

**STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD**

In re: Application of Copley Hospital)
Construction of New Surgical Suite) GMCB-015-13con

CERTIFICATE OF NEED

In accordance with Title 18, Chapter 221, Subchapter 5, other applicable laws and the Statement of Decision and Order in this matter, the Green Mountain Care Board issues this certificate of need (CON) to Copley Hospital (Copley, or the applicant), subject to the requirements and conditions set forth below.

Project Description and Scope

Copley Hospital seeks construct a 19,560 square foot (sq. ft.) surgical suite to replace the existing surgical suite built in 1979. The total estimated cost of \$12,500,000 will be financed with a \$7,000,000 loan, \$2,300,000 in working capital, and \$3,200,000 in fundraising.

The Project is outlined in greater detail in the Statement of Decision and Order in this docket, incorporated herein and issued today by the Board.

Project Conditions

The project as proposed, subject to the following conditions 1 through 12, meets the statutory criteria set forth in Section 9437 of Title 18:

1. Copley must comply with all requirements contained in its Hospital Budget Order for FY 2016 and any subsequent Board orders or instructions regarding its FY 2016 budget.
2. Copley must meet all growth caps, targets and other conditions and guidance imposed by the Board for each of its hospital budget submissions throughout the implementation period as set forth in Condition 5, below.
3. Copley shall not increase the rates it charges to commercial payers to fund any expenses related to project costs, including, but not limited to, project cost overruns.
4. Copley shall develop and operate the project in strict compliance with its scope as described in the application, in other materials in the record submitted by the applicant, and in strict conformance with the Statement of Decision and Order issued today in this docket. This certificate of need is limited to the project and activities described therein.

5. The project shall be fully implemented within three (3) years of the date of this certificate of need or the certificate of need shall become invalid and deemed revoked.
6. Noncompliance with any provision of this certificate of need or with applicable ordinances, rules, laws and regulations constitutes a violation of this certificate of need and may be cause for enforcement action pursuant to 18 V.S.A. §§ 9445, 9374(i) and any other applicable law.
7. Copley shall file implementation reports with the Board beginning six months from the date of this certificate of need and at six-month intervals thereafter until all components and phases of the project are complete and fully operational and all invoices have been paid. The implementation reports shall include the following information and analysis:
 - a. Overview of the project, including information and analysis demonstrating that the project fully complies with its scope as described in the application, in other materials in the record submitted by Copley, and in the Statement of Decision and Order issued today in this docket;
 - b. The Latest Actual utilization data compared to the projections submitted by Copley in its CON Application, Tables 7 (“Utilization Projections Totals”) and 8 (“Utilization Projections Project Specific”);
 - c. An inventory of areas targeted for savings to offset operating losses, as referenced in Finding ¶ 27 in the Statement of Decision and Order in this same docket, including projected savings and the total savings achieved to date;
 - d. A separate spreadsheet showing expenditures by individual line item. The spreadsheet shall show the approved overall amount per the application, the amount spent during the six-month reporting period, the amount spent to date, and the amount remaining in both dollars and in percentages.
8. This certificate of need is not transferable or assignable and is issued only for the premises and entity named in the application.
9. If Copley contemplates or becomes aware of a potential or actual nonmaterial change, as defined in 18 V.S.A. § 9432(12), or a material change as defined in 18 V.S.A. § 9432(11), to the scope or cost of the project described in its application and as designated in this certificate of need, Copley shall file a notice of such change immediately with the Board. The Board shall review the proposed change and advise Copley whether the proposed change is subject to review.
10. The Board may, after Copley is provided notice and an opportunity to be heard, make such further orders as are necessary or desirable to accomplish the purposes of this certificate of need and to ensure compliance with its terms and conditions.
11. All reports, notices, forms, information or submissions of any kind required to be submitted to the Board as a condition of this certificate of need shall be signed by Copley’s chief executive officer and verified by the chief executive officer, or by his or her designated representative.

12. The conditions and requirements contained in this certificate of need shall remain in effect for the duration of the reporting period defined in paragraph 5, above.

SO ORDERED.

Dated: February 12, 2016 at Montpelier, Vermont.

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| <u>s/ Alfred Gobeille</u> |) | |
| <u>s/ Cornelius Hogan</u> |) | GREEN MOUNTAIN |
| <u>s/ Jessica Holmes</u> |) | CARE BOARD |
| <u>s/ Betty Rambur</u> |) | OF VERMONT |
| <u>s/ Allan Ramsay</u> |) | |

Filed: February 12, 2016

Attest: s/ Janet Richard
Green Mountain Care Board
Administrative Services Coordinator