By Courier & Email

March 1, 2021

Donna Jerry
Senior Health Policy Analyst Green Mountain Care Board
144 State Street
Montpelier, VT 05620

RE: Docket No. GMCB-011-20con, Health Information Technology Project, $5.5 million.

Dear Donna,

On behalf of Visiting Nurse and Hospice for Vermont and New Hampshire, a member of the Dartmouth-Hitchcock Health system, I am pleased to submit the enclosed Certificate of Need application for a Health Information Technology project that includes the replacement of the current electronic health record and related information technology systems, the rationale for which is detailed throughout the application. Because the Project involves the purchase and lease of health information technology ("HIT"), pursuant to 18 V.S.A. § 9440b the Applicant is seeking expedited review of the application.

Accordingly, we have enclosed the following documents for the Project:

1. Verification under Oath, signed by Johanna Beliveau, RN;
2. Certificate of Need Application with:
    a. A narrative description of the project;
    b. A detailed response to the applicable CON criteria;
    c. Financial tables; and
    d. Applicable attachments to the CON application.

Thank you.

Johanna L. Beliveau, DNP, MBA, RN
President and CEO

cc: John Kacavas, Office of General Counsel, Dartmouth-Hitchcock Health (by email only)

Enclosures

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

CERTIFICATE OF NEED APPLICATION
by
VISITING NURSE AND HOSPICE
FOR VERMONT AND NEW HAMPSHIRE
for
A HEALTH INFORMATION TECHNOLOGY PROJECT

Dated March 1, 2021

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CERTIFICATE OF NEED APPLICATION
by
VISITING NURSE AND HOSPICE
FOR VERMONT AND NEW HAMPSHIRE
for
A HEALTH INFORMATION TECHNOLOGY PROJECT

SECTION I
DESCRIPTION OF THE PROJECT

A. OVERVIEW

Visiting Nurse and Hospice for Vermont and New Hampshire ("VNH")(the applicant), a home health and hospice provider within Dartmouth-Hitchcock Health ("D-HH"), submits this Certificate of Need Application (the "Application") to the Green Mountain Care Board ("GMCB") in accordance with 18 V.S.A. Section 9434(b)(1). The Application requests a Certificate of Need ("CON") approving a project to replace the current electronic health record and related information technology systems ("EHRs") at VNH to achieve a unified health information system with Dartmouth-Hitchcock Health.

Dartmouth-Hitchcock Health (D-HH) is an integrated delivery system that provides high value care, timely access to services, and an optimal patient experience to system patients. Integrated information systems are required to support clinical integration efforts and coordination of services, as well as effectively and efficiently manage the business operations. To successfully function as a high performing integrated delivery system requires an infrastructure to run the business. To that end, D-HH has developed an Enterprise Information Systems Strategy that has as its goal the replacement of the disparate, non-connected systems currently in place at system member sites.

The Enterprise Information Systems Strategy proposes to extend a currently existing single set of D-HH approved core applications and technical infrastructure throughout the enterprise to all affiliated system members. The timeline for these extensions will be driven by their impact on clinical care and the multi-year combined financial estimates for these efforts. The Enterprise Information Systems Division uses an enterprise-wide system governance model that will provide technology solutions to all members, in a cost effective, standardized manner, with common policies, procedures, tools and workflows.

The unified EHR will integrate health, clinical, registration, billing, scheduling, patient portal and insurance information into one system that will improve patients' experience of care while giving them, their families and their providers' access to consistent, timely and accurate information regardless of where care is delivered in the health system. The project is essential to provide VNH with the tools necessary to provide the most effective, efficient, and highest quality care.

The capital costs associated with this project and subject to CON review under 18 V.S.A. §9434(b)(1) are $5.5 million, of which VNH is responsible for 25% or $1.38 million.

The capital expenditures will be shared between the D-HH system at 75% and the member, or VNH, at 25%; VNH will own 100% of the project's capital assets. The associated net operating expenses identified in the project's 2 year projection are $348 thousand. Those operating expenses, apart from depreciation, are to be allocated to VNH. As the owner of the project's capital assets, VNH will account for all of the project's depreciation expenses.

Because the Project involves the purchase and lease of health information technology ("HIT"), pursuant to 18 V.S.A. § 9440b the Applicant is seeking expedited review of the application.

1. Project Description and Objectives

The objective of this project is to improve both care delivery as well as the patient experience by replacing the existing disparate and outdated HIT systems at VNH with a single-platform, unified EHR system from Epic Systems, the nation's leading vendor and the same company that provided the Dartmouth-Hitchcock Medical Center with its clinical information system in 2010. If the project is approved, the unified Epic-based EHR platform and related information technology systems would be extended from D-HH, as the licensee, to VNH as an affiliated member of the health system.

The D-HH system comprises six member hospitals (1 academic hub, 1 community, 3 critical access) and one home health and hospice provider: Dartmouth-Hitchcock Medical Center (Lebanon, NH), Cheshire Medical Center (Keene, NH), New London Hospital (New London, NH), Alice Peck Day Memorial Hospital (Lebanon, NH), Mt. Ascutney Hospital and Health Center (Windsor, VT) and Visiting Nurse and Hospice for Vermont and New Hampshire (White River Junction, VT). Upon affiliation, D-HH member organizations, including VNH, utilize many different systems to care for patients. Some of these systems are no longer supported by their vendors, or are not fully compliant with federal requirements. Because of these deficiencies, the existing systems do not guarantee that all necessary information is available when and where it is needed, and communication between them can be inconsistent and untimely, which can disrupt or adversely impact patient care. It also creates difficulties for patients trying to navigate the care delivery system.

Continued investment in VNH's existing systems would be both expensive and wasteful, costing over $200 thousand annually and several million dollars to replace independently. Instead, VNH seeks to replace the existing EHRs with a single-platform unified EHR from Epic that integrates with the D-HH system and shares cost between the member organization (VNH) and the system (D-HH). The benefits of a unified EHR are many and reflect the "Triple Aim" of improving the patient's experience of care, improving the health of populations, and reducing health care costs:

- Patients and their families will have accurate, timely and up-to-date information available 24/7.
- One patient portal across the System will allow patients and family members to access health, billing, scheduling and insurance information at their fingertips.

- All System providers will have access to the most current information about a patient, their history, and current needs eliminating the need, or reliance upon, patient and families to remember and communicate important aspects of their care. Missing information can result in medical errors, delays, and unnecessary services.
- The unified EHR will enhance communication and collaboration between referring Providers and home health and hospice providers, facilitating coordination and timeliness of care. Ultimately, such a system will improve our ability to coordinate patients' care both locally and across our service area.
- A unified EHR will advance data analytic capabilities, allowing for evaluation of patient populations across the continuum of care and enhancing the ability to improve patient outcomes.
- A unified EHR will also enhance information security and patient privacy by reducing the risks inherent in multiple IT systems. Integration with D-HH provides much-needed expertise and oversight by the System security and privacy governance structure.

2. Project Costs

The total investment is estimated to be $5.8 million, over two fiscal periods; FY22 and FY23. This investment will be a partnership between VNH and D-HH. VNH will contribute approximately $1.5 million (capital & operating costs). D-HH is committed to investing $4.3 million.

As reflected in the Exhibit 1, the proposed Project Budget covers an 18-month period, which cuts across two fiscal periods FY22 and FY23. In total, the budget for the Project is approximately $5.5 million of capital costs covering labor, non-labor, and a 10% contingency; approximately $399 thousand of expenditures covering labor and non-labor costs; along with additional ongoing costs of $611 thousand to be further validated during the FY23 budget process.

3. Financial Feasibility

Successful implementation of the Project will not require any borrowing, or any rate increases linked to the Project. This is because the Project expenditures are included in the VNH's three-year capital plan (FY 2021 – FY 2023) and our long-term financial framework. These plans were developed to manage our spending, both capital and operating, over a period of years.

4. Timetable

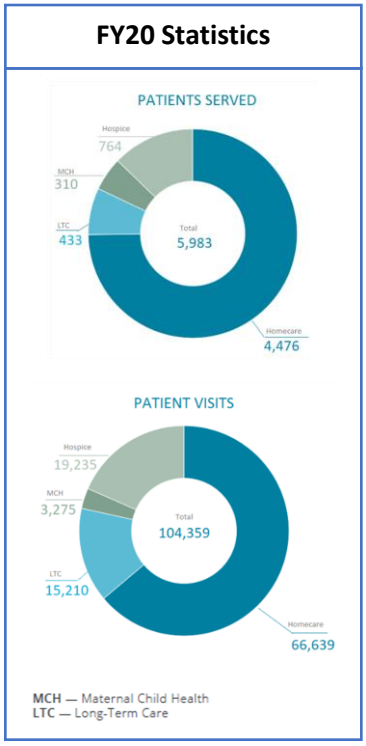
As detailed under the *Project Description*, the proposed project is scheduled to span over 18 months, which is two fiscal periods of FY22 and FY23.

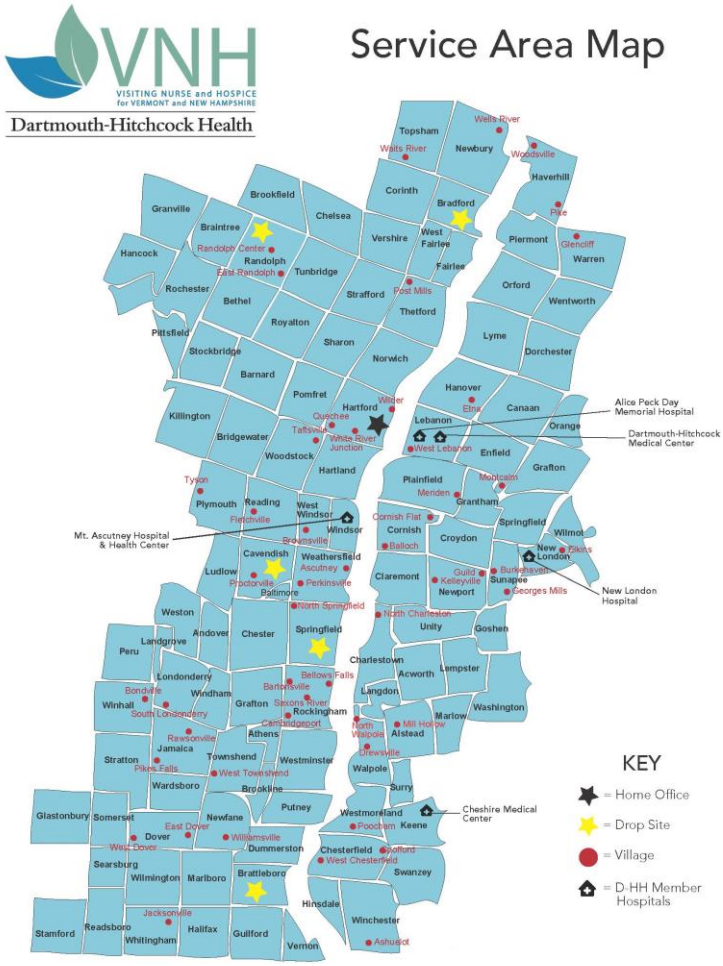
B. PROJECT NEED AND RATIONALE

As noted above, replacing the EHR and related information technology systems currently utilized by the VNH is the focus of this project to enable VNH to provide the most effective, efficient, and highest quality care to the communities that we serve. VNH provides a wide range of services across 4,000 square miles and to community members in over 140 towns and villages in Vermont and New Hampshire. Services include adult and pediatric home health (nursing and

rehabilitation), maternal-child home visiting, pediatric palliative care, long-term care case management and personal care assistance, hospice, and private duty care. VNH employs 199 staff to care for over 1,000 patients a day.

Staff	
Direct Care	136
Administrative	63
Total	**199**





VNH currently uses a disparate set of systems for clinical, billing and ancillary functions. The age and usefulness of these separate systems varies greatly and will require significant investment in the near future. McKesson/Netsmart, the current electronic health record, is the most substantial of these investments and given the shifts in the market and vendor capabilities, VNH would need to complete an RFP process to implement a new EHR system.

VNH could replace and maintain this patchwork of systems for the foreseeable future, but after careful consideration, this was rejected for a number of reasons:

- The current hodgepodge of systems is burdensome for both patients and the providers who care for them. VNH patients have no access to their clinical information or ability to

interact with their providers electronically. VNH and referring Providers can find themselves without the information they need to ensure that they are helping their patients to make the best and most timely care decisions.

- It is unsustainable for VNH to manage disparate systems from the health system, some of which are outdated or archaic, others of which are no longer being updated. Every update to one of the systems impacts the others with which it must interact, which in turn presents a risk of failed communications or a lack of timely information.
- As EHRs have continued to mature, it is becoming the industry standard for academic medical centers and health care systems with multiple facilities and service sites to use a unified EHR. Examples include the Mayo Clinic, Yale New Haven Health System, MaineHealth and Partners Healthcare.
- 57% of all requests for home health and hospice service come from a member of the Dartmouth-Hitchcock Health system. Because VNH is not on the same EHR systems as other D-HH members, referrals are received in a variety of ways which is inefficient and leads to delays in starting care. The implementation of the EPIC electronic health record system would improve efficiency and give us the ability to communicate directly to Providers and allow VNH to admit into the appropriate service as quickly as possible. VNH and D-HH Referring Providers would have access to shared patient information ensuring the proper clinical documentation needed to admit, management of Provider orders and changes to the plan of care, patient progress and discharge planning.
- Implementing Epic would benefit local and regional Providers from outside the D-HH system that refer patients to VNH. Many of these Providers currently have access to the D-HH's Epic system through functions known as Care Link, a read-only version, and Care Everywhere that includes access to some functions, like ordering tests and medications. There are currently more than 1,600 Care Link users with 144 sites in Vermont. Access to EHR information will support better coordination across the care continuum, regardless of whether or not the provider or hospital is part of the D-HH system. The value of these functions is evidenced by the number of patients with records sent or received through Care Everywhere, over 700,000 since the inception of the system.

As VNH considered how best to proceed given the current needs of the organization for replacements of or upgrades to existing systems, we concluded that implementing a unified EHR that fully integrates with the D-HH system and provides better access to clinical information would provide significant benefits to our patients and referring Providers while being the most prudent approach financially.

