

Green Mountain Care Board
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DELIVERED ELECTRONICALLY

April 1, 2016

Mr. Jason Aldous
Dartmouth-Hitchcock Medical Center
One Medical Center Drive
Lebanon, NH 03756

RE: Docket No. GMCB-005-15con, North Country Oncology Center (Norris Cotton Cancer Center-North) in St. Johnsbury, Proposed Construction of a Second Vault to House a New Linear Accelerator and Maintenance of Existing Linear Accelerator to Provide Back-Up Service, Project Cost: \$4.8 million.

Dear Jason:

Thank you for the application for the above referenced project. To complete our review, please respond to the following:

Financial

1. Table 1 shows \$2,300,000 for fixed equipment cost to be purchased with working capital. Table 3C should show the related depreciation expense. Table 4C should include the fixed equipment purchased. Please confirm that these costs are reflected in Table 3C and 4C and identify the line items where each is included. If not, please revise and resubmit tables.
2. Identify where "Related Project Costs, Other" is reflected on Table 3C.
3. Table 4C shows total fund balance of \$529,774 in budget year 2016. Confirm whether the projected funds of \$4,807,365 used to fund the project are in an already established capital fund that is not included in this balance sheet.
4. Confirm whether Table 4C shows the capital cost of leasehold improvements as it relates to the 3,200 square foot space to be renovated and whether Table 3C reflects the related amortization expense. If not, please revise and resubmit Table 4C.
5. There appears to be no increase in revenues (Tables 6A and 6C) nor FTEs (Table 9) projected from the addition of the new linear accelerator. Please explain.



6. Identify and explain whether redundancy in technology costs are reflected in the financial tables submitted.
7. Explain whether additional operating costs (*e.g.* maintenance contract, preventive maintenance, quality control, quality assurance, annual calibration) have been included in cost projections in the financial tables submitted. If not, please revise the affected tables and resubmit.

Other

8. In a table format, show the capacity, actual volumes, and percent of capacity used for the existing linear accelerator for the most recent twelve-month period (broken down by month), as well as the capacity, projected volumes, and percent of capacity used for the new linear accelerator for proposed Years 1, 2 and 3.
9. In a table format, show the days per week and hours per day the current equipment is available and any after hour scheduling and provide the same information for the proposed new equipment for Year 1, 2, and 3.
10. Are there wait lists for linear accelerator services? Explain fully.
11. Explain whether the price of treatments will change once the new equipment is on line. If prices will change, explain the cause of the changes.
12. Explain why overtime peaks are concentrated during the winter months and the same across the health network.
13. Over time peaks average about 3-4 hours per week. Explain the potential for different scheduling to even out such peaks.
14. Explain staffing for those periods when the new and existing accelerators are in concurrent use.
15. Given that the new equipment is more precise than the 10-year old equipment you are maintaining for back-up, explain how patients will be educated about any potential differences in treatment/outcomes.
16. Identify whether any of the following applications will be included: a) intracranial and extracranial stereotactic treatment capability; b) advanced IGRT and motion management (*e.g.* beacon-based imaging of soft tissue); c) radiation treatment planning modules to support advanced treatment applications.
17. Confirm whether all software costs and software costs for treatment planning modules for use with stereotactic body radiotherapy are included in the total project cost.

In responding to the questions, please restate the question in bold font and respond in unbolded font, and send the original and two hard copies with a Verification Under Oath to me at the Green Mountain Care Board, 89 Main Street, Montpelier, Vermont 05620. Please send the electronic copy to donna.jerry@vermont.gov.



If you have any questions, please do not hesitate to contact me at (802) 828-2918.

Sincerely,

s/ Donna Jerry

Donna Jerry

Senior Health Policy Analyst

