

June 12, 2015

Donna Jerry
Senior Health Policy Analyst
Green Mountain Care Board
89 Main Street, Third Floor, City Center
Montpelier, Vermont 05620

Re: The Green Mountain Surgery Center

Dear Donna:

We represent ACTD LLC (ACTD), an entity that will be applying shortly for a Certificate of Need (CON) to open and operate a multi-specialty ambulatory surgical center (ASC) in Chittenden County. ACTD is a limited liability company with a place of business located at 1 Mill Street, Suite 310, Burlington, Vermont 05401. The company was founded by Amy Cooper and Thomas Dowhan, MD.¹

The purpose of the company is to apply for a CON for the development and operation of the Green Mountain Surgery Center, a free standing multi-specialty ASC. ACTD acknowledges that the proposed ASC will require a CON, 18 V.S.A. § 9434(a)(6), and that jurisdiction over the CON rests with the Green Mountain Care Board (GMCB). Accordingly, there is no need for a formal letter of intent. 18 V.S.A. § 9440(c)(2)(B).

Nonetheless, ACTD respectfully requests a meeting with GMCB staff at its earliest convenience to learn more about the CON process, obtain an application, and clarify the pertinent HRAP

¹ Ms. Cooper is the Executive Director of Healthfirst Inc., Vermont's independent physician association. Prior to her involvement with Healthfirst, Ms. Cooper served for three years as a management consultant to health care providers and insurers as an associate at L.E.K. Consulting in Boston. She then transitioned to working in the e-commerce industry, holding positions at Barnes & Noble and Amazon.com, before co-founding her own consumer-internet company. Ms. Cooper holds a Masters of Business Administration from the Wharton School at the University of Pennsylvania, and graduated with a Bachelor of Arts, magna cum laude, from Harvard College

Dr. Thomas Dowhan is board certified in Ophthalmology and a graduate of UVM College of Medicine. He completed his residency at University of Medicine and Dentistry of New Jersey / Robert Wood Johnson College of Medicine (Formerly Rutgers University). He is presently in solo Ophthalmology Practice at St. Albans Eye Center, with a satellite office in Essex Junction, Vermont. Dr. Dowhan is a member/manager of The Eye Surgery Center, currently Vermont's only ambulatory surgery center. Dr. Dowhan is also President of the Franklin County Medical Society and serves on the board of directors of Healthfirst, Inc. He has been practicing in Vermont and performing surgeries at Northwestern Medical Center and the Eye Surgery Center for several years.

criteria that will apply to the project. We are supplying information about the proposed ASC in this letter to assist the GMCB's staff in conceptually understanding this project.

ACTD proposes to open and operate the Green Mountain Surgery Center to offer a new lower-cost, high quality alternative for outpatient surgery procedures in Chittenden County. The proposed facility will be a free-standing surgery center of approximately 13,000 SF with two sterile operating rooms and four procedure rooms. It will be located in Colchester, Vermont. Its primary service area is expected to be Chittenden County, although we anticipate that it may draw from Franklin, Grand Isle, and Addison Counties as well. We expect the project costs will be approximately \$5 million, and will be financed by a combination of debt financing and equity financing from local investors.

The Green Mountain Surgery Center will provide elective, non-emergent ambulatory surgical procedures for patients who do not require hospitalization and in which the expected duration of medical services does not exceed 24 hours following admission. The proposed ASC's scope of service will initially include obstetrics/gynecology, gastroenterology (GI), pain medicine, general surgery, and orthopedics procedures.

The proposed Green Mountain Surgery Center will seek Medicare and Medicaid certification and accreditation from the Accreditation Association for Ambulatory Health Care and/or the Joint Commission. The Center will serve a broad cross-section of the community, including low-income and indigent patients.

In addition to founders Amy Cooper and Tom Dowhan, ACTD LLC presently has seven minority owners. Six are local physicians, the majority of whom intend to perform surgery at Green Mountain Surgery Center should this CON be awarded. The other minority owner is a Chittenden County resident who works full time in the health care field.

The proposed Green Mountain Surgery Center would expand affordable outpatient surgery service options available in Chittenden County. If a CON is awarded, the Green Mountain Surgery Center intends to become an integrated part of the state's health care system. It will collaborate and cooperate with hospitals and other health care providers to improve patient experience within the health care system, alleviate pressure on area hospital operating rooms and procedure rooms, improve health outcomes for Vermonters, and reduce health care costs.

Reducing the cost of health care is one of the primary advantages of ASCs. They are reimbursed at a lower rate than hospitals by Medicare and other insurers. ASCs characteristically have lower building, staffing and overhead costs than hospitals. They are tightly regulated, have low infection rates, are linked to improved health outcomes for patients, and achieve high levels of patient satisfaction. ASCs have accordingly filled an important role in national health reform efforts by right-sizing outpatient care and reducing the cost of outpatient procedures to a level that is consistent with the relative complexity of such procedures.

The addition of the proposed ASC to Vermont's healthcare system will also expand access to important healthcare services and improve population health. The Green Mountain Surgery Center will offer important screening and diagnostic procedures to patients throughout its service area. Patients nationally have found that they are able to schedule procedures more quickly at

ASCs than at their local hospital. When patients have their medical needs treated more quickly, there is a lower risk of an underlying health issue worsening or becoming more difficult to treat or manage.

The proposed Green Mountain Surgery Center will also offer a smaller-scale, more intimate alternative to a hospital setting, which many patients find appealing. While some patients will undoubtedly prefer to have procedures done at a hospital, many patients find a hospital environment intimidating or overwhelming, and feel more comfortable in a smaller-scaled health care environment. Combining a convenient location, ease of parking, and a more modest and personal environment, the proposed ASC will offer a patient-friendly alternative to hospital care.

ASCs play an important role in the health care systems nationwide, providing a low-cost, high quality alternative for outpatient surgery. We believe the CON process will facilitate a robust and healthy discussion of the benefits the Green Mountain Surgery Center can bring to Vermont's health system, and we are excited to engage in the process.

Recognizing that the summer vacation season is nearly upon us, we would like to schedule a meeting with GMCB staff at your earliest convenience. Our team can be available at any time during the weeks of June 15-19 and June 22-26. We look forward to meeting with you to discuss our project.

Sincerely,



Drew Kervick
Eileen Elliott