

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

June 25, 2015

Mr. James Trimarchi  
Southwestern Vermont Medical Center  
100 Hospital Drive  
Bennington, VT 05201

**RE: Docket No. GMCB-007-15con, Proposed Renovation of the General Surgery Office Suite in the Medical Office Building Project cost: \$1,700,000.**

Dear Jim:

Thank you for your request for a jurisdictional determination regarding the proposed renovation of the General Surgery Office Suite in the existing Medical Office Building (MOB).

In January 2014, Southwestern Vermont Medical Center (SVMC) submitted a letter outlining three areas of the existing MOB proposed for renovation at different times during FY 2014 and FY 2015. In a letter dated April 1, 2014 the Green Mountain Care Board allowed SVMC to renovate the Primary Care Suite on Floor 1 of the MOB first without a Certificate of Need (CON) but required SVMC to request a jurisdictional determination prior to proceeding with the proposed renovation of the General Surgery Office Suite located on Floor 2, north wing and/or the Cardiac Care Suite located on Floor 2, south wing.

The total cost to renovate the Primary Care Suite was projected to be \$1,265,338. The actual total cost exceeded the original budget estimate by \$47,560.

By letter dated June 12, 2015, SVMC requested a jurisdictional determination regarding renovation of the General Surgery Office Suite. The cost of the renovation is estimated to be \$1,700,000. The renovation will consolidate four independent physician practices, six surgeons and one dermatologist into an office suite. By reconfiguring space, SVMC is expecting to gain operational efficiencies and decrease operating expenses.

Based on the information provided, we have concluded that SVMC may proceed with renovations to the General Surgery Office Suite without obtaining a CON at this time. However, interim and a final progress reports using the same format as the Primary Care Suite renovation report dated December 4, 2014 are required including: 1) narrative description of progress to date; (2) a spreadsheet showing all project costs by line item, amount budgeted for each, amount spent in reporting period, amount spent to date, and amount remaining in both dollars and in



percentages; and 3) a summary of the total renovation costs using the CSI 16 division format for the General Surgery Office Suite.

If you intend to proceed with the last component, renovation of the Cardiac Care Suite, or with any other renovations to the MOB, you must request a jurisdictional determination from the Board before proceeding. The Board will then determine whether a CON is required to move forward with the next contemplated renovation(s). In making that determination, the Board will consider whether to treat any or all of the renovations contemplated as related project components under GMCB Rule 4.000 § 4.207.

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

Sincerely,

s/ Donna Jerry

Donna Jerry  
Health Policy Analyst

cc: Judy Henkin, Health Policy Director

