

**Green Mountain Care Board**  
89 Main Street  
Montpelier, VT 05620

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## **DELIVERED ELECTRONICALLY**

July 11, 2017

Ms. Shireen Hart, Esq.  
Primmer, Piper, Eggleston & Cramer, PC  
150 South Champlain St.  
PO Box 1489  
Burlington, VT 05402

### **RE: Docket No. GMCB-014-17con, Propose Purchase of Birchwood Terrace**

Dear Shireen:

Thank you for the letter dated July 7, 2017 regarding the above referenced project.

The application must include a detailed description of, and the need for, the proposed project, cost of the individual components and total project cost, and an explanation of existing and new or expanded services to be offered, any purchase or lease arrangements that will be entered into, and a description of any renovation/construction and IT components of the project.

The application should address the Institute of Health Improvement Triple Aims: 1) improving the individual experience of care, 2) improving the health of populations, and 3) reducing the per capita costs of care for populations. Pursuant to 18 V.S.A. § 9437(1), the application must be consistent with the current Health Resource Allocation Plan (HRAP); the applicable HRAP Standards for the proposed project are Standards 1.6, 1.7, 1.9, 1.10, 1.11, 1.12 (if applicable), 3.12, 4.7, 5.1, 5.2, 5.3, 5.4 and 5.12. In addition, the criteria set forth in 18 V.S.A. § 9437(2)-(6) and (8) apply to your application.

Sufficient financial information is also required to evaluate the impact of the project. Please submit the following:

- **Profit and Loss Statements:** Include the actual for 12-month period for 2014, 2015, 2016, Proposed Year 1, Proposed Year 2, and Proposed Year 3 (specify the 12-month period for each). Include a summary of all financial assumptions that underlie projections;
- **Revenue Projections:** Include the actual for 12-month period for 2014, 2015, 2016, Proposed Year 1, Proposed Year 2, and Proposed Year 3 (specify the 12-month period for each). Include a summary of all financial assumptions that underlie projections;



- Balance Sheets: Include the actual for 12-month period for 2014, 2015, 2016, Proposed Year 1, Proposed Year 2, and Proposed Year 3 (specify the 12-month period for each). Include a summary of all financial assumptions that underlie projections;
- Cash Flows: Include the actual for 12-month period for 2014, 2015, 2016, Proposed Year 1, Proposed Year 2, and Proposed Year 3 (specify the 12-month period for each). Include a summary of all financial assumptions that underlie projections;
- Operating Costs: Indicate actual by line item for a 12- month period for 2014, 2015, 2016, Proposed Year 1, Proposed Year 2, and Proposed Year 3 (specify the 12-month period for each). Include a summary of all financial assumptions that underlie projections.
- Financial Table 1, Project Costs;
- Financial Table 2, Financing Arrangement;
- Financial Table 6A, 6B, and 6C, Revenue Source Projections;
- Financial Table 7A, 7B, and 7C, Utilization Projections;
- Financial Table 9A, 9B, and 9C, Staffing Projections; and
- Current Owner's Most Recent Audited Financial Statement, and
- Personal financial statements reflecting all personal, health care and non-health care business interests for each individual purchasing the real estate and the operations of Birchwood Terrace.
- Provide the names and full contact information for all prospective owners and/or shareholders in the transaction, percent interest in the real estate and percent interest in the operations for each, and the dollar amount each member is contributing of the total equity contribution reflected on Financial Table 2, *Financing Arrangement*.
- In table formats, provide current (as of the date of submission) CMS overall star ratings (1-5) for overall rating, overall health/fire/safety inspections, staffing, RN staffing, quality measure ratings and penalties from the Centers for Medicare and Medicaid Services (CMS), *Nursing Home Compare* website for Birchwood Terrace and all other facilities in which the proposed buyers have an interest.
- For Birchwood Terrace and each of the facilities in which the applicants have an interest, list the 24 short and long term quality measures from the CMS website that are worse than the state average, indicate the percent below the state average for each facility. Provide in a table format.

In responding, restate the question in bold font and respond in unbolded font. Send the original and two hard copies



(three-hole punch one hard copy) with a Verification Under Oath to my attention at the Green Mountain Care Board, 89 Main Street, Montpelier, Vermont 05620, and an electronic copy to me at [donna.jerry@vermont.gov](mailto:donna.jerry@vermont.gov). If you have further questions, please do not hesitate to contact me at 802-828-2918.

Sincerely,

s/ Donna Jerry

Donna Jerry

Senior Health Policy Analyst

