COLLABORATIVE SURGERY CENTER (CSC)

GMCB CON Hearing Jan 26, 2022

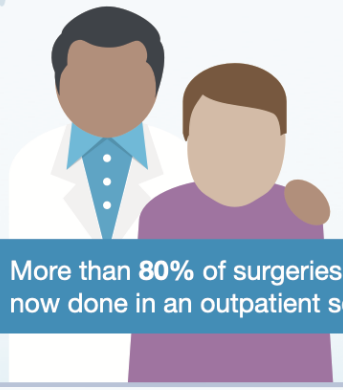
Susan Ridzon and Elizabeth Hunt - Founding Members

WHY VERMONT NEEDS CSC

- Improve long standing capacity and wait time issues
- Expand access to lower cost, high quality surgical options
- Costs knowable in advance
- Less expensive - on average 50% less expensive
- High patient and surgeon satisfaction rates
- Prompt migration of doctors and nurses to VT
- Commitment to donate 50% of profits to support the community
- Alignment with Triple Aim: improving the experience of care, improving the health of populations, and reducing per capita costs of health care
- Diversify Vermont's health care system so Vermonters have more options for care

What is an ASC?

Ambulatory Surgery Centers (ASCs) are highly regulated health care facilities that provide outpatient surgery and preventive care. For many health care procedures, ASCs are the right choice for the right patients at the right price.



More than **80%** of surgeries are now done in an outpatient setting.

Right Choice

ASCs **provide excellent value** through high-quality outcomes and lower cost care.

ASCs meet extensive state and federal requirements and are reviewed regularly to **ensure safety and quality**.

A growing body of research demonstrates **exceptional outcomes** in ASCs. In fact, ASC patients are less likely to be admitted to the hospital for post-surgery complications.

Right Patients

ASCs have **led innovations** that have transformed outpatient surgery.

New technology and techniques have made outpatient surgery **safer and more comfortable**. ASCs only treat patients who qualify for outpatient treatment.

As America's baby boomers age, there is **increasing demand** for the services ASCs provide. More than 49 million people, or 15 percent of the U.S. population, are now 65 or older.

The share of Americans 65 and older will grow from 15% in 2016 to **24% of the overall population in 2060**.

Right Price

ASCs **reduce expenses** for patients, insurers and Medicare.

Medicare patients saved $1.5 billion in 4 years

$42.2 BILLION

One-year savings in health care spending created by patients choosing ASCs.

$4.2 BILLION

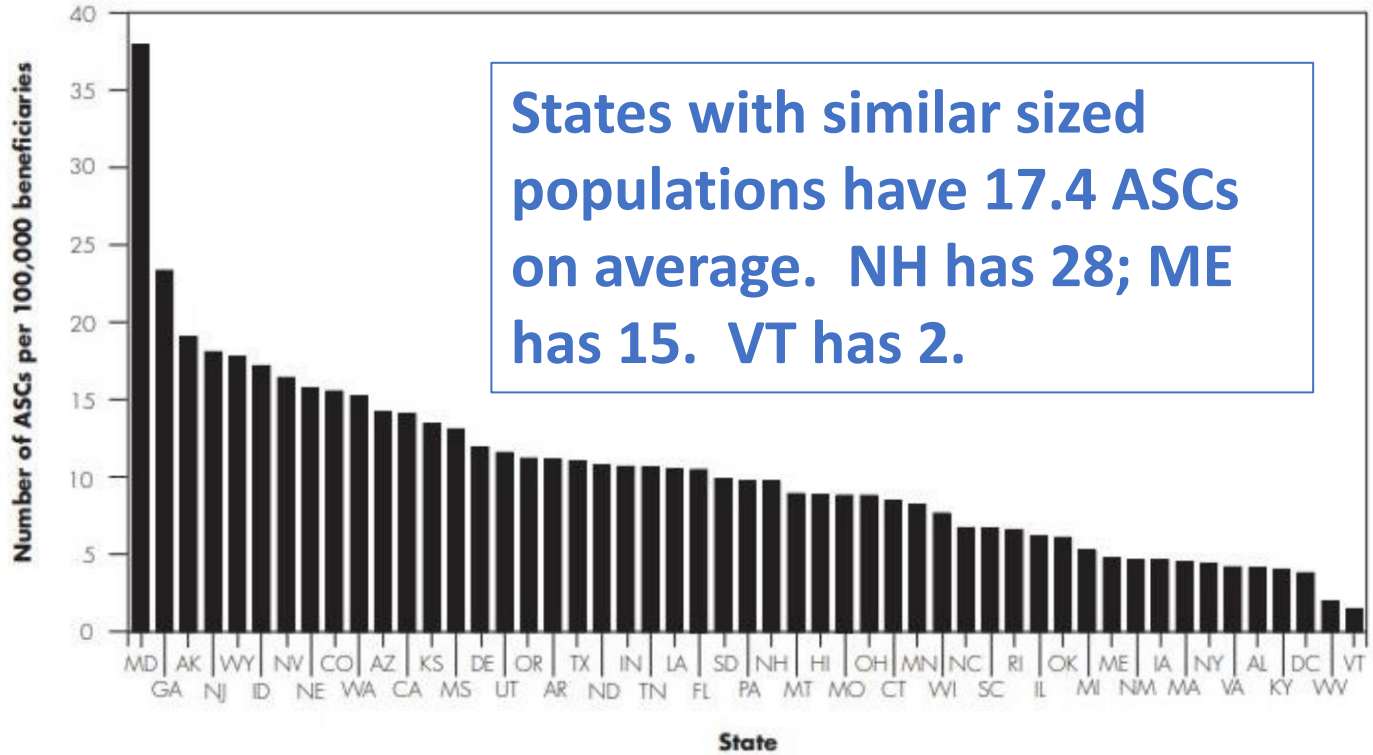
Annual Medicare savings created by patients choosing ASCs.

