
DELIVERED ELECTRONICALLY

August 19, 2021

Mr. A.J. LaRosa
MSK Attorneys
275 College St.
PO Box 4485
Burlington, VT 05406

RE: Docket No. GMCB-008-21con, Collaborative Surgery Center, Development of an Outpatient Surgery Center with Four Operating Rooms in Colchester. Project Cost: \$11,908,278.

Dear Mr. LaRosa:

Thank you for the application received for the above referenced project. Additional information is required to complete our review. At this time, please provide the following information:

1. In a table format, on an annual basis, provide the capacity (number of cases that can be performed given your assumptions), projected volume (number of cases), percent of capacity used and unused, and totals for each operating room (OR) 1, 2, 3 and 4 for Year 1, 2, 3 and 4 of operation and percent change (increase or decrease) from one year to the next. Provide a full set of assumptions that underlie the capacity and volume projections.
2. Explain whether there will be any procedure rooms in addition to the operating rooms. If yes, specify the number of procedure rooms.
3. Provide the analysis supporting the need for four ORs. Provide copies of all market and/or feasibility studies that were completed.
4. Provide any data you have that supports your references to backlogs of cases, wait times, wait lists.
5. Clarify whether CSC is seeking a CON to perform all procedures in orthopedic, dental, ENT and urology specialties allowed by CMS to be performed in an ASC or whether CSC seeks to offer all procedures approved by CMS to be performed in an ASC listed in



Exhibit 1. Confirm/explain whether the CMS list in Exhibit 1 is an exhaustive list of all procedures and surgeries approved by CMS in an outpatient setting.

6. It appears that there are no current dental terminology (CDT) codes and descriptions included in Exhibit 1. However, CSC has represented that dental will be one of the core specialties offered. Also explain the dental procedures that will be performed at CSC including whether the focus will be on adults, children or both.
7. Provide any data you have that supports the need for surgeries and procedures in the specialties of orthopedics, ENT, urology, dental, general surgery, plastic surgery, OB/GYN and podiatry.
8. Specify when you intend to enter into a participation agreement with one or more risk-bearing ACO(s) to receive fixed payment reimbursement in lieu of fee-for-service for patients attributed to your ACO and explain any contact you have had with any ACO to date.
9. Specify the extent of the service area you will reach, primary, secondary and tertiary.
10. Please define and explain what is meant by “distributable profits” that will go to the Foundation to be established for community distribution.
11. Explain what year of operation you expect to achieve sufficient revenues to allow distributable profits to be available and explain whether the distributable profits will be available to your entire service area(s) (primary, secondary, tertiary) or only Chittenden County.
12. On page 34 you have provided a table showing selected surgical cases to be regularly performed at CSC that are below the cost of those performed in a hospital outpatient (HOPD) setting. Clarify whether these rates are for facility fees only or also include professional fees charged.
13. As it is stated that most procedures will cost less than what would be charged in a HOPD, please show five representative procedures that will regularly be performed at CSC that will cost more than the same procedures performed in an HOPD setting. Please use the same format as the table on page 34 of your application. Clarify whether these rates are for facility fees only or also include professional fees.
14. Page 34: Explain the assumptions and how you arrived at projections for the annual rate of case growth of between five and eight percent.
15. Page 36: Provide copies of the policies and procedures in each of the areas shown that were not included in the Exhibits section of your submission.



16. Page 51: It is stated that CSC will share medical gas access, vacuum pump facility, and possibly generator capacities with Green Mountain Surgery Center (GMSC). Explain whether there has been an assessment to determine there is sufficient capacity for each of these resources to be shared. Provide copies of the operating agreement and associated costs to utilize these capacities. Confirm whether these costs are reflected in all applicable financial tables submitted with the application.
17. Explain whether CSC will require all physicians performing surgeries/procedures at CSC to sign a document agreeing to serve Medicaid patients.
18. Provide a separate list of all equipment for general use and by specialty, if specific to a specialty, that will be purchased and confirm that the equipment costs are included in financial Table 1 and specify the line item where each is included.
19. Address Statutory Criteria 2(D) regarding energy efficiency.
20. Regarding Statutory Criteria 7, specify the distance and minutes from the nearest bus stop to CSC.
21. Address Statutory Criteria 9 (supporting equal access to appropriate mental health care that meets standards of quality, access, and affordability equivalent to other components of health care as part of an integrated, holistic system of care).
22. Doors in the architectural drawings show three-foot wide doors. Explain whether you have considered wider doors to accommodate patients of size and larger wheelchairs. Accordingly, explain whether you have given consideration to chairs, stretchers and other equipment and furniture that may be used by patients of size.
23. Provide a more detailed explanation of how you arrived at payor mix projections for years 1, 2, and 3 of project operation.
24. Please explain the personal and financial connections, if any, between and among CSC, GMSC, Colchester Real Estate Company, LLC, and LR&W, LLC.
25. Do any CSC or GMSC owners or their family members have an interest in Colchester Real Estate Company, LLC or LR&W, LLC, or both? If so, please identify the members and provide a copy of the articles of organization and the operating agreement for the relevant LLC(s). In addition, if so, please provide a copy of the condominium documents, including the declaration and by-laws, for the property.
26. Provide copies of the option agreement, letter of intent, and lease agreement referenced on Page 27 of the application. Please explain the reason that the option and lease are contingent on the conditions of the CON.



27. Provide copies of all service and operating agreements with other entities.

28. Explain how CSC plans to recruit staff needed for CSC, given Vermont's workforce shortages in areas especially registered nurses, surgical techs, medical assistants.

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

