

Department of Health and Human Services  
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TTY Users: Dial 711 (Maine Relay)

January 7, 2013

Mr. Kenneth Bowden, CEO  
First Atlantic Healthcare  
222 St. John Street; Suite 207  
Portland, ME 04102-3063

**RE: Reinstatement of 10 Reserved and the addition  
of 4 new SNF/NF Beds at Marshalls HealthCare**

Dear Mr. Bowden:

This letter will serve as notification that, on this date, I have decided to **grant** a Certificate of Need (CON) that authorizes Marshall's Healthcare to reinstate 10 reserved and add 4 new NF/SNF beds. There are no approved capital expenditures associated with this project. Any capital costs incurred will require a subsequent review.

In order for this CON to remain valid, the project must be "commenced" within one year from the date of the original approval noted above. You must complete implementation reports on your activities as specified for this type of project (CON Procedures Manual, Chapter 11, Sec. 3). Limited extensions may be available, if requested in a timely manner and for good cause, as explained in the Manual, Chapter 9, Sec. 3. Failure to commence the project within this 12-month period will result in expiration of the CON, unless an extension is obtained, as cited above.

I am granting this CON because I have determined that the project meets the criteria set forth in the CON Act Sec. 335(1) and the Department's regulations. The specific details of the project for which I have granted this CON are contained in an application found to be subject to review in accordance with the provisions of the Maine Certificate of Need Act, and was certified complete by the applicant on August 6, 2012.

Please be aware that in accordance with Section 346 of the Maine Certificate of Need Act this Certificate, as modified herein, is valid only for the stated scope, premises and facility 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 have been predicated on the application record as described in the Manual, Chapter 8, Subsection 5. Consequently, the proposal must be implemented consistent with the approval stated in this letter, as informed and clarified by the Department's analysis and findings as summarized in the following Department staff reports:

1. PRELIMINARY STAFF REPORT: Report dated November 6, 2012.
2. FINAL REVIEW: Briefing memo to Mary C. Mayhew, Commissioner, DHHS, dated December 4, 2012.

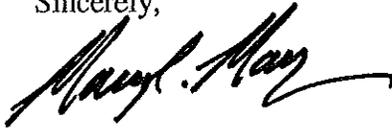
No significant changes to the project, no variations from the projected operating costs, no modifications of the terms of financing the project, and no increase in the capital expenditures to be made are permitted without the prior written approval of the Department. Any such variances may result in either the disallowance of related expenses, financial penalties or the immediate revocation of the CON.

Please work closely with my staff in the CONU to assure this project is implemented in accordance with the provisions of this Certificate and applicable rules and regulations. As part of this requirement, you are reminded that, prior to construction, the appropriate licensing and certification and State Fire Marshal officials must approve all working drawings and construction specifications.

The law requires that a holder of a CON make a written report at the end of each six-month period following its issuance. Details regarding this and related requirements will be made the subject of a separate letter from the CONU.

My staff will work with you as necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary C. Mayhew", with a stylized flourish at the end.

Mary C. Mayhew  
Commissioner

cc: Phyllis Powell, Assistant Director  
Herb Downs, Audit  
Janine Raquet, AAG  
File