



State of New Hampshire

DEPARTMENT OF HEALTH AND HUMAN SERVICES

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9200 FAX: 603-271-4912 TDD ACCESS: RELAY NH 1-800-735-2964

JEFFREY A. MEYERS
COMMISSIONER

May 2, 2017

John Kacavas, Esq.
Vice President and General Counsel
Mary Hitchcock Memorial Hospital
One Medical Center Drive
Lebanon, NH 03756

Re: Notice of Remedies Prior to Assessment of Liquidated Damages Pursuit to Physician Clinical and Administrative Services Agreement

Dear Attorney Kacavas:

In accordance with Section 9.3 Notification of the Agreement, the Department of Health and Human Services is notifying you of violations of the provisions of the Agreement which may subject Mary Hitchcock Memorial Hospital (MHMH) to the assessment of liquidated damages. Any assessment of liquidated damages by the Department shall be in addition to, and not exclusive of, any other remedies available to the Department both at law and in equity.

1. Provisions Violated:

a. Section 3.3.15.c Staffing.

MHMH is required to provide 11.0 Full Time Equivalent (FTE) General Psychiatrists. Since the inception of submitting weekly staffing updates, MHMH has failed to provide 11.0 FTEs of General Psychiatrists. Since April 3, 2017, the FTEs have been below 10.0. While the Request for Proposals solicited 10.0 FTEs, MHMH submitted a proposal and signed a contract on August 18, 2016, that contains the 11 FTEs.

b. Section 3.3.15.f Staffing.

MHMH is required to provide a Geropsychiatrist (1.0 FE)
On January 16, 2017, the MHMH appointed the geropsychiatrist as interim associate medical director. This has resulted in no dedicated geropsychiatrist on staff.

2. Remedies that shall be applied.

a. The MHMH shall ensure that it fulfills the terms of the Agreement in Section 3.3.15 Staffing as listed in 1.a. and 1.b. above.

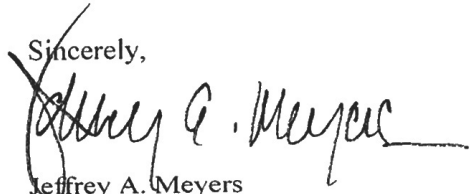
3. Cure Period Date: June 1, 2017.

John Kacavas, Esq.
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The Department requests you provide a Corrective Action Plan no later than five (5) business days from receipt of this letter, May 9, 2017, for review. The Department must review and approve the Corrective Action Plan prior to implementation. The Department will notify you of its approval or rejection of the Corrective Action Plan within five (5) business days of receipt. Should the Department reject the Plan, it will provide further instruction. Failure to correct the deficiencies by the expiration date of the cure period will result in the imposition of liquidated damages in accordance with the Agreement.

If you dispute the findings contained in this Notification, you must contact the Department no later than May 5, 2017, with a written response disputing the Department's findings. The dispute of the proposed remedies shall not stay the effective date of May 31, 2017, of the assessment of liquidated damages. Liquidated damages will be imposed retroactively based on the date the identified deficiencies began and will continue until the deficiencies are cured.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey A. Meyers", with a long horizontal flourish extending to the right.

Jeffrey A. Meyers
Commissioner