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March 20, 2017

VIA U.S. MAIL AND EMAIL

Donna Jerry
Senior Health Policy Analyst
State of Vermont
Green Mountain Care Board
89 Main Street
Montpelier, VT 05620 – 3101

RE: Docket No. GMCB-004-17con, Proposed Establishment of a 19-Bed Therapeutic Community Residence (TCR) Treatment Facility for Persons with Alcohol and Drug Dependency.

Dear Donna:

Enclosed on behalf of the Applicant are two copies of a document submitted by Rick DiStefano to the Green Mountain Care Board during its meeting on March 16, 2017.

Thank you,



Shireen T. Hart

OVERVIEW OF VALLEY VISTA VERGENNES COST STRUCTURE

The Valley Vista Vergennes Program is structured as an additional patient unit would be in Bradford. Onsite clinical administration will be provided by a program director with all administrative functions being directed by Bradford staff. Direct patient care staffing to patient ration is approximately 1 to 1.

Revenue

Per agreement, Valley Vista Vergennes will be paid 2/3 of the grant amount for uninsured Vermonters that previously was paid to Maple Leaf Associates. In addition, initial Medicaid rates will be established at the last Maple Leaf Associates rate of 282.22. This means that the Vergennes program will not increase state expenditures as they reimbursement will be exactly the same as previously paid to Maple Leaf Associates.

Rent Expenses

Rent for the 19 bed facility will be \$15,000 per month. This is slightly less than the per patient day amount currently paid at Valley vista in Bradford. The building is owned by Vergennes Healthcare LLC and was purchased in 2015 in hopes of establishing a program for adolescent and women suffering from self-injury addictions. This program was abandoned in late 2015 due to inability to find qualified clinical staff and budgetary concerns.

Vergennes Healthcare LLC is affiliated to OAS LLC, having common ownership.

Dietary and Housekeeping Expenses

All dietary and housekeeping expenses will be provided by Metz Associates at the same per patient day price as Valley Vista in Bradford.

Supervision

All clinical, medical, nursing and administrative staff will be supervised by senior management in Bradford.

Admission

Admissions services will be centralized in Bradford.

Medical Record

Vergennes will utilize the same EMR (Celerity) that is used in Bradford and admissions and supervisory staff in Bradford will have access to Vergennes records.

Policies and Procedures

All policies and procedures established for Bradford will be duplicated for Vergennes

Valley Vista Vergennes
2017 - 2018 Budget
Income Statement

3/16/2017

	2017				Total Calendar 2017	2018				Total Calendar 2018
	1st Qtr \$	2nd Qtr \$	3rd Qtr \$	4th Qtr \$		1st Qtr \$	2nd Qtr \$	3rd Qtr \$	4th Qtr \$	
Patient Days	0	701	1,481	1,647	3,829	1,539	1,556	1,527	1,573	6,196
ADC	0.0	7.7	16.1	17.9	10.5	17.1	17.1	16.6	17.1	17.1
Total Patient Revenue	0	237,931	433,951	493,035	1,131,330	461,997	467,130	459,281	472,264	1,860,672
Grants	33,587	33,587	33,587	33,587	134,348	33,587	33,587	33,587	33,587	134,348
Total Revenue	33,587	271,518	467,538	526,622	1,265,678	495,584	500,717	492,868	505,851	1,995,020
Payroll	9,905	165,794	194,791	194,791	565,282	196,000	200,491	200,548	203,633	800,672
Taxes & Fringes	1,425	23,858	52,477	52,477	130,237	54,998	56,258	56,274	57,139	224,669
Women's Expenses	0	812	1,625	1,625	4,063	1,625	1,625	1,625	1,625	6,500
Nursing Expenses	0	375	375	375	1,125	375	375	375	375	1,500
Medical Expenses	0	21,296	39,903	40,483	101,682	40,106	40,208	40,107	40,268	160,688
Administrative Expenses	0	103,268	184,386	197,567	485,221	190,305	192,045	190,052	193,285	765,687
Total Expenses	11,331	315,403	473,557	487,318	1,287,609	483,407	491,002	488,980	496,325	1,959,715
Net Income	(11,331)	(43,885)	(6,019)	39,304	(21,931)	12,177	9,715	3,888	9,525	35,306
	<u>0.0%</u>	<u>-18.4%</u>	<u>-1.4%</u>	<u>8.0%</u>	<u>-1.9%</u>	<u>2.6%</u>	<u>2.1%</u>	<u>0.8%</u>	<u>2.0%</u>	<u>1.9%</u>
					<u>\$336.30</u>					<u>\$316.31</u>

