

Docket No. GMCB-012-17con

CoN Hearing

December 14, 2017

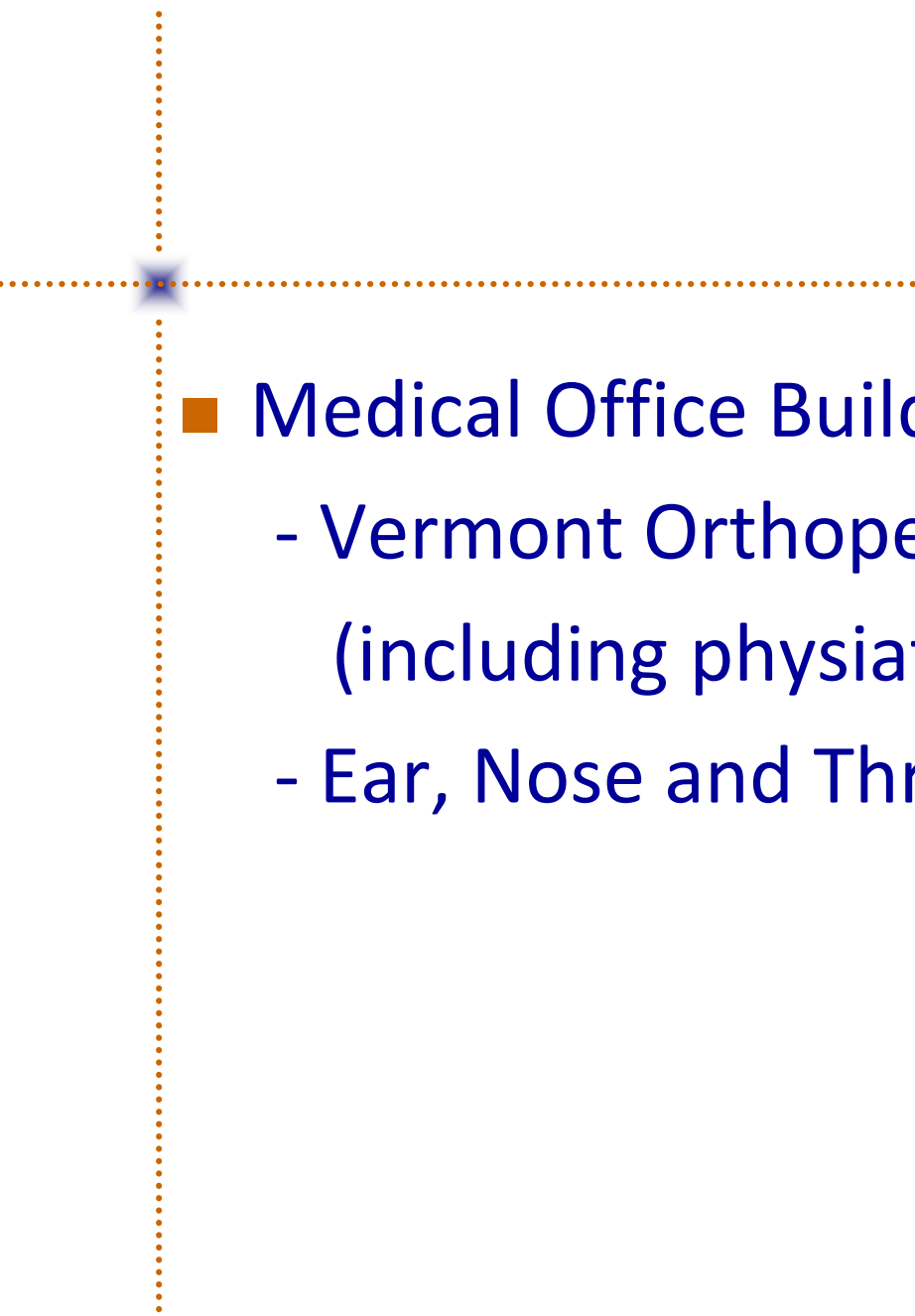
Medical Office Building

Loading Dock/Dietary Renovation




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- Project cost \$21,692,069 (\$23,883,569 with cost of financing)
 - Three parts
 - Medical Office Building
 - Loading Dock/Dietary
 - Renovations of old VOC building



