



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

May 4, 2022

Dear Ms. Jerry:

Attached please find Northwestern Medical Center's answers to the Green Mountain Care Board's questions of 4/22/22 relating to NMC's request for an expedited amendment to our Certificate of Need for the Modernization of the NMC Emergency Department (Docket No. GMCB-003-19). The Verification Under Oath form is included in this response.

This communication includes our brief narrative responses with the requested updated financial tables attached. We are emailing you an electronic copy as well as mailing you the original. We have also cc'd the interested party on this email communication.

Please let me know if there are any additional questions we can answer or if any additional information is needed.

Sincerely,

Jonathan Billings  
Chief Operating Officer

CC: Dean French, MD, NMC Chief Executive Officer  
A. Cramer, Primmer Piper Eggleston & Cramer  
K. Kuiper, Vermont Legal Aid  
E. Schultheis, Vermont Legal Aid  
Z. Hozid, Disability Rights Vermont  
L. Owen, Disability Rights Vermont  
M. Barber, Green Mountain Care Board

**Northwestern Medical Center Certificate of Need Response to 04/22/22 Questions  
Regarding NMC Request for Expedited Amendment for  
Emergency Department Modernization: GMCB-003-19con**

The following are Northwestern Medical Center's (NMC's) responses to the Green Mountain Care Board's (GMCB's) questions dated 04/22 regarding NMC's 03/02/22 request for an expedited amendment relating to the Certificate of Need for NMC's Emergency Department (ED) Modernization project – GMCB-003-19con.

As per request, the bold text represents the full text of the GMCB question, and the normal text represents NMC's reply.

- 1. Revise and resubmit financial Tables 1 and 2 to reflect the increased total project cost to \$10,883,724. Tables 1 and 2 that were submitted reflected the original total project cost of \$7,616,215.Sheet.**

The revised financial Tables 1 and 2 are attached and reflect the increased total project costs to \$10,883,724. You will note the revised Tables reflect that NMC has removed the projection of a possible \$500,000 fundraising campaign relating to this project given what our community has been through economically with the COVID pandemic and given the delays in the project. As described in the request for expedited amendment and detailed in a follow-up answer to a GMCB question, NMC's intention is to pay for this project at the revised cost from existing cash reserves and has the means to do so without negatively impacting sustainability.

- 2. Given the increase in the total project cost, explain whether this increase results in any changes in Table 6 A, B, C (Payer Revenue Report); Table 7 A, B, C (Utilization Projections), and/or Table 8 A, B, C (Staffing Report). If so, please revise and resubmit.2022.**

Given that the increase in project cost is driven significantly by the impact and delays of the COVID pandemic on construction costs, it does not impact our assumptions that were originally submitted relating to Payer Revenue (Table 6), Utilization (Table 7), or Staffing (Table 8). As such, those Tables stand as originally submitted.

NOTE: When completing this table make entries in the shaded fields only.

**Northwestern Medical Center  
Emergency Department Modernization**

TABLE 1  
PROJECT COSTS

<b>Construction Costs</b>	
1. New Construction	\$ 2,548,981
2. Renovation	\$4,028,087
3. Site Work	180,330
4. Fixed Equipment	-
5. Design/Bidding Contingency	\$367,521
6. Construction Contingency	\$968,804
7. Construction Manager Fee	225,517
8. Other (please specify)	2,916
Subtotal	<b>\$ 8,322,156</b>
<b>Related Project Costs</b>	
1. Major Moveable Equipment	\$ -
2. Furnishings, Fixtures & Other Equip.	\$1,544,793
3. Architectural/Engineering Fees	\$590,000
4. Land Acquisition	-
5. Purchase of Buildings	-
6. Administrative Expenses & Permits	\$426,775
7. Debt Financing Expenses (see below)	-
8. Debt Service Reserve Fund	-
9. Working Capital	-
10. Other (please specify)	-
Subtotal	<b>\$ 2,561,568</b>
<b>Total Project Costs</b>	<b>\$ 10,883,724</b>

<b>Debt Financing Expenses</b>	
1. Capital Interest	\$ -
2. Bond Discount or Placement Fee	-
3. Misc. Financing Fees & Exp. (issuance costs)	-
4. Other	-
Subtotal	<b>\$ -</b>
<b>Less Interest Earnings on Funds</b>	
1. Debt Service Reserve Funds	\$ -
2. Capitalized Interest Account	-
3. Construction Fund	-
4. Other	-
Subtotal	<b>\$ -</b>
<b>Total Debt Financing Expenses</b>	<b>\$ -</b>
feeds to line 7 above	

NOTE: When completing this table make entries in the shaded fields only.

