

Green Mountain Care Board
144 State Street
Montpelier, VT 05602

802-828-2177
www.gmcboard.vermont.gov

Kevin Mullin, Chair
Jessica Holmes, PhD
Robin Lunge, JD, MHCDS
Maureen Usifer
Tom Pelham
Susan Barrett, JD, Executive Director

DELIVERED ELECTRONICALLY

January 25, 2018

Christopher Hickey, Chief Financial Officer
Northwestern Medical Center
133 Fairfield St.
St. Albans, VT 05478

RE: Docket No. GMCB-002-19con, Proposed Lease of 8,000 Square Feet of Space in a Building at the Corner of Congress and Main Street in St. Albans

Dear Mr. Hickey:

Thank you for your January 17, 2019 letter requesting a jurisdictional determination regarding Northwestern Medical Center's (NMC) plan to lease 8,000 square feet of space in a building located at the corner of Congress and Main Street in St. Albans. According to your letter, half of the leased space will be used to house a nursing education program in partnership with Vermont Technical College and the Community College of Vermont, and the other half will be used for NMC's Lifestyle Medicine Program. The 15-year lease requires that NMC make a \$1,000,000 up-front capital investment, followed by lease payments of \$180,000 annually. At the end of the 15-year term, NMC can either take ownership of the leased space or receive a payment of \$2,000,000.

As proposed, the project does not require a Certificate of Need because the capital and annual operating expenses fall below the statutory thresholds. 18 V.S.A. § 9374(b). The costs of the project, however, must be reflected in NMC's budget documents submitted to the Green Mountain Care Board in 2020 and thereafter.

As plans develop, please notify the Board immediately of any changes to the project so we may determine whether further review is required. If you have any questions, please do not hesitate to contact me at (802) 828-2918.

Sincerely,

s/ Donna Jerry

Donna Jerry
Senior Health Policy Analyst

cc. Judith Henkin, General Counsel
Pat Jones, Director, Health System Finances