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- **Medical Office Building**
 - Vermont Orthopedic Clinic (VOC)
(including physiatry)
 - Ear, Nose and Throat



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- VOC currently in 8050 GSF building constructed for 4 providers in 1980s
 - VOC now 12 providers. Will add 4 psychiatry providers currently housed in other space for total of 16
 - New building provides 859 GSF/provider; well below benchmark of 1500 GSF/provider



VOC

- 5 Star Healthgrades Recognition for Total Hips
- US News & World Report High Performing Hospital for Hip and Knee Replacement
- Attracting patients well beyond our service area



National Orthopaedic Recognition



HIP REPLACEMENT



KNEE REPLACEMENT



HIP REPLACEMENT



HIP REPLACEMENT



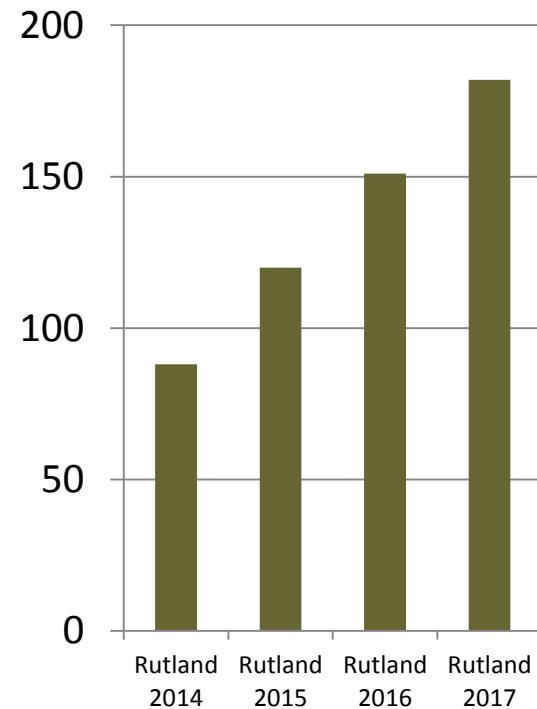
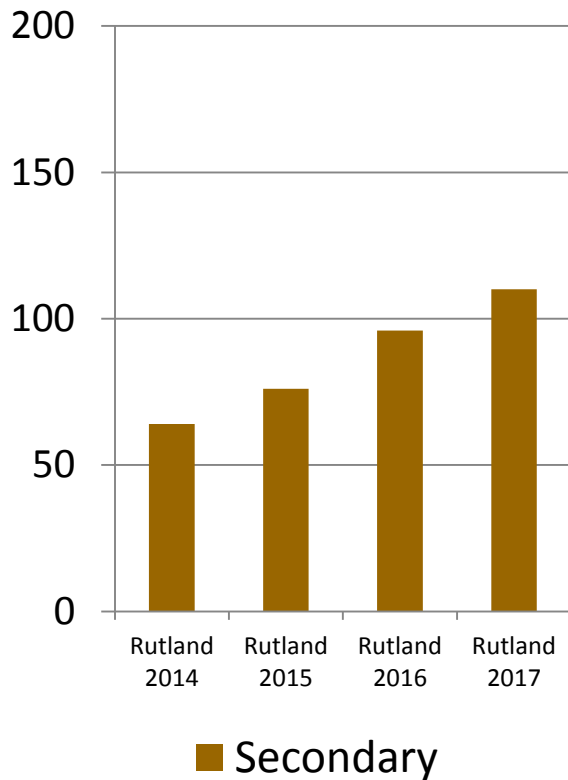
KNEE REPLACEMENT



