



*Department of Health
and Human Services*

*Maine People Living
Safe, Healthy and Productive Lives*

Department of Health and Human Services
Commissioner's Office
221 State Street
11 State House Station
Augusta, Maine 04333-0011
Tel: (207) 287-3707; Fax (207) 287-3005
TTY: 1-800-606-0215

John E. Baldacci, Governor

Brenda M. Harvey, Commissioner

March 11, 2008

Joseph Hogan
Bill Gillis
Continuum
477 Minot Ave
Auburn, ME 04210

Gentlemen,

RE: Subsequent review of the Certificate of Need authorizing the replacement of Harbor Home for the purpose of transferring 1/3 ownership interests to the remaining partners.

This letter will serve as notification that, on this date, I have decided to grant approval based on a subsequent review of the Certificate of Need that authorized the partners of Harbor Home to build a replacement facility, now named Kittery Commons. The additional approved Capital Expenditure for this project is \$0. My decision is based on a Briefing Memo dated February 18, 2008 prepared by the Certificate of Need Unit. The effect of this action is to allow the proposed transfer of a 1/3 partnership interest in Kittery Commons from Ward Hand to Joseph Hogan and Bill Gillis currently partners in Kittery Commons.

In order for this Certificate of Need to remain valid, the project must be commenced within one year from the date of this approval letter, by completing implementation activities specified for this type of project in Section 71.05 (O) (5) of the Bureau of Elder and Adult Services Policy Manual. Limited extensions may be available, if requested in a timely manner and for good cause, as explained in Section 7105 (5) (a) of the Bureau of Elder and Adult Services Policy Manual.

Failure to commence a project within this 12-month period will result in expiration of the amended Certificate of Need, unless an extension is obtained, as cited above.

I am granting this Certificate of Need because I have determined that a public need for the proposal has been demonstrated; the applicant is fit, willing and able to provide the proposed services at the proper standard of care; the project is financially and economically feasible; and it is consistent with the orderly and economic development of health facilities and resources for the State and the State's Health Plan.

The specific details of the project for which I have granted this Certificate of Need are contained in an application found to be subject to review in accordance with the provisions of the Maine Certificate of Need Act, dated April 11, 2002. Please be aware that, in accordance with Section 71.05 (0)(1) of the Bureau of Elder and Adult Services Policy Manual, this Certificate is valid only for the defined scope,

premises and facility or person named in the above-referenced application and is not transferable or assignable.

Furthermore, it should be clearly understood that our analysis and findings regarding the need for the proposed project, as well as its financial and economic feasibility, has been predicated on the description of the proposed project as presented in your application. This includes, but is not limited to: financial statements, other information contained in your application and the supplemental information you have presented to us during the course of our deliberations. No significant changes in the project; no variations from the projected operating costs, patient charges, Medicaid rates and patient mix; no modifications of the terms of financing the project; and no increase in the capital expenditure are permitted without the prior written approval of the Department. Any such variances may result in either the disallowance of related expenses, financial penalties or the immediate revocation of the amended Certificate of Need.

Please work closely with my staff in the Certificate of Need Unit, Division of Licensing and Regulatory Services, to assure this project is implemented in accordance with the provisions of the Certificate and applicable rules and regulations.

The law requires that a holder of a Certificate of Need make a written report at the end of each six-month period following its issuance. Any questions relative to this reporting requirement should be directed to the Certificate of Need Unit.

We appreciate your willingness to work with us during the review process.

Sincerely,

Brenda M. Harvey
Commissioner

cc: Catherine Cobb
Phyllis Powell
Larry Carbonneau
Janine Raquet
File