



November 11, 2016

Mr. Alfred Gobeille, Chairman
Ms. Suzanne Barrett, Executive Director
Green Mountain Care Board
89 Main Street
Montpelier, Vermont 05020

Dear Mr Gobeille, Ms Barrett and Members of the Green Mountain Care Board

RE: Colchester outpatient surgical center application (Green Mountain Surgery Center)

Champlain Cable Corporation strongly supports the application of and certificate of need to build an ambulatory/outpatient surgical center proposed for Hercules Drive, Colchester. Based on our discussions with applicant's management team and on information we have received from the group Captive that our company belongs to, using their experience and research into the success of ambulatory care centers in other states, we are confident that a facility like this will generate significant savings for Champlain Cable and the approximately 125 employees who work in Colchester. This center will be able to provide equally or more efficient and effective health care outcomes as compared to the current outpatient surgery options in the local Burlington area. In addition, this center would provide greatly improved access and convenience to care for our employees as its location would be located down the street from our factory/HQ.

Champlain Cable Corporation has been a highly regarded, long standing manufacturer of wire & cable in Colchester Vermont for many years. With approximately 125 employees in this state and approximately 190 employees overall, we are one of the largest manufacturers in the state and have recently won several important business achievement awards. We run 24hrs a day, 5 days a week, at times 24/7.

As part of our benefit package to our hourly and salary employees in Vermont, we provide a premium health care plan. This is provided at minimal cost to the employee.

The majority of our health care activity happens in the Burlington and to some extent, St Albans area. We have a mature workforce, with many employees in their 40s and 50s and early 60s.

We have found that by making changes to how we manage risk, inform and incentivize people and help them make connections between their decisions and how it affects the overall cost to the group, we can understand what drives costs and formulate plans that when implemented, actually bring costs down. We see this outpatient surgical center, if approved, as being a significant positive step in this regard.

The proposal spells out where the cost of care, relative to the local hospital is between 30% and 45% less for the same procedure. Given the amount of money we spend for these services, particularly at Hospitals, the amount of money saved for Champlain Cable would be significant and would help make our health plan more sustainable.

Areas of concern to Champlain Cable that this outpatient surgery center touches on and helps to address:

- Vermont lacks independent orthopedic surgeons that are not affiliated with a hospital group. This limits competition/cost control and access/convenience for patients
- There are no active outpatient surgical centers for Vermont. We have been told these remain unused due to restrictions on use imposed by the Care Board.
- NH has over 20 such outpatient surgery centers; NY state has approximately 100. These non-hospital centers provide much needed competition and drive down cost. Portland ME has 4 such centers. Vermont has none of this capacity and is uncompetitive in this regard.
- Hospitals have been buying up high margin services and local practices to stifle competition and boost their bottom line. This center would help reverse that trend.
- Hercules Drive, Colchester outpatient surgery and testing center certificate of need application has been tied up in review for over 1 yr (original application/certificate of need filed July 2015). This appears to highlight an overly bureaucratic process and concerns us that some parties maybe unduly slowing the process of approval.
- This facility, which would be small (\$6 to \$8 million/yr revenue and about 2,000 to 2,500 patient visits/yr) is not a threat to UVM Medical. Their costs for essentially the same services provided by the hospital for limited scope outpatient surgery and testing are projected at 30 to 45% less than the Hospital. This facility would be a asset to our business as well as other numerous Colchester area businesses and a convenience to our employees, some of which work 2nd shift (3 - 11pm) or 3rd shift (11pm - 7am).

We also believe that the independent physicians proposing to open the GREEN MOUNTAIN SURGERY CENTER are part of a well-managed network, with the staff and expertise to support a project like this and bring it online successfully. Many of our employees, including senior management, have long-standing and very positive relationships with independent physicians from the HealthFirst provider network and therefore we are very supportive of their plans regarding this ambulatory care center.

The proposed facility also plans to accept various forms of payment and insurance (such as BCBS, CIGNA or another private party, Medicare and Medicaid) in order to serve a broad population.

For these reasons, we are fully backing the GREEN MOUNTAIN SURGERY CENTER's plans and we are requesting your support in embracing their proposal and expediting the approval process to the full extent possible.

We would be glad to offer our support for any initiatives in the above areas listed.

Sincerely,

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