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Market Share Changes

DRG 469-470; MAJOR JOINT REPLACEMENT or REATTACHMENT OF LOWER EXTREMITY

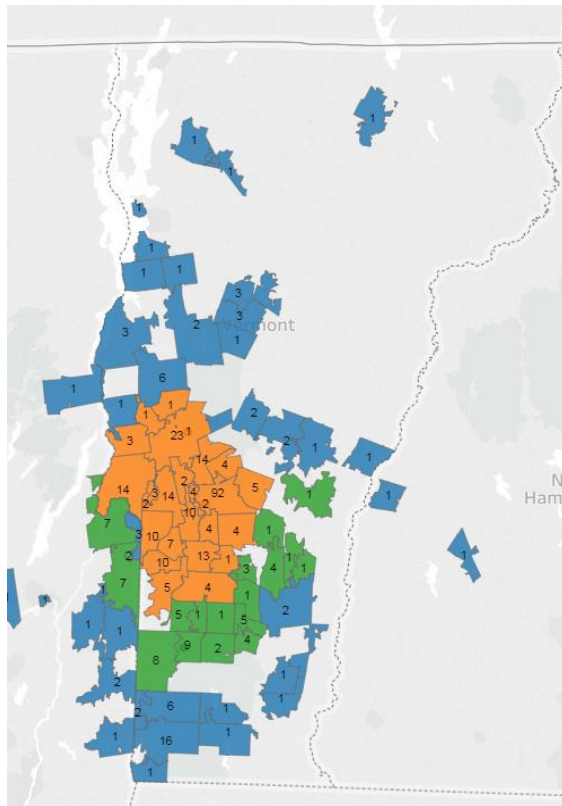


■ Beyond the Secondary Service Area

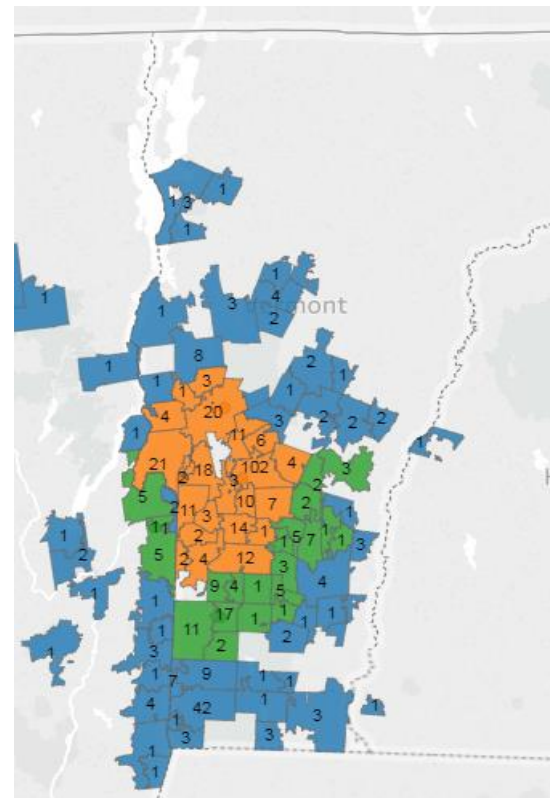
Market Share

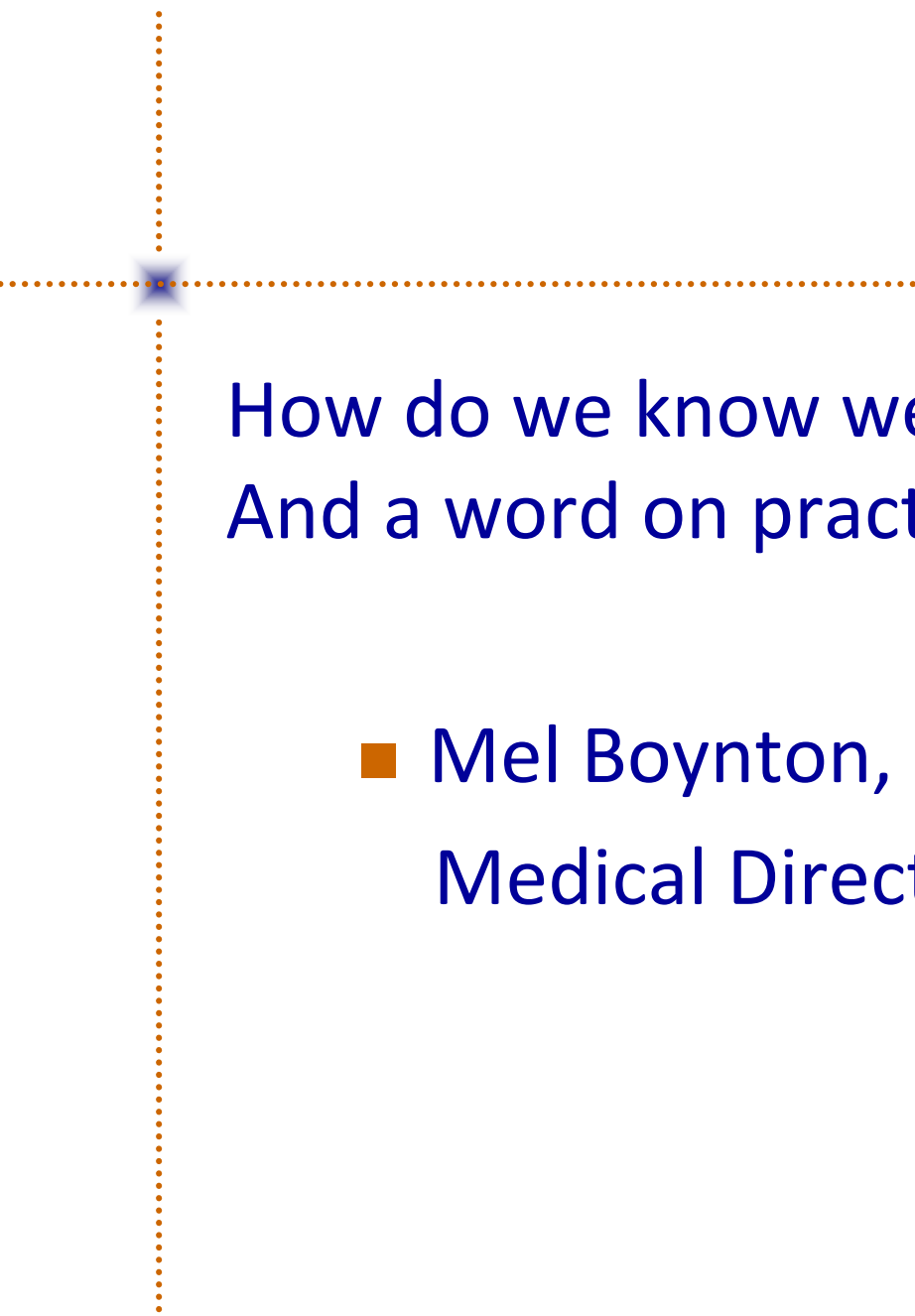
DRG 469-470; MAJOR JOINT REPLACEMENT or REATTACHMENT OF LOWER EXTREMITY

2014



2016





How do we know we are not doing too much?
And a word on practicing in the existing space.

- Mel Boynton, MD
Medical Director, Orthopedics

Vermont Orthopaedic Clinic Evidence Based Medicine



Quick Tour

Search Orthoguidelines



Home

Guidelines

Appropriate Use Criteria

Implementation Resources

Education/CME Credit

“The practice of Evidence-Based Medicine is the integration of the best research evidence with clinical expertise and patient values”



Sackett DL, Straus SE, Richardson WS, et al. Evidence-based medicine: how to practice and teach EBM. 2nd ed. Edinburgh: Churchill Livingstone, 2000.



What is OrthoGuidelines?

OrthoGuidelines is an online information resource providing up-to-date treatment guidelines to orthopaedic surgeons and professionals.

