

Linda J. Cohen
E-mail: lcohen@dinse.com

October 19, 2021

VIA EMAIL - Donna.Jerry@vermont.gov

Donna Jerry, Senior Health Policy Analyst
Green Mountain Care Board
144 State Street
Montpelier, VT 05201

**Re: Docket No. GMCB-012-21con
Proposed Expansion of PATH**

Dear Ms. Jerry:

I write in response to your letter of July 14, 2021 to Michael Munson on behalf of PATH at Stone Summit. As we have discussed, I will be representing PATH in this matter. Thank you for the courtesy in allowing time for this response.

Enclosed please find, in response to items 1 and 2 in your letter, spreadsheets reflecting the actual operating and capital expenses of PATH from 2016-2019.

In response to question 5, on June 20, 2016, PATH submitted an updated narrative description that stated the program would initially accept four residents and planned to increase to eight. This was based on expected septic system limitations of ten and the expectation that two residents would be staff members. PATH was licensed for and operated at four beds through the end of August 2018. At that time, it sought license renewal and was granted a license for ten beds (initially the license said 6 in error which was corrected). PATH increased to ten beds in September 2018; however census has been at an average of 7-9 beds since that time.

It was in 2018 that PATH's operating costs increased, largely attributable to increased staffing for additional licensed beds. At the time they were not aware that the GMCB expected additional information about these changes. PATH intends to fully cooperate with the GMCB.

PATH seeks trade secret protection of the operating and capital expense information pursuant to that compilations of financial information, such as balance sheets, cash flow statements, revenue histories, assets and liabilities and retained earnings are trade secrets within the meaning of Vermont's Public Records Act. The information provided in the CON spreadsheets is the same as what has been found protected in the *Springfield* case.

Additionally, this is to advise that PATH has determined to continue with its July 2, 2021 expansion as proposed in that Letter of Intent. We believe that questions 3 and 4 in your July 14, 2021 letter referring to "each period below" are requests for the costs of that proposed expansion in 2021-2024, but ask that you confirm. With that clarification, PATH will prepare and submit the information.

Please do not hesitate to contact me should you have any questions.

Very truly yours,

s/Linda J. Cohen

Linda J. Cohen

Enclosures

cc: April Stein

Project & Operating Costs

Name of Project:	PATH at Stone Summit
Name of Organization	PATH at Stone Summit

Project Costs:	2016			
Construction Costs				
New Construction	\$0	\$0	\$0	\$0
Renovation	\$0	\$0	\$0	\$0
Site Work	\$0	\$0	\$0	\$0
Fixed Equipment	\$0	\$0	\$0	\$0
Design/Bidding Contingency	\$0	\$0	\$0	\$0
Construction Contingency	\$0	\$0	\$0	\$0
Construction Manager Fee	\$0	\$0	\$0	\$0
		\$0	\$0	\$0
	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Subtotal	\$ -	\$ -	\$ -	\$ -

Related Project Costs				
Major Moveable Equipment				
Furnishings, Fixtures & Other Equip.				
Architectural/Engineering Fees				
Land Acquisition				
Purchase of Buildings				
Administrative Expenses & Permits				
<i>Total Debt Financing Expenses (see below)</i>				
Debt Service Reserve Fund				
Working Capital				
Other (please specify)				
Subtotal				
Total Project Costs	\$ -	\$ -	\$ -	\$ -

Debt Financing Expenses				
Capital Interest	\$0			
Bond Discount or Placement Fee	\$0	\$0	\$0	
Misc. Financing Fees & Exp. (issuance costs)	\$0	\$0	\$0	
start up loan repayment	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	
Subtotal	\$0	\$0	\$0	
Less Interest Earnings on Funds				
Debt Service Reserve Funds	\$0	\$0	\$0	
Capitalized Interest Account	\$0	\$0	\$0	
Construction Fund	\$0	\$0	\$0	
Other (specify):	\$0	\$0	\$0	
	\$0	\$0	\$0	
Subtotal	\$0	\$0	\$0	
Total Debt Financing Expenses	\$0	\$0	\$0	
<i>feeds to Debt Financing Expenses above</i>				

