

**DELIVERED ELECTRONICALLY**

March 9, 2023

Mr. M. Bradford Ellis  
 Vernon Green Nursing Home  
 61 Greenway Drive  
 Vernon, VT 05354

**RE: Docket No. GMCB-001-22con, Replacement of Vernon Green Skilled Nursing Facility, Project Cost: \$30,989,722**

Dear Mr. Ellis:

Thank you for your response to the first set of questions received on February 17, 2023. Please respond to the questions below.

1. Please submit the CSI estimate format prepared by a Construction Manager or a professional estimating company.
2. Using the attached workbook titled Vernon Green Q002 Workbook, explain in detail your assumptions as instructed in the Workbook.
3. Using the utilization figures you provided in financial Table 5C, for years 2026, 2027 and 2028, state the minimum daily reimbursement rate (per diem) by payer you estimate would be needed to make the project financially viable and sustainable. Please populate the yellow highlighted cells.

		FY26	FY27	FY28
<b>Commercial</b>	Projected Utilization	161	161	161
	Min. Per Diem			
<b>Self-Pay</b>	Projected Utilization	4,497	4,497	4,497
	Min. Per Diem			
<b>Medicaid</b>	Projected Utilization	10,439	10,439	10,439
	Min. Per Diem			
<b>Medicare</b>	Projected Utilization	4,614	4,614	4,614
	Min. Per Diem			



4. Using the projected per diem figures you provided in your response to the first set of questions (Q001) on page 10, for years 2026, 2027 and 2028, state the minimum utilization by payer you estimate would be needed to make the project financially viable and sustainable. Please populate the yellow highlighted cells.

		FY26	FY27	FY28
<b>Commercial</b>	Min. Utilization			
	Projected Per Diem	1,575	1,622	1,670
<b>Self-Pay</b>	Min. Utilization			
	Projected Per Diem	439	459	480
<b>Medicaid</b>	Min. Utilization			
	Projected Per Diem	428	446	463
<b>Medicare</b>	Min. Utilization			
	Projected Per Diem	877	903	930

5. We are concerned that the reimbursement rates you have projected may not be fully achieved and if so, it would negatively impact the financial viability and sustainability of the project. Please explain in detail your contingency plan for covering lower daily reimbursement rates and lower annual revenues if the projected daily per diem rates and annual revenues from payers, especially Medicare and Medicaid, are not realized.
6. If you do not receive the projected Medicaid daily rates included in the financial tables, explain whether you will reduce the number of Medicaid patients you accept at the new facility.
7. Provide the status of and timeline for securing financing from the M & T Bank for construction costs. Once available, provide a copy of the letter of commitment from the M & T Bank for coverage of the construction costs for this project.
8. Explain in detail the status of and timeline for securing for the USDA Rural Facilities Financing Program and timeline outlining each step in the process to obtain permanent financing from the USDA.

In responding, restate the question in bold font and respond in unbolded font. Send an electronic copy to me at [donna.jerry@vermont.gov](mailto:donna.jerry@vermont.gov) and one hard copy (three-hole punched) with a Verification Under Oath to my attention at the Green Mountain Care Board, 144 State Street, Montpelier, Vermont 05602.

If you have any questions, please do not hesitate to contact me at 802-760-8162.



Sincerely,

s/ Donna Jerry

Senior Health Policy Analyst  
Green Mountain Care Board

cc. Laura Beliveau, Staff Attorney, GMCB

