

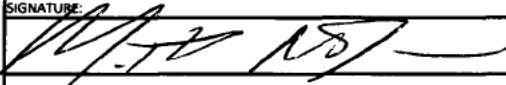
**New York State Department of Health
Certificate of Need Application**

Schedule 1

Acknowledgement and Attestation

I hereby certify, under penalty of perjury, that I am duly authorized to subscribe and submit this application on behalf of the applicant: The University of Vermont Health Network – Elizabethtown Community Hospital

I further certify that the information contained in this application and its accompanying schedules and attachments are accurate, true and complete in all material respects. I acknowledge and agree that this application will be processed in accordance with the provisions of articles 28, 36 and 40 of the public health law and implementing regulations, as applicable.

SIGNATURE: 	DATE 4/22/24
PRINT OR TYPE NAME Matthew Nolan	TITLE VP & Chief Operating Officer

General Information

Is the applicant an existing facility? If yes, attach a photocopy of the resolution or consent of partners, corporate directors, or LLC managers authorizing the project.	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	Title of Attachment: N/A – Administrative Review C.O.N. Application
Is the applicant part of an "established PHL Article 28* network" as defined in section 401.1(j) of 10 NYCRR? If yes, attach a statement that identifies the network and describes the applicant's affiliation. Attach an organizational chart.	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	N/A

Contacts

The Primary and Alternate contacts are the only two contacts who will receive email notifications of correspondence in NYSE-CON. **At least one of these two contacts should be a member of the applicant.** The other may be the applicant's representative (e.g., consultant, attorney, etc.). What is entered here for the Primary and Alternate contacts should be the same as what is entered onto the General Tab in NYSE-CON.

Primary Contact	NAME AND TITLE OF CONTACT PERSON		CONTACT PERSON'S COMPANY		
	Frank M. Cicero, Consultant		Cicero Consulting Associates		
	BUSINESS STREET ADDRESS				
	925 Westchester Avenue, Suite 201				
	CITY		STATE	ZIP	
	White Plains		New York	10604	
	TELEPHONE		E-MAIL ADDRESS		
[REDACTED]		[REDACTED]			

Alternate Contact	NAME AND TITLE OF CONTACT PERSON		CONTACT PERSON'S COMPANY		
	Matthew Nolan, VP & COO		The University of Vermont Health Network – Elizabethtown Community Hospital		
	BUSINESS STREET ADDRESS				
	75 Park Street				
	CITY		STATE	ZIP	
	Elizabethtown		New York	12932	
	TELEPHONE		E-MAIL ADDRESS		
[REDACTED]		[REDACTED]			

New York State Department of Health Certificate of Need Application

Schedule 1

The applicant must identify the operator's chief executive officer, or equivalent official.

CHIEF EXECUTIVE	NAME AND TITLE		
	Mr. Bob Ortmyer, President		
	BUSINESS STREET ADDRESS		
	75 Park Street		
	CITY	STATE	ZIP
	Elizabethtown	New York	12932
	TELEPHONE	E-MAIL ADDRESS	

The applicant's lead attorney should be identified:

ATTORNEY	NAME		FIRM	BUSINESS STREET ADDRESS
	N/A – Please contact consultant			
	CITY, STATE, ZIP		TELEPHONE	E-MAIL ADDRESS

If a consultant prepared the application, the consultant should be identified:

CONSULTANT	NAME		FIRM	BUSINESS STREET ADDRESS
	Frank M. Cicero, Consultant		Cicero Consulting Associates	925 Westchester Avenue, Suite 201
	CITY, STATE, ZIP		TELEPHONE	E-MAIL ADDRESS
	White Plains, NY 10604			

The applicant's lead accountant should be identified:

ACCOUNTANT	NAME		FIRM	BUSINESS STREET ADDRESS
	N/A – Please contact consultant			
	CITY, STATE, ZIP		TELEPHONE	E-MAIL ADDRESS

Please list all Architects and Engineer contacts:

ARCHITECT and/or ENGINEER	NAME		FIRM	BUSINESS STREET ADDRESS
	Jennifer Arbuckle, AIA, NCARB, LEED AP		e4h Architects	2300 St. George Road, #200
	CITY, STATE, ZIP		TELEPHONE	E-MAIL ADDRESS
	Williston, VT 05495			

ARCHITECT and/or ENGINEER	NAME		FIRM	BUSINESS STREET ADDRESS
	N/A			
	CITY, STATE, ZIP		TELEPHONE	E-MAIL ADDRESS

**New York State Department of Health
Certificate of Need Application**

Other Facilities Owned or Controlled by the Applicant N/A

Establishment (with or without Construction) Applications only

NYS Affiliated Facilities/Agencies

Does the applicant legal entity or any related entity (parent, member or subsidiary corporation) operate or control any of the following in New York State? **N/A**

FACILITY TYPE - NEW YORK STATE	FACILITY TYPE	
Hospital	HOSP	Yes <input type="checkbox"/> No <input type="checkbox"/>
Nursing Home	NH	Yes <input type="checkbox"/> No <input type="checkbox"/>
Diagnostic and Treatment Center	DTC	Yes <input type="checkbox"/> No <input type="checkbox"/>
Midwifery Birth Center	MBC	Yes <input type="checkbox"/> No <input type="checkbox"/>
Licensed Home Care Services Agency	L-HCSA	Yes <input type="checkbox"/> No <input type="checkbox"/>
Certified Home Health Agency	CHHA	Yes <input type="checkbox"/> No <input type="checkbox"/>
Hospice	HSP	Yes <input type="checkbox"/> No <input type="checkbox"/>
Adult Home	ADH	Yes <input type="checkbox"/> No <input type="checkbox"/>
Assisted Living Program	ALP	Yes <input type="checkbox"/> No <input type="checkbox"/>
Long Term Home Health Care Program	LTHHCP	Yes <input type="checkbox"/> No <input type="checkbox"/>
Enriched Housing Program	EHP	Yes <input type="checkbox"/> No <input type="checkbox"/>
Health Maintenance Organization	HMO	Yes <input type="checkbox"/> No <input type="checkbox"/>
Other Health Care Entity	OTH	Yes <input type="checkbox"/> No <input type="checkbox"/>

Upload as an attachment to Schedule 1, the list of facilities/agencies referenced above, in the format depicted below:

Facility Type	Facility Name	Operating Certificate or License Number	Facility ID (PFI)
---------------	---------------	---	-------------------

Out-of-State Affiliated Facilities/Agencies

In addition to in-state facilities, please upload, as an attachment to Schedule 1, a list of all health care, adult care, behavioral, or mental health facilities, programs or agencies located outside New York State that are affiliated with the applicant legal entity, as well as with parent, member and subsidiary corporations, in the format depicted below.

Facility Type	Name	Address	State/Country	Services Provided
---------------	------	---------	---------------	-------------------

In conjunction with this list, you will need to provide documentation from the regulatory agency in the state(s) where affiliations are noted, reflecting that the facilities/programs/agencies have operated in substantial compliance with applicable codes, rules and regulations for the past ten (10) years (or for the period of the affiliation, whichever is shorter). More information regarding this requirement can be found in Schedule 2D.

Working Capital Financing Plan

1. Working Capital Financing Plan and Pro Forma Balance Sheet:

This section should be completed in conjunction with the monthly Cash Flow. The general guidelines for working capital requirements are two months of first year expenses for changes of ownership and two months' of third year expenses for new establishments, construction projects or when the first year budget indicates a net operating loss. Any deviation from these guidelines must be supported by the monthly cash flow analysis. If working capital is required for the project, all sources of working capital must be indicated clearly. Borrowed funds are limited to 50% of total working capital requirements and cannot be a line of credit. Terms of the borrowing cannot be longer than 5 years or less than 1 year. If borrowed funds are a source of working capital, please summarize the terms below, and attach a letter of interest from the intended source of funds, to include an estimate of the principal, term, interest rate and payout period being considered. Also, describe and document the source(s) of working capital equity.

Titles of Attachments Related to Borrowed Funds	Filenames of Attachments
Example: <i>First borrowed fund source</i>	Example: <i>first bor fund.pdf</i>
N/A	

In the section below, briefly describe and document the source(s) of working capital equity

Working capital needs for this project will be funded using existing cash equity from ongoing operations. Please refer to the **Schedule 5 Attachment** for the Monthly Cash Flow Analysis and to the **Schedule 9 Attachment** for the Financial Narrative, a recent 2024 Internal Financial Statement of the applicant and the 2023 Audited Financial Statement of the applicant.

2. Pro Forma Balance Sheet N/A

This section should be completed for all new establishment and change in ownership applications. On a separate attachment identified below, provide a pro forma (opening day) balance sheet. If the operation and real estate are to be owned by separate entities, provide a pro forma balance sheet for each entity. Fully identify all assumptions used in preparation of the pro forma balance sheet. If the pro forma balance sheet(s) is submitted in conjunction with a change in ownership application, on a line-by-line basis, provide a comparison between the submitted pro forma balance sheet(s), the most recently available facility certified financial statements and the transfer agreement. Fully explain and document all assumptions.

Titles of Attachments Related to Pro Forma Balance Sheets	Filenames of Attachments
Example: <i>Attachment to operational balance sheet</i>	Example: <i>Operational_bal_sheet.pdf</i>
N/A	

SCHEDULE 5 ATTACHMENT

ELIZABETHTOWN COMMUNITY HOSPITAL

MONTHLY CASH FLOW STATEMENT

ELIZABETHTOWN COMMUNITY HOSPITAL

CERTIFY AND CONSTRUCT A NEW EXTENSION CLINIC

MONTHLY CASH FLOW ANALYSIS - INCREMENTAL PROJECT ONLY - 15 MONTHS (2024 DOLLARS)

<u>Month</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>
Starting Cash*	\$21,714,085	\$21,707,185	\$21,705,479	\$21,703,773	\$21,702,067	\$21,700,360	\$21,698,654	\$21,696,948	\$21,695,242	\$21,693,536	\$21,691,830	\$21,690,123	\$21,688,417	\$21,689,306	\$21,690,195
Monthly Revenue	\$10,388	\$15,581	\$15,581	\$15,581	\$15,581	\$15,581	\$15,581	\$15,581	\$15,581	\$15,581	\$15,581	\$15,581	\$18,210	\$18,210	\$18,210
Monthly Expenses	\$17,288	\$17,288	\$17,288	\$17,288	\$17,288	\$17,288	\$17,288	\$17,288	\$17,288	\$17,288	\$17,288	\$17,288	\$17,321	\$17,321	\$17,321
Remaining Cash	\$21,707,185	\$21,705,479	\$21,703,773	\$21,702,067	\$21,700,360	\$21,698,654	\$21,696,948	\$21,695,242	\$21,693,536	\$21,691,830	\$21,690,123	\$21,688,417	\$21,689,306	\$21,690,195	\$21,691,084

* The starting cash in Year 1 represents the amount listed in Cash/Cash Equivalents in the recent Internal Financial Statement.

Schedule 6

Architectural/Engineering Submission

Contents:

- **Schedule 6 – Architectural/Engineering Submission**

Architectural Submission Requirements for Contingent Approval and Contingency Satisfaction

Schedule applies to all projects with construction, including Articles 28 & 40, i.e., Hospitals, Diagnostic and Treatment Centers, Residential Health Care Facilities, and Hospices.

Instructions

- Provide Architectural/Engineering Narrative using the format below.
- Provide Architect/Engineer Certification form:
 - [Architect's Letter of Certification for Proposed Construction or Renovation for Projects That Will Be Self-Certified. Self-Certification Is Not an Option for Projects over \\$15 Million, or Projects Requiring a Waiver](#) (PDF)
 - [Architect's Letter of Certification for Proposed Construction or Renovation Projects to Be Reviewed by DOH or DASNY](#), (PDF) (Not to Be Submitted with Self-Certification Projects)
 - [Architect's Letter of Certification for Completed Projects](#) (PDF)
 - [Architect's or Engineer's Letter of Certification for Inspecting Existing Buildings](#) (PDF)
- Provide FEMA BFE Certificate. Applies only to Hospitals and Nursing Homes.
 - [FEMA Elevation Certificate and Instructions.pdf](#)
- Provide Functional Space Program: A list that enumerates project spaces by floor indicating size by gross floor area and clear floor area for the patient and resident spaces.
- For projects with imaging services, provide Physicist's Letter of Certification and Physicist's Report including drawings, details and supporting information at the design development phase.
 - [Physicist's Letter of Certification](#) (PDF)
- Provide Architecture/Engineering Drawings in PDF format created from the original electronic files; scans from printed drawings will not be accepted. Drawing files less than 100 MB, and of the same trade, may be uploaded as one file.
 - [NYSDOH and DASNY Electronic Drawing Submission Guidance for CON Reviews](#)
 - [DSG-1.0 Schematic Design & Design Development Submission Requirements](#)
- Refer to the Required Attachment Table below for the Schematic Design Submission requirements for Contingent Approval and the Design Development Submission requirements for Contingency Satisfaction.
 - Attachments must be labeled accordingly when uploading in NYSE-CON.
 - Do not combine the Narrative, Architectural/Engineering Certification form and FEMA BFE Certificate into one document.
 - If submitted documents require revisions, provide an updated Schedule 6 with the revised information and date within the narrative.

Architecture

Narrative shall include but not limited to the following information. Please address all items in the narrative including items located in the response column. **Incomplete responses will not be accepted.**

Project Description	
Schedule 6 submission date: 4/21/2024	Revised Schedule 6 submission date: N/A
Does this project amend or supersede prior CON approvals or a pending application? No If so, what is the original CON number? N/A	
Intent/Purpose: To create a new free standing building for the ECH Physical Rehabilitation practice.	
Site Location: 80 Park Street, Elizabethtown, NY	

New York State Department of Health Certificate of Need Application

Schedule 6

Brief description of current facility, including facility type: N/A	
Brief description of proposed facility: A single story, wood framed, slab-on-grade building.	
Location of proposed project space(s) within the building. Note occupancy type for each occupied space. New facility.	
Indicate if mixed occupancies, multiple occupancies and or separated occupancies. Describe the required smoke and fire separations between occupancies: No mixed occupancy.	
If this is an existing facility, is it currently a licensed Article 28 facility?	Not Applicable
Is the project space being converted from a non-Article 28 space to an Article 28 space?	Not Applicable
Relationship of spaces conforming with Article 28 space and non-Article 28 space: N/A	
List exceptions to the NYSDOH referenced standards. If requesting an exception, note each on the Architecture/Engineering Certification form under item #3. 2018 FGI being utilized	
Does the project involve heating, ventilating, air conditioning, plumbing, electrical, water supply, and fire protection systems that involve modification or alteration of clinical space, services or equipment such as operating rooms, treatment, procedure rooms, and intensive care, cardiac care , other special care units (such as airborne infection isolation rooms and protective environment rooms), laboratories and special procedure rooms, patient or resident rooms and or other spaces used by residents of residential health care facilities on a daily basis? If so, please describe below. New building with all new systems. HVAC: Variable refrigerant flow (VRF) system for heating and cooling and two (2) dedicated outside air systems (DOAS) for ventilation. Electrical: 600A service, 150kW propane fueled generator, Dimmable LED lighting, LED emergency battery lighting units and full coverage fire alarm system. Plumbing: 6" combined fire/domestic service, 2" domestic service with type-L coper pipe, 4" sanitary with cast iron pipe, standard plumbing fixtures. Fire Protection: 6" combined fire/domestic service, 4" fire service, wet pipe system for interior spaces and dry pipe system for areas subject to freezing, schedule 40 black steel pipe with combination of concealed pendant and upright sprinkler heads.	Not Applicable
Provide brief description of the existing building systems within the proposed space and overall building systems, including HVAC systems, electrical, plumbing, etc. New building with all new systems. HVAC: Variable refrigerant flow (VRF) system for heating and cooling and two (2) dedicated outside air systems (DOAS) for ventilation. Electrical: 600A service, 150kW propane fueled generator, Dimmable LED lighting, LED emergency battery lighting units and full coverage fire alarm system. Plumbing: 6" combined fire/domestic service, 2" domestic service with type-L coper pipe, 4" sanitary with cast iron pipe, standard plumbing fixtures. Fire Protection: 6" combined fire/domestic service, 4" fire service, wet pipe system for interior spaces and dry pipe system for areas subject to freezing, schedule 40 black steel pipe with combination of concealed pendant and upright sprinkler heads.	
Describe scope of work involved in building system upgrades and or replacements, HVAC systems, electrical, Sprinkler, etc. New building with all new systems. HVAC: Variable refrigerant flow (VRF) system for heating and cooling and two (2) dedicated outside air systems (DOAS) for ventilation.	

New York State Department of Health Certificate of Need Application

Schedule 6

<p>Electrical: 600A service, 150kW propane fueled generator, Dimmable LED lighting, LED emergency battery lighting units and full coverage fire alarm system. Plumbing: 6" combined fire/domestic service, 2" domestic service with type-L copper pipe, 4" sanitary with cast iron pipe, standard plumbing fixtures. Fire Protection: 6" combined fire/domestic service, 4" fire service, wet pipe system for interior spaces and dry pipe system for areas subject to freezing, schedule 40 black steel pipe with combination of concealed pendant and upright sprinkler heads.</p>	
<p>Describe existing and or new work for fire detection, alarm, and communication systems: The fire alarm system will be an addressable fire alarm system. Proposed system will include smoke and heat detection, CO detection, manual pull stations, combination horn/strobes, strobes and HVAC equipment shut down circuits. New system will be designed per NFPA 72 requirements. System will annunciate all alarms locally and to the central monitoring station. The communication system will consist of flush wall boxes, conduit to accessible ceiling space, cabling and jacks will be provided. Cabling and jacks will adhere to the owners' telecommunications specifications.</p>	
<p>If a hospital or nursing home located in a flood zone, provide a FEMA BFE Certificate from www.fema.gov, and describe the work to mitigate damage and maintain operations during a flood event. N/A</p>	
<p>Does the project contain imaging equipment used for diagnostic or treatment purposes? If yes, describe the equipment to be provided and or replaced. Ensure physicist's letter of certification and report are submitted. Not Applicable</p>	
<p>Does the project comply with ADA? If no, list all areas of noncompliance. Yes</p>	
<p>Other pertinent information: N/A</p>	
Project Work Area	Response
Type of Work	Addition
Square footages of existing areas, existing floor and or existing building.	The proposed building area is 12,471SF.
Square footages of the proposed work area or areas. Provide the aggregate sum of the work areas.	12,471 SF
Does the work area exceed more than 50% of the smoke compartment, floor or building?	Exceeds 50% of the floor
Sprinkler protection per NFPA 101 Life Safety Code	Sprinklered throughout
Construction Type per NFPA 101 Life Safety Code and NFPA 220	Type V (000)
Building Height	30'-6" feet
Building Number of Stories	1
Which edition of FGI is being used for this project?	2018 Edition of FGI
Is the proposed work area located in a basement or underground building?	Grade Level
Is the proposed work area within a windowless space or building?	No
Is the building a high-rise?	No
If a high-rise, does the building have a generator?	Not Applicable
What is the Occupancy Classification per NFPA 101 Life Safety Code?	Chapter 18 New Health Care Occupancy
Are there other occupancy classifications that are adjacent to or within this facility? If yes, what are the occupancies and identify these on the plans. N/A	No
Will the project construction be phased? If yes, how many phases and what is the duration for each phase? N/A	No
Does the project contain shell space? If yes, describe proposed shell space and identify Article 28 and non-Article 28 shell space on the plans. N/A	No
Will spaces be temporarily relocated during the construction of this project? If yes, where will the temporary space be? N/A	No

New York State Department of Health Certificate of Need Application

Schedule 6

Does the temporary space meet the current DOH referenced standards? If no, describe in detail how the space does not comply. N/A	Not Applicable
Is there a companion CON associated with the project or temporary space? If so, provide the associated CON number. N/A	No
Will spaces be permanently relocated to allow the construction of this project? If yes, where will this space be? Click here to enter text.	No
Changes in bed capacity? If yes, enumerate the existing and proposed bed capacities. N/A – Outpatient extension clinic	Not Applicable
Changes in the number of occupants? If yes, what is the new number of occupants? 113	Yes
Does the facility have an Essential Electrical System (EES)? If yes, which EES Type? N/A	No
If an existing EES Type 1, does it meet NFPA 99 -2012 standards?	Not Applicable
Does the existing EES system have the capacity for the additional electrical loads? N/A	Not Applicable
Does the project involve Operating Room alterations, renovations, or rehabilitation? If yes, provide brief description. N/A	No
Does the project involve Bulk Oxygen Systems? If yes, provide brief description. N/A	No
If existing, does the Bulk Oxygen System have the capacity for additional loads without bringing in additional supplemental systems?	Not Applicable
Does the project involve a pool?	No

REQUIRED ATTACHMENT TABLE			
SCHEMATIC DESIGN SUBMISSION for CONTINGENT APPROVAL	DESIGN DEVELOPMENT SUBMISSION (State Hospital Code Submission) for CONTINGENCY SATISFACTION	Title of Attachment	File Name in PDF format
•		Architectural/Engineering Narrative	A/E Narrative.PDF
•		Functional Space Program	FSP.PDF
•		Architect/Engineer Certification Form	A/E Cert Form. PDF
•		FEMA BFE Certificate	FEMA BFE Cert.PDF
•		Article 28 Space/Non-Article 28 Space Plans	CON100.PDF
•	•	Site Plans	SP100.PDF
•	•	Life Safety Plans including level of exit discharge, and NFPA 101-2012 Code Analysis	LSC100.PDF
•	•	Architectural Floor Plans, Roof Plans and Details. Illustrate FGI compliance on plans.	A100.PDF
•	•	Exterior Elevations and Building Sections	A200.PDF
•	•	Vertical Circulation	A300.PDF
•	•	Reflected Ceiling Plans	A400.PDF
optional	•	Wall Sections and Partition Types	A500.PDF
optional	•	Interior Elevations, Enlarged Plans and Details	A600.PDF
	•	Fire Protection	FP100.PDF
	•	Mechanical Systems	M100.PDF
	•	Electrical Systems	E100.PDF
	•	Plumbing Systems	P100.PDF
	•	Physicist's Letter of Certification and Report	X100.PDF

SCHEDULE 6 ATTACHMENT

ELIZABETHTOWN COMMUNITY HOSPITAL

ARCHITECTURAL DOCUMENTATION

1. Architectural Narrative
2. Functional Space Program
3. Letter of No Impact – New York State Office of Parks, Recreation and Historic Preservation
4. PDF of Architect/Applicant Letter of Certification
5. PDF of Schematic Drawings

October 22, 2023

Elizabethtown Community Hospital
Elizabethtown, NY

New Rehab Facility

Applicable Codes and Guidelines

Architectural	2018 FGI Guidelines for Design and Construction of Healthcare Facilities 2010 ADA / ADAAG Standards for Accessible Design 2009 ICC/ANSI A117.1 Accessible and Usable Buildings and Facilities 2012 NFPA 101 – Life Safety Code 2018 NFPA 99 2020 Existing Building Code of New York State 2020 Energy Conservation Code of New York State
HVAC	2020 Mechanical Code of New York State 2020 Energy Conservation Code of New York State 2018 NFPA 99 2016 ASHRAE 90.1 2014 FGI Guidelines
Electrical	2014 NFPA 70 – National Electric Code 2013 NFPA 72 – National Fire Alarm and Signaling Code 2018 NFPA 99 2014 FGI Guidelines
Plumbing	2020 Plumbing Code of New York State 2018 NFPA 99 2014 FGI Guidelines
Fire Protection	2020 Fire Code of New York State 2013 NFPA 13 & 2010 NFPA 13 (most restrictive applies) 2013 NFPA 14 2018 NFPA 99 2014 FGI Guidelines

Architectural Narrative

Intent/Purpose:

The project aims to increase the capacity of the hospital's rehab program.

Site Location:

The project is located at 80 Park St. Elizabethtown, NY

Proposed Facility:

The project will involve the new construction of a new 12,471 SF, one story, wood-framed, slab on grade building.

Sprinklers:

The building will be fully sprinklered.

Square footages of proposed spaces:

See above.

Construction Type:

The existing construction type is unprotected combustible. The building has a primary structural frame, bearing walls, floor construction, and roof construction all with ratings of 0 hour. It would be classified as type VB per the 2020 International Building Code adopted by New York State and type V (000) per 2012 NFPA.

Building Height:

The building roughly 34'-0" tall and is one story.

Occupancy:

The building will be classified as Business B occupancy per the 2020 International Building Code as adopted by New York State and as an New Healthcare occupancy per 2012 NFPA. The occupancy capacity will be 113.

Construction Phasing:

The project will be constructed in a one phase.

Fire Detection:

The new facility will provide the required smoke detection and annunciation devices.

Exceptions/Waivers:

There are no exceptions or waivers sought as part of this project.

Imaging Equipment:

The project contains no imaging equipment.

Project Characteristics:

- Interior partitions will be metal stud framing.
- Wall finishes will be paint.
- Ceilings will be a combination of gypsum wall board and 2x2 ACT.
- Flooring will be a combination of sheet vinyl, resilient tile, and carpet.
- Wall base will be rubber base.
- Doors will be solid wood doors in hollow metal frames. Provided hardware equivalent to the hospital standard.

Functional Space Program
ECH - New Rehabilitation Building



Primary Care Space	No.	Unit Area	Net SF	Notes
Entry Vestibule	1	195	195	
Check-In / Check-out Area	1	470	470	2 each: Check-in/Check-out + 1 desk
Waiting Area	1	710	710	
Public Toilets	1	61	61	
Staff Toilets	3	60	180	
Locker Rooms	2	230	460	With Toilet/Shower
Provider Work Area	1	450	450	10 touch-down stations
Bariatric Treatment	1	160	160	
Treatment Rooms	8	121	968	Inc OT/Hand, Women's Hlth, AGT
Speech Treatment	1	100	100	
Cardiac Treatment	1	150	150	
Rehab Gym	1	5500	5500	Incl Equip, Cardiac Rehab, Turf Training
Office	1	115	115	
Education Room	1	190	190	
Office (2)	1	190	190	Shared
Staff Break	1	145	145	
Storage	1	85	85	
EVS Closet	1	50	50	
Trash/Recycle Room	1	70	70	
Tel/Data Room	1	130	130	
Electrical Room	1	50	50	
Mechanical	1	140	140	
Sub-Total (DNSF)			10,569	Departmental Net Square Feet
			1.18	Estimated Net to Gross Factor
Total (DGSF)			12,471	Departmental Gross Square Feet



**New York State
Parks, Recreation and
Historic Preservation**

KATHY HOCHUL
Governor

RANDY SIMONS
Commissioner *Pro Tempore*

April 22, 2024

Mark DeCrescente
Engineering Ventures
414 Union Street
Schenectady, NY 12305

Re: DEC
UVHN/Elizabethtown Community Hospital- New Rehab Center
78 Park St (Tax Parcel 55.83-3-17.110), Elizabethtown, Essex County, NY 12932
24PR02652

Dear Mark DeCrescente:

Thank you for requesting the comments of the Division for Historic Preservation of the Office of Parks, Recreation and Historic Preservation (OPRHP). We have reviewed the submitted materials in accordance with the New York State Historic Preservation Act of 1980 (Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law). These comments are those of the Division for Historic Preservation and relate only to Historic/Cultural resources. They do not include potential environmental impacts to New York State Parkland that may be involved in or near your project.

Based upon this review, it is the opinion of OPRHP that no properties, including archaeological and/or historic resources, listed in or eligible for the New York State and National Registers of Historic Places will be impacted by this project.

If you have any questions, you can call or e-mail me at the contact information below.

