



## Franklin Community Health Network

November 8, 2010

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Division of Licensing and  
Regulatory Services

Mr. Larry Carbonneau  
Health Care Financial Analyst  
DHHS, Licensing & Regulatory Services  
41 Anthony Ave.  
11 State House Station  
Augusta, ME 04330

Re: Request for Certificate of Need Non-Reviewability Determination  
Livermore Falls Medical Arts Center

Dear Mr. Carbonneau,

I am writing to request a CON waiver or determination of non-applicability of the CON process for a medical arts center that Franklin Memorial Hospital ("Franklin") plans to construct in Livermore Falls. We will be financing this project through MHHEFA and will need a determination letter prior to closing.

The Franklin Memorial Hospital Board of Directors approved construction of the Medical Arts Center in Livermore Falls in order to consolidate services into one location and to move out of leased spaces. The Medical Arts Center in Livermore Falls will provide the same services already being offered by Franklin Memorial Hospital in Livermore Falls (Livermore Falls Family Practice, visiting Franklin Health physicians such as Orthopaedics and OBGYN, Behavioral Health Services, Radiology, Breast Care Center, Lab and Physical Therapy). Accordingly, Franklin will not be introducing any new health services in the area. Rather, Franklin will simply be relocating these services to the new building.

It is Franklin's intent to offer these services in the new building beginning in November 2011, but design and construction on the building will commence as soon as possible. The completion date for the project is expected to be November 2011.

Attached are a floor plan and a schedule of planned square footage by service area broken down between physician office space and hospital space. The majority of the building is physician offices and includes the relocation of the physician practices and services referenced above. However, to support the physician practices, Franklin would like to continue to provide hospital services consisting of laboratory, radiology, breast care and physical therapy services, occupying space totaling an estimated 2,964 square feet. This represents 24.09% of the total building and with allocating shared space the total is 35.08%

The total cost for this project including financing costs and capitalized interest will not exceed \$5,400,000. The portion allocated to hospital related activities will not exceed \$2,000,000. The estimated third year operating costs for the proposed hospital services is \$91,000.

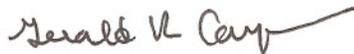
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This project reflects a strong organizational commitment to advancing access to primary care medicine in space that will improve the quality, workflow and efficiency.

Because the total costs for hospital services are below the CON capital expenditure threshold of \$3.1 million, it is our understanding that the Medical Arts Center does not require a CON. Therefore, there is no anticipated date of a CON application.

Thank you in advance for your consideration of this request.

Regards,



Gerald R. Cayer  
Executive Vice President

enclosures