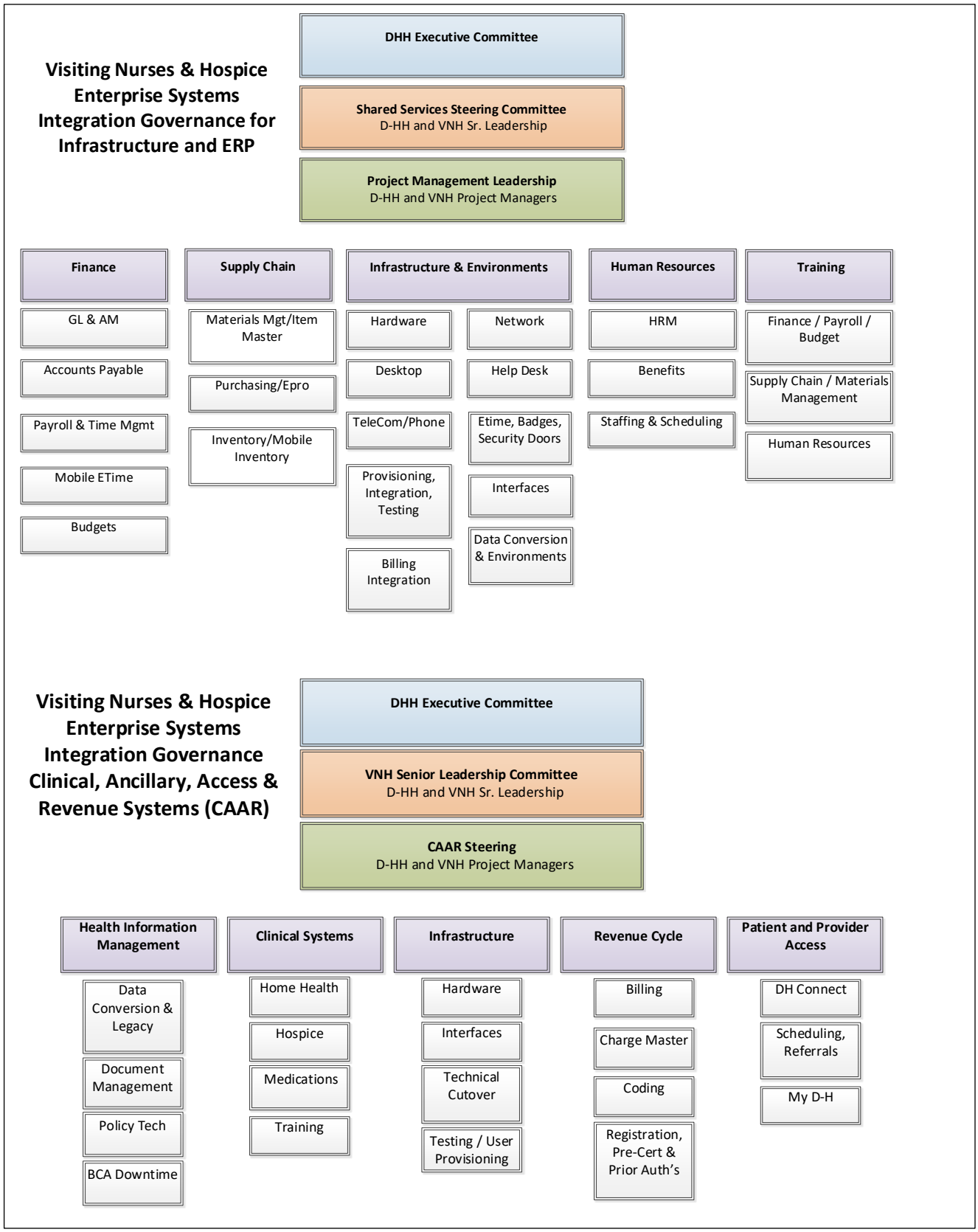
C. PLANNING PROCESS

The planning process for VNH integration began with the affiliation process and in parallel with the development of the Dartmouth-Hitchcock Health Enterprise IT Strategy in 2016. The foundation of the Enterprise IT Strategy rests on the earlier decision to implement Epic as the EHR and revenue cycle system for Dartmouth-Hitchcock Medical Center in 2008. With the expansion of the health system, D-HH Executive and IT leadership engaged external consultants to develop a plan for updating or replacing member EHRs and related technology systems to

achieve the vision of a fully integrated delivery system that provides high value care, timely access to services, and an optimal patient experience to system patients. A phased and sequential approach to member integration was approved by the D-HH Board of Trustees in June 2016. The timeline for member integration is driven by the impact on clinical care, current level of system function, and system and member financial position. D-HH has successfully implemented three member organizations, Cheshire Medical Center, Alice Peck Day Memorial Hospital and New London Hospital. Each project was implemented ahead of budget and as scheduled, with the exception of New London Hospital where an intentional delay was instituted due to the COVID-19 pandemic.

In accordance with the D-HH Enterprise IT Strategy, planning specific to the VNH project has been underway since 2019. To ensure project success, project management resources are assigned by both D-HH and VNH to oversee the project plans for the various phases of work; this includes a D-HH project manager for the Enterprise Resource Planning systems (IT infrastructure, finance, budget, human resources, supply chain), D-HH project manager for Epic (clinical and revenue cycle), and a VNH project manager to facilitate the work needed to accomplish the goals of the various subgroups. Based on the criteria listed above, it was determined that D-HH and VNH were well positioned to begin HIT integration in the latter part of FY21 with full integration at the end of FY22. With full system integration in FY23, the project work concludes and shifts to normal operations for maintenance and optimization. The ongoing operational work is overseen and governed by D-HH IT leadership and IT Governance.

The following charts illustrate the groups involved in the planning process:

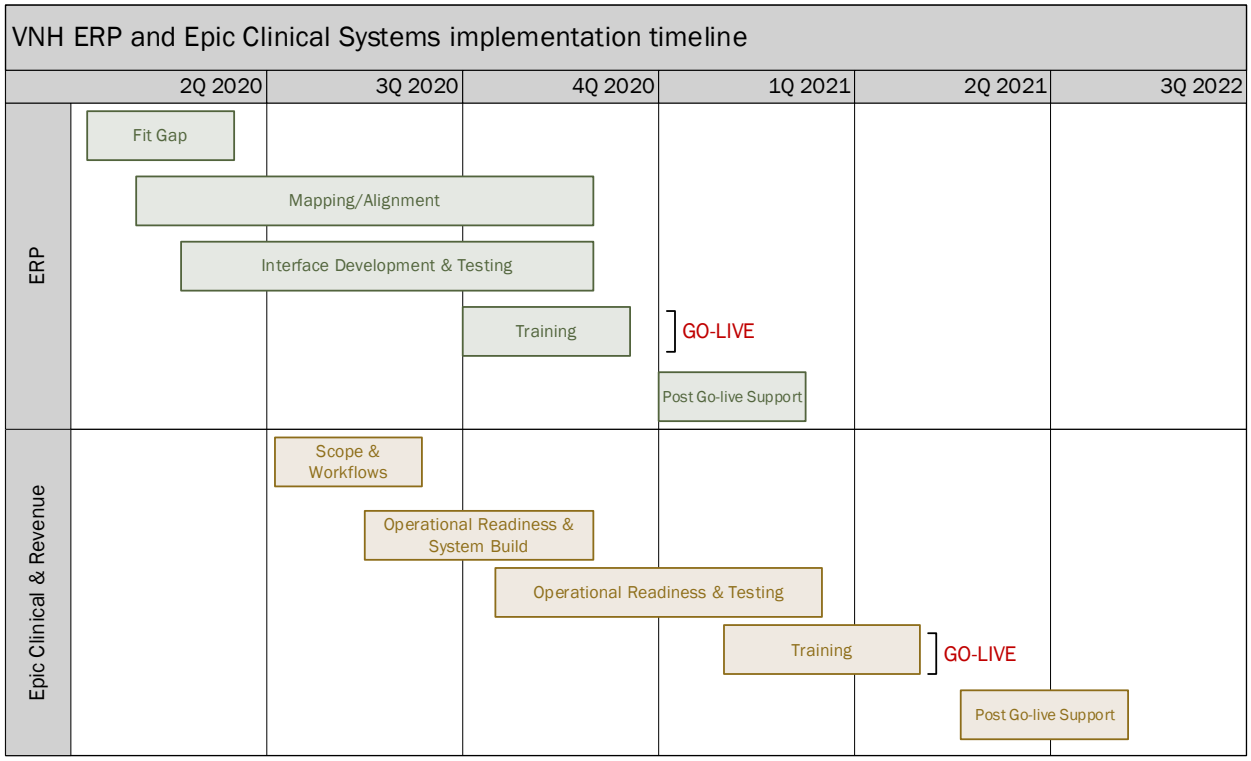


D. PROJECT DESCRIPTION

The project proposes to convert all clinical, revenue cycle, business and administrative systems to the enterprise systems. Epic is the core system for clinical care and VNH will implement the core home health and hospice modules, to include clinical and billing functions. As a D-HH member, VNH will benefit from additional core Epic modules that would have added significant cost to VNH had we needed to purchase as a stand-alone provider. These modules include the patient portal, provider portal, enterprise master patient index (EMPI), medical records/release of information, and Care Everywhere. Additionally, the project includes add-on applications that enhance or supplement the core Epic modules, including patient education, document management, and provider-to-provider communications, to mention a few.

The D-HH core system for business and administrative systems is PeopleSoft Enterprise Resource Planning (ERP) which includes financials, human capital management, and supply chain. There are multiple modules within PeopleSoft which will expand VNH's capabilities well beyond the current systems and again would cost substantially more if VNH were to purchase independently from the system. The project also aligns IT infrastructure and security to ensure protection of patient data. All of these applications and infrastructure are included in the total project scope and cost.

To maximize efficiencies, keep costs down, and reduce risks, implementation of the project will be staggered over 18 months to ensure project staff have the time necessary to design and test workflows and VNH staff have the time they need to train and begin use of the new systems. The implementation phasing is illustrated below:



E. PROJECT FINANCES

Regional Capital Planning

D-HH, including VNH, has a system-wide business planning process to ensure that major capital investments are planned on a system-wide basis that takes into account regional needs, not simply the needs of individual hospitals, providers or service areas. The process includes representatives from the Network members' operations, planning and finance teams.

Prioritization of Network Capital Spending

Consistent with our drive towards the highest quality care, greater affordability, and the expectation that revenues will continue to decrease over time, any capital investments VNH must make need to be tightly managed and prioritized. Over the past several years, this process has led to an overall decrease in planned long-term capital spending for VNH. We believe our long-term capital plans are balanced between what we need to invest in patient care operations and the continuing investments necessary to support high quality patient care.

Allocation of Project Costs

As described in the *Overview*, the capital expenditures will be shared between the D-HH system at 75% and the member, or VNH, at 25%; VNH will own 100% of the project's capital assets. The associated net operating expenses identified in the project's 2 year projection are $348 thousand. Those operating expenses, apart from depreciation, are to be allocated to VNH. As the owner of the project's capital assets, VNH will account for all of the project's depreciation expenses.

We assume that certain VNH positions, currently dedicated to legacy systems that are being replaced, will be centralized to the D-HH system (approximately 8-10 positions). Over the project life cycle, approximately 25 positions will be dedicated to implement the project and are accounted for in CON Table 9. Upon conclusion of the project, costs associated with maintenance and optimization of the systems will be charged to VNH through D-HH shared-services allocation. The shared-services allocation methodology is under evaluation and will be incorporated into VNH's FY23 budget.

Project Alternatives

While the costs of the project are substantial, after rigorous review and analysis, VNH has concluded that maintaining the current patchwork of IT systems is unacceptable and imprudent, and that the project is the best approach to addressing the challenges it presents to our patients and providers.

- Patients will find it easier to navigate the health care system.
- We will be able to provide a high quality and safe experience for our patients as they move through the system.
- Providers across the system will have easier access to patient records and clinical and business tools.

- It is expensive and wasteful to manage, update and maintain the existing systems. The VNH estimates that updating, maintaining existing systems would cost over $200 thousand each year and replacing the existing medical record would be a substantial investment without any of the benefits to our patients and providers of moving to a unified EHR.
- It is unsustainable to manage so many systems, some of which are outdated and others of which are no longer being supported, or at risk of not being supported into the future.
- It is no longer industry standard to use multiple health IT platforms across systems that include hospitals, clinics, and home care providers in many different locations.
- It is also becoming increasingly challenging to meet regulatory reporting standards, which we expect will continue to expand under programs like Medicare's PDGM (Patient-Driven Groupings Model) and the All-Payer Model ACO Model.

For these reasons, we believe that any alternative to this project for replacing existing systems would be more costly, wasteful and imprudent.

Project Financing and Assumptions

The project will be funded internally with existing operating capital. D-HH will execute a Net Asset Transfer of $4.4 million (75% share as described above) and to be recorded on VNH's Balance Sheet. Accordingly, successful implementation of the Project will not require any borrowing or any rate increases linked to project.

Financial Feasibility

The proposed spending is included in the VNH long-term financial framework. Operating and Capital budgets are reviewed and updated annually by the VNH and our Board of Trustees, which allows VNH to plan for needed capital investments over time. VNH will be able to sustain the financial burdens of this project and expects to complete the project from available operating capital without additional borrowing. VNH plans our revenue and spending profile over a period of several years, and in collaboration with D-HH, to determine how much capital is available.

Financial Safeguards

All major projects come with some level of risk, D-HH and VNH recognize that the project's size and scope are of such a scale that risk management and mitigation have been necessary components of the planning process. VNH is benefitting from the lessons learned from prior D-HH member implementations and has a number of safeguards in place, these include:

- Utilizing a phased implementation schedule that allows for regular assessments of progress against anticipated costs.
- Incorporating a robust training process to ensure that users have a successful transition from one system to another.
- Utilizing a project management and governance structure for both major aspects of the implementation, ERP and Epic, that incorporates stringent oversight and control of the project.

We believe that these safeguards will minimize the risks associated with implementing the project within the timeframes and costs outlined in this application.

SECTION II
CONSISTENCY WITH THE HRAP CON STANDARDS

As a provider of home health and hospice services, VNH is not subject to budget review by the GMCB; therefore this standard does not apply.

SECTION III
CONSISTENCY WITH 18 V.S.A. § 9437

1. The application is consistent with the health resource allocation plan;

As indicated in Section II, the project is not subject to the HRAP CON standards.

2. The cost of project is reasonable because each of the following conditions is met:

A. The applicant's financial condition will sustain any financial burden likely to result from completion of the project;

As described under *Financial Feasibility*, the proposed spending is included in the VNH long-term financial framework. Operating and Capital budgets are reviewed and updated annually by the VNH and our Board of Trustees, which allows VNH to plan for needed capital investments over time. VNH will be able to sustain the financial burdens of this project and expects to complete the project from available operating capital without additional borrowing. VNH plans our revenue and spending profile over a period of several years, and in collaboration with D-HH, to determine how much capital is available.

