

February 14, 2017

DELIVERED ELECTRONICALLY AND BY FIRST CLASS MAIL

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

Re: Docket No. GMCB-010-15con, Proposed Ambulatory Surgery Center  
Response to Questions 008 posed on 2/3/2017

Dear Donna:

Thank you for the questions in your February 3, 2017 letter. The following are ACTD LLC's responses to those questions. As requested, we have restated the questions in **bold** font and provided answers in unbolded font.

**1. Based on your response to question 18 of your submission dated January 25, 2017, the start-up period is 13 months with an AAAHC or Joint Commission survey occurring in month 13. Please clarify the timeline for start-up and the timeline for Year 1 with specific months/dates. Confirm the number of FTEs on staff during each month in the 13-month start-up period and in Year 1. Confirm that the revenues/expenses for Year 1 reflected in all the financial tables submitted with the application are for the first full year of operation and not for the 13-month start-up period.**

The date the start-up period commences is contingent upon the date the CON is approved. As we do not know if or when the CON will be approved, we do not know the specific dates of the start-up period.

The anticipated number of FTEs on staff during the start-up period are as follows: month 1 – 0 FTE; month 2 – 1 FTE; months 3-4 – 1.5 FTEs; months 5-6 – 2 FTEs; month 7 – 4 FTEs; months 8-13 – 6 FTEs. The anticipated number of FTEs on staff once the ASC is fully operational in Year 1 is 22 FTEs.

The revenues/expenses for Year 1 in all the financial tables submitted as part of the original application on July 2, 2015 are for the first full year of operations and not for the start-up period.

**2. It is not clear from the original application that there was consideration for development of the standard operating procedures (SOPs) for the Joint Commission or AAAH. Does Table 1, Project Cost page 90 of the pdf in the original application include the Standard Operating Procedures (SOP) development in the "Other" line item for \$801,298? Please explain.**

Yes, Table 1, Project Costs at page 90 of the pdf of the original application includes costs for the development of the standard operating procedures (SOPs).

An itemization of "Other" project costs was submitted on March 31, 2016 as part of our response to Questions 002. Exhibit 1 to Questions 002, Table 1 Project Costs – Revised, shows a line item for

“Professional Services, Consulting Corporate Formation” on line 12 under “Related Project Costs – Other” with an estimate of \$300,000. The “Detail/Comments” provided next to that line item indicate that these costs cover “Cost of obtaining Accreditation, of hiring consultants to prepare for accreditation, recruitment of initial employees, setting up quality program, staffing committees, initial purchasing and procurement of supplies.” Costs to develop standard operation procedures (SOPs) is included here.

**3. In response to question 8 of your responses to Q007 regarding data migration, the current plan appears to not provide data migration of operating physicians EMRs at this time. Is there any data migration strategy? If so, please explain as your responses refer to “limited conversions.”**

Initially, when a procedure is scheduled at the GMSC, referral managers at physician offices will provide the information needed to initiate the record by phone, fax, or secure email, including a patient’s demographic, contact, insurance, current medications information, and any other relevant information. After the procedure is complete, procedure notes or visit reports will be delivered back to the physician offices via fax or secure email.

In the future, once it is determined which physician offices are scheduling the highest volumes of procedures at the GMSC, there may be opportunity to invest in interfaces which would pull demographic, contact, insurance, medications and other relevant information directly from these physician offices’ EMRs into the GMSC’s EMR, and to transmit visit reports back to these physician offices the same way. This is what was meant by “limited conversions.”

**4. Please clarify for the Dominion Tech Quote #BC-20102037 v1, that the Monthly IT Support Services, “DominionCare Complete”, includes 24/7 coverage for all service and support including travel expenses.**

Yes, 24/7 coverage for all service and support including travel expenses is included.

