



**Department of Health  
and Human Services**

*Maine People Living  
Safe, Healthy and Productive Lives*

Paul R. LaPage, Governor

Mary C. Mayhew, Commissioner

Department of Health and Human Services  
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February 18, 2015

Carolyn Kasabian, Chief Financial Officer  
St. Mary's Health System  
PO Box 7291  
Lewiston, ME 04243

**RE: Letter of Applicability: LOI- Proposed Merger of St. Mary's Regional Medical Center & St. Mary's d'Youville Pavilion**

Dear Ms. Kasabian:

This correspondence responds to yours dated January 29, 2015 in which St. Mary's proposes to merge St. Mary's Regional Medical Center and St. Mary's d'Youville Pavilion.

Based on the information you provided, the Department of Health and Human Services has determined that the proposal as written is subject to review. The applicable reason(s) this is a covered project are indicated below:

- This project is a transfer of ownership or acquisition of control of a health care facility.
- This project is an acquisition of major medical equipment where the expenditure exceeds \$3,379,550.
- This project is a new health service where either:
  - Capital expenditures do exceed \$3,168,328 or,
  - Third year annual expenditures do exceed \$1,056,109.
- This project is a new health care facility where:
  - Capital expenditure do exceed \$5,280,547 for a nursing facility or
  - Capital expenditures do exceed \$3,168,328 for other covered facilities.
- The total capital costs associated with the project do exceed:
  - \$5,280,547 for nursing facilities.
  - \$10,561,095 for hospitals or other covered facilities.
- The project is an increase in a licensed bed category or in the case of hospitals greater than a 10% increase.

We have scheduled a Technical Assistance meeting for February 18, 2015 from 12:30pm – 2:30pm; if you are unable to attend this meeting please contact Katie Wade at 287-9215.

Sincerely,

Larry Carbonneau, CPA  
Senior Health Care Financial Analyst

cc: File