Following this approach, the VNH and D-HH developed detailed projections to determine the financial impact of the project, incorporating the cash expenses and other non-cash expenses associated with the project as represented in CON Table 3.

B. The project will not result in an undue increase in the costs of medical care or an undue impact on the affordability of medical care for consumers. In making a finding, the Board shall consider and weigh relevant factors, including:

(i) The financial implications of the project on hospitals and other clinical settings, including the impact on their services, expenditures and charges; and

(ii) Whether the impact on services, expenditures, and charges is outweighed by the benefit of the project to the public;

The Project will not result in any increase in the costs of medical care. VNH and D-HH expect to fund the project with available operating capital without additional borrowing or rate increases linked to the project.

C. Less expensive alternatives do not exist, would be unsatisfactory, or are not feasible or appropriate.

Reasonable alternatives to the project are not appropriate or feasible. The only alternative would be to upgrade or replace all of the existing systems at a higher cost and without the clinical efficiencies that are discussed throughout this application. That would not be feasible or appropriate, and would not create the necessary improvements to patient care that are discussed in response to CON Statutory Criterion 4, below. Furthermore, simply replacing existing systems at VNH that are in need of replacement would fail to achieve the integrated delivery system goal and all of the associated benefits for the patients served by VNH and D-HH.

3. There is an identifiable, existing, or reasonably anticipated need for the proposed project that is appropriate for the applicant to provide.

The need for this project, as discussed above, is based on the fact that many of VNH's existing clinical and administrative IT systems require replacement. McKesson, the current electronic medical record, is outdated and continues to lag behind industry leaders in functionality; it is no longer meeting our needs and will require a significant investment in the near future to implement an EHR with another vendor. To meet the needs of VNH for up-to-date HIT systems, the current patchwork of systems could be maintained and updated for several million dollars if done independently. Alternatively, D-HH could invest in an integrated HIT system and off-set the financial impact to VNH. Transitioning to an integrated HIT system across D-HH can be accomplished at a lower cost and with the clinical efficiencies described throughout this application.

4. The project will improve the quality of health care in the State or provide greater access to health care for Vermont's residents, or both.

The Project will improve the quality of health care in numerous ways, including providing greater coordination of care for patients and improved access to medical information for patients' clinicians. This will allow patients to move seamlessly across D-HH for better care transition management, thereby improving the experience of care and general patient satisfaction. Specific examples of quality improvements are described below.

- Timely initiation of care – currently the VNH referrals team has to toggle between multiple systems and rely on phone calls to gather the necessary information required by regulation and to ensure safe transitions of care. This would no longer be an issue for the referrals received from D-HH member hospitals and clinics, which are the majority of referrals received by VNH.
- Clinical management, including medication reconciliation – VNH case managers do not have access to patient histories, procedural or inpatient stays that would inform the care to be provided in the home. Additionally, Referring and Attending Providers would have access to up-to-date information provided by the home care or hospice provider to aid in patient care planning and decision-making. Implementation of Epic would allow clinicians across the care continuum real-time access to medical information, improving communication and collaboration in support of patient care and outcomes.
- Patient access – VNH patients do not currently have access to clinical or billing information related to care provided in the home. The implementation of Epic and the patient portal

would provide much needed access for patients, aiding them in decision-making to achieve their health goals.

For these reasons and many others, the project will improve the quality of care for our patients.

5. The project will not have an undue adverse impact on any other existing services provided by the applicant.

The project will not have a material impact on any other existing services offered by VNH or the D-HH system. All existing services will continue to be provided.

6. REPEALED

7. (Not applicable) The applicant has adequately considered the availability of affordable, accessible transportation services to the facility, if applicable.

8. If the application is for the purchase or lease of new Health Care Information Technology, it conforms with the Health Information Technology Plan established under section 9351 of this title.

D-HH's plan to establish a unified EHR system among its members is consistent with all of key goals from the HIT Plan. D-HH's unified EHR system will be a collaboration among separate health care providers, including VNH, for the purpose of increasing the availability of electronic health information, promoting interoperability, and facilitating improved and greater exchange of information with the VHIE. A unified EHR will allow for the creation of one patient portal, where patients can view their medical information, communicate with their providers, schedule appointments, and view and pay bills; functionality that does not exist for VNH patients today. Finally, consistent with the HIT Plan, the project accomplishes vendor alignment by replacing multiple EHR software systems with standard systems across D-HH members.

Consolidation from many vendors to standard systems will also further VNH/D-HH's goal of maintaining national standards for privacy, security and transmission protocols. A major struggle for the health system has been to maintain a myriad of systems from vendors, which creates opportunities for security issues. Using products that are consistent across members and fully-compliant with all federal and state security and safety standards will increase safeguards, and bring additional audit capabilities to the ones we use today to ensure that patient information remains secure.

9. The applicant must show the project will support equal access to appropriate mental health care that meets the Institute of Medicine's triple aims. 18 V.S.A. § 9437(9).

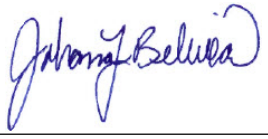
Not applicable as VNH is not a provider of mental health services.

CONCLUSION

For the reasons set forth herein, the Applicant respectfully requests that this Application be reviewed on an expedited basis in accordance with 18 V.S.A. § 9440b and following review, that the Application be approved.

Dated at White River Junction, Vermont, this 1st day of March, 2021.

APPLICANT:
Visiting Nurse Association and Hospice of Vermont and New Hampshire Inc.

By: 

Johanna L. Beliveau, DNP, MBA, RN
President and CEO

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Exhibit 1: Summary of D-HH and VNH Project Costs

Exhibit 2: Financial Table 1, Project Costs

Financial Table 2, Financing Arrangement

Financial Table 3A, 3B, 3C, Income Statements

Financial Table 4A, 4B, 4C, Balance Sheets

Financial Table 5A, 5B, 5C, Statement of Cash Flows

Financial Table 6A, 6B, and 6C, Revenue Source Projections

Financial Table 7, Utilization Projections

Financial Table 9, Staffing Projections

Exhibit 3: FY20 Audited Financial Statements

EXHIBIT 1

VNH - ERP & Clinical, Ancillary, Access & Revenue (CAAR) Projects

Labor Costs

Row Labels	Sum of FY21 Costs	Sum of FY22 Costs	Sum of FY23 Costs	Sum of Project Labor Costs
Incremental	**$ 456,460.00**	**$3,215,104.19**	**$354,655.33**	**$4,026,219.52**
Capital	$ 169,260.00	$3,171,939.30	$354,655.33	$3,695,854.64
Expense	$ 287,200.00	$43,164.88	$0.00	$330,364.88
Non-Incremental	**$ 169,100.65**	**$1,081,953.91**	**$63,258.71**	**$1,314,313.27**
Capital	$ 169,100.65	$1,081,953.91	$63,258.71	$1,314,313.27
Grand Total	**$ 625,560.65**	**$4,297,058.10**	**$417,914.04**	**$5,340,532.79**

Non-Labor Costs

Row Labels	Sum of FY22 Costs	Sum of FY23 Costs	Sum of Total Project
Incremental	**$460,000.00**	**$17,641.00**	**$477,641.00**
Capital	$460,000.00	$0.00	$460,000.00
Expense	$0.00	$17,641.00	$17,641.00
Grand Total	**$460,000.00**	**$17,641.00**	**$477,641.00**

	FY21	FY22	FY23	Totals:	
Incremental Cost:	$ 456,460.00	$ 3,675,104.19	$ 372,296.33	$ 4,503,860.52	
Non-Incremental Cost:	$ 169,100.65	$ 1,081,953.91	$ 63,258.71	$ 1,314,313.27	
Total Cost:	**$ 625,560.65**	**$ 4,757,058.10**	**$ 435,555.04**	**$ 5,818,173.79**	[1]
D-H Portion (75%)	$ 469,170.49	$ 3,567,793.57	$ 326,666.28	$ 4,363,630.34	
VNH Portion (25%)	$ 156,390.16	$ 1,189,264.52	$ 108,888.76	$ 1,454,543.45	

[1] $50,850 in overtime costs for VNH is added to Total Costs to equal the costs described in Section A, #2 Project Costs. FY21 $16,950; FY22 $33,900, which will tie to Exhibit 2, Tables 1 & 2.

EXHIBIT 2

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT

TABLE 1
PROJECT COSTS

Construction Costs		
1. New Construction	$	-
2. Renovation		$0
3. Site Work		-
4. Fixed Equipment		-
5. Design/Bidding Contingency		$0
6. Construction Contingency		$0
7. Construction Manager Fee		-
8. Other (please specify)		-
Subtotal	$	-
Related Project Costs		
1. Major Moveable Equipment	$	-
2. Furnishings, Fixtures & Other Equip.		$170,000
3. Architectural/Engineering Fees		$0
4. Land Acquisition		$0
5. Purchase of Buildings		$0
6. Administrative Expenses & Permits		$5,583,883
7. Debt Financing Expenses (see below)		-
8. Debt Service Reserve Fund		-
9. Working Capital		-
10. Other (infrastructure licensing and maintenance fees)		115,141
Subtotal	$	5,869,024
Total Project Costs	**$**	**5,869,024**

Debt Financing Expenses		
1. Capital Interest	$	-
2. Bond Discount or Placement Fee		-
3. Misc. Financing Fees & Exp. (issuance costs)		-
4. Other		-
Subtotal	$	-
Less Interest Earnings on Funds		
1. Debt Service Reserve Funds	$	-
2. Capitalized Interest Account		-
3. Construction Fund		-
4. Other		-
Subtotal	$	-
Total Debt Financing Expenses	**$**	**-**
feeds to line 7 above		

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT
TABLE 2
DEBT FINANCING ARRANGEMENT, SOURCES & USES OF FUNDS

Sources of Funds

1. Financing Instrument	Bond			
a. Interest Rate	0.0%			
b. Loan Period		To:		
c. Amount Financed			$	-
2. Equity Contribution				5,869,024
3. Other Sources				
a. Working Capital				-
b. Fundraising				-
c. Grants				-
d. Other				
Total Required Funds			**$**	**5,869,024**

Uses of Funds

Project Costs (feeds from Table 1)		
1. New Construction	$	-
2. Renovation		-
3. Site Work		-
4. Fixed Equipment		-
5. Design/Bidding Contingency		-
6. Construction Contingency		-
7. Construction Manager Fee		-
8. Major Moveable Equipment		-
9. Furnishings, Fixtures & Other Equip.		170,000
10. Architectural/Engineering Fees		-
11. Land Acquisition		-
12. Purchase of Buildings		-
13. Administrative Expenses & Permits		5,583,883
14. Debt Financing Expenses		-
15. Debt Service Reserve Fund		-
16. Working Capital		-
17. Other (please specify)		115,141
Total Uses of Funds	**$**	**5,869,024**

Total sources should equal total uses of funds.

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT

TABLE 3A
INCOME STATEMENT
WITHOUT PROJECT

	Latest Actual	Budget	[2] Annualized	Proposed	Proposed
[1]	2020	2021	Year 1 2021	Year 2 2022	Year 3 2023
Revenues					
Inpatient Care Revenue	$ -	$ -	$ -	$ -	$ -
Outpatient Care Revenue	25,117,486	27,863,011	24,925,770	25,977,688	26,537,465
Chronic/Rehab Revenue	-	-	-	-	-
SNF/ECF Patient Care Revenue	-	-	-	-	-
Swing Beds Patient Care Revenue	-	-	-	-	-
Gross Patient Care Revenue	$ 25,117,486	$ 27,863,011	$ 24,925,770	$ 25,977,688	$ 26,537,465
Disproportionate Share Payments	$ -	$ -	$ -	$ -	$ -
Free Care & Bad Debt	(324,991)	(250,000)	(200,654)	(202,661)	(204,687)
Deductions from Revenue	(3,467,967)	(4,065,661)	(3,411,726)	(3,445,843)	(3,480,302)
Net Patient Care Revenue	$ 21,324,528	$ 23,547,350	$ 21,313,390	$ 22,329,184	$ 22,852,476
Other Operating Revenue	1,751,119	413,500	544,854	550,303	555,806
Total Operating Revenue	$ 23,075,647	$ 23,960,850	$ 21,858,244	$ 22,879,487	$ 23,408,282
Operating Expense					
Salaries (Non-MD)	$ 12,193,348	$ 14,181,018	$ 12,630,732	$ 12,630,732	$ 12,757,039
Frings Benefits (Non-MD)	2,820,259	3,259,568	2,709,226	$ 2,709,226	$ 2,736,318
Physician Fees/Salaries/Contracts/Fringes	509,844	467,063	467,063	$ 467,063	$ 471,734
Health Care Provider Tax	623,996	622,604	622,604	$ 622,604	$ 628,830
Depreciation/Amortization	360,106	400,764	400,764	$ 400,764	$ 404,772
Interest	61,693	55,098	55,098	$ 55,098	$ 55,649
Other Operating Expense	7,909,883	6,675,863	7,079,825	$ 7,009,027	$ 7,079,117
Total Operating Expense	$ 24,479,129	$ 25,661,978	$ 23,965,312	$ 23,894,514	$ 24,133,459
Net Operating Income (Loss)	$ (1,403,482)	$ (1,701,128)	$ (2,107,068)	$ (1,015,027)	$ (725,177)
Non-Operating Revenue	1,502,003	1,936,300	4,322,904	1,955,663	1,975,220
Excess (Deficit) of Rev Over Exp	$ 98,521	$ 235,172	$ 2,215,836	$ 940,636	$ 1,250,042