**5. Relative to your response to questions dated January 27, 2017, in question 1, please clarify what non-custom interfaces come with AmkaiSolutions EMR. Explain in detail whether laboratories, pharmacies and imaging services interfaces with both internal and external interoperability are included.**

The standard (non-custom) interfaces that come with AmkaiSolutions EMR are:

HL7 Outbound Patient from AmkaiOffice, ADT a04, a08

HL7 Outbound Scheduling from AmkaiOffice, SIU s12-s15

HL7 Outbound Charges from AmkaiOffice, DFT

HL7 Outbound Staff/Physician from AmkaiOffice, MFN

HL7 Inbound person into AmkaiOffice, ADT

HL7 Inbound patient into AmkaiOffice, ADT

HL7 Inbound Scheduling from AdvantX (requires DE008)

HL7 Inbound Scheduling request to AmkaiOffice, ADT, SIU

HL7 Inbound External Inventory System, IOS



Patient Portal (SA or OMP PDF only)

HL7 Outbound OP note from AmkaiCharts, MHT format

HL7 outbound Continuity of Care Documents from AmkaiCharts, CCD

HL7 Outbound Single sub-encounter from AmkaiCharts, MHT format

HL7 Outbound full case report from AmkaiCharts, MHT format

GiQuic, Outbound report from AmkaiCharts

HL7 Inbound OP note to AmkaiCharts, PDF, ORU

HL7 Inbound Lab report to AmkaiCharts, PDF, ORU

HL7 Inbound H&P to AmkaiCharts, PDF, ORU

HL7 Inbound PreAdmit questionnaire to AmkaiCharts, PDF, ORU

HL7 Inbound Continuity of Care Document to AmkaiCharts, PDF, ORU

Patient Monitor Direct Connect

Direct interface with the Midmark Iqecg

Inbound laboratory reports may come into the AmkaiSolutions EMR, but there are no standard outbound interfaces for laboratories, pharmacy, and radiology because ambulatory surgery centers (ASCs) typically do not order laboratory tests, prescription drugs, or radiology tests. The GMSC does not intend to order laboratory tests, radiology tests, or prescription drugs. If indicated, laboratory tests, prescriptions, and radiology tests will be ordered by specialist physician offices during consultations or by primary care physician offices during pre-op visits.

**6. Relative to your response to question 1 dated January 27, 2017, please clarify whether visit reports for external patient information will be in a pdf format as your standard operating procedure. Explain what your standard operating procedure for sharing information with external sites will be for radiology film, laboratory reports, and pharmacy orders. Explain how this meets the requirements for interoperability.**

Yes, initially our standing operating procedure will be to store visit reports and distribute them to physician offices and any other external sites as pdf documents. As stated above, the GMSC does not plan to order radiology tests, laboratory tests, or prescription drugs, and therefore will not share information with external sites in connection with such orders.

**7. Please confirm whether the solution (EMR and interoperability standards) represented in the application and interrogatories meet the requirements of VITL.**

Yes, the EMR solution represented in our application and responses to interrogatories meets the interoperability requirements of VITL. It will be a priority of the GMSC to integrate our EMR system with VITL and the state's health information exchange (HIE). When we began our evaluation of potential EMR solutions for the GMSC in October of 2015, we asked potential vendors for documentation supporting the interoperability statements made on their websites, which we then forwarded to members of the leadership team at VITL, who reviewed them and gave their opinion that



both of the vendors we were considering, including AmkaiSolutions, would be able to meet VITL's standards for interoperability.

**8. In reviewing references made in the response to questions dated January 27, 2017 to line items on page 31 of the application, GMSC referred to Table 10, titled Income Statement and specifically to Administrative and Equipment Expense line items to address costs for other third party software, equipment, professional services and other costs. Please provide a complete breakdown of all costs associated with all line items in the Income Statement.**

Please see the attached Exhibit 1, Green Mountain Surgery Center – Detailed Expenses.

**9. Clarify whether GMSC has or will put out for bid any of contracts for services including accreditation to confirm best value. If no, please explain why.**

Yes, GMSC plans to review multiple proposals for all contracted services in order to ensure best value.

