



Choosing Health

**NORTHEASTERN VERMONT  
REGIONAL HOSPITAL**

July 5, 2022

**ELECTRONIC DELIVERY**

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**Re: Northeastern Vermont Regional Hospital  
Emergency Room and Laboratory expansion and modernization.**

**Letter of Intent, in alignment with the Certificate of Need (CON) statute 18 V.S.A § 9440  
(c)(2)(A)**

Dear Ms. Jerry:

Please consider this letter as Northeastern Vermont Regional Hospital's ("NVRH") intent to submit a CON Application to the Green Mountain Care Board (the "Board") for the planned construction and renovation of our Emergency Department (ED) as well as internal expansion and renovation to the Laboratory. Hereinafter referred to as the West Wing / Emergency Department project ("WW/ED").

NVRH is a not for profit Critical Access Hospital (CAH) located at 1315 Hospital Drive, Saint Johnsbury, Vermont. We provide high-quality, cost-effective healthcare services to the people who call Vermont's Northeast Kingdom home. Our rural health system includes a twenty-five (25) bed critical access hospital, multiple primary care clinics, specialty and surgical services, birth center, and a 24-hour, physician-staffed emergency department. Currently, serving a population of 30,000 in the Caledonia and Southern Essex counties.

**Emergency Department**

NVRH is proposing to expand the current footprint and capacity to meet current Facility Guidelines Institute (FGI) guidelines and the acuity needs of our community. The current ED has nine exam rooms, one restroom, one triage room, and an additional temporary "treatment" space located within the waiting room. Current spaces do not meet today's FGI guidelines. The ED currently sees 12,000 patients annually. The current ED space is roughly 6,000 square feet (SF); the impacted area will be 9,051 SF in total. We are not anticipating services to change. However, we do expect improvement in our patient and family experience while visiting the ED. Increased capacity for our higher acuity patients as well as improved workspaces for team members. Procurement of equipment is under evaluation as well as integration with existing systems.

The ED proposal includes the below benefits:

- Increasing exam rooms from 9 to 13, inclusive of 2 Trauma rooms and 1 Triage room
- Increasing patient restrooms from 1 to 3.
- Increasing staffing station space
- Addition of a specific decontamination space
- Appropriate medication compounding area
- Consult space for families and community partners
- Additional equipment storage and increased staff break space
- Significantly increase patient privacy and confidentiality

## **Laboratory**

NVRH is proposing to expand the current footprint of the Laboratory and redesign it for operational efficiency improvements. The current Laboratory footprint is 2,991 SF. The total planned renovation is 2,399 SF. The increased footprint will allow for improved departmental efficiencies as well as becoming compliant with the College of American Pathologists (CAP), and Clinical Laboratory Improvement Amendments (CLIA) criteria for Laboratory storage and safe practice standards. The Laboratory currently performs 240,000 tests annually. We are not anticipating services to change. We do anticipate operations efficiency gains as well as an improvement in our patient and family experience. We do not have additional Laboratory testing equipment needed. However, we will be addressing workplace ergonomic needs within the project.

The Lab proposal includes the below benefits:

- Expanding clinical lab space
- Creating private phlebotomy draw spaces
- Adding a patient-specific restroom supporting specimen collection workflows
- A more spacious waiting room
- Increase storage for regulatory compliance

## **Timeline**

We anticipate submission of our CON Application by September 30, 2022. Upon receipt of a Certificate of Need we anticipate the following timeline:

- Preparation of construction documents: 3-4 months
- Bidding and selection of sub-contractors: 1-2 months
- Construction of ED addition begins: 52 week duration
- ED and Laboratory renovations begin after ED addition completed: 56 weeks duration total.
- Estimated completion Fall of 2025

## **Finance**

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The total WW/ED project costs are projected at \$12,883,594. This includes construction, owner as well as construction loan financing and debt issuance costs. We anticipate providing more detail in our application. We anticipate the project will increase annual operating expenses by \$600,000. However, we are and will continue exploring cost saving opportunities to mitigate the project's impact on health care costs.

NVRH is pursuing funding for the project from the following sources:

- Cash reserves: \$750,000
- Philanthropic donations: \$2,700,000
- Issuance of long term debt: \$9,433,594

Projects costs per area expected:

- ED Addition \$5,940,554
- ED Renovation \$3,340,586
- Lab Renovation \$1,888,979
- Generator \$1,321,326
- Financing Related \$ 392,149

Please feel free to contact either Shawn P. Tester or Jackie Zaun with any questions regarding the NVRH West Wing / Emergency Department Project.

At your convenience, we look forward to hearing from you, about which elements of the HRAP the Board will request to have addressed by NVRH.

Sincerely,



Shawn P. Tester  
Chief Executive Officer

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