RE: Letter of Intent, Certificate of Need Application, Proposed Therapeutic Services Addition to the Existing Maine Veterans’ Homes Nursing Facility at Bangor, Maine

Dear Larry:

This is a Letter of Intent ("LOI") to file a Certificate of Need ("CON") Application with the Maine Department of Health and Human Services ("DHHS") to construct a Physical and Occupational Therapy Addition to the existing Maine Veterans’ Homes ("MVH") Nursing Facility at Bangor, Maine (the "Project"). MVH is submitting this LOI to DHHS in compliance with 22 M.R.S.A. §337 and Me. Dep’t of Health and Hum. Serv. Reg. 10-149, Ch. 5, §71.05.

(a) Request for a ruling. MVH requests a ruling from DHHS determining whether the CON statutes and regulations are applicable to the Project.

(b) Description of the Project. MVH is proposing to construct a Therapeutic Services Addition ("TSA"), of approximately 4,632 square feet in size, to the existing MVH nursing Facility at Bangor, Maine (the "Bangor Nursing Facility"). The Bangor Nursing Facility operates 120 skilled-nursing, long-term care nursing, and dementia beds, and 30 additional assisted living beds. The TSA will provide physical, occupational, and speech therapy services to residents of the Bangor Nursing Facility and persons residing in surrounding communities. The TSA will serve a wide range of clients who require rehabilitative services for neurological conditions such as stroke, multiple sclerosis, and Parkinson’s disease. The TSA will include a therapeutic pool, a physical and occupational exercise area, examination rooms, office space for clinical and administrative personnel, storage areas, and bathroom facilities. Construction materials will be steel beam and exterior patterned brick masonry and roof materials, designed to match existing construction materials of the Bangor Nursing Facility.

(c) Estimated Capital Expenditures. The estimated cost of constructing and equipping the Project, excluding parking, is approximately $1,600,000.
(d) **Anticipated Date of Commencement of Capital Expenditures.** The anticipated date of commencement of substantial capital expenditures for construction of the Project is October 15, 2009.

(e) **Anticipated Date of Submission of CON application.** The anticipated date of submission of a CON application, if one is required, for the Project is June 15, 2009.

(f) **Anticipated Date of Commencement of Construction.** The anticipated date of commencement of construction for the Project is October 15, 2009.

(g) **Anticipated Date of Completion.** The anticipated date of completion for the Project and initiation for services to the public is June 1, 2010.

Please contact me if you require any additional information. I look forward to hearing from you at your earliest convenience.

Signed,

[Signature]

Kelley J. Nash
Chief Executive Officer

cc: Patricia Young, COO, MVH
    Robert J. St.Pierre, CFO, MVH
    John E. Larouche, Esq.