**Northwestern Medical Center  
Emergency Department Modernization**

**TABLE 2  
DEBT FINANCING ARRANGEMENT, SOURCES & USES OF FUNDS**

<b>Sources of Funds</b>			
1. Financing Instrument	Bond		
a. Interest Rate	0.0%		
b. Loan Period		To:	
c. Amount Financed			\$ -
2. Equity Contribution			10,883,724
3. Other Sources			
a. Working Capital			-
b. Fundraising			-
c. Grants			-
d. Other			-
<b>Total Required Funds</b>			<b>\$ 10,883,724</b>

<b>Uses of Funds</b>		
<u>Project Costs (feeds from Table 1)</u>		
1. New Construction		\$ 2,548,981
2. Renovation		4,028,087
3. Site Work		180,330
4. Fixed Equipment		-
5. Design/Bidding Contingency		367,521
6. Construction Contingency		968,804
7. Construction Manager Fee		225,517
8. Major Moveable Equipment		-
9. Furnishings, Fixtures & Other Equip.		1,544,793
10. Architectural/Engineering Fees		590,000
11. Land Acquisition		-
12. Purchase of Buildings		-
13. Administrative Expenses & Permits		426,775
14. Debt Financing Expenses		-
15. Debt Service Reserve Fund		-
16. Working Capital		-
17. Other (please specify)		2,916
<b>Total Uses of Funds</b>		<b>\$ 10,883,724</b>

Total sources should equal total uses of funds.

**Verification Under Oath**

**STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD**

In re: Northwestern Medical Center's        )  
      Modernization of the                        )        Docket No. GMCB-003-19con  
      NMC Emergency Department            )

**Verification Under Oath to file with Certificate of Need Application, correspondence and additional information subsequent to filing an Application.**

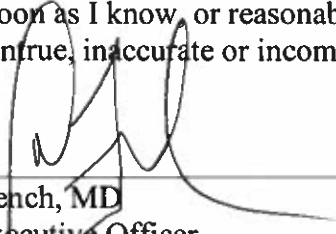
Dean French, MD, being duly sworn, states on oath as follows:

1. My name is Dean French, MD. I am the Chief Executive Officer of Northwestern Medical Center. I have reviewed Northwestern Medical Center's 5/4/22 Responses to GMCB Questions of 4/22/22 Regarding NMC's Request for Expedited Ammendment to the Certificate of Need for the Modernization of the NMC Emergency Department (Docket No. GMCB- 003-19).
2. Based on my personal knowledge and after diligent inquiry, I attest that the information contained in Northwestern Medical Center's 5/4/22 Responses to GMCB Questions of 4/22/22 Regarding NMC's Request for Expedited Ammendment to the Certificate of Need for the Modernization of the NMC Emergency Department (Docket No. GMCB-003-19) is true, accurate and complete, 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 Northwestern Medical Center's 5/4/22 Responses to GMCB Questions of 4/22/22 Regarding NMC's Request for Expedited Ammendment to the Certificate of Need for the Modernization of the NMC Emergency Department (Docket No. GMCB-003-19) is based upon either my actual knowledge of the subject information or upon information reasonably believed by me to be true and reliable and provided to me by the individuals identified below in paragraph 4. Each of these individuals has also certified that the information they have provided is true, accurate and complete, does not contain any untrue statement of a material fact and does not omit to state a material fact.
4. The following individuals have provided information or documents to me in connection with Northwestern Medical Center's 5/4/22 Responses to GMCB Questions of 4/22/22 Regarding NMC's Request for Expedited Ammendment to the Certificate of Need for the Modernization of the NMC Emergency Department (Docket No. GMCB- 003-19) and each individual has certified, based either upon his or her actual knowledge of the subject information or, where specifically identified in such certification, based on information reasonably believed by the individual to be reliable, that the information or documents

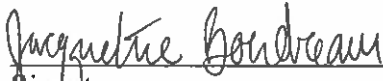
provided are true, accurate and complete, do not contain any untrue statement of a material fact, and do not omit to state a material fact:

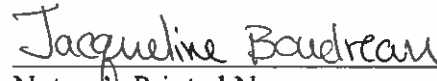
- Stephanie Breault, Chief Financial Officer
- Jenn Howrigan, Controller
- Jonathan Billings, Chief Operating Officer
- JoAnn Manahan, RN, Emergency Department Director
- Dave Healy, Contracted Project Manager
- John Lister, Contracted Project Manager

5. In the event that the information contained in Northwestern Medical Center's answers to the questions regarding Northwestern Medical Center's 5/4/22 Responses to GMCB Questions of 4/22/22 Regarding NMC's Request for Expedited Amendment to the Certificate of Need for the Modernization of the NMC Emergency Department (Docket No. GMCB- 003-19) becomes untrue, inaccurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board and to supplement Northwestern Medical Center's 5/4/22 Responses to GMCB Questions of 4/22/22 Regarding NMC's Request for Expedited Amendment to the Certificate of Need for the Modernization of the NMC Emergency Department (Docket No. GMCB- 003-19) as soon as I know, or reasonably should know, that the information or document has become untrue, inaccurate or incomplete in any material respect.

  
\_\_\_\_\_  
Dean French, MD  
Chief Executive Officer  
Northwestern Medical Center

On May 4, 2022 Dean French, MD, appeared before me and swore to the truth, accuracy and completeness of the foregoing.

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Notary's Printed Name

Notary public  
My commission expires 01.31.2023  
[seal]

