VERIFICATION UNDER OATH

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: Kahm Clinic IOP-PHP
Eating Disorder Treatment Program
GMCB-009-21con

Verification Under Oath

Nicholas Kahm, being duly sworn, states on oath as follows:

1. I am the Chief Executive Officer of Kahm Clinic IOP-PHP, LLC. I have reviewed the Certificate of Need Application (Application) to begin an IOP-PHP eating disorder treatment program.

2. Based on my personal knowledge, and after diligent inquiry, I attest that the information contained in the Answers to First Set of Questions is true, accurate and complete and does not contain any untrue statement of a material fact, and does not omit to state a material fact.

3. My personal knowledge of the truth, accuracy and completeness of the information contained in the Application is based on my actual knowledge of the subject information or upon information reasonably believed to be true and reliable to me (for example information in published articles).

4. In the event that the information contained in the Application becomes untrue, in accurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board as soon as I know that the information or document has become untrue, inaccurate or incomplete in any material respect.

Nicholas Kahm

On February 15th 2022 Nicholas Kahm appeared before me and swore to the truth, accuracy and completeness of the foregoing.

Mary A Mead
Notary Public

My Commission expires 1-31-2023
Comm # 157.0000283

Program/Services

1. **Page 17-18: It is stated that Metabolic Testing Devices and Body Composition Devices are both useful in the treatment of eating disorders, noting that neither is widely used oravailable in the majority of hospitals.**
    a. **Explain in more detail the specific information generated from each device.**

The **Metabolic Test** measures the following:

Respiratory Quotient, RQ also known as the respiratory ratio (RQ), is defined as the volume of carbon dioxide released over the volume of oxygen absorbed during respiration. It is a dimensionless number used in a calculation for basal metabolic rate when estimated from carbon dioxide production to oxygen absorption.

Resting Energy Expenditure (REE, RMR) is the measurement of calories burned while in resting and fasted state.

The **Body Composition Analysis** Machines Measures the Following:

Resistance – the opposition to the flow of an electrical current. Higher TBW and LDM yield a lower Resistance, and higher Fat and dehydration yield a higher Resistance.

Reactance – measures the body's opposition to changes in the flow of an electrical current. Reactance is related to the capacitance of the cell membranes, and reflects integrity, function, and composition.

Phase Angle (PA) – PA reflects the relative contributions of fluid (resistance), and cellular membranes (capacitive reactive). It is calculated as the arc-tangent of Reactance over resistance, measured in degrees. Typical Phase Angles (NHANES human data) range between 4-9.

Fat – provides insulation, warmth, and energy storage, and is necessary for the absorption of many vitamins.

Fat Free Mass (FFM) – is also called Lean Body Mass, and is everything in your body, except Fat.

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Lean Dry Mass (LDM) – is what is left after subtracting all of the water from your Fat Free Mass.

Total Body Water (TBW) – is all of the water throughout your body, both inside and outside of your cells.

Intra-Cellular Water (ICW) – represents the amount of water inside your cells.

Extra-Cellular Water (ECW) – represents the amount of water outside of your cells.

Bone Mineral Content (BMC) – Bones are dynamic organs that include cells, blood vessels, collagen and mineral deposits. BMC is only an estimate of the minerals in the bones and does not represent the total weight of the skeleton. It is part of Fat-Free Mass.

Lean Soft Tissue (LST) – In the same way that LDM is the result of removing all water from Fat-Free Mass, Lean Soft Tissue is the result of subtracting Bone Mineral Content from Fat-Free mass. This includes your organs, muscles, connective and supportive tissues, as well as all of Total Body Water.