V Valley Vista Vergennes
 2017 - 2018 Census Patient Days & Revenue
 24 Mo. Revenue

3/16/2017

		Util	1 QTR	2 Qtr	3 Qtr	4 Qtr	Total 2017	Util	1 QTR	2 QTR	3 Qtr	4 Qtr	Total 2018
<u>Days in Quarter</u>			90	91	92	92	365		90	91	92	92	365
ADC													
WOMEN	Medicaid/ADAP		0.0	7.0	14.8	15.8	9.5		15.0	15.0	14.5	15.0	14.9
	Other		0.0	0.6	1.2	2.0	1.0		2.0	2.0	2.0	2.0	2.0
	Free Care		0.0	0.1	0.1	0.1	0.1		0.1	0.1	0.1	0.1	0.1
	Total	45.6%	0.0	7.7	16.1	17.9	10.5	73.8%	17.1	17.1	16.6	17.1	17.0
PATIENT DAYS													
WOMEN	Medicaid/ADAP	<u>Rate</u>	282.22	637	1,362	1,454	3,452	<u>Rate</u>	282.22	1,350	1,365	1,334	1,380
	Other	450.00	0	55	110	184	349	450.00	180	182	184	184	730
	Free Care	0.00	0	9	9	9	28	0.00	9	9	9	9	37
			0	701	1,481	1,647	3,829		1,539	1,556	1,527	1,573	6,196
TOT PATIENT REVENUE													
	Uninsured Grant	\$295.49	0	204,344	433,951	493,035	1,131,330	\$300.33	461,997	467,130	459,281	472,264	1,860,672
TOTAL REVENUE													
			33,587	237,931	467,538	526,622	1,265,678		495,584	500,717	492,868	505,851	1,995,020

