

Sent Via Email

January 28, 2013

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

RE: Docket No. GMCB-003-13con, Proposed Purchase of Newport Health Care Center and Newport Residential Care Center in Newport, Vermont

Dear Shireen:

Thank you for your letter received on January 15, 2013 regarding your client's intention to purchase Newport Health Care Center and Newport Residential Care Center.

The application should include a detailed description of the proposed project, including a description of each component, any upgrades in the capacity of existing systems, any construction or renovation work, identification of the cost of components and total project cost. Pursuant to 18 V.S.A. § 9437(1), the application must be consistent with the current Health Resource Allocation Plan (HRAP). The following HRAP Standards apply to the proposed project: 1.6, 1.7, 1.9, 1.10, 1.11, 1.12, 3.12, 4.7, 5.1, 5.2, 5.3, 5.4 and 5.12. Relative to 18 V.S.A. § 9437, statutory criteria 2-6 apply to your application.

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

- Profit and Loss Statement: that includes latest actual for 12 month period, Proposed Year 1, Proposed Year 2, and Proposed Year 3 and specify the 12 month period for each. Include a summary of all financial assumptions that underlie projections;
- Revenue by Source: that includes latest actual for 12 month period, Proposed Year 1, Proposed Year 2, and Proposed Year 3 (and specify the 12 month period for each) for both "with" and "without" the project. Include a summary of all financial assumptions that underlie projections;

- Balance Sheet: that includes latest actual for 12 month period, Proposed Year 1, Proposed Year 2, and Proposed Year 3 and specify the 12 month period for each. Include a summary of all financial assumptions that underlie projections;
- Most Recent Audited Financials of applicant;
- Operating Costs by line item “with” and” without” the proposed project. Include assumptions;
- Financial Table 1, Project Costs;
- Financial Table 2, Financing Arrangement;
- Table 7, Utilization Projections;
- Table 9, Staffing Projections.

Also include the following: an organizational chart for both the real estate and the operating entities; list of owner’s names and contact information for both the real estate and the operating entities for owners with 5% or more interest; resumes for the primary owners of the operating entity, on-site administrator, director of nursing and medical director. Please include the names and locations of facilities currently owned by investors with 5% or more interest for the real estate and operating entities.

In responding to the HRAP standards and statutory criteria, please restate the standards and criteria verbatim in bolded font and respond to each in unbolded font. Please provide the original and four copies of the application and any attachments as well as two copies of the Verification Under Oath, Form A. In addition, please send an electronic copy to donna.jerry@state.vt.us. If you have any further questions, do not hesitate to call me at (802) 828-2918.

Sincerely,

s/ Donna Jerry

Donna Jerry

Health Policy Analyst

Green Mountain Care Board