Skeletal Muscle Mass (SMM) – SMM are the muscles responsible for posture and movement.

b. **Identify each traditional treatment modality and how information from eachdevise is used and/or integrated into each treatment modality for eating disorders.**

Eating disorders are psychosomatic illnesses. Therapists work on the psychological roots of the eating disorder, and Dietitians work on its bodily problems, which are mainly caused by malnutrition. Therapists use different treatment modalities as helpful tools. Our dieticians use these medical machines as tools to help to cure malnutrition. Curing malnutrition makes therapy more effective: a starved brain cannot do the grueling therapeutic work required to get to the psychological root of the eating disorder. The machines are not used differently in each modality, but they make each modality more effective. It is physiological groundwork that enables the psychological work to be effective.

c. **Explain in detail if and how the same kinds of information generated by each device can be obtained through other means such as through lab work, including comprehensive metabolic panels etc. for use in eating disorder treatment for adults and adolescents. Address the costs and the pros and consof using these two devices to generate information relative**

to the cost of conducting lab work on a regular basis, including comprehensive metabolic panels, etc.

Metabolic panels are completely different than the metabolic test. They do not give the same information. The former is bloodwork, which PCPs will often prescribe for eating disorder patients to check dehydration and calcium, sodium, potassium, bicarbonate, chloride levels, etc. The metabolic test comes from breathing and it measures energy expenditure. The Body Composition analysis is through bioelectrical impedance and measures, most importantly, fat and lean tissue (see the full list above). As we noted in the application, we often have patients whose bloodwork from a metabolic panel is completely normal, but whose metabolic rate and lean mass are dangerously low. The metabolic test and body composition analysis are far better and more fundamental indicators of malnutrition and the severity of an eating disorder. The medical decision to recommend the metabolic panel depends on the particular case and whether it is medically necessary, but it is not something that needs to be used for all patients all the time. We often find that when their metabolic rate and lean tissue have returned to sufficient levels that the bloodwork then returns to normal. We will not hesitate to recommend a metabolic panel if medically necessary, of course.

d. **Explain in detail whether the IOP and PHP programs for adults and adolescents will also utilize regular lab work to include comprehensive metabolic panels. Explain how the results from lab work will be used the same or differently for treatment of adults and adolescents in the IOP and PHPprograms.**

See answer to c. above. Adolescents are no more likely that adults to need a metabolic panel.

e. **Confirm whether the existing Kahm Clinic currently leases the MetabolicTesting and the Body Composition devices.**

The machines are not leased but owned outright.

f. **Please include peer reviewed support for any assertion in the table below that a device is considered evidence-based practice.**

g. **Please complete the table below.**

	Metabolic Testing Device	**Body Composition Device**

Is the device considered an evidence-based practice? Yes or No.	As cited in the application, "Unfortunately, this technology is not available in the majority of the hospitals, because it requires skilled technicians and sophisticated methodologies that are costly and difficult to apply in standard clinical settings."[1] The authors say it is "unfortunate," because the evidence points to that this technology should be used more than it is in hospital settings, i.e., eating disorder treatment would be better if people were willing to invest in the machinery and their staff to be able to use it properly.	As noted in the original application, in terms of research, one article summarizing the literature on Body Composition Analysis (the technical name is Bioelectrical Impedance Analysis, BIA) concludes that "the literature indicates that the use of Bioelectrical Impedance Analysis (BIA) in eating disorder patients to be efficacious in determining body composition during the treatment period, and that only assessing weight changes does not necessarily reflect specific changes in various body compartments. Also, utilizing BIA has the advantage of using each patient as his/her own "control", potentially allowing for a more individualized nutrition regimen according to the body composition changes observed during treatment."[2]

