

DELIVERED ELECTRONICALLY

September 15, 2023

Mr. Joseph Woodin, President & CEO
Copley Hospital
528 Washington Highway
Morrisville, VT 05661

Re: Docket No. GMCB-007-22con, Construction of a New Medical Office Building in Waterbury. Original Project Cost: \$5,903,747. Revised Project Cost: \$7,625,047.

Dear Mr. Woodin:

Thank you for your response to the second set of questions we received on August 29, 2023. You have reported that the total cost of the project is increasing by approximately 29%. As a result, you have increased the total USDA loan from \$5 million to \$5,569,500; you have added \$1 million in fundraising; and you have increased the contribution of working capital from \$613,747 to \$765,547.

To better understand the impact of these changes on successfully carrying out this project, please provide the following:

1. Copley has now purchased the 24-acre site located on the west side of Route 100 on the Waterbury-Stowe Road. Please reconcile the conflicting costs reported for the Land Acquisition line item, as detailed below. Include a detailed explanation of the amount Copley paid for the 24-acre parcel and a breakdown of the amount spent to date.
 - a. The original CON listed \$540,000 for land acquisition.
 - b. In Copley's request for a material change on August 29, 2023, Table 1 records a revised CON budget of \$563,000 in the Land Acquisition line item.
 - c. The second implementation report submitted on August 28, 2023, records \$763,085 spent to date in the Land Acquisition line item.
2. For each question below, provide a detailed explanation regarding the status of Waterbury Ambulance Service, Inc.'s (WASI) proposed purchase of 5.1 acres for \$290,000 stated in the application.
 - a. Will WASI purchase the 5.1 acres and if so, for what amount?
 - b. What is Copley's plan if WASI does not purchase the 5.1 acres?



- c. Do Copley's revised financial tables submitted on August 29, 2023, reflect the current status of WASI's participation in the transaction? If not, please revise and resubmit.
 - d. If WASI is no longer participating in the acquisition, explain how Copley will compensate for the WASI loss.
3. Explain how Copley will be able to successfully finance this project without any rate increases or change in charges.
4. Copley has increased its Working Capital contribution from \$613,747 to \$765,547. Identify the impact this change will have on the 46 Days Cash on Hand Copley had as of June 30, 2023. Specify the current Days Cash on Hand (and date) and what the amount of Days Cash on Hand (and date) will be with the higher Working Capital contribution.
5. Copley proposes to finance the project in part through a \$1 million fundraising campaign. For each of the past eight years, specify the year and the annual fundraising goal, the amount raised, and what the funds were used to support.
6. Copley states that if the fundraising goal is not met, then it will use operating cash to fund the difference. Identify the range of the shortfall that Copley could incur and the impact on Days Cash on Hand. Specify the current Days Cash on Hand (and date) and what the amount of Days Cash on Hand (and date) would be with a shortfall in fundraising.

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. If you have any questions, please do not hesitate to contact me at donna.jerry@vermont.gov

Sincerely,

s/ Donna Jerry
Senior Health Policy Analyst
Green Mountain Care Board

cc. Laura Beliveau
Staff Attorney

