Sheets for both UM CRH and UM LRH, for the most recent three years *(FY2020 to FY2022) and five years projected (FY2023-2027).

Construction Cost, COMAR 10.24.19.04C(8)(h)

3. Please explain the addition of the footbridge between a private medical office building and the FMF at this point, and why it not included in the prior two submissions?
4. Explain the factors involved in the decision to move the proposed MRI. Its placement has moved from the initial location outside of the ED, to now being located a short distance down the newly proposed building connector. Explain the impact this has on the project costs.

Please submit four copies of the responses 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). If additional time is needed to prepare a response, please let me know at your earliest convenience.

As with the request itself, 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 provide them via e-mail to Wynne Hawk and me.

Sincerely,



Eric Baker
Program Manager, Certificate of Need

cc Wynne Hawk, Chief, Certificate of Need
Caitlin Tepe, A.A.G.
Ernst L. Carter, M.D., Health Officer, Prince George's County