Sincerely,

Weston Davey
Historic Site Restoration Coordinator
518-268-2164 | Weston.Davey@parks.ny.gov

Division for Historic Preservation

P.O. Box 189, Waterford, New York 12188-0189 • (518) 237-8643 • parks.ny.gov

● 518-237-8643 ● <https://parks.ny.gov/shpo> ●



KATHY HOCHUL
Governor

JAMES V. McDONALD, M.D.,
M.P.H..
Acting Commissioner

MEGAN E. BALDWIN
Acting Executive Deputy Commissioner

**SELF-CERTIFICATION FORM
FOR
ARCHITECTS AND ENGINEERS**

Date: April 22, 2024
CON Number: To Be Determined
Facility Name: Elizabethtown Community Hospital
Facility ID Number: To Be Determined
Facility Address: 80 Park St, Elizabethtown NY

NYS Department of Health/Office of Health Systems Management
Center for Health Care Facility Planning, Licensure and Finance
Bureau of Architectural and Engineering Review
ESP, Corning Tower, 18th Floor
Albany, New York 12237
To The New York State Department of Health:

I hereby certify that:

1. I have been retained by the above-named facility, to provide services related to the design and preparation of construction documents and specifications for the aforementioned construction project, and, as applicable, to make periodic visits to the site during construction, and perform such other required services to familiarize myself with the general progress, quality and conformance of the work.
2. I have ascertained that, to the best of my knowledge, information and belief, the completed structure will be designed and constructed, in accordance with the programmatic requirements for the aforementioned and in accordance with any project definitions, modifications and or revisions approved or required by the New York State Department of Health.
3. The above-referenced construction project will be designed and constructed in compliance with all applicable local codes, statutes, and regulations, and the applicable provisions of the State Hospital Code -- 10 NYCRR Part 711 (General Standards for Construction) and Parts (check all that apply):
 - a. 712 (Standards of Construction for General Hospital Facilities)
 - b. 713 (Standards of Construction for Nursing Home Facilities)
 - c. 714 (Standards of Construction for Adult Day Health Care Program Facilities)
 - d. 715 (Standards of Construction for Freestanding Ambulatory Care Facilities)
 - e. 716 (Standards of Construction for Rehabilitation Facilities)
 - f. 717 (Standards of Construction for New Hospice Facilities and Units)
4. I understand that as the design of this project progresses, if a component of this project is inconsistent with the State Hospital Code (10 NYCRR Parts 711, 712, 713, 714, 715, 716, or 717), I shall bring this to the attention of Bureau of Architecture and Engineering Review (BAER) of the New York State Department of Health prior to or upon submitting final drawings for compliance resolution.
5. I understand that upon completion of construction, the costs of any subsequent corrections necessary to address the pre-opening survey findings of deficiencies by the NYSDOH Regional Office, to achieve compliance with applicable requirements of 10 NYCRR Parts 711, 712, 713, 714, 715, 716 and 717, when the prior work was not completed properly as certified herein, may not be considered allowable costs for reimbursement under 10 NYCRR Part 86.

6. I have reviewed and acknowledged the Supplemental Self-Certification Eligibility Checklist Page 4 of this document and evaluated and determined this project does meet the prerequisite requirements for Self-Certification. I understand and agree, if the project is deemed by NYSDOH not meeting the criteria allowable for self-certification, I will be required to be resubmit the project documents for an AER review.

This self-certification is being submitted to facilitate the Architectural CON process and is in lieu of a plan review. It is understood that an electronic copy of final Construction Documents on CD, meeting the requirements of DSG-05 must be submitted to PMU for all projects, including limited, administrative, full review, self-certification and reviews performed and completed by DASNY, prior to construction.

Project Name: OP Rehabilitation Building

Location: Elizabethtown Community Hospital, 80 Park St, Elizabethtown NY

Description: New freestanding OP Rehabilitation Building

Jennifer R. Arbuckle
Signature of NYS Licensed Architect/Engineer

Jennifer R. Arbuckle, AIA, NCARB, LEED AP
Name of Architect/Engineer (Print)

033430

Professional New York State License Number

2300 St George Road, Suite 2, Williston VT

Business Street Address, City, State, Zip Code

Architectural or Engineering Professional Stamp



The undersigned applicant understands and agrees that, notwithstanding this architectural/engineering certification the Department of Health shall have continuing authority to (a) review the plans submitted herewith and/or inspect the work with regard thereto, and (b) withdraw its approval thereto. The applicant shall have a continuing obligation to make any changes required by the Division to comply with the above-mentioned codes and regulations, whether or not physical plant construction or alterations have been completed.

M. H. Nolan
Authorized Signature for Applicant

4/22/24
Date

M. H. Nolan
Name (Print)

VP + COO
Title

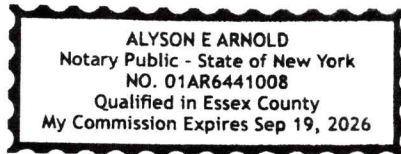
Notary signing required for the applicant

STATE OF NEW YORK)

County of Essex)

) SS:

On the 22nd day of April 2024 before me personally appeared M. H. Nolan, to me known, who being by me duly sworn, did depose and say that he/she resides at 75 Park St, Elizabethtown NY, that he/she is the COO of the UVMHN-ELH, the corporation described herein which executed the foregoing instrument; and that he/she signed his/her name thereto by order of the board of directors of said corporation.



(Notary) Alyson E. Arnold

Project Eligibility Checklist for Architectural/Engineering Self-Certification

		YES	
Does the project include any of the following?		If Yes, project is not eligible for Self-Certification and is required to be submitted for an AER review.	NO
1.	Is a waiver or exceptions required?		X
2.	Will the project costs exceed \$15,000,000.00 (fifteen million dollars.)?		X
3.	Is Bulk Oxygen /Medical Gas Storage associated with this project? Examples of Bulk Oxygen /Medical Gas Storage projects include but not limited to the following:		X
	a. Hyperbaric Chambers		
	b. Bulk Systems include Nitrous Oxide System and Oxygen System: Definitions as defined below:		
	Bulk Nitrous Oxide System. An assembly of equipment as described in the definition of bulk oxygen system that has a storage capacity of more than 3200 lb (1452 kg) [approximately 28,000 ft ³ (793 m ³) (NTP)] of nitrous oxide. (PIP)ground		
	Bulk Oxygen System* An assembly of equipment such as oxygen storage containers, pressure regulators, pressure relief devices, vaporizers, manifolds, and interconnecting piping that has a storage capacity of more than 20,000 ft ³ (566 m ³) of oxygen (NTP) including unconnected reserves on hand at the site. The bulk oxygen system terminates at the point where oxygen at service pressure first enters the supply line. (PIP)		
4.	Will this project have Locked or Secured Units? Examples of Locked or Secured Units include but not limited to the following;		X
	a. Observation Units for behavioral health in ED's.		
	b. Behavioral health located within inpatient settings.		
	c. Nursing Homes or other facilities with Dementia Units that are locked.		
	d. Corrections and Detention Facilities located in Hospitals, Ambulatory Health Care Occupancies and Business Occupancies where healthcare is provided.		
5.	Will this project involve construction of new procedure rooms, new operating rooms, renovations and or alterations to existing procedure rooms and or operating rooms, including modifications made to existing support systems, including, but not limited to heating, cooling, plumbing, electrical systems, medical gas systems, fire detection and fire protection systems, located in hospitals and existing ambulatory surgery centers? Examples, include but not limited to the following.		X
	a. Endoscopy Procedure Rooms		
	b. Procedure Rooms		
	c. Operating Rooms		
	d. Interventional Imaging		
	i. Located in procedure rooms		
	ii. Located in operating rooms		
6.	Is this a project requiring construction that is required to comply with New Ambulatory Health Care Occupancies as indicated in Chapter 20 of NFPA 101, 2012 edition requirements? Examples, include but not limited to the following:		X
	a. New Ambulatory Surgery Center		
	b. Endoscopy Centers and or Other Procedure Rooms		
	c. Free Standing Emergency Departments providing Definitive Care.		
7.	Is this project intended to provide Ventilator units for patients located in nursing homes?		X
8.	Does this project involve Airborne infection isolation (AII) room?		X
9.	Does this project involve Protective environment (PE) room?		X

Schedule LRA 4/Schedule 7 CON Forms Regarding Environmental issues

Contents:

Schedule LRA 4/Schedule 7 - Environmental Assessment

Environmental Assessment

Part I.	The following questions help determine whether the project is "significant" from an environmental standpoint.	Yes	No
1.1	If this application involves establishment, will it involve more than a change of name or ownership only, or a transfer of stock or partnership or membership interests only, or the conversion of existing beds to the same or lesser number of a different level of care beds? NOT APPLICABLE	<input type="checkbox"/>	<input type="checkbox"/>
1.2	Does this plan involve construction and change land use or density?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
1.3	Does this plan involve construction and have a permanent effect on the environment if temporary land use is involved?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
1.4	Does this plan involve construction and require work related to the disposition of asbestos?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Part II.	If any question in Part I is answered "yes" the project may be significant, and Part II must be completed. If all questions in Part II are answered "no" it is likely that the project is not significant.	Yes	No
2.1	Does the project involve physical alteration of ten acres or more?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.2	If an expansion of an existing facility, is the area physically altered by the facility expanding by more than 50% and is the total existing and proposed altered area ten acres or more?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.3	Will the project involve use of ground or surface water or discharge of wastewater to ground or surface water in excess of 2,000,000 gallons per day?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.4	If an expansion of an existing facility, will use of ground or surface water or discharge of wastewater by the facility increase by more than 50% and exceed 2,000,000 gallons per day?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.5	Will the project involve parking for 1,000 vehicles or more?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.6	If an expansion of an existing facility, will the project involve a 50% or greater increase in parking spaces and will total parking exceed 1000 vehicles?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.7	In a city, town, or village of 150,000 population or fewer, will the project entail more than 100,000 square feet of gross floor area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.8	If an expansion of an existing facility in a city, town, or village of 150,000 population or fewer, will the project expand existing floor space by more than 50% so that gross floor area exceeds 100,000 square feet?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.9	In a city, town or village of more than 150,000 population, will the project entail more than 240,000 square feet of gross floor area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.10	If an expansion of an existing facility in a city, town, or village of more than 150,000 population, will the project expand existing floor space by more than 50% so that gross floor area exceeds 240,000 square feet?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.11	In a locality without any zoning regulation about height, will the project contain any structure exceeding 100 feet above the original ground area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.12	Is the project wholly or partially within an agricultural district certified pursuant to Agriculture and Markets Law Article 25, Section 303?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.13	Will the project significantly affect drainage flow on adjacent sites?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

2.14	Will the project affect any threatened or endangered plants or animal species?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2.15	Will the project result in a major adverse effect on air quality?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2.16	Will the project have a major effect on visual character of the community or scenic views or vistas known to be important to the community?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2.17	Will the project result in major traffic problems or have a major effect on existing transportation systems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2.18	Will the project regularly cause objectionable odors, noise, glare, vibration, or electrical disturbance as a result of the project's operation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2.19	Will the project have any adverse impact on health or safety?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2.20	Will the project affect the existing community by directly causing a growth in permanent population of more than five percent over a one-year period or have a major negative effect on the character of the community or neighborhood?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2.21	Is the project wholly or partially within, or is it contiguous to any facility or site listed on the National Register of Historic Places, or any historic building, structure, or site, or prehistoric site, that has been proposed by the Committee on the Registers for consideration by the New York State Board on Historic Preservation for recommendation to the State Historic Officer for nomination for inclusion in said National Register?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2.22	Will the project cause a beneficial or adverse effect on property listed on the National or State Register of Historic Places or on property which is determined to be eligible for listing on the State Register of Historic Places by the Commissioner of Parks, Recreation, and Historic Preservation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2.23	Is this project within the Coastal Zone as defined in Executive Law, Article 42? If Yes, please complete Part IV.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Part III.		Yes	No	
3.1	Are there any other state or local agencies involved in approval of the project? If so, fill in Contact Information to Question 3.1 below.		<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Agency Name:		Town of Elizabethtown	
	Contact Name:		Gordon Costin, Building & Code Officer	
	Address:		7563 Court Street, PO Box 265	
	State and Zip Code:		Elizabethtown, NY 12932-0265	
	E-Mail Address:		Code@elizabethtown-ny.gov	
	Phone Number:		(518) 873-6555	
	Agency Name:		NYSDEC	
	Contact Name:		Regional Permit Administrator – Region 5	
	Address:		1115 NYS Route 86, PO Box 296	
	State and Zip Code:		Ray Brook, NY 12977-0296	
	E-Mail Address:		dep.r5@dec.ny.gov	
	Phone Number:		(518) 897-1394	
	Agency Name:			
	Contact Name:			

	Address:			
	State and Zip Code:			
	E-Mail Address:			
	Phone Number:			
	Agency Name:			
	Contact Name:			
	Address:			
	State and Zip Code:			
	E-Mail Address:			
	Phone Number:			
3.2	Has any other agency made an environmental review of this project? If so, give name, and submit the SEQRA Summary of Findings with the application in the space provided below. <i>(Awaiting Final SEQR determination – will forward documentation once received).</i>		Yes	No
			<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Agency Name:	Town of Elizabethtown Planning Board		
	Contact Name:	Chairman of the Planning Board (Bruce Pushee)		
	Address:	7563 Court Street, PO Box 265		
	State and Zip Code:	Elizabethtown, NY 12932-0265		
	E-Mail Address:	etownnyrealty@gmail.com		
Phone Number:	(518) 873-6555			
3.3	Is there a public controversy concerning environmental aspects of this project? If yes, briefly describe the controversy in the space below.		Yes	No
			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Part IV.	Storm and Flood Mitigation			
	Definitions of FEMA Flood Zone Designations			
	Flood zones are geographic areas that the FEMA has defined according to varying levels of flood risk. These zones are depicted on a community's Flood Insurance Rate Map (FIRM) or Flood Hazard Boundary Map. Each zone reflects the severity or type of flooding in the area.			
	Please use the FEMA Flood Designations scale below as a guide to answering all Part IV questions regardless of project location, flood and or evacuation zone.		Yes	No
4.1	Is the proposed site located in a flood plain? If Yes, indicate classification below and provide the Elevation Certificate (FEMA Flood Insurance).		<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Moderate to Low Risk Area		Yes	No
	Zone	Description	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	In communities that participate in the NFIP, flood insurance is available to all property owners and renters in these zones:			
	B and X	Area of moderate flood hazard, usually the area between the limits of the 100-year and 500-year floods. Are also used to designate base floodplains of lesser hazards, such as areas protected by levees from 100-year flood, or shallow flooding areas with average depths of less than one foot or drainage areas less than 1 square mile.	<input type="checkbox"/>	

C and X	Area of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level.	<input type="checkbox"/>	
High Risk Areas		Yes	No
Zone	Description	<input type="checkbox"/>	<input checked="" type="checkbox"/>
In communities that participate in the NFIP, mandatory flood insurance purchase requirements apply to all these zones:			
A	Areas with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30-year mortgage. Because detailed analyses are not performed for such areas; no depths or base flood elevations are shown within these zones.	<input type="checkbox"/>	
AE	The base floodplain where base flood elevations are provided. AE Zones are now used on new format FIRMs instead of A1-A30.	<input type="checkbox"/>	
A1-30	These are known as numbered A Zones (e.g., A7 or A14). This is the base floodplain where the FIRM shows a BFE (old format).	<input type="checkbox"/>	
AH	Areas with a 1% annual chance of shallow flooding, usually in the form of a pond, with an average depth ranging from 1 to 3 feet. These areas have a 26% chance of flooding over the life of a 30-year mortgage. Base flood elevations derived from detailed analyses are shown at selected intervals within these zones.	<input type="checkbox"/>	
AO	River or stream flood hazard areas, and areas with a 1% or greater chance of shallow flooding each year, usually in the form of sheet flow, with an average depth ranging from 1 to 3 feet. These areas have a 26% chance of flooding over the life of a 30-year mortgage. Average flood depths derived from detailed analyses are shown within these zones.	<input type="checkbox"/>	
AR	Areas with a temporarily increased flood risk due to the building or restoration of a flood control system (such as a levee or a dam). Mandatory flood insurance purchase requirements will apply, but rates will not exceed the rates for unnumbered A zones if the structure is built or restored in compliance with Zone AR floodplain management regulations.	<input type="checkbox"/>	
A99	Areas with a 1% annual chance of flooding that will be protected by a Federal flood control system where construction has reached specified legal requirements. No depths or base flood elevations are shown within these zones.	<input type="checkbox"/>	
High Risk Coastal Area		Yes	No
Zone	Description		
In communities that participate in the NFIP, mandatory flood insurance purchase requirements apply to all these zones:			
Zone V	Coastal areas with a 1% or greater chance of flooding and an additional hazard associated with storm waves. These areas have a 26% chance of flooding over the life of a 30-year mortgage. No base flood elevations are shown within these zones.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
VE, V1 - 30	Coastal areas with a 1% or greater chance of flooding and an additional hazard associated with storm waves. These areas have a 26% chance of flooding over the life of a 30-year mortgage. Base flood elevations derived from detailed analyses are shown at selected intervals within these zones.	<input type="checkbox"/>	
Undetermined Risk Area		Yes	No
Zone	Description	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	D	Areas with possible but undetermined flood hazards. No flood hazard analysis has been conducted. Flood insurance rates are commensurate with the uncertainty of the flood risk.		
4.2	Are you in a designated evacuation zone?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
	If Yes, the Elevation Certificate (FEMA Flood Insurance) shall be submitted with the application.			
	If yes which zone is the site located in?			
4.3	Does this project reflect the post Hurricane Lee, and or Irene, and Superstorm Sandy mitigation standards?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
	If Yes, which floodplain?	100 Year	<input type="checkbox"/>	
		500 Year	<input type="checkbox"/>	

The Elevation Certificate provides a way for a community to document compliance with the community's floodplain management ordinance.

[FEMA Elevation_Certificate_and Instructions](#)

**New York State Department of Health
 Certificate of Need Application
 Schedule 8A Summarized Project Cost and Construction Dates**

This schedule is required for all Establishment Applications and Full or Administrative Review Construction Applications.

1.) Project & Subject Cost Summary data:

	Total	Source
Project/Subproject Description:		
Project Cost	\$9,176,235	Schedule 8a or 8b, column C, line 8
Total Basic Cost of Construction	\$9,176,235	from Schedule 8a or 8b column C, line 6
Total Cost of Moveable Equipment	\$190,529	Schedule 8a or 8b, column C, line 5.1
Cost/Per Square Foot for New Construction (calculated on Table 10)	\$381.83	Schedule 10
Cost/Per Square Foot for Renovation Construction	N/A	Schedule 10
Total Incremental Operating Cost (From Schedule 13C, 17C, or 19D)	\$2,344,054	Schedule 13c, 17c or 19d
Amount Financed (as \$)	\$0	Schedule 9
Percentage Financed as % of Total Cost (From Schedule 9)	0%	from Schedule 9
Depreciation Life (in years)	7	for new moveable equipment
Depreciation Life (in years)	25	for leasehold improvements/other

2) Construction Dates

Anticipated Start Date	11/1/2024 (on or before)	from Schedule 8b
Anticipated Completion Date	11/1/2025 (on or before)	

New York State Department of Health

Certificate of Need Application

Schedule 8B - Total Project Cost - For Projects without Subprojects.

For Article 28, 36, and 40 Establishment & Construction Requiring Full, Administrative or Limited Review

For Limited Review, escalation amounts may be entered as "0".

Constants:	Value	Comments:
Design Contingency - New Construction	9.77%	Normally 10%
Construction Contingency - New Construction	6.51%	Normally 5%
Design Contingency - Renovation Work	N/A	Normally 10%
Construction Contingency - Renovation Work	N/A	Normally 10%
Construction Start Date:	11/1/2024 (on or before)	as mm/dd/yyyy
Midpoint of Construction Date	5/2/2025 (on or before)	as mm/dd/yyyy
Completion of Construction Date	11/1/2025 (on or before)	as mm/dd/yyyy
Year used to compute Current Dollars:	2024	

Subject of attachment:	Attachment Number	Filename of attachment - PDF
For new construction and addition, at the schematic stage the design contingency will be normally be 10% and the construction contingency will be 5%. If your percentages are otherwise, please explain in an attachment	Professional Cost Estimate	N/A
For renovation, the design contingency will normally be 10% and the construction contingency will be 10%. If your percentages are otherwise, please explain in an attachment	N/A	N/A

**New York State Department of Health
Certificate of Need Application
Schedule 8B - Total Project Cost - For Projects without Subprojects.**

	A	B	C
Item	Project Cost in Current Dollars	Escalation amount to Mid-point of Construction**	Estimated Project Costs
Source:	Schedule 10 Col .7	Computed by applicant	(A + B)
1.1 Land Acquisition	\$0		\$0
1.2 Building Acquisition	\$0		\$0
2.1 New Construction	\$4,761,832	\$698,402	\$5,460,234
2.2 Renovation & Demolition	\$0	\$0	\$0
2.3 Site Development	\$1,439,799	\$211,170	\$1,650,969
2.4 Temporary Utilities	\$0	\$0	\$0
2.5 Asbestos Abatement or Removal	\$0	\$0	\$0
3.1 Design Contingency	\$465,122	\$68,218	\$533,340
3.2 Construction Contingency	\$310,081	\$45,479	\$355,560
4.1 Fixed Equipment (NIC)	\$0	\$0	\$0
4.2 Planning Consultant Fees	\$0	\$0	\$0
4.3 Architect/Engineering Fees	\$488,322	\$71,620	\$559,942
4.4 Construction Manager Fees	\$0	\$0	\$0
4.5 Other Fees (Consultant, etc.)	\$127,030	\$18,631	\$145,661
Subtotal (Total 1.1 thru 4.5)	\$7,592,186	\$1,113,520	\$8,705,706
5.1 Movable Equipment (Sched 11)	\$190,529	\$0	\$190,529
5.2 Telecommunications	\$280,000	\$0	\$280,000
6. Total Basic Cost of Construction(total 1.1 thru 5)	\$8,062,715	\$1,113,520	\$9,176,235
7.1 Financing Costs (Points etc)	\$0		\$0
7.2 Interim Interest Expense: <input type="text" value="\$0"/> At <input type="text" value="0"/> for <input type="text" value="0"/> months	\$0		\$0
8. Total Project Cost: w/o CON fees - Total 6 thru 7.2	\$8,062,715		\$1,113,520
Application fees:			
9.1 Application Fee. Article 28, 36 and 40. See Web Site. **	\$2,000		\$2,000
9.2 Additional Processing Fee for projects with capital costs. Not applicable to "Establishment Only" projects. See Web Site for applicable fees. (Line 8, multiplied by the appropriate percentage.) **	\$27,529		\$27,529
Enter Multiplier ie: .25% = .0025	0.30%		
10 Total Project Cost with CON fees	\$8,092,244	\$1,113,520	\$9,205,764

Schedule 9 Proposed Plan for Project Financing:

I. Summary of Proposed Financial plan

Check all that apply and fill in corresponding amounts.

	Type	Amount
<input type="checkbox"/>	A. Lease	
<input checked="" type="checkbox"/>	B. Cash	\$9,205,764
<input type="checkbox"/>	C. Mortgage, Notes, or Bonds	
<input type="checkbox"/>	D. Land	
<input type="checkbox"/>	E. Other	
<input checked="" type="checkbox"/>	F. Total Project Financing (Sum A to E) (equals line 10, Column C of Sch. 8b)	\$9,205,764

If refinancing is used, please complete area below.

<input type="checkbox"/>	Refinancing	
<input type="checkbox"/>	Total Mortgage/Notes/Bonds (Sum E + Refinancing)	

II. Details

A. Leases N/A – Building/Land Owned by ECH

	N/A	Title of Attachment
1. List each lease with corresponding cost as if purchased each leased item. Breakdown each lease by total project cost and subproject costs, if applicable.	<input checked="" type="checkbox"/>	
2. Attach a copy of the proposed lease(s).	<input checked="" type="checkbox"/>	
3. Submit an affidavit indicating any business or family relationships between principals of the landlord and tenant.	<input checked="" type="checkbox"/>	
4. If applicable, provide a copy of the lease assignment agreement and the Landlord's consent to the proposed lease assignment.	<input checked="" type="checkbox"/>	
5. If applicable, identify separately the total square footage to be occupied by the Article 28 facility and the total square footage of the building.	<input checked="" type="checkbox"/>	
6. Attach two letters from independent realtors verifying square footage rate.	<input checked="" type="checkbox"/>	
7. For all capital leases as defined by FASB Statement No. 13, "Accounting for Leases", provide the net present value of the monthly, quarterly or annual lease payments.	<input checked="" type="checkbox"/>	

**New York State Department of Health
Certificate of Need Application**

Schedule 9

B. Cash

Type	Amount
Accumulated Funds	\$2,726,260
Sale of Existing Assets	
Gifts (fundraising program)	
Government Grants (Transformation Phase 3)	\$6,479,504
Other	
TOTAL CASH	\$9,205,764

	N/A	Title of Attachment
1. Provide a breakdown of the sources of cash. See sample table above.	<input type="checkbox"/>	Please see table above.
2. Attach a copy of the latest certified financial statement and current internal financial reports to cover the balance of time to date. If applicable, address the reason(s) for any operational losses, negative working capital and/or negative equity or net asset position and explain in detail the steps implemented to improve operations. In establishment applications for Residential Health Care Facilities , attach a copy of the latest certified financial statement and current internal financial reports to cover the balance of time to date for the subject facility and all affiliated Residential Health Care Facilities . If applicable, address the reason(s) for any operational losses, negative working capital and/or negative equity or net asset position and explain in detail the steps implemented (or to be implemented in the case of the subject facility) to improve operations.	<input type="checkbox"/>	Please refer to the Schedule 9 Attachment
3. If amounts are listed in "Accumulated Funds" provide cross-reference to certified financial statement or Schedule 2b, if applicable.	<input type="checkbox"/>	Please refer to the Schedule 9 Attachment
4. Attach a full and complete description of the assets to be sold, if applicable.	<input checked="" type="checkbox"/>	
5. If amounts are listed in "Gifts (fundraising program)": <ul style="list-style-type: none"> • Provide a breakdown of total amount expected, amount already raised, and any terms and conditions affixed to pledges. • If a professional fundraiser has been engaged, submit fundraiser's contract and fundraising plan. • Provide a history of recent fund drives, including amount pledged and amount collected 	<input checked="" type="checkbox"/>	

**New York State Department of Health
Certificate of Need Application**

Schedule 9

	N/A	Title of Attachment
6. If amounts are listed in "Government Grants": <ul style="list-style-type: none"> List the grant programs which are to provide the funds with corresponding amounts. Include the date the application was submitted. Provide documentation of eligibility for the funds. Attach the name and telephone number of the contact person at the awarding Agency(ies). 	<input type="checkbox"/>	Please refer to the Schedule 9 Attachment
7. If amounts are listed in "Other" attach a description of the source of financial support and documentation of its availability.	<input checked="" type="checkbox"/>	
8. Current Department policy expects a minimum equity contribution of 10% of total project cost (Schedule 8b line 10) for all Article 28 facilities with the exception of Residential Health Care Facilities that require 25% of total project cost (Schedule 8b, line 10). Public facilities require 0% equity.	<input type="checkbox"/>	10% Equity Met
9. Provide an equity analysis for member equity to be provided. Indicate if a member is providing a disproportionate share of equity. If disproportioned equity shares are provided by any member, check this box <input type="checkbox"/>	<input checked="" type="checkbox"/>	

C. Mortgage, Notes, or Bonds **Not Applicable**

		Units
Interest		%
Term	N/A	Years
Payout Period		Years
Principal		\$

	N/A	Title of Attachment
1. Attach a copy of a letter of interest from the intended source of permanent financing that indicates principal, interest, term, and payout period.	<input checked="" type="checkbox"/>	
2. If New York State Dormitory Authority (DASNY) financing, then attach a copy of a letter from a mortgage banker.	<input checked="" type="checkbox"/>	
3. Provide details of any DASNY bridge financing to HUD loan.	<input checked="" type="checkbox"/>	
4. If the financing of this project becomes part of a larger overall financing, then a new business plan inclusive of a feasibility package for the overall financing will be required for DOH review prior to proceeding with the combined financing.	<input checked="" type="checkbox"/>	

**New York State Department of Health
Certificate of Need Application**

Schedule 9

D. Land Not Applicable

Provide details for the land including but not limited to; appraised value, historical cost, and purchase price. See sample table below.

	Total Project
Appraised Value	
Historical Cost	N/A
Purchase Price	
Other	

	N/A	Title of Attachment
1. If amounts are listed in "Other", attach documentation and a description as applicable.	<input checked="" type="checkbox"/>	
2. Attach a copy of the Appraisal. Supply the appraised date and the name of the appraiser.	<input checked="" type="checkbox"/>	
3. Submit a copy of the proposed purchase/option agreement.	<input checked="" type="checkbox"/>	
4. Provide an affidavit indicating any and all relationships between seller and the proposed operator/owner.	<input checked="" type="checkbox"/>	

E. Other Not Applicable

Provide listing and breakdown of other financing mechanisms.

