STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

DOCKET NUMBER GMCB 015-16 CON

IN RE: CERTIFICATE OF NEED
HEARING FOR SOUTHWESTERN VT
MEDICAL CENTER DENTAL HOME

July 10, 2017
10:30 a.m.
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89 Main Street
Montpelier, Vermont

Public hearing held before the Green Mountain Care Board, at the Second Floor Hearing Room, City Center, 89 Main Street, Montpelier, Vermont, on July 10, 2017, beginning at 10:30 a.m.

P R E S E N T

BOARD MEMBERS: Kevin Mullin, Chairman
Cornelius Hogan, Board Member
Maureen Usifer, Board Member
Noel Hudson, Esquire, Hearing Officer
Robin Lunge, J.D. MHCDS, Board Member
Jessica A. Holmes, Ph.D.
Judith Henkin, Esquire, General Counsel

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I N D E X

(10:33 a.m.)

CHAIRMAN MULLIN: Good morning everyone. We are about to hear a Certificate of Need application for Southwestern Vermont Medical Center for a Dental Home. And I'm going to turn the meeting over to the Hearing Officer, Noel Hudson, who will run the meeting.

MR. HUDSON: Good morning everybody. Noel Hudson. I'll be the Hearing Officer of today's hearing. And at this point I would like to ask all members of the audience to turn their cell phones off; all participants to turn their cell phones off.

This is a hearing in the matter of a Dental Home at Southwestern Vermont Medical Center. It is July 10, 2017. Docket Number GMCB-015-16 CON.

The Board's review of the application in this hearing are conducted under Chapter 221 of Title 18 of the Vermont Statutes as well as the Board's Certificate of Need Regulation Rule 4. The Board will not make a decision in this matter today as it is required to take public comments by law for the next 10 days. These comments can be submitted by the Board's website, by telephone, or by U.S. Mail, and there is a sign-up sheet for anyone in attendance who wish to offer public comments at this

hearing.

We have a court reporter with us. Kim Sears. She will be making a transcript of this proceeding which will be available at a reasonable time. And at this point I would like to ask Ms. Sears to have all people who will or may testify stand at this time and be sworn in.

STEPHEN D. MAJETICH, JAMES TRIMARCHI
DR. MICHAEL BRADY AND DR. RICHARD BARBIERRI
Having been duly sworn, testified
as follows:

MR. HUDSON: So we will be hearing from Southwestern Vermont Medical Center today. And also the Vermont Office of the Health Care Advocates, a party to the proceeding, but will not be presenting today.

So at this point I'll turn it over to Southwestern Vermont Medical Center.

MR. TRIMARCHI: Great. Well thank you very much. We are very excited to be at this stage of the process. As you know, dental care in our community is in short supply, so our community is quite excited that we are here as well.

I have a few slides I'll just go through relatively quickly, and then we will open it up to questions and try to answer.

MR. HUDSON: Thanks, Mr. Trimarchi. Could you identify yourself for the record at this point?

MR. TRIMARCHI: Sure. I'm Jim Trimarchi from Southwestern Vermont Health Care. So here today we have with me here at the table our CFO,

Stephen Majetich; our Director of Engineering had a death in the family so he's not here today. We do have Dr. Brady and Dr. Barbierri with us as well, two local dentists in the region, who will speak if there is any dental-specific type questions.

So why launch the SVMC Dental Home? Really the most important region -- the most important reason is that a large percentage of the population in the Bennington region is afflicted with dental issues. You can see some of the statistics there. I just really want to point out the second bullet there which is nearly 20 percent of the middle schoolers are in need of oral health care. It's actually a problem that is multi-generational, and that our hope is that this clinic will actually start to make inroads into that.

So access to dental services are very limited. Just as one piece of evidence we like to talk about, we have the lowest rate of dental sealants. When you look at actually third graders across all of the schools of Vermont, 24 schools, 52 percent of those students in third grade have dental sealants by comparison to 38 in Bennington. And that is really a result of access to dental care, not a result of kind of sensibility towards dental

sealants.

So again, the hope is that this dental clinic which will be serving the entire population of Bennington in terms of it will accept all comers including Medicaid, both children and adults. So our hope is to actually start to bring those numbers back in line with the rest of Vermont.