ASCA ascassociation.org | advancingsurgicalcare.com | @ASCAssociation

Vermonters Lack Access to More Affordable Sites of Care

- VT is 50th out of 50 states for number of ASCs per capita
- OP surgical capacity already insufficient and demand expected to grow significantly

Table 1: Number of ASCs per beneficiary varies widely by state, 2019



States with similar sized populations have 17.4 ASCs on average. NH has 28; ME has 15. VT has 2.

Note: ASC (ambulatory surgical center).

Source: MedPAC analysis of CMS Provider of Services file for 2020 and Medicare Common Medicare Environment file.

Long Wait Times a Long-Standing Problem

NEWS

Patients struggle with long waits at UVM Medical Center

Dan D'Ambrosio Free Press Staff Writer
Published 12:04 p.m. ET Jan. 13, 2017 | **Updated 5:57 p.m. ET Jan. 13, 2017**

It can take months to see a VT doctor. Will two proposed surgery centers help?

Dan D'Ambrosio
Burlington Free Press
Published 6:30 a.m. ET Aug. 26, 2021 | **Updated 11:20 a.m. ET Aug. 27, 2021**

A Green Mountain Care Board report in 2017 found that 37 specialties weren't meeting access standards.

NEWS + OPINION ▸ HEALTH CARE SEPTEMBER 01, 2021

The Doctor Won't See You Now: Patients Wait Months for Treatment at Vermont's Biggest Hospital

By COLIN FLANDERS @CFLANDERSVT and CHELSEA EDGAR @CHEDGAR31

State Launches Investigation Into Long Wait Times for Medical Care

POSTED BY COLIN FLANDERS ON WED, SEP 1, 2021 AT 7:34 PM

"It will take 175 days to see an ear, nose and throat doctor for a problem with your ears, or 100 days for a problem with your sinuses." -UVMMC spokesperson Neal Goswami

Waiting Pains: Why it can take months to see a specialist at UVM

(WCAX)
By Cat Viglienzoni
Published: Apr. 17, 2019 at 2:12 PM EDT

"Wait times for specialty care at the UVMMC are excessive, and the problem has existed for years." -Bruce from S. Burlington

Patients face 'frustrating' long waits to see hospital specialists

By Xander Landen
Jun 19 2019

Vermont to investigate wait times for medical appointments

By Rachel Mann
Published: Sep. 1, 2021 at 4:19 PM EDT | Updated: Sep. 2, 2021 at 5:05 AM EDT

HARM ASSOCIATED WITH LONG WAIT TIMES

- Waiting months for necessary surgery is not without harm
  - Worse outcomes and higher mortality
  - Chronic pain and risk potential opioid abuse and addiction
  - General decrease in quality of life and/or mental health issues
  - Hampered ability to work

- CSC will give patients quicker access to necessary surgery than is currently possible

