

DELIVERED ELECTRONICALLY

March 31, 2021

Ms. Johanna Beliveau
Visiting Nurse and Hospice for Vermont and New Hampshire
88 Prospect St.
White River Junction, VT 05001

RE: Docket No. GMCB-011-20con, Visiting Nurse and Hospice for Vermont and New Hampshire. Replace Current Electronic Health Record and Related Information Technology Systems. Project Cost: \$5,869,024.

Dear Ms. Beliveau:

Thank you for the application received for the above referenced project. Please provide the following information:

Financial

1. Explain how you arrived at the 10% project contingency and explain your contingency plan if the 10% is exceeded. If implementation is not successful or exceeds the projected total project cost, address whether any borrowing or rate increases will be required.
2. The Financial Tables do not tie out to the Berry Dunn Audited Financial Statements for FY2020.
 - a. When comparing the audited financial statements to the Income Statement and Balance Sheet (Tables 3 A-C and 4 A-C) for 2020, explanations are needed as to the variances in the accounts. Also specify which subsidiaries are included or excluded in the application and in the financial tables submitted with the application.
 - b. VNH received a net asset transfer from DH-H in the amount of \$750,000. Explain if these transfers will continue and what the total dollar amounts will be over the period of the project. Explain whether these transfers will be net asset transfers or cash and investments.



3. There is no mention of a loan with DH-H or any subscription fees that might be assessed to VNH that would be associated with DH-H's contribution of 75% of the capital expenditures associated with the project. Please explain.
4. Please explain where the Net Asset Transfer (\$4.3 million) is reported on the financial tables from DH-H to VNH. Explain whether there is a cash transaction.
5. Tables 3A and 4A (without project) shows large balances in 2021 as Non-Operating Revenue on the Income Statement and Other Long-Term Assets and Fund Balance on the Balance Sheet, then in financial tables 3B,C and 4B,C (project only and with the project) for 2022 the Construction in Progress is reported to be \$4,713,893, and Cash and Investments is decreased by the VNH contribution of the project, but Other Long-Term Assets are not decreased by the amount of the asset and the Fund Balance seems to be overstated. Table 4B does not tie Total Assets and Total Liabilities and Fund Balance. Also, Table 4C does not tie out. The Depreciation costs are not accounted for in tables 3B & C as the asset should already be in use. Please explain, revise, and resubmit Tables 3A-C, 4A-C.
6. The associated net annual operating expense identified in the project's two-year projections is \$348,000. (p. 5, 12) Explain whether such costs are already included in all applicable tables. (See p.6 of application.) Specify the anticipated annual operating expenses related to Epic for 2024 and 2025.
7. Tables 3B-C (project only and with the project) and Tables 6B-C (project only and with the project) report decreases in gross revenue for FY2022 and FY2023 but Tables 7B- C (Utilization Projections), reflect no change in utilization with or without the project. Please explain the reasons for the projected decrease in gross revenues.
8. Tables 5A-C (Cash Flow) are showing an error edit at the bottom of each table, these edits should be zero. (pp. 30-32) Please explain, revise, and resubmit if corrections are needed.
9. Revenue by source on Tables 6 A and C are not tying to the Income Statement Tables 3A and C for FY2021. Please revise and resubmit.
10. Table 9, Staffing Projections, does not comport with the number of staff shown on page 7 of the application. Specify the number of staff currently dedicated to health information technology system, minus the 8-10 positions to be centralized to the D-HH system and the projected 25 positions to be dedicated to implement the project. Also, the staffing for the project years does not comport with the Table 3B-C salaries and fringe benefits for



FY2021-2023. Please explain, revise, and resubmit Tables 9 A-C, and 3 B- C and/or page 7 of the application.

11. Explain how the approximate three-month training period was determined and is adequate to train all staff working with the new system. Confirm that all training costs are included in the financial tables submitted. Also explain whether additional costs (and specify the dollars associated) are included in the total project cost for additional temporary staff to be on board while permanent staff are in training. If no additional temporary staff will be hired, please explain. Also, explain your contingency plan if additional staff does need to be hired when other dedicated HIT staff are in training.

Other

12. Provide a response to Statutory Criteria 9 regarding how the new system will facilitate this Criterion especially for patients who also require mental health services.
13. To be compliant with Vermont's Health Information Exchange, explain how this proposed technical upgrade will improve and facilitate sharing data outside of VNH's delivery network for patients who are seen by both Dartmouth staff and providers outside of the Dartmouth network.

In responding, restate the question in bold font and respond in unbolded font. Send an electronic copy to me at donna.jerry@vermont.gov and one hard copy (three-hole punched) with a Verification Under Oath to my attention at the Green Mountain Care Board, 144 State Street, Montpelier, Vermont 05602.

If you have any questions, please do not hesitate to contact me at 802-828-2918.

Sincerely,

s/ Donna Jerry
Senior Health Policy Analyst
Green Mountain Care Board

cc. Michael Barber
General Counsel