**10. Explain whether all currently known physician-investors plan to practice at GMSC.**

Of the seven physician-investors, four currently plan to practice at GMSC. The other three physician-investors are not in a position to refer patients to the GMSC and to perform procedures on such referred patients. These three physician investors are also not employed by the GMSC or any investor, are not in a position to provide items or services to the GMSC or any investor, and are not in a position to make or influence referrals to the GMSC or any investor. In other words, we believe that the present composition of the GMSC's physician-investors is consistent with the requirements of the federal anti-kickback law safe harbor requirement relating to usage of the ASCs by physician-investors. See 42 C.F.R. 1001.952(r). Nevertheless, as we explained in our January 25, 2017 response to Question 17 of Q006:

“[C]ompliance with a safe harbor is not mandatory under the law and transactions that do not fall within a safe harbor are not per se violations of the law. See Office of Public Affairs, Office of Inspector General, Department of Health & Human Services, Fact Sheet, November 1999, Federal Anti-Kickback Law and Regulatory Safe Harbor. Rather, transactions are evaluated by the Office of the Inspector General on a case-by-case basis. ACTD LLC will require its investors to comply with the requirements of the safe harbor as fully as practicable, but ACTD LLC recognizes that strict compliance with all requirements may not be possible for all investors. All investors who subscribe to ACTD LLC will expressly covenant that they will not engage in any conduct prohibited under the anti-kickback law.”

Please let us know if you have any additional questions or need clarification regarding any of these responses.

Sincerely,



Eileen Elliott, Esq.

Dunkiel Saunders Elliott Raubvogel & Hand, PLLC



cc: Judy Henkin, Esq., General Counsel, Green Mountain Care Board  
Marisa Melamed, Health Policy Analyst, Green Mountain Care Board  
Lauren Layman, Esq., Vermont Association of Hospitals and Health Systems  
Anne Cramer, Esq., Vermont Association of Hospitals and Health Systems  
Jill Berry Bowen, CEO, Northwestern Medical Center  
Jonathan Billings, V.P. of Planning & Community Relations, Northwestern Medical Center  
Lila Richardson, Esq., Office of the Healthcare Advocate  
Kaili Kuiper, Esq., Office of the Healthcare Advocate



## Green Mountain Surgery Center - Detailed Expenses

	Annual			
	Year 1	Year 2	Year 3	Year 4
<b>Personnel Costs:</b>				
Salaries and Wages	\$1,497,600	\$1,527,552	\$1,558,103	\$1,589,265
Payroll Taxes/Benefits	\$494,208	\$504,092	\$514,174	\$524,457
Total Personnel Costs	\$1,991,808	\$2,031,644	\$2,072,277	\$2,113,723
<b>Clinical Expenses:</b>				
Medical Supplies and Drugs	\$1,596,966	\$1,917,089	\$2,013,711	\$2,115,202
Medical Equipment Repairs	\$50,000	\$52,000	\$54,080	\$56,243
Laundry and Linens	\$61,581	\$73,926	\$77,651	\$81,565
Minor Equipment	\$30,000	\$31,200	\$32,448	\$33,746
Other Clinical Expenses	\$48,000	\$49,920	\$51,917	\$53,993
Total Clinical Expenses	\$1,786,547	\$2,124,135	\$2,229,807	\$2,340,749
<b>Facilities/Equipment Costs:</b>				
Building Lease	\$489,402	\$504,084	\$519,207	\$534,783
Equipment Leases	\$638,843	\$638,843	\$638,843	\$579,559
Total Facilities Expenses	\$1,128,245	\$1,142,927	\$1,158,050	\$1,114,342
<b>Administrative Expenses:</b>				
Legal and Accounting	\$15,000	\$15,600	\$16,873	\$18,980
Insurance - D&O	\$40,000	\$41,600	\$44,995	\$50,613
Marketing and PR	\$5,000	\$5,200	\$5,624	\$6,327
Telephone and Communications	\$12,000	\$12,480	\$12,979	\$13,498
Office Supplies and Expenses	\$41,054	\$49,284	\$51,768	\$54,377
Transcription	\$35,922	\$43,123	\$45,297	\$47,580
Equipment Maintenance	\$10,000	\$10,400	\$10,816	\$11,249
Computer Expenses	\$24,000	\$24,960	\$25,958	\$26,997
Mgt/Billing Fee	\$584,871	\$685,234	\$702,468	\$720,135
Miscellaneous Expenses	\$36,000	\$37,440	\$38,938	\$40,495
Total Administrative Expenses	\$803,847	\$925,321	\$955,715	\$990,249
<b>Other Expenses:</b>				
Depreciation Expense	\$28,571	\$28,571	\$28,571	\$28,571
Interest Expense	\$47,088	\$45,918	\$44,664	\$43,320
Total Other Expenses	\$75,659	\$74,490	\$73,236	\$71,891
<b>TOTAL PROJECTED EXPENSES</b>	<b>\$5,786,106</b>	<b>\$6,298,517</b>	<b>\$6,489,084</b>	<b>\$6,630,954</b>

