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May 7, 2014

Via Electronic Mail & U.S. Mail

Donna Jerry Health Policy Analyst Green Mountain Care Board 89 Main Street Montpelier, VT 05620

Re: Certificate of Need Letter of Intent

Dear Ms. Jerry:

Pursuant to 18 V.S.A. § 9440(c)(2)(A), Weight Control Communities, Inc. d/b/a Green Mountain at Fox Run ("Fox Run") submits this Letter of Intent and requests that the Green Mountain Care Board (the "GMCB") find that Fox Run's planned creation of an outpatient eating disorder treatment program does not fall within the GMCB's Certificate of Need ("CON") jurisdiction.

Since 1973, Fox Run has been operating a healthy living retreat on a remote 26-acre parcel in Ludlow, Vermont that helps women establish new behaviors for sustainable weight management (the "Retreat"). The Retreat offers numerous nonclinical services including educational programs; personal health assessments; balanced meals and cooking demonstrations; fitness classes, strength training, and outdoor activities; and access to a fitness and recreational center. These comprehensive, integrated, nonclinical services help women adopt a new way of thinking, moving, and living to achieve a healthy weight without dieting. The Retreat services are not eligible for third-party insurance reimbursement.

Fox Run intends to expand its services by creating a separate outpatient eating disorder treatment program in the Ludlow area (the "Outpatient Treatment Program"). The Outpatient Treatment Program will provide individual and group therapy sessions, including psychotherapy, cognitive behavioral therapy, dialectical behavior therapy, nutrition therapy, and exercise therapy, and medication management (the "Outpatient Services"). Each of the Outpatient Services will be

provided by a psychiatrist, clinical psychologist, or other mental health professional (e.g., licensed clinical social worker) in a clinical office setting proposed to be situated at 70 Main Street in the Ludlow commercial district.

The Outpatient Treatment Program will be comprised of three varying degrees of intensity and will last from 1-4 weeks. The base outpatient program will consist of 1-2 hours of Outpatient Services for 1-2 days per week, the intensive outpatient program will consist of 3-4 hours of Outpatient Services for a minimum of 3 days per week and the partial hospitalization program will consist of approximately 5-6 hours of Outpatient Services for 5 days per week.

Fox Run anticipates that the Outpatient Treatment Program will be eligible for third-party insurance reimbursement. However, Fox Run does not plan to become a participating provider for Medicare or Medicaid reimbursement.

As is typical for outpatient clinical programs, participants in the Outpatient Treatment Program who do not live locally are free to stay at the lodging of their choice in the Ludlow area. Fox Run expects that many of the participants in the Outpatient Treatment Program will stay at the Retreat and some may opt to participate in the nonclinical services offered at the Retreat through a proposed transitional living program located at the Retreat or at an additional location yet to be determined. Like the current residents of the Retreat, none of the participants in the Outpatient Treatment Program, even those who participate in the optional transitional living program, will receive clinical services in a location other than 70 Main Street.

Fox Run requests that the GMCB find that Fox Run's planned creation of the Outpatient Treatment Program does not fall within the GMCB's CON jurisdiction because the Outpatient Treatment Program is excluded under 18 V.S.A. §9435(a). Depending on the success of the Outpatient Treatment Program, Fox Run may wish to expand its services to include residential treatment of eating disorders. Before embarking on such an expansion, Fox Run will submit a supplemental Letter of Intent as required by statute.

I look forward to hearing from you regarding this Letter of Intent.

Sincerely yours,

Craig Miskovich

cc: Randall Autry

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