The other very important point is that this dental clinic aligns with the Vermont Oral Health Plan in terms of trying to provide access to a Dental Home to all Vermonters. It will also actually increase the oral health work force. You can see the numbers there in terms of the age -- the age of dentists, and there is really no clear succession planning for the dentists in Bennington, and our goal is to actually recruit young dentists from outside the region using a mentorship-type program to actually help facilitate the transition to our region. That model has been shown to be successful in other communities outside of Vermont. So we are quite excited about bringing that to southern Vermont.

And just one last point, this last point here on the bottom, as we have talked to our local dentists, and we have had several meetings

together with them to talk about the clinic, talk about how our strategy and the population we are going to serve, and we have resounding support across the dental community down in our region, which is great. And the main reason is they recognize they can't serve the entire need. The need is much, much greater than the current access.

So our plan is to renovate a portion of our medical office building right on the Bennington campus. 1,900 square feet. Put in five exam rooms, a small laboratory, X-ray, a private consult room where we can sit down with patients, in particular families that are facing multiple issues with children. We can sit down and have a talk and develop a full strategy for their family, and a reception and waiting room. It's a relatively small clinic. And the reason for renovating within our medical office building is really access to transportation.

So many of the Medicaid population that we will be serving have limited access to transportation. The public transportation in the region actually comes to the hospital and drops there. So it's relatively convenient for the population to access this clinic right on our campus.

And it's right -- going to be on the first floor of our medical office building, so easy access for handicap and the like.

And also too, one other point about its location is it's very, very close to SVMC Express Care, which is an urgent-care-type center as well as just across a small parking lot from our emergency room. And that's part of the goal of this. Right now when people are presenting in our emergency room with dental issues, the emergency physicians can't really treat their underlying dental issue. All they can really do is treat pain. So what this will allow us to do is actually they will be able to refer directly across to our dental clinic, and we will be able to start to address the underlying dental issue, and thereby eliminate the long-term exposure to pain medications which we know adds to the opioid issue.

So the cost of implementation is 800,000 for the actual -- includes the capital renovation, the technology that we need, the software, and some other major medical equipment. So a rather modest investment to actually get this clinic up and running. Operations will ramp up over the next couple years. Part of this ramp up has -- is dependent upon recruitment of providers,

recruitment of dentists. And I have good news in that we already have one young dentist who is very, very interested in joining us early on. So we may be able to actually achieve meeting these goals a little earlier than anticipated and meeting the community need much more quickly.

It does appear that this model of having more seasoned dentists on a hospital campus is quite attractive to young dentists, so we are excited about this model. Let's see here. So then the time line -- we have had to actually shift this time line a little bit from what appeared in the original CON submission as we work through this application process together with the Green Mountain Care Board staff. This is the current time line that we feel that we can adhere to quite nicely. It has three or four-month build out in terms of renovations and with first patient seen -- being seen the first of the year in January. And all indications with permitting and the like is that we should be easily on track for that.

So one of the important things to pay attention to is the payor mix that we are going to serve. It's going to be dominated by Medicaid, both children and adults. The commercial payor, because

we are going to be on campus, we will actually also be serving some SVMC employees. And that's what we think that commercial amount will be. We talked to our local dentists specifically about this issue. So much of their practice is dependent upon maintaining the right balance between public and private payors. And one of the things that we have talked to them extensively about is that we don't anticipate our clinic to actually disrupt their clinics in terms of attracting some of that business. There is so much demand in our community that we should be fine. So that's the payor mix that's going to be coming through.

We have a series that are -- it's articulated in the CON -- a series of measures that we are going to use to actually try to track access. Not just from the payor perspective but whether or not we are meeting the community demand. Here's one of the access measures. And it's really got to do with whether or not we get a referral from the emergency room, urgent care center, primary care practice or actually a school as well, we are going to try to see that patient and try to develop a treatment plan for that patient within 48 hours. So that's really, really important to try to provide

that level of access to those people in need, because otherwise, they will end up in our emergency room. And that is really the purpose of this clinic, is get them out of the emergency room where they are not just going to be receiving pain medication, into a dental clinic where they are actually going to be receiving treatment and a long-term plan.