Operating Costs (expenses):	2016 - ACTUAL			
Staffing Expenses				
Salaries per FTE	\$124,458			
Fringe Benefits/Health Insurance	\$24,580			
Professional Insurance	\$10,990			
Staff Travel	\$24,772			
Consultant costs & travel	\$10,305			
Subscriptions/Dues	\$0			
Workers comp insurance	\$820			
employment tax				
Operation Expenses				
Supplies/printing	\$0			
Depreciation	\$2,140			
Interest	\$4,504			
Advertising/Marketing/Printing	\$4,766			
Vehicle Expense/Auto Insurance	\$0			
Rent/Lease Expense	\$32,126			
Utilities/Telephone Expenses	\$0			
Computer/hardware/Software	\$1,680			
Building Maintenance and repair	\$294			
Property Taxes	\$0			
Legal Services	\$38,120			
Billing Services	\$0			
Security Services	\$117			
Resident Food and Supplies	\$11,341			
Resident Activities\Off-Site	\$500			
Other	\$151			
Total Operating Costs:	\$291,666			

Trade
Secret

	Capital Assets			
	1/1/2016	Additions	Deletions	12/31/2016
Capital Im	-	965	0	965
Furniture :	-	10,326	0	10,326
Software	-	2,555	0	2,555
	-	13,846	-	13,846
Accumulat	-	(2,019)	-	(2,019)
Net Book \	-			11,827

965	Goat Fence
566	office chairs
7,610	dining table and chairs
1,700	2 couches
450	Elliptical
10,326	
1,144	Apple laptop
250	used computer
262	Apple care
900	3 PCs
2,556	
13,846	

Trade Secret



Project & Operating Costs

Name of Project:	PATH at Stone Summit
Name of Organization	PATH at Stone Summit

Project Costs:	2017 Actuals	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Construction Costs				
New Construction	\$0	\$0	\$0	\$0
Renovation	\$0	\$0	\$0	\$0
Site Work	\$0	\$0	\$0	\$0
Fixed Equipment	\$0	\$0	\$0	\$0
Design/Bidding Contingency	\$0	\$0	\$0	\$0
Construction Contingency	\$0	\$0	\$0	\$0
Construction Manager Fee	\$0	\$0	\$0	\$0
		\$0	\$0	\$0
	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Subtotal	\$ -	\$ -	\$ -	\$ -

Related Project Costs	2017 Actuals	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Major Moveable Equipment	\$0	\$0	\$0	\$0
Furnishings, Fixtures & Other Equip.	\$0	\$0		
Architectural/Engineering Fees	\$0	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0	\$0
Purchase of Buildings	\$0	\$0	\$0	\$0
Administrative Expenses & Permits	\$0	\$0		
<i>Total Debt Financing Expenses (see below)</i>	<i>\$0</i>	<i>\$0</i>		
Debt Service Reserve Fund	\$0	\$0	\$0	\$0
Working Capital	\$0			
Other (please specify)	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0
Total Project Costs	\$ -	\$ -	\$ -	\$ -

Debt Financing Expenses				
Capital Interest	\$0			
Bond Discount or Placement Fee	\$0	\$0	\$0	\$0
Misc. Financing Fees & Exp. (issuance costs)	\$0	\$0	\$0	
start up loan repayment	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0
Less Interest Earnings on Funds				
Debt Service Reserve Funds	\$0	\$0	\$0	\$0
Capitalized Interest Account	\$0	\$0	\$0	\$0
Construction Fund	\$0	\$0	\$0	\$0
Other (specify):	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0
Total Debt Financing Expenses	\$0	\$0	\$0	\$0
<i>feeds to Debt Financing Expenses above</i>				

Operating Costs (expenses):	2017 Actuals	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Staffing Expenses				
Salaries per FTE	\$202,263			
Fringe Benefits/Health Insurance	\$36,037			
Professional Insurance	\$13,659			
Staff Travel	\$38,190			
Consultant costs & travel	\$53,075			
Subscriptions/Dues	\$238			
Workers comp insurance	\$2,256			
employment tax				
Operation Expenses				
Supplies/printing				
Depreciation	\$3,973			
Interest	\$7,951			
Advertising/Marketing/Printing	\$7,211			
Vehicle Expense/Auto Insurance	\$0			
Rent/Lease Expense	\$60,000			
Utilities/Telephone Expenses	\$1,849			

Trade
Secret

Computer/hardware/Software	\$978		
Building Maintenance and repair	\$28		
Property Taxes	\$0		
Legal Services	\$2,858		
Billing Services	\$0		
Security Services	\$1,761		
food/rec for residents	\$49,562		
Resident Activities Offsite	\$9,133		
Other	\$9,136		
Total Operating Costs:	\$500,158		

	Capital Assets			
	1/1/2017	Additions	Deletions	12/31/2017
Capital Improver	965	-	-	965
Furniture and Fix	10,326	-	-	10,326
Software	<u>2,555</u>	<u>320</u>	-	2,875
	13,846	320	-	14,166
Accumulated De	<u>(2,019)</u>	<u>(3,732)</u>	-	<u>(5,751)</u>
Net Book Value	<u><u>11,827</u></u>			<u><u>8,415</u></u>

320 HP laserjet

Trade Secret

Project & Operating Costs

Name of Project:	PATH at Stone Summit
Name of Organization	PATH at Stone Summit

Project Costs:	2018 - ACTUAL			
Construction Costs				
New Construction	\$0	\$0	\$0	\$0
Renovation	\$0	\$0	\$0	\$0
Site Work	\$0	\$0	\$0	\$0
Fixed Equipment	\$0	\$0	\$0	\$0
Design/Bidding Contingency	\$0	\$0	\$0	\$0
Construction Contingency	\$0	\$0	\$0	\$0
Construction Manager Fee	\$0	\$0	\$0	\$0
		\$0	\$0	\$0
	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Subtotal	\$ -	\$ -	\$ -	\$ -

Related Project Costs				
Major Moveable Equipment				
Furnishings, Fixtures & Other Equip.				
Architectural/Engineering Fees				
Land Acquisition				
Purchase of Buildings				
Administrative Expenses & Permits				
<i>Total Debt Financing Expenses (see below)</i>				
Debt Service Reserve Fund				
Working Capital				
Other (please specify)				
Subtotal				
Total Project Costs	\$ -	\$ -	\$ -	\$ -

Debt Financing Expenses				
Capital Interest	\$0			
Bond Discount or Placement Fee	\$0	\$0	\$0	
Misc. Financing Fees & Exp. (issuance costs)	\$0	\$0	\$0	
start up loan repayment	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	
Subtotal	\$0	\$0	\$0	
Less Interest Earnings on Funds				
Debt Service Reserve Funds	\$0	\$0	\$0	
Capitalized Interest Account	\$0	\$0	\$0	
Construction Fund	\$0	\$0	\$0	
Other (specify):	\$0	\$0	\$0	
	\$0	\$0	\$0	
Subtotal	\$0	\$0	\$0	
Total Debt Financing Expenses	\$0	\$0	\$0	
<i>feeds to Debt Financing Expenses above</i>				

Operating Costs (expenses):	2018 - ACTUAL			
Staffing Expenses				
Salaries per FTE	\$379,337			
Fringe Benefits/Health Insurance	\$80,567			
Professional Insurance	\$11,751			
Staff Travel	\$60,933			
Consultant costs & travel	\$97,644			
Subscriptions/Dues	\$1,239			
Workers comp insurance	\$3,585			
employment tax				
Operation Expenses				
Supplies/printing	\$0			
Depreciation	\$8,429			
Interest	\$11,190			
Advertising/Marketing/Printing	\$3,316			
Vehicle Expense/Auto Insurance	\$0			
Rent/Lease Expense	\$60,000			
Utilities/Telephone Expenses	\$4,554			
Computer/hardware/Software	\$3,639			
Building Maintenance and repair	\$0			
Property Taxes	\$0			
Legal Services	\$6,980			
Billing Services	\$0			
Security Services	\$3,885			
Resident Food and Supplies	\$58,608			
Resident Activities\Off-Site	\$37,526			
Other	\$0			
Total Operating Costs:	\$833,184			

