

**STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD**

In re: Application of Grace Cottage Family)
Health and Hospital, Construction of a New) GMCB-003-23con
Primary Care Practice Building and)
Demolition of Stratton House/North)
Clinic Building)
_____)

CERTIFICATE OF NEED

In accordance with Title 18, Chapter 221, Subchapter 5, other applicable laws, and the Statement of Decision and Order in this matter, the Green Mountain Care Board issues this certificate of need to Grace Cottage Family Health and Hospital (Grace Cottage or “the Applicant”), subject to the conditions set forth below.

Project Description and Scope

The project involves the construction of a new primary care practice building to replace the existing Grace Cottage Family Health (GCFH) buildings which are comprised of two houses constructed in the 1800s and connected by a narrow, winding hallway. The new primary care practice building will be constructed adjacent to the existing structure and Stratton House/North portion of the existing building will be demolished to make room for needed parking. The project is needed because the current primary care practice building is too small and antiquated to accommodate contemporary delivery of primary care services.

Grace Cottage is an independent, non-profit corporation located in Townshend, VT. It is certified as a Critical Access Hospital and a Rural Health Clinic. Founded in 1949, Grace Cottage is committed to promoting the health and well-being of residents in its service area. The total cost of the project is \$19,152,993.

The project is outlined in greater detail in the Statement of Decision and Order in this docket, incorporated herein and issued today by the Board.

Project Conditions

The project as proposed, subject to the following conditions, meets the statutory criteria set forth in 18 V.S.A. § 9437:

1. The applicant shall develop and operate the project in strict compliance with its scope as described in the application, in other materials in the record submitted by the Applicant, and in strict conformance with the Statement of Decision and Order issued today in this docket. This certificate of need is limited to the project and activities described therein.

2. Throughout the project's implementation period, the applicant shall comply with all current and future financial caps, targets and other conditions imposed by the Board in its hospital budget instructions, guidance, and orders.
3. The applicant shall not increase its commercial effective rates or overall change in charges to fund any expenses related to the project.
4. Noncompliance with any provision of this certificate of need or with applicable ordinances, rules, laws and regulations constitutes a violation of this certificate of need and may be cause for enforcement action pursuant to 18 V.S.A. §§ 9445, 9374(i), (j), and any other applicable law.
5. The project shall be fully implemented within four (4) years of the date of issuance of this certificate of need.
6. The Applicant shall file implementation reports with the Board beginning six months from the date of this certificate of need and at six-month intervals thereafter until all components and phases of the project are complete and fully operational and all invoices have been received and paid. The implementation reports shall include the following:
 - a. an overview of the project, including any changes in financing, and information and analysis demonstrating that the project fully complies with its scope as approved in this certificate of need;
 - b. The applicant shall provide documentation and verify the specific sources, including reserves, to be used to finance this project including the source of funds and dollar amount associated with each that equal the total project cost.
 - c. Relative to the funds to be raised from fundraising, grants, and a federal appropriation, the applicant shall provide a table reflecting each source of funds listed in Attachment B submitted with responses to questions dated June 22, 2023, the goal for each, the amount pledged to date (specify date), the amount actually collected to date (specify date), and amount remaining to reach the stated goal.
 - d. a spreadsheet separately listing each individual line-item expenditure and, for each expenditure: 1) the total dollar amount approved by the Board; 2) the dollar amount spent through previous reporting periods; 3) the dollar amount spent during this reporting period; 4) the cumulative dollar amount spent to date; 5) the amount remaining in dollars, and 6) the amount remaining as a percentage.
7. This certificate of need is not transferable or assignable and is issued only for the premises and entity named in the application.
8. If the Applicant contemplates or becomes aware of a nonmaterial change, as defined in 18 V.S.A. § 9432(12), or a material change as defined in 18 V.S.A. § 9432(11), to the

scope or cost of the project described in its application and as designated in this certificate of need, the Applicant shall file a notice of such change immediately with the Board. The Board shall thereafter advise the applicant whether the proposed change is subject to additional review.

9. The Board may, after the Applicant is provided notice and an opportunity to be heard, make such further orders as are necessary or desirable to accomplish the purposes of this certificate of need and to ensure compliance with its terms and conditions.
10. All reports, notices, forms, information, or submissions of any kind required to be submitted to the Board as a condition of this certificate of need shall be signed and verified by the Applicant's chief executive officer, or by his or her designated representative.
11. The conditions contained in this certificate of need shall remain in effect for the duration of the reporting period set forth in Condition 6, above.

SO ORDERED.

Dated: November 17, 2023, at Montpelier, Vermont.

_____)	
s/ Owen Foster, Chair)	
_____)	
s/ Jessica Holmes)	
_____)	
s/ Robin Lunge)	
_____)	
s/ David Murman)	
_____)	
s/ Thom Walsh)	
_____)	

GREEN MOUNTAIN
CARE BOARD OF
VERMONT

Filed: November 17, 2023
Attest: /s/ Jean Stetter, Administrative Services Director