



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

July 8, 2021

RE: Letter of Intent to submit a CON Application for North Country Hospital

Dear Donna,

This Letter of Intent is pursuant to the Certificate of Need (CON) statute 18 V.S.A. 9440 (c) (2) (A).

North Country Hospital located at 189 Prouty Drive in Newport, Vermont intends to submit a CON Application for the construction of a new two-story addition and renovations to existing areas within the Hospital facility. The primary focus of the new addition and renovations is to consolidate and improve the present multi floor In-Patient Care Department, provide a larger Lab Department Area, and expand the Emergency Department due to their existing area constraints. Further descriptions and impact are outlined below, by area.

In-Patient Department

North Country Hospital is a Critical Care Access Hospital that presently includes the following areas of project interest and focus:

- Maternal Child Health Unit that includes 5 private beds in a 7,437 square foot area on the second floor.
- Medical/ Surgical Unit that includes 8 private beds and 18 semi-private rooms in a 11,158 square foot area on the third floor.
- The different floor levels and unit locations have caused significant inefficiencies for staff and other support functions.
- These areas are very outdated and do not meet current FGI Guidelines and other code requirements.

North Country Hospital's goal is to improve the current In-Patient staffing model, infection control, and patient experience by consolidating all in-patient beds to a single floor and put most of the patient beds into private rooms by:

- Expanding the front area of the building with a new two-story addition that will include approximately 12,967 square feet of consolidated In-Patient area. The second level of the new addition will be adjacent to what will be approximately 8,670 square feet of renovated space that will make the new In-Patient area a total of 21,637 square feet.
 - There will be 4 LDRP beds and 21 Acuity Adaptable beds provided in the In-Patient space.
 - There will be 5 Observation beds provided in the new space.
 - Locates the In-Patient Department on the second floor, closer to other day to day functions including the Med/Surg Department.
 - Providing within the new space improved layout and adjacencies to allow for shared staff and support functions due to the combined unit consolidation.
 - Providing an updated In-Patient area that meets present day codes.

Lab Department

North Country Hospital today has a highly active Lab Department that currently consists of:

- A multi-function Lab, storage and limited office and support space, all within an inefficiently laid out area of 3,850 square feet.
- The present Lab area and layout limits the ability to meet the demand for increased testing.

- The Lab area is outdated and does not meet current FGI Guidelines, Best Practice Standards and other code requirements.
- Lab access and adjacencies are causing staff and support function inefficiencies.

North Country Hospital would like to improve the present condition of the Lab Department by:

- Creating a Lab Department in the new addition that is 4,097 square feet
- Improve workflow efficiencies, functionality and patient and staff access to the lab in proposed addition.

Emergency Department

North Country Hospital presently has an Emergency Department that consists of:

- A total of 7,156 square feet
- Includes 7 treatment beds
- Was designed for an annual volume of 10,500.
- Presently serves approximately 17,200 patients annually

North Country Hospital would like to improve the Emergency Department by:

- Renovating the current ambulance garage into additional Emergency Department exam rooms.
- The renovated space will add approximately 1500 square feet to the Emergency Department allowing for added capacity, improved workflow efficiency, and improve patient safety and experience.

OT/PT Department

North Country Hospital presently has an PT/OT/ST Department in a separate "on campus" medical office building. Moving the PT/OT/ST Department to the third floor of the Hospital to infill the vacated third floor (by Med/Surg) will provide the following benefits:

- Create purpose for vacated Med/Surg space while also allowing future medical office space growth opportunity in the vacated PT/OT/ST
- Adjacencies to Hospital Departments such as inpatient PT/OT
- Provide for a consolidated and updated department area of 8,697 square feet
- Provide for a space that meets current FGI Guidelines, best practice standards, patient safety and experience and other applicable codes

Access, Canopies and Other

- The footprint needed for the Med Surg creates the opportunity to update the front patient entry access to the hospital.
- The new front entry, lobby and reception area will improve patient and visitor arrival.
- The front entry, lobby and reception area will centralize check in and provide greater security and controls.
- New entry canopies for the front entrance and the Emergency Department entrance will be provided to meet FGI Guidelines and other applicable codes and to enhance the arrival experience for patients and visitors.
- A new 656 square foot Emergency Department Corridor addition will be added to allow for direct access from the main lobby to the ED location.
- New Air handling unit for Surgical Area
- New roof replacement at the proposed renovated Lab Area

Planning Stage Sizes

- New Additions = 20,198 square feet
- Renovations = 21,994 square feet



Project Costs and Financing

The total project costs are projected to be \$22,000,000. This includes all hard and soft costs.

North Country Hospital is pursuing grant and alternative funding opportunities with a goal of receiving grant funds from various sources including:

- The New Market Tax Credit Program (approximately \$5,000,000 net)
- Community Development Block Grants (approximately \$500,000)
- U.S. Department of Commerce Economic Development Administration (\$1,000,000 to \$2,000,000)
- Northern Borders (approximately \$500,000)

The balance of the funding will either come from North Country Hospital equity or through low interest borrowing or a combination thereof.

Schedule

- Planning and Schematic Drawings—ongoing and completed August 1, 2021
- Submit Letter of Intent to CON Board Mid July 2021
- Submit CON Application August 2021
- CON approval January 2022
- Complete construction documents May 2022
- Bid construction documents June 2022
- Construction start July 2022
- Complete Construction September 2023

Please feel free to contact either Brian Nall or Steve Horton with any questions regarding the North Country Hospital Project. The contact information is as follows:

Brian Nall, President & CEO
North Country Hospital
189 Prouty Drive
Newport, VT 05855
802-334-3201
bnall@nchsi.org

Steve Horton, Owner's Representative
SHCCSI
PO Box 399
Walpole, NH 03608
603-313-9333
stevnhorton@gmail.com

Sincerely,

Brian Nall, President & CEO
North Country Hospital