

August 25, 2016

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

Dear Ms. Jerry,

This letter of intent is pursuant to Certificate of Need (CON) statute 18 V.S.A. 9440(c)(2)(A). Southwestern Vermont Medical Center (SVMC) intends to submit a CON application to launch the SVMC Dental Home on the Bennington campus. This project will require a CON because it will be a new service with an annual operating expense greater-than \$500,000, and thereby exceeds the threshold for invoking CON jurisdiction per statute.

SVMC requests approval to create a dental home for the following reasons;

- A significant percentage of the population within SVMC's service area is afflicted with dental decay. Tooth decay is particularly acute in children and youth.
 - 18% of adults in Bennington County report having significant dental decay – 6 or more permanent teeth having been removed due to decay. This incidence is 12% higher than the average across Vermont (16%) (<http://assessment.communitycommons.org>)
 - Of 520 Bennington middle school students screened in October 2015, 20% needed immediate dental work or follow-up (2015 Bennington Oral Health Screenings report)
 - Bennington kindergarteners have the highest incidence of tooth decay among peers in Vermont (Vermont Department of Health, Keep Smiling Report). Of the 24 kindergartens across Vermont that underwent screening, the two kindergartens in Bennington exhibited the highest percentage of children with tooth decay (over 50% compared with average of 29% across 24 schools).
 - Third graders in Bennington have some of the lowest rates of dental sealants (38% versus 52% across 24 Vermont schools) (Vermont Department of Health, Keep Smiling Report).
- Access to dental services throughout our service area is limited
 - No dentists in Bennington are accepting new patients with Medicaid's Dr. Dynasaur insurance coverage (<http://www.vtmedicaid.com/secure/providerLookUp.do>)
 - The number of dentists in Bennington and Windham has decreased by 4 since 2001
 - Five dental practices in Bennington have unsuccessfully recruited dentists in the last 2 years (Dentist Survey Statistical Report)
 - Accession planning is necessary - 76% of dentists in Bennington are 50 years or older with 47% over 60 years of age
- The proposed SVMC Dental Home aligns with the goals of the Vermont Oral Health Plan 2014
 - The Oral Health Plan's prevention strategy seeks to ensure that all Vermonters have access to a dental home. A dental home in the Bennington region, that is accepting new patients, would advance towards this goal.

- The plan also seeks to reduce the incidence of dental caries through appropriate use of dental sealants. Dental sealants would be offered at the SVMC Dental Home
- The plan's workforce development goal seeks to enhance the oral health workforce to meet the needs of all Vermonters. The SVMC Dental Home would strive to recruit and develop dentists that can serve Vermonters for years to come.

SVMC intends to renovate 3,250 sq ft in the Toolan Building on the Bennington Campus to install the SVMC Dental Home. The renovated facility will have 4 dental exam and treatment rooms, a small laboratory for preparing implants, and a panoramic dental x-ray machine. Care coordination and client record maintenance will occur through Dentrix software running on PC based computers. The facility will have a small reception and waiting area that will be shared with other medical services. The cost of the project is estimated to be \$804,000 for renovation of the facility, fit-up of the exam rooms with dental chairs and equipment, purchase and installation of the laboratory, x-ray equipment, computers, and software. These costs represent all costs associated with the project. There are no enabling projects.

SVMC's Dental Home will be staffed by 2 dentists in collaboration with 2 hygienists and support staff. The dentists will initially be from the local community while recruitment efforts seek to attract dentists completing their residency. During the first two years we anticipate leveraging mentoring to transition from senior local dentists to dentists at the inception of their career and thereby build the local dental care workforce.

Implementation of SVMC's Dental Home will be associated with renovation of the contiguous Allergy practice. The adjacent allergy practice (4 exam rooms), check in and waiting room will undergo minor reconfiguration and modest cosmetic improvements. The dental clients will pass along this space en route from the shared reception and waiting room to the dental exam and treatment rooms. As such, it is important to upgrade the entire space including both the dental home and the allergy practice. The costs associated with the minor renovation of the allergy practice are included in the costs reported for this project.

The remainder of this letter adheres to the structure indicated in the Letter of Intent form.

Summary Project Description

Location of the proposed project– The SVMC Dental Home will be located in the Toolan Building on the Bennington Campus. This location is ideal because the Toolan Building currently serves outpatient physical therapy and allergy. Local residents are familiar with seeking outpatient services at this facility. SVMC intends to renovate 3,250 sq ft to accommodate 4 dental exam room and treatment rooms as well as support rooms. All costs associated with this renovation are included in the project cost.