[1] VNH's Fiscal Year is July - June

[2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT

TABLE 3B
INCOME STATEMENT
PROJECT ONLY

[1]	Latest Actual 2020	Budget 2021	[2] Annualized Year 1 2021	Proposed Year 2 2022	Proposed Year 3 2023
Revenues					
Inpatient Care Revenue	$ -	$ -	$ -	$ -	$ -
Outpatient Care Revenue	$ -	-	-	(1,009,719)	(908,747)
Chronic/Rehab Revenue	$ -	-	-	-	-
SNF/ECF Patient Care Revenue	$ -	-	-	-	-
Swing Beds Patient Care Revenue	$ -	-	-	-	-
Gross Patient Care Revenue		$ -	$ -	$ (1,009,719)	$ (908,747)
Disproportionate Share Payments	$ -	$ -	$ -	$ -	$ -
Free Care & Bad Debt	$ -	-	-	-	-
Deductions from Revenue	$ -	-	-	161,216	145,094
Net Patient Care Revenue	$ -	$ -	$ -	$ (848,503)	$ (763,653)
Other Operating Revenue	$ -	-	-	-	-
Total Operating Revenue	$ -	$ -	$ -	$ (848,503)	$ (763,653)
Operating Expense					
Salaries (Non-MD)	$ -	$ -	$ 231,689	$ 63,954	$ -
Frings Benefits (Non-MD)	$ -	-	72,460	13,110	-
Physician Fees/Salaries/Contracts/Fringe	$ -	-	-	-	-
Health Care Provider Tax	$ -	-	-	-	-
Depreciation/Amortization	$ -	-	-	-	-
Interest	$ -	-	-	-	-
Other Operating Expense	$ -	-	-		17,641
Total Operating Expense	$ -	$ -	$ 304,149	$ 77,064	$ 17,641
Net Operating Income (Loss)	$ -	$ -	$ (304,149)	$ (925,567)	$ (781,294)
Non-Operating Revenue	$ -	-	-	-	-
Excess (Deficit) of Rev Over Exp	$ -	$ -	$ (304,149)	$ (925,567)	$ (781,294)

[1] VNH's Fiscal Year is July - June

[2] [2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT

TABLE 3C
INCOME STATEMENT
WITH PROJECT

[1]	Latest Actual 2020	Budget 2021	[2] Annualized Year 1 2021	Proposed Year 2 2022	Proposed Year 3 2023
Revenues					
Inpatient Care Revenue	$ -	$ -	$ -	$ -	$ -
Outpatient Care Revenue	25,117,486	27,863,011	24,925,770	24,967,969	25,628,718
Chronic/Rehab Revenue	-	-	-	-	-
SNF/ECF Patient Care Revenue	-	-	-	-	-
Swing Beds Patient Care Revenue	-	-	-	-	-
Gross Patient Care Revenue	$ 25,117,486	$ 27,863,011	$ 24,925,770	$ 24,967,969	$ 25,628,718
Disproportionate Share Payments	$ -	$ -	$ -	$ -	$ -
Free Care & Bad Debt	(324,991)	(250,000)	(200,654)	(202,661)	(204,687)
Deductions from Revenue	(3,467,967)	(4,065,661)	(3,411,726)	(3,284,627)	(3,335,208)
Net Patient Care Revenue	$ 21,324,528	$ 23,547,350	$ 21,313,390	$ 21,480,682	$ 22,088,823
Other Operating Revenue	1,751,119	413,500	544,854	550,303	555,806
Total Operating Revenue	$ 23,075,647	$ 23,960,850	$ 21,858,244	$ 22,030,984	$ 22,644,629
Operating Expense					
Salaries (Non-MD)	$ 12,193,348	$ 14,181,018	$ 12,862,421	$ 12,694,686	$ 12,757,039
Frings Benefits (Non-MD)	2,820,259	3,259,568	2,781,686	2,722,336	2,736,318
Physician Fees/Salaries/Contracts/Fringe	509,844	467,063	467,063	467,063	471,734
Health Care Provider Tax	623,996	622,604	622,604	622,604	628,830
Depreciation/Amortization	360,106	400,764	400,764	400,764	404,772
Interest	61,693	55,098	55,098	55,098	55,649
Other Operating Expense	7,909,883	6,675,863	7,079,825	7,009,027	7,096,758
Total Operating Expense	$ 24,479,129	$ 25,661,978	$ 24,269,461	$ 23,971,578	$ 24,151,100
Net Operating Income (Loss)	$ (1,403,482)	$ (1,701,128)	$ (2,411,217)	$ (1,940,594)	$ (1,506,471)
Non-Operating Revenue	1,502,003	1,936,300	4,322,904	1,955,663	1,975,220
Excess (Deficit) of Rev Over Exp	$ 98,521	$ 235,172	$ 1,911,687	$ 15,069	$ 468,748

[1] VNH's Fiscal Year is July - June

[2] [2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT

TABLE 4A
BALANCE SHEET - UNRESTRICTED FUNDS
WITHOUT PROJECT

ASSETS	Latest Actual	Budget	[2] Annualized Year 1	Proposed Year 2	Proposed Year 3
[1]	2020	2021	2021	2022	2023
Current Assets					
Cash & Investments	$ 6,916,120	$ 5,214,992	$ 5,500,000	$ 3,284,973	$ 2,559,796
Patient Accounts Receivable, Gross	2,785,091	2,783,410	2,783,410	2,783,410	2,783,410
Less: Allowance for Uncollectable Accts.	(537,273)	537,273	537,273	537,273	537,273
Due from Third Parties	-	-	-	-	-
Other Current Assets	1,154,803	1,332,452	1,332,452	1,332,452	1,332,452
Total Current Assets	$ 10,318,741	$ 9,868,127	$ 10,153,135	$ 7,938,108	$ 7,212,931
Board Designated Assets					
Funded Depreciation	$ -	$ -	$ -	$ -	$ -
Escrowed Bond Funds					
Other					
Total Board Designated Assets	$ -	$ -	$ -	$ -	$ -
Property, Plant & Equipment					
Land, Buildings & Improvements	$ 3,204,771	$ 3,204,771	$ 3,204,771	$ 3,204,771	$ 3,204,771
Fixed Equipment	$ 2,816,892	3,068,892	2,866,892	3,041,892	3,066,892
Major Moveable Equipment					
Construction in Progress					
Total Property, Plant & Equipment	$ 6,021,663	$ 6,273,663	$ 6,071,663	$ 6,246,663	$ 6,271,663
Less: Accumulated Depreciation					
Land, Buildings & Improvements	$ (367,714)	$ (375,000)	$ (375,000)	$ (400,000)	$ (425,000)
Fixed Equipment	(2,232,613)	(2,607,767)	(2,607,767)	(2,966,767)	(3,325,767)
Major Moveable Equipment					
Total Accumulated Depreciation	$ (2,600,327)	$ (2,982,767)	$ (2,982,767)	$ (3,366,767)	$ (3,750,767)
Total Net Property, Plant & Equipment	$ 3,421,336	$ 3,290,896	$ 3,088,896	$ 2,879,896	$ 2,520,896
Other Long-Term Assets	$ 21,616,956	$ 23,553,256	$ 25,939,860	$ 27,895,523	$ 29,870,743
TOTAL ASSETS	**$ 35,357,033**	**$ 36,712,279**	**$ 39,181,891**	**$ 38,713,527**	**$ 39,604,569**
LIABILITIES AND FUND BALANCE					
Current Liabilities					
Accounts Payable	$ 1,199,597	$ 1,198,106	$ 1,198,106	$ 1,198,106	$ 1,198,106
Salaries, Wages & Payroll Taxes Payable	1,483,285	1,483,285	1,483,285	1,483,285	1,483,285
Estimated Third-Party Settlements	-				
Other Current Liabilities	1,830,869	1,830,869	1,830,869	630,869	630,869
Current Portion of Long-Term Debt	70,667	72,364	72,364	74,102	75,881
Total Current Liabilities	$ 4,584,418	$ 4,584,624	$ 4,584,624	$ 3,386,362	$ 3,388,141
Long-Term Debt					
Bonds & Mortgages Payable	$ -	$ -	$ -	$ -	$ -
Capital Lease Obligations	92,400	92,400	92,400	92,400	92,400
Other Long-Term Debt	2,489,477	2,417,078	2,417,078	2,342,926	2,267,095
Total Long-Term Debt	$ 2,581,877	$ 2,509,478	$ 2,509,478	$ 2,435,326	$ 2,359,495
Total Other Non-Current Liabilities	$ -	$ -	$ -	$ -	$ -
Total Liabilities	$ 7,166,295	$ 7,094,102	$ 7,094,102	$ 5,821,688	$ 5,747,636
Fund Balance	$ 28,190,737	$ 29,618,177	$ 32,087,789	$ 32,891,839	$ 33,856,933
TOTAL LIABILITIES & FUND BALANCE	**$ 35,357,032**	**$ 36,712,279**	**$ 39,181,891**	**$ 38,713,527**	**$ 39,604,569**

[1] VNH's Fiscal Year is July - June
[2] [2] Annualized represnts actual July - December numbers projected through 12 months

NOTE: When completing this table make entries in the shaded fields only.

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT
TABLE 4B
BALANCE SHEET - UNRESTRICTED FUNDS
PROJECT ONLY

ASSETS [1]	**Latest Actual 2020**	**Budget 2021**	[2] **Annualized Year 1 2021**	**Proposed Year 2 2022**	**Proposed Year 3 2023**
Current Assets					
Cash & Investments	$ -	$ -	$ (173,340)	$ (1,223,165)	$ (108,889)
Patient Accounts Receivable, Gross	$ -	-			
Less: Allowance for Uncollectable Accts.	$ -	-			
Due from Third Parties	$ -	-			
Other Current Assets	-	-	-	-	-
Total Current Assets	$ -	$ -	$ (173,340)	$ (1,223,165)	$ (108,889)
Board Designated Assets					
Funded Depreciation	$ -	$ -	$ -	$ -	$ -
Escrowed Bond Funds	$ -	-			
Other	-	-			
Total Board Designated Assets	-	$ -	$ -	$ -	$ -
Property, Plant & Equipment					
Land, Buildings & Improvements	$ -	$ -	$ -	$ -	$ -
Fixed Equipment	$ -	-			
Major Moveable Equipment	$ -	-			
Construction in Progress	-	-	338,361	4,713,893	417,914
Total Property, Plant & Equipment	$ -	$ -	$ 338,361	$ 4,713,893	$ 417,914
Less: Accumulated Depreciation					
Land, Buildings & Improvements	$ -	$ -	$ -	$ -	$ -
Fixed Equipment	$ -	-			
Major Moveable Equipment	-	-			
Total Accumulated Depreciation	$ -	$ -	$ -	$ -	$ -
Total Net Property, Plant & Equipment	$ -	$ -	$ 338,361	$ 4,713,893	$ 417,914
Other Long-Term Assets	-	$ -	$ -	$ -	$ -
TOTAL ASSETS	$ -	**$ -**	**$ 165,021**	**$ 3,490,728**	**$ 309,025**
LIABILITIES AND FUND BALANCE					
Current Liabilities					
Accounts Payable	$ -	$ -	$ -	$ -	$ -
Salaries, Wages & Payroll Taxes Payable	$ -	-	-	-	-
Estimated Third-Party Settlements	$ -	-	-	-	-
Other Current Liabilities	$ -	-	-	-	-
Current Portion of Long-Term Debt	-	-	-	-	-
Total Current Liabilities	$ -	$ -	$ -	$ -	$ -
Long-Term Debt					
Bonds & Mortgages Payable	$ -	$ -	$ -	$ -	$ -
Capital Lease Obligations	$ -	-	-	-	-
Other Long-Term Debt	-	-	-	-	-
Total Long-Term Debt	$ -	$ -	$ -	$ -	$ -
Total Other Non-Current Liabilities	-	$ -	$ -	$ -	$ -
Total Liabilities	$ -	$ -	$ -	$ -	$ -
Fund Balance	-		$ 469,170	$ 3,567,794	$ 326,666
TOTAL LIABILITIES & FUND BALANCE	$ -	**$ -**	**$ 469,170**	**$ 3,567,794**	**$ 326,666**

[1] VNH's Fiscal Year is July - June
[2] [2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT

TABLE 4C
BALANCE SHEET - UNRESTRICTED FUNDS
WITH PROJECT

ASSETS	Latest Actual 2020 [1]	Budget 2021	[2] Annualized Year 1 2021	Proposed Year 2 2022	Proposed Year 3 2023
Current Assets					
Cash & Investments	$ 6,916,120	$ 5,214,992	$ 5,326,660	$ 2,061,808	$ 2,450,907
Patient Accounts Receivable, Gross	2,785,091	2,783,410	2,783,410	2,783,410	2,783,410
Less: Allowance for Uncollectable Accts.	(537,273)	537,273	537,273	537,273	537,273
Due from Third Parties	-	-	-	-	-
Other Current Assets	1,154,803	1,332,452	1,332,452	1,332,452	1,332,452
Total Current Assets	$ 10,318,741	$ 9,868,127	$ 9,979,795	$ 6,714,943	$ 7,104,042
Board Designated Assets					
Funded Depreciation	$ -	$ -	$ -	$ -	$ -
Escrowed Bond Funds	-	-	-	-	-
Other	-	-	-	-	-
Total Board Designated Assets	$ -	$ -	$ -	$ -	$ -
Property, Plant & Equipment					
Land, Buildings & Improvements	$ 3,204,771	$ 3,204,771	$ 3,204,771	$ 3,204,771	$ 3,204,771
Fixed Equipment	2,816,892	3,068,892	2,866,892	3,041,892	3,066,892
Major Moveable Equipment	-	-	-	-	-
Construction in Progress	-	-	338,361	4,713,893	417,914
Total Property, Plant & Equipment	$ 6,021,663	$ 6,273,663	$ 6,410,024	$ 10,960,556	$ 6,689,577
Less: Accumulated Depreciation					
Land, Buildings & Improvements	$ (367,714)	$ (375,000)	$ (375,000)	$ (400,000)	$ (425,000)
Fixed Equipment	(2,232,613)	(2,607,767)	(2,607,767)	(2,966,767)	(3,325,767)
Major Moveable Equipment	-	-	-	-	-
Total Accumulated Depreciation	$ (2,600,327)	$ (2,982,767)	$ (2,982,767)	$ (3,366,767)	$ (3,750,767)
Total Net Property, Plant & Equipment	$ 3,421,336	$ 3,290,896	$ 3,427,257	$ 7,593,789	$ 2,938,810
Other Long-Term Assets	$ 21,616,956	$ 23,553,256	$ 25,939,860	$ 27,895,523	$ 29,870,743
TOTAL ASSETS	**$ 35,357,033**	**$ 36,712,279**	**$ 39,346,912**	**$ 42,204,255**	**$ 39,913,594**
LIABILITIES AND FUND BALANCE					
Current Liabilities					
Accounts Payable	$ 1,199,597	$ 1,198,106	$ 1,198,106	$ 1,198,106	$ 1,198,106
Salaries, Wages & Payroll Taxes Payable	1,483,285	1,483,285	1,483,285	1,483,285	1,483,285
Estimated Third-Party Settlements	-	-	-	-	-
Other Current Liabilities	1,830,869	1,830,869	1,830,869	630,869	630,869
Current Portion of Long-Term Debt	70,667	72,364	72,364	74,102	75,881
Total Current Liabilities	$ 4,584,418	$ 4,584,624	$ 4,584,624	$ 3,386,362	$ 3,388,141
Long-Term Debt					
Bonds & Mortgages Payable	$ -	$ -	$ -	$ -	$ -
Capital Lease Obligations	92,400	92,400	92,400	92,400	92,400
Other Long-Term Debt	2,489,477	2,417,078	2,417,078	2,342,926	2,267,095
Total Long-Term Debt	$ 2,581,877	$ 2,509,478	$ 2,509,478	$ 2,435,326	$ 2,359,495
Total Other Non-Current Liabilities	$ -	$ -	$ -	$ -	$ -
Total Liabilities	$ 7,166,295	$ 7,094,102	$ 7,094,102	$ 5,821,688	$ 5,747,636
Fund Balance	$ 28,190,737	$ 29,618,177	$ 32,556,959	$ 36,459,633	$ 34,183,599
TOTAL LIABILITIES & FUND BALANCE	**$ 35,357,032**	**$ 36,712,279**	**$ 39,651,061**	**$ 42,281,321**	**$ 39,931,235**