[Learn More](#) ▶



ALL GUIDELINES



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Vermont Orthopaedic Clinic Appropriate Use Criteria



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[Guidelines](#)

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All Guidelines

[Acute Achilles Tendon Rupture](#)

CPG

[Anterior Cruciate Ligament Injuries](#)

CPG **AUC**

[Carpal Tunnel Syndrome](#)

CPG **AUC**

[Distal Radius Fractures](#)

CPG **AUC**

[Glenohumeral Joint Osteoarthritis](#)

CPG

[Hip Fractures in the Elderly](#)



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Appropriate Use Criteria

Indication Profile	
Function-Limiting Pain i	
<input checked="" type="radio"/> Function-Limiting Pain at Moderate to Long Distances <input type="radio"/> Function-Limiting Pain at Short Distances <input type="radio"/> Pain at Rest or Night	
Range of Motion Extension/Flexion	
<input checked="" type="radio"/> Full Range of Extension/ Flexion <input type="radio"/> Lack of Full Extension (> 5 degree flexion contracture) and/or Flexion (< 110 degrees)	
Ligamentous Instability (not to include analgic giving way)	
<input checked="" type="radio"/> No Ligamentous Instability <input type="radio"/> Ligamentous Instability	
Pattern of Arthritic Involvement	
<input checked="" type="radio"/> Arthritic Involvement Predominantly in One Compartment <input type="radio"/> Arthritic Involvement in More than One Compartment	
Imaging (joint space most involved compartment)	
<input type="radio"/> Mild to Moderate Joint Space Narrowing <input checked="" type="radio"/> Severe Joint Space Narrowing	
Limb Alignment	
<input type="radio"/> No Varus/Valgus/Patellofemoral Deformity <input checked="" type="radio"/> Varus/Valgus and/or Patellofemoral mal-alignment	

Procedure Recommendations		
Click Procedure of Interest to View Interactive Literature Review		
	Self-Management Programs	+ 9
	Prescribed Physical Therapy	+ 8
	Hinged Knee Brace and/or Unloading Brace	7
	Nonsteroidal Anti-Inflammatory Drugs (NSAIDs; oral or topical)	+ 8
	Acetaminophen	7
	Narcotic Medicine for Refractory Pain (monitored, intermittent, or low dose)	4
	Tramadol	5
	Intraarticular Corticosteroids	6
	Arthroscopic Partial Meniscectomy or Loose Body Removal	- 5

Clinical Practice Guidelines

Surgical Management of Osteoarthritis of the Knee

[Full Guideline PDF](#) | [Print Summary](#)

Surgical Management of Osteoarthritis of the Knee **AUC**

BMI as A Risk Factor

★★★★ STRONG EVIDENCE

Diabetes as a Risk Factor

★★★☆☆ MODERATE EVIDENCE

Chronic Pain as a Risk Factor

★★★☆☆ MODERATE EVIDENCE

Depression/Anxiety as a Risk Factor

★★☆☆☆ LIMITED EVIDENCE

Peripheral Nerve Blockade (PNB)

★★★★ STRONG EVIDENCE

UKA: DVT & Manipulation Under Anesthesia

★★☆☆☆ LIMITED EVIDENCE

Cirrhosis/Hepatitis C as a Risk Factor

★★☆☆☆ LIMITED EVIDENCE



ENT

- 5 providers moving from rental space (2 MDs, PA, 2 Audiologists)
- Current space at 4500 GSF too small, in bad repair, in two disconnected spaces



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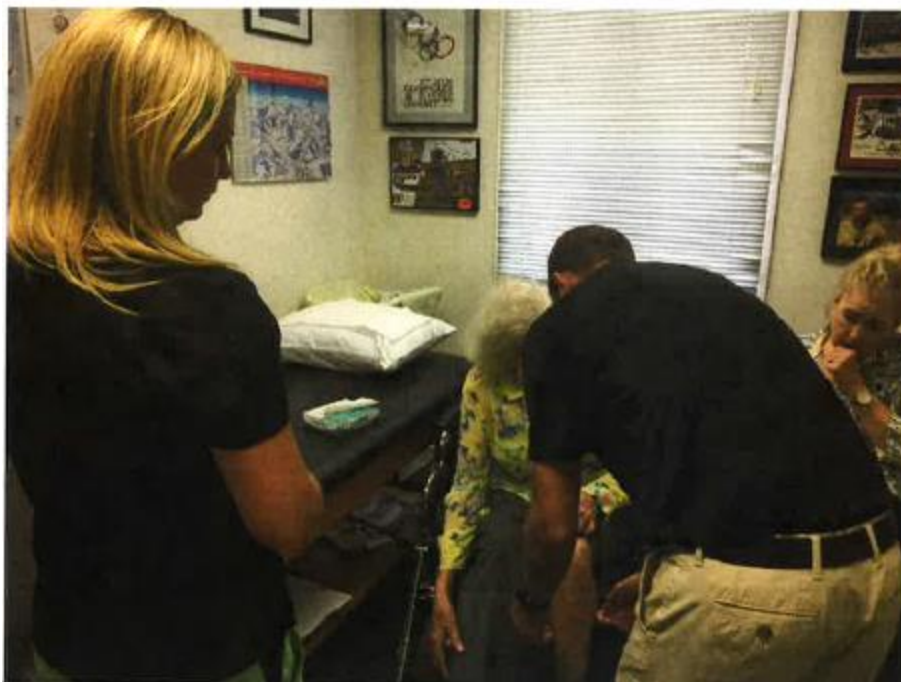