CARE AT ASCs IS MORE AFFORDABLE

Description	ASC CMS	HOPD CMS	Savings	Savings %
Tonsillectomy and Adnoidectomy	$ 1,082	$ 2,736	$ 1,654	60%
Ear Tube Insertion	$ 1,082	$ 2,736	$ 1,654	60%
Nasopharyngoscopy	$ 3,568	$ 5,086	$ 1,518	30%
Nasal/Sinus endoscopy: Maxillary sinus	$ 1,990	$ 5,822	$ 3,832	66%
Nasal/Sinus endoscopy: Sphenoid sinus	$ 1,990	$ 5,822	$ 3,832	66%
ACL Repair	$ 4,035	$ 6,264	$ 2,229	36%
Knee Arthroscopy/Meniscectomy	$ 1,328	$ 2,830	$ 1,502	53%
Arthroscopy shoulder with rotator cuff repair	$ 2,929	$ 6,264	$ 3,335	53%
Arthroscopy shoulder with debridement	$ 1,328	$ 2,830	$ 1,502	53%
Total knee replacement	$ 8,759	$ 12,314	$ 3,555	29%
Partial knee replacement	$ 8,214	$ 12,314	$ 4,100	33%
Open treatment of patellar fracture	$ 2,929	$ 6,264	$ 3,335	53%

ASCs do not charge for services other than those performed on the day of surgery and bundled with the code. In contrast, hospitals can and do charge for other items such as medications, time spent in recovery, gauze, etc. ASCs are NOT permitted add these line item charges.

HOPD = Hospital Outpatient Department
CMS = Centers for Medicare and Medicaid Services

GMCB Data Shows Cost Savings of >$2,000 per case from ASCs v Hospitals

Figure 7: Median Commercial Price Paid for Common Outpatient Surgeries, CY 2019

Facility	Carpal Tunnel Surgery	Cataract Removal with Implant of Lens	Colonoscopy and Biopsy	Colonoscopy with Lesion Removal	Diagnostic Colonoscopy	Endoscopy of Esophagus, Stomach and Duodenum
Brattleboro Memorial Hospital (BMH)	$5,795	$8,675	$3,835	$4,070	$2,938	$4,074
*Copley (COP)	$2,481	$5,802	$3,286	$3,055	$1,939	$2,858
Gifford Medical Center (GMC)	$8,284	$6,243	$5,251	$6,363	$3,025	$4,500
*GMSC (ASC)	$2,987		$2,233	$2,313	$1,580	$2,078
Mt. Ascutney Hospital & Health Center (MAHHC)		$9,789	$3,484	$4,314		$4,464
North Country Hospital (NCH)	$7,177	$6,618	$5,916	$5,933	$5,094	$5,797
*Northwestern Medical Center (NMC)	$3,209	$5,782	$2,135	$2,233	$1,906	$2,630
Northeastern Vermont Regional Hospital (NVRH)		$10,527	$6,018	$6,718	$5,177	$5,211
Porter Medical Center (PMC)	$4,992	$4,688	$3,525	$4,207	$2,600	$3,768
Rutland Regional Medical Center (RRMC)	$5,004	$5,931	$5,354	$5,276	$4,054	$5,515
*Springfield (SPR)	$2,398		$3,291	$3,266	$2,595	$2,991
UVM Medical Center (UVMMC)	$4,708	$5,810	$4,830	$4,981	$3,892	$3,794
*VELSC (ASC)		$3,751				

Source: VHCURES. Facilities are arranged by alphabetical order. SVMC and CVMC are excluded due to data quality issues.

* Price Comparison Chart from GMCB's ANNUAL REPORT FOR 2021, p 40

GMSC (ASC) provides >$5M in annualized savings for Vermont's commercial patients and payers

Facility	Carpal Tunnel Surgery	Colonoscopy and Biopsy	Colonoscopy with Lesion Removal	Diagnostic Colonoscopy	Endoscopy of Esophagus, Stomach and Duodenum
Hospital Average Price	$4,894	$4,266	$4,583	$3,322	$4,146
ASC Price	$2,987	$2,233	$2,313	$1,580	$2,078
Difference GMSC ASC v HOPD Average	($1,907)	($2,033)	($2,270)	($1,742)	($2,068)
% savings	-39%	-48%	-50%	-52%	-50%
Difference GMSC ASC v UVMMC	($1,721)	($2,597)	($2,668)	($2,312)	($1,716)
% savings	-35%	-61%	-58%	-70%	-41%
GMSC Commercial Procedures in 2019*	31	216	390	321	183
Total Commercial Savings 2019	$53,351	$560,952	$1,040,520	$742,152	$314,028
Total Savings (July - Dec 2019)					$2,711,003
Annualized Savings From GMSC (ASC)					**$5,422,006**

* Volume data provided by GMSC; Pricing data from GMCB's ANNUAL REPORT FOR 2021, p 40

COST ESTIMATES PROVIDED BEFORE PROCEDURE

PATIENT ESTIMATE

Patient: **Insurance:** **Estimate Date:**

MRN: **DOS:** **Surgeon:**

Co-Pay:	Co-Insurance (5%):	Deductible Not Met:	OOP Not Met:	Total Expected Patient Responsibility:
$0.00	$145.00	$0.00	$1,246.42	$145.00

Item/Description	Estimated Charges	Adjustments	Allowed Amount
58558; Dilation and Curettage hysteroscopy, polypectomy	$3,625.00	$725.00	$2,900.00
Totals	**$3,625.00**	**$725.00**	**$2,900.00**

Cost estimates include surgery center facility charges only. Surgeon, Anesthesiologist, and/or Pathologist and reference lab fees are billed separately. Actual charges may vary based on unknown circumstances or complications encountered during the procedure. This estimate is based on insurance coverage information provided to us by your insurance company at the time of the estimate.