[1] Marwan El Ghoch, Marta Alberti, Carlo Capelli, Simona Calugi, Riccardo Dalle Grave, "Resting Energy Expenditure in Anorexia Nervosa: Measured versus Estimated", Journal of Nutrition and Metabolism, vol. 2012, Article ID 652932, 6 pages, 2012. https://doi.org/10.1155/2012/652932. For more literature on eating disorders and metabolic testing see Compés, Cristina & Ruiz, A & Velasco, Cristina & Breton, Irene & Camblor, Miguel & García-Peris, "How accurate are predictive formulas calculating energy expenditure in adolescent patients with anorexia nervosa?", Clinical Nutrition, vol. 26, 6 pages, 2006. DOI: 10.1016/j.clnu.2006.09.001; Van Wymelbeke V, Brondel L, Marcel Brun J, Rigaud D. Factors associated with the increase in resting energy expenditure during refeeding in malnourished anorexia nervosa patients. Am J Clin Nutr. 2004 Dec;80(6):1469-77. doi: 10.1093/ajcn/80.6.1469. PMID: 15585757; Winter TA, O'Keefe SJ, Callanan M, Marks T. The effect of severe undernutrition and subsequent refeeding on whole-body metabolism and protein synthesis in human subjects. JPEN J Parenter Enteral Nutr. 2005 Jul-Aug;29(4):221-8. doi: 10.1177/0148607105029004221. PMID: 15961676. Included in the original application.

[2] Saladino CF. The efficacy of Bioelectrical Impedance Analysis (BIA) in monitoring body composition changes during treatment of restrictive eating disorder patients. J Eat Disord. 2014 Dec 4;2(1):34. doi: 10.1186/s40337-014-0034-y. PMID: 25485109; PMCID: PMC4258054. Article is included in the original application.

Average # of tests performed during treatment period for adults and adolescents and specify the number of months or weeks that comprise a treatment period for adults and adolescents.	Every 4-8 weeks.	Once or twice a week, depending on the case.
Average cost per test.	We are charging a flat fee of $100/week for both tests.	We are charging a flat fee of $100/week for both tests.
Is test covered by commercial insurance? If not, explain why.	We do not know and cannot say until we are credentialled and can negotiate with the insurance companies.	We do not know and cannot say until we are credentialled and can negotiate with the insurance companies.
If not covered by commercial insurance, does the patient self-pay? Please explain.	Yes. The patient will have to pay if insurance does not cover.	Yes. The patient will have to pay if insurance does not pay.
If patient refuses testing on device for financial or other reasons, will the Kahm Clinic IOP and PHP programs for adults and adolescents still agree to take the patient and/or continue to provide treatment to the patient using traditional modalities and lab work? Explain.	No, we will not see them if they refuse the testing. The testing is crucial to good treatment – it is not an optional a la carte part of treatment.	No, we will not see them if they refuse the testing. The testing is crucial to good treatment – it is not an optional a la carte part of treatment.

2. **Provide the resumes for key staff including specialized training and experience in eatingdisorder treatment for adults and adolescents.**

   We cannot hire staff until we have a CON so we cannot provide resumes. We have included one resume, our current dietitian, Elaina Efird, who would like to be on staff.

3. **Explain in detail the program and components for adolescents including IOP and PHP.**

   The basic structure and programming of adult and adolescent IOP are identical. But there are some significant differences. For one, the adolescent program needs a completely separate space, with a separate entrance and bathroom to keep the adults and adolescents separate. The timing of the programming will have to take into account the school schedule so that they can stay in school while in the IOP program. There is heavy family involvement in the IOP program, for instance, some of the group therapy meetings will include the parents.

4. **Explain why the program for adolescents does not start until year 3.**

While we estimate significant demand for an adolescent program, best practice of adolescent programs is to create physical separation from adult programs. This presents some logistical and operational challenges that we believe are best tackled after some experience with only the adult program. Additionally, in year three we should have sufficient cash on hand to finance the expansion.

5. **In a table format, provide a detailed IOP and PHP Treatment Schedule by hour for: a) adults and b) adolescents. (NOTE: Treatment Schedules were provided in the applicationfor IOP and PHP programs but it was not clear whether the schedules were only for the adult programs. Also, the IOP treatment schedule did not show treatment activities from 6:00 p.m. to 7:00 p.m.)**

   The programming is not different so there is no need for a different schedule. Different topics within the program will arise, of course, and the programing will be presented differently for adolescents as is appropriate for their age, but the structure is the same. The only difference on the IOP schedule that we included with the original application is that the CBT group would be a FBT group. (As Donna Jerry and I discussed on the phone previously, the 7-8pm time is a typo; it should read 6-7pm – my apologies).

6. **Family therapy is not reflected in the application for adult or adolescents. Please explain.**

   This is a mistake and oversight on our part. FBT will certainly be part of our adolescent treatment. There is considerable scholarly debate on its value for treating adults and because of this the emphasis of those programs will be CBT and DBT.

7. **Provide the age range for participants in the adult IOP and PHP programs.**

   18 and up

8. **Provide the age range for participants in the adolescent IOP and PHP programs.**

   12 to 17

9. **Explain whether the adult IOP and PHP and adolescent IOP and PHP programs will screen for depression, PTSD, substance use disorder, and borderline personality disorder.If not, please explain.**

   Yes, screening for these, and many other conditions, will be part of the intake, which seeks to establish a full medical picture of the patient.

10. **Explain if you have contacted Department of Vermont Health Access (DVHA) to discussa negotiated reimbursement schedule for IOP and PHP eating disorder treatment for adults and adolescents. If not, we strongly encourage you contact DVHA to determine whether an agreed upon rate could be negotiated. AHS.DVHAReimbursement@vermont.gov**

    I have reached out to Vermont Medicaid multiple times in the past and have not heard back. Thank you for the email address, they have responded and I will begin the negotiation process. I will notify the GMCB when there is progress.

Financial

11. **Tables 3B and 3C, Income Statement: In response to the first set of questions, it is represented that 2021-2022 expenses will increase by 15% across the board and 2023- 2024 physician fees, salaries, contracts will increase by 24% in 2023 and 27% in 2024.Please explain these rates of annual increase.**

    Before we decided to add the 15% increase in response to the current inflation, we were increasing wages by 5% annually. The reason the number jumps from 15% to 24% between year one and two is that in the first year we are hiring throughout the year as we need staff for more patients, i.e., we are not fully staffed through the whole year. Thus the jump from the first to the second year looks more jarring than it is.

12. **Tables 3B and 3C, Income Statement: Identify and explain what is being expensed in the"Other Operating Expense" line item and whether expenses include lease payments, insurance, utilities etc. and whether owners receive a salary or any compensation and specify the amounts in each year.**

    If you subtract wages, employee benefits, bad debts, and depreciation from the total expenses in the expense detail spreadsheet that was requested in the last round of questions you will have the "Other Operating Expense."

13. **Explain in much more detail the pro bono policy to be implemented in year 2. Provide acopy of the pro bono policy.**
    Tables 6B and 6C Revenue Sources: The pro bono projections must be included in thesetables under the Free Care line item. Please revise and resubmit these tables.

    Although we very much desire to implement a pro bono policy and provide equitable access to our services, given the lack of experience operating the program we are unable to commit to any particular policy at this time. It is our expectation that any policy will be founded on equity and measure resources available to pay for treatment (such as income, assets and expenses) as compared to cost of treatment to offer sliding scale accommodations. Additionally we would expect to set aside a budgeted sum annually.

14. **Confirm whether the lease of the Metabolic Testing Devise and Body Composition Device is an operating or capital lease and confirm the associated costs attributed to each and whether these costs are included in the financial tables submitted.**

    The arrangement between the existing Kahm Clinic and the IOP/PHP Programs will be in the nature of an operating lease, with the IOP/PHP paying a fair market value payment recognizing the acquisition, maintenance and operating costs of the machines and the rental cost of the space that they consume in the clinic, all as allocable to the portion of use that is made by the IOP/PHP Programs.

15. **Table 4B and 4C Balance Sheet: Explain whether the owner(s) expect to take back capitalinvestment and/or withdraw equity in any of the years shown.**

    The owner does not expect to take back capital investment or withdraw equity in any of the years shown.

