



## Copley Health Systems

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5/4/2017

Donna Jerry  
Green Mountain Care Board  
89 Main Street, Third Floor, City Center  
Montpelier, Vermont 05620

**Re: Copley Hospital Request to Add Second Procedure Room to New Surgery Suite, GMCB-015-13con**

Dear Ms. Jerry:

I am writing to request a postponement of our May 18<sup>th</sup> hearing to recommend adding a second procedure room to our new surgery suite. We received confirmation that the cost to build a second procedure room now or after the surgery suite construction is complete will be approximately the same cost. Thus, building the second procedure room before the construction is complete is not a financial necessity as we previously thought. Furthermore, the construction of the surgical suite to include terminal cleaning of the entire suite will be complete the first week of June. It would be very difficult if not impossible to build a second procedure room starting mid-May and complete it by the end of May. Since we are not pressured for time, I think it's wise to complete the construction per the CON and then re-evaluate once we are functioning in the new space. I am still confident that in the near future we will ask the GMCB to approve a second procedure room, however since there is little cost difference and only a few more weeks before the construction is complete, I feel it's prudent to move into the new surgical suite and see what efficiencies we might achieve. Even with added efficiencies, we will likely still require a second procedure room allowing us to shift several procedure cases from the ORs thereby allowing more OR time for surgeries that must be performed in an OR.

The need for additional OR time is a result of increased total joint surgeries due to patient demand and our attempt to improve access to care. We have seen an increase in total joint surgery utilization since 2014 and will likely continue to see it increase further in 2018. We have also seen a jump in utilization due to increased efficiencies to include increasing OR hours as staffing allows, filling all OR time when not used by the initially assigned surgeon, improving turn-around and on-time starts and our newer surgeons ramping up their outpatient clinics and surgeries. Our future OR utilization percentage with only one procedure room (including 30 minutes turn-around time per case) is projected to be 86% versus 64% OR utilization originally based on 2015 budgeted utilization. With a second procedure room added, we project a 72% OR utilization which is close to the 75% threshold but would support the block time needed by our surgeons to perform true OR cases.

Due to increased utilization and revenue, we reduced our rates as of January 1, 2017 by 3.7%. Since then, we have seen a steady decline in net patient revenue (NPR) each month.

Please let me know if you have any questions.

Sincerely,

Rassoul Rangaviz, CFO