Service to be added and proposed location where the services will be rendered– SVMC Dental Home would be a new service for SVMC. This service would render the following care;

- Oral evaluations and cleanings
- Diagnostic imaging
- Preventive treatments (ex. sealants)
- Restorative services
- Tooth extractions
- Endodontics

Description of the proposed service area– SVMC's serves the population within Bennington County, Western Windham County, the Eastern NY counties of Rensselaer and Washington and Northern Berkshire County, MA. The implementation of SVMC Dental Home will serve these communities because access to dental care across the region is sparse. However, we anticipate that the majority of clients will originate from the communities of Bennington, North Bennington and Pownal. The current dentists in the region are wholly supportive of this project and welcome implementation of SVMC's Dental Home because they recognize the large unmet need.

Detailed description of equipment to be purchased– SVMC plans to purchase two digital x-ray systems, one panoramic, the other with traditional bite-sensors. These two systems works in concert with the intraoral camera to provide the clearest view of dental issues, while limiting patient exposure to harmful x-rays. The intraoral camera is essential for patients to visualize opportunities to improve personal hygiene and avoid future dental carries and expensive dental treatments. The costs of this equipment is;

Panoramic System	\$40,715	GXDP-700, Gendex
Combo sensor system	\$31,560	GXS-700, Gendex
Intraoral Camera system	\$ 7,720	IRIS, GXC-300, Gendex

These imaging devices link to the electronic record through Dexis software, which will also be purchased as part of this project.

The costs of these equipment are included in the project cost.

Number of square feet of renovation/new construction– SVMC will renovate 3,250 sq ft of existing space. The current space is used by an Allergy practice and was formerly used by occupational health services. Occupational health services was relocated to ExpressCare soon after its launch in 2014. After renovation the 3,250 sq ft will service both dental and allergy patients.

Total Project Cost– Total project costs are estimated to be \$804,000 comprised of several components;

Renovation	\$319,102
Minor medical and office equipment	\$235,123
X-ray and intraoral camera systems	\$ 79,994
Software and associated hardware	<u>\$169,563</u>
	\$803,781

These numbers include contingencies for design, construction and software implementation.

A summary of the construction and installation expenses in CSI16 format appears below;

Division	SUMMARY	MATERIAL Cost	LABOR Cost	OTHER Cost	TOTAL Cost
1	General	\$ -	\$ -	\$ 191,408.00	\$ 191,408.00
2	Sitework	\$ -	\$ -	\$ -	\$ -
3	Concrete	\$ -	\$ -	\$ -	\$ -
4	Masonry	\$ -	\$ -	\$ -	\$ -
5	Metals	\$ -	\$ -	\$ -	\$ -
6	WoodPlastics	\$ -	\$ -	\$ -	\$ -
7	ThermalMoisture	\$ -	\$ -	\$ -	\$ -
8	DoorsWindows	\$ -	\$ -	\$ -	\$ -
9	Finishes	\$ -	\$ -	\$ 27,874.00	\$ 27,874.00
10	Specialties	\$ -	\$ -	\$ -	\$ -
11	Equipment	\$ -	\$ -	\$ 249,558.00	\$ 249,558.00
12	Furnishings	\$ -	\$ -	\$ 235,121.00	\$ 235,121.00
13	Special Construction	\$ -	\$ -	\$ -	\$ -
14	Conveying	\$ -	\$ -	\$ -	\$ -
15	Mechanical	\$ -	\$ -	\$ 49,820.00	\$ 49,820.00
16	Electrical	\$ -	\$ -	\$ 50,000.00	\$ 50,000.00
	TOTAL	\$ -	\$ -	\$ 803,781.00	\$ 803,781.00

How will the project be financed– SVMC plans to finance this capital project from operating revenue, thereby no debt will be incurred. The cost of this project was included in the capital FY2017 capital budget submitted to the Green Mountain Care Board.

Need for the project including data– SVMC requests approval to develop a dental home for the following reasons;

- The US surgeon general indicates that people with the restricted access to preventive services and dental treatment experience the greatest rates of oral disease, thereby increasing healthcare spending through Emergency Department visits and correlated health conditions (heart disease and diabetes)
- Dental homes are widely recognized as the best delivery system for oral care because they establish clear oral health goals with the patient. The dental home provides continuous, comprehensive and coordinated care
- Best oral health outcomes can be achieved through enrollment in a dental home by age 1. SVMC obstetrics and Women's and children services will coordinate directly with SVMC's dental home to encourage newborn enrollment
- SVMC's dental home will provide the following services
 - Risk assessments for dental disease and oral conditions
 - Oral evaluations and cleanings
 - Diagnostic imaging
 - Preventive treatments (ex. sealants)
 - Restorative services
 - Tooth extractions
 - Endodontics
- Access to dental care in the region is scarce and developing SVMC's Dental Home aligns with Vermont's Oral Health Plan.