UNIQUE ENVIRONMENT FOR HEALTH CARE WORKERS

- Lean, efficient and nimble operations
- Positive and employee-driven
  - Employees feel listened to, needed, empowered
  - Minimal bureaucracy
- Work / Life Balance
  - No call, weekends, overnights, holidays
- Opportunities for cross training and career advancement

EMPLOYEE RECRUITMENT / RETENTION

- Women-led with strong community focus
- Gives VT health care workers another choice of where to work
  - Helps to keep workers and their families in Vermont
  - Helps to lessen the **monopsony** power in the labor market that often exists in a consolidated system
- CSC will help to attract more independent surgeons, and other health care personnel to VT
  - Helps to diversify system
  - GMSC recruitment success examples

COLLABORATIVE COMMUNITY FOUNDATION (CCF)

- 50% of CSC's net profits will go to associated charitable foundation to support
  - Primary care
  - Mental health
  - Child counseling services
  - Other needed community services
  - Health reform efforts

- CCF will make grants available to health care organizations throughout the state of Vermont

KEY CSC STATS

Project Cost: $5,293,344

Location: 525 Hercules Drive in Colchester

Procedure Types: Seeking **unrestricted** multi-specialty license with a **minimum** of four core procedure types: orthopedics, ENT, dentistry, and urology

Size: 9,000 sq ft, four ORs

Primary Service Areas: Chittenden, Franklin, Grand Isle, Addison, Lamoille, Washington and Addison County and Northern New York

CSC HAS BROAD COMMUNITY SUPPORT

AARP Vermont

I am writing to support the effort to build a multi-specialty outpatient ambulatory surgery center in Chittenden County. For our members, having another lower cost, high quality outpatient surgery option is something which makes sense and should be available.

The medical community is an integral part of Colchester's and the state's economic success and we would welcome the addition of the Collaborative Surgery Center. They will help attract surgeons to Vermont, including independent ones, to help diversify Vermont's health care system by creating a healthier balance of community and hospital providers.

Colchester VERMONT

MAIN STREET LANDING

Please approve pending application for the expansion of the surgical facility in Colchester, Vt. Years before the pandemic, it took over 5 months to schedule elective but necessary total shoulder replacement in 2011 and 2013. In March 2021, I needed surgery to remove a painful and swelling myxoid cyst on my thumb. I initially called uvmmc and they told me 2.5 months before i could be evaluated by a physician's assistant. I called a hand surgeon not at UVMMC and was able to have the the surgery within 2 weeks in Colchester. Best decision I ever made! My third choice, I would have had go to Copley or Northwestern. We need additional surgical suites in Chittenden County! Thank you.

CSC will significantly contribute to solving these common issues. Their mission to offer an outpatient surgical center where independent doctors provide essential care services to patients will contribute to the health, well-being, and economic security of Vermonters.

MVP fully supports CSC's application and urges the Board to approve it.

MVP HEALTH CARE

I fully support the CSC and urge the Board to approve the application so they can expeditiously move forward with the development and bring essential services to Vermonters. Thank you for your anticipated wisdom and vision.

BlueCross BlueShield of Vermont

An Independent Licensee of the Blue Cross and Blue Shield Association.

Blue Cross is dedicated to ensuring the health and wellness of the 238,000 Vermonters who have entrusted us with their health insurance coverage. Our customers' experiences and feedback on the existing Green Mountain Surgery Center's (GMSC) medical services have been very positive. Like the GMSC, the Collaborative Surgery Center will provide increased access to a cost-effective, high-quality option for outpatient surgery for a variety of procedures.

As a Senior Vice President of Burton Snowboards, I am writing to share Burton's strong support for granting a Certificate of Need to the proposed Collaborative Surgery Center (CSC). As an employer of over 350 Vermonters, the large majority of whom are covered (along with their dependents) through our self-funded health insurance plans, we firmly believe the CSC will have a positive impact on Burton's employees and their family members, and the broader community.

BURTON

The CSC is a crucial step in the right direction in bringing a high-quality, lower-cost care alternative to Vermonters. I fully support the CSC and urge the Board to approve the application so they can move forward with the development and bring essential services to Vermonters.

CHROMA