

DELIVERED ELECTRONICALLY

May 7, 2021

Ms. Shireen Hart
Primmer, Piper, Eggleston & Cramer, PC
150 South Champlain St.
PO Box 1489
Burlington, VT 05402

**RE: Docket No. GMCB-004-21con, Proposed Renovations to Pine Heights at
Brattleboro Center for Nursing and Rehabilitation, Project Cost: \$3,877,496.**

Dear Ms. Hart:

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

Financial

1. Financing
 - a. Referring to Page 9 of the application. Please explain the relationship between HUD and M&T Bank Corp.in financing the project.
 - b. Revise and resubmit Table 2 to reflect the amount financed through the HUD loan or bank and specify the interest rate.
2. Financial Tables
 - a. Specify the beginning and ending date of each of the fiscal years represented on the financial tables submitted.
 - b. Explain whether the applicant reflected reduced revenues, utilization and any increased expenses due to the pandemic in Tables 6 and 7 A, B, C, and other affected financial tables.



- c. “A” Tables should reflect what the facility would budget *without the project*; “B” Tables should reflect *the project only*; and “C” Tables should reflect *the combination* of A plus B tables.
 - 1. Please revise and resubmit tables 6 A, B, C (revenue source projections; tables 7 A, B, C (utilization projections); and tables 9 A, B, C (staffing projections).

- d. Tables 6 A, B, C reflect \$1.1 million less in Gross Patient Revenue Budget/Forecasted in 2020 than in 2019, but deductions of \$800,000 more. Table 7 (Utilization) for 2020 is the same as 2019.
 - 1. Explain the assumptions for Gross Patient Revenue, Deductions and Utilization.
 - 2. Explain why revenues are increasing for 2021 but utilization for 2021 is down from 2019 and 2020.

- e. Tables 6 A, B, C reflect negative deductions for Medicare leading to a positive result in the table instead of deductions.
 - 1. Please explain if correct, or revise and resubmit if incorrect.

- f. Provide what was included in the calculations for the Medicaid rate adjustment of \$12.19 and explain how you arrived at this projection.

- g. Please explain what is represented by prior year settlements under *Other Revenue/Expenditures* on Income statements.

- h. Explain whether all displacement costs are included in the total project cost and in all affected financial tables.

Other

- 3. Will you be required to comply with the Uniform Relocation Act if you use the HUD funding? Do you have a Relocation Plan and Budget? If so, please provide.

- 4. Explain the extent to which you have communicated with residents and family members to make them aware of the scope of the renovations and temporary relocation of residents who reside on the affected floors.

- 5. The statutory criteria used on pages 14-17 are out-of-date. Please revise and resubmit. For your convenience, I have attached the current statutory language in a separate Word document which you can use when you resubmit.



6. Attachment 3: The document for MBH Architecture is dated July 18, 2012 and the scope of work only includes Floors 3 and 4. Floor 1, 3,950 square feet of renovation, is not included. Please explain or update and resubmit the documents in Attachment 3 to reflect the scope of work that includes the planned renovation work on Floor 1.
7. Page 10 of the application states “[a]ll expense assumptions are based on management’s best judgement about circumstances and conditions at the time these projections were prepared and are not all-inclusive.” Please explain dates when the projections you are referring to were prepared. Confirm that the total project cost is \$3,877,496 or provide an updated figure to include all expenses required to make the project fully operational and complete.
8. Attachment 5: The Stewart Construction quote and “Takeoff Worksheet” dated 10/09/19 shows a grand total Ext. Price of \$2,567,571.45 and required financial Table 1 shows renovation cost as \$2,738,166.
 - a. Please explain the difference and provide an updated and revised quote and “Takeoff Worksheet” and/or revise Table 1.
 - b. Confirm whether all costs required to make the scope of this project complete and fully operational are included in the total project cost. For example, page 1 of the Stewart Construction quote states they have considered the additional work on Floor 1 but also state that fans for the oxygen closets are not included in quote. Please explain.
9. Attachments 4 and 6 do not include any documents for Floor 1, only documents for Floors 3 and 4. Please explain and/or submit documents for Floor 1 for Attachments 4 and 6.

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 802-760-8162.

Sincerely,

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



cc. Michael Barber
General Counsel