[1] VNH's Fiscal Year is July - June
[2] [2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT
TABLE 5A
STATEMENT OF CASH FLOWS
WITHOUT PROJECT

[1]	Latest Actual 2020	Budget 2021	[2] Annualized Year 1 2021	Proposed Year 2 2022	Proposed Year 3 2023
Beginning Cash	**$ 5,652,468**	**$ 6,879,647**	**$ 5,178,520**	**$ 5,463,528**	**$ 3,248,501**
Operations					
Excess revenues over expenses	98,521	235,172	2,215,836	940,636	1,250,042
Depreciation / Amortization	360,107	400,764	400,764	400,764	404,772
(Increase)/Decrease Patient A/R	760,849	(1,072,865)	-	-	-
(Increase)/Decrease Other Changes	678,264	(177,443)	-	(1,198,262)	1,779
Subtotal Cash from Operations	**$ 1,897,741**	**$ (614,372)**	**$ 2,616,600**	**$ 143,138**	**$ 1,656,593**
Investing Activity					
Capital Spending					
Capital					
Capitalized Interest					
Change in accum depr less depreciation		(18,324)	(400,764)	(16,764)	(20,772)
(Increase) Decrease in capital assets	(487,193)	(252,000)	202,000	(175,000)	(25,000)
Subtotal Capital Spending	$ (487,193)	$ (270,324)	$ (198,764)	$ (191,764)	$ (45,772)
(Increase) / Decrease					
Funded Depreciation		-	-	-	-
Other LT assets & escrowed bonds & other		(1,936,300)	(2,386,604)	(1,955,663)	(1,975,220)
Subtotal (Increase) / Decrease	$ -	$ (1,936,300)	$ (2,386,604)	$ (1,955,663)	$ (1,975,220)
Subtotal Cash from Investing Activity	**$ (487,193)**	**$ (2,206,624)**	**$ (2,585,368)**	**$ (2,147,427)**	**$ (2,020,991)**
Financing Activity					
Debt (increase) decrease					
Bonds & mortgages		-	-	-	-
Repayment	(59,624)				
Capital lease & other long term debt	-	(72,399)	-	(74,152)	(75,831)
Subtotal Cash from Financing Activity	**$ (59,624)**	**$ (72,399)**	**$ -**	**$ (74,152)**	**$ (75,831)**
Other Changes (please describe)					
Manual adjustment	425,232				
Other	(548,977)				
Change in fund balance less net income		1,192,268	253,776	(136,586)	(284,948)
Other					
Subtotal Other Changes	**$ (123,745)**	**$ 1,192,268**	**$ 253,776**	**$ (136,586)**	**$ (284,948)**
Net Increase (Decrease) in Cash	**$ 1,227,179**	**$ (1,701,127)**	**$ 285,008**	**$ (2,215,027)**	**$ (725,177)**
Ending Cash	**$ 6,879,647**	**$ 5,178,520**	**$ 5,463,528**	**$ 3,248,501**	**$ 2,523,324**
Edit	($36,473)	($36,472)	($36,472)	($36,472)	($36,472)

[1] VNH's Fiscal Year is July - June
[2] Annualized represnts actual July - December numbers projected through 12 months

NOTE: This table requires no 'fill-in' as it automatically populates from Tables 4B, 5A and 5B.

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT
TABLE 5B
STATEMENT OF CASH FLOWS
PROJECT ONLY

[1]	Latest Actual 2020	Budget 2021	[2] Annualized Year 1 2021	Proposed Year 2 2022	Proposed Year 3 2023
Beginning Cash	**$ -**	**$ -**	**$ -**	**$ 130,809**	**$ (1,146,099)**
Operations					
Excess revenues over expenses	$ -	-	(304,149)	(925,567)	(781,294)
Depreciation / Amortization	$ -	-	-	-	-
(Increase)/Decrease Patient A/R	$ -	-	-	-	-
(Increase)/Decrease Other Changes	$ -	-	-	-	-
Subtotal Cash from Operations	**$ -**	**$ -**	**$ (304,149)**	**$ (925,567)**	**$ (781,294)**
Investing Activity					
Capital Spending					
Capital	$ -				
Capitalized Interest	$ -				
Change in accum depr less depreciation	$ -	-	-	-	-
(Increase) Decrease in capital assets	$ -	-	(338,361)	(4,375,532)	4,295,979
Subtotal Capital Spending	$ -	$ -	$ (338,361)	$ (4,375,532)	$ 4,295,979
(Increase) / Decrease					
Funded Depreciation	$ -	-	-	-	-
Other LT assets & escrowed bonds & other	$ -	-	-	-	-
Subtotal (Increase) / Decrease	$ -	$ -	$ -	$ -	$ -
Subtotal Cash from Investing Activity	**$ -**	**$ -**	**$ (338,361)**	**$ (4,375,532)**	**$ 4,295,979**
Financing Activity					
Debt (increase) decrease					
Bonds & mortgages	$ -	-	-	-	-
Repayment	$ -				
Capital lease & other long term debt	-	-	-	-	-
Subtotal Cash from Financing Activity	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Other Changes (please describe)					
Manual adjustment	$ -				
Other	$ -				
Change in fund balance less net income	$ -	-	773,319	4,024,191	(2,459,834)
Other	$ -				
Subtotal Other Changes	**$ -**	**$ -**	**$ 773,319**	**$ 4,024,191**	**$ (2,459,834)**
Net Increase (Decrease) in Cash	**$ -**	**$ -**	**$ 130,809**	**$ (1,276,908)**	**$ 1,054,851**
Ending Cash	**$ -**	**$ -**	**$ 130,809**	**$ (1,146,099)**	**$ (91,248)**
Edit		$ -	$ 304,149	$ 77,066	$ 17,641

[1] VNH's Fiscal Year is July - June
[2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT

TABLE 5C
STATEMENT OF CASH FLOWS
WITH PROJECT

[1]	Latest Actual 2020	Budget 2021	[2] Annualized Year 1 2021	Proposed Year 2 2022	Proposed Year 3 2023
Beginning Cash	**$ 5,652,468**	**$ 6,879,647**	**$ 5,178,520**	**$ 5,594,337**	**$ 2,102,402**
Operations					
Excess revenues over expenses	98,521	235,172	1,911,687	15,069	468,748
Depreciation / Amortization	360,107	400,764	400,764	400,764	404,772
(Increase)/Decrease Patient A/R	760,849	(1,072,865)	-	-	-
(Increase)/Decrease Other Changes	678,264	(177,443)	-	(1,198,262)	1,779
Subtotal Cash from Operations	**$ 1,897,741**	**$ (614,372)**	**$ 2,312,451**	**$ (782,429)**	**$ 875,299**
Investing Activity					
Capital Spending					
Capital	-	-	-	-	-
Capitalized Interest	-	-	-	-	-
Change in accum depr less depreciation	-	(18,324)	(400,764)	(16,764)	(20,772)
(Increase) Decrease in capital assets	(487,193)	(252,000)	(136,361)	(4,550,532)	4,270,979
Subtotal Capital Spending	$ (487,193)	$ (270,324)	$ (537,125)	$ (4,567,296)	$ 4,250,207
(Increase) / Decrease					
Funded Depreciation	-	-	-	-	-
Other LT assets & escrowed bonds & other	-	(1,936,300)	(2,386,604)	(1,955,663)	(1,975,220)
Subtotal (Increase) / Decrease	$ -	$ (1,936,300)	$ (2,386,604)	$ (1,955,663)	$ (1,975,220)
Subtotal Cash from Investing Activity	**$ (487,193)**	**$ (2,206,624)**	**$ (2,923,729)**	**$ (6,522,959)**	**$ 2,274,988**
Financing Activity					
Debt (increase) decrease					
Bonds & mortgages	-	-	-	-	-
Repayment	(59,624)	-	-	-	-
Capital lease & other long term debt	-	(72,399)	-	(74,152)	(75,831)
Subtotal Cash from Financing Activity	**$ (59,624)**	**$ (72,399)**	**$ -**	**$ (74,152)**	**$ (75,831)**
Other Changes (please describe)					
Manual adjustment	425,232	-	-	-	-
Other	(548,977)	-	-	-	-
Change in fund balance less net income	-	1,192,268	1,027,095	3,887,605	(2,744,782)
Other	-	-	-	-	-
Subtotal Other Changes	**$ (123,745)**	**$ 1,192,268**	**$ 1,027,095**	**$ 3,887,605**	**$ (2,744,782)**
Net Increase (Decrease) in Cash	**$ 1,227,179**	**$ (1,701,127)**	**$ 415,817**	**$ (3,491,935)**	**$ 329,674**
Ending Cash	**$ 6,879,647**	**$ 5,178,520**	**$ 5,594,337**	**$ 2,102,402**	**$ 2,432,076**
Edit	$ (36,473)	$ (36,472)	$ 267,677	$ 40,593	$ (18,831)

[1] VNH's Fiscal Year is July - June
[2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT

TABLE 6A
REVENUE SOURCE PROJECTIONS
WITHOUT PROJECT

[1]	Latest Actual 2020	% of Total	Budget 2021	% of Total	[2] Annualized Year 1 2021	% of Total	Proposed Year 2 2022	% of Total	Proposed Year 3 2023	% of Total
Gross Inpatient Revenue										
Medicare		#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Medicaid		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Commercial		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Self Pay		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Free Care / Bad Debt		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Other		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Gross Outpatient Revenue										
Medicare	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Medicaid	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Commercial	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Self Pay	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Free Care / Bad Debt	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Other	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Gross Other Revenue										
Medicare	$ 15,408,387	62.1%	$ 17,497,688	63.4%	$ 15,151,564	60.8%	$ 15,903,080	61.7%	$ 16,362,110	62.1%
Medicaid	5,263,324	21.2%	5,830,374	21.1%	5,289,044	21.2%	$ 5,341,934	20.7%	$ 5,395,354	20.5%
Commercial	3,550,807	14.3%	3,653,061	13.2%	3,811,264	15.3%	$ 3,849,377	14.9%	$ 3,887,870	14.8%
Self Pay	894,968	3.6%	881,888	3.2%	874,552	3.5%	$ 883,298	3.4%	$ 892,130	3.4%
Free Care / Bad Debt	(324,991)	-1.3%	(250,000)	-0.9%	(200,654)	-0.8%	$ (202,661)	-0.8%	$ (204,687)	-0.8%
Other	-	0.0%		0.0%		0.0%		0.0%		0.0%
	$ 24,792,495	100.0%	$ 27,613,011	100.0%	$ 24,925,770	100.0%	$ 25,775,028	100.0%	$ 26,332,778	100.0%
Gross Patient Revenue										
Medicare	$ 15,408,387	62.1%	$ 17,497,688	63.4%	15,151,564	60.8%	$ 15,903,080	61.7%	$ 16,362,110	62.1%
Medicaid	5,263,324	21.2%	5,830,374	21.1%	5,289,044	21.2%	5,341,934	20.7%	5,395,354	20.5%
Commercial	3,550,807	14.3%	3,653,061	13.2%	3,811,264	15.3%	3,849,377	14.9%	3,887,870	14.8%
Self Pay	894,968	3.6%	881,888	3.2%	874,552	3.5%	883,298	3.4%	892,130	3.4%
Free Care / Bad Debt	(324,991)	-1.3%	(250,000)	-0.9%	(200,654)	-0.8%	(202,661)	-0.8%	(204,687)	-0.8%
Other	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	$ 24,792,495	100.0%	$ 27,613,011	100.0%	$ 24,925,770	100.0%	$ 25,775,028	100.0%	$ 26,332,778	100.0%
Deductions from Revenue										
Medicare	$ 465,157	13.4%	$ 509,641	12.5%	$ 6,254	0.2%	$ 6,317	0.2%	$ 6,380	0.2%
Medicaid	2,307,524	66.5%	2,860,187	70.3%	2,514,062	73.7%	$ 2,539,203	73.7%	$ 2,564,595	73.7%
Commercial	672,075	19.4%	683,093	16.8%	884,230	25.9%	$ 893,072	25.9%	$ 902,003	25.9%
Self Pay	23,211	0.7%	12,740	0.3%	7,180	0.2%	$ 7,252	0.2%	$ 7,324	0.2%
Free Care / Bad Debt	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Other	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	$ 3,467,967	100.0%	$ 4,065,661	100.0%	$ 3,411,726	100.0%	$ 3,445,843	100.0%	$ 3,480,302	100.0%
Net Patient Revenue										
Medicare	$ 14,943,230	70.1%	$ 16,988,047	72.1%	$ 15,145,310	70.4%	$ 15,896,763	71.2%	$ 16,355,731	71.6%
Medicaid	2,955,800	13.9%	2,970,187	12.6%	2,774,982	12.9%	2,802,732	12.6%	2,830,759	12.4%
Commercial	2,878,732	13.5%	2,969,968	12.6%	2,927,034	13.6%	2,956,304	13.2%	2,985,867	13.1%
Self Pay	871,757	4.1%	869,148	3.7%	867,372	4.0%	876,046	3.9%	884,806	3.9%
Free Care / Bad Debt	(324,991)	-1.5%	(250,000)	-1.1%	(200,654)	-0.9%	(202,661)	-0.9%	(204,687)	-0.9%
Other	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
DSP*	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	$ 21,324,528	100.0%	$ 23,547,350	100.0%	$ 21,514,044	100.0%	$ 22,329,184	100.0%	$ 22,852,476	100.0%

[1] VNH's Fiscal Year is July - June
[2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT

TABLE 6B
REVENUE SOURCE PROJECTIONS
PROJECT ONLY

[1]	Latest Actual 2020	% of Total	Budget 2021	% of Total	[2] Annualized Year 1 2021	% of Total	Proposed Year 2 2022	% of Total	Proposed Year 3 2023	% of Total
Gross Inpatient Revenue										
Medicare	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Medicaid	N/A		-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Commercial	N/A		-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Self Pay	N/A		-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Free Care / Bad Debt	N/A		-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Other	N/A		-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Gross Outpatient Revenue										
Medicare	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Medicaid	N/A		-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Commercial	N/A		-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Self Pay	N/A		-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Free Care / Bad Debt	N/A		-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Other	N/A		-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Gross Other Revenue										
Medicare	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ (1,009,719)	100.0%	$ (908,747)	100.0%
Medicaid	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Commercial	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Self Pay	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Free Care / Bad Debt	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Other	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ (1,009,719)	100.0%	$ (908,747)	100.0%
Gross Patient Revenue										
Medicare	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ (1,009,719)	100.0%	$ (908,747)	100.0%
Medicaid	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Commercial	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Self Pay	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Free Care / Bad Debt	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Other	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ (1,009,719)	100.0%	$ (908,747)	100.0%
Deductions from Revenue										
Medicare	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ (161,216)	100.0%	$ (145,094)	100.0%
Medicaid	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Commercial	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Self Pay	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Free Care / Bad Debt	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Other	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ (161,216)	100.0%	$ (145,094)	100.0%
Net Patient Revenue										
Medicare	N/A		$ -	#DIV/0!	$ -	#DIV/0!	$ (848,503)	100.0%	$ (763,653)	100.0%
Medicaid	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Commercial	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Self Pay	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Free Care / Bad Debt	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
Other	N/A		-	#DIV/0!	-	#DIV/0!	-	0.0%	-	0.0%
DSP*	N/A		N/A		N/A		N/A		N/A	
			$ -	#DIV/0!	$ -	#DIV/0!	$ (848,503)	100.0%	$ (763,653)	100.0%

[1] VNH's Fiscal Year is July - June

[2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
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TABLE 6C
REVENUE SOURCE PROJECTIONS
WITH PROJECT

[1]	Latest Actual 2020	% of Total	Budget 2021	% of Total	[2] Annualized Year 1 2021	% of Total	Proposed Year 2 2022	% of Total	Proposed Year 3 2023	% of Total
Gross Inpatient Revenue										
Medicare	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Medicaid	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Commercial	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Self Pay	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Free Care / Bad Debt	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Other	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Gross Outpatient Revenue										
Medicare	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Medicaid	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Commercial	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Self Pay	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Free Care / Bad Debt	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Other	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!	$ -	#DIV/0!
Gross Other Revenue										
Medicare	$ 15,408,387	62.1%	$ 17,497,688	63.4%	$ 15,151,564	60.8%	$ 14,893,361	60.1%	$ 15,453,363	60.8%
Medicaid	5,263,324	21.2%	5,830,374	21.1%	5,289,044	21.2%	5,341,934	21.6%	5,395,354	21.2%
Commercial	3,550,807	14.3%	3,653,061	13.2%	3,811,264	15.3%	3,849,377	15.5%	3,887,870	15.3%
Self Pay	894,968	3.6%	881,888	3.2%	874,552	3.5%	883,298	3.6%	892,130	3.5%
Free Care / Bad Debt	(324,991)	-1.3%	(250,000)	-0.9%	(200,654)	-0.8%	(202,661)	-0.8%	(204,687)	-0.8%
Other	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	$ 24,792,495	100.0%	$ 27,613,011	100.0%	$ 24,925,770	100.0%	$ 24,765,309	100.0%	$ 25,424,031	100.0%
Gross Patient Revenue										
Medicare	$ 15,408,387	62.1%	$ 17,497,688	63.4%	$ 15,151,564	60.8%	$ 14,893,361	60.1%	$ 15,453,363	60.8%
Medicaid	5,263,324	21.2%	5,830,374	21.1%	5,289,044	21.2%	5,341,934	21.6%	5,395,354	21.2%
Commercial	3,550,807	14.3%	3,653,061	13.2%	3,811,264	15.3%	3,849,377	15.5%	3,887,870	15.3%
Self Pay	894,968	3.6%	881,888	3.2%	874,552	3.5%	883,298	3.6%	892,130	3.5%
Free Care / Bad Debt	(324,991)	-1.3%	(250,000)	-0.9%	(200,654)	-0.8%	(202,661)	-0.8%	(204,687)	-0.8%
Other	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	$ 24,792,495	100.0%	$ 27,613,011	100.0%	$ 24,925,770	100.0%	$ 24,765,309	100.0%	$ 25,424,031	100.0%
Deductions from Revenue										
Medicare	$ 465,157	13.4%	$ 509,641	12.5%	$ 6,254	0.2%	$ (154,899)	-4.7%	$ (138,714)	-4.2%
Medicaid	2,307,524	66.5%	2,860,187	70.3%	2,514,062	73.7%	2,539,203	77.3%	2,564,595	76.9%
Commercial	672,075	19.4%	683,093	16.8%	884,230	25.9%	893,072	27.2%	902,003	27.0%
Self Pay	23,211	0.7%	12,740	0.3%	7,180	0.2%	7,252	0.2%	7,324	0.2%
Free Care / Bad Debt	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Other	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	$ 3,467,967	100.0%	$ 4,065,661	100.0%	$ 3,411,726	100.0%	$ 3,284,627	100.0%	$ 3,335,208	100.0%
Net Patient Revenue										
Medicare	$ 14,943,230	70.1%	$ 16,988,047	72.1%	$ 15,145,310	70.4%	$ 15,048,260	70.1%	$ 15,592,078	70.6%
Medicaid	2,955,800	13.9%	2,970,187	12.6%	2,774,982	12.9%	2,802,732	13.0%	2,830,759	12.8%
Commercial	2,878,732	13.5%	2,969,968	12.6%	2,927,034	13.6%	2,956,304	13.8%	2,985,867	13.5%
Self Pay	871,757	4.1%	869,148	3.7%	867,372	4.0%	876,046	4.1%	884,806	4.0%
Free Care / Bad Debt	(324,991)	-1.5%	(250,000)	-1.1%	(200,654)	-0.9%	(202,661)	-0.9%	(204,687)	-0.9%
Other	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
DSP*	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
	$ 21,324,528	100.0%	$ 23,547,350	100.0%	$ 21,514,044	100.0%	$ 21,480,681	100.0%	$ 22,088,823	100.0%

[1] VNH's Fiscal Year is July - June

[2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT
TABLE 7
UTILIZATION PROJECTIONS
TOTALS

A: WITHOUT PROJECT	Latest Actual	Budget	[2] Annualized	Proposed	Proposed
			Year 1	Year 2	Year 3
[1]		1	2	3	4
Inpatient Utilization					
Staffed Beds					
Admissions					
Patient Days					
Average Length of Stay					
Outpatient Utilization					
All Outpatient Visits	104,359	105,000	98,210	100,000	100,000
OR Procedures					
Observation Units					
Physician Office Visits					
Ancillary					
All OR Procedures					
Emergency Room Visits					
Adjusted Statistics					
Adjusted Admissions					
Adjusted Patient Days					

B: PROJECT ONLY	Latest Actual	Budget	Annualized	Proposed	Proposed
			Year 1	Year 2	Year 3
	0	1	2	3	4
Inpatient Utilization					
Staffed Beds	N/A	-	-	-	-
Admissions	N/A	-	-	-	-
Patient Days	N/A	-	-	-	-
Average Length of Stay	N/A	-	-	-	-
Outpatient Utilization	N/A				
All Outpatient Visits	N/A	-	-	-	-
OR Procedures	N/A	-	-	-	-
Observation Units	N/A	-	-	-	-
Physician Office Visits	N/A	-	-	-	-
Ancillary	N/A				
All OR Procedures	N/A	-	-	-	-
Emergency Room Visits	N/A	-	-	-	-
Adjusted Statistics	N/A		-	-	-
Adjusted Admissions	N/A	-	-	-	-
Adjusted Patient Days	N/A	-	-	-	-

C: WITH PROJECT	Latest Actual	Budget	Annualized	Proposed	Proposed
			Year 1	Year 2	Year 3
	0	1	2	3	4
Inpatient Utilization					
Staffed Beds	-				
Admissions	-	-	-	-	-
Patient Days	-	-	-	-	-
Average Length of Stay	-				
Outpatient Utilization					
All Outpatient Visits	104,359	105,000	98,210	100,000	100,000
OR Procedures	-	-	-	-	-
Observation Units	-	-	-	-	-
Physician Office Visits	-	-	-	-	-
Ancillary					
All OR Procedures	-	-	-	-	-
Emergency Room Visits	-	-	-	-	-
Adjusted Statistics					
Adjusted Admissions	-				
Adjusted Patient Days	-				

[1] VNH's Fiscal Year is July - June
[2] Annualized represnts actual July - December numbers projected through 12 months

VISITING NURSE AND HOSPICE FOR VERMONT & NEW HAMPSHIRE
A HEALTH INFORMATION TECHNOLOGY PROJECT
TABLE 9
STAFFING PROJECTIONS
TOTALS

A: WITHOUT PROJECT	Latest Actual	Budget	[2] Annualized Year 1	Proposed Year 2	Proposed Year 3
[1]		1	2	3	4
Non-MD FTEs					
Total General Services					
Total Inpatient Routine Services					
Total Outpatient Routine Services					
Total Ancillary Services					
Total Other Services	138.4	163.0	147.6	147.6	147.6
Total Non-MD FTEs	**138.4**	**163.0**	**147.6**	**147.6**	**147.6**
Physician FTEs	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**
Direct Service Nurse FTEs	**38.5**	**40.0**	**35.9**	**35.9**	**35.9**

B: PROJECT ONLY	Latest Actual	Budget	Annualized Year 1	Proposed Year 2	Proposed Year 3
	0	1	2	3	4
Non-MD FTEs					
Total General Services	0.0				
Total Inpatient Routine Services	0.0				
Total Outpatient Routine Services	0.0				
Total Ancillary Services	0.0				
Total Other Services	0.0		2.5	20.4	2.5
Total Non-MD FTEs	**0.0**	**0.0**	**2.5**	**20.4**	**2.5**
Physician Services	**0.0**				
Direct Service Nurse FTEs	**0.0**				

C: WITH PROJECT	Latest Actual	Budget	Annualized Year 1	Proposed Year 2	Proposed Year 3
	0	1	2	3	4
Non-MD FTEs					
Total General Services	0.0	0.0	0.0	0.0	0.0
Total Inpatient Routine Services	0.0	0.0	0.0	0.0	0.0
Total Outpatient Routine Services	0.0	0.0	0.0	0.0	0.0
Total Ancillary Services	0.0	0.0	0.0	0.0	0.0
Total Other Services	138.4	163.0	150.1	168.0	150.1
Total Non-MD FTEs	**138.4**	**163.0**	**150.1**	**168.0**	**150.1**
Physician Services	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**
Direct Service Nurse FTEs	**38.5**	**40.0**	**35.9**	**35.9**	**35.9**

[1] VNH's Fiscal Year is July - June
[2] Annualized represnts actual July - December numbers projected through 12 months

EXHIBIT 3

BerryDunn

VNH
VISITING NURSE and HOSPICE
for VERMONT and NEW HAMPSHIRE
Come home to excellent care.

CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

June 30, 2020 and 2019

With Independent Auditor's Report

BerryDunn

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Visiting Nurse Association and Hospice of Vermont
and New Hampshire, Inc. and Subsidiary

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Visiting Nurse Association and Hospice of Vermont and New Hampshire, Inc. and Subsidiary (VNH), which comprise the consolidated balance sheets as of June 30, 2020 and 2019, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles (U.S. GAAP); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of VNH as of June 30, 2020 and 2019, and the results of their operations, changes in their net assets and their cash flows for the years then ended, in accordance with U.S. GAAP.

Other Matters

Effect of Adopting New Accounting Standards

As discussed in Note 1, VNH adopted new accounting guidance, Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), FASB ASU No. 2018-08, *Clarifying the Scope of the Accounting Guidance for Contributions Received and Contributions Made*, and FASB ASU No. 2016-02, *Leases* (Topic 842) and related guidance. Our opinion is not modified with respect to these matters.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
October 27, 2020
VT Registration No. 92-0000278

VISITING NURSE ASSOCIATION AND HOSPICE OF VERMONT & NEW HAMPSHIRE, INC. AND SUBSIDIARY

Consolidated Balance Sheets

June 30, 2020 and 2019

ASSETS

	2020	2019
Current assets		
Cash and cash equivalents	**$ 6,784,988**	$ 5,630,006
Patient accounts receivable, net	**1,787,528**	2,225,464
Other receivables	**980,613**	194,910
Prepaid expenses	**345,451**	186,956
Total current assets	**9,898,580**	8,237,336
Assets limited as to use	**21,442,325**	20,880,279
Right-to-use assets	**92,400**	-
Intangible assets	**18,347**	73,343
Property and equipment, net	**3,421,337**	3,239,254
Total assets	**$ 34,872,989**	$ 32,430,212
Current liabilities		
Current portion of lease obligations	**$ 59,066**	**$ -**
Current portion of long-term debt	**70,667**	69,010
Accounts payable and accrued expenses	**1,195,612**	1,341,839
Accrued payroll and related expenses	**1,482,624**	1,099,562
Due to third-party payor	**1,200,000**	-
Deferred revenue	**150,683**	14,404
Total current liabilities	**4,158,652**	2,524,815
Lease obligations, excluding current portion	**33,334**	-
Long-term debt, excluding current portion	**2,489,477**	2,560,145
Total liabilities	**6,681,463**	5,084,960
Net assets (deficit)		
Without donor restrictions	**28,161,437**	27,312,918
With donor restrictions	**30,327**	30,327
Total net assets, controlling interest	**28,191,764**	27,343,245
Non-controlling interest in Owners Association	**(238)**	2,007
Total net assets	**28,191,526**	27,345,252
Total liabilities and net assets	**$ 34,872,989**	$ 32,430,212

The accompanying notes are an integral part of these consolidated financial statements.

