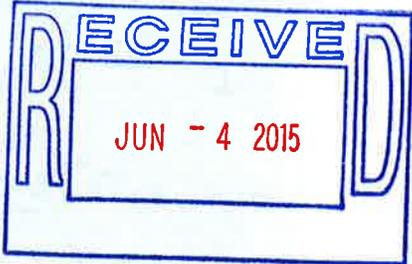


Letter of Intent

NOTICE OF INTENT
CERTIFICATE OF PUBLIC REVIEW

- 1. Name of Applicant: Post Acute Medical, LLC
- 2. Address: 1828 Good Hope Road, Suite 102 Enola, PA 17205
- 3. Telephone: 717-731-9660 Fax: 717-695-0318 Email: hbowie@postacutecorporate.com
- 4. Person to Contact: Heidi Bowie, VP Acquisitions and Facilities Development

- 5. Type of Ownership:
 - Public
 - Proprietary (Individual)
 - Private Non-profit
 - Proprietary (Partnership)
 - Proprietary (Corporation)



- 6. Anticipated Date of Filing Application: 7/31/2015
- 7. Estimated Capital Expenditure: \$ 14,600,000

8. Please attach a brief Narrative (one page or less if possible) which describes the project.

9. STATEMENT OF CERTIFICATION:

The statements and information provided herein are true and correct to the best of my knowledge and belief.

Anthony Misitano

6-3-15

Anthony Misitano, President and Chief Executive Officer

Date

Michelle Amadio
Delaware Health Care Commission
Delaware Health Resources Board
Margaret O'Neill Building
410 Federal Street, Suite 7
Dover, Delaware 19901



Dear Ms. Amadio,

Post Acute Medical, LLC (PAM) intends to file a Certificate of Public Review for inpatient rehabilitation services. Tentative filing date is July 31, 2015. PAM proposes to develop a free-standing inpatient rehabilitation facility (IRF) in a to-be-determined location in Delaware. Inpatient rehabilitation hospitals offer intensive treatment and rehab for patients who have suffered from traumatic brain injury, stroke, orthopedic trauma, spinal cord injury and other conditions that require these specialized services.

Currently, Delaware has only three IRFs (two hospital-based and one free-standing). PAM has identified a need for additional IRF services in Delaware. Inpatient rehabilitation facilities often fill a void in the post-acute care continuum by providing more intensive rehabilitation and more appropriate care than is available in other types of post-acute care. Given limited IRF services in Delaware, PAM sees an opportunity to offer more choice to patients and physicians, improve overall quality of care in Delaware, and provide acute care hospitals more outlets to coordinate post-acute care for their patients.

The size of the proposed facility has not been finalized, but PAM expects the new facility to be between 26 and 40 beds. PAM identified a need for IRF services in multiple areas of the state, but is currently evaluating sites in the Dover area. The CPR proposal will be for one facility. PAM currently operates eight IRFs and 16 long term acute care hospitals nationally. The proposed hospital would operate with the same standards for high quality, compassionate care, and community coordination that PAM offers in its other facilities. Total capital costs for a 26-bed facility in would be approximately \$14.6M, which includes the cost of land, all construction related costs, and furnishings.

In the coming months, Post Acute Medical is looking forward to engaging with the Health Resources Board and the Delaware provider community to discuss the proposal further.

Sincerely,

A handwritten signature in blue ink that reads "Anthony Msitano".

Anthony Msitano
Principal, President, and Chief Executive Officer