



Letter of Intent

Monday, September 23, 2019

Donna Jerry
Senior Health Policy Analyst
Green Mountain Care Board
89 Main Street, Third Floor
Montpelier, VT 05620

Dear Ms. Jerry,

This letter of intent is pursuant to Certificate of Need (CON) statute 18 V.S.A. 9440(c)(2)(A). We are writing to inform you of our intent to submit a CON application for a new medically supervised withdrawal treatment center for individuals with substance use disorders, located in Stowe, Vermont. Silver Pines at Stowe (hereafter referred to as “Silver Pines”) will be a 32-bed facility for individuals who have subacute biomedical, emotional, behavioral, and/or cognitive problems that require 24-hour care by trained addiction, mental health, and medical providers.

The treatment of addiction has evolved over the past several decades. The first phase was comprised of an abstinence-centered treatment model, where the use of prescribed medications was discouraged. This phase was followed by great progress in medication-assisted treatment that led to improved efficacy and increased hope for patients. Despite these advancements, we are currently in the midst of an addiction epidemic with significant rates of morbidity and mortality. One of the contributing factors is that treatment is often delivered in a fragmented, “one-size-fits-all” manner with limited ability to customize treatment at the highly specific level for individual patients.

Silver Pines’ innovative, comprehensive, coordinated, and evidence-based model is the next step in the evolution of treatment for substance use disorders. We propose to deliver the best quality of care, by the best trained professionals, and offer one of the highest clinical staff-to-patient ratios in the country. A fundamental feature of our approach is delivering highly customized treatment. Our proprietary neural network-based algorithms, using machine-learning principles, will assign every patient a score by aggregating clinically relevant data points and, based on that score, match a given patient to the most efficacious treatment. Our team has world-class

expertise in outcomes assessment and program evaluation. We will be analyzing data on a continual basis and will iterate our treatment based on what works best.

Our next-generation approach delivered by an experienced team will lead to better outcomes in terms of increased abstinence and decreased relapse rates. Our treatment model will, in turn, yield cost savings for the healthcare system at large with decreases in downstream adverse events, potentially fewer emergency department visits, decreased inpatient admissions and improved overall health. We believe that our innovative approach is greatly needed for patients and their loved ones who suffer deeply, often irreparably, from this pernicious illness.

We acknowledge that the proposed project is subject to the Green Mountain Care Board's jurisdiction under 18 V.S.A. ç 9434 due to its operating budget of over \$500,000 per year. We are providing this letter containing preliminary information to commence the CON application process and receive preliminary feedback.

We respectfully request expedited review of this CON application under 18 V.S.A. § 9440(c)(5)(D) in order to get our facility operational in an expeditious manner to meet the urgent needs of people with substance use disorders. We also respectfully request confidentiality allowed under Green Mountain Care Board Rule 4.303(3).

Thank you and the Green Mountain Care Board in advance for your consideration of this important project.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'William Cats-Baril', with a stylized flourish at the end.

William Cats-Baril, PhD
CEO and Managing Partner, Silver Pines Partners

A. Title of Project:

Medically Supervised Withdrawal Treatment Center

B. Anticipated Application:

Expedited Certificate of Need (CON)

C. Applicant Information:

1. Facility/Entity Name: Silver Pines at Stowe
2. Facility/Entity Address: 3430 Mountain Road, Stowe, VT 05672
3. Facility/Entity Administrator: Silver Pines Partners, LLC
4. Name Title: Silver Pines Partners, LLC
5. Address: 3430 Mountain Road, Stowe, VT 05672
6. Telephone/Email: 802-578-6102, william.cats-baril@uvm.edu
7. Principal Contact Person: William Cats-Baril, PhD
8. Name Title: William Cats-Baril, PhD, CEO AND Managing Partner
9. Address: 3430 Mountain Road, Stowe, VT 05672
10. Telephone/Email: 802-578-6102, william.cats-baril@uvm.edu

D. Ownership Information

For-Profit

Names of owners: Silver Pines Partners, LLC

Accreditations: Commission on Accreditation of Rehabilitation Facilities (CARF) pending

E. Summary Project Description

Location(s) of the proposed project

Silver Pines will be located at 3430 Mountain Road, Stowe, Vermont. The facility is the former North American Hockey Academy building and sits on a very private, beautifully landscaped 4.25 acres lot. Silver Pines will have a multi-year rental contract on the building, which will be retrofitted by the property owners for our specific purposes.

Services to be provided

Medically supervised withdrawal services at American Society of Addiction Medicine (ASAM) Level 3.7 as well as initial intensive counseling and preparation for treatment in a community-based setting.

Description of the proposed service area

We will focus on Vermont, the Northeast and Midwest of the United States, and Quebec.

Detailed description of any equipment to be purchased

- Office equipment (computers, fax machines, copiers)
- Electronic Health Record (EHR) program - Celerity
- BD Pyxis MedStation medication dispensing system
- Diagnostic Electrocardiogram (ECG) Machine
- Vital signs monitoring devices
- Automated external defibrillators (AED)
- Sample collection (blood, urine, oral swabs) equipment

Number of square feet of any construction/renovations

12,534sqft

Total project cost

Please see accompanying spreadsheet of projected costs.

How the project will be financed

Private investment

The need for the project

According to the latest data, approximately 21.2 million people age 12 and older needed substance use treatment in the United States in 2018. Of those, only 17.4% (3.7 million people) received it and an even smaller percentage (11.3% or 2.4 million) received it in a specialized treatment setting.¹

The data for Vermont are similar. Among individuals in Vermont aged 12 or older, during 2015-2017, 10% (or 54,000 people) had a substance use disorder in the past year, which is similar to the regional average (9.6%). Of these 54,000 Vermonters, in a single-day count on March 31, 2017, only 7,015 people or 12.9% were enrolled in treatment.²

The true consequences and costs of this gap to individuals, families, children, employers, and society as a whole are immeasurable. In 2017 alone, more than 70,200 Americans died from drug overdoses³ and an estimated 88,000 people die annually from alcohol-related causes, which makes alcohol the third leading cause of preventable death in the United States.⁴ Among Vermonters in 2017, there were 124 drug-related fatalities,⁵ and, between 2012 and 2016, an average of 293 alcohol-attributable deaths per year.⁶ The need for timely, individualized, and evidenced-based substance use treatment in Vermont and the United States is clear.

¹ Substance Abuse and Mental Health Services Administration. (2019). Key substance use and mental health indicators in the United States: Results from the 2018 National Survey on Drug Use and Health (HHS Publication No. PEP19-5068, NSDUH Series H-54). Rockville, MD: Center for Behavioral Health Statistics and Quality, Substance Abuse and Mental Health Services Administration. Retrieved from <https://www.samhsa.gov/data/>.

² Substance Abuse and Mental Health Services Administration. Behavioral Health Barometer: Vermont, Volume 5: Indicators as measured through the 2017 National Survey on Drug Use and Health and the National Survey of Substance Abuse Treatment Services. HHS Publication No. SMA-19-Baro-17-VT. Rockville, MD: Substance Abuse and Mental Health Services Administration, 2019. Retrieved from https://www.samhsa.gov/data/sites/default/files/Vermont_BHBarometer_Volume_4.pdf.

³ National Institute on Drug Abuse. (2019, January 29). Overdose Death Rates. Retrieved from <https://www.drugabuse.gov/related-topics/trends-statistics/overdose-death-rates>.

⁴ Centers for Disease Control and Prevention (CDC). (2013) *Alcohol and Public Health: Alcohol-Related Disease Impact (ARDI). Average for United States 2006–2010 Alcohol-Attributable Deaths Due to Excessive Alcohol Use*. Retrieved from https://nccd.cdc.gov/DPH_ARDI/Default/Report.aspx?T=AAM&P=f6d7eda7-036e-4553-9968-9b17ffad620e&R=d7a9b303-48e9-4440-bf47-070a4827e1fd&M=8E1C5233-5640-4EE8-9247-1ECA7DA325B9F=&D.

⁵ Vermont Department of Health. (2019, January). Drug-Related Fatalities Among Vermonters. Retrieved from https://www.healthvermont.gov/sites/default/files/documents/pdf/ADAP_Data_Brief_Drug_Related_Fatalities.pdf.

⁶ Vermont Department of Health. (2017, December 20). Alcohol-Attributable Deaths in Vermont Data Brief. Retrieved from https://www.healthvermont.gov/sites/default/files/documents/pdf/ADAP_Data_Brief_AlcoholDeath.pdf.

Currently in Vermont, there is only one ASAM 3.7-level facility located in the southern part of the state, and individuals in need of such services outside of that area are using emergency departments and inpatient hospitalizations at a significant cost. The typical costs of an Emergency Department (ED) visit and inpatient hospitalization per day are \$1,917⁷ and \$2,244,⁸ respectively. Although an ED visit and hospitalization can medically stabilize someone, it does not often address the underlying etiology of the illness of addiction.

By contrast, the program at Silver Pines will have the ability to do both: Provide medical stabilization and accurately diagnose and treat the underlying substance use disorder(s) and any co-occurring conditions that exacerbate the disorder. In addition, our program is built on the belief that addiction is a chronic, relapsing medical condition and requires acute treatment coupled with coordinated continued care for optimal results. Our program will achieve higher rates of sobriety, decreased rates of relapse, and fewer medical and psychosocial complications while saving individuals, communities and insurance companies significant downstream costs by delivering treatment in a comprehensive and coordinated manner with the highest quality care.

It is important to note that a number of Vermonters choose to get treatment out of state due to their preference for a customized approach with a high clinical provider-to-patient ratio. Silver Pines will meet the needs of those Vermonters who have sought this quality and level of care outside of Vermont.

Objectives to be achieved by implementation of the proposed project

Our vision is for Silver Pines to become one of the premier facilities in the country offering residential medically supervised withdrawal for multiple substance use disorders by providing innovative, customized, and compassionate addiction medicine practices. Our mission is to deliver the most effective, evidence-based, data-intensive addiction treatment with care and empathy. Our integrated treatment includes counseling, medical care, toxicology testing, comprehensive aftercare coordination and outcomes assessment. Our commitment is to continuously improve our clinical practices by analyzing treatment outcomes and adjusting our practices based on evidence.

Our treatment model is based on:

- Initiating safe medically supervised withdrawal for individuals with alcohol, opioid and other substance use disorders;
- Conducting a comprehensive diagnostic assessment of substance use, co-occurring mental health disorders and appropriate ASAM levels of care;
- Providing state-of-the-art individualized treatment planning based on a proprietary, neural-network algorithm;
- Initiating evidenced-based treatment with appropriate pharmacotherapy and medication regimen adjustment as clinically indicated;

⁷ Health Care Cost Institute. (2018, January). 2016 Health Care Cost and Utilization Report. Retrieved from <https://www.healthcostinstitute.org/research/annual-reports/entry/2016-health-care-cost-and-utilization-report/>.

⁸ Ellison, A. (2019, January 4). Average hospital expenses per inpatient day across 50 states: Below are the adjusted expenses per inpatient day in 2016, organized by hospital ownership type, in all 50 states and the District of Columbia, according to the latest statistics from Kaiser State Health Facts. Retrieved from <https://www.beckershospitalreview.com/finance/average-hospital-expenses-per-inpatient-day-across-50-states.html>.

- Providing individual, group, family, and couples therapy;
- Providing a safe, therapeutic environment which is conducive to recovery;
- Providing comprehensive aftercare coordination; and,
- Providing proactive, real-time outreach services post discharge using proprietary cloud-based technology.

Anticipated impact on health care costs, access and quality

Costs – According to the National Institute on Drug Abuse (NIDA), every dollar invested in addiction care yields a downstream return of \$12 in reduced drug-related crime, criminal justice costs, theft, and healthcare savings. Additionally, there are significant savings to individuals and society as a whole, which stem from fewer interpersonal conflicts, greater workplace productivity, decreased legal issues and fewer drug-related accidents.⁹

Specifically, Silver Pines will reduce the overall health care costs in Vermont and across the nation by serving people who are currently using ambulatory and emergency department services often followed by inpatient hospital admission, which costs \$2,244 per day.¹⁰ Silver Pines will offer the appropriate level of care for people with subacute severe biomedical, emotional, behavioral or cognitive problems at a lower cost than they are currently paying for hospital services.

Access – Silver Pines will contract with Blue Cross Blue Shield (BCBS) of Vermont expanding the array of high-quality substance use services available to Vermonters. We will be the only ASAM 3.7-level treatment facility in northern Vermont and offer a 24-hour 7-days per week phone triage and intake line to ensure immediate access to care.

Our facility is centrally located in the state, proximal to Exit 10 on Interstate 89 (12 miles) and for out-of-state patients the Burlington airport is only 40 miles away. We will establish a Memorandum of Understanding (MOU) with Copley Hospital in Morristown (13 miles away) and the local Emergency Medical Services (EMS) to ensure that our patients can access more acute care if needed.

Quality – To provide and ensure the highest standards of care at Silver Pines, we will systematically track outcomes measures, such as treatment initiation, treatment retention, successful completion of program, rates of abstinence and substance use reduction, aftercare follow-up, client satisfaction, and a reduction in ED visits and hospital admissions. Every patient will be assessed and followed-up with upon discharge. We will then use these data to inform and continuously improve our programming and protocols.

⁹ National Institute on Drug Abuse. (2018, January). Is drug addiction treatment worth its cost? Retrieved from <https://www.drugabuse.gov/publications/principles-drug-addiction-treatment-research-based-guide-third-edition/frequently-asked-questions/drug-addiction-treatment-worth-its-cost>.

¹⁰ Ellison, A. (2019, January 4). Average hospital expenses per inpatient day across 50 states: Below are the adjusted expenses per inpatient day in 2016, organized by hospital ownership type, in all 50 states and the District of Columbia, according to the latest statistics from Kaiser State Health Facts. Retrieved from <https://www.beckershospitalreview.com/finance/average-hospital-expenses-per-inpatient-day-across-50-states.html>.

Our full intake process will be a critical part of our process and include an initial history and physical, comprehensive medical and toxicology testing, evaluation using Diagnostic and Statistical Manual of Mental Disorders (DSM) criteria, Achenbach System of Empirically Based Assessment (ASEBA), Addiction Severity Index (ASI), psychometric testing of adult personality and psychopathology (e.g. Patient Health Questionnaire (PHQ-9), Generalized Anxiety Disorder 7-item (GAD-7) scale, Adult ADHD Self-Report Scale (ASRS), etc.), acquisition of collateral information, and an initial family meeting.

Silver Pines' world-class team will use evidenced-based treatment modalities, including cognitive behavioral therapy (CBT), dialectic behavioral therapy (DBT), acceptance and commitment therapy (ACT), introduction to eye movement desensitization and reprocessing (EMDR), integrated group therapy, motivational enhancement therapy (MET), guided mindfulness, mindfulness-based stress reduction (MBSR), emotional freedom techniques (EFT), sleep CBT, 12-step groups, gender-focused groups, Seeking Safety and The Wellness Recovery Action Plan® (WRAP®). We will have a specific focus on family involvement and psychoeducation as well as a mind and body program, which will include an on-site fitness center, yoga studio, tai chi, smoking cessation services, nutritional services and complimentary and integrative medicine approaches. We will offer patients a treatment plan based on a customized mix of all these modalities.

We will have staff available 24 hours per day 7 days per week and have an excellent clinical provider-to-patient ratio. For a 32-patient census, our staff will consist of the following:

On the clinical side:

- 1 FTE Medical Doctor, who has a DEA waiver and can prescribe buprenorphine;
- 1 FTE Clinical Director, who is a licensed alcohol and drug counselor and has experience providing supervision and working at residential substance use treatment programs;
- 5 FTE Nurses, who provide around-the-clock care;
- 4 FTE Medical Assistants, who deliver medically intensive treatment;
- 5 FTE Licensed Alcohol and Drug Counselors, who provide assessment, diagnosis, and evidence-based treatment;
- 3 FTE Aftercare Specialists, who create individualized, comprehensive continued care plans and initiate follow-up contact with clients upon discharge; and
- 6-8 FTE Recovery Specialists, who are trained and qualified to provide a calm, supportive milieu to optimize recovery.

On the administrative side:

- 1 FTE Executive Director, with experience in this area;
- 1 FTE Receptionist;
- 3 FTE Intake Coordinators;
- 0.5 FTE Human Resource Officer; and,
- 1 FTE Database Manager and Analyst, who tracks and analyzes outcomes to inform continuous improvements in treatment.

Silver Pines will accept private payments and be eligible for third-party insurance reimbursement, but it does not plan to become a participating provider for Medicaid or Medicare

reimbursement. This proposed reimbursement model will allow us to provide the highest quality, customized clinical treatment to people. Our staff-to-patient ratio will be the best in the state allowing Silver Pines to provide unparalleled safety, customization, compassion and individual attention to our patients at their most vulnerable time.

Additional services will include: neuropsychological testing, acupuncture, massage, personal training, and access to a variety of other life-skills services.

We believe that Silver Pines will be a positive addition to the array of substance use treatment programs in Vermont for the following reasons:

- 1) We are not seeking Medicaid funding and will, therefore, not impact the treatment options that already exist and serve people who have Medicaid.
- 2) We will contract with BCBS of VT, affording many Vermonters the opportunity to receive a level and quality of care that does not currently exist in Vermont.
- 3) Outside of the Brattleboro Retreat, we will be the only ASAM 3.7-level facility in the state and will provide a very different clinical experience; and,
- 4) We will systematically collect data on outcomes, treatment modalities and effectiveness, and will share aggregated data with the appropriate partners in the State to improve the understanding of the magnitude and costs associated with substance use disorders and treatment.

Estimated beginning and completion date

We plan to open doors and commence operations, assuming all permits are in place, on June 1, 2020.

F. Projected Expenditures and Financial Information:

Please see accompanying spreadsheet of projected costs.

G. Certification of Accuracy

I certify that the information contained in this application, and all documents that have been submitted with this application, are accurate and complete to the best of my knowledge. I understand that any false statements or failure to disclose information may be sufficient grounds for the Board to deny Certificate of Need approval.



William Cats-Baril, PhD
CEO and Managing Partner, Silver Pines Partners
September 23, 2019