Trade
Secret

	Capital Assets			
	1/1/2018	Additions	Deletions	12/31/2018
Capital Improvements	965	-	-	965
Furniture and Fixtures	10,326	5,826	-	16,152
Software	<u>2,875</u>	<u>-</u>	<u>-</u>	<u>2,875</u>
	14,166	5,826	-	19,992
Accumulated Depreciation	<u>(5,751)</u>	<u>(8,187)</u>	<u>-</u>	<u>(13,938)</u>
Net Book Value	<u><u>8,415</u></u>			<u><u>6,054</u></u>

4,556 Bennington Furniture - bunkbeds
158 desk
360 2 chairs
422 refrigerator
329 portable A/C
5,826

Trade Secret

Project & Operating Costs	
Name of Project:	PATH at Stone Summit
Name of Organization	PATH at Stone Summit

Project Costs:	2019 Actual	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Construction Costs				
New Construction	\$0	\$0	\$0	\$0
Renovation	\$0	\$0	\$0	\$0
Site Work	\$0	\$0	\$0	\$0
Fixed Equipment	\$0	\$0	\$0	\$0
Design/Bidding Contingency	\$0	\$0	\$0	\$0
Construction Contingency	\$0	\$0	\$0	\$0
Construction Manager Fee	\$0	\$0	\$0	\$0
		\$0	\$0	\$0
	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Subtotal	\$ -	\$ -	\$ -	\$ -

Related Project Costs	2019 Actual	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Major Moveable Equipment				
Furnishings, Fixtures & Other Equip.				
Architectural/Engineering Fees				
Land Acquisition				
Purchase of Buildings				
Administrative Expenses & Permits				
<i>Total Debt Financing Expenses (see below)</i>				
Debt Service Reserve Fund				
Working Capital				
Other (please specify)				
Subtotal	\$0	\$0	\$0	\$0

Total Project Costs	\$ -	\$ -	\$ -	\$ -
----------------------------	-------------	-------------	-------------	-------------

Debt Financing Expenses	2019 Actual	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Capital Interest	\$0			
Bond Discount or Placement Fee	\$0	\$0	\$0	\$0
Misc. Financing Fees & Exp. (issuance costs)	\$0	\$0	\$0	
start up loan repayment	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0

Less Interest Earnings on Funds	2019 Actual	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Debt Service Reserve Funds	\$0	\$0	\$0	\$0
Capitalized Interest Account	\$0	\$0	\$0	\$0
Construction Fund	\$0	\$0	\$0	\$0
Other (specify):	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0

Total Debt Financing Expenses	\$0	\$0	\$0	\$0
<i>feeds to Debt Financing Expenses above</i>				

Operating Costs (expenses):	2019 - Actual	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Staffing Expenses				
Salaries per FTE	\$405,635			
Fringe Benefits/Health Insurance	\$79,404			
Professional Insurance	\$16,103			
Staff Travel	\$60,468			
Consultant costs & travel	\$108,366			
Subscriptions/Dues	\$5,799			
Workers comp insurance	\$5,696			
employment tax	\$0			
Operation Expenses				
Supplies/printing	\$0			
Depreciation	\$4,855			
Interest	\$17,319			
Advertising/Marketing/Printing	\$7,974			
Vehicle Expense/Auto Insurance	\$0			
Rent/Lease Expense	\$60,000			
Utilities/Telephone Expenses	\$4,822			

Trade

Trade
Secret

Computer/hardware/Software	\$7,844		
Building Maintenance and repair	\$0		
Property Taxes	\$0		
Legal Services	\$45		
Billing Services	\$0		
Security Services	\$4,967		
Resident Food and Supplies	\$88,719		
Resident Activities\Off-Site	\$68,913		
Other	\$0		
Total Operating Costs:	\$946,927		

	Capital Assets			
	1/1/2019	Additions	Deletions	12/31/2019
Capital Improvements	965	-	-	965
Furniture and Fixtures	16,152	1,765	-	17,917
Software	<u>2,875</u>	<u>1,200</u>	-	4,075
	19,992	2,965	-	22,957
Accumulated Depreciation	<u>(13,938)</u>	<u>(4,613)</u>	-	<u>(18,551)</u>
Net Book Value	<u>6,054</u>			<u>4,406</u>

371	Blinds/hardware
277	Bedside tables
426	Desk
<u>691</u>	2 Chairs
1,765	
<u>1,200</u>	iPad
<u>2,965</u>	

Trade Secret