
DELIVERED ELECTRONICALLY

April 19, 2024

Joseph Iannoni, Interim CFO
Mt. Ascutney Hospital and Health Center
289 County Rd.
Windsor, VT 05089

**RE: Docket No. GMCB-006-24con, Mt. Ascutney Hospital and Health Center,
Replacement of Electronic Health Record, Project Cost: \$9,100,524**

Dear Mr. Iannoni:

Thank you for the application received on March 25, 2024. Please respond to the following:

1. Revise and resubmit the table on page 15 by adding two additional columns to each existing column to show the total dollar amounts and the amounts attributed to Dartmouth-Hitchcock and Mt. Ascutney.
2. In a table format, by line item, show all projected on-going annual operating expenses that Mt. Ascutney will be responsible for in each year for a five-year period following implementation. Include the costs associated with the annual service contract fee to manage archived legacy data and the shared service allocation (percentage of the system costs based on size/licensure).
3. The tables on pages 30 and 32 show \$1,043,632 in annual operating expenses for the four-year implementation period and the table on page 15 shows \$948,756. Explain the discrepancy and revise and resubmit if necessary.
4. Explain in detail the potential increase in annual capital costs and/or annual operating expenses if there are changes made in the “areas of responsibility” during the discovery and planning process. (pages 9, 13).
5. It is represented that on-going costs, after implementation, will be in the form of a shared service allocation (percentage of the system costs based on size/licensure) and will be comparable to what the on-going costs would have been to support the legacy systems. (page 17) In a table format, show the projected legacy system costs, the projected shared



service allocation costs, and percent difference each year for five years following project implementation.

6. It is represented that a “nominal” service contract fee will be required to manage archived legacy data. Identify the amount of the projected service contract fee each year for five years following implementation. (page 16)
7. In the event project expenditures exceed current projections and the 10% contingency, explain Mt. Ascutney’s plan for covering any cost overruns, during and after implementation of the project. (page 17)
8. Based on Mt. Ascutney’s budgeting model, this project alone will add an additional increase in rates of 0.5% in FY 2025 and a 1.0% increase in FY 2026. Explain in detail Mt. Ascutney’s contingency plan for covering costs if future requests for additional rate increases are reduced or not approved by the Board.
9. Mt. Ascutney represents (page 7) that its cash outlay is \$2.3 million. However, the tables on pages 30 and 32 show a contribution of \$3,057,855 (\$2,014,223 for CAPEX plus \$1,043,632 for OPEX, the latter of which is borne 100% by Mt. Ascutney). Confirm the correct amount of Mt. Ascutney’s cash outlay for this project for the four-year implementation period.
10. Confirm that the cost associated with the additional 0.2 FTE in FY 2025 and 1.6 FTE in 2026 is included on all applicable standard financial tables submitted with the application and is also included in the operating expense of \$1,043,632 to be borne 100% by Mt. Ascutney for the four-year implementation period. If not, please explain in detail.

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

