

## SECTION I PROJECT OVERVIEW

### A. Description of Project

The University of Vermont Medical Center Inc. (“UVM Medical Center”) hereby submits this Certificate of Need (“CON”) application in accordance with 18 V.S.A. Section 9440(c)(5), seeking expedited review and approval of a \$2.35 million project (the “Project”) to replace the existing da Vinci robotic surgical system, which was purchased in 2008, with a new da Vinci robotic surgical system. Specifically, this application seeks approval of the following:

- (1) Replacement of the da Vinci S Surgical System with a new generation da Vinci XI Dual Console System at a cost of \$2,260,000<sup>1</sup>; and
- (2) An upgraded da Vinci xi Skills Simulator for training and credentialing at a cost of \$85,000;

The total cost of the Project, which is \$2,347,931<sup>2</sup>, will be covered by budgeted capital funds, without the need for additional borrowing.

### B. Project Rationale

The Project does not involve any new program or service, the expansion or modification of any existing service or program, or the construction of any new health care facilities. The Project involves only the replacement of an existing surgical robotic system, consistent with sound business practices. No facilities renovations will be required to replace the stand-alone surgical system which can simply be wheeled in and out of the operating room.

The da Vinci S surgical system currently in use at UVM Medical Center was purchased in 2008 and is now fully-depreciated. The system is exhibiting increasing amounts of down-time and unreliability, and lacks certain enhancements made available by current technology. In April 2015, Intuitive Surgical notified its customers that the da Vinci S Surgical System would reach end of life effective December 31, 2017. At that time, Intuitive Surgical will discontinue service and support, and end production of all replacement parts and accessories, making the robotic surgical system effectively obsolete.

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<sup>1</sup> This amount includes a \$100,000 reduction in the purchase price as a result of the trade-in of UVM Medical Center’s existing da Vinci S Surgical System.

<sup>2</sup> The amount is inclusive of the CON application fee.