	Total Project
Notes	
Stock	N/A
Other	

	N/A	Title of Attachment
Attach documentation and a description of the method of financing	<input checked="" type="checkbox"/>	

F. Refinancing Not Applicable

	N/A	Title of Attachment
1. Provide a breakdown of the terms of the refinancing, including principal, interest rate, and term remaining.	<input checked="" type="checkbox"/>	

**New York State Department of Health
Certificate of Need Application**

Schedule 9

<p>2. Attach a description of the mortgage to be refinanced. Provide full details of the existing debt and refinancing plan inclusive of original and current amount, term, assumption date, and refinancing fees. The term of the debt to be refunded may not exceed the remaining average useful life of originally financed assets. If existing mortgage debt will not be refinanced, provide documentation of consent from existing lien holders of the proposed financing plan.</p>	<input checked="" type="checkbox"/>	
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SCHEDULE 9 ATTACHMENT

ELIZABETHTOWN COMMUNITY HOSPITAL

FINANCIAL DOCUMENTS

1. Financial Narrative
2. Grant Award Letter – SHCFTP Phase 3
3. 2024 Internal Financial Statement
4. 2023 Audited Financial Statement (ending September 30, 2023)
5. Letter re: Operating Loss

ELIZABETHTOWN COMMUNITY HOSPITAL

FINANCIAL NARRATIVE

The University of Vermont Health System – Elizabethtown Community Hospital (ECH), a 25-bed, Critical Access Hospital, is submitting this Administrative Review Certificate of Need Application that seeks approval to certify and construct a new extension clinic to be located at 80 Park Street, Elizabethtown (Essex County), New York 12932. Through this project, outpatient therapy services (including physical therapy, occupational therapy, cardiac and pulmonary rehabilitation and speech-language pathology services) currently located within the Elizabethtown Community Health Center (ECHC) extension clinic at 66 Park Street, Elizabethtown (Essex County), New York 12932 will be relocated to the proposed extension clinic. The two (2) sites are located just 100 yards from one another, and both sites are located directly across the street from the Hospital. **This project will be funded, in part, through a Statewide Health Care Facility Transformation Program Phase 3 grant.**

Capital Funding

The Total Project Cost is estimated at \$9,205,764, which will be funded as follows:

\$6,479,504 ECH will fund this amount (representing 70.4% of the Total Project Cost) through the Hospital’s approved Statewide Health Care Facility Transformation Program Phase 3 grant application. Please refer to **this Attachment** for an award letter for the SHCFTP Phase 3 grant.

\$2,726,260 ECH will fund this amount (representing 19.6% of the Total Project Cost) through existing cash equity of the Hospital. Please refer to **this Attachment** for a recent 2024 Internal Financial Statement of ECH and the 2023 Audited

Financial Statement of The University of Vermont Health Network (of which ECH is a member).

\$9,205,765 **Total Project Cost**

Working capital will be funded through existing operations of the Hospital. Please refer to **this Attachment** for a recent 2024 Internal Financial Statement of ECH and the 2023 Audited Financial Statement of The University of Vermont Health Network (of which ECH is a member).

Basis for Utilization, Revenues and Expenses

The projected utilization for the project is based upon the experience of ECH in providing outpatient therapy services at its Elizabethtown Community Health Center extension clinic site. These services will be relocated to the new extension clinic site through the implementation of this project. Incremental staffing is based upon the experience of ECH in providing these services, given the projected volumes. Likewise, incremental operating expenses and revenues are based upon the experience of ECH in providing these outpatient therapy services. Please refer to the Calculation of Depreciation under the **Schedule 13 Attachment** for the depreciation calculation.

This project will operate at a net loss during the first and third years of the project. However, from a cash flow perspective, the proposed project is projected to be cash flow negative in Year 1 but cash flow positive starting in Year 2 of operations. ECH believes that this outpatient therapy relocation project is important to its growing patient population and to its mission to enhance services and health outcomes for its service population. To this end, ECH is prepared to bear the incremental operating loss of this project, within its overall positive operations. Please refer to **this Attachment** for a letter attesting to this statement.



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, M.D., M.P.H.
Acting Commissioner

MEGAN E. BALDWIN
Acting Executive Deputy Commissioner

2/14/2023

VIA EMAIL

Mr. Robert Ortmyer President
Elizabethtown Community Hospital
66 Park Street
Elizabethtown, NY 12883

Re: RFA# 18406, Statewide Health Care Facility Transformation Program III (SHCFTP III)

Dear Mr. Robert Ortmyer:

We are pleased to inform you that, based on application number DOH01-SHCFT3-2021-00023 submitted under the above referenced RFA that was released in September 2021, you have been awarded a reimbursement grant in an amount up to \$6,479,504.00.

Please note that this letter is not a final commitment to provide funds, but rather is evidence of the intention on the part of the Department of Health (DOH) to enter into a Master Grant Contract (MGC) with Elizabethtown Community Hospital subject to compliance with the conditions set forth in the RFA and the attached Addendum. The final amount to be awarded is subject to compliance with these conditions, and may be less than the grant amount set forth above. Master Grant Contracts are also contingent upon approval of the Attorney General and the Office of the State Comptroller.

Conditions to this award listed in the RFA and attached Addendum must be completed prior to the execution of your MGC with DOH and distribution of grant proceeds.

Should you have any questions concerning SHCFTP III or this Award Letter, please address your inquiry to Statewide3@health.ny.gov. In order to properly address your questions, please also include a contact person, contact e-mail, and contact phone number in the body of your e-mail.

Sincerely,

James V. McDonald, M.D., M.P.H.
Acting Commissioner
New York State Department of Health

cc: Reuben R. McDaniel, III, President and CEO, DASNY
Sara Richards, Director of Grant Administration, DASNY

Addendum

The following conditions must be satisfied with respect to each capital project to be funded with grant funds before the Master Grant Contract can be finalized and executed:

- Confirmation by DASNY Bond Counsel that the capital project is eligible to be funded through the State supported bond program. A DASNY representative will contact you if additional information regarding the capital project expenditures is required.
- Evidence of the completion of a review pursuant to the State Environmental Quality Review Act ("SEQRA"). A DASNY representative will contact you in order to determine the appropriate level of review to be conducted.
- Verification that all services provided in connection with the project are open to all regardless of religious affiliation and have no religious components. If this is required, DASNY will provide the form to the applicant.
- Completion of the Workplan and Capital Budget providing an outline/summary of the work associated with the Project(s), identifying the project(s) of objectives, metrics and milestones, and identification of project expenditures.
- Verification the awardee has secured site control of the properties to be used for this project(s).
- Provided a copy of the applicant's Operating Certificate to DOH.
- Provided current Workers' Compensation and Disability certificates of insurance to DOH.
- Confirmation of awardees current Charities Registration status to DOH.
- Vendor Responsibility/Grant Diligence Requirements:
As a further condition to entering into a Master Grant Contract with the DOH:
 - Awardees must have completed a Vendor Responsibility Questionnaire (VRQ), either electronically or via paper form, within the past six months for which the contract will be finalized and executed.
 - Any requested Vendor Responsibility/Grant Diligence information must be provided to the satisfaction of DOH.
 - Identify any subcontractors that will receive over \$100K in award funds and ensure they have obtained an OSC vendor ID and completed a Vendor Responsibility Questionnaire (VRQ).
 - DOH shall have determined that the awardee, and any contractor(s) and/or other vendor(s) providing any goods or services with respect to the Project, are (and will continue to be) responsible and able to meet the obligations under the MGC.
 - DOH, in consultation with DASNY or other parties as it shall determine to be necessary, shall, in its sole discretion, determine the truth and accuracy of all statements made in the Vendor Responsibility/Grant Diligence information and/or other documentation or information submitted in connection with any Project funded by the Grant.
 - DOH and/or DASNY, in their sole discretion, may request additional information or documentation, including in-person interviews of relevant individuals regarding any

aspect of the Project to be funded in whole or in part with Grant proceeds, and may audit any records of the Grantee related to the projects funded with the Grant.

- Verification that the awardee has initiated the request process for any necessary regulatory approvals and/or waivers such as DOH Certificate of Need (CON) approval, if required. In order to expedite the MGC execution process, CON and other DOH regulatory requirements should be considered as soon as possible.

If the above conditions are not satisfied within 60 days of the date of this notification, this award letter may expire. Upon written request from the applicant with an explanation acceptable to the Department of Health (DOH) as to why the required information was not provided to DOH and DASNY within the requisite timeframe, DOH may, in its sole discretion, grant an extension to allow more time to provide the information necessary to make a final determination of the grant award.

The following conditions must be satisfied with respect to each capital project prior to the reimbursement with grant funds under the terms of the Master Grant Contract:

- Submission of detailed project budgets for Bondability Review and Approval by Bond Counsel evidencing that bond proceeds will only be used for eligible costs.
- The primary source of funds for the SHCFTP III capital grant program will be bond proceeds, which by law may only be used for capital costs for federal income tax purposes and that comprise capital works or purposes under the State Finance Law. Therefore, Tax and bond counsel to the Dormitory Authority of the State of New York (DASNY) must confirm that the applicable grant expenditures identified in your application are costs that are eligible to be funded from proceeds of State-supported bonds as described in the Request for Applications Section III, B.
- The following costs are NOT capital costs and may not be funded with grant funds:
 - Internal labor costs (salaries, benefits, or other costs of an applicant's employees working on a project);
 - Costs of hand-held electronic devices or other equipment with a useful life of less than three years;
 - Ongoing maintenance fees; and
 - Other costs determined by DOH, DASNY and/or its bond counsel to be non-capital in nature.
- The budgets must separately identify all project costs, including those that are funded by independent sources and not grant funds. Professional estimates, quotes, bids, or other indicia from a design professional or equipment vendor setting forth the total Project cost must be provided.
- The budgets must identify all other funding sources and demonstrate to the satisfaction of DASNY and its bond and tax counsel that other available funds are both eligible and sufficient to pay such costs.
- If the Project includes IT or other technology equipment, the budget must clearly distinguish among the hardware, software development, software licenses, training, implementation, intellectual property costs and the amount and source of grant funds or other available funds to be spent on each component. Any project costs comprising ongoing maintenance fees also must be separately stated and funded with amounts other than bond proceeds. All components should be clearly identified and described. In addition, the amount of grant funds, if any, to be spent on each component must be stated, and the amounts of other available funds to be spent on such respective components must be clearly stated.

- If the Project includes the purchase of real property and if grant funds are to be used to acquire such real property, an appraisal meeting the Uniform Standards of Professional Appraisal Practice (“USPAP”) standards for the real property to be acquired with grant funds must be provided, along with a completed Real Property and Fixed Asset Certification executed by the applicant. This form will be provided by DASNY to the applicable grantees.
- If the Project involves the renovation or improvement of a facility previously financed or refinanced with the proceeds of tax-exempt bonds, the applicant will have to complete and execute a Prior Bond Certification form. This form will be provided by DASNY to the applicable applicants.
- Public Authorities Control Board approval of the Project, as required and initiated by DOH and DASNY, is obtained.
- Confirmation of regulatory approvals and/or waivers such as DOH Certificate of Need (CON) required under the project(s) have been obtained.
- Confirmation that an MWBE Utilization Plan has been submitted and approved. Pursuant to the Request for Applications Section IV. I., the New York State Department of Health established a Minority and Women Owned Business participation goal of **30%** on any subcontracted labor or services, equipment, materials, or any combined purchase of the foregoing greater than \$25,000 under a contract awarded from this solicitation. All grantees must submit an acceptable MWBE Utilization plan reflective of this goal. In addition, successful awardees are required to certify they have an acceptable Equal Employment Opportunity policy statement.
- Submission of required quarterly reports on the status of the Statewide Health Care Facility Transformation Program II project. Such reports shall be submitted no later than 30 days after the close of the quarter, and shall be consistent with the provisions of the terms of the State of New York Master Contract for Grants.

The reports shall include:

- Progress made toward Statewide Health Care Facility Transformation Program III objectives;
- A status update on Project process and performance metrics and milestones;
- Information on Project spending and budget; and
- A summary of public engagement and public comments received.
- Confirmation that Financial Commitments in an amount sufficient to finance the full project cost less SHCFTP III grant proceeds are in place. Examples of acceptable commitments include:
 - Bank account and investment account statements;
 - Contractual agreements for the provision of such funds;
 - Board Resolution authorizing institutional funds to be utilized for purposes of the project;
 - Signed, notarized letter from a Senior Authorized Officer of the organization authorizing institutional funds to be utilized for purposes of the project;
 - Donor agreements and receipts;
 - Grant award letters with no outstanding contingencies, agreements and contracts;
 - Updated Letter of Interest including terms and conditions from a recognized lending institution, consistent with what was provided in your RFA submission;
 - Bond documents; or
 - Other documentation demonstrating, to the satisfaction of DOH and/or DASNY that sufficient funds for project completion have been secured and that the applicant is a going concern.

If the above conditions are not satisfied after the execution of the Master Grant Contract, delays in the commencement of your Project and receipt of state funds will occur.

Additional MGC Requirements of the Awardee:

- **Master Grant Contracts are also contingent upon approval of the Attorney General and the Office of the State Comptroller.**
- There are no advances allowed under this reimbursement grant award.
- State funding will only be provided to the awardee following the execution of the Master Grant Contract and submission of a reimbursement request acceptable to the DOH.
- If the Project is comprised of multiple and/or phased components, DOH may, after consultation with DASNY, enter into a MGC for those components of a Project that are Type II and may be properly segmented, including but not limited to planning, design or engineering costs, or for which a SEQRA review has been completed, so long as all other conditions of the Award Letter have been satisfied.
- DOH, DASNY, and other government agencies that may be involved in the grant process, and their bond counsel, are relying on the Grant Diligence information in order to determine whether or not to enter into a Master Grant Contract, including all required documentation provided in the course of reviews.
- DOH and /or DASNY, in their sole discretion, may request additional information or documentation, including in-person interviews of relevant individuals regarding any aspect of the Project to be funded in whole or in part with Grant proceeds, and may audit the records of the Grantee related to the projects funded with the Grant.
- The completed Grant Diligence information must be signed by one or more Authorized Officer(s) who possesses the requisite level of knowledge regarding the information provided and returned to the DOH.
- The Grantee acknowledges that there is a duty to notify DOH and DASNY of any changes to the statements made in the Grant Diligence information, as submitted to DOH and/or subsequently supplemented. The Grantee is hereby further advised that the submission of false information to the DOH could be a violation of Federal and State Penal Laws.
- The Grantee acknowledges that there is a duty to notify DOH and DASNY of any changes to the statements made in the Vendor Responsibility/ Grant Diligence information, as submitted to DOH and/or subsequently supplemented. The Grantee is hereby further advised that the submission of false information to the DOH could be a violation of Federal and State Penal Laws.
- Any request for modification or change to the awarded Project prior to finalization and execution of the Master Grant Contract must be identified in writing by the awardee to DOH within in 60 days of the receipt of this award letter.

CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

The University of Vermont Health Network Inc. and Subsidiaries
Years Ended September 30, 2023 and 2022
With Report of Independent Auditors

Ernst & Young LLP



The University of Vermont Health Network Inc. and Subsidiaries

Consolidated Financial Statements and
Supplementary Information

Years Ended September 30, 2023 and 2022

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Ernst & Young LLP
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New York, NY 10001-8604

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Report of Independent Auditors

The Board of Trustees
The University of Vermont Health Network Inc.

Opinion

We have audited the consolidated financial statements of The University of Vermont Health Network Inc. and its subsidiaries (the Network), which comprise the consolidated balance sheets as of September 30, 2023 and 2022, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Network at September 30, 2023 and 2022, and the results of its operations, changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Network and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Network’s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Network’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Network’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying consolidating balance sheets as of September 30, 2023 and consolidating statements of operations for the year then ended, as well as the Financial Responsibility Supplemental Schedule Related to U.S. Department of Education Title IV Regulations as of and for the year ended September 30, 2023, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Ernst + Young LLP

January 19, 2024

The University of Vermont Health Network Inc. and Subsidiaries

Consolidated Balance Sheets

	September 30	
	2023	2022
	<i>(In Thousands)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 262,036	\$ 295,562
Short-term investments	237,333	23,129
Current portion of assets whose use is limited or restricted	11,784	8,444
Patient and other trade accounts receivable	328,968	307,672
Inventories	71,872	75,401
Receivables from third-party payors	32,515	16,972
Prepaid and other current assets	59,385	53,890
Total current assets	1,003,893	781,070
Assets whose use is limited or restricted:		
Board-designated assets	550,939	604,113
Assets held by trustee under bond indenture agreements	156	229
Restricted assets	96,353	90,093
Donor-restricted assets for specific purposes	59,149	52,813
Donor-restricted assets for perpetual endowment	48,552	47,372
Total assets whose use is limited or restricted	755,149	794,620
Property and equipment, net	814,214	849,798
Operating lease right of use assets, net	63,326	60,346
Finance lease right of use assets, net	1,446	3,103
Other	47,437	37,756
Total assets	\$ 2,685,465	\$ 2,526,693
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 43,716	\$ 46,436
Accrued expenses and other liabilities	110,462	107,466
Accrued payroll and related benefits	156,373	152,200
Current installments of long-term debt	49,871	48,824
Current portion of third-party payor settlements	20,068	17,778
Incurred but not reported claims	23,045	27,999
Operating lease right of use obligations	14,045	13,429
Finance lease right of use obligations	1,112	1,353
Current portion of contract liabilities	565	29,891
Total current liabilities	419,257	445,376
Long-term liabilities:		
Long-term debt, net of current installments	722,636	639,635
Malpractice and workers' compensation claims, net of current portion	56,021	48,466
Pension and other postretirement benefit obligations	19,601	16,644
Third-party payor settlements, net of current portion	12,388	9,077
Operating lease right of use obligations, net of current portion	50,588	48,212
Finance lease right of use obligations, net of current portion	368	1,531
Other	7,425	10,728
Total long-term liabilities	869,027	774,293
Total liabilities	1,288,284	1,219,669
Net assets:		
Without donor restrictions	1,280,731	1,196,932
With donor restrictions:		
Time or purpose	67,898	62,698
Perpetual	48,552	47,394
Total with donor restrictions	116,450	110,092
Total net assets	1,397,181	1,307,024
Total liabilities and net assets	\$ 2,685,465	\$ 2,526,693

See accompanying notes.

The University of Vermont Health Network Inc. and Subsidiaries

Consolidated Statements of Operations

	Years Ended September 30	
	2023	2022
	<i>(In Thousands)</i>	
Revenue and other support without donor restrictions		
Net patient service revenue before Enhanced Medicaid Graduate Medical Education revenues	\$ 2,308,096	\$ 2,046,549
Enhanced Medicaid Graduate Medical Education revenues – Hospital	29,415	21,388
Enhanced Medicaid Graduate Medical Education revenues – Professional	43,020	31,112
Net patient service revenue	<u>2,380,531</u>	<u>2,099,049</u>
Fixed prospective payment revenue	300,941	263,820
Premium revenue	7,729	6,291
Outpatient and specialty pharmacy revenue	278,556	228,182
Net assets released from restrictions	19,472	56,162
Other revenue	93,504	115,978
Total revenue and other support without donor restrictions	<u>3,080,733</u>	<u>2,769,482</u>
Expenses		
Salaries, payroll taxes, and fringe benefits	1,850,908	1,760,240
Supplies and other	864,907	738,911
Purchased services	129,150	141,979
Provider tax	112,025	108,989
Depreciation and amortization	100,780	100,722
Interest expense	28,014	20,313
Total expenses	<u>3,085,784</u>	<u>2,871,154</u>
Loss from operations	<u>(5,051)</u>	<u>(101,672)</u>
Nonoperating gains (losses)		
Investment income	5,243	55,160
Change in fair value of interest rate swap agreements	3,200	13,324
Other components of pension (expense) income	(619)	5,753
Net change in unrealized gains and losses on investments	85,527	(238,915)
Other	(141)	(4,620)
Total nonoperating gains (losses), net	<u>93,210</u>	<u>(169,298)</u>
Excess (deficiency) of revenue over expenses	88,159	(270,970)
Net change in unrealized gains and losses on fixed-income investments	609	(3,118)
Net assets released from restrictions for capital purchases	368	1,977
Pension related adjustments	(5,489)	1,148
Transfers and other	152	(122)
Increase (decrease) in net assets without donor restrictions	<u>\$ 83,799</u>	<u>\$ (271,085)</u>

See accompanying notes.

The University of Vermont Health Network Inc. and Subsidiaries

Consolidated Statements of Changes in Net Assets

	Years Ended September 30	
	2023	2022
	<i>(In Thousands)</i>	
Changes in net assets without donor restrictions		
Excess (deficiency) of revenue over expenses	\$ 88,159	\$ (270,970)
Net change in unrealized gains and losses on fixed-income investments	609	(3,118)
Net assets released from restrictions for capital purchases	368	1,977
Pension related adjustments	(5,489)	1,148
Transfers and other	152	(122)
Increase (decrease) in net assets without donor restrictions	<u>83,799</u>	<u>(271,085)</u>
Changes in net assets with donor restrictions		
Gifts, grants, and bequests	18,262	56,203
Investment loss	(756)	254
Net change in unrealized gains and losses on investments	8,294	(12,120)
Net assets released from restrictions used in operations	(19,472)	(55,767)
Net assets released from restrictions used for capital purchases	(368)	(1,977)
Change in beneficial interest in perpetual trusts	706	(3,717)
Transfer of net assets	(308)	(238)
Increase (decrease) in net assets with donor restrictions	<u>6,358</u>	<u>(17,362)</u>
Increase (decrease) in net assets	90,157	(288,447)
Net assets		
Beginning of year	<u>1,307,024</u>	<u>1,595,471</u>
End of year	<u>\$ 1,397,181</u>	<u>\$ 1,307,024</u>

See accompanying notes.

The University of Vermont Health Network Inc. and Subsidiaries

Consolidated Statements of Cash Flows

	Years Ended September 30	
	2023	2022
	<i>(In Thousands)</i>	
Operating activities		
Increase (decrease) in net assets	\$ 90,157	\$ (288,447)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	100,780	100,722
Contributions restricted for long-term use	(161)	(604)
Pension related adjustments	5,489	(1,148)
Loss (gain) on disposal of property and equipment	398	(18)
Change in fair value of interest rate swap agreements	(3,200)	(13,324)
Realized and unrealized (gains) losses on investments	(87,477)	203,635
Undistributed gains of affiliated companies	(5,373)	(5,211)
Change in beneficial interest in perpetual trusts	(706)	3,717
Amortization of operating right of use assets	16,903	15,225
Loss on extinguishment of debt	82	-
(Decrease) increase in cash resulting from a change in:		
Patient and other accounts receivable	(21,296)	(4,312)
Other current and noncurrent assets	(9,337)	(4,873)
Accounts payable and accrued expenses	2,483	33,358
Accrued payroll and related expenses	4,173	(1,424)
Other current and noncurrent liabilities	2,498	(4,581)
Estimated settlements with third-party payors	(9,942)	(39,543)
Pension and other postretirement benefit obligations	(2,532)	(1,388)
Right-of-use lease liabilities and assets	(16,892)	(16,633)
Medicare accelerated and advance payments	(29,326)	(95,123)
Net cash provided by (used in) operating activities	<u>36,721</u>	<u>(119,972)</u>
Investing activities		
Purchases of property and equipment	(67,622)	(71,168)
Proceeds from sale of property and equipment	-	18
Purchases of investments	(290,582)	(84,165)
Proceeds from sales of investments	203,849	149,292
Net cash used in investing activities	<u>(154,355)</u>	<u>(6,023)</u>
Financing activities		
Proceeds from contributions restricted for long-term use	161	604
Payments on long-term debt	(62,446)	(29,949)
Proceeds from debt issuance	126,250	-
Borrowings on line of credit	24,300	13,000
Repayments on line of credit	(2,800)	(3,200)
Loss on extinguishment of debt	(82)	-
Repayment of finance leases	(1,275)	(1,311)
Net cash provided by (used in) financing activities	<u>84,108</u>	<u>(20,856)</u>
Net decrease in cash and cash equivalents	<u>(33,526)</u>	<u>(146,851)</u>
Cash and cash equivalents		
Beginning of year	295,562	442,413
End of year	<u>\$ 262,036</u>	<u>\$ 295,562</u>
Supplemental cash flow information		
Cash paid during the year for interest	<u>\$ 27,654</u>	<u>\$ 20,159</u>
Capital expenditures included in accounts payable	<u>\$ 1,977</u>	<u>\$ 4,184</u>

See accompanying notes.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Years Ended September 30, 2023 and 2022

1. Organization

The University of Vermont Health Network Inc. (UVM Health Network or the Network) is a not-for-profit, tax-exempt Vermont corporation and the sole corporate member of University of Vermont Medical Center, Inc. (UVM Medical Center), University of Vermont Health Network Medical Group, Inc. (UVMHN Medical Group), University of Vermont Health Network – Central Vermont Medical Center, Inc. (CVMC), University of Vermont Health Network – Porter Medical Center, Inc. (PMC), University of Vermont Health Network – Champlain Valley Physicians Hospital (CVPH), University of Vermont Health Network – Elizabethtown Community Hospital (ECH), University of Vermont Health Network – Alice Hyde Medical Center (AHMC), University of Vermont Health Network – Community Providers, Inc. (CPI), UVM Health Network Health Ventures, Inc., Health Network Ventures Holding, LLC, VMC Indemnity Company Ltd. (VMCIC), University of Vermont Health Network – Home Health & Hospice (HH&H), and OneCare Vermont Accountable Care Organization, LLC (OCV). UVM Health Network's purpose is to establish an integrated regional health care system for the development of a highly coordinated health care network to improve the quality, increase the efficiencies, and lower the costs of health care delivery in the regions it serves.

UVM Medical Center is a teaching hospital with 562 licensed beds that, in affiliation with The University of Vermont (UVM), serves as Vermont's academic medical center. As a regional referral center, UVM Medical Center provides advanced level care throughout Vermont and Northern New York, with a full-time emergency department which is certified as a Level 1 Trauma Center. It is UVM Medical Center's mission to improve the health of the people in the communities it serves by integrating patient care, education, and research in a caring environment. As a charitable organization, UVM Medical Center enacts its mission through community benefit programs, many in collaborative partnership with other community-based organizations. These include, but are not limited to, community wellness programs, education, direct grants, free access to a community health resource center, direct financial assistance to patients, and other subsidized programs.

UVM Medical Center is the sole member of University of Vermont Health Network Specialty Care Transport, LLC, University of Vermont Medical Center Skilled Nursing, LLC, University of Vermont Medical Center Foundation, Inc., and University of Vermont Medical Center Executive Services, LLC. Medical Education Center Condominium Association, Inc. is partly owned by UVM Medical Center.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

1. Organization (continued)

UVMHN Medical Group serves as the governing organization for physicians employed to provide clinical services to affiliated, member hospitals of UVM Health Network. The purpose of the UVMHN Medical Group is to advance the clinical care, education, and training missions of UVM Health Network and its affiliated member hospitals, and the education, training, and research missions of the University of Vermont College of Medicine.

CVMC provides health care services under three distinct business units: Central Vermont Hospital, Woodridge Rehabilitation and Nursing (Woodridge), and the Central Vermont Medical Group Practice. CVMC works collaboratively to meet the needs and improve the health of central Vermont residents. As the sole community hospital of Central Vermont, CVMC provides 24-hour emergency care, 122 licensed beds, and has a full spectrum of inpatient and outpatient services. Woodridge offers 153 licensed beds for long-term and short-term rehabilitative care.

PMC serves as a parent holding company for three subsidiaries: Porter Hospital, Inc. (Porter Hospital), Helen Porter Nursing Home (HPNH), and Porter Real Estate Holdings, LLC (PREH). Porter Hospital operates a 25 licensed bed Critical Access Hospital. HPNH operates a 98 bed long-term community-oriented skilled healthcare and rehabilitation center. PREH is a single-member LLC real estate holding company. All operate facilities in Middlebury, Vermont.

CVPH is the sole member of The Foundation of CVPH Medical Center, Inc. (CVPH Foundation) and Valcour Imaging, Inc. Lake Champlain Physician Services, P.C. (LCPS) exists to further the charitable purposes of CVPH through the practice of medicine. CVPH controls LCPS through management agreements. CVPH operates 300 licensed inpatient beds and a 34-bed skilled nursing facility.

ECH, located in Elizabethtown, Essex County, New York, is a 25-bed hospital designated by the Centers of Medicare and Medicaid Services (CMS) as a Critical Access Hospital. ECH provides inpatient, outpatient, and emergency care services for residents in Essex County and admitting physicians are primarily practitioners in the local area.

AHMC operates 70 licensed beds, 135 nursing facility beds and a 30 bed assisted living program in Malone, New York, in addition to providing emergency and outpatient services. Effective October 1, 2023, AHMC was granted Critical Access Hospital Designation by the New York State Department of Health. Under this designation, AHMC's licensed beds will be 25.

CPI includes Mediquest Corp., Emergency Medical Transport of CVPH, Inc., and Champlain Valley Health Network, Inc.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

1. Organization (continued)

UVM Health Network Ventures is a for-profit holding company that holds the various for-profit investment activities of UVM Health Network.

Health Network Ventures Holding, LLC is a limited liability company with 501(c)(3) status that holds various investment activities of UVM Health Network.

VMCIC is incorporated in Vermont as a wholly-owned subsidiary of UVM Health Network. VMCIC provides claims-made coverage for physician and hospital medical professional liability and general liability risks of UVM Health Network.

HH&H provides home care and hospice services to residents of Chittenden and Grand Isle Counties in Vermont.

Effective October 1, 2021 UVM Health Network is the sole corporate member of OCV. OCV is a 501(c)(3) statewide accountable care organization that comprises an extensive network of providers across a full continuum of care, including hospitals in Vermont and New Hampshire, hundreds of primary and specialty care physicians, federally qualified health centers, designated agencies for mental health and substance use, skilled nursing facilities, home health agencies, and area agencies on aging. UVM Medical Center, CVMC and PMC participate in OCV risk-sharing contracts and paid participation fees to OCV totaling \$11,696,000 and \$11,347,000, recorded within purchased services expense, for the years ending September 30, 2023 and 2022, respectively. Additionally, UVM Medical Center provides various administrative services to OCV, including the processing of payroll and accounts payable transactions. All OCV personnel are UVM Medical Center employees. OCV reimburses UVM Medical Center for all administrative and payroll-related costs, which totaled \$9,163,000 and \$12,774,000 for the years ending September 30, 2023 and 2022, respectively. While UVM Health Network is the sole corporate member of OCV, the Network does not control OCV and the relationship does not meet the accounting criteria for consolidation. Therefore, OCV is not consolidated into the accompanying UVM Health Network financial statements.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and include the accounts of UVM Health Network and its controlled subsidiaries. Intercompany balances and transactions have been eliminated in consolidation.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Related-Party Transactions

The entities comprising UVM Health Network provide various inter-entity services to their affiliates. These consist of human resources, information systems and telecommunications, general accounting, and other services. Charges are based on the approximate cost to provide the services and are allocated between the entities based on an agreed-upon method, which reflects the approximate level of usage by each entity. Such inter-entity charges and all intercompany balances between the entities eliminate in consolidation.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the amounts of revenues and expenses reported during the period. Significant estimates include implicit and explicit price concessions related to net patient service revenue, receivables and accruals for estimated settlements with third-party payors, contingencies, self-insurance program liabilities, accrued medical claims, and pension and postretirement costs. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with original maturities of three months or less when purchased, excluding amounts classified as assets whose use is limited or restricted. All cash and cash equivalents are classified as Level 1 in the fair value hierarchy.

Most of UVM Health Network's banking activity, including cash and cash equivalents, is maintained with multiple regional banks. Cash deposits exceed federal insurance limits. It is UVM Health Network's policy to monitor these banks' financial strength on an ongoing basis.

UVM Health Network has elected to treat all cash equivalents held within investment portfolios as short-term investments.

Inventories

Inventories are stated using the lesser of average cost or net realizable value.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Prepaid and Other Current Assets

Prepaid and other current assets include miscellaneous non-trade receivables and prepaid expenses primarily related to software maintenance and other contracts.

Assets Whose Use is Limited or Restricted

Assets whose use is limited or restricted primarily includes board-designated assets, assets held by trustees under indenture agreements, donor-restricted assets, and restricted assets held for insurance-related liabilities. Board-designated assets may be used at the Board of Trustees' discretion. A significant portion of these assets consists of investments.

Investments and Investment Income

UVM Health Network consolidates all non-pension investment assets into a pooled/unitized structure to gain efficiencies in portfolio management, simplify trades, and reduce trading and investment manager fees. Each participating entity owns a percentage share of each asset class defined as cash, domestic equity, international equity, fixed income and liquid alternative investments. Trading is executed at the asset class level and allocated to each investment portfolio based on their pro-rata ownership of the class. Fair value of the asset class is determined by aggregating the fair value of the underlying investments within each class.

Investments in equity securities and mutual funds with readily determinable fair values and all investments in debt securities are recorded at fair value. Investment income or loss (including realized gains and losses on investments, interest, dividends, and unrealized gains and losses on equity securities and mutual funds), to the extent not capitalized, is included in nonoperating gains (losses), net of direct investment expenses, unless the income or gain (loss) is restricted by donor or law. Realized gains or losses on the sale of investments are determined by use of average costs. Unrealized gains and losses on debt securities are excluded from the excess (deficiency) of revenue over expenses.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

UVM Health Network reviews its debt securities annually to identify those for which fair value is below cost, then makes a determination as to whether the investment should be considered other-than-temporarily impaired.

Property and Equipment

Property and equipment acquisitions are recorded at cost or, in the case of gifts, at fair value at the date of the gift. Depreciation is recorded over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. Such amortization is included in depreciation and amortization expense in the consolidated financial statements.

Depreciation is calculated using the following estimated useful lives:

Land improvements	2–25 years
Leasehold improvements	2–30 years
Building and improvements	5–40 years
Equipment, furniture, and fixtures	3–30 years

Gifts of long-lived assets, such as land, buildings, or equipment are reported as support without donor restrictions and are excluded from the excess (deficiency) of revenue over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions on how the assets are to be used, and gifts that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long these long-lived assets must be maintained, expiration of donor restrictions is reported when the donated or acquired long-lived assets are placed in service.

Leases

UVM Health Network recognizes a right of use asset representing the right to use the underlying leased asset and a lease liability representing the obligation to make lease payments at the commencement date of a lease. The right of use asset is measured at its cost less subsequent accumulated amortization and accumulated impairment loss, with adjustments arising from remeasurements of the lease liability, if applicable. The right of use asset is amortized over the shorter of the asset's useful life or the lease term on a straight-line basis from the commencement date of the lease and is classified as operating lease right of use assets, net, or finance lease right of use assets, net, in the consolidated financial statements.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

At the commencement date, the lease liability is measured at the present value of the lease payments that are not paid at that date. When measuring the present value, the lease payments are discounted using the interest rate implicit in the lease. If such implicit rate cannot be readily determined, a risk-free rate is used. The lease liability is subsequently amortized based on the discount rate and reduced by lease payments made.

Lease liabilities are classified as operating lease right of use obligations or finance lease right of use obligations and classified as current or long-term, as applicable.

Lease payments on short-term leases (i.e., lease term of 12 months or less at the commencement date) are charged to expense on a straight-line basis over the period of the lease as a practical expedient.

Impairment of Long-Lived Assets

Long-lived assets to be held and used are reviewed for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value, less costs to sell.

Net Assets with Donor Restrictions

Net assets with donor restrictions include those whose use by UVM Health Network has been restricted by donors or law for a specific purpose, time period, or both, either temporarily or in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of operations and changes in net assets.

Consolidated Statements of Operations

Transactions deemed by management to be ongoing, major, or central to the provision of health care services are reported as revenue and other support and expenses without donor restrictions. Peripheral or incidental transactions are reported as nonoperating gains (losses).

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Excess (Deficiency) of Revenue Over Expenses

The consolidated statements of operations include the excess (deficiency) of revenue over expenses as the performance indicator. Changes in net assets without donor restrictions excluded from the excess (deficiency) of revenue over expenses primarily include net change in unrealized gains and losses on fixed-income investments, contributions of long-lived assets (including assets acquired using contributions restricted by donors for acquiring such assets), pension related adjustments, transfers and other items.

UVM Health Network's measure of operations as presented in the consolidated statements of operations includes revenue from health care services, pharmacy revenue, grants and contracts revenue, the allocation of endowment spending for operations and other revenues. Operating expenses are reported on the consolidated statements of operations by natural classification.

Enhanced Medicaid Graduate Medical Education Revenues (Hospital and Professional)

Under an Amendment to the Vermont State Medicaid Plan TN#11-019 (the State Plan Amendment), UVM Medical Center receives increased Vermont Medicaid payments to support graduate medical education (GME) beginning in fiscal year 2013. The State Plan Amendment provided for enhanced Medicaid payments of GME through two funding mechanisms: (1) payments to "qualified teaching hospitals" and (2) payments to "qualified teaching physicians." Under the definitions contained in the State Plan Amendment, UVM Medical Center is a qualified teaching hospital and physicians employed by UVM Medical Group are qualified teaching physicians.

The nonfederal source of these payments was provided by UVM from its governmental appropriations from the State of Vermont (the State). UVM has entered into a contract with the State to provide the annual nonfederal share of GME payments for the State's fiscal year. UVM Medical Center expects that UVM will enter into similar contracts for subsequent years, though there is no assurance of this. UVM Medical Center entered into a contract with the State to assess and monitor program benefits to Medicaid beneficiaries, and to report to the State annually on certain quality measures and improvement focus areas for Medicaid beneficiaries pertaining to UVM Medical Center's GME programs. Under this contract, the State agrees to provide GME payments to UVM Medical Center during the State fiscal year. UVM Medical Center expects to enter into similar contracts with the State for future years, but these are subject to continued

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

funding by UVM of the nonfederal source. The State, UVM Medical Center and UVM have also entered into a Memorandum of Understanding (MOU), dated July 1, 2021 through June 30, 2025 that describes the State Plan Amendment and these funding arrangements.

UVM Medical Center recognized enhanced GME revenue under the State Plan Amendment totaling \$72,435,000 and \$52,500,000 for the fiscal years ended September 30, 2023 and 2022, respectively. Under the MOU, UVM Health Network expects future payments to total \$52,500,000 per year; however, both UVM and the State retain the right to discontinue GME payments at any time in the future.

Outpatient and Specialty Pharmacy Revenue

Pharmacy revenue consists of sales of pharmaceuticals and related products, including contract pharmacy revenue. UVM Health Network recognizes these revenue sources in the amounts that reflect the consideration to which it expects to be entitled in exchange for prescriptions.

Other Revenue

In addition to patient service revenue, UVM Health Network also recognizes revenue related to nonpatient transactions. These transactions consist primarily of contract revenues, cafeteria sales, parking garage income, and rental income. Revenue from these transactions is recognized when obligations under the terms of the respective contracts are satisfied and is measured at the amount of consideration UVM Health Network expects to receive from those services.

During the year ended September 30, 2022, UVM Health Network recognized \$30,000,000 within other revenue related to business interruption insurance recoveries in response to claims submitted for an information technology security incident experienced on October 28, 2020. As a result of this cyberattack, UVM Health Network suspended user access to information technology applications. While the information technology applications were offline, management believes that patient care was delivered safely and effectively utilizing established back-up processes, including offline documentation methods.

Net Assets Released From Restrictions Used for Operations

Net assets are released from restrictions and used for operations when the donor-imposed restrictions associated with the net assets have been satisfied.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Grants and Contracts

UVM Health Network receives sponsored support from governmental and private sources. Certain sponsored arrangements are considered exchange agreements, and revenue under these agreements is recognized based on UVM Health Network's fulfillment of the contract and recorded within other revenue in the statements of operations, which is typically based on costs incurred or the achievement of milestones. Federal grants and other sponsored research are considered non-exchange transactions and are recognized when donor-imposed conditions (if any) have been met. Expirations of donor restrictions on net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions and as net assets released from restrictions or net assets released from restrictions used for capital purchases in the statements of operations. UVM Health Network had \$2,251,000 and \$3,490,000 in awarded research grants and contracts for which the condition has not yet been met as of September 30, 2023 and 2022, respectively, recorded within accrued expenses on the balance sheets. There were no funds received during the years ended September 30, 2023 or 2022 that required a reclassification to deferred revenue.

Malpractice and Workers' Compensation Claims

The liabilities for outstanding losses and loss-related expenses and the related provision for losses and loss-related expenses include estimates for malpractice losses incurred but not reported, losses pending settlement, and for workers' compensation claims and underwriting expenses. Such liabilities are based on estimates and, while management believes the amounts provided are adequate, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The calculations of such estimates and the resulting liabilities are actuarially determined annually and any adjustments required are reflected in estimated incurred but not reported medical claims.

Income Taxes

Entities within UVM Health Network, with the exception of entities specifically named below, are incorporated and recognized by the Internal Revenue Service (IRS) as tax-exempt under Section 501(c)(3) of the Internal Revenue Code (the Code). Accordingly, the IRS has determined that these organizations are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Health Network Ventures Holding, LLC, University of Vermont Health Network Specialty Care Transport, LLC, University of Vermont Medical Center Skilled Nursing, LLC, University of Vermont Medical Center Executive Services, LLC, Valcour Imaging, Inc., and

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Porter Real Estate Holdings, LLC, are single-member limited liability corporations. As such, for tax purposes, these organizations are treated as divisions of their sole member. Earnings and losses are passed through to the owners, which are tax-exempt, and are treated in the same manner for tax purposes. No provision for federal income taxes has been recorded in the accompanying consolidated financial statements for these organizations. UVM Health Network Health Ventures, Inc., Medical Education Center Condominium Association, Inc., Mediquest Corp., Emergency Medical Transport of CVPH, Inc., and Champlain Valley Health Network, Inc. are taxable corporations for which the provision for income taxes is immaterial to the accompanying consolidated financial statements.

Provider Tax Expenses

The states of Vermont and New York operate provider tax programs related to certain patient service revenues and operating cash receipts, respectively, collectively referred to as provider tax expenses.

Defined Benefit Pension and Other Postretirement Benefit Plans

UVM Health Network recognizes the overfunded or underfunded status of its defined benefit pension and other postretirement benefit plans (collectively, postretirement benefit plans) in the consolidated balance sheets. Changes in the funded status of the plans are reported in the year in which the changes occur as a change in net assets without donor restrictions presented below the excess (deficiency) of revenue over expenses in the consolidated statements of operations and changes in net assets.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (also referred to as an exit price). A fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. In determining fair value, the use of various valuation approaches, including market, income, and cost approaches, is permitted.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

GAAP establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumption about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

UVM Health Network uses the following fair value hierarchy to present its fair value disclosures:

Level 1 Quoted (unadjusted) prices for identical assets or liabilities in active markets. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 Other observable inputs, either directly or indirectly, including:

- Quoted prices for identical or similar assets in nonactive markets (few transactions, limited information, noncurrent prices, high variability over time).
- Inputs other than quoted prices that are observable for the asset (interest rates, yield curves, volatilities, default rates).
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3 Pricing inputs are generally unobservable for the assets or liabilities and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require management's judgment or estimation of assumptions that market participants would use in pricing the assets or liabilities.

Certain investments are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient and have not been classified in the above fair value hierarchy.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value:

Equities, Mutual Funds, Money Market Funds, and Real Estate Investment Trusts

The fair values of equities, mutual funds, money market funds, and real estate investment trusts are based on quoted market prices and are categorized as Level 1 or Level 2 based on the nature of the inputs.

Debt Securities

The estimated fair values of debt securities are based on quoted market prices or other market data for the same or comparable instruments and transactions. The marketable debt securities classified as Level 1 are classified based on quoted prices of the actual debt instruments in active markets. The marketable debt securities classified as Level 2 are classified based on observable market prices for similar securities traded in less active markets. Marketable debt instruments are priced using: nonbinding market consensus prices corroborated with observable market data; quoted market prices for similar instruments; or pricing models, such as a discounted cash flow model, with all significant inputs derived from or corroborated with observable market data. These Level 2 debt securities primarily include corporate bonds, notes and other debt securities.

Beneficial Interest in Perpetual Trusts

The estimated fair values of UVM Health Network's beneficial interests in perpetual trusts are based on information provided by the trustees. Such information is generally based on a pro rata interest in the net assets of the underlying investments. The assets held in trust consist primarily of cash equivalents and marketable securities. Perpetual trusts are measured using the fair value of the assets contributed to the trusts, and therefore are categorized as Level 3.

Hedge Funds

The fair values of investments in hedge funds are primarily determined using calculated net asset value (NAV) as a practical expedient. The hedge funds invest primarily in securities whose underlying values are based on Level 1 inputs. The fund managers receive prices from nationally recognized pricing services based on observable market transactions. Certain of the underlying securities held by the funds are listed on recognized securities exchanges and valued at the closing price ascertained by the respective exchange.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Interest Rate Swap Agreements

Interest rate swap agreements are valued at the present value of the estimated series of cash flows resulting from the exchange of fixed rate payments for floating rate payments from the counterparty over the remaining life of the contract from the balance sheet date. Each floating rate payment is calculated based on forward market rates at each respective payment date. The valuation based on estimated cash flows is obtained from third parties and assessed by management for reasonableness. Because the inputs used to value the contract can generally be corroborated by market data, the fair value is categorized as Level 2.

3. Current and Upcoming Accounting Guidance

In June 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The new credit losses standard changes the impairment model for most financial assets and certain other instruments. For trade and other receivables, contract assets recognized as a result of applying ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, loans and certain other instruments, entities will be required to use a new forward looking “expected loss” model that generally will result in earlier recognition of credit losses than under today’s incurred loss model. ASU 2016-13 is effective for annual periods beginning after December 15, 2022. The impact of this pronouncement is not expected to be material to UVM Health Network.

4. Patient Service Revenue

UVM Health Network uses a portfolio approach to account for categories of patient contracts as a collective group rather than recognizing patient service revenue on an individual contract basis. The portfolios primarily consist of major financial or payor classes for all types of revenue. Based on historical collection trends and other analysis, UVM Health Network believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach were used.

Patient service revenue is reported at the amount that reflects the consideration to which UVM Health Network expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and include variable consideration for retroactive revenue adjustments due to settlement of

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

4. Patient Service Revenue (continued)

ongoing and future audits, reviews, and investigations. Generally, UVM Health Network bills patients and third-party payors several days after services are performed or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by UVM Health Network. Revenue for performance obligations satisfied over time is recognized based on charges incurred in relation to total expected or actual charges. UVM Health Network believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients receiving inpatient acute care services. UVM Health Network measures the performance obligation from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided and UVM Health Network believes it is not required to provide additional goods or services to the patient.

Amounts related to services provided to patients that have not been billed and that do not meet the conditions of unconditional right to payment at the end of the reporting period are contract assets. Contract assets consist primarily of services that have been provided to patients who are still receiving inpatient care at the end of the reporting period. Contract assets are included in patient and other trade accounts receivable in the accompanying consolidated balance sheets at September 30, 2023 and 2022. Contract assets are \$13,462,000 and \$19,206,000 as of September 30, 2023 and 2022, respectively.

Because all of its performance obligations relate to contracts with a duration of less than one year, UVM Health Network has elected to apply the optional exemption provided in Topic 606 and therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

UVM Health Network determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors and discounts provided to uninsured patients in accordance with UVM Health Network's policy (explicit price

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

4. Patient Service Revenue (continued)

concessions), and implicit price concessions. UVM Health Network determines its estimates of explicit price concessions based on contractual agreements, its discount policies, and historical experience. UVM Health Network determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

UVM Health Network has agreements with third-party payors that provide for payments to UVM Health Network at amounts different from its established rates.

Medicare

Inpatient acute-care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Inpatient rehabilitation services are paid based on a prospective per discharge methodology. These rates vary according to a patient classification system based upon services provided, the patient's level of functionality and other factors. Outpatient services are paid based upon a prospective standard rate for procedures performed or services rendered. UVM Health Network is reimbursed for cost-reimbursable items at tentative rates, with final settlement determined after submission of annual cost reports by UVM Health Network and audits thereof by the Medicare Audit Contractor. Medicare reimbursement for professional billings is paid based on a standard fee schedule that is determined by CMS.

Medicaid

Inpatient services rendered to Vermont and New York Medicaid program beneficiaries are paid at prospectively determined rates per discharge. As with Medicare, payments are based on a diagnosis-related group (DRG) system that is based on clinical, diagnostic, and other factors. In Vermont, additional reimbursement for inpatient rehabilitation and neonatal cases is paid through a per diem add-on. In Vermont, additional reimbursement for inpatient psychiatric cases is based on a per diem rate calculation, including adjustments for diagnostic factors and length of stay. Outpatient services rendered to Vermont Medicaid beneficiaries are paid based upon a prospective standard rate. Certain laboratory, mammography, therapy, and dialysis services are paid on a fee schedule. Outpatient services rendered to New York Medicaid beneficiaries are paid under an Ambulatory Patient Group (APG). Ancillary services get bundled into the clinic visit and are paid under an APG. Medicaid payments for professional services are determined by a standard fee schedule.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

4. Patient Service Revenue (continued)

Managed Care and Commercial Insurers

Services rendered to patients with commercial insurance are generally paid at standard charges, less a negotiated discount or according to DRG or negotiated fee schedules.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge UVM Health Network's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon UVM Health Network. In addition, the contracts UVM Health Network has with commercial payors also provide for retroactive audit and review of claims. UVM Health Network is not aware of any allegations of non-compliance that could have a material adverse effect on the accompanying consolidated financial statements and believes that it is in compliance in all material respects with all applicable laws and regulations.

Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and UVM Health Network's historical settlement activity, including an assessment to ensure it is probable that a significant reversal in cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Changes in prior-year estimates increased net patient service revenue by approximately \$22,390,000 and \$11,943,000 in the years ended September 30, 2023 and 2022, respectively.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

4. Patient Service Revenue (continued)

There are various proposals at the federal and state levels that could, among other things, significantly reduce payment rates or modify payment methods. The ultimate outcome of these proposals and other market changes, including the potential effects of or revisions to health care reform that has been or will be enacted by the federal and state governments, cannot be determined presently. Future changes in the Medicare and Medicaid programs and any reduction of funding could have an adverse impact on UVM Health Network. Additionally, certain payors' payment rates for various years have been appealed by UVM Health Network. If the appeals are successful, additional income applicable to those years could be realized.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. UVM Health Network also provides services to uninsured patients, and offers those uninsured patients a discount, either by policy or law, from standard charges. UVM Health Network estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions.

Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to net patient service revenue in the period of the change. For the years ended September 30, 2023 and 2022, revenue recognized due to changes in UVM Health Network's estimates of implicit price concessions for performance obligations satisfied in prior years was not significant. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense. Bad debt expense for the years ended September 30, 2023 and 2022, was not significant.

Consistent with UVM Health Network's mission, care is provided to patients regardless of their ability to pay (see Note 5). Therefore, UVM Health Network has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts UVM Health Network expects to collect based on its collection history with those patients.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

4. Patient Service Revenue (continued)

UVM Medical Center, CVMC and PMC receive monthly fixed prospective payments for services provided by hospitals (and hospital-owned practices) participating in the Vermont Medicaid Next Generation Accountable Care Organization (Medicaid ACO) Pilot Program and the CMS Vermont Modified Next Generation ACO Model (Medicare ACO). Under these arrangements, monthly per member payments are received in advance of the services being performed and recognized as revenue in the month to which they relate. Medicaid and Medicare fee-for-service payments continue for all other non-hospital providers in the ACO, for all providers who are not a part of the ACO, and for all services that are not included in the fixed prospective payment. UVM Health Network is responsible for both the cost and quality of care for each attributed member. This is true whether that person uses little or no care or whether they require services consistently throughout the year. UVM Medical Center, CVMC and PMC recognize their share of annual contract settlements, which include shared savings or losses and quality incentives, as an increase or decrease to fixed prospective payment revenue. UVM Medical Center, CVMC and PMC also participate in an accountable care program with BlueCross BlueShield of Vermont, under which they continue to be paid on a fee-for-service basis. Quality incentives and shared savings or losses under this contract are recorded as increases or decreases to patient service revenue.

CVPH, through the Adirondack Regional Medical Home Pilot, a program which was established as a joint venture initiative of medical providers and public and private insurers to transform healthcare delivery in the rural, upstate New York region, receives monthly fixed prospective payments for the provision of care management services. This is a monthly, per member payment received in advance of the services being performed and recognized as revenue in the month to which it relates.

For services provided under Fee for Service (FFS) and Fixed Prospective Payment (FPP) arrangements, composition by payor for the years ended September 30 is as follows:

	2023			2022		
	Total	FFS	FPP	Total	FFS	FPP
Medicare	36%	28%	8%	36%	28%	8%
Medicaid	10	6	4	11	7	4
Contracted Commercial	47	47	—	46	46	—
Noncontracted Insurers	6	6	—	7	7	—
Patients	1	1	—	—	—	—

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

5. Charity Care and Community Service

UVM Health Network provides care to patients who meet certain criteria under its charity care policies without charge or at amounts less than its established rates. Because UVM Health Network does not pursue the collection of amounts determined to qualify as charity care, they are not reported as revenue.

The amount of charges foregone for services and supplies furnished under UVM Health Network's charity care policy aggregated approximately \$30,598,000 and \$29,723,000 for the years ended September 30, 2023 and 2022, respectively.

Approximately \$13,066,000 and \$13,079,000 of UVM Health Network's total expenses for the years ended September 30, 2023 and 2022, respectively, arose from providing services to charity care patients. The estimated costs of providing charity care services is calculated by application of a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients. The ratio of cost to charges is calculated based on UVM Health Network's total expenses divided by gross patient service revenue. For the years ended September 30, 2023 and 2022, respectively, UVM Health Network used \$322,000 and \$137,000 in charitable endowment earnings to help defray the costs of indigent care.

6. Financial Assets and Liquidity Resources

As of September 30, 2023 and 2022, respectively, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital construction costs not financed with debt, consisted of the following:

	2023	2022
	<i>(In Thousands)</i>	
Liquidity and availability		
Cash and cash equivalents	\$ 262,036	\$ 295,562
Short-term investments	237,333	23,129
Current portion of assets whose use is limited or restricted	11,784	8,444
Patient and other trade accounts receivable, net	328,968	307,672
Receivables from third-party payors	32,515	16,972
Financial assets available at year end for current use	<u>\$ 872,636</u>	<u>\$ 651,779</u>

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

6. Financial Assets and Liquidity Resources (continued)

UVM Health Network's board-designated assets can be used for capital and operating expenditures at the direction of the UVM Health Network Board of Trustees and management. As of September 30, 2023, and 2022, the balance in board-designated assets was \$550,939,000 and \$604,113,000, respectively.

UVM Health Network's endowment funds consist of donor-restricted funds. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure.

To manage liquidity, UVM Health Network maintains sufficient cash and cash equivalent balances to support daily operations throughout the year. Cash and cash equivalents include bank deposits, CDs, money market funds, and other similar vehicles that generate a return on cash and provide daily liquidity to UVM Health Network. Short-term investments without donor restriction are also utilized to generate a higher yield on balances versus cash and cash equivalents, and to provide UVM Health Network with an additional layer of liquidity for daily operations if needed. UVM Health Network also maintains two lines of credit, each in the amount of \$50,000,000, for use by UVM Health Network entities that are part of the UVM Medical Center Obligated Group. As of September 30, 2023, and 2022, the amount outstanding under lines of credit was \$34,300,000 and \$12,800,000, respectively.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

7. Investments, Including Assets Whose Use is Limited or Restricted

Assets whose use is limited or restricted, at September 30, 2023 and 2022, consisted of the following:

	2023	2022
	<i>(In Thousands)</i>	
Equities	\$ 36,365	\$ 43,692
Mutual funds:		
Bond funds	214,405	338,873
United States Treasury obligation funds	2,289	2,172
International equity funds	190,331	180,720
Domestic equity funds	237,843	167,302
Real estate funds	29,174	33,142
Total mutual funds	<u>674,042</u>	<u>722,209</u>
Money market funds	7,514	5,095
United States Treasury notes	15,224	13,899
Bonds and notes	15,348	15,682
Beneficial interest in perpetual trusts	18,326	17,620
Venture capital funds and partnerships	3,784	3,792
	<u>770,603</u>	<u>821,989</u>
Less: Current portion	(11,784)	(8,444)
Less: Pooled investments included in short-term investments	(3,670)	(18,925)
	<u>\$ 755,149</u>	<u>\$ 794,620</u>

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

7. Investments, Including Assets Whose Use is Limited or Restricted (continued)

The following tables present information as of September 30, 2023 and 2022, about UVM Health Network's financial assets and liabilities that are measured at fair value on a recurring basis:

	2023				Fair Value
	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	NAV as Practical Expedient	
	<i>(In Thousands)</i>				
Equities	\$ 36,716	\$ –	\$ –	\$ –	\$ 36,716
Mutual funds:					
Bond funds	216,205	–	–	–	216,205
United States Treasury obligation funds	2,289	–	–	–	2,289
International equity funds	190,622	–	–	–	190,622
Domestic equity funds	239,397	–	–	–	239,397
Real estate funds	29,174	–	–	–	29,174
Total mutual funds	677,687	–	–	–	677,687
Money market funds	237,181	–	–	–	237,181
United States Treasury notes	15,224	–	–	–	15,224
Bonds and notes	–	15,348	–	–	15,348
Beneficial interest in perpetual trusts	–	–	18,326	–	18,326
Venture capital funds and partnerships	–	–	–	3,784	3,784
	<u>\$ 966,808</u>	<u>\$ 15,348</u>	<u>\$ 18,326</u>	<u>\$ 3,784</u>	<u>\$ 1,004,266</u>
Interest rate swap agreements	\$ –	\$ (3,427)	\$ –	\$ –	\$ (3,427)

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

7. Investments, Including Assets Whose Use is Limited or Restricted (continued)

	2022				
	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	NAV as Practical Expedient	Fair Value
	<i>(In Thousands)</i>				
Equities	\$ 43,964	\$ –	\$ –	\$ –	\$ 43,964
Mutual funds:					
Bond funds	340,797	–	–	–	340,797
United States Treasury obligation funds	20	–	–	–	20
International equity funds	183,180	–	–	–	183,180
Domestic equity funds	167,763	–	–	–	167,763
Commodity funds	1,082	–	–	–	1,082
Real estate funds	33,153	–	–	–	33,153
Total mutual funds	725,995	–	–	–	725,995
Money market funds	5,241	–	–	–	5,241
United States Treasury notes	13,899	–	–	–	13,899
Bonds and notes	–	15,682	–	–	15,682
Beneficial interest in perpetual trusts	–	–	17,620	–	17,620
Venture capital funds and partnerships	–	–	–	3,792	3,792
	<u>\$ 789,099</u>	<u>\$ 15,682</u>	<u>\$ 17,620</u>	<u>\$ 3,792</u>	<u>\$ 826,193</u>
Interest rate swap agreements	\$ –	\$ (6,627)	\$ –	\$ –	\$ (6,627)

The table below summarizes the investments in certain entities with fair value at NAV as a practical expedient as of September 30, 2023 and 2022. There were no transfers between levels as of September 30, 2023 and 2022.

Category of Investment	2023					
	Fair Value	Unfunded Commitments	Remaining Life, if Applicable	Redemption Terms, If Currently Eligible	Redemption Restrictions and Terms	Redemption Restrictions and Terms in Place at Year End
	<i>(In Thousands)</i>					
Venture capital funds and partnerships	\$ 3,784	\$ –	7 years	None	None	None

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

7. Investments, Including Assets Whose Use is Limited or Restricted (continued)

Category of Investment	2022					
	Fair Value	Unfunded Commitments	Remaining Life, if Applicable	Redemption Terms, If Currently Eligible	Redemption Restrictions and Terms	Redemption Restrictions and Terms in Place at Year End
Venture capital funds and partnerships	\$ 3,792	\$ 980	8 years	None	None	None

(In Thousands)

The fair value of the assets and change in the value of the assets measured using significant unobservable inputs (Level 3) were related to beneficial interests in perpetual trusts.

A roll forward of the Level 3 fair value measurements (defined above) for the years ended September 30, 2023 and 2022 is as follows:

	2023	2022
	Beneficial Interest in Perpetual Trusts	Beneficial Interest in Perpetual Trusts
Beginning of year	\$ 17,620	\$ 21,467
Withdrawals	–	(130)
Change in beneficial interest in perpetual trusts	706	(3,717)
End of year	<u>\$ 18,326</u>	<u>\$ 17,620</u>

(In Thousands)

Investment income included in nonoperating gains (losses) for the years ended September 30, 2023 and 2022 is as follows:

	2023	2022
Interest and dividend income	\$ 30,315	\$ 24,682
Realized gains and losses, net	(25,072)	39,187
Reclassification of accumulated investment gains	–	(8,709)
	<u>\$ 5,243</u>	<u>\$ 55,160</u>

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

8. Property and Equipment

A summary of property and equipment, net at September 30, 2023 and 2022 is as follows:

	2023	2022
	<i>(In Thousands)</i>	
Land	\$ 42,383	\$ 38,795
Land improvements	17,017	16,788
Leasehold improvements	91,258	88,370
Buildings	1,132,873	1,114,235
Equipment, furniture, and fixtures	753,940	731,174
	<u>2,037,471</u>	<u>1,989,362</u>
Less: Accumulated depreciation	(1,237,480)	(1,161,198)
	799,991	828,164
Construction-in-progress	14,223	21,634
	<u>\$ 814,214</u>	<u>\$ 849,798</u>

UVM Health Network sold, traded-in or wrote off approximately \$24,544,000 and \$96,620,000 in fully depreciated property and equipment in the years ended September 30, 2023 and 2022, respectively. In conjunction with these sales, trade-ins or disposals, a (loss) gain of \$(398,000) and \$18,000 was recorded in the years ended September 30, 2023 and 2022, respectively.

UVM Health Network recorded depreciation expense of \$100,589,000 and \$100,372,000 for the years ended September 30, 2023 and 2022, respectively.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

9. Long-Term Debt

Long-term debt at September 30, 2023 and 2022, consisted of the following:

	2023	2022
	<i>(In Thousands)</i>	
Vermont Educational and Health Buildings Financing Agency Hospital Revenue Bonds		
Series 2008A Bonds, variable rate (3.79% and 1.76% at September 2023 and 2022, respectively), payable through 2031	\$ 54,706	\$ 54,706
Series 2013A Bonds, fixed rate (2.60%), payable through December 2027	–	26,413
Series 2023A Bonds, fixed rate (4.17%), payable through December 2027	23,760	–
Series 2015A Bonds, fixed rate (2.27%), payable through December 2023	6,630	8,930
Series 2016A Bonds, fixed rate (3.00% to 5.00%), payable through 2036 (including unamortized premium of \$16,943 and \$18,153 at September 30, 2023 and 2022, respectively)	167,643	172,913
Series 2016B Bonds, fixed rate (3.13% to 5.00%), payable through 2046 (including unamortized premium of \$9,031 and \$9,421 at September 30, 2023 and 2022, respectively)	98,031	98,421
Series 2015A Bonds, fixed rate (2.85%), put option on August 1, 2025	10,438	11,163
Other long-term debt		
Bank of America Loan, fixed rate (2.90%), payable through April 1, 2030	71,000	75,000
TD Bank Loan, fixed rate (2.09%), payable through June 1, 2035	74,945	74,945
TD Bank Loan, fixed rate (4.40%), payable through December 6, 2037	100,000	–
Bank of America Loan, fixed rate (2.92%), payable through 2027	17,930	22,928
KeyBank Loan, fixed rate (3.05%), payable through 2023	1,495	7,445
Series 2016A Bonds, variable rate (4.60% and 2.81% at September 30, 2023 and 2022, respectively), payable through July 1, 2042 (including unamortized premium of \$132 and \$139 at September 30, 2023 and 2022, respectively)	10,365	11,005
Series 2016B Bonds, variable rate (4.50% and 2.52% at September 30, 2023 and 2022, respectively), payable through July 1, 2042 (including unamortized premium of \$161 and \$169 at September 30, 2023 and 2022, respectively)	12,655	13,440
Community Bank Loan, fixed rate (3.38%), payable through 2027 (including unamortized premium of \$8 and \$10 at September 30, 2023 and 2022, respectively)	10,747	11,382
Bank of America Loan, fixed rate (3.60%) payable through June 1, 2032	20,645	21,545
TD Bank Loan, fixed rate (3.59%), interest only payments, through April 2020, payable through April 2030	6,984	7,906
TD Bank Loan, fixed rate (3.73%), payable through November 1, 2025	975	1,399
TD Bank Loan, fixed rate (3.87%), payable through September 1, 2033	13,370	14,441
TD Bank Loan, fixed rate (2.44%), payable through December 20, 2029	10,614	12,136
M&T Bank Loan, variable rate (3.72% and 3.61% at September 30, 2023 and 2022, respectively), payable through September 30, 2028	4,003	4,704
Bank of America Loan, fixed rate (3.08%), payable through March 1, 2032	3,285	3,585
Lines of credit	34,300	12,800
Other debt	19,467	23,166
	773,987	690,373
Less: Current installments of long-term debt	(49,871)	(48,824)
Less: Unamortized debt issuance costs	(1,480)	(1,914)
Long-term debt, net current installments	\$ 722,636	\$ 639,635

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

9. Long-Term Debt (continued)

Obligated Group

UVM Medical Center, UVM Health Network, CVMC, CVPH and ECH are the members of The University of Vermont Medical Center Obligated Group (Obligated Group) at September 30, 2023 and 2022.

The Master Trust Indenture contains provisions permitting the addition, withdrawal or consolidation of members of the Obligated Group under certain conditions. The Master Trust Indenture constitutes joint and several obligations of the members of the Obligated Group and covers all issued bonds and loans by the Obligated Group members.

Effective October 1, 2023, the Master Trust Indenture was amended and AHMC, HH&H, PMC, and certain other consolidated subsidiaries became members of the Obligated Group.

Series 2008A Bonds (UVM Medical Center)

On May 21, 2008, UVM Medical Center, in connection with the Vermont Educational and Health Buildings Financing Agency (VEHBFA), issued \$54,706,000 of tax-exempt variable-rate hospital revenue bonds (Series 2008A). The Series 2008A bonds are collateralized by an irrevocable letter of credit from a bank in the amount of \$55,334,000 (covers principal of \$54,706,000 and interest of \$628,000), which expires in 2026. The interest rate on the Series 2008A bonds is set weekly and payable through 2031, at which time the principal balance is due. Series 2008A bondholders have the option to put the bonds back to UVM Medical Center. Such bonds would be subject to remarketing efforts by UVM Medical Center's remarketing agent. To the extent that such remarketing efforts were unsuccessful, the nonmarketable bonds would be purchased from the proceeds of the letter of credit. Monthly payments of principal on the letter of credit borrowings would commence on the first calendar day of the first month that commences more than one year after the borrowing. The 2008A letter of credit was not drawn upon as of September 30, 2023. Repayment in full of the letter of credit would be required by the earlier of four years from the date of the borrowing under the letter of credit or the stated expiration date, currently, April 30, 2026. The repayment of principal under the letter of credit would be as follows: \$21,176,000 in year two, \$21,176,000 in year three and \$12,354,000 in the final year.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

9. Long-Term Debt (continued)

Series 2023A Bonds (refinanced 2013A Bonds UVM Medical Center)

In February 2023, \$26,412,500 par amount of the 2013A Bonds were refunded and replaced with the Series 2023A Bonds, a tax-exempt, fixed rate loan issued through VEHBFA and purchased by TD Bank. The debt carries an interest rate of 4.17%, matches the amortization of the refunded debt and will mature on December 1, 2027.

Series 2015A Bonds (UVM Medical Center)

The remaining \$30,480,000 par of the initial aggregate principal amount of previously outstanding Series 2004A Bonds, were refunded in January 2015 and replaced with a tax-exempt direct bank private placement with Key Government Finance issued through VEHBFA (the 2015A bonds), in the aggregate principal amount of \$23,840,000 with a final maturity date in December 2023. Debt service reserve fund proceeds of \$6,640,000 were used to pay down the par amount of the new bonds. The Series 2015A bonds carry a fixed interest rate of 2.27%.

Series 2016A Bonds (UVM Medical Center)

The remaining \$192,965,000 par of the initial aggregate principal amount of previously outstanding Series 2004B and 2007A Bonds, with maturities between December 2016 and December 2036, were advance refunded in February 2016 and replaced with a tax-exempt public bond issued through VEHBFA (the 2016A bonds), in the aggregate principal amount of \$176,375,000 with a final maturity date in December 2036. The Series 2016A bonds carry fixed interest rates ranging between 3.00% – 5.00%. The initial premium on the 2016A bonds was \$27,500,000.

Series 2016B Bonds (UVM Medical Center)

On July 28, 2016, UVM Medical Center, in connection with the VEHBFA, issued \$89,000,000 of tax-exempt fixed rate hospital revenue bonds (Series 2016B). The Series 2016B bonds carry fixed interest rates ranging from 3.13% – 5.00%, with an average coupon of 4.54%, and mature on December 31, 2046. The Series 2016B Bonds were labeled “Green Bonds” as a result of their usage to finance the Miller Building Project for which UVM Medical Center received LEED Gold status in October 2022. The purpose of the “Green Bonds” label was to allow investors to invest directly in an environmentally beneficial project.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

9. Long-Term Debt (continued)

Series 2015A Bonds (PMC)

PMC issued \$15,750,000 VEHBFA Revenue Bond Refunding Series 2015A on August 1, 2015 with a fixed rate of 2.85%, payable in monthly payments of \$69,000 for Porter Hospital and \$17,000 for HPNH. The bonds were purchased by M&T Bank, are collateralized by gross receipts and are payable through August 1, 2035, with a bank put option on or after August 1, 2025. The indenture requires PMC to meet certain covenants annually.

Bank of America Loan (UVM Health Network)

On April 27, 2020, UVM Health Network borrowed \$75,000,000 from Bank of America. The loan is a taxable fixed rate private bank placement payable through April 1, 2030 and carries an interest rate of 2.90%. The loan is to be used for future capital projects and/or working capital needs across the Network.

TD Bank Loans (UVM Health Network)

On June 26, 2020, UVM Health Network borrowed \$75,000,000 from TD Bank. The loan is a taxable fixed rate private bank placement payable through June 1, 2035 and carries an interest rate of 2.09%. The loan is to be used for future capital projects and working capital needs across UVM Health Network.

On December 6, 2022, UVM Health Network borrowed \$100,000,000 from TD Bank. The loan is a taxable fixed rate private bank placement payable through December 6, 2037 and carries an interest rate of 4.40%. The loan is to be used for capital projects.

Series 2016A and 2016B Bonds (CVPH)

On October 31, 2016, CVPH, through the Clinton County Capital Resource Corporation, issued \$14,255,000 of tax-exempt variable rate hospital revenue refunding bonds (Series 2016A CVPH) and \$17,425,000 of tax-exempt variable rate hospital revenue refunding bonds (Series 2016B CVPH). The Series 2016A bonds are bank qualified bonds payable in annual installments ranging from \$355,000 to \$785,000, plus interest at one-month LIBOR times 65% plus 115 basis points adjusted monthly through July 1, 2042. The Series 2016B bonds are bank qualified bonds payable in annual installments ranging from \$440,000 and \$960,000, plus interest at one-month LIBOR times 70% plus 72.8 basis points adjusted monthly through July 1, 2042.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

9. Long-Term Debt (continued)

In June 2023, the 2016A and 2016B Bonds were amended to modify the interest rate to SOFR (Secured Overnight Financing Rate) from LIBOR. No other terms were amended or modified.

Scheduled Maturities of Long-Term Debt

As of September 30, 2023, scheduled maturities of long-term debt, not including a net unamortized premium and deferred financing costs of \$24,799,000 for the next five years and thereafter are as follows:

	<i>(In Thousands)</i>
Years ending September 30:	
2024	\$ 49,871
2025	60,651
2026	46,351
2027	52,747
2028	49,749
Thereafter	488,339
	<u>\$ 747,708</u>

Loan Covenants

Under the terms of the Master Trust Indenture agreement, UVM Medical Center has granted a mortgage on substantially all of its property and an interest in its gross receipts, and the Obligated Group is required to meet certain covenant requirements. In addition, the indenture provides for restrictions on, among other things, additional indebtedness and dispositions of property of the Obligated Group. As of September 30, 2023 and 2022, the Obligated Group was in compliance with all financial covenants. AHMC and PMC are also required to meet certain covenant requirements for their long-term debt. As of September 30, 2023 and 2022, AHMC and PMC were in compliance with all financial covenants.

Lines of Credit

As of September 30, 2023, UVM Health Network has two available lines of credit, each in the amount of \$50,000,000. One \$50,000,000 line is with TD Bank and is less the face value of all letters of credit that may be issued by the lender for the benefit of the Network. The line of credit is available to each member of the Obligated Group and is collateralized by a joint and several obligation of UVM Health Network and each member of the Obligated Group. The interest rate is

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

9. Long-Term Debt (continued)

set at a floating rate equal to one-month SOFR plus 540 basis points (5.83% at September 30, 2023), adjusted monthly. At September 30, 2023, CVPH had borrowings of \$19,000,000 and UVM Medical Center had borrowings of \$15,300,000. At September 30, 2022, CVPH had borrowings of \$10,000,000 and CVMC had borrowings of \$2,800,000. The line also carries an unused fee of 0.07% per annum, payable quarterly in arrears, and the maturity date for the line of credit is May 1, 2026.

The second \$50,000,000 line of credit is with Bank of America and is available to each member of the Obligated Group. The line of credit is collateralized by a joint and several obligation of UVM Health Network and each member of the Obligated Group. The interest rate is set (as chosen by UVMHN at the time of each advance) at a floating rate equal to the daily, one-month, two-month, or three-month Bloomberg Short-Term Bank Yield Index plus 135 basis points, adjusted at the end of the chosen interest rate period. As of September 30, 2023, there were no advances on this line of credit. The line also carries an unused fee of 0.15% per annum, payable quarterly in arrears, and the maturity date is April 1, 2026.

Guarantor

As of September 30, 2023, UVM Medical Center is the guarantor of a 2022 AHMC loan with Bank of America, a 2018 TD Bank loan at AHMC, and guarantor of a line of credit between OneCare Vermont and TD Bank.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

10. Interest Rate Swap Agreements

For certain variable rate debt (presently or previously outstanding), interest rate swap agreements are used to manage interest rate risk and hedge the risk of cash flow volatility. The table below summarizes UVM Health Network's swap agreements. None of the swap agreements require collateral posting. Both UVM Health Network and the counterparties in the interest rate swap agreements are exposed to credit risk in the event of nonperformance or early termination of the agreements. In addition, each agreement may be terminated following the occurrence of certain events, at which time UVM Health Network or the counterparty may be required to make a termination payment to the other.

Swap	Bond Series	Notional Amount		Counterparty	Expiration Date	Pay		
		September 30, 2023	September 30, 2022			Fixed	Receive Floating	
<i>(In Thousands)</i>								
SOFR Swap (Series B-1)	2008A	\$ 27,595	\$ 27,595	Citibank, NA	October 28, 2032	3.76%	66.5% of SOFR + 32bps	
SOFR Swap (Series B-2)	2008A	27,595	27,595	Citibank, NA	November 4, 2032	3.76%	66.5% of SOFR + 32bps	
SOFR Swap	Holly Court Loan	4,003	4,704	M&T Bank Loan	October 2, 2028	2.67%	One-month SOFR	
SOFR Swap	Previously outstanding Series 2007B (refinanced with Series 2016B)	9,100	9,430	Key Bank	July 1, 2042	4.06%	68.0% of SOFR	
SOFR Swap	Previously outstanding Series 2007A (refinanced with 2016A)	14,455	14,915	Key Bank	July 1, 2042	4.00%	65.0% of SOFR	

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

10. Interest Rate Swap Agreements (continued)

The fair value of interest rate swap agreements, all of which are recorded as other long-term liabilities at September 30 is as of follows:

	2023	2022
	<i>(In Thousands)</i>	
2008A Swaps	\$ (1,424)	\$ (3,305)
Holly Court Loan	187	165
2007B Swap	(831)	(1,337)
2007A Swap	(1,359)	(2,150)
	<u>\$ (3,427)</u>	<u>\$ (6,627)</u>

The amount of the change in fair value recognized in the statement of operations for swap agreements at September 30 is as follows:

	2023	2022
	<i>(In Thousands)</i>	
2008A Swaps	\$ 1,881	\$ 7,917
Holly Court Loan	22	515
2007B Swap	506	1,906
2007A Swap	791	2,955
2011 Swap (expired in fiscal year 2022)	–	31
	<u>\$ 3,200</u>	<u>\$ 13,324</u>

UVM Health Network also made payments on the interest rate swap agreements of \$585,000 and \$2,557,000, net of floating rate payments received from the counterparties, for the years ended September 30, 2023 and 2022, which are included in interest expense on the consolidated statements of operations.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

11. Leases

UVM Health Network has operating and finance leases primarily for real estate, including medical office buildings, corporate and other administrative offices, as well as for medical and office equipment. UVM Health Network determines if an arrangement is a lease at inception of the contract. When evaluating contracts for embedded leases, UVM Health Network exercises judgment to determine if there is an explicit or implicit identified asset in the contract and if UVM Health Network controls the use of that asset. As a practical expedient, UVM Health Network made an accounting policy election for all asset classes not to separate lease components from non-lease components in the event that the agreement contains both.

Certain real estate leases have renewal options, and the lease term includes options to extend or terminate the lease when it is reasonably certain that UVM Health Network will exercise that option. Real estate lease agreements typically have initial terms of five to ten years, and equipment lease agreements typically have initial terms of three years.

The table below presents certain information related to the lease costs for finance and operating leases:

	<u>2023</u>	<u>2022</u>
	<i>(In Thousands)</i>	
Operating lease cost	\$ 16,903	\$ 15,225
Finance lease cost:		
Amortization of right-of-use assets	1,529	1,596
Interest on lease liabilities	39	47
Total finance lease cost	<u>1,568</u>	<u>1,643</u>
Short term lease cost	211	712
Variable lease cost	4,295	3,022
Total lease cost	<u>\$ 22,977</u>	<u>\$ 20,602</u>

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

11. Leases (continued)

Supplemental consolidated balance sheet information related to operating and finance leases is as follows:

	<u>2023</u>	<u>2022</u>
Weighted-average remaining lease term:		
Operating leases	5.13	4.28
Finance leases	0.66	1.13
Weighted-average discount rate:		
Operating leases	2.16%	1.23%
Finance leases	2.28%	1.51%

The table below presents supplemental cash flow information related to leases:

	<u>2023</u>	<u>2022</u>
	<i>(In Thousands)</i>	
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows for operating leases	\$ 16,903	\$ 15,333
Operating cash flows for finance leases	39	47
Financing cash flows for finance leases	1,275	1,311
Right of use assets obtained in exchange for new operating lease liabilities	15,960	11,159
Right of use assets obtained in exchange for new finance lease liabilities	–	922

Future minimum lease payments at September 30, 2023 are as follows:

	<u>Finance</u>	<u>Operating</u>	<u>Total</u>
	<i>(In Thousands)</i>		
2024	\$ 1,129	\$ 15,261	\$ 16,390
2025	356	12,578	12,934
2026	14	9,730	9,744
2027	–	6,326	6,326
2028	–	4,391	4,391
Thereafter	–	23,465	23,465
Total minimum lease payments	1,499	71,751	73,250
Less: Imputed interest	19	7,118	7,137
Total lease liabilities	<u>\$ 1,480</u>	<u>\$ 64,633</u>	<u>\$ 66,113</u>

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

12. Net Assets

Net Assets with Donor Restrictions

At September 30, 2023 and 2022, net assets with donor restrictions are available for the following purposes:

	<u>2023</u>		<u>2022</u>
	<i>(In Thousands)</i>		
Indigent care	\$ 18,105	\$	17,198
Education and research	33,016		28,827
Children's programs	9,558		9,413
Capital projects and other healthcare services	54,055		53,021
Long-term care services at Woodridge	1,716		1,633
	<u>\$ 116,450</u>	<u>\$</u>	<u>110,092</u>

Perpetual Endowment Funds

UVM Health Network's perpetual endowment funds consist of 132 funds established for a variety of purposes. UVM Health Network does not currently have any unrestricted funds designated by the Board to function as endowment. Accordingly, for the purposes of this disclosure, endowment funds include only donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

UVM Health Network has interpreted relevant state laws for the states in which it operates as requiring realized and unrealized gains on net assets with donor restrictions, including endowments and other unexpended donor restricted net assets, to be retained as donor restricted until appropriated by the Board and expended. These state laws allow the Board to appropriate the net appreciation of net assets with donor restrictions as is prudent considering UVM Health Network's long and short-term needs, present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. In the years ended September 30, 2023 and 2022, \$3,692,000 and \$1,249,000, respectively, was appropriated from such funds.

For endowment funds, UVM Health Network classifies net assets with donor restrictions as the original value of the gifts donated to the endowment when explicit donor stipulations requiring

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

12. Net Assets (continued)

permanent maintenance of the historical fair value are present, and (b) the original value of subsequent gifts to the endowment when explicit donor stipulations requiring permanent maintenance of the historical fair value are present. The remaining portion of the donor-restricted endowment fund is comprised of accumulated gains not required to be maintained in perpetuity. These amounts are classified as net assets with donor restrictions until those amounts are appropriated for expenditure in a manner consistent with the donor's stipulations. UVM Health Network considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: duration and preservation of the fund, purposes of the donor-restricted endowment funds, general economic conditions, the possible effect of inflation and deflation, the expected total return from income and the appreciation or depreciation of investments, other resources of UVM Health Network, and the investment policies of UVM Health Network.

Endowment Asset Composition and Changes in Endowment Assets

Changes in donor endowment funds consisted of the following:

	<u>Without Donor Restrictions</u>	<u>Time Restricted</u>	<u>Perpetual Endowments</u>
	<i>(In Thousands)</i>		
Balance at October 1, 2021	\$ —	\$ 45,365	\$ 28,564
Investment return on donor restricted assets	(3,717)	(11,194)	—
Transfers	—	(90)	90
Contributions	—	1,321	1,120
Appropriations	3,717	(1,965)	—
Balance at September 30, 2022	—	33,437	29,774
Investment return on donor restricted assets	920	(4,333)	148
Transfers	—	(105)	143
Contributions	—	9	161
Appropriations	(920)	(1,378)	—
Balance at September 30, 2023	<u>\$ —</u>	<u>\$ 27,630</u>	<u>\$ 30,226</u>

Beneficial Interest in Perpetual Trusts

The above amounts exclude UVM Health Network's beneficial interest in perpetual trusts, which are not within management's investment control. Such beneficial interests totaled \$18,326,000 and \$17,620,000 at September 30, 2023 and 2022, respectively.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

12. Net Assets (continued)

Charitable Remainder Trust

UVM Health Network has received an irrevocable charitable remainder trust for which UVM Health Network does not serve as trustee. For this trust, UVM Health Network recorded its beneficial interest in those assets as contribution revenue and other assets at the present value of the expected future cash inflows. Trusts are recorded at the date UVM Health Network has been notified of the trust's existence and sufficient information regarding the trust has been accumulated to form the basis for an accrual. Changes in the value of these assets are recorded in net assets with donor restrictions.

Funds With Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor requires UVM Health Network to retain as a fund of perpetual duration. UVM Health Network has a policy that does not allow spending from underwater endowments. At September 30, 2023 and 2022, there were no funds with deficiencies.

Investment Return Objectives and Spending Policy

UVM Health Network has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period. Under this policy, the endowment assets are invested in a manner to generate returns at least equal to and preferably greater than the consumer price index. To satisfy its return objective, UVM Health Network targets a diversified asset allocation that provides for a balanced portfolio.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

13. Professional Liability and Other Contingencies

Professional Liability

UVM Health Network is insured against professional liability under a claims-made insurance policy with VMCIC, its wholly owned subsidiary. VMCIC has reinsurance with commercial carriers for coverage above a self-insured per claim retainage amount of:

UVM Medical Center	\$	5,000,000	per occurrence limit
CVMC		1,000,000	per occurrence limit
CVPH		2,000,000	per occurrence limit
ECH		2,000,000	per occurrence limit
PMC		1,000,000	per occurrence limit
AHMC		1,000,000	per occurrence limit
HHH		1,000,000	per occurrence limit

The annual aggregate limit is \$20,000,000 for Professional Liability.

VMCIC has a Commercial General Liability policy with coverage limits per claim retainage amount of:

UVM Medical Center	\$	2,000,000	per occurrence limit
CVMC		1,000,000	per occurrence limit
CVPH		1,000,000	per occurrence limit
ECH		1,000,000	per occurrence limit
PMC		1,000,000	per occurrence limit
AHMC		1,000,000	per occurrence limit
HHH		1,000,000	per occurrence limit

The annual aggregate limit is \$10,000,000 for Commercial General Liability.

The reserves for outstanding professional liability losses at UVM Health Network have been discounted at a rate of 3.0% at September 30, 2023 and 2022, resulting in a decrease in the reserve for professional liability of approximately \$2,674,000 and \$2,529,000 at September 30, 2023 and 2022, respectively. The professional liability is \$45,433,000 and \$40,601,000 at September 30, 2023 and 2022, respectively.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

13. Professional Liability and Other Contingencies (continued)

As a result of changes in estimates of incurred events in prior years, primarily for professional liability, the estimate of incurred losses decreased by approximately \$3,466,000 and \$6,538,000 for the years ended September 30, 2023 and 2022, respectively.

Workers' Compensation

UVM Health Network, excluding AHMC (discussed below), is also self-insured for workers' compensation claims, and maintains an excess insurance policy to limit its exposure on claims up to \$1,000,000 and \$750,000 per occurrence for UVM Medical Center and CVPH, respectively, in the year ended September 30, 2023, with a \$50,000,000 aggregate limit for UVM Medical Center. CVPH's workers' compensation claim reserve is secured by a Surety Bond in the amount of \$10,511,000, which has an expiration date of September 30, 2024.

The workers' compensation insurance policy year for AHMC renews September 1 each year. AHMC's potential workers' compensation exposure covers the period from September 1, 2012 to September 30, 2023. A related liability of approximately \$1,481,000 and \$1,316,000 has been recorded at September 30, 2023 and 2022, respectively.

The reserves for outstanding losses for UVM Health Network that consists of UVM Medical Center, PMC and HH&H workers' compensation have been discounted at a rate of 3.37% and 0.16%, resulting in a decrease in reserves of approximately \$581,000 and \$28,000 for the years ended September 30, 2023 and 2022, respectively.

Employee Health and Dental Insurance

UVM Health Network maintains a self-insured plan for employee health and dental insurance. Under the terms of the plans, employees and their dependents are eligible for participation and, as such, UVM Medical Center, PMC, HH&H, CVPH, AHMC, ECH and CVMC are responsible for paying claims and third-party administrator costs. UVM Health Network maintains a stop-loss insurance policy for its medical plan to limit its exposure on nondomestic claims to the first \$650,000, per member per plan year, of which \$100,000 is covered by VMCIC with an aggregate of \$500,000.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

13. Professional Liability and Other Contingencies (continued)

Other Contingencies

UVM Health Network and its subsidiaries are parties in various legal proceedings and potential claims arising in the ordinary course of business. In addition, the health care industry as a whole is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations is subject to government review and interpretation, as well as regulatory actions, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenue from patient services.

Management does not believe that the resolution of these matters will have a material adverse effect on UVM Health Network's consolidated balance sheets or statements of operations.

Collective Bargaining Agreements

At September 30, 2023, approximately 36% of UVM Health Network's employees are union employees who are covered under the terms of various collective bargaining agreements. Agreements representing approximately 51% of union employees (18% of total employees) will expire within the next year and are currently being renegotiated.

14. Pension Plans

Substantially all employees of UVM Health Network are covered under various noncontributory defined benefit pension plans, various defined contribution pension plans, or combinations thereof. Total expense for these plans consists of the following:

	Year Ended September 30,	
	2023	2022
	<i>(In Thousands)</i>	
Defined benefit plans	\$ 619	\$ (4,180)
Defined contribution plans	52,435	48,810
	<u>\$ 53,054</u>	<u>\$ 44,630</u>

Information regarding UVM Health Network's benefit obligations, plan assets, funded status, expected cash flows and net periodic (benefit)/cost for the pension plans follows.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

14. Pension Plans (continued)

Benefit Obligations

	2023	2022
	<i>(In Thousands)</i>	
Changes in benefit obligations		
Projected benefit obligations – beginning of year	\$ (222,411)	\$ (333,951)
Service cost	(126)	(1,573)
Interest cost	(12,041)	(9,659)
Benefits paid	13,374	13,373
Curtailment gain	546	–
Settlements	–	38,789
Actuarial (loss) gain	(5,454)	70,604
Administrative expenses paid	–	6
Projected benefit obligation – end of year	<u>\$ (226,112)</u>	<u>\$ (222,411)</u>
Accumulated benefit obligation	<u>\$ (224,674)</u>	<u>\$ (221,283)</u>
Changes in plan assets		
Fair value of plan assets – beginning of year	\$ 208,791	\$ 312,470
Actual gain (loss) on plan assets	10,954	(54,044)
Employer contributions	140	2,533
Benefits paid	(13,374)	(13,373)
Settlements	–	(38,789)
Administrative expenses paid	–	(6)
Fair value of plan assets – end of year	<u>206,511</u>	<u>208,791</u>
Funded status of the plan (long-term)	(19,601)	(13,620)
Funded status of plans – asset	–	3,024
Funded status of plans – (liability)	<u>\$ (19,601)</u>	<u>\$ (16,644)</u>

Effective December 31, 2022, CVMC and PMC adopted plan amendments, following Board of Trustees approval, to merge the PMC plan into the CVMC plan and freeze and terminate the merged plan. As a result of these events, a curtailment gain was recognized which reduced the projected benefit obligation by approximately \$546,000.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

14. Pension Plans (continued)

The reconciliation of the unrecognized actuarial gains and losses for the years ended September 30, 2023 and 2022 is as follows:

	2023	2022
	<i>(In Thousands)</i>	
Unrecognized actuarial (gains) losses – beginning of year	\$ (2,100)	\$ (952)
Net amortized during year	11,158	2,382
Settlements	–	(860)
Net prior service cost amortized during year	(26)	(26)
Net gain during year	(5,643)	(2,644)
Unrecognized actuarial losses (gains) – end of year	<u>\$ 3,389</u>	<u>\$ (2,100)</u>

Net gain during the year resulted from assumption changes and the partial settlement at CVPH.

The components of the net periodic cost (benefit) for the years ended September 30, 2023 and 2022 are as follows:

	2023	2022
	<i>(In Thousands)</i>	
Service cost	\$ 126	\$ 1,573
Interest cost	12,041	9,659
Settlements	–	860
Expected return on plan assets	(11,425)	(16,309)
Amortization of unrecognized net loss	(123)	37
Net periodic cost (benefit)	<u>\$ 619</u>	<u>\$ (4,180)</u>

The assumptions used in accounting for the defined benefit pension plan are as follows:

	2023	2022
Weighted-average assumptions used to determine the benefit liability		
Discount rates	5.0–6.22%	5.7%
Rates of increase in future compensation levels	0.0	3.0
Weighted-average assumptions used to determine expense		
Discount rates	5.7	3.0
Rates of increase in future compensation levels	3.0	3.0
Expected long-term rate of return on plan assets	5.4–7.0	5.5–6.7

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

14. Pension Plans (continued)

The expected long-term rate of return for UVM Health Network plans' total assets is based on the expected return of each of its asset categories, weighted based on the median of the allocation for each class. Equity securities are expected to return 9% to 11% over the long-term, while cash and fixed income is expected to return between 5% and 6%. Based on historical experience, UVM Health Network expects that the plans' asset managers will provide a modest (0.5% to 1.0% per annum) premium to their respective market benchmark indices. Assumptions were updated based on termination accounting for the CVMC plan.

Plan Assets

UVM Health Network's pension plans' weighted-average asset allocations as of September 30, 2023 and 2022, by asset category, are as follows:

	2023		2022	
	Target Allocation	Actual Allocation	Target Allocation	Actual Allocation
Cash & Equivalents	–%	–%	–%	2%
Fixed Income	50-80	80	50–60	66
Domestic Equity	11-25	10	11–25	17
International Equity	9-20	8	9–20	13
Real Estate	0-5	2	0–5	2

The following table presents information, as of September 30, 2023 and 2022, about UVM Health Network's pension assets that are measured at fair value on a recurring basis:

	2023		
	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Fair Value
	<i>(In Thousands)</i>		
Money market	\$ 42,453	\$ –	\$ 42,453
Mutual funds			
Bond funds	7,947	–	7,947
International equity funds	16,653	–	16,653
Domestic equity funds	20,887	–	20,887
Real estate funds	3,926	–	3,926
Total mutual funds	49,413	–	49,413
United States Treasury notes	21,556	–	21,556
Bonds and notes	–	93,089	93,089
	<u>\$ 113,422</u>	<u>\$ 93,089</u>	<u>\$ 206,511</u>

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

14. Pension Plans (continued)

	2022		
	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Fair Value
	<i>(In Thousands)</i>		
Money market	\$ 4,273	\$ –	\$ 4,273
Mutual funds			
Bond funds	14,234	–	14,234
International equity funds	26,183	–	26,183
Domestic equity funds	35,693	–	35,693
Real estate funds	3,811	–	3,811
Total mutual funds	<u>79,921</u>	<u>–</u>	<u>79,921</u>
United States Treasury notes	13,383	–	13,383
Bonds and notes	–	111,214	111,214
	<u>\$ 97,577</u>	<u>\$ 111,214</u>	<u>\$ 208,791</u>

As of September 30, 2023, and 2022, there were no Level 3 investments. There were no transfers between levels for the years ended September 30, 2023 and 2022.

The investment strategy established for pension plan assets is to meet present and future benefit obligations to all participants and beneficiaries, cover reasonable expenses incurred to provide such benefits, and provide a total return that maximizes the ratio of assets to liabilities by maximizing investment return at the appropriate level of risk.

Cash Flows – Contributions

UVM Health Network expects to contribute \$3,414,000 to its pension plans in the year ending September 30, 2024.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

14. Pension Plans (continued)

Cash Flows – Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service as appropriate, are expected to be paid:

	<i>(In Thousands)</i>
Years ending September 30:	
2024	\$ 134,684
2025	6,667
2026	6,917
2027	7,146
2028	7,340
2029–2032	38,140

Multi-Employer Defined Benefit Plan

UVM Health Network participates in multi-employer defined benefit pension plans. UVM Health Network makes cash contributions to these plans under the terms of collective-bargaining agreements that cover its union employees based on a fixed rate and hours of service per week worked by the covered employees. The risks of participating in these multi-employer plans are different from single-employer plans in the following aspects: (1) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers; (2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and (3) if UVM Health Network chooses to stop participating in some of its multi-employer plans, UVM Health Network may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability. The measurement dates for the following plans are as of June 30 and December 31, as applicable.

As required by collective bargaining agreements, UVM Health Network is obligated to contribute to the 1199 SEIU multi-employer plan on behalf of union employees at a contribution rate required by the plan's Trustees for participation in the fund, in the amounts and on the dates determined by the Trustees.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

14. Pension Plans (continued)

UVM Health Network has contributed cash and recorded expenses of \$6,590,000 and \$6,261,000 for the multi-employer defined benefit plans for the years ended September 30, 2023 and 2022, respectively.

The following table includes additional disclosure information related to the following pension funds:

Pension Fund	Zone Status Pension Protection Act			FIP/RP Status Pending/ Implemented	Surcharge Imposed	Expiration date of Collective- Bargaining Agreement
	EIN/Pension Plan Number	September 30, 2023	September 30, 2022			
1199 SEIU Health Care Employees Pension Fund	13-3604862-001	Green	Green	N/A	No	April 30, 2025
1199 SEIU Regional Pension Fund	16-1112391	Green	Green	N/A	No	June 30, 2025

Members of UVM Health Network were not listed on the Plans' Forms 5500 as providing more than 5 percent of the total contributions.

Postretirement Health Benefits

In addition to providing pension benefits, UVM Medical Center sponsors a defined benefit postretirement health care plan for retired employees. Substantially all of UVM Medical Center's employees who are at least age 55 with 15 years of service and all employees who are eligible for retirement may become eligible for such benefits. The postretirement health care plan is contributory with retiree contributions adjusted annually. The marginal cost method is used for accounting purposes for postretirement healthcare benefits.

As of September 30, 2023 and 2022, the premiums paid by retirees did not exceed the costs and an accumulated postretirement benefit obligation of \$1,475,000 and \$147,000, respectively, was recorded. The plan does not have any assets as of September 30, 2023 and 2022. Net assets without donor restrictions at September 30, 2023 and 2022, include unrecognized actuarial loss of \$1,183,000 and \$147,000, respectively. Assumptions used in accounting for the plan include a discount rate of 5.36%, a current health care cost trend rate of 6.50%, an ultimate health care cost trend rate of 4.75%, the year of ultimate trend rate of 2028, and census data as of January 1, 2023.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

15. Concentrations of Credit Risk

UVM Health Network grants credit without collateral to its patients, most of whom are local residents and are insured under third-party agreements. The mix of net receivables from patients and third-party payors at September 30, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>
Medicare	24%	25%
Medicaid	5	7
Contracted Commercial	44	46
Noncontracted Insurers	17	14
Patients	10	8
	<u>100%</u>	<u>100%</u>

16. Transactions with UVM

UVM Medical Center’s Affiliation Agreement with UVM was renewed as of September 1, 2022 and extends through August 31, 2032. The Affiliation Agreement expresses the shared goals of UVM and UVM Medical Center for teaching, clinical care and research, documents the many points of close collaboration between the two organizations, provides the underpinnings for UVM Medical Center’s status as an academic medical center, and obligates UVM Medical Center to provide substantial, annual financial support to UVM. The current Affiliation Agreement provides for three components of financial support to UVM: (1) payments by UVM Medical Center, known as the “commitment,” to fund two costs: (a) a portion of the salary, benefits and related expenses paid through UVM to physician-faculty who are jointly employed by both UVM and UVMHN Medical Group and, (b) a portion of the cost of UVM facilities, utilities and other campus operating expenses that are not paid or reimbursed by any form of federal funding; (2) an academic support payment paid by UVM Medical Center, and (3) a Dean’s Tax paid by UVM Medical Group. The amounts of the commitment approximated \$77,567,000 and \$59,639,000 in the years ended September 30, 2023 and 2022, respectively. In addition, UVM Medical Center reimburses UVM for equipment rental, research, and certain other administrative expenses through the commitment.

UVM Medical Center made academic support payments to UVM in monthly installments. The annual amount of the academic support payment was \$9,806,000 and \$8,848,000 in the years ended September 30, 2023 and 2022, respectively. Under the current affiliation agreement, the base amount for academic support payments increased by \$422,000 in fiscal year 2024, with an inflationary increase in the years thereafter.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

16. Transactions with UVM (continued)

Under the Affiliation Agreement, the Dean's Tax is paid to UVM by UVM Medical Center in an amount equal to 2.3% of the Medical Group's net patient service revenues exclusive of all Medicaid revenues for that fiscal year. The amount of the Dean's Tax approximated \$5,410,000 and \$4,836,000 in the years ended September 30, 2023 and 2022, respectively. Additionally, a guaranteed payment of \$1,195,000 and \$1,000,000 in Dean's Taxes on UVM Medical Group patient service revenues of community-based physicians was recorded in the years ended September 30, 2023 and 2022, respectively.

17. Functional Expenses

UVM Health Network provides general health care services to residents within its geographic location. Expenses related to providing these services for the years ended September 30, 2023 and 2022 are as follows:

	2023		
	Healthcare Service	Administrative Support	Total
	<i>(In Thousands)</i>		
Salary, payroll taxes and fringe benefits	\$ 1,543,650	\$ 307,258	\$ 1,850,908
Supplies and other	564,533	300,374	864,907
Purchased services	74,387	54,763	129,150
Provider tax	112,025	–	112,025
Depreciation and amortization	47,960	52,820	100,780
Interest expense	9,540	18,474	28,014
	<u>\$ 2,352,095</u>	<u>\$ 733,689</u>	<u>\$ 3,085,784</u>
	2022		
	Healthcare Service	Administrative Support	Total
	<i>(In Thousands)</i>		
Salary, payroll taxes and fringe benefits	\$ 1,486,739	\$ 273,501	\$ 1,760,240
Supplies and other	464,728	274,183	738,911
Purchased services	72,236	69,743	141,979
Provider tax	108,989	–	108,989
Depreciation and amortization	52,907	47,815	100,722
Interest expense	10,327	9,986	20,313
	<u>\$ 2,195,926</u>	<u>\$ 675,228</u>	<u>\$ 2,871,154</u>

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

17. Functional Expenses (continued)

Expenses are presented by functional classification in accordance with the overall service mission of the organization. Each functional classification displays all expenses related to the underlying operations by natural classification. Depreciation expense is allocated based on square footage occupancy. Interest expense on external debt is allocated to the functional categories which have benefited from the proceeds of the external debt.

18. COVID-19

In response to Coronavirus Disease 2019 (COVID-19), the Coronavirus Aid, Relief and Economic Security Act (the CARES Act) was signed into law on March 27, 2020. The CARES Act authorized funding to hospitals and other healthcare providers to be distributed through the Public Health and Social Services Emergency Fund (Relief Fund). Payments from the Relief Fund are to be used to prevent, prepare for, and respond to coronavirus, and shall reimburse the recipient for health care related expenses and/or lost revenues attributable to coronavirus and are not required to be repaid except where Relief Funds received exceed the actual amounts of eligible health care related expenses and/or lost revenues as defined by the United States Department of Health and Human Services (HHS), provided the recipients attest to and comply with the terms and conditions. On December 27, 2020, the Consolidated Appropriations Act, 2021 (CAA) was signed into law. CAA appropriated additional funding for COVID-19 response and relief through the Relief Fund.

HHS distributions from the Relief Fund include general distributions and targeted distributions, to support hospitals in high impact areas and rural providers, for service periods as determined by HHS. Additionally, funds are available to reimburse providers for COVID-19 related treatment of uninsured patients. The recognized revenue by the Network, as summarized below, has been determined based on applicable accounting guidance, the most recent Post-Payment Notice of Reporting Requirements and FAQs that the Network has interpreted as being applicable to the accompanying consolidated financial statements. Management will continue to monitor communications from HHS applicable to the Relief Fund distributions. If unable to attest to or comply with the current or future terms and conditions, the Network's ability to retain some or all of the distributions received may be impacted.

Under the CARES Act, the Network elected to defer the payment of the employer portion of social security taxes that otherwise would have been due between March 27, 2020 and December 31, 2020. The Network paid \$7 million of deferred taxes in December 2021, the remaining balance was repaid in December 2022.

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

18. COVID-19 (continued)

As part of the CARES Act, CMS expanded its Accelerated and Advance Payment Program which allows participants to receive expedited payments during periods of national emergencies. During April 2020, the Network received approximately \$148.5 million of expedited payments for future services. Under this program, the Network continued to submit claims as usual. Recoupment of the advanced payments began in April 2021, in accordance with the terms and conditions of the program, with approximately \$29.0 million and \$95.0 million repaid as of September 30, 2023 and 2022, respectively. The remaining balance will be repaid during 2024.

The Network applied for reimbursement for qualifying expenses under the Federal Emergency Management Agency (FEMA) Disaster Relief Fund. The Network received reimbursement payments of approximately \$12.9 million and \$2.6 million in 2023 and 2022, respectively. The Network has applied for additional FEMA reimbursements; however, the ultimate amount that the Network may be reimbursed is uncertain.

The following table summarizes the impact of the various provisions in the CARES Act and other funding sources to UVM Health Network's consolidated financial statements as of and for the years ended September 30:

	<u>2023</u>	<u>2022</u>
	<i>(In Thousands)</i>	
Recognized in the consolidated statements of operations:		
Relief Funds included in net assets released from restrictions	\$ 312	\$ 52,191
Employee Retention Credit included in salaries, wages, and benefit expenses	686	82
CARES Act benefits in operating margin	998	52,273
State provider relief funds included in net assets released from restrictions	–	162
FEMA funds included in net assets released from restrictions	12,927	2,588
Total recognized in loss from operations	<u>\$ 13,925</u>	<u>\$ 55,023</u>
Liabilities recognized in the consolidated balance sheets:		
Deferred payroll taxes in other current liabilities	\$ –	\$ 6,190
Medicare accelerated and advance payments in current liabilities	565	29,891
Deferrals and advance payments in total liabilities	<u>\$ 565</u>	<u>\$ 36,081</u>

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

19. Department of Education Title IV – Financial Responsibility Ratios

During September 2019, the United States Department of Education issued regulations, effective for audit reporting filed after June 30, 2020, regarding additional disclosures deemed necessary to calculate certain ratios for determining sufficient financial responsibility under Title IV regulations. The information as of and for the year ended September 30, 2023 is as follows (in thousands):

Secured and unsecured related party receivable	\$ 1,844
Unsecured related party receivables	1,844
Property, plant and equipment, net	
Property, plant and equipment, net at September 30, 2022	\$ 849,798
Property, plant and equipment, net acquired with debt during 2023	–
Property, plant and equipment, net acquired without debt during 2023	(28,173)
Net change in construction in progress	(7,411)
Total property, plant and equipment, net, at September 30, 2023	<u><u>\$ 814,214</u></u>
Total revenues and gains, net without donor restrictions	
Total operating revenue	\$ 3,080,733
Interest income and realized gains	5,243
	<u><u>\$ 3,085,976</u></u>
Right-of-use assets at September 30, 2023	
Operating lease right of use assets, net	\$ 63,326
Finance lease right of use assets, net	1,446
	<u><u>\$ 64,772</u></u>
Right-of-use assets at September 30, 2022	
Operating lease right of use assets, net	\$ 60,346
Finance lease right of use assets, net	3,103
	<u><u>\$ 63,449</u></u>
Long-term debt at September 30, 2023	
Current installments of long-term debt	\$ 49,871
Long-term debt, net of current installments	722,636
	<u><u>\$ 772,507</u></u>

The University of Vermont Health Network Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

19. Department of Education Title IV – Financial Responsibility Ratios (continued)

Long-term debt at September 30, 2022

Current installments of long-term debt	\$ 48,824
Long-term debt, net of current installments	639,635
	<u>\$ 688,459</u>

Right-of-use liabilities at September 30, 2023

Operating lease right of use liabilities, current	\$ 14,045
Finance lease right of use liabilities, current	1,112
Operating lease right of use liabilities, long-term	50,588
Finance lease right of use liabilities, long-term	368
	<u>\$ 66,113</u>

Right-of-use liabilities at September 30, 2022

Operating lease right of use liabilities, current	\$ 13,429
Finance lease right of use liabilities, current	1,353
Operating lease right of use liabilities, long-term	48,212
Finance lease right of use liabilities, long-term	1,531
	<u>\$ 64,525</u>

20. Subsequent Events

UVM Health Network has assessed the impact of subsequent events through January 19, 2024, the date the audited consolidated financial statements were issued and has concluded that there were no such events that require adjustment to the audited consolidated financial statements or disclosure in the notes to the audited financial statements, except as previously disclosed.

Supplementary Information

The University of Vermont Health Network –
Central Vermont Medical Center Inc. and Subsidiaries

Consolidating Balance Sheet

September 30, 2023

	Central Vermont Hospital and Medical Group Practice	Woodridge Rehabilitation and Nursing	CVMC Eliminations	Total CVMC
	<i>(In Thousands)</i>			
Assets				
Current assets:				
Cash and cash equivalents	\$ 14,394	\$ 127	\$ –	\$ 14,521
Short-term investments	14,789	–	–	14,789
Current portion of assets whose use is limited or restricted	–	–	–	–
Patient and other trade accounts receivable, net	18,718	3,122	–	21,840
Due from related parties	17,280	–	(17,280)	–
Inventories	5,236	–	–	5,236
Receivables from third-party payors	–	–	–	–
Prepaid and other current assets	1,782	–	–	1,782
Total current assets	72,199	3,249	(17,280)	58,168
Assets whose use is limited or restricted:				
Board-designated assets	26,040	2,722	–	28,762
Assets held by trustee under bond indenture agreements	–	–	–	–
Restricted assets	3,134	–	–	3,134
Donor-restricted assets for specific purposes	4,257	–	–	4,257
Donor-restricted assets for perpetual endowment	3,514	–	–	3,514
Total assets whose use is limited or restricted	36,945	2,722	–	39,667
Property and equipment, net	53,254	3,493	–	56,747
Operating lease right of use assets, net	7,890	15	–	7,905
Finance lease right of use assets, net	–	–	–	–
Other	457	–	–	457
Total assets	\$ 170,745	\$ 9,479	\$ (17,280)	\$ 162,944
Liabilities and net assets				
Current liabilities:				
Accounts payable	\$ 5,609	\$ 149	\$ –	\$ 5,758
Accrued expenses and other liabilities	6,143	758	–	6,901
Accrued payroll and related benefits	14,644	1,064	–	15,708
Current instalments of long-term debt	2,676	–	–	2,676
Current portion of third-party payor settlements	2,386	–	–	2,386
Due to related parties	32,217	17,280	(17,280)	32,217
Incurred but not reported claims	1,925	571	–	2,496
Operating lease right of use obligations	1,603	14	–	1,617
Finance lease right of use obligations	–	–	–	–
Current portion of contract liabilities	–	–	–	–
Total current liabilities	67,203	19,836	(17,280)	69,759
Long-term debt, net of current instalments	9,055	–	–	9,055
Malpractice and workers' compensation claims, net of current portion	–	–	–	–
Pension and other postretirement benefit obligations	8,128	–	–	8,128
Third-party payor settlements, net of current portion	–	–	–	–
Due to related parties, long term	–	–	–	–
Operating lease right of use obligations, net of current portion	6,185	1	–	6,186
Finance lease right of use obligations, net of current portion	–	–	–	–
Other	–	–	–	–
Total long-term liabilities	23,368	1	–	23,369
Total liabilities	90,571	19,837	(17,280)	93,128
Net assets:				
Without donor restriction	72,127	(10,374)	–	61,753
With donor restriction:				
Time or purpose	4,533	16	–	4,549
Perpetual	3,514	–	–	3,514
Total with donor restrictions	8,047	16	–	8,063
Total net assets	80,174	(10,358)	–	69,816
Total liabilities and net assets	\$ 170,745	\$ 9,479	\$ (17,280)	\$ 162,944

The University of Vermont Health Network –
Champlain Valley Physicians Hospital and Subsidiaries

Consolidating Balance Sheet

September 30, 2023

	Champlain Valley Physicians Hospital Medical Center	LCPS	CVPH Foundation	Total CVPH
	<i>(In Thousands)</i>			
Assets				
Current assets:				
Cash and cash equivalents	\$ 7,922	\$ 64	\$ 140	\$ 8,126
Short-term investments	4,170	–	453	4,623
Current portion of assets whose use is limited or restricted	–	–	–	–
Patient and other trade accounts receivable, net	52,868	26	–	52,894
Due from related parties	–	–	–	–
Inventories	7,652	–	–	7,652
Receivables from third-party payors	15,880	–	–	15,880
Prepaid and other current assets	4,567	–	82	4,649
Total current assets	93,059	90	675	93,824
Assets whose use is limited or restricted:				
Board-designated assets	–	–	3,609	3,609
Assets held by trustee under bond indenture agreements	15	–	–	15
Restricted assets	4,647	–	–	4,647
Donor-restricted assets for specific purposes	–	–	3,592	3,592
Donor-restricted assets for perpetual endowment	1,344	–	366	1,710
Total assets whose use is limited or restricted	6,006	–	7,567	13,573
Property and equipment, net	79,095	–	–	79,095
Operating lease right of use assets, net	19,282	–	–	19,282
Finance lease right of use assets, net	920	–	–	920
Other	2,962	–	783	3,745
Total assets	\$ 201,324	\$ 90	\$ 9,025	\$ 210,439
Liabilities and net assets				
Current liabilities:				
Accounts payable	\$ 4,669	\$ –	\$ –	\$ 4,669
Accrued expenses and other liabilities	8,631	–	–	8,631
Accrued payroll and related benefits	24,172	–	–	24,172
Current instalments of long-term debt	12,552	–	–	12,552
Current portion of third-party payor settlements	–	–	–	–
Due to related parties	60,221	263	292	60,776
Incurred but not reported claims	–	–	–	–
Operating lease right of use obligations	2,936	–	–	2,936
Finance lease right of use obligations	705	–	–	705
Current portion of contract liabilities	414	–	–	414
Total current liabilities	114,300	263	292	114,855
Long-term debt, net of current instalments	44,306	–	–	44,306
Malpractice and workers' compensation claims, net of current portion	9,331	–	–	9,331
Pension and other postretirement benefit obligations	9,998	–	–	9,998
Third-party payor settlements, net of current portion	–	–	–	–
Due to related parties, long term	–	–	–	–
Operating lease right of use obligations, net of current portion	16,711	–	–	16,711
Finance lease right of use obligations, net of current portion	248	–	–	248
Other	2,345	–	86	2,431
Total long-term liabilities	82,939	–	86	83,025
Total liabilities	197,239	263	378	197,880
Net assets:				
Without donor restriction	2,741	(173)	3,875	6,443
With donor restriction:				
Time or purpose	–	–	4,406	4,406
Perpetual	1,344	–	366	1,710
Total with donor restrictions	1,344	–	4,772	6,116
Total net assets	4,085	(173)	8,647	12,559
Total liabilities and net assets	\$ 201,324	\$ 90	\$ 9,025	\$ 210,439

The University of Vermont Medical Center Obligated Group

Consolidating Balance Sheet

September 30, 2023

	UVM Medical Center	Central Vermont Medical Center	Champlain Valley Physicians Hospital Medical Center	Elizabethtown Community Hospital	UVM Health Network	Obligated Group Eliminations	Total UVM Medical Center Obligated Group
<i>(In Thousands)</i>							
Assets							
Current assets:							
Cash and cash equivalents	\$ 135,450	\$ 14,521	\$ 7,922	\$ 10,421	\$ 74,966	\$ –	\$ 243,280
Short-term investments	104,555	14,789	4,170	2,571	102,197	–	228,282
Current portion of assets whose use is limited or restricted	–	–	–	–	–	–	–
Patient and other trade accounts receivable, net	207,635	21,840	52,868	10,958	–	–	293,301
Due from related parties	87,359	–	–	–	17,210	(92,447)	12,122
Inventories	54,190	5,236	7,652	952	–	–	68,030
Receivables from third-party payors	11,916	–	15,880	–	–	–	27,796
Prepaid and other current assets	38,970	1,782	4,567	926	5,100	–	51,345
Total current assets	640,075	58,168	93,059	25,828	199,473	(92,447)	924,156
Assets whose use is limited or restricted:							
Board-designated assets	371,418	28,762	–	24,692	92,611	–	517,483
Assets held by trustee under bond indenture agreements	141	–	15	–	–	–	156
Restricted assets	11,315	3,134	4,647	–	667,407	(611,381)	75,122
Donor-restricted assets for specific purposes	43,338	4,257	–	393	–	–	47,988
Donor-restricted assets for perpetual endowment	31,455	3,514	1,344	351	–	–	36,664
Total assets whose use is limited or restricted	457,667	39,667	6,006	25,436	760,018	(611,381)	677,413
Property and equipment, net	587,569	56,747	79,095	30,296	4,325	–	758,032
Operating lease right of use assets, net	34,243	7,905	19,282	1,117	–	–	62,547
Finance lease right of use assets, net	526	–	920	–	–	–	1,446
Other	45,453	457	2,962	196	65,498	–	114,566
Total assets	\$ 1,765,533	\$ 162,944	\$ 201,324	\$ 82,873	\$ 1,029,314	\$ (703,828)	\$ 2,538,160
Liabilities and net assets							
Current liabilities:							
Accounts payable	\$ 30,344	\$ 5,758	\$ 4,669	\$ 97	\$ –	\$ –	\$ 40,868
Accrued expenses and other liabilities	77,772	6,901	8,631	1,044	6,702	1,051	102,101
Accrued payroll and related benefits	95,894	15,708	24,172	4,090	162	–	140,026
Current instalments of long-term debt	20,560	2,676	12,552	857	10,500	–	47,145
Current portion of third-party payor settlements	11,156	2,386	–	3,034	–	–	16,576
Due to related parties	–	32,217	60,221	1,060	–	(93,498)	–
Incurred but not reported claims	697	2,496	–	195	11,499	–	14,887
Operating lease right of use obligations	8,539	1,617	2,936	579	–	–	13,671
Finance lease right of use obligations	407	–	705	–	–	–	1,112
Current portion of contract liabilities	–	–	414	–	–	–	414
Total current liabilities	245,369	69,759	114,300	10,956	28,863	(92,447)	376,800
Long-term debt, net of current instalments	386,880	9,055	44,306	11,555	235,500	–	687,296
Malpractice and workers' compensation claims, net of current portion	7,639	–	9,331	–	–	–	16,970
Pension and other postretirement benefit obligations	1,475	8,128	9,998	–	–	–	19,601
Third-party payor settlements, net of current portion	6,615	–	–	4,280	–	–	10,895
Due to related parties, long term	–	–	–	–	–	–	–
Operating lease right of use obligations, net of current portion	26,737	6,186	16,711	538	–	–	50,172
Finance lease right of use obligations, net of current portion	120	–	248	–	–	–	368
Other	3,516	–	2,345	–	–	–	5,861
Total long-term liabilities	432,982	23,369	82,939	16,373	235,500	–	791,163
Total liabilities	678,351	93,128	197,239	27,329	264,363	(92,447)	1,167,963
Net assets:							
Without donor restriction	1,005,496	61,753	2,741	54,363	764,951	(611,381)	1,277,923
With donor restriction:							
Time or purpose	50,231	4,549	–	830	–	–	55,610
Perpetual	31,455	3,514	1,344	351	–	–	36,664
Total with donor restrictions	81,686	8,063	1,344	1,181	–	–	92,274
Total net assets	1,087,182	69,816	4,085	55,544	764,951	(611,381)	1,370,197
Total liabilities and net assets	\$ 1,765,533	\$ 162,944	\$ 201,324	\$ 82,873	\$ 1,029,314	\$ (703,828)	\$ 2,538,160

The University of Vermont Health Network –
Porter Medical Center Inc. and Subsidiaries

Consolidating Balance Sheet

September 30, 2023

	Porter Hospital	Helen Porter Nursing Home	Other Porter Entities	Porter Medical Center Eliminations	Total Porter Medical Center
	<i>(In Thousands)</i>				
Assets					
Current assets:					
Cash and cash equivalents	\$ 1,087	\$ 2,969	\$ 2,421	\$ –	\$ 6,477
Short-term investments	6,575	–	–	–	6,575
Current portion of assets whose use is limited or restricted	–	31	–	–	31
Patient and other trade accounts receivable, net	15,080	5,410	–	–	20,490
Due from related parties	24,608	2,717	2,323	(29,648)	–
Inventories	2,651	20	–	–	2,671
Receivables from third-party payors	1,162	–	–	–	1,162
Prepaid and other current assets	934	147	55	–	1,136
Total current assets	52,097	11,294	4,799	(29,648)	38,542
Assets whose use is limited or restricted:					
Board-designated assets	21,423	–	993	–	22,416
Assets held by trustee under bond indenture agreements	–	–	–	–	–
Restricted assets	1,824	–	–	–	1,824
Donor-restricted assets for specific purposes	896	1,170	–	–	2,066
Donor-restricted assets for perpetual endowment	4,835	–	–	–	4,835
Total assets whose use is limited or restricted	28,978	1,170	993	–	31,141
Property and equipment, net	12,139	2,530	1,625	(58)	16,236
Operating lease right of use assets, net	640	–	–	–	640
Finance lease right of use assets, net	–	–	–	–	–
Other	–	73	1,461	(1,461)	73
Total assets	\$ 93,854	\$ 15,067	\$ 8,878	\$ (31,167)	\$ 86,632
Liabilities and net assets					
Current liabilities:					
Accounts payable	\$ 613	\$ 11	\$ –	\$ –	\$ 624
Accrued expenses and other liabilities	1,779	439	(19)	–	2,199
Accrued payroll and related benefits	6,886	821	474	–	8,181
Current instalments of long-term debt	599	147	–	–	746
Current portion of third-party payor settlements	196	–	–	–	196
Due to related parties	5,723	24,215	1,651	(29,648)	1,941
Incurred but not reported claims	239	–	–	–	239
Operating lease right of use obligations	306	–	–	–	306
Finance lease right of use obligations	–	–	–	–	–
Current portion of contract liabilities	14	–	–	–	14
Total current liabilities	16,355	25,633	2,106	(29,648)	14,446
Long-term debt, net of current instalments					
Malpractice and workers' compensation claims, net of current portion	7,784	1,907	–	–	9,691
Pension and other postretirement benefit obligations	62	–	–	–	62
Third-party payor settlements, net of current portion	1,493	–	–	–	1,493
Due to related parties, long term	–	–	–	–	–
Operating lease right of use obligations, net of current portion	344	–	–	–	344
Finance lease right of use obligations, net of current portion	–	–	–	–	–
Other	–	–	–	–	–
Total long-term liabilities	9,683	1,907	–	–	11,590
Total liabilities	26,038	27,540	2,106	(29,648)	26,036
Net assets:					
Without donor restriction	62,132	(13,646)	6,772	(1,519)	53,739
With donor restriction:					
Time or purpose	849	1,173	–	–	2,022
Perpetual	4,835	–	–	–	4,835
Total with donor restrictions	5,684	1,173	–	–	6,857
Total net assets	67,816	(12,473)	6,772	(1,519)	60,596
Total liabilities and net assets	\$ 93,854	\$ 15,067	\$ 8,878	\$ (31,167)	\$ 86,632

The University of Vermont Health Network Inc. and Subsidiaries

Consolidating Balance Sheet

September 30, 2023

	Total UVM Medical Center Obligated Group	Alice Hyde Medical Center	Porter Medical Center	UVM Health Network Home Health & Hospice	Other Entities	Eliminations	Total UVM Health Network
	<i>(In Thousands)</i>						
Assets							
Current assets:							
Cash and cash equivalents	\$ 243,280	\$ 4,946	\$ 6,477	\$ 2,196	\$ 5,137	\$ –	\$ 262,036
Short-term investments	228,282	–	6,575	2,023	453	–	237,333
Current portion of assets whose use is limited or restricted	–	–	31	–	11,753	–	11,784
Patient and other trade accounts receivable, net	293,301	10,853	20,490	3,225	1,099	–	328,968
Due from related parties	12,122	–	–	–	2,374	(14,496)	–
Inventories	68,030	1,171	2,671	–	–	–	71,872
Receivables from third-party payors	27,796	3,557	1,162	–	–	–	32,515
Prepaid and other current assets	51,345	1,599	1,136	443	4,812	50	59,385
Total current assets	924,156	22,126	38,542	7,887	25,628	(14,446)	1,003,893
Assets whose use is limited or restricted:							
Board-designated assets	517,483	2,626	22,416	4,805	3,609	–	550,939
Assets held by trustee under bond indenture agreements	156	–	–	–	–	–	156
Restricted assets	75,122	286	1,824	–	75,148	(56,027)	96,353
Donor-restricted assets for specific purposes	47,988	812	2,066	4,691	3,592	–	59,149
Donor-restricted assets for perpetual endowment	36,664	184	4,835	6,504	365	–	48,552
Total assets whose use is limited or restricted	677,413	3,908	31,141	16,000	82,714	(56,027)	755,149
Property and equipment, net	758,032	32,848	16,236	5,705	1,393	–	814,214
Operating lease right of use assets, net	62,547	139	640	–	–	–	63,326
Finance lease right of use assets, net	1,446	–	–	–	–	–	1,446
Other	114,566	880	73	10	11,048	(79,140)	47,437
Total assets	\$ 2,538,160	\$ 59,901	\$ 86,632	\$ 29,602	\$ 120,783	\$ (149,613)	\$ 2,685,465
Liabilities and net assets							
Current liabilities:							
Accounts payable	\$ 40,868	\$ 815	\$ 624	\$ 900	\$ 509	\$ –	\$ 43,716
Accrued expenses and other liabilities	102,101	4,962	2,199	1,185	15	–	110,462
Accrued payroll and related benefits	140,026	5,108	8,181	2,505	990	(437)	156,373
Current installments of long-term debt	47,145	1,980	746	–	–	–	49,871
Current portion of third-party payor settlements	16,576	3,073	196	223	–	–	20,068
Due to related parties	–	9,505	1,941	1,417	1,582	(14,445)	–
Incurred but not reported claims	14,887	1,481	239	–	6,438	–	23,045
Operating lease right of use obligations	13,671	68	306	–	–	–	14,045
Finance lease right of use obligations	1,112	–	–	–	–	–	1,112
Current portion of contract liabilities	414	137	14	–	–	–	565
Total current liabilities	376,800	27,129	14,446	6,230	9,534	(14,882)	419,257
Long-term debt, net of current installments	687,296	25,649	9,691	–	–	–	722,636
Malpractice and workers' compensation claims, net of current portion	16,970	–	62	–	38,989	–	56,021
Pension and other postretirement benefit obligations	19,601	–	–	–	–	–	19,601
Third-party payor settlements, net of current portion	10,895	–	1,493	–	–	–	12,388
Due to related parties, long term	–	2,200	–	5,000	25,512	(32,712)	–
Operating lease right of use obligations, net of current portion	50,172	72	344	–	–	–	50,588
Finance lease right of use obligations, net of current portion	368	–	–	–	–	–	368
Other	5,861	1,190	–	288	86	–	7,425
Total long-term liabilities	791,163	29,111	11,590	5,288	64,587	(32,712)	869,027
Total liabilities	1,167,963	56,240	26,036	11,518	74,121	(47,594)	1,288,284
Net assets:							
Without donor restriction	1,277,923	2,484	53,739	6,714	41,889	(102,018)	1,280,731
With donor restriction:							
Time or purpose	55,610	993	2,022	4,866	4,407	–	67,898
Perpetual	36,664	184	4,835	6,504	366	(1)	48,552
Total with donor restrictions	92,274	1,177	6,857	11,370	4,773	(1)	116,450
Total net assets	1,370,197	3,661	60,596	18,084	46,662	(102,019)	1,397,181
Total liabilities and net assets	\$ 2,538,160	\$ 59,901	\$ 86,632	\$ 29,602	\$ 120,783	\$ (149,613)	\$ 2,685,465

The University of Vermont Health Network –
Central Vermont Medical Center Inc. and Subsidiaries

Consolidating Statement of Operations

Year Ended September 30, 2023

	Central Vermont Hospital and Medical Group Practice	Woodridge Rehabilitation and Nursing	Total CVMC
	<i>(In Thousands)</i>		
Revenue and other support without donor restrictions			
Net patient service revenue before Enhanced Medicaid Graduate Medical Education revenues			
Medical Education revenues	\$ 174,156	\$ 17,124	\$ 191,280
Enhanced Medicaid Graduate Medical Education revenues – Hospital	–	–	–
Enhanced Medicaid Graduate Medical Education revenues – Professional	–	–	–
Net patient service revenue	174,156	17,124	191,280
Fixed prospective payment revenue	58,175	2,671	60,846
Premium revenue	2,067	–	2,067
Outpatient and specialty pharmacy revenue	9,058	–	9,058
Net assets released from restrictions	4,718	249	4,967
Other revenue	5,011	246	5,257
Total revenue and other support without donor restrictions	253,185	20,290	273,475
Expenses			
Salaries, payroll taxes and fringe benefits	165,253	19,206	184,459
Supplies and other	59,628	2,702	62,330
Purchased services	21,868	956	22,824
Provider tax	13,675	753	14,428
Depreciation and amortization	6,416	429	6,845
Interest expense	434	–	434
Total expenses	267,274	24,046	291,320
Loss from operations	(14,089)	(3,756)	(17,845)
Nonoperating gains (losses)			
Investment income	29	–	29
Change in interest in investment pool	213	271	484
Change in fair value of interest rate swap agreements	–	–	–
Other components of pension income	315	28	343
Net change in unrealized gains and losses on investments	6,283	–	6,283
Other	68	–	68
Total nonoperating gains	6,908	299	7,207
Deficiency of revenue over expenses	(7,181)	(3,457)	(10,638)
Net change in unrealized gains and losses on fixed-income investments	–	–	–
Net assets released from restrictions for capital purchases	–	57	57
Pension related adjustments	(10,354)	–	(10,354)
Transfers and other	(1,268)	–	(1,268)
Decrease in net assets without donor restrictions	\$ (18,803)	\$ (3,400)	\$ (22,203)

The University of Vermont Health Network –
Champlain Valley Physicians Hospital and Subsidiaries

Consolidating Statement of Operations

Year Ended September 30, 2023

	Champlain Valley Physicians Hospital Medical Center	LCPS	CVPH Foundation	Total CVPH
	<i>(In Thousands)</i>			
Revenue and other support without donor restrictions				
Net patient service revenue before Enhanced Medicaid Graduate Medical Education revenues	\$ 394,377	\$ 259	\$ –	\$ 394,636
Enhanced Medicaid Graduate Medical Education revenues – Hospital	–	–	–	–
Enhanced Medicaid Graduate Medical Education revenues – Professional	–	–	–	–
Net patient service revenue	394,377	259	–	394,636
Fixed prospective payment revenue				
Premium revenue				
Outpatient and specialty pharmacy revenue	13,315	–	–	13,315
Net assets released from restrictions	1,374	–	842	2,216
Other revenue	9,546	–	820	10,366
Total revenue and other support without donor restrictions	418,612	259	1,662	420,533
Expenses				
Salary, payroll taxes and fringe benefits	311,280	–	446	311,726
Supplies and other	102,591	–	84	102,675
Purchased services	25,296	–	1,546	26,842
Provider tax	1,591	–	–	1,591
Depreciation and amortization	13,159	–	–	13,159
Interest expense	2,601	–	–	2,601
Total expenses	456,518	–	2,076	458,594
(Loss) income from operations	(37,906)	259	(414)	(38,061)
Nonoperating gains (losses)				
Investment income	(23)	–	42	19
Change in interest in investment pool	2,297	–	437	2,734
Change in fair value of interest rate swap agreements	1,298	–	–	1,298
Other components of pension expense	(966)	–	–	(966)
Net change in unrealized gains and losses on investments	–	–	–	–
Other	915	–	–	915
Total nonoperating gains	3,521	–	479	4,000
(Deficiency) excess of revenue over expenses	(34,385)	259	65	(34,061)
Net change in unrealized gains and losses on fixed-income investments	–	–	–	–
Net assets released from restrictions for capital purchases	–	–	–	–
Pension related adjustments	5,906	–	–	5,906
Transfers and other	(441)	–	446	5
(Decrease) increase in net assets without donor restrictions	\$ (28,920)	\$ 259	\$ 511	\$ (28,150)

The University of Vermont Medical Center Obligated Group

Consolidating Statement of Operations

Year Ended September 30, 2023

	UVM Medical Center	Central Vermont Medical Center	Champlain Valley Physicians Hospital Medical Center	Elizabethtown Community Hospital	UVM Health Network	Obligated Group Eliminations	Total UVM Medical Center Obligated Group
<i>(In Thousands)</i>							
Revenue and other support without donor restrictions							
Net patient service revenue before Enhanced Medicaid Graduate Medical Education revenues	\$ 1,448,506	\$ 191,280	\$ 394,377	\$ 58,823	\$ –	\$ (666)	\$ 2,092,320
Enhanced Medicaid Graduate Medical Education revenues – Hospital	29,415	–	–	–	–	–	29,415
Enhanced Medicaid Graduate Medical Education revenues – Professional	43,020	–	–	–	–	–	43,020
Net patient service revenue	1,520,941	191,280	394,377	58,823	–	(666)	2,164,755
Fixed prospective payment revenue	218,073	60,846	–	–	–	–	278,919
Premium revenue	3,331	2,067	–	1,376	–	–	6,774
Outpatient and specialty pharmacy revenue	247,794	9,058	13,315	2,381	–	–	272,548
Net assets released from restrictions	11,665	4,967	1,374	114	–	–	18,120
Other revenue	66,156	5,257	9,546	1,410	–	(4,682)	77,687
Total revenue and other support without donor restrictions	2,067,960	273,475	418,612	64,104	–	(5,348)	2,818,803
Expenses							
Salary, payroll taxes and fringe benefits	1,114,895	184,459	311,280	37,065	–	1,470	1,649,169
Supplies and other	659,048	62,330	102,591	10,761	2	(5,066)	829,666
Purchased services	56,444	22,824	25,296	5,914	(7,235)	(1,831)	101,412
Provider tax	87,547	14,428	1,591	192	–	–	103,758
Depreciation and amortization	69,412	6,845	13,159	3,511	228	–	93,155
Interest expense	16,066	434	2,601	398	7,005	–	26,504
Total expenses	2,003,412	291,320	456,518	57,841	–	(5,427)	2,803,664
Income (loss) from operations	64,548	(17,845)	(37,906)	6,263	–	79	15,139
Nonoperating gains (losses)							
Investment income	4,188	29	(23)	127	(4,588)	918	651
Change in interest in investment pool	50,477	484	2,297	788	11,393	(65,439)	–
Change in fair value of interest rate swap agreements	1,902	–	1,298	–	–	–	3,200
Other components of pension income (expense)	53	343	(966)	–	–	–	(570)
Net change in unrealized gains and losses on investments	1,803	6,283	–	15	81,619	(1,827)	87,893
Other	321	68	915	–	198	(78)	1,424
Total nonoperating gains	58,744	7,207	3,521	930	88,622	(66,426)	92,598
Excess (deficiency) excess of revenue over expenses	123,292	(10,638)	(34,385)	7,193	88,622	(66,347)	107,737
Net change in unrealized gains and losses on fixed-income investments	–	–	–	–	–	–	–
Net assets released from restrictions for capital purchases	254	57	–	57	–	–	368
Pension related adjustments	(1,380)	(10,354)	5,906	–	–	–	(5,828)
Transfers and other	(2,285)	(1,268)	(441)	–	(101,356)	100,430	(4,920)
Increase (decrease) in net assets without donor restrictions	\$ 119,881	\$ (22,203)	\$ (28,920)	\$ 7,250	\$ (12,734)	\$ 34,083	\$ 97,357

The University of Vermont Health Network –
Porter Medical Center Inc. and Subsidiaries

Consolidating Statement of Operations

Year Ended September 30, 2023

	Porter Hospital	Helen Porter Nursing Home	Other Porter Entities	Porter Medical Center Eliminations	Total Porter Medical Center
	<i>(In Thousands)</i>				
Revenue and other support without donor restrictions					
Net patient service revenue before Enhanced Medicaid Graduate Medical Education revenues	\$ 93,442	\$ 11,992	\$ –	\$ –	\$ 105,434
Enhanced Medicaid Graduate Medical Education revenues – Hospital	–	–	–	–	–
Enhanced Medicaid Graduate Medical Education revenues – Professional	–	–	–	–	–
Net patient service revenue	93,442	11,992	–	–	105,434
Fixed prospective payment revenue	22,022	–	–	–	22,022
Premium revenue	955	–	–	–	955
Outpatient and specialty pharmacy revenue	1,184	–	–	–	1,184
Net assets released from restrictions	81	4	–	–	85
Other revenue	2,094	321	5,116	(4,828)	2,703
Total revenue and other support without donor restrictions	119,778	12,317	5,116	(4,828)	132,383
Expenses					
Salary, payroll taxes and fringe benefits	70,733	14,400	4,063	(83)	89,113
Supplies and other	16,276	1,646	178	(85)	18,015
Purchased services	14,983	2,017	367	(4,660)	12,707
Provider tax	5,903	482	–	–	6,385
Depreciation and amortization	2,587	255	40	–	2,882
Interest expense	241	61	–	–	302
Total expenses	110,723	18,861	4,648	(4,828)	129,404
Income (loss) from operations	9,055	(6,544)	468	–	2,979
Nonoperating gains (losses)					
Investment income	342	45	38	–	425
Change in interest in investment pool	3,103	–	–	–	3,103
Change in fair value of interest rate swap agreements	–	–	–	–	–
Other components of pension (expense) income	(45)	(8)	5	–	(48)
Net change in unrealized gains and losses on investments	–	–	–	–	–
Other	252	–	40	(40)	252
Total nonoperating gains	3,652	37	83	(40)	3,732
Excess (deficiency) excess of revenue over expenses	12,707	(6,507)	551	(40)	6,711
Net change in unrealized gains and losses on fixed-income investments	–	–	–	–	–
Net assets released from restrictions for capital purchases	–	–	–	–	–
Pension related adjustments	314	58	(34)	–	338
Transfers and other	1,178	216	(126)	–	1,268
Increase (decrease) in net assets without donor restrictions	\$ 14,199	\$ (6,233)	\$ 391	\$ (40)	\$ 8,317

The University of Vermont Health Network Inc. and Subsidiaries

Consolidating Statement of Operations

Year Ended September 30, 2023

	Total UVM Medical Center Obligated Group	Alice Hyde Medical Center	Porter Medical Center	UVM Health Network Home Health & Hospice	Other Entities	Eliminations	Total UVM Health Network
	<i>(In Thousands)</i>						
Revenue and other support without donor restrictions							
Net patient service revenue before Enhanced Medicaid Graduate Medical Education revenues	\$ 2,092,320	\$ 84,368	\$ 105,434	\$ 23,554	\$ 3,877	\$ (1,457)	\$ 2,308,096
Enhanced Medicaid Graduate Medical Education revenues – Hospital	29,415	–	–	–	–	–	29,415
Enhanced Medicaid Graduate Medical Education revenues – Professional	43,020	–	–	–	–	–	43,020
Net patient service revenue	2,164,755	84,368	105,434	23,554	3,877	(1,457)	2,380,531
Fixed prospective payment revenue	278,919	–	22,022	–	–	–	300,941
Premium revenue	6,774	–	955	–	–	–	7,729
Outpatient and specialty pharmacy revenue	272,548	4,824	1,184	–	–	–	278,556
Net assets released from restrictions	18,120	23	85	402	842	–	19,472
Other revenue	77,687	5,819	2,703	2,127	18,294	(13,126)	93,504
Total revenue and other support without donor restrictions	2,818,803	95,034	132,383	26,083	23,013	(14,583)	3,080,733
Expenses							
Salary, payroll taxes and fringe benefits	1,649,169	71,669	89,113	24,926	15,909	122	1,850,908
Supplies and other	829,666	17,829	18,015	2,430	10,633	(13,666)	864,907
Purchased services	101,412	10,967	12,707	856	4,247	(1,039)	129,150
Provider tax	103,758	1,073	6,385	809	–	–	112,025
Depreciation and amortization	93,155	3,688	2,882	493	562	–	100,780
Interest expense	26,504	1,116	302	92	–	–	28,014
Total expenses	2,803,664	106,342	129,404	29,606	31,351	(14,583)	3,085,784
Income (loss) from operations	15,139	(11,308)	2,979	(3,523)	(8,338)	–	(5,051)
Nonoperating gains (losses)							
Investment income	651	225	425	–	3,922	20	5,243
Change in interest in investment pool	–	134	3,103	895	437	(4,569)	–
Change in fair value of interest rate swap agreements	3,200	–	–	–	–	–	3,200
Other components of pension expense	(570)	–	(48)	–	–	(1)	(619)
Net change in unrealized gains and losses on investments	87,893	–	–	–	(417)	(1,949)	85,527
Other	1,424	–	252	69	(1,886)	–	(141)
Total nonoperating gains	92,598	359	3,732	964	2,056	(6,499)	93,210
Excess (deficiency) excess of revenue over expenses	107,737	(10,949)	6,711	(2,559)	(6,282)	(6,499)	88,159
Net change in unrealized gains and losses on fixed-income investments	–	–	–	–	609	–	609
Net assets released from restrictions for capital purchases	368	–	–	–	–	–	368
Pension related adjustments	(5,828)	–	338	–	1	–	(5,489)
Transfers and other	(4,920)	409	1,268	500	2,526	369	152
Increase (decrease) in net assets without donor restrictions	\$ 97,357	\$ (10,540)	\$ 8,317	\$ (2,059)	\$ (3,146)	\$ (6,130)	\$ 83,799

Financial Responsibility Supplemental Schedule
Related to U.S. Department of Education Title
IV Regulations

The University of Vermont Health Network Inc. and Subsidiaries

Financial Responsibility Supplemental Schedule

Reference to Financial Statements and/or Notes	Ratio Element	Amount <i>(In Thousands)</i>
Primary reserve ratio		
Expendable net assets:		
Consolidated Balance Sheet	Net assets without donor restrictions	\$ 1,280,731
Consolidated Balance Sheet	Net assets with donor restrictions	116,450
Note 19. Financial Responsibility Ratios	Secured and unsecured related party receivable	1,844
Note 19. Financial Responsibility Ratios	Unsecured related party receivables	1,844
Note 19. Financial Responsibility Ratios	Property, plant and equipment, net at September 30, 2022	849,798
Note 19. Financial Responsibility Ratios	Property, plant and equipment, net acquired with debt during 2023	-
Note 19. Financial Responsibility Ratios	Property, plant and equipment, net acquired without debt during 2023	(28,173)
Note 19. Financial Responsibility Ratios	Net change in construction in progress	(7,411)
Note 19. Financial Responsibility Ratios	Total property, plant and equipment, net, at September 30, 2023	<u>\$ 814,214</u>
Note 19. Financial Responsibility Ratios	Lease right-of-use assets at September 30, 2022	\$ 63,449
Note 19. Financial Responsibility Ratios	Lease right-of-use assets at September 30, 2023	64,772
Not applicable	Intangible assets	-
Consolidated Balance Sheet	Post-employment and pension liabilities	19,601
Note 19. Financial Responsibility Ratios	Long-term debt at September 30, 2022	688,459
Note 19. Financial Responsibility Ratios	Long-term debt at September 30, 2023	772,507
Note 19. Financial Responsibility Ratios	Right-of-use liabilities at September 30, 2022	64,525
Note 19. Financial Responsibility Ratios	Right-of-use liabilities at September 30, 2023	66,113
Not applicable	Annuities with donor restrictions	-
Consolidated Balance Sheet	Term endowments with donor restrictions	67,898
Consolidated Balance Sheet	Restricted in perpetuity	48,552
Consolidated Balance Sheet	Total net assets with donor restrictions	<u>\$ 116,450</u>
Total expenses and losses:		
Consolidated Statements of Operations	Total expenses without donor restrictions	\$ 3,085,784
Consolidated Statements of Operations	Change in net unrealized gains and losses on investments whose use is limited	85,527
Consolidated Statements of Operations	Change in net unrealized gains and losses on other than trading investments whose use is limited	609
Consolidated Statements of Operations	Other components of pension income (expense)	(619)
Equity ratio		
Modified net assets:		
Consolidated Balance Sheet	Net assets without donor restrictions	1,280,731
Consolidated Balance Sheet	Net assets with donor restrictions	116,450
Not applicable	Intangible assets	-
Note 19. Financial Responsibility Ratios	Secured and unsecured related party receivable	1,844
Note 19. Financial Responsibility Ratios	Unsecured related party receivables	1,844
Modified assets:		
Consolidated Balance Sheet	Total assets	2,685,465
Note 19. Financial Responsibility Ratios	Lease right-of-use assets at September 30, 2023	64,772
Note 19. Financial Responsibility Ratios	Lease right-of-use liabilities at September 30, 2023	66,113
Note 19. Financial Responsibility Ratios	Secured and unsecured related party receivable	1,844
Note 19. Financial Responsibility Ratios	Unsecured related party receivables	1,844
Net income ratio		
Consolidated Statements Of Changes In Net Assets	Change in net assets without donor restrictions	83,799
Note 19. Financial Responsibility Ratios	Total revenue and gains, net without donor restriction	3,085,976

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Elizabethtown Community Hospital

April 26, 2024

ADMINISTRATION

75 Park Street
PO Box 277
Elizabethtown, NY 12932
PHONE 518-873-3002
FAX 518-873-2005

Ms. Susan Edwards, Director
Bureau of Project Management
NEW YORK STATE DEPARTMENT OF HEALTH
Corning Tower, Room 1842, Empire State Plaza
Albany, New York 12237

Robert Ortmyer, President
David Shelmidine, Board Chair
Matthew Nolan, Vice President and
Chief Operating Officer
Julie Tromblee, Vice President and
Chief Nursing Officer
IL "Jun" Chon, MD, Chief Medical
Officer
Scott Comeau, Chief Financial
Officer

Hilary Harwood, Executive
Assistant

RE: ELIZABETHTOWN COMMUNITY HOSPITAL
(Essex County)
Certify and Construct Extension Clinic at 80 Park Street, Elizabethtown,
and Relocate Services from Elizabethtown Community Health Center to
the New Site

Dear Ms. Edwards:

The above-referenced project will operate at a net loss during the first and third years of the project. However, from a cash flow perspective, the proposed project is cash flow negative in Year 1 but cash flow positive starting in Year 2 of operations. Elizabethtown Community Hospital (ECH) believes that this outpatient therapy relocation project is important to its growing patient population and to its mission to enhance services and health outcomes for its service population. To this end, ECH is prepared to bear the incremental operating loss of this project, within its overall positive operations.

Please feel free to contact me if you have any questions. Thank you.

Sincerely,



Matthew Nolan
VP & Chief Operating Officer
Elizabethtown Community Hospital

**New York State Department of Health
 Certificate of Need Application
 Schedule 10 - Space & Construction Cost Distribution**

For Article 28, 36, and 40 Construction Projects Requiring Full, Administrative or Limited Review * Codes for completing this table are found in Schedule 10 lookups sheet.(see tab below)

Indicate if this project is: New Construction: Renovation:

A		B	C	D	E	F	G	H	I
Location					Description of Functional Code (enter Functional code in Column D, description appears here automatically)	Functional Gross SF	Construction cost per SF	Total construction cost	Alterations, Scope of work
Sub project	Building	Floor	section	Functional Code					
---	Ext Clinic	1	---	---	Outpatient Rehabilitation Extension Clinic (Physical Therapy, Occupational Therapy, Cardiac Rehabilitation, Pulmonary Rehabilitation, Speech-Language Pathology)	12,471	\$381.83	\$4,761,832	N/A
Totals for Whole Project:						12,471	\$381.83	\$4,761,832	N/A

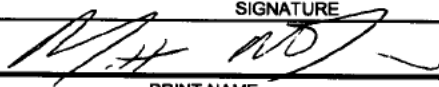
If additional sheets are necessary, go to the toolbar, select "Edit", select "Move or copy sheet", make sure the "create a copy" box is checked, and select this document as the destination for the copy then select "OK". An additional worksheet will be added to this spreadsheet

**New York State Department of Health
 Certificate of Need Application
 Schedule 10 - Space & Construction Cost Distribution**

1. If New Construction is Involved, is it "freestanding?"	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
---	--	--------------------------------

	Dense Urban	Other metropolitan or suburban	Rural
2. Check the box that best describes the location of the facilities affected by this project:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The section below must be filled out and signed by the applicant, applicant's representative, project architect, project engineer or project estimator.engineer,

SIGNATURE		DATE	
		4/22/24	
PRINT NAME		TITLE	
Matthew Nolan		VP and COO	
NAME OF FIRM			
Elizabethtown Community Hospital			
STREET & NUMBER			
75 Park Street			
CITY	STATE	ZIP	PHONE NUMBER
Elizabethtown	NY	12932	

**New York State Department of Health
 Certificate of Need Application
 Schedule 11 - Moveable Equipment**

For Article 28, 36, and 40 Construction Projects Requiring Full or Administrative Review

Table I: New Equipment Description

Sub project Number	Functional Code	Description, including model, manufacturer, year of manufactor where applicable.	Number of units	Lease or purchase?	Date of the end of the lease period	Lease Amount or Purchase Price
---	---	Please refer to the Schedule 11 Attachment for the New Moveable	---	---	---	\$ 190,529
		Equipment List.				
Total lease and purchase costs: Subproject 1						
Total lease and purchase costs: Subproject 2						
Total lease and purchase costs: Subproject 3						
Total lease and purchase costs: Subproject 4						
Total lease and purchase costs: Subproject 5						
Total lease and purchase costs: Subproject 6						
Total lease and purchase costs: Subproject 7						
Total lease and purchase costs: Subproject 8						
Total lease and purchase costs: Whole Project:						

**New York State Department of Health
 Certificate of Need Application
 Schedule 11 - Moveable Equipment**

Table 2 - Equipment being replaced: N/A

Sub project Number	Functional Code	Description, including model, manufacturer year of manufacturer where applicable.	Number of units	Disposition:	Estimated Current Value
Total estimated value of equipment being replaced: Subproject 1					
Total estimated value of equipment being replaced: Subproject 2					
Total estimated value of equipment being replaced: Subproject 3					
Total estimated value of equipment being replaced: Subproject 4					
Total estimated value of equipment being replaced: Subproject 5					
Total estimated value of equipment being replaced: Subproject 6					
Total estimated value of equipment being replaced: Subproject 7					
Total estimated value of equipment being replaced: Subproject 8					
Total estimated value of equipment being replaced: Whole Project:					\$0

SCHEDULE 11 ATTACHMENT

ELIZABETHTOWN COMMUNITY HOSPITAL

NEW MOVEABLE EQUIPMENT LIST

ELIZABETHTOWN COMMUNITY HOSPITAL

CERTIFY AND CONSTRUCT A NEW EXTENSION CLINIC

NEW MOVEABLE EQUIPMENT LIST

	Total Cost
Performance Health Quote - see attached	\$99,329
JB Rehab Products Quote - see attached	\$16,900
WB Mason Quote - see attached	\$37,248
Miscellaneous Equipment and Artwork	\$37,052
TOTAL	\$190,529



Quote

Estimate #: ESTPH3210417
 Customer RFP#: 10/25/2023

Ship To

ELIZABETHTOWN COMMUNITY HOSP
 104547882
 75 PARK ST
 ELIZABETHTOWN, NY 12932
 US

Bill To

ELIZABETHTOWN HOSPITAL
 104547881
 PO Box 277
 Elizabethtown, NY 12932 0277
 US

Total:
\$99,329.31

Customer Number	Expires	Sales Rep	Sales Rep Email	Customer Contact
104547882	1/23/2024	JAMES R TOMPK NS	james tompkins@performancehealth.com	

Line #	Catalog Number	Item	Units	Retail Price	Adj.	Rate	Qty	Amount	Savings
1	7102457	7102457 T3xm Treadm	EA	\$6 990 00	33 4%	\$4 652 63	4	\$18 610 52	\$9 349 48
2	7102459	7102459 R3xm Recumbent Cyc e	EA	\$5 825 00	28 5%	\$4 162 87	3	\$12 488 61	\$4 986 39
3	7103151	7103151 MATR X PERFORMANCE LED UPR GHT CYCLE	EA	\$4 830 00	54 1%	\$2 217 14	2	\$4 434 28	\$5 225 72
4	081663673	081663673 SC F T PRO1 Upper Body Exerc ser, PRO1 w th Prem um Seat	EA	\$6 137 02	28 2%	\$4 408 94	1	\$4 408 94	\$1 728 08
5	566819	081579002 AM-710 10' P atform Mounted Para e Bars	EA	\$2 647 76	36 6%	\$1 677 47	2	\$3 354 94	\$1 940 58
6	081702182	081702182 Matr x Rower	EA	\$2 453 01	36 5%	\$1 558 61	2	\$3 117 22	\$1 788 80
7		7023265 PT2000 6'W x 8'L, B ack, Bar atr c Mat	EA	\$11 845 00	0 0%	\$11 845 00	1	\$11 845 00	\$0 00
8		7023111 THERA-P BAR ATR C TABLE 34" 3 SECT ON BLACK	EA	\$2 683 00	0 0%	\$2 683 00	5	\$13 415 00	\$0 00
9	7101419	7101419 Matr x Versa Strength Ser es H p Adductor-Abductor	EA	\$3 476 85	19 5%	\$2 798 36	1	\$2 798 36	\$678 49
10	7101416	7101416 Matr x Versa Strength Ser es Leg Press - Ca f Press	EA	\$4 850 00	34 7%	\$3 169 17	1	\$3 169 17	\$1 680 83
11	7101410	7101410 Matr x Versa Strength Ser es D verg ng Lat Pu down	EA	\$4 040 00	33 0%	\$2 707 95	1	\$2 707 95	\$1 332 05

Line #	Catalog Number	Item	Units	Retail Price	Adj.	Rate	Qty	Amount	Savings
12	7101407	7101407 Matrx Versa Strength Series Converging Chest Press	EA	\$3 775 00	34.7%	\$2 463 93	1	\$2 463 93	\$1 311 07
13	7101418	7101418 Matrx Versa Strength Series Seated Leg Cur	EA	\$3 635 00	33.0%	\$2 436 70	1	\$2 436 70	\$1 198 30
14	568661	081358845 Vectra Genesis Therapy System with Cart, 2 Channel Combo, with EMG	EA	\$5 741 16	33.5%	\$3 820 73	2	\$7 641 46	\$3 840 86

Subtotal: \$92,892.08

Shipping and Handling Cost: \$6,437.23

Tax Total (%): \$0.00

Total: \$99,329.31

Quote Notes:

freight has not been calculated on this quote. A site survey must be completed prior to freight and delivery charges to be determined

Monthly storage fees will be added if you are not ready for delivery once all items are received. The freight quote is good for 30 days.

Performance Health Supply, C
28 00 Birch Pkwy Suite 800
Warrenville 60555
United States
www.performancehealth.com
800 323 5547

JB Rehab Products, Inc.

30 Challedon Drive
Gansevoort, NY 12831
Tel-518-369-8244
Fax-855-560-1760

Estimate

DATE	ESTIMATE NO.
10/25/2023	1914

NAME / ADDRESS
Elizabethtown Community Hospital 75 Park St Elizabethtown, NY 12932

REP
JB

ITEM	DESCRIPTION	QTY	PRICE	TOTAL
D716T	Solaris Plus Series 5 Channel Stim Unit (706 Plus)	2	2,950.00	5,900.00T
DTSP1	Dynatron ThermoStim Probe	2	1,850.00	3,700.00T
DLP3	Dynatron Solaris Plus Light Pad	2	1,950.00	3,900.00T
DCP3	Dynatron Solaris Plus Cluster Probe	2	1,650.00	3,300.00T
S&I	Shipping	1	100.00	100.00T
THANK YOU FOR THE OPPORTUNITY.....JOE			Sales Tax (0.0%)	\$0.00
Estimate valid for 30 days			TOTAL	\$16,900.00

E-mail
jdbulman@gmail.com

Elizabethtown Hospital: Rehab FFE CON Quote



Quotation prepared for...

Elizabethtown Hospital

75 Park St.
Elizabethtown NY 12901

22 Veterans Lane
Plattsburgh, NY 12901

CJ Tozzo
christian.tozzo@wbmason.com
(914) 343-5303

Line #	Qty	Part Number	Part Description	List/Sell Price	Extended	Sell - %
Check-In						
1	7	HIWMUL	IGN 2 MID-BACK UPHOLSTERED W/LUMBAR	\$1,010.00	\$7,070.00	60.95
				\$394.41	\$2,760.87	
		.W2	Weight Activated w/Seat Slider			
		A	Height and Width Adj. Arm			
		S	Black All-Surface Caster			
		\$(3)	III Upholstery			
		SX	Moxie			
		40	Earl Grey			
		AL	Adjustable Lumbar			
		SB	Standard Base			
		.T	Black			
2	6	HIGS6	IGNITION GUEST/MULTI-PURPOSE CHAIR FOUR-LEG STACKING	\$629.00	\$3,774.00	60.95
				\$245.62	\$1,473.72	
		.F	Fixed			
		.E	Nylon Glide			
		.U	Upholstered			
		\$(3)	III Upholstery			
		SX	Moxie			
		24	Carob			
		.PLAT	Textured Platinum Metallic			
Subtotals:				\$10,844.00	\$4,234.59	
Education Room						
3	3	HMBFLIP24L	HUDDLE FLIP TOP BASE FOR 24X60 AND 24X72 TOPS	\$829.00	\$2,487.00	60.95
				\$323.72	\$971.16	
		.C	Casters			
		\$(P1)	P1 Paint Opts			
		.P8T	Titanium			
4	3	HMT2460G	HUDDLE 24X60 TABLE TOP W/EDGEBAND	\$545.00	\$1,635.00	60.95
				\$212.82	\$638.46	
		.G	Grommets			
		\$(L1STD)	Grd L1 Standard Laminates			
		.LK11	Kingswood Walnut			
		.KI	Kingswood Walnut			

Line #	Qty	Part Number	Part Description	List/Sell Price	Extended	Sell - %
5	6	HIGS6	IGNITION GUEST/MULTI-PURPOSE CHAIR FOUR-LEG STACKING	\$629.00	\$3,774.00	60.95
				\$245.62	\$1,473.72	
		.F	Fixed			
		.H	Hard Caster			
		.U	Upholstered			
		\$(3)	III Upholstery			
		SX	Moxie			
		24	Carob			
	.PLAT	Textured Platinum Metallic				
Subtotals:				\$7,896.00	\$3,083.34	
Locker Rooms						
6	26	U1226-1A	Unit Packaged Lockers, 1-Tier, 1-Wide, 12"x12"x 66"	\$0.00	\$0.00	0.00
				\$233.19	\$6,062.94	
			Paint: Dark Grey			
Subtotals:				\$0.00	\$6,062.94	
Office 1						
7	1	HHATB2S2LC	2 STAGE 2 LEG RECTANGLE C FOOT	\$1,012.00	\$1,012.00	73.55
				\$267.67	\$267.67	
		\$(P1)	P1 Paint Opts			
		S	Charcoal			
		X	Standard Glide			
	.MEM	Memory Preset				
8	1	HHATW3054CT	54W X 30D RECT WORKSURFACE C/T BASE	\$551.00	\$551.00	73.55
				\$145.74	\$145.74	
		\$(L1STD)	Grd L1 Standard Laminates			
		.LKI1	Kingswood Walnut			
		.KI	Kingswood Walnut			
		.G1	1 Grommet - Centered			
	S	Charcoal				
9	1	H105903R	10500 SERIES 72WX24DX29-1/2H SINGLE PED CRED RH F/F PED	\$1,429.00	\$1,429.00	60.95
				\$558.02	\$558.02	
		\$(L1STD)	Grd L1 Standard Laminates			
		.LKI1	Kingswood Walnut			
	LKI1	Kingswood Walnut				
10	1	H18723R	FLAGSHIP SERIES PEDESTAL R PULL MOBILE B/B/F 23D	\$948.00	\$948.00	73.55
				\$250.75	\$250.75	
		.L	Standard Random Key Lock			
		\$(P1)	P1 Paint Opts			
	S	Charcoal				
11	1	HIWMUL	IGN 2 MID-BACK UPHOLSTERED W/LUMBAR	\$1,010.00	\$1,010.00	60.95
				\$394.41	\$394.41	
		.W2	Weight Activated w/Seat Slider			
	A	Height and Width Adj. Arm				

Line #	Qty	Part Number	Part Description	List/Sell Price	Extended	Sell - %
		S	Black All-Surface Caster			
		\$(3)	III Upholstery			
		SX	Moxie			
		40	Earl Grey			
		AL	Adjustable Lumbar			
		SB	Standard Base			
		.T	Black			
Subtotals:				\$4,950.00	\$1,616.59	
Office 2						
12	2	HHATB2S2LC	2 STAGE 2 LEG RECTANGLE C FOOT	\$1,012.00	\$2,024.00	73.55
				\$267.67	\$535.34	
		\$(P1)	P1 Paint Opts			
		S	Charcoal			
		X	Standard Glide			
		.MEM	Memory Preset			
13	2	HHATW3054CT	54W X 30D RECT WORKSURFACE C/T BASE	\$551.00	\$1,102.00	73.55
				\$145.74	\$291.48	
		\$(L1STD)	Grd L1 Standard Laminates			
		.LKI1	Kingswood Walnut			
		.KI	Kingswood Walnut			
		.G1	1 Grommet - Centered			
		S	Charcoal			
14	1	H105903R	10500 SERIES 72WX24DX29-1/2H SINGLE PED CRED RH F/F PED	\$1,429.00	\$1,429.00	60.95
				\$558.02	\$558.02	
		\$(L1STD)	Grd L1 Standard Laminates			
		.LKI1	Kingswood Walnut			
		LKI1	Kingswood Walnut			
15	1	H105904L	10500 SERIES 72WX24DX29-1/2H SINGLE PED CRED LH F/F PED	\$1,429.00	\$1,429.00	60.95
				\$558.02	\$558.02	
		\$(L1STD)	Grd L1 Standard Laminates			
		.LKI1	Kingswood Walnut			
		LKI1	Kingswood Walnut			
16	2	H18723R	FLAGSHIP SERIES PEDESTAL R PULL MOBILE B/B/F 23D	\$948.00	\$1,896.00	73.55
				\$250.75	\$501.50	
		.L	Standard Random Key Lock			
		\$(P1)	P1 Paint Opts			
		S	Charcoal			
17	2	HIWMUL	IGN 2 MID-BACK UPHOLSTERED W/LUMBAR	\$1,010.00	\$2,020.00	60.95
				\$394.41	\$788.82	
		.W2	Weight Activated w/Seat Slider			
		A	Height and Width Adj. Arm			
		S	Black All-Surface Caster			
		\$(3)	III Upholstery			
		SX	Moxie			

Line #	Qty	Part Number	Part Description	List/Sell Price	Extended	Sell - %
		40	Earl Grey			
		AL	Adjustable Lumbar			
		SB	Standard Base			
		.T	Black			

Subtotals: \$9,900.00 \$3,233.18

Providers

18	10	HIWMUL	IGN 2 MID-BACK UPHOLSTERED W/LUMBAR	\$1,010.00	\$10,100.00	60.95
				\$394.41	\$3,944.10	
		.W2	Weight Activated w/Seat Slider			
		A	Height and Width Adj. Arm			
		S	Black All-Surface Caster			
		\$(3)	III Upholstery			
		SX	Moxie			
		40	Earl Grey			
		AL	Adjustable Lumbar			
		SB	Standard Base			
		.T	Black			

19	10	H18723R	FLAGSHIP SERIES PEDESTAL R PULL MOBILE B/B/F 23D	\$948.00	\$9,480.00	73.55
				\$250.75	\$2,507.50	
		.L	Standard Random Key Lock			
		\$(P1)	P1 Paint Opts			
		.LOFT	Loft			

Subtotals: \$19,580.00 \$6,451.60

Staff Break Room

20	1	HTLA4296	PRESIDE 42X96 RACETRACK TOP - 1 PIECE	\$1,059.00	\$1,059.00	60.95
				\$413.54	\$413.54	
		.G	2mm Edgeband			
		KI	Kingswood Walnut			
		.N	No Grommets			
		\$(L1STD)	Grd L1 Standard Laminates			
		.LKI1	Kingswood Walnut			

21	1	HT29FB4896	PRESIDE 29.5H FOOTED BASE FOR 42 AND 48X96 TOP	\$1,208.00	\$1,208.00	60.95
				\$471.72	\$471.72	
		\$(P1)	P1 Paint Opts			
		.P8T	Titanium			

22	8	HIGS6	IGNITION GUEST/MULTI-PURPOSE CHAIR FOUR-LEG STACKING	\$629.00	\$5,032.00	60.95
				\$245.62	\$1,964.96	
		.F	Fixed			
		.H	Hard Caster			
		.U	Upholstered			
		\$(3)	III Upholstery			
		SX	Moxie			
		24	Carob			
		.PLAT	Textured Platinum Metallic			

Line #	Qty	Part Number	Part Description	List/Sell Price	Extended	Sell - %
Subtotals:				\$7,299.00	\$2,850.22	
Treatment Rooms						
23	11	HMTS01	MEDICAL EXAM TASK STOOL W/O BACK SWIVEL PNEU HT AD	\$480.00	\$5,280.00	60.95
		.EA	Vinyl	\$187.44	\$2,061.84	
		11	Black			
Subtotals:				\$5,280.00	\$2,061.84	
Waiting Room						
24	10	HHCG11	SOOTHE GUEST SEATING SINGLE-SEAT ARMS	\$1,472.00	\$14,720.00	60.95
		S	Charcoal Urethane	\$574.82	\$5,748.20	
		\$(3)	III Upholstery			
		SX	Moxie			
		40	Earl Grey			
		.P7L	Textured Loft			
25	2	HHCG21	SOOTHE TWO-SEAT W/ OUTER ARMS	\$2,440.00	\$4,880.00	60.95
		S	Charcoal Urethane	\$952.82	\$1,905.64	
		\$(3)	Grade III Upholstery			
		SX	Moxie			
		24	Carob			
		.P7L	Textured Loft			
Subtotals:				\$19,600.00	\$7,653.84	
Z-Install						
26	1	Z-Install	HON NYS Contract Inside Delivery: TBD	\$0.00	\$0.00	0.00
				\$0.00	\$0.00	
Subtotals:				\$0.00	\$0.00	
Total List:					\$85,349.00	
Total Sell:					\$37,248.14	

Approved by: _____
Signature

Date: _____

Print Name

Title: _____

PLEASE ISSUE PURCHASE ORDER TO:

W B Mason, Co.
22 Veterans Lane
Plattsburgh, NY 12901

HON NYS CONTRACT: PC68432

All orders are custom resulting in no cancellations, returns or refunds.

**New York State Department of Health
Certificate of Need Application**

Schedule 13A

Schedule 13 A. Assurances from Article 28 Applicants

Article 28 applicants seeking combined establishment and construction or construction-only approval must complete this schedule.

The undersigned, as a duly authorized representative of the applicant, hereby gives the following assurances:

- a) The applicant has or will have a fee simple or such other estate or interest in the site, including necessary easements and rights-of-way sufficient to assure use and possession for the purpose of the construction and operation of the facility.
- b) The applicant will obtain the approval of the Commissioner of Health of all required submissions, which shall conform to the standards of construction and equipment in Subchapter C of Title 10 (Health) of the Official Compilation of Codes, Rules and Regulations of the State of New York.
- c) The applicant will submit to the Commissioner of Health final working drawings and specifications, which shall conform to the standards of construction and equipment of Subchapter C of Title 10, prior to contracting for construction, unless otherwise provided for in Title 10.
- d) The applicant will cause the project to be completed in accordance with the application and approved plans and specifications.
- e) The applicant will provide and maintain competent and adequate architectural and/or engineering inspection at the construction site to ensure that the completed work conforms to the approved plans and specifications.
- f) If the project is an addition to a facility already in existence, upon completion of construction all patients shall be removed from areas of the facility that are not in compliance with pertinent provisions of Title 10, unless a waiver is granted by the Commissioner of Health, under Title 10.
- g) The facility will be operated and maintained in accordance with the standards prescribed by law.
- h) The applicant will comply with the provisions of the Public Health Law and the applicable provisions of Title 10 with respect to the operation of all established, existing medical facilities in which the applicant has a controlling interest.
- i) The applicant understands and recognizes that any approval of this application is not to be construed as an approval of, nor does it provide assurance of, reimbursement for any costs identified in the application. Reimbursement for all cost shall be in accordance with and subject to the provisions of Part 86 of Title 10.

Date

4/22/24



Signature

Matthew Nolan

Name (Please Type)

VP & Chief Operating Officer

Title (Please type)

**New York State Department of Health
Certificate of Need Application**

Schedule 13B

Schedule 13 B. Staffing

Table 13B - 1: See “Schedules Required for Each Type of CON” to determine when this form is required. Use the “Other” categories for providers, such as dentists, that are not mentioned in the staff categories. If a project involves multiple sites please create a staffing table for each site.

Total Project Subproject number _____

A		B	C	D
		Number of FTEs to the Nearest Tenth		
Staffing Categories		Current Year*	First Year Incremental	Third Year Incremental
1.	Management & Supervision	1.00	1.00	1.00
2.	Technician & Specialist			
3.	Registered Nurses			
4.	Licensed Practical Nurses			
5.	Aides, Orderlies & Attendants			
6.	Physicians			
7.	PGY Physicians			
8.	Physicians' Assistants			
9.	Nurse Practitioners			
10.	Nurse Midwife			
11.	Social Workers and Psychologist**			
12.	Physