

January 12, 2024

**VIA ELECTRONIC DELIVERY**

Donna Jerry  
 Senior Health Policy Analyst  
 Green Mountain Care Board  
 144 State Street  
 Montpelier, VT 05633-3601  
[donna.jerry@vermont.gov](mailto:donna.jerry@vermont.gov)

**RE: Docket No. GMCB-016-23con, Rutland Regional Medical Center, Purchase of an Additional CT Scanner**

Dear Ms. Jerry:

This letter is a follow up to the Green Mountain Care Board’s (the “Board”) written communication on September 22, 2023 regarding Rutland Regional Medical Center’s (“RRMC”) request to purchase and install a second CT scanner. In the Board’s letter, you confirmed that the capital and operating expenses, as presented, were below the thresholds that trigger a Certificate of Need (“CON”) review. You also noted the requirement to provide updates in the event there are any changes in type, scope, or cost of the project (including, but not limited to, changes in capital and/or annual operating expenses).

With this letter, RRMC is communicating a change in the proposed capital expenses after completion of design and construction bidding. In the design process, there were clarifications and refinements in the requirements and scope of facility renovations to support the CT scanner installation. This process resulted in higher design and construction costs as outlined below. In particular, the demolition, HVAC, communications cabling, and electrical scope of work increased from the initial estimate.

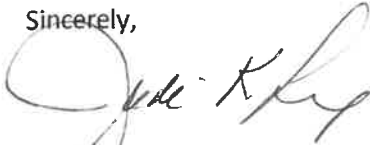
<u>Line Item</u>	<u>Prior Anticipated Cost</u>	<u>Current Cost</u>
Capital Equipment Cost Unit from GE Healthcare	\$668,356.54	\$668,356.54
TIP CT Scanner 2 Training Program	<u>\$65,002.91</u>	<u>\$65,002.91</u>
Smart Subscription Licensing Fees 5 Year Subscription	\$275,000	\$275,000
Renovations Design	\$34,000	\$42,000
Renovations Construction	<u>\$284,000</u>	<u>\$399,985</u>
Owner Contingency	\$28,000	\$39,000
<b>TOTAL</b>	<b>\$1,354,359.45</b>	<b>\$1,489,344.45</b>

We do not have any changes in the previously communicated operating expenses. Because the projected total capital costs and the total annual operating expenses are both well below the monetary jurisdictional thresholds that trigger review, we maintain that the project does not require a certificate of need review.

We are, however, communicating these changes as required by the Board's September 22, 2023 letter. The project documents and planning are complete and construction is ready to begin during the week of January 15, 2024.

If you have any questions or require further information, please let me know. We thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Judi Fox". The signature is written in a cursive style with a large initial "J" and "F".

Judi Fox  
Chief Executive Officer and Chief Financial Officer  
Rutland Regional Medical Center