Objective to be achieved by the project– SVMC seeks to implement a new service, SVMC's Dental Home and thereby better meet the health needs of the region's population. The dental home will not only provide a new dental care access point but will also develop the oral health workforce (as indicated in Vermont's Oral Health Plan).

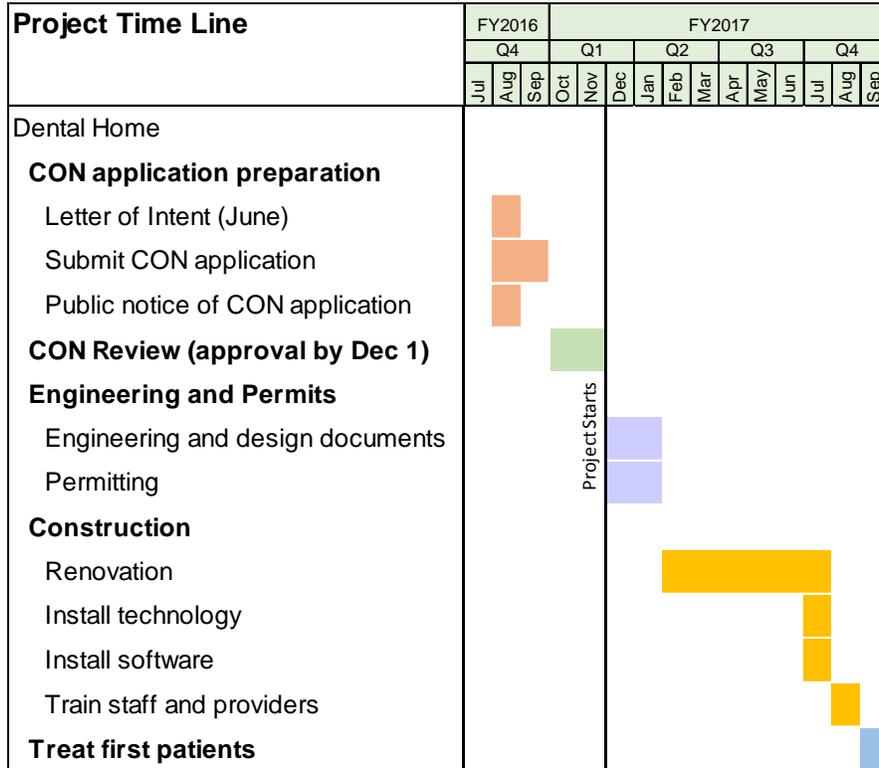
Impact on healthcare costs, access and quality– We anticipate that this project will increase healthcare spending on dental care short term while decreasing general healthcare spending longer term. Untreated dental issues do not resolve themselves but rather advance to more significant and costly health concerns. Ineffective oral care has been linked to a higher incidence of heart disease and other chronic disease that result in significant healthcare spending. The goal of SVMC's Dental Home is to provide easy access to quality dental care, particularly to those with limited or no dental insurance, and thereby address dental issues before they progress to more complex general medical issues.

SVMC's Dental Home will adhere to state reimbursement rates for dental care, including Dr. Dynasaur insurance. Due to lower reimbursement rates from Dr. Dynasaur insurance, other dentists in the region limit access. SVMC's Dental Home has established a financial model that demonstrates the ability to accept clients with Dr. Dynasaur insurance. Open access to those most in need of dental care is essential to improve the health of the population.

All procedures conducted at SVMC's Dental Home will adhere to best practice and thereby ensure high quality care delivery.

Project beginning and completion date– SVMC is poised to begin the project upon approval from the GMCB. Below is a timeline for the project. We anticipate gaining swift approval for this

project because of its importance for our community and the opportunity it presents to reduce future healthcare spending. Renovations could begin in December, 2016 with first patients being seen in September, 2017.



Included with this letter of intent is projected expenditures and financial information collated in the CON Projected Project Cost spreadsheet.

We thank the Green Mountain Care Board for considering this important project.

James Trimarchi, Director Planning
 802 440 4051
James.Trimarchi@svhealthcare.org