

NC: Littleton Regional Healthcare

August 17, 2018

VIA EMAIL AND U.S. FIRST CLASS MAIL

Judy Henkin, Esq. General Counsel Green Mountain Care Board 89 Main Street, Third Floor Montpelier, VT 05629 Judy.Henkin@vermont.gov

Ms. Donna Jerry Senior Health Policy Analyst Green Mountain Care Board 144 State Street Montpelier, VT 05602 Donna.Jerry@vermont.gov

RE: Docket No. GMCB-021-18con

Purchase of Northern Physical Therapy, P.C. in Lyndonville, VT

Dear Ms. Henkin and Ms. Jerry:

We are writing in response to your August 15, 2018 letter to Robert Nutter seeking additional information related to our request for a legal determination as to whether a transfer of a physical therapy practice, Northern Physical Therapy, PC ("NPT"), to an out-of-state hospital requires Certificate of Need (CON) approval under Vermont law.

We can advise you that the NPT practice does not have any mobile or fixed imaging equipment, and there are no plans to incorporate any mobile or fixed imaging equipment in the operation of the physical therapy practice in fiscal year 1, 2, or 3 following the proposed transaction. The building housing NPT includes an indoor therapy pool. The only other equipment involved are examining tables and modest gym related equipment. All equipment, fixed or mobile is consistent with the normal premises and operations of a physical therapy practice.

As we indicated in our request, no valuation of the practice assets has been made at this time. The assets are held by the estate of Ben McCormack, and the estate is continuing to operate the practice pending resolution of this inquiry in order that a sale can be negotiated. As we expect you understand, this matter is one of sensitivity for the family of Mr. McCormack. We have consulted Vermont legal counsel who helped us frame the legal questions that we submitted in order that sensitive valuation information not be disclosed where unnecessary to the jurisdictional question of whether a physical therapy practice is excluded from CON review under 18 VSA Section 9435(a) regardless of the buyer or sale value. Our legal counsel has sought to set up a conference call or meeting with Ms. Henkin in order that the legal questions can be further clarified as necessary.

Sincerely,

Jarrett E. Stern, MHA System Vice President

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