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DELIVERED ELECTRONICALLY

January 22, 2024

Donna Jerry, Senior Health Policy Analyst Green Mountain Care Board 144 State Street Montpelier, Vermont 05602 donna.jerry@vermont.gov

Re: Request for Expedited Review of the Certificate of Need Application for the Purchase of the Fanny Allen Campus in Colchester by the University of Vermont Medical Center Inc.

Dear Donna:

The University of Vermont Medical Center Inc. ("UVM Medical Center") files this Certificate of Need application for the purchase of the Fanny Allen Campus. UVM Medical Center is seeking expedited approval of the application without a hearing and with such other abbreviated process as the Green Mountain Care Board ("GMCB") finds appropriate.

A request for expedited review may be granted if the project is likely to be uncontested and does not substantially alter services. 18 V.S.A. § 9440(c)(5); GMCB Rule 4.00, *Certificate of Need* ("Rule 4"). UVM Medical Center's application, attached, meets these requirements.

This project is not expected to be contested. The project is narrow in scope and purely a financial transaction. The project converts leased property to owned property, promoting uninterrupted access to services while producing financial savings over the long term.

The project does not substantially alter services offered by the applicant. Pursuant to Rule 4, a project does not substantially alter services if:

- (a) the project raises no significant health care policy or planning concerns; and
- (b)(i) the expenditures associated with the proposed project or action do not have a significant impact on the services provided, the cost of health care, or the financial strength of the applicant; or
- (ii) the project consists of the routine replacement of existing equipment that is depreciated, out-of-date or obsolete, or consists of the routine renovation, repair or maintenance of existing buildings and facilities.

Rule 4, § 4304.2.

The project raises no significant health care policy or planning concerns. Services now provided on the Fanny Allen Campus will continue to be provided at that same site, without any interruption in patient access.

The project's cost will not have a significant impact on the services provided, the cost of health care, or the applicant's financial strength. There will be no addition to, elimination of, or change to the health care services available to patients. The project will not increase the cost of health care or negatively impact the applicant's financial strength; rather, the project will produce financial savings over the long term. Again, the transaction is purely a financial transaction that converts leased property to owned property.

Based on the above, we believe the GMCB may declare this application uncontested, and issue written notice granting a Certificate of Need without any further process. We respectfully ask the Board to do so.

In accordance with 18 V.S.A. § 9440(c)(2) and Rule 4, we provide the following information about the Project, which we discuss further in the enclosed application:

<u>Project Scope and Expenditures:</u> The project is for the purchase of the Fanny Allen Campus from Covenant Health for \$17.3M. The project scope is limited; it does not propose new construction or development of buildings or improvements, the acquisition of new equipment, the creation of new health care facilities, or the initiation of new health care services. The project is strictly a financial transaction that converts leased property to owned property.

<u>Project Rationale</u>: The applicant has sought to purchase the Fanny Allen Campus for many years. By purchasing the campus, the applicant can provide its patients with uninterrupted access to high quality, essential health care services at the location, while reducing its expenses over the long term.

<u>Need to be Addressed</u>: The Fanny Allen Campus is a critical component of the applicant's care delivery system. The campus houses a variety of essential health care services which risk being displaced if the campus is sold to an alternative party. Purchasing the property protects the applicant from both potential non-renewal of the lease and escalating leasing costs.

<u>Cost, Access, Quality</u>: The project will secure uninterrupted access to quality health care on the Fanny Allen Campus.

This project was identified in UVMMC's FY24 budget submission.

¹ Rule 4 provides that an applicant seeking expedited review may submit a "simplified" application that explains 1) project costs in detail; 2) why the project qualifies for expedited review; and 3) the need for the project and why the applicant is the appropriate entity to address the need. Rule 4, § 4304.3. Notwithstanding the Rule's reduced filing requirement, the attached application provides a complete and comprehensive justification for the project and fully addresses all relevant criteria.

<u>Service Area:</u> The service area includes UVMMC's catchment area (Vermont and Northern New York).

Since we are requesting expedited review, we understand that your office will provide public notice in accordance with 18 V.S.A. $\S\S 9440(c)(2)(B)$ and 9440(c)(5)(A).

Thank you for your consideration. Please contact me if you have any questions concerning this request or the application.

Sincerely,

Judith Henkin, Esq.,

on behalf of the UVM Medical Center, Inc.

cc: Stephen Leffler, M.D.

Eric Miller, General Counsel & Senior Vice President,

UVM Health Network