16. **Tables 4B and 4C (Balance Sheet): Assets: If the equipment in line item titled, "Assets" is and an operating lease from the existing Kahm Clinic, this lease expense should not bereported on the Balance Sheet of the IOP/PHP it should only be reported as an operating expense on Table 3B and 3C Income Statement. Liabilities: The Balance Sheet reports no liabilities which is unrealistic. Please explain and resubmit.**

    There are no operating leases reflected in the assets on Tables 4B or 4C.

    We do realize that it looks odd that no liabilities are recorded however we are treating the expenses on the cash basis as it would be difficult to determine the amount of operating accounts payable and accrued wages at the end of each year. The real affect would only be in year one when they are recorded but it would be offset that cash would increase and felt the amount would be immaterial. There are no loans needed so nothing was recorded.

17. **Confirm whether dividends and working capital are reflected in Tables 4B and 4C. Pleaseexplain, revise and resubmit these tables as appropriate.**

    The other changes in fund balance less net income are the owner distributions equal to the estimated tax on net income.

Elaina Efird RDN, CD, CEDRD, CSSD

EXPERIENCE

Lead Dietitian, The Kahm Clinic; Burlington, VT **Aug 2017 Present**

- Outpatient treatment for individuals with eating disorders and athletes in various sports.
- Utilized Metabolic Testing to determine Resting Metabolic Rate (RMR) and substrate utilization. Provided follow-up consultations using Body Composition Analysis to determine best nutrition therapy approach.

Clinical Dietitian, UNC Center of Excellence for Eating Disorders; Chapel Hill, NC **Mar 2015 May 2017**

- Coordinated all phases of nutrition care for inpatient and outpatient eating disorder patients using an individualized approach to patient re-feeding and meal support.
- Served as the dietitian on the UCAN (Uniting Couples in the treatment of Anorexia Nervosa) research study.

Clinical Dietitian I, Central Prison Hopsital; Raleigh, NC **Oct 2013 Feb 2015**

- Assessed, monitored and evaluated all patients in 160-bed prison hospital.

Sports Nutrition Intern, NC State University; Raleigh, NC **Jul 2013 Jul 2014**

- Organized training table meals, administered and analyzed BodPod results.
- Held one-on-one nutrition counseling sessions and created meal plans with athletes.

EDUCATION

Virginia Tech, Blacksburg, VA — Bachelor of Science in Human Nutrition, Foods and Exercise; Concentration in Dietetics **May 2012**

Adagio Health, Pittsburgh, PA — Dietetic Internship **May 2013**

PRESENTATIONS

"Overview of Eating Disorder Treatment" UNC Chapel Hill; Chapel Hill, NC **Oct 2016**

"Overview of Eating Disorders and Treatment" Elon University; Elon, NC **Feb 2017**

"Nutrition and the Lifestyle" UNC Chapel Hill; Chapel Hill, NC **Apr 2017**

"Nutrition in the Workplace" University of Vermont; Burlington, VT **Mar 2018**

"Food as Fuel" Orangetheory Fitness; Burlington, VT **July 2018**

"Fueling for Fitness" Orangetheory Fitness; Burlington, VT **Feb 2019**

"Diets Cause More Harm than Good" University of Vermont; Burlington, VT **Mar 2019**

"Nutrition and Social Media" University of Vermont; Burlington, VT **Oct 2021**

SKILLS

Proficient Spanish, Electronic Medical Record (Epic, Kalix, InfusionSoft, ScheduleOnce), ADIME Charting and Malnutrition Documentation

PROFESSIONAL AFFILIATIONS

The Academy of Nutrition and Dietetics; SCAN Practice Group
Vermont Academy of Nutrition and Dietetics
- Board Member- State Professional Recruitment Coordinator **2018-2020**
- Board Member- Nominating Committee Chair **2020-present**

International Association of Eating Disorder Professionals
- IAEDP Approved Supervisor

Collegiate and Professional Sports Dietitians Association