RRMC VOC
ENTRANCE



RRMC VOC
HALLWAY

RRMC VOC EXAM ROOMS



RRMC ENTA 2017



Sterile Processing Room: Often 2 people at the same time are in here. The sinks are small and limited counter spaces make it difficult for sterile processing work to be completed effectively.



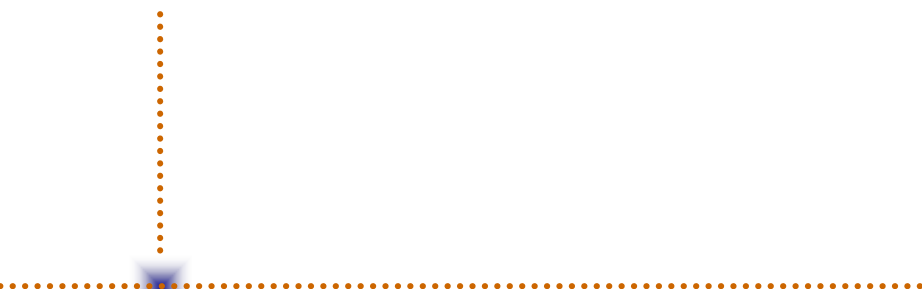
RRMC ENTA 2017



Loading Dock/Dietary

- Same time because of site location
- Loading dock built in 1958
 - Cannot accommodate today's trucks or pallets
 - No staging area
 - Does not allow us to meet new recycling/composting regulations



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- Dietary space over loading dock provides for additional dry storage, offices, locker space and freight elevator.

RRMC RECEIVING AREA
And
LOADING DOCK



Outside Loading
Area –
Deteriorating
Metal Building



RRMC "Red House"
- TRASH and
RECYCLING AREA



RRMC DIETARY 2017



Capital Planning

HRAP Standard 3.4

- **Medical Office Building, VOC and Drainage**
 - 2016 Budget - \$8 million
 - 2017 Budget - \$27.4 million
- **Loading Dock & Dietary Renovations**
 - 2015 Budget - \$1.5 million
 - 2017 Budget - \$3.5 million
- **Combined Projects in 2018**
 - 2018 Budget - \$21.7 million



VOC Building and Leases

- VOC building renovations
 - Will be converted to Administrative office space
- Elimination of 4 leases
 - Saves \$566,199/year in rent
 - Full savings expected beginning in 2023

Plan of Finance

Judi Fox, CFO

- CoN assumes a conservative financial approach
 - 30-year publicly offered fixed rate tax-exempt option
- Have 4 Options
 - Publically Offered Fixed Rate Debt
 - Private Placement – Variable Rate
 - Private Placement – Fixed Rate
 - Department of Agriculture (USDA) - Direct Loan Program
- Option of Choice – USDA
 - Fixed Rate – 30 year debt
 - Taxable with subsidized interest
 - Options for refinancing existing debt
 - Challenging application process





Capital Costs

MOB	\$16,075,837
Loading Dock/Dietary	3,220,665
Renovations Old VOC	1,745,567
Site Drainage/Detention Pond	650,000
Financing Costs	1,765,787
Cost of Financing Issuance	425,713
TOTAL	\$23,883,569





Questions?