



By Electronic Mail

November 10, 2022

Donna Jerry
Senior Health Policy Analyst
Green Mountain Care Board
144 State Street
Montpelier, Vermont 05602
Donna.Jerry@Vermont.gov

Re: GMCB-011-22con; UVMHC Purchase of a da Vinci Xi Robotic Surgical System

Dear Donna:

This letter is in response to your October 28, 2022, request for information regarding UVMHC's purchase of a da Vinci Xi Robotic Surgical System.

1. Did UVMHC explore leasing the da Vinci Xi Robotic Surgical System? If not, please explain the reasons for not leasing the da Vinci system and provide the costs associated with leasing relative to purchasing the da Vinci system.

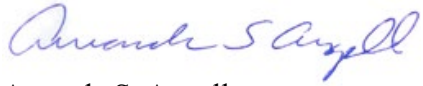
UVMHC generally purchases equipment rather than utilizing financial leases from our vendors or third-party lenders. The UVM Health Network Supply Chain team did explore vendor-financing options and evaluated the financial impacts of both leasing and purchasing.

- The lease finance option would cost \$2,321,714 over 60 months, with an estimated \$408,000 buy-out at the end of the lease term. This puts the five-year lease cost with buy-out at \$2.73M versus the \$2.45M to buy it outright.

Given the relatively modest cash investment for this instrument and the minimal impact on financial metrics to utilize cash, UVMHC made the decision to purchase the instrument rather than enter into a lease.

Please contact me if you have any questions concerning our responses.

Sincerely,



Amanda S. Angell
Assistant General Counsel

cc: Stephen Leffler, M.D.