



By US & Electronic Mail

October 28, 2024

Owen Foster, Chair
Green Mountain Care Board
144 State Street
Montpelier, Vermont 05602
owen.foster@vermont.gov

**Re: The University of Vermont Medical Center Inc.
Request for Jurisdictional Determination – Home Infusion Therapy**

Dear Chair Foster:

By way of this letter, the University of Vermont Medical Center Inc. (“UVM Medical Center”) responds to the questions of the Green Mountain Care Board (the “Board”) dated July 1, 2024. The questions are included below in bold type followed by each response.

- 1. Please revise and resubmit *Exhibit A, Annual Operating Expenses*, submitted on April 18, 2024, to include the costs of drugs, durable medical equipment and supplies in Year 1, Year 2 and Year 3 associated with offering Home Infusion Therapy Nursing Services in the home setting to the projected number of patients reflected in your submission.**

The total cost for the drug, durable medical equipment (“DME”), and supplies associated with the initial 35 patients potentially admitting to the Home Infusion Therapy (“HIT”) Nursing Program are already on service with the HIT Pharmacy and thus those costs are included within the existing operating expenses for the pharmacy-only portion of the department. The revised 12-month actual costs total \$1,557,696 (column 1).¹

The total additional cost for the drugs, DME, and supplies associated with the pharmacy projected growth of approximately 38 patients in year 1 totals \$785,906, and for 76 patients in year 2 totals \$2,241,286.²

¹ The original projection, based on FY23 data, did not include any patient discharges. However, FY24 to date, there have been 12 patient discharges for this patient subgroup with an average length of stay of 229 days. Currently, active patients have an average length of stay of 827 days (as of 9/12/24). There has also been a decrease in incoming specialty infusion referral count for FY24 (vs FY23) of approx. 22%.

² This projected cost of goods was calculated with the assumption that approximately 3.17 new specialty infusion patient referrals will admit to the HIT Department each month over the course of the first 24 months.

We again note that a significant portion of the drug/DME/supply costs associated with Home Infusion Therapy Nursing Projected Year 1 and Year 2 is business that the UVM Medical Center Home Infusion Pharmacy is already providing or would be able to provide with the current business model, in collaboration with existing home care agencies (\$2,054,389 in Year 1; \$2,974,189 in Year 2). The remaining portion of this pharmacy business currently lacks a nursing partner to provide the necessary home administration element of service. If the nursing availability were to change, the HIT Pharmacy would be able to support this business within the current infrastructure, licensing, and accreditation. The primary goal in pursuing implementation of this new HIT Nursing Service is to supplement the infusion nurse staffing shortage across the state to ensure that all patients in Vermont have equal access to high quality, affordable infusion therapy services in the home.

Please let us know if we can answer any further questions. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Amanda S. Angell". The signature is written in a cursive style.

Amanda S. Angell
Associate General Counsel
The University of Vermont Health Network

Enclosure

cc: Michael Barber
Donna Jerry
Stephen Leffler, MD

Operating Costs (expenses):		Latest Actuals (12 mos)	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Staffing Expenses					
	Salaries per FTE		\$319,114	\$425,485	\$531,856
	Fringe Benefits/Health Insurance		\$86,161	\$114,881	\$143,601
	Professional Insurance		\$0	\$0	\$0
	Staff Travel		\$4,540	\$6,810	\$9,057
	Consultant Expenses & Travel		\$30,000	\$0	\$0
	Subscriptions/Dues		\$0	\$0	\$0
	Payroll Taxes		\$0	\$0	\$0
	Training (Materials)		\$750	\$250	\$250
	Other (specify):		\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
Operation Expenses					
	Administrative Expenses		\$0	\$0	\$0
	Office Supplies and Expenses		\$1,800	\$300	\$300
	Depreciation		\$0	\$0	\$0
	Interest		\$0	\$0	\$0
	Advertising/Marketing/Printing		\$0	\$0	\$0
	Vehicle Expense/Auto Insurance		\$0	\$0	\$0
	Rent/Lease Expense		\$0	\$0	\$0
	Utilities/Telephone/Internet Expenses		\$5,340	\$5,930	\$6,770
	Computer/Hardware/Software		\$4,275	\$1,425	\$1,425
	Building Maintenance and Repair		\$0	\$0	\$0
	Property Taxes		\$0	\$0	\$0
	Legal Services		\$0	\$0	\$0
	Billing/Accounting Services		\$14,454	\$21,681	\$28,835
	Security Services		\$0	\$0	\$0
	Clinical Expenses		\$0	\$0	\$0
	Medical Supplies/Medications (Current business and projected growth, can be supported by current business model)	\$1,557,696	\$2,054,389	\$2,974,189	\$3,893,990
	Medical Supplies/Medications (Projected growth, nursing support not currently available through existing home care nursing agencies)		\$289,213	\$824,793	\$1,360,374
	Laundry, Linens & Uniforms		\$0	\$0	\$0
	Equipment Lease/Maintenance		\$0	\$0	\$0
	Health Information Technology/EHR		\$0	\$0	\$0
	Food Preparation/Related Costs		\$0	\$0	\$0
	Facility or Equipment Costs		\$0	\$0	\$0
	Other Insurance		\$0	\$0	\$0
	Other (specify): Accreditation and Medicare Enrollment		\$9,399	\$5,995	\$5,995
			\$0	\$0	\$0
Total Operating Costs:		\$ 1,557,696.19	\$ 2,819,433.91	\$ 4,381,739.02	\$ 5,982,453.17