VISITING NURSE ASSOCIATION AND HOSPICE OF VERMONT & NEW HAMPSHIRE, INC. AND SUBSIDIARY

Consolidated Statements of Operations

Years Ended June 30, 2020 and 2019

	2020	2019
Operating revenue		
Patient service revenue	**$ 21,306,032**	$ 22,521,266
Other operating revenue	**1,775,265**	542,568
Total operating revenue	**23,081,297**	23,063,834
Operating expenses		
Salaries and benefits	**15,490,240**	14,179,188
Other operating expenses	**8,561,923**	8,850,777
Depreciation and amortization	**360,106**	339,996
Interest expense	**61,693**	65,185
Total operating expenses	**24,473,962**	23,435,146
Operating loss	**(1,392,665)**	(371,312)
Other revenue (expense) and gains		
Municipal appropriations	**600,482**	546,388
Contributions	**324,587**	268,952
Fundraising expense	**(47,677)**	(57,427)
Investment income	**562,121**	524,396
Investment management fees	**(98,366)**	(101,593)
Change in fair value of investments	**147,792**	567,544
Net other revenue and gains	**1,488,939**	1,748,260
Excess of revenue over expenses	**96,274**	1,376,948
Net asset transfer from Dartmouth-Hitchcock	**750,000**	44,598
Change in net assets	**846,274**	1,421,546
Net revenue and gain (loss) attributable to non-controlling interest	**2,245**	(4,708)
Increase in net assets without donor restrictions and total net assets, controlling interest	**$ 848,519**	$ 1,416,838

The accompanying notes are an integral part of these consolidated financial statements.

VISITING NURSE ASSOCIATION AND HOSPICE OF VERMONT & NEW HAMPSHIRE, INC. AND SUBSIDIARY

Consolidated Statements of Changes in Net Assets

Years Ended June 30, 2020 and 2019

	Without Donor Restrictions, Controlling Interest	With Donor Restrictions, Controlling Interest	Without Donor Restrictions, Non-Controlling Interest	Total Net Assets
Balance, June 30, 2018	$ 25,896,080	$ 30,327	$ (2,701)	$ 25,923,706
Net asset transfer from Dartmouth-Hitchcock	44,598	-	-	44,598
Excess of revenue over expenses	1,372,240	-	4,708	1,376,948
Change in net assets	1,416,838	-	4,708	1,421,546
Balance, June 30, 2019	27,312,918	30,327	2,007	27,345,252
Net asset transfer from Dartmouth-Hitchcock	**750,000**	**-**	**-**	**750,000**
Excess of revenue over expenses	**98,519**	**-**	**(2,245)**	**96,274**
Change in net assets	**848,519**	**-**	**(2,245)**	**846,274**
Balance, June 30, 2020	**$ 28,161,437**	**$ 30,327**	**$ (238)**	**$ 28,191,526**

The accompanying notes are an integral part of these consolidated financial statements.

VISITING NURSE ASSOCIATION AND HOSPICE OF VERMONT & NEW HAMPSHIRE, INC. AND SUBSIDIARY

Consolidated Statements of Cash Flows

Years Ended June 30, 2020 and 2019

	2020	2019
Cash flows from operating activities		
Change in net assets	**$ 846,274**	$ 1,421,546
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	**360,106**	339,996
Change in fair value of investments	**(147,792)**	(567,544)
Net assets transferred from Dartmouth-Hitchcock	**(750,000)**	(44,598)
(Increase) decrease in the following assets		
Patient accounts receivable	**437,936**	435,670
Other receivables	**(785,703)**	62,884
Prepaid expenses	**(158,495)**	40,696
Increase (decrease) in the following liabilities		
Accounts payable and accrued expenses	**(146,227)**	454,294
Accrued payroll and related expenses	**383,062**	(129,324)
Due to third-party payor	**1,200,000**	-
Deferred revenue	**136,279**	(82,029)
Net cash provided by operating activities	**1,375,440**	1,931,591
Cash flows from investing activities		
Capital expenditures	**(486,554)**	(385,708)
Proceeds from sale of investments	**4,099,387**	2,569,529
Purchase of investments	**(4,514,280)**	(3,476,928)
Net cash used by investing activities	**(901,447)**	(1,293,107)
Cash flows from financing activities		
Principal payments on long-term borrowings	**(69,011)**	(67,380)
Net assets transferred from Dartmouth-Hitchcock	**750,000**	44,598
Net cash provided (used) by financing activities	**680,989**	(22,782)
Net increase in cash and cash equivalents	**1,154,982**	615,702
Cash and cash equivalents, beginning of year	**5,630,006**	5,014,304
Cash and cash equivalents, end of year	**$ 6,784,988**	$ 5,630,006
Supplemental disclosure		
Cash paid for interest	**$ 61,693**	$ 70,975

The accompanying notes are an integral part of these consolidated financial statements.

1. Summary of Significant Accounting Policies

Visiting Nurse Association and Hospice of Vermont and New Hampshire, Inc.

Visiting Nurse Association and Hospice of Vermont and New Hampshire, Inc. (VNH) is a non-profit corporation organized in Vermont. VNH's primary purpose is to provide and ensure equal and timely access to a comprehensive array of client-directed quality home health, hospice, and community-based services and to collaborate with others to improve the health and well-being of the individual, the family, and the community.

Help at Home, LLC

Help at Home, LLC (HAH) is a limited liability company organized in Vermont. HAH was created for the purpose of purchasing Kathy's Caregivers, Inc., a local private duty company.

88 Prospect Street Unit Owners Association, Inc.

On October 19, 2016, 88 Prospect Street Unit Owners Association, Inc. (88CA) was incorporated to manage the affairs of 88 Prospect Street Condominium. VNH has a 76.8% controlling interest in 88CA.

Affiliation

On July 16, 2016, VNH entered into an affiliation agreement with the Dartmouth-Hitchcock Health System. The mission of the affiliation is to create a fully integrated healthcare delivery system that optimizes the use of resources to enhance quality, outcomes and access to care, while reducing costs, delivering better value, and meeting the population health needs of the communities they serve. Upon the affiliation date, Dartmouth-Hitchcock Health System became the sole member of VNH.

Principles of Consolidation

The consolidated financial statements include the accounts of VNH, HAH, and 88CA, collectively. These agencies are referred to as the Association in the notes to the consolidated financial statements. VNH is the sole member of HAH and has a controlling interest in 88CA. All significant intercompany balances and transactions have been eliminated in consolidation.

Basis of Statement Presentation

The financial statements of the Association have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Association to report information regarding its financial position and activities according to the following net asset classification:

Net assets without donor restrictions, Controlling Interest: Net assets of VNH, HAH and the controlling interest of 88CA that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Association. These net assets may be used at the discretion of the Association's management and the Board of Directors.

Net assets without donor restrictions, Non-Controlling Interest: Net assets of the non-controlling portion of 88CA that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Association. These net assets may be used at the discretion of the Association's management and the Board of Directors.

Net assets with donor restrictions, Controlling Interest: Net assets of VNH, HAH and the controlling interest of 88CA that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions are to be met by actions of the Association or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of operations and changes in net assets.

Income Taxes

The Association is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, the Association is exempt from state and federal income taxes on income earned in accordance with their tax-exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Association’s tax positions and concluded that the Association has no unrelated business income or uncertain tax positions that require adjustment to the consolidated financial statements.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

The Association has cash deposits in a financial institution which exceed federal depository insurance limits. Management believes the financial institution has a strong credit rating and believes the credit risk related to these deposits is minimal.

Patient Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides a reserve for payment adjustments by analyzing past history and identification of trends for all funding sources in the aggregate. Management regularly reviews data about revenue in evaluating the sufficiency of the reserve which is netted against accounts receivable.

Investments

The Association reports investments at fair value, and has elected to report all gains and losses in the excess of revenue over expenses, to simplify the presentation of these accounts in the consolidated statements of operations, unless otherwise stipulated by the donor or State law.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the balance sheets.

Assets Limited as to Use

Assets limited as to use consist of assets designated by the Board or restricted by donors.

Intangible Assets

Intangible assets represent costs incurred to acquire Kathy's Caregivers, Inc.'s customer list net of accumulated amortization. The costs are amortized using the straight-line method over five years at $54,996 annually.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Maintenance, repairs, and minor renewals are expensed as incurred and renewals and betterments are capitalized. Provision for depreciation is computed using the straight-line method over the useful lives of the related assets.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Association reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Association reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Patient Service Revenue

Services to all patients are recorded as revenue when services are rendered at the estimated net realizable amounts from patients, third-party payors and others, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and in future periods as final settlements are determined. Patients unable to pay full charge, who do not have other third-party resources, are charged a reduced amount based on the Association's published sliding fee scale. Reductions in full charge are recognized when the service is rendered.

Performance obligations are determined based on the nature of the services provided by the Association. Revenue for performance obligations satisfied over time is recognized based on actual services rendered. Generally, performance obligations satisfied over time relate to patients receiving skilled and non-skilled services in their home or facility. The Association measures the period over which the performance obligation is satisfied from admission to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge.

Providers of home health services to clients eligible for Medicare home health benefits are paid on a prospective basis, with no retrospective settlement. The prospective payment is based on the scoring attributed to the acuity level of the client at a rate determined by federal guidelines. As the performance obligations for home health services are met, revenue is recognized based upon the portion of the transaction price allocated to the performance obligation. The transaction price is the prospective payment determined for the medically necessary services.

Providers of hospice services to clients eligible for Medicare hospice benefits are paid on a fee-for-service basis, with no retrospective settlement, provided the Association's aggregate annual Medicare reimbursement is below a predetermined aggregate capitated rate. Revenue is recognized as the services are performed based on the fixed rate amount. As the performance obligations for hospice services are met, revenue is recognized based upon the portion of the transaction price allocated to the performance obligation. The transaction price is the predetermined aggregate capitated rate per day.

Because all of the Association’s performance obligations relate to short-term periods of care, the Association has elected to apply the optional exemption provided in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Subtopic 606-10- 50-14 (a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified and reported as net assets without donor restrictions and reported in the statement of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same year as received are reflected as contributions without donor restrictions in the accompanying consolidated financial statements.

Newly Adopted Accounting Pronouncements

In 2020, the Association adopted FASB Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), and related guidance, which supersedes accounting standards that previously existed under U.S. GAAP and provides a single revenue model to address revenue recognition to be applied by all entities. Under the new standard, which added Topic 606 to the ASC, entities recognize revenue when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. ASU No. 2014-09 also requires entities to disclose additional information, including the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Association elected to adopt this ASU retrospectively with the cumulative effect recognized at the date of initial application; therefore, the financial statements and related notes have been presented accordingly. The adoption had no significant impact for the years ended June 30, 2020 and 2019.

In 2020, the Association also adopted FASB ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which clarifies and improves the accounting guidance for contributions received and contributions made. The amendments in this ASU assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of ASC Topic No. 958, *Not-for-Profit Entities*, or as exchange (reciprocal) transactions subject to other accounting guidance, and (2) distinguishing between conditional and unconditional contributions. This ASU was adopted by the Association for the year ended June 30, 2020. Adoption of the ASU did not have a material impact on the Association's financial reporting.

In 2020, the Association also adopted FASB ASU No. 2016-02, *Leases* (Topic 842), which FASB issued to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The core principle of Topic 842 is that a lessee should recognize the assets and liabilities that arise from leases. All leases create an asset and a liability for the lessee in accordance with FASB Concepts Statement No. 6, *Elements of Financial Statements*, and, therefore, recognition of those lease assets and lease liabilities represents an improvement over previous GAAP, which did not require lease assets and lease liabilities to be recognized for operating leases. The Association elected to adopt the guidance during 2020. Adoption of the ASU did not have a material impact on the Association's financial reporting.

Uncertainty

On March 11, 2020, the World Health Organization declared the Coronavirus disease (COVID-19), a global pandemic. In response to the global pandemic, The Centers for Medicare & Medicaid Services (CMS) implemented certain relief measures and also issued guidance for limiting the spread of COVID-19.

Local, U.S., and world governments have encouraged self-isolation to curtail the spread of COVID-19, by mandating the temporary shut-down of business in many sectors and imposing limitations on travel and the size and duration of group meetings. Many sectors are experiencing disruption to business operations and may feel further impacts related to delayed government reimbursement, volatility in investment returns, and reduced philanthropic support. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them.

The U.S. government has responded with several phases of relief legislation as a response to the COVID-19 outbreak. Legislation enacted into law on March 27, 2020, called the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), a statute to address the economic impact of the COVID-19 outbreak. The CARES Act, among other things, 1) authorizes emergency loans to distressed businesses by establishing, and providing funding, forgivable bridge loans, 2) provides additional funding for grants and technical assistance, 3) delays due dates for employer payroll taxes. The Association has received emergency grant funding under the CARES Act totaling $1,181,471 to offset the cost impact. It was determined that the conditions of the funding have been met, and the Association has reported the funds in other operating income on the consolidated statements of operations.

2. Availability and Liquidity of Financial Assets

As of June 30, 2020, the Association has working capital of $5,739,928 and average days (based on normal expenditures) cash and liquid investments on hand of 426, which includes cash and investments, net of restricted amounts.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses and capital acquisitions not financed with debt or restricted funds (unfunded capital expenditures), were as follows:

	2020	2019
Cash and cash equivalents, less due to third party payor	**$ 5,584,988**	$ 5,630,006
Patient accounts receivable, net	**1,787,528**	2,225,464
Financial assets available to meet cash needs for general expenditures and unfunded capital expenditures within one year	**$ 7,372,516**	$ 7,855,470

The Association also has a line of credit available to meet short-term needs. See Note 5 for information about this arrangement.

The Association manages their cash available to meet general expenditures following two guiding principles:

- Operating within a prudent range of financial soundness and stability; and
- Maintaining adequate liquid assets.

3. Investments and Assets Limited as to Use

Investments and assets limited as to use, stated at fair value, consisted of the following:

	2020	2019
Cash and cash equivalents	**$ 784,556**	$ 843,723
Corporate bonds	**2,460,606**	2,397,300
Common stock	**5,054,023**	4,884,714
Exchange-traded funds - bond funds	**3,231,961**	3,444,157
Exchange-traded funds - other	**9,736,261**	9,204,947
Real estate investment trust	**174,918**	105,438
Total investments and assets limited as to use	**$ 21,442,325**	$ 20,880,279

Fair Value of Financial Instruments

FASB ASC Topic 820, *Fair Value Measurement*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants and also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The fair value hierarchy within ASC Topic 820 distinguishes three levels of inputs that may be utilized when measuring fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair values of the Association's corporate bonds and real estate investment trust are measured based on Level 2 inputs. The fair value is determined annually based on quoted market prices of similar instruments.