Form A – Verification Form

STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD

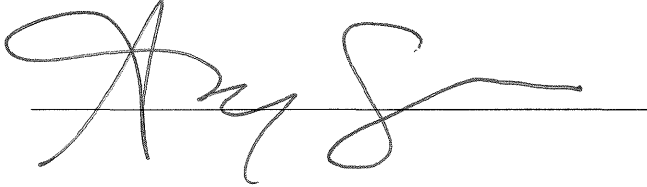
In re: ACTD LLC MULTI-SPECIALTY	)	
AMBULATORY SURGERY CENTER	)	Docket No. GMCB-010-15con
	)	
	)	
	)	

Verification Under Oath – Responses and Supplemental Exhibit

Amy Cooper, being duly sworn, states on oath as follows:

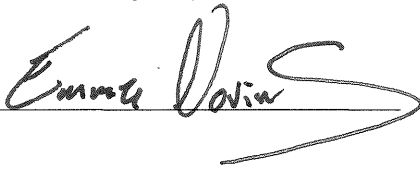
1. My name is Amy Cooper. I am the manager of ACTD LLC. I have reviewed the Responses and Supplemental Exhibit being submitted with this Verification to support the Certificate of Need Application for the Green Mountain Surgery Center (“Responses”).
2. Based on my personal knowledge, after diligent inquiry, the information contained in the Responses is true, accurate and complete, does not contain any untrue statement of a material fact, and does not omit to state a material fact necessary to make the statement made therein not misleading, except as specifically noted in the Responses.
3. My personal knowledge of the truth, accuracy and completeness of the information contained in the Responses is based upon either my actual knowledge of the subject information or, where identified below, upon information reasonably believed by me to be reliable and provided to me by the individuals identified below who have certified that the information they have provided is true, accurate and complete, does not contain any untrue statement of a material fact, and does not omit to state a material fact necessary to make the statement made therein not misleading.
4. I have evaluated, within the 12 months preceding the date of this affidavit, the policies and procedures by which information has been provided by the certifying individuals identified below, and I have determined that such policies and procedures are effective in ensuring that all information submitted or used by ACTD LLC in connection with the Certificate of Need program is true, accurate and complete. I have disclosed to ACTD LLC all significant deficiencies, of which I have personal knowledge after diligent inquiry, in such policies and procedures, and I have disclosed to ACTD LLC any misrepresentation of facts, whether or not material, that involves management or any other employee participating in providing information submitted or used by ACTD LLC in connection with the Certificate of Need program.

5. The following certifying individuals have provided information or documents to me in connection with the Responses, and each such individual has certified, based on his or her actual knowledge of the subject information or, where specifically identified in such certification, based on information reasonably believed by the certifying individual to be reliable, that the information or documents they have provided are true, accurate and complete, do not contain any untrue statement of a material fact, and do not omit to state a material fact necessary to make the statement made therein not misleading:
- a. Brian Curtis, DominionTech Computer Services – Provided information regarding EMR issues.
  - b. Paul Dobblehoff, AmkaiSolutions – Provided information regarding EMR issues.
  - c. Joan Dentler, Avanza Strategies – Provided information relating to cost and revenue estimates that were incorporated in the financial model for the ASC.
  - d. Erin Carr, Avanza Strategies – Provided information relating to cost and revenue estimates that were incorporated in the financial model for the ASC.
6. In the event that the information contained in the Responses becomes untrue, inaccurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board and to supplement the Responses, as soon as I know, or reasonably should know, that the information or document has become untrue, inaccurate or incomplete in any material respect.



A handwritten signature in black ink, appearing to read "Amy Cooper", written over a horizontal line.

On February 14, 2017, Amy Cooper appeared before me and swore to the truth, accuracy and completeness of the foregoing.

Notary public 

The text "Notary public" is followed by a handwritten signature in black ink, appearing to read "Emma Davis", written over a horizontal line.

My commission expires February 10, 2019