



*Department of Health  
and Human Services*

*Maine People Living  
Safe, Healthy and Productive Lives*

*John E. Baldacci, Governor*

*Brenda M. Harvey, Commissioner*

Department of Health and Human Services  
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October 17, 2008

Judd H. Knox, President  
York Hospital  
15 Hospital Drive  
York, Maine 03903

RE: York Hospital to Expand Surgical Services Department - Subsequent Review

Dear Mr. Knox;

I am pleased to notify you that on this date I have decided to **grant with conditions** this subsequent review of your Certificate of Need (CON) that was approved on October 31, 2006 which authorized York Hospital to expand its surgical services department. The new approved capital expenditure associated with this project is \$8,995,000. Any costs exceeding \$8,995,000 will require another Subsequent Review.

My approval is conditioned on York Hospital implementing the following:

1. York Hospital shall be required to report outcomes for high-risk low volume procedures and to develop evidence-based referral policies.
2. York Hospital shall notify CONU prior to any build-out of shell space previously approved in the October 31, 2006 CON and modified by the redesign of the project

In order for this CON to remain valid, the project must be "commenced" within two years 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). Failure to commence a project within this period will result in expiration of the CON. No additional extension for this project will be approved.

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 December 20, 2005. 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 Department's analysis and findings as summarized in the following Department staff reports:

1. PRELIMINARY STAFF REPORT: Report from Steven Keaten, Health Care Financial Analyst, CONU to Catherine Cobb, Director, Division of Licensing and Regulatory Services, dated June 30, 2006.
2. FINAL REVIEW: Briefing Memo to Brenda M. Harvey, Commissioner, DHHS, dated October 19, 2006.
3. AMENDED REVIEW: Subsequent Review Briefing Memo to Brenda M. Harvey, Commissioner, DHHS, dated October 10, 2008.

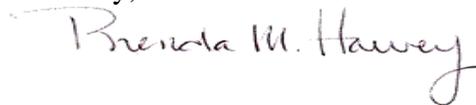
No significant changes to the project, no variations from the projected operating costs, no modifications of the terms of financing the project, and no increase in the capital expenditures to be made are permitted without the prior written approval of the Department. Any such variances may result in 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.

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

Sincerely,



Brenda M. Harvey  
Commissioner, DHHS

cc: Catherine Cobb, Director of Licensing and Regulatory Services  
Phyllis Powell, CONU Manager  
Steven Keaten, Health Care Financial Analyst  
Herb Downs, Audit  
Janine Raquet, AAG  
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