



July 2nd, 2019

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Green Mountain Care Board
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Re: Docket No. GMCB-005-19con, Conversion of Licensed Beds

Dear Ms. Jerry,

The purpose of this letter is to address the handful of follow-up questions to provide clarification to this matter. It is noted that when we originally submitted the Tables in PDF with the application, we became aware that they were printed off without the assumptions showing in the footnotes. In this update, that Tables have been included with the assumptions now showing.

The first question/follow up was requesting that Valley Vista submit an income statement and balance sheet for Valley Vista/OAS LLC showing the latest actual, current budget year, and proposed year 1, 2 and 3. Valley Vista's income statement through May 31st is included and includes the current and YTD actual and budget information, but does not include proposed year 1, 2 and 3. It is also noted that the balance sheet is for Meridian as a whole and we do not have a balance sheet for Valley Vista only. Lastly, should Valley Vista experience any losses, those would be covered by Meridian as a whole.

Thesecond follow-up was referencing that page 6 of the application represents that with the conversion of beds, Valley Vista expects to see an increase in Medicaid and a decrease in Commercial and Self-Pay with no decrease in revenue. However, this statement conflicts with Table 6B which shows a decrease in revenues. You have asked us to explain and correct the discrepancy on page 6 and/or Table 6B and resubmit. If there will be decreases in revenues due to this project, please explain how the losses in revenue will be covered each year and overtime. It is noted that Table 6B has been revised so as not to conflict with that statement made in the application and to coincide with the occupancy note on Table 7.

The third follow up was requesting that we explain and confirm why there is zero cost associated with completing this project. As stated in our application, the only cost associated with this project is for the actual license fee of \$250.00. As stated, these 14 beds have previously been licensed by DCF and we are requesting converting the beds to DAIL license. Valley Vista already has the program in place, staff in place and patient supplies in place as a result of this being a mere conversion from a license for young adults to a license of adults.

The last request was regarding Table 7 in our application and how it shows an increase of 14 beds, as well as increases in Admissions, Patient Days, and Average Length of Stay. Please explain these increases and if necessary, resubmit Table 7 to reflect the correct change in utilization. Please defer to the assumptions in Table 7 for further information.

Please feel free to contact me for more information or with any questions.

Respectfully,

Amanda Hudak, MS, LADC, MAC