

Green Mountain Care Board
144 State Street
Montpelier, VT 05602

802-828-2177
www.gmcbboard.vermont.gov

Kevin Mullin, Chair
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DELIVERED ELECTRONICALLY

February 21, 2018

Ms. Shireen Hart, Esq.
Primmer, Piper, Eggleston & Cramer, PC
150 South Champlain St.
PO Box 1489
Burlington, VT 05402

RE: Docket No. GMCB-005-18con, Proposed Purchase of Newport Health Care Center and Green Mountain Adult Day Services LLC in Newport, VT by Bear Mountain Healthcare LLC.

Dear Ms. Hart:

Thank you for your letter regarding the above referenced project.

The application must include a detailed description of, and the need for, the proposed project, cost of the individual components and total project cost, financing arrangements, and an explanation of existing and new or expanded services to be offered, any purchase, rent or lease arrangements that will be entered into and copies of those documents, and a description of any renovation/construction and IT components of the project.

The application should address the Institute of Health Improvement Triple Aims: 1) improving the individual experience of care, 2) improving the health of populations, and 3) reducing the per capita costs of care for populations. Pursuant to 18 V.S.A. § 9437(1), the application must also be consistent with the current Health Resource Allocation Plan (HRAP); the HRAP Standards that may be applicable for the proposed project are Standards 1.6, 1.7, 1.9, 1.10, 1.11, 1.12, 3.12, 4.7, 5.1, 5.2, 5.3, 5.4 and 5.12 (address only those that are applicable). Additionally, the statutory criteria set forth in 18 V.S.A. § 9437(2)-(6) and (8) apply to your application.

The Board also requires submission of sufficient financial information to evaluate the impact of the project. For this application, we ask that you submit the following information separately for the relevant property and operations entities. Specify the 12-month period for each individual year, submit (a) the actual for 2015, 2016, and 2017, (b) Budgeted 2018, (c) Projected Years 1, 2, and 3; and (d) a summary of all financial assumptions that underlie the projections:

- Profit and Loss Statements
- Revenue Projections



- Balance Sheets
- Cash Flows
- Operating Costs

In addition, provide:

- Financial Table 1, Project Costs
- Financial Table 2, Financing Arrangement
- Financial Table 6A, 6B, and 6C, Revenue Source Projections
- Financial Table 7A, 7B, and 7C, Utilization Projections
- Financial Table 9A, 9B, and 9C, Staffing Projections
- Current Owner's Most Recent Audited Financial Statement
- Personal financial statements reflecting all personal, professional, health care and non-health care business interests under all personal and business names for each individual purchasing the real estate and the operations of Newport Health Care Center and Green Mountain Adult Day Services LLC filed with individual Verification Under Oath forms.
- In a table format, the names and full contact information for all prospective owners and/or shareholders in the transaction, percent interest in the real estate and percent interest in the operations for each, and the dollar amount each member is contributing of the total equity contribution reflected on Financial Table 2, *Financing Arrangement*.
- In table formats, the most recent (specify date) CMS overall star ratings (1-5) for overall, overall health/fire/safety inspections, staffing, RN staffing, penalties and quality measure ratings from the Centers for Medicare & Medicaid Services (CMS), *Nursing Home Compare* website for Newport Health Care Center and all other facilities in which the proposed buyers have an interest.
- For Newport Health Care Center and each of the facilities in which the applicants have an interest, a list of the 24 short and long-term quality measures from the CMS website that are worse than the state average, indicating the percent below the state average for each facility. Provide in a table format.

Please send your response electronically to donna.jerry@vermont.gov, and also provide two three-hole punched hard copies with a Verification Under Oath to the Green Mountain Care Board, 144 State Street, Montpelier, Vermont 05602, Attention: Donna Jerry.

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

Sincerely,

s/ Kevin Mullin

Kevin Mullin, Chair

Green Mountain Care Board