So in summary, the dental needs in the Bennington region are significant. The access is limited. We anticipate launching this clinic with about 800,000 in capital investment. The clinic should be open the first of the year. If not, slightly sooner. And that we are going to recruit oral health professionals from the region. Just to give you another example of that, this morning I received a resume in my E-mail box from a dental assistant that's moving to our region as a trailing partner for someone else joining as an engineer to one of our companies in Bennington. So providing that type of an opportunity to a trailing partner really allows other businesses in our region to attract key talent. So that's the type of thing that we are looking to do for our region.

So I believe that's the end of the presentation. We would be more than happy to take

questions or hear some of your thoughts.

MS. LUNGE: I have questions. Do you want to go first or --

CHAIRMAN MULLIN: No. Go ahead.

MS. LUNGE: Okay. Hi. I thank you for joining us today. I was interested in hearing a little bit more about your recruitment strategies. I think it's interesting -- this is an interesting model, and -- but I did note in your application that you had indicated there had been some issues recruiting to the Bennington area in the past. And as part of that I was wondering if you had considered the new -- there is a new dental -- I think it's a dental assistant category. If you considered that.

MR. TRIMARCHI: Yeah. The dental assistant category you're talking about, I believe, is the extended function dental hygienist. It allows the dental hygienist to do some of the activities that a normal dentist does, and it stretches your dentist much farther.

We are fortunate in that we have already had pretty good interest with dentists themselves. So I think that our current model is to couple the dentists with hygienists, not extended function hygienists but standard function hygienists.

But you know, as we launch this clinic, as we look at the demand, and as we look at our operations, we want to make sure that we run it the most effective and operationally we can. So we will have to look at it as the months go on.

In terms of recruitment, the advantage -- one of the advantages that we have is Dr. Brady serves on a review board for the New England School of Dentistry. So we kind of have a conduit to young upstart dentists that are interested in coming to southern Vermont.

MS. LUNGE: Thank you. I had one other question.

MR. HOGAN: Yeah. This is Con. I know we are just supposed to listen, but I've got to tell you I'm so glad you're doing this. You've got some serious dental problems in that district, and you've got this all planned. I'm not going to sit back and nitpick it. You've done a good job for that community putting this together. Thank you.

MR. TRIMARCHI: Thank you, Con.

MS. LUNGE: And my other question was, and I believe this is in your application, and I apologize that I'm not a hundred percent sure. But I think the VDH oral health plan establishes the

criteria for a Dental Home that you strive to start care by age one. I think that's what you're intending, but I just wanted to clarify that point.

MR. TRIMARCHI: Robin, that's a really good question, and it's something that our pediatricians that are under SVMC Pediatrics have been struggling with. Many of the dentists in our region are a little bit uncomfortable with children under the age of one and starting that process. We have been in communication with them about that. And that would definitely be something we are going to do. We are definitely going to try to take direct referrals straight from pediatrics to the clinic to try to get that moving.

More importantly, I think by doing that I think we can start to set the standards in our region and make it a little bit -- start to chart that path for our dentists, the dentists that are in the community. And again, led in part by Dr. Brady who is here with us and Dr. Barbierri are very collegial.

So as we do that, I think we will be able to make inroads to allow other dentists in the region to start to see those under year-one patients.

MS. LUNGE: Great. Thank you.

CHAIRMAN MULLIN: One of the things that we have seen across the state is more dentistry being performed under the umbrella of an FQHC. I'm just curious what your thoughts were, if you reached out to anyone to try to -- this morning you talked about you hoped to be break even in year one, which 805,000 in expenses, so I'm just curious if you looked at that other avenue to try to lessen your exposure to risk.

MR. TRIMARCHI: Yeah. We have been in communication with the FQHC in Sunderland, in Arlington, Vermont, just a little bit north of us. They too are starting to gain traction with dental, but it's still early on. So we feel as though there is an opportunity. We need to get our clinic up and running and get operations stable. And once we do that, we will begin the conversation more about is there an opportunity to collaborate.

The early conversation has really been around is there an opportunity to get shared savings on buying supplies or, in particular, for certain dental implants or things like that, that you have to send out to a third-party company in other states. Is there an opportunity to work on joint contracting for that together with them to try to -- because both

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clinics are going to be relatively small in their scale. And so many of these types of third-party contracts are based on scale.

So there might be an opportunity there to collaborate and make sure the volume is sufficient so you get the best pricing possible. So yes, we are in communication with them. Early days though.

CHAIRMAN MULLIN: On the 17 percent commercial, you talked about how you envisioned employees at the Medical Center utilizing the space. Is this something you anticipate being a benefit of the organization in the future, or how do you see that playing out?

MR. TRIMARCHI: The employees are currently covered as part of our health care benefits. We carry dental insurance. So certainly we would like to try to provide that as a convenient location for employees. As you all know, if you're coming from another community, scheduling a dental appointment amongst your work life schedule is tricky. And if you can simply take a half an hour, run down and get your cleaning done, and then run back to work it would be very convenient. So that's basically where we are thinking about it.

Our employee base actually hails from

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pretty far abroad. We have employees from as far away as Troy and Schenectady area over in New York State, and we have employees halfway over to Brattleboro. So you can imagine trying to get home for a 2 o'clock dental appointment is fairly disruptive. So we anticipate it's really going to be those employees that are going to take advantage of it.

CHAIRMAN MULLIN: But you don't envision a point in time where you would self insure the dental and basically just have the clinic be --

MR. MAJETICH: No.

CHAIRMAN MULLIN: Thank you.

MS. USIFER: I have a couple questions on the financial model. Clearly you can afford the loss of a hundred thousand each of the years. But when you looked at your strategy and vision for the hospital, is that where you would see you would want to put an investment?

MR. TRIMARCHI: Such a huge community need. And dental issues lead to so many other medical issues. We need to get ahead of it. And yes, there is financial risk. Yes, it might be able to be lessened if we could partner more closely with an FQHC, but at this point we can't leave this issue

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on the table. We have to address it.

In addition, if we are going to enter into risk-based contracting for the medical side, not having dental can really create some downward pressure there. So --

MS. USIFER: And do you expect that in the future we will see some offsets in the emergency budget -- emergency room budget, since you're saying that's where you would see this show up, and can we expect in the budgets for the hospital that we will start to see some of that?

MR. MAJETICH: Each time we put a new program in place, we look at our emergency room. Because our emergency room is at times our primary care center. There is a good number, but we treat 24,000 patients in our emergency room. And when you look at the numbers, they will go down a little bit as we start treating patients in the clinic, but it's not substantial.

Okay. Getting this clinic up is really -- it's a huge community need. We are probably not going to see big savings out of our emergency room, but it's to prevent the future. And as Jim said, if we get to risk-based contracting, I believe this is something that we will -- it's a lower cost setting,

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and it's going to improve the health status of our kids in the community, and you know, it's just the right thing to do.

MS. USIFER: I think what you're looking at and what you're doing is something that should be done. It's just at what point do you get to a break even. You know, and also you probably have some costs from the hospital that, you know, are subsidizing a little bit, like the billing and things like that.

So if you look at a fully allocated cost, it's probably even, you know, larger than what we are seeing. It's just balancing, you know, where you put your investments.

MR. MAJETICH: Yeah. Absolutely. If you get into fully allocated cost, you know, the costs go up. But basically we are plugging this in, and we are going to use the overhead that we currently have to support it. Like we are not going to hire any more people in HR. We are not going to hire any more people in billing and things like that to manage this. So it's just we are plugging it in.

MS. USIFER: It's a great synergy to be able to see that. Other places would not be able to, so it's a good use. It's just from a fully allocated

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that people just need to acknowledge it would be even worse as far as the financial.

MR. MAJETICH: Yes, it would.

MS. USIFER: Okay. Thank you.

MS. HOLMES: Just a couple quick questions. Many of my colleagues here asked a lot of the questions I was going to ask. But that's what happens when you go last.

First of all, I would definitely applaud the effort here to really try and attack an issue that probably many of our communities should be looking at. It's also been sort of marginalized to some degree, or not very well integrated in our physical health care system.

A couple questions. One was given your proximity to New York, and your 80 percent Medicaid, just wondering a little bit about the reimbursement rates for Medicaid -- New York Medicaid versus Vermont Medicaid and what the breakdown of patients you expect Vermont versus New York.

MR. MAJETICH: Well our focus is Bennington right now. Getting in the schools, meeting the needs -- because in the schools is where we have really identified this. Dr. Brady and his colleagues have identified this. So the Medicaid

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that is in this model is basically Vermont Medicaid. We did not make an outreach to Hoosick Falls, which is the largest town, and we get 20 percent of our business from New York State, so there is not a lot of New York Medicaid anticipated at this point. Reimbursement rates are terrible in New York --

MS. HOLMES: That's what I was wondering.

MR. MAJETICH: -- compared to Vermont.

MS. HOLMES: That was my concern.

MR. MAJETICH: But again, if we start seeing a migration over, that will be additional volume. And while the rates may not be good, but it is a health need. And I'm sure when we get our clinic up here, we may want to take a look over there, because our presence is becoming much more, you know, larger in Hoosick Falls because of, you know, Glens Falls is left; Hoosick Falls, Hoosick Falls is nine miles from Bennington. And there is a vacuum there.

So there may be some opportunity or need, can I use the word opportunity, coming from a Chief Financial Officer, we think that's money. But it may not be. It may be really need in the community for this, but right now it's basically

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focused on the Bennington market, the Bennington proper.

MS. HOLMES: Okay great. Just my second question.

MR. HOGAN: Can I follow up on that?

MS. HOLMES: Sure.

MR. HOGAN: All right. I suppose we all ought to be concerned about what's happening federally. Because this is an example of a program that might get hurt and hurt badly. But who knows what they are finally going to come up with.

So I'm just pointing that out that that's a risk that we face any time we increase a program like this, but you can't control it. So anyway, that's that.

MS. HOLMES: Just my second question is in the application it talked about the vast majority of dentists support this initiative in the community. I'm just wondering about that small minority, what are their big concerns? I understand it's small, but I'm just --

MR. TRIMARCHI: Yeah. Really the largest concerns are around some of their commercial business coming up to our clinic. You know, it's an open marketplace. Our hope is that we are going to

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have such a huge need from serving the referrals from our emergency room and urgent care center, and other schools and the like, as Stephen mentioned, really our focus is on the kids. They have accepted that now and understand what they really offer is a different product than us. So --

MS. HOLMES: Great. Thank you.

MR. HUDSON: Hearing no further questions from the Board, are there any members of the public who are in attendance and would like to offer public comment? Hearing no further questions --

CHAIRMAN MULLIN: I would just say that the two dentists were sworn in. I was just curious if they wanted to say anything.

MR. BRADY: I'll just address -- I'm Dr. Michael Brady. I'm a dentist at Molly Stark School. I've been doing it for 17 years, and we have been trying for 10 years to get this, and the committee of dentists have been supportive through all of that. The commercial part has been the only objection at this point, and the practicality of it has been a question that you were addressing from the dentists locally.

But the overall need trumps all of

that. So we really do appreciate the hospital stepping up and helping us do this.

MR. HOGAN: Just to let you know, I was around in the early days when that dental program was started at Molly Stark and it's -- how heavily it was used. That was a real key moment, the development of dental services down there.

MR. HUDSON: Okay. One last opportunity for public comment. And hearing none, just wanted to conclude with announcement that the Board will not make its decision today. The hearing is followed by a 10-day public comment period. Comments may be submitted to the Board by website, by phone, or by U.S. mail.

Thank you to Southwestern Vermont Medical Center for coming today. And this hearing is now adjourned.

(Whereupon, the proceeding was adjourned at 11 a.m.)

C E R T I F I C A T E

I, Kim U. Sears, do hereby certify that I recorded by stenographic means the public hearing re: Docket Number GMCB-015-16 CON, at the Second Floor Hearing Room, City Center, 89 Main Street, Montpelier, Vermont, on July 10, 2017, beginning at 10:30 a.m.

I further certify that the foregoing testimony was taken by me stenographically and thereafter reduced to typewriting and the foregoing 25 pages are a transcript of the stenograph notes taken by me of the evidence and the proceedings to the best of my ability.

I further certify that I am not related to any of the parties thereto or their counsel, and I am in no way interested in the outcome of said cause.

Dated at Williston, Vermont, this 11th day of July, 2017.