

**Green Mountain Care Board**  
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## **DELIVERED ELECTRONICALLY**

September 12, 2019

Mr. Robert Hersey  
Northeastern Vermont Regional Hospital  
PO Box 905  
1315 Hospital Drive  
St. Johnsbury, VT 05819

**RE: Docket No. GMCB-005-17con, Replacement of Mobile MRI with Fixed MRI Unit and Related Construction/Renovation. (Revised) Project Cost: \$3,051,564**

Dear Bob:

Thank you for your August 28, 2019 letter describing changes Northeastern Vermont Regional Hospital (NVRH) would like to make to the above-referenced project.

As explained in the Statement of Decision dated July 2, 2018, the project involved the replacement of a refurbished Siemens Magnetom Symphony RS MRI unit with a new Siemens Magnetom Aera MRI unit for a purchase price of \$1,385,769 and a total project cost of \$3,191,912. Based on your letter, Siemens informed NVRH that it can upgrade from the Aera model to a new (*i.e.* not refurbished) Sola model at no additional cost, with the purchase price remaining at \$1,385,769 including the first-year service warranty. However, the annual service agreement fee for the Sola, starting in year 2, will increase by \$11,423, from \$115,560 to \$126,983. The annual service fee for the chiller, however, will decrease by \$1,500, from \$10,000 to \$8,500. The net annual service agreement fee will therefore increase by \$9,923. NVRH represents that the \$9,923 will be covered through cost savings in the MRI or other department. In addition, there is a \$10,213 increase in cost for changes that must be made in the HVAC system to accommodate the Sola. An increase of \$3,437 in shielding costs will also be incurred. However, NVRH states that the increase in cost for the HVAC and shielding will be covered by the \$149,080 they have budgeted for contingency for this project.

The Board has determined that the changes described above are nonmaterial and that no further review is required. Accordingly, under Rule 4.000, § 4.600, paragraph 3, the Certificate of Need is deemed amended to incorporate the changes. However, as you implement the project, if there are any further changes in scope, capacity or cost, you must notify the Board so that they may determine whether any further review is required.



If you have any questions, please do not hesitate to contact me at 802-828-2918.

Sincerely,

s/ Donna Jerry

Donna Jerry

Senior Health Policy Analyst

cc. Michael Barber, General Counsel  
Green Mountain Care Board

