
DELIVERED ELECTRONICALLY

August 25, 2023

Mr. Eric Miller, Sr. VP and General Counsel
The University of Vermont Medical Center
462 Shelburne Road, Suite 301
Burlington, VT 05401

RE: Docket No. GMCB-004-23con, Development of Outpatient Surgery Center on Tilley Drive, Project Cost: \$129,640,703

Dear Mr. Miller:

Thank you for your responses to questions to date. Please respond to the following:

Risk Assessment Factors

1. The Risk Assessment submitted with UVMMC's application identifies UVMMC's high inpatient bed census as a risk factor and states that the modeling did not attempt to consider whether UVMMC's inpatient bed capacity will be sufficient to accommodate the needs of all UVMMC's inpatient care and surgical recoveries. Explain in detail how UVMMC's sustained high inpatient census will impact the success of the outpatient surgery center project and provide details on the contingency plan for addressing this stated risk factor.

Utilization

2. Attached is an Excel Workbook. Enter (or confirm) the inputs requested in Table 1a, 1b and 2 (in the "ENTER INPUTS HERE") tab. These inputs will auto-populate UVMMC's OR capacity and volume estimates under current capacity between 2019 and 2029. The current inputs were taken from UVMMC's OSC application. Please confirm they are correct or replace them with updated estimates.
3. Explain in detail how UVMMC determined its capacity inputs, particularly average length of outpatient surgeries and turnover time, and provide evidence that these inputs are consistent with industry standards or benchmarks for outpatient surgery centers.



4. Provide evidence that UVMMC has experienced a shortage of ORs over the past several years, through longer wait times or other available metrics.
5. Under what circumstances, if any, would UVMMC utilize these new outpatient ORs for inpatient surgeries, and explain how those decisions would be made.
6. Explain in detail whether UVMMC performed an assessment of available surgical capacity at other hospitals in or near its service area. Explain and quantify the impact the OSC may have on other community hospitals offering the same outpatient surgeries.

Architectural/Equipment

7. Explain in detail existing site conditions and any mitigation required on the 13.5 acres where the OSC will be constructed and provide a breakdown of the site costs totaling \$4.5 million with an explanation of the biggest drivers of cost. Explain the need for the construction of a five-foot retaining wall, two gravel wetland areas, etc. listed on Page 17 of App.
8. Explain whether an archeological survey of the site is required, and if so, identify the cost associated with the survey, and the line item where the survey cost is included in the total project cost.
9. Of the total 84,006 gross square feet, the shell space is approximately 9,367 square feet. Identify the cost per square foot associated with the shell space and the total dollar amount associated with the construction of the shell space.
10. UVMMC is planning to purchase three large C-arms at an individual cost of \$250,000 each and seven mini C-arms for a total cost of \$680,000. Explain in detail the need for 10 C-arms (three large C-arms and seven mini C-arms) for eight ORs.

Staffing

11. The Risk Assessment submitted with the application states that UVMMC's inability to fully staff the new OSC is "a clear risk to the success of the project." The application (page 2) represents that the new OSC will require 166 FTEs. Approximately half of these FTEs will transfer from the main campus and Fanny Allen. In addition, UVMMC will need to recruit new personnel to fill an additional 78 new positions to fully staff the OSC. Of the newly hired OSC staff, UVMMC projects that 25% of the RNs and 10% of the Techs will be Travelers. Furthermore, the Risk Assessment states, "UVMMC has also seen considerable clinical staff salary inflation; if this should continue it will negatively impact the projected OSC margins."
 - a. Explain in much more detail UVMMC's plan to address the significant challenge of recruiting adequate staff for the OSC.
 - b. Address UVMMC's plans regarding the impact of clinical staff salary inflation on OSC margins.



- c. Explain whether UVMMC has conducted any analysis to determine the maximum percent increase in staff costs that can be tolerated before it negatively affects the project's viability, especially the timetable for and the dollar amount of the projected profit margins.
12. Specify the number of staff and expense associated with: (a) the existing staff that will be transferred from the main campus and Fanny Allen; and (b) the projected 25% of the RNs and 10% of the Techs to be employed at the OSC that will be Travelers for each year 2025-2029 of the project.
13. UVMMC represents that approximately half of the positions required at the OSC will be relocated from Fanny Allen and UVMMC's existing ORs. Identify the number of new staff to be recruited to refill positions and associated costs to maintain the existing ORs located on UVMMC's main campus.
14. Provide the number of surgeons that will practice at both the OSC and Main Campus, the number of surgeons who will practice at the OSC only and the number of surgeons who will practice on Main Campus only. In a table format, list each provider type required for outpatient and inpatient surgeries, current FTEs for each provider type, projected FTEs for each provider type needed once the OSC is online, and the difference (number of new hires and FTEs for each provider type).
15. Explain in detail the statement in the Application that UVMMC will be "expanding its relationship with the UVM College of Nursing and Health Sciences," and explain in detail how this relationship will result in staffing for the OSC. Application at p. 2, 26.
16. UVMMC represents that Dr. Jackie Hunter Senior VP for Diversity, Equity and Inclusion (DEI) served as an advisor to the OSC project planning team. Provide Dr. Hunter's assessment and recommendations to the project planning team and design advisory group and explain what actions were taken to ensure that DEI principles will be implemented. Additionally, explain whether employees at the OSC will be required to complete any type of DEI training.

Other

17. Newly enhanced public transportation is referenced in the application. However, with prep time that can begin as early as 6:00 a.m. and the first surgery at 7:00 a.m., and with transportation service that does not begin until 7:30 a.m. and effectively ceases operating at 3:10 p.m., explain how the hours for public transportation services provide adequate access to patients who must rely on public transportation.
18. Provide a copy of the financial assistance policy that will be used at the new OSC.



19. Explain in detail whether UVMMC explored options for an outpatient surgery center with fewer than eight to twelve ORs and identify the costs associated with other options explored.

In responding, restate the question in bold font and respond in unbolded font. Send an electronic copy to me at 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, 1 National Life-Davis 3, Montpelier, Vermont 05633.

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