Valley Vista Vergennes
2017 - 2018
Salaries and Wage Detail

3/16/2017

EMPLOYEE	POSITION	Aniv	Annual Salary	Hourly Rate	Hrs/ Wk	FTE	2017						Total 2017		Total 2018					
							Standard Increase = #####		Hours per Period		Mar		Apr		May		FTE	S	FTE	S
									184	160	184	FTE	\$	FTE	\$	FTE				
Vacant	Program Director	S	Mar	55,000	0.00	40.0	1.0	0.3	1,460	1.0	4,231	1.0	4,865	0.8	42,713	1.0	56,595			
Vacant	Primary Therapist	S	Apr	47,500	0.00	40.0	1.0	0.0	0	1.0	3,654	1.0	4,202	0.8	35,628	1.0	48,757			
Vacant	Co-Primary Recovery Aide	H	Apr		15.62	40.0	1.0	0.0	0	0.5	1,250	1.0	2,874	0.7	23,120	1.0	33,349			
Vacant	Recovery Aides	H	Mar		13.00	392.0	9.8	1.5	3,588	5.0	10,400	7.5	17,940	6.9	186,870	9.8	272,677			
Total Womens							12.8	1.8	5,048	7.5	19,534	10.5	29,881	9.1	288,331	12.8	411,378			
Vacant	ADN Valley Vista	H	Mar	92,000	30.00	40.0	1.0	0.3	1,656	1.0	4,800	1.0	5,520	0.8	48,459	1.0	64,210			
Vacant	RN 1	H	Mar		26.00	20.0	0.5	0.3	1,435	0.5	2,080	0.5	2,392	0.4	21,717	0.5	27,824			
Vacant	RN 2	H	Apr		27.00	60.0	1.5	0.0	0	0.5	2,160	1.5	7,452	1.0	58,864	1.5	86,469			
Vacant	RN 3	H	Apr		28.00	60.0	1.5	0.0	0	0.5	2,240	1.5	7,728	1.0	61,044	1.5	89,672			
Vacant	Overtime	H			28.00	8.0	0.2	0.0	0	0.2	896	0.2	1,030	0.2	8,737	0.2	11,693			
Total Nursing					0.00		4.7	0.6	3,091	2.7	12,176	4.7	24,122	3.4	198,820	4.7	279,867			
Vacant	Administrative Specialist	H	Mar		17.00	40.0	1.0	0.3	938	1.0	2,720	1.0	3,128	0.8	27,462	1.0	36,385			
Vacant	Facility Tech.	H	Apr		16.00	20.0	0.5	0.0	0	0.3	640	0.5	1,472	0.4	11,841	0.5	17,080			
Vacant	Reception	H	May		14.00	32.0	0.8	0.0	0	0.4	1,030	0.5	1,030	0.5	14,651	0.8	23,856			
Vacant	Admissions	H	Mar		15.00	16.0	1.0	0.3	828	1.0	2,400	1.0	2,760	0.8	24,231	1.0	32,105			
Total Administration							3.3	0.6	1,766	2.3	5,760	2.9	8,390	2.4	78,185	3.3	109,427			
Total Facility							20.8	3.0	9,905	12.5	37,470	18.1	62,394	15.0	565,336	20.8	800,672			

**Valley Vista Vergennes
2017-2018
Total Facility Payroll**

3/16/2017

Department	2017					Total 2017	2018					Total 2018
	# FTE	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter		# FTE	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	
Women's Program	12.8	5,048	83,260	99,995	99,995	288,299	12.8	100,808	102,995	102,995	104,580	411,378
Nursing	4.7	3,091	59,372	68,172	68,172	198,807	4.7	68,399	70,130	70,130	71,209	279,867
Admin	3.3	1,766	23,162	26,624	26,624	78,176	3.3	26,793	27,366	27,423	27,845	109,427
Total	20.8	9,905	165,794	194,791	194,791	565,282	20.8	196,000	200,491	200,548	203,633	800,672

**Valley Vista Vergennes
2017-2018
Fringe Benefits**

Department	2017					Total 2017	2018					Total 2018
	Fringe Rate	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter		Fringe Rate	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	
Taxes & Benefits:												
FICA	7.60%	753	12,600	14,804	14,804	42,961	7.60%	14,896	15,237	15,242	15,476	60,851
SUI	3.60%	357	5,969	7,012	7,012	20,350	3.60%	7,056	7,218	7,220	7,331	28,824
FUI	0.17%	17	282	331	331	961	0.17%	333	341	341	346	1,361
Health Ins.	11.20%	0	0	21,817	21,817	43,633	12.32%	24,147	24,701	24,707	25,088	98,643
Dental	0.63%	0	0	1,227	1,227	2,454	0.63%	1,235	1,263	1,263	1,283	5,044
Vision	0.44%	0	0	857	857	1,714	0.44%	862	882	882	896	3,523
Work. Comp.	2.95%	292	4,891	5,746	5,746	16,676	2.95%	5,782	5,914	5,916	6,007	23,620
Oth. Non. Pay. Rel.	0.07%	7	116	136	136	396	0.07%	137	140	140	143	560
401K Match	0.16%	0	0	312	312	623	0.16%	314	321	321	326	1,281
Aflac	0.03%	0	0	58	58	117	0.03%	59	60	60	61	240
Tuition Reimb	0.09%	0	0	175	175	351	0.09%	176	180	180	183	721
Total Taxes & Benefits	26.94%	1,425	23,858	52,477	52,477	130,237	28.06%	54,998	56,258	56,274	57,139	224,669
		14.39%	14.39%	26.94%	26.94%	23.04%		28.06%	28.06%	28.06%	28.06%	28.06%

Valley Vista Vergennes
 Staffing Model
 2017 - 2018

3/16/2017

		Total Facility			
	Notes	Emp.	Consult.	Interns	Total
Adult Program					
Program Director	4 caseload	1.0			1.0
Primary Therapist	8 Caseload	2.0			2.0
Co-Primary Therapist	2 Caseload	1.0			1.0
Intern	4 caseload	0.0		0.5	0.5
Recovery aides	2-2-1; 2-2-1	8.7			8.7
		12.7	0.0	0.5	13.2
Nursing					
Asst Director		1.0			1.0
RN's	1-1-1 Avg. Staffing	3.5			3.5
Overtime		0.1			0.1
		4.6	0.0	0.0	4.6
Medical					
NP Consultant		0.0	0.3		0.3
MD Consultant		0.0	0.3		0.3
		0.0	0.6	0.0	0.6
Dietary/Housekeeping					
			5.0		5.0
Admin					
Admin Spec/Admissions		1.0			1.0
Admissions		0.4			0.4
Reception		0.8			0.8
Facility & Maint.		0.5			0.5
		2.7	0.0	0.0	2.7
Total Facility		20.0	5.6	0.5	26.1

Valley Vista
 2017 - 2018 Budget
 Women's Department 030

3/16/2017

Expense Title	Acct	Infl. %	Total 2017	2017				2018				Total 2018
				1st Qtr \$	2nd Qtr \$	3rd Qtr \$	4th Qtr \$	1st Qtr \$	2nd Qtr \$	3rd Qtr \$	4th Qtr \$	
Payroll	Var.	N/A	288,299	5,048	83,260	99,995	99,995	100,808	102,995	102,995	104,580	411,378
Total Taxes & Benefits			66,585	726	11,981	26,939	26,939	28,287	28,900	28,900	29,345	115,433
Other Supplies	6112	3.00%	2,400	0	300	600	600	600	600	600	600	2,400
Patient Cig & Phone		0.00%	400	0	50	100	100	100	100	100	100	400
Pat Clothes		0.00%	200	0	25	50	50	50	50	50	50	200
Patient Transport	6168	10.00%	2,000	0	250	500	500	500	500	500	500	2,000
Pat. Entertainment	6204	0.00%	1,500	0	188	375	375	375	375	375	375	1,500
Total Expenses			361,384	5,774	96,054	128,559	128,559	130,719	133,521	133,521	135,550	533,311
Total Payroll			288,299	5,048	83,260	99,995	99,995	100,808	102,995	102,995	104,580	411,378
Total Benefits			66,585	726	11,981	26,939	26,939	28,287	28,900	28,900	29,345	115,433
Total Other Expenses			6,500	0	812	1,625	1,625	1,625	1,625	1,625	1,625	6,500
Total			361,384	5,774	96,054	128,559	128,559	130,719	133,521	133,521	135,550	533,311

**Valley Vista Vergennes
2017 - 2018 Budget
Medical**

3/16/2017

Expense Title	Acct	Infl. %	Total 2017	2017				2018				Total 2018
				1st Qtr \$	2nd Qtr \$	3rd Qtr \$	4th Qtr \$	1st Qtr \$	2nd Qtr \$	3rd Qtr \$	4th Qtr \$	
Payroll	Var.	N/A	0	0	0	0	0	0	0	0	0	0
Total Taxes & Benefits			0	0	0	0	0	0	0	0	0	0
Contract Labor	6060	5.00%	0	0	0	0	0	0	0	0	0	0
Oth Med. Serv.	6064	0.00%	3,000	0	0	750	750	750	750	750	750	3,000
Pharmaceuticals	6084	2.00%	20,000	0	2,452	5,184	5,764	5,387	5,446	5,345	5,506	21,684
Billed From BPA MD			65,000	0	8,125	16,250	16,250	16,250	16,250	16,250	16,250	65,000
Billed From BPA Psych			60,000	0	8,000	15,000	15,000	15,000	15,000	15,000	15,000	60,000
Lab Fees	6086	0.00%	375	0	94	94	94	94	94	94	94	376
Other Supplies	6116	3.00%	5,000	0	1,250	1,250	1,250	1,250	1,288	1,288	1,288	5,113
Travel	6240	0.00%	4,000	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	4,000
Seminars/Meetings	6246	0.00%	500	0	125	125	125	125	125	125	125	500
Waste Removal	6406	2.00%	1,000	0	250	250	250	250	255	255	255	1,015
Total Expenses			158,875	0	21,296	39,903	40,483	40,106	40,208	40,107	40,268	160,688
Total Payroll			0	0	0	0	0	0	0	0	0	0
Total Benefits			0	0	0	0	0	0	0	0	0	0
Total Other Expenses			158,875	0	21,296	39,903	40,483	40,106	40,208	40,107	40,268	160,688
Total			158,875	0	21,296	39,903	40,483	40,106	40,208	40,107	40,268	160,688

**Valley Vista
2017 - 2018 Budget
Nursing Department**

3/16/2017

Expense Title	Acct	Infl. %	Total 2017	2017				2018				Total 2018
				1st Qtr \$	2nd Qtr \$	3rd Qtr \$	4th Qtr \$	1st Qtr \$	2nd Qtr \$	3rd Qtr \$	4th Qtr \$	
Payroll	Var.	N/A	198,807	3,091	59,372	68,172	68,172	68,399	70,130	70,130	71,209	279,867
Total Taxes & Benefits			53,559	833	15,995	18,366	18,366	19,193	19,678	19,678	19,981	78,531
Consultant Fees	6060	3.0%	0	0	0	0	0	0	0	0	0	0
Travel	6240	0.0%	500	0	125	125	125	125	125	125	125	500
Seminars/Meetings	6246	0.0%	1,000	0	250	250	250	250	250	250	250	1,000
Total Expenses			253,866	3,924	75,742	86,913	86,913	87,967	90,183	90,183	91,565	359,898
Total Payroll			198,807	3,091	59,372	68,172	68,172	68,399	70,130	70,130	71,209	279,867
Total Benefits			53,559	833	15,995	18,366	18,366	19,193	19,678	19,678	19,981	78,531
Total Other Expenses			1,500	0	375	375	375	375	375	375	375	1,500
Total			253,866	3,924	75,742	86,913	86,913	87,967	90,183	90,183	91,565	359,898

Expense Title	Acct	Infl. %	Total 2017	2017				2018				Total 2018
				1st Qtr \$	2nd Qtr \$	3rd Qtr \$	4th Qtr \$	1st Qtr \$	2nd Qtr \$	3rd Qtr \$	4th Qtr \$	
Property Tax	6602	0.00%	32,915	0	3,750	3,750	3,750	3,750	3,750	3,750	3,750	15,000
Liability Ins.	6606	0.00%	10,000	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	10,000
Rent	6610	1.00%	180,000	0	20,000	45,000	45,000	45,450	45,450	45,450	45,450	181,800
Total Expenses			678,989	2,242	132,669	218,182	231,364	224,616	227,090	225,170	228,943	859,301
Total Payroll			78,176	1,766	23,162	26,624	26,624	26,793	27,366	27,423	27,845	109,427
Total Benefits			21,061	476	6,240	7,173	7,173	7,518	7,679	7,695	7,813	30,705
Total Other Expenses			579,752	0	103,268	184,386	197,567	190,305	192,045	190,052	193,285	719,170
Total			678,989	2,242	132,669	218,182	231,364	224,616	227,090	225,170	228,943	859,301