

**STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD**

In re: Application of Genesis Healthcare, Inc. ) GMCB-014-15con  
Purchase of Five Skilled Nursing Facilities )  
in Vermont )  
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**CERTIFICATE OF NEED**

The Green Mountain Care Board issues this certificate of need (CON) pursuant to 18 V.S.A. § 9431 *et seq.* (Health Facility Planning) to Genesis Healthcare, Inc. (Genesis, or the applicant) for the purchase of five Vermont skilled nursing facilities. The Board issues this CON based on the Findings of Fact and Conclusions of Law in the Statement of Decision and Order in this docket, and subject to the requirements and conditions set forth below.

**Project Description and Scope**

Genesis Healthcare, Inc., a publicly traded holding company, has formed five corporate entities to purchase the real estate and five corporate entities for the operations of five existing skilled nursing facilities: Bennington Health and Rehabilitation Center, LLC; Berlin Health and Rehabilitation Center, LLC; Burlington Health and Rehabilitation Center, LLC; Springfield Health and Rehabilitation Center, LLC; and St. Johnsbury Health and Rehabilitation Center, LLC. The purchase is part of a larger agreement to purchase 24 facilities in nine states from Revera Assisted Living, Inc., a privately owned Canadian company that is divesting its interests in skilled nursing facilities in the United States.

The total cost of purchasing the five Vermont facilities is \$39,137,496 which will be financed initially through a bridge loan that will be refinanced through the U.S. Department of Housing and Urban Development.

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.

**Conditions**

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

1. The applicant shall develop and operate the Project in strict compliance with the Project scope as described in the application, in other materials in the record submitted by the applicant, and in strict conformance to the Findings of Fact and Conclusions of Law as set forth in the Statement of Decision and Order, and subject to the conditions herein.

2. The Project as described in the application shall be fully implemented within one year of the date of this certificate of need, or the certificate of need shall become invalid and deemed revoked.
3. 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.
4. This certificate of need is not transferable or assignable and is issued only for the premises and entities named in the application.
5. If the applicant contemplates or become 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, the applicant shall file a notice of such change immediately with the Board. The Board shall review the proposed change and advise the applicant whether the proposed change is subject to review.
6. The applicant shall file three (3) implementation reports with the Green Mountain Care Board. The first report shall be filed with the Board six months from the date on which the applicant commences ownership and operations of the five Vermont facilities; subsequent reports shall be filed at six-month intervals thereafter.

The implementation reports shall include but not be limited to the following information and analysis which the Board may in its discretion require the applicant to present at public meeting:

- a. Information demonstrating that the Project is in conformance with the scope of the Project as described in the application. Such reports must identify any changes to the financing sources or ownership interests relating to the Project;
- b. For each of the five facilities, the most recent (indicate date) CMS “Nursing Home Compare” star ratings for: 1) overall rating, 2) overall staff rating, 3) overall RN ratings, and 4) quality measures for each of the five facilities. Provide the information in a table format that shows each of these items as compared to the same item at the time of application, and as shown on any prior implementation report(s). Include any surveys conducted by DAIL;
- c. A summary of changes made to, or changes planned for, facility staffing in each of the five facilities, including but not limited to increases or decreases in the numbers or types of clinical staff and changes to staff-to-patient ratios;
- d. Verification that no material or nonmaterial changes have occurred or are contemplated.

7. After notice and an opportunity to be heard, the Board may in its discretion make such further orders as it finds necessary or appropriate to accomplish the purposes of this certificate of need and to ensure compliance with its terms and conditions.
8. 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 the applicant's chief executive officer and verified by the chief executive officer, or by his or her designated representative.
9. The conditions and requirements contained in this certificate of need shall remain in effect for the duration of the reporting period defined in paragraph 6, above.

**SO ORDERED.**

Dated: July 29, 2016 at Montpelier, Vermont.

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

Filed: July 29, 2016