The following table sets forth by level, within the fair value hierarchy, the Association's assets at fair value as of June 30, 2020 and 2019:

	Assets at Fair Value as of June 30, 2020		
	Level 1	Level 2	Total
Cash and cash equivalents	$ 784,556	$ -	$ 784,556
Corporate bonds	-	2,460,606	2,460,606
Common stock	5,054,023	-	5,054,023
Exchange-traded funds - bond funds	3,231,961	-	3,231,961
Exchange-traded funds - other	9,736,261	-	9,736,261
Real estate investment trust	-	174,918	174,918
Total	$ 18,806,801	$ 2,635,524	$ 21,442,325

	Assets at Fair Value as of June 30, 2019		
	Level 1	Level 2	Total
Cash and cash equivalents	$ 843,723	$ -	$ 843,723
Corporate bonds	-	2,397,300	2,397,300
Common stock	4,884,714	-	4,884,714
Exchange-traded funds - bond funds	3,444,157	-	3,444,157
Exchange-traded funds - other	9,204,947	-	9,204,947
Real estate investment trust	-	105,438	105,438
Total	$ 18,377,541	$ 2,502,738	$ 20,880,279

The composition of assets limited as to use consisted of:

	2020	2019
Designated by the governing Board	**$ 21,366,252**	$ 20,817,276
United States Department of Agriculture reserve account	**45,746**	32,676
With donor restrictions	**30,327**	30,327
Total assets limited as to use	**$ 21,442,325**	$ 20,880,279

Assets designated by the Board can be withdrawn for purposes approved by the Board. Investment income earned on assets with donor restrictions is expended when earned unless otherwise stipulated by the donor.

4. Property and Equipment

Property and equipment consists of the following:

	2020	2019
Buildings	**$ 3,157,275**	$ 3,117,070
Land	**172,500**	172,500
Leasehold improvements	**111,852**	111,852
Furniture and equipment	**2,580,037**	2,119,028
Construction in progress	**-**	14,020
Total	**6,021,664**	5,534,470
Less accumulated depreciation	**(2,600,327)**	(2,295,216)
Property and equipment, net	**$ 3,421,337**	$ 3,239,254

5. Line of Credit

The Association has a $1,500,000 line of credit with a local bank expiring August 1, 2022, collateralized by substantially all business assets, with interest at the Wall Street Journal daily prime rate with a floor of 4%. There was no outstanding balance at June 30, 2020 or 2019.

6. Long-Term Debt

Long-term debt consisted of the following:

	2020	2019
A mortgage note payable to the United States Department of Agriculture, collateralized by real estate located at 88 Prospect Street, White River Junction, Vermont. Monthly payments of $10,892 include principal and interest at 2.375%. The note is due in November 2046.	**$ 2,560,144**	$ 2,629,155
Less current portion	**70,667**	69,010
	$ 2,489,477	$ 2,560,145

Principal maturities of the above note over the next five years ending June 30 and thereafter are as follows:

2021	$ 70,667
2022	72,364
2023	74,102
2024	75,881
2025	77,703
Thereafter	2,189,427
Total	$ 2,560,144

7. Net Patient Service Revenue

Patient service revenue is as follows:

	2020	2019
Medicare	**$ 14,943,230**	$ 15,970,317
Medicaid	**2,955,804**	2,871,172
Other third-party payors and private pay	**3,406,998**	3,679,777
Total	**$ 21,306,032**	$ 22,521,266

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs. The Association believes that it is in substantial compliance with all applicable laws and regulations. However, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in patient service revenue in the year that such amounts become known.

The Association has a policy of providing healthcare services without charge to patients who are unable to pay. Such patients are identified based on financial information obtained from the patient and subsequent analysis. Since the Association does not expect payment, estimated charges for charity care are not included in revenue. The cost to provide such services is not considered material to the consolidated financial statements.

The Association also provides services to Medicaid and other services reimbursed by the State of Vermont (the State) at costs exceeding reimbursement, which the Association considers to be partial charity care. The Association estimates the loss from providing services to these patients to equal the difference between reimbursement received and the cost of providing these services using the Medicare cost report methodology. The cost of unreimbursed care incurred in these activities amounted to $1,382,495 and $1,309,848 for the years ended June 30, 2020 and 2019, respectively.

The Association was able to provide charity care through a combination of local community support. Local community support consisted of United Way, municipal appropriations, and contributions received directly from the general public.

In assessing collectability, the Association has elected the portfolio approach. This portfolio approach is being used as the Association has similar contracts with similar classes of patients. The Association reasonably expects that the effect of applying a portfolio approach to a group of contracts would not differ materially from considering each contract separately. Management's judgment to group the contracts by portfolio is based on the payment behavior expected in each portfolio category. As a result, management believes aggregating contracts (which are at the patient level) by the particular payor or group of payors results in the recognition of revenue approximating that which would result from applying the analysis at the individual patient level.

8. Retirement Plan

The Association sponsors a Tax Sheltered Annuity 403(b) Plan for their employees. The Association provides discretionary contributions based on the approved annual budget. Retirement contributions were $125,745 and $120,130 for the years ended June 30, 2020 and 2019, respectively.

9. Functional Expenses

The Association provides various services to residents within its geographic location. Expenses related to providing these services are as follows:

	2020	2019
Program services		
Salaries and benefits	**$13,199,234**	$12,082,086
Contract services	**3,692,489**	3,967,166
Program supplies	**1,342,024**	1,260,902
Medicaid tax	**624,921**	630,228
Other	**1,927,091**	1,963,149
Depreciation and amortization	**306,846**	289,711
Interest	**52,569**	55,544
Total program services	**21,145,174**	20,248,786
Administrative and general		
Salaries and benefits	**2,291,006**	2,097,102
Contract services	**640,910**	688,586
Other	**334,488**	340,746
Depreciation and amortization	**53,260**	50,285
Interest	**9,124**	9,641
Total administrative and general	**3,328,788**	3,186,360
Total	**$24,473,962**	$23,435,146

The Association uses Medicare cost reporting methodology for allocation of expenses between program services, administrative and general, and fundraising expenses.

10. Concentration of Risk

The Association grants credit without collateral to patients, most of whom are local residents in the towns served by the Association in Vermont and New Hampshire and are insured under third-party payor agreements. Following is a summary of accounts receivable by funding source at June 30, 2020:

Medicare	65 %
Medicaid	10 %
Other	25 %
Total	100 %

11. Malpractice Insurance

The Association insures medical malpractice risks on a claims-made basis. There were no known malpractice claims outstanding at June 30, 2020 which, in the opinion of management, will be settled for amounts in excess of insurance coverage, nor are there any unasserted claims or incidents which require loss accrual.

12. Home Health Provider Tax Expense

The State imposes an assessment on home health agencies annually.

The home health agency provider tax incurred was $624,921 and $630,228 for the years ended June 30, 2020 and 2019, respectively.

The basis for the future assessments will be 4.25% of the Association's net patient service revenues from certain home health services, as defined by the State. The Association's net patient service revenue from the state defined services was $14,753,177 for the year ended June 30, 2020.

13. Board of Directors Composition

The State's licensure regulations require a majority of the members of the Board of Directors or their family members to have received or be currently receiving services from the Association. The Association has met the licensure requirement.

14. Subsequent Events

For financial reporting purposes, subsequent events have been evaluated by management through October 27, 2020, which is the date the financial statements were available to be issued.

VISITING NURSE ASSOCIATION AND HOSPICE OF VERMONT & NEW HAMPSHIRE, INC. AND SUBSIDIARY

Consolidating Balance Sheet

June 30, 2020

ASSETS

	Visiting Nurse Association and Hospice of VT and NH, Inc.	Help at Home, LLC	88 Condo Association	Eliminations	Consolidated
Current assets					
Cash and cash equivalents	**$ 6,368,860**	**$ 407,666**	**$ 36,473**	**$ (28,011)**	**$ 6,784,988**
Patient accounts receivable, net	**1,697,718**	**89,810**	**-**	**-**	**1,787,528**
Other receivables	**1,259,276**	**-**	**141,640**	**(420,303)**	**980,613**
Prepaid expenses	**344,982**	**-**	**2,021**	**(1,552)**	**345,451**
Due from affiliates	**760,011**	**417,389**	**311,523**	**(1,488,923)**	**-**
Total current assets	**10,430,847**	**914,865**	**491,657**	**(1,938,789)**	**9,898,580**
Assets limited as to use	**21,442,325**	**-**	**-**	**-**	**21,442,325**
Right-to-use assets	**92,400**	**-**	**-**	**-**	**92,400**
Investment in subsidiary	**500,000**	**-**	**-**	**(500,000)**	**-**
Intangible assets	**-**	**18,347**	**-**	**-**	**18,347**
Property and equipment, net	**3,421,337**	**-**	**-**	**-**	**3,421,337**
Total assets	**$ 35,886,909**	**$ 933,212**	**$ 491,657**	**$(2,438,789)**	**$ 34,872,989**

VISITING NURSE ASSOCIATION AND HOSPICE OF VERMONT & NEW HAMPSHIRE, INC. AND SUBSIDIARY

Consolidating Balance Sheet (Concluded)

June 30, 2020

LIABILITIES AND NET ASSETS (DEFICIT)

	Visiting Nurse Association and Hospice of VT and NH, Inc.	Help at Home, LLC	88 Condo Association	Eliminations	Consolidated
Current liabilities					
Current portion of lease obligations	$ 59,066	$ -	$ -	$ -	$ 59,066
Current portion of long-term debt	70,667	-	9,891	(9,891)	70,667
Accounts payable and accrued expenses	1,193,295	-	1,491	826	1,195,612
Accrued payroll and related expenses	1,461,729	20,895	-	-	1,482,624
Due to third-party payor	1,200,000	-	-	-	1,200,000
Deferred revenue	150,683	-	-	-	150,683
Due to affiliates	728,912	720,299	39,712	(1,488,923)	-
Total current liabilities	4,864,352	741,194	51,094	(1,497,988)	4,158,652
Right-to-use obligations	33,334	-	-	-	33,334
Long-term debt, excluding current portion	2,489,477	-	441,591	(441,591)	2,489,477
Total liabilities	7,387,163	741,194	492,685	(1,939,579)	6,681,463
Net assets (deficit)					
Without donor restrictions	28,469,419	(307,982)	(790)	790	28,161,437
With donor restrictions	30,327	-	-	-	30,327
Paid in capital	-	500,000	-	(500,000)	-
Total net assets (deficit), controlling interest	28,499,746	192,018	(790)	(499,210)	28,191,764
Non-controlling interest in Owners Association	-	-	(238)	-	(238)
Total net assets (deficit)	28,499,746	192,018	(1,028)	(499,210)	28,191,526
Total liabilities and net assets (deficit)	$ 35,886,909	$ 933,212	$ 491,657	$ (2,438,789)	$ 34,872,989

VISITING NURSE ASSOCIATION AND HOSPICE OF VERMONT & NEW HAMPSHIRE, INC. AND SUBSIDIARY

Consolidating Statement of Operations

Year Ended June 30, 2020

	Visiting Nurse Association and Hospice of VT and NH, Inc.	Help at Home, LLC	88 Condo Association	Eliminations	Consolidated
Operating revenue					
Net patient service revenue	$ 20,526,657	$ 779,375	$ -	$ -	$ 21,306,032
Other operating revenue	1,751,119	18,498	24,341	(18,693)	1,775,265
Total operating revenue	22,277,776	797,873	24,341	(18,693)	23,081,297
Operating expenses					
Salaries and benefits	14,942,957	547,283	-	-	15,490,240
Other operating expenses	8,357,124	196,906	34,020	(26,127)	8,561,923
Depreciation	305,110	54,996	-	-	360,106
Interest expense	61,693	-	-	-	61,693
Total operating expenses	23,666,884	799,185	34,020	(26,127)	24,473,962
Operating loss	(1,389,108)	(1,312)	(9,679)	7,434	(1,392,665)
Other revenue (expense) and gains					
Municipal appropriations	600,482	-	-	-	600,482
Contributions	324,587	-	-	-	324,587
Fundraising expense	(47,677)			-	(47,677)
Investment income	562,121	-	-	-	562,121
Investment management fees	(98,366)			-	(98,366)
Change in fair value of investments	147,792	-	-	-	147,792
Net other revenue and gains	1,488,939	-	-	-	1,488,939
Excess (deficit) of revenue over expenses	99,831	(1,312)	(9,679)	7,434	96,274
Net asset transfer from Dartmouth-Hitchcock	750,000	-	-	-	750,000
Change in net assets	849,831	(1,312)	(9,679)	7,434	846,274
Net revenue and gain attributable to the non-controlling interest	-	-	2,245	-	2,245
Increase (decrease) in net assets without donor restrictions and total net assets, controlling interest	$ 849,831	$ (1,312)	$ (7,434)	$ 7,434	$ 848,519

Verification Under Oath

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re:	)	
	)	Docket No. GMCB-011-20con
	)	
	)	

Verification Under Oath to file with Certificate of Need Application, correspondence and additional information subsequent to filing an Application.

JOHANNA L. BELIVEAU, RN, being duly sworn, states on oath as follows:

1. My name is Johanna L. Beliveau. I am the President and CEO of Visiting Nurse and Hospice for Vermont and New Hampshire. I have reviewed the foregoing Certificate of Need Application.

2. Based on my personal knowledge and after diligent inquiry, I attest that the information contained in CON Application is true, accurate and complete, does not contain any untrue statement of a material fact, and does not omit to state a material fact.

3. My personal knowledge of the truth, accuracy and completeness of the information contained in the CON Application is based upon either my actual knowledge of the subject information or upon information reasonably believed by me to be true and reliable and provided to me by the individuals identified below in paragraph 4. Each of these individuals has also certified that the information they have provided is true, accurate and complete, does not contain any untrue statement of a material fact and does not omit to state a material fact.

4. The following individuals have provided information or documents to me in connection with the CON Application and each individual has certified, based either upon his or her actual knowledge of the subject information or, where specifically identified in such certification, based on information reasonably believed by the individual to be reliable, that the information or documents provided are true, accurate and complete, do not contain any untrue statement of a material fact, and do not omit to state a material fact:

   (a) Christine Apicella, Chief Finance and Operations Officer, Visiting Nurse and Hospice for Vermont and New Hampshire.
   (b) Mary Beth Eldridge, Director, Regional Information Systems Strategy, Dartmouth-Hitchcock Health.

5. In the event that the information contained in the CON Application becomes untrue, inaccurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board and to supplement the CON Application as soon as I

know, or reasonably should know, that the information or document has become untrue, inaccurate or incomplete in any material respect.

Johanna L. Beliveau, RN

On March 1, 2021, Johanna L. Beliveau, RN appeared before me and swore to the truth, accuracy and completeness of the foregoing.

Notary Public State of Vermont
Kristi Cooper
Commission
★No. 157.0012758★

Notary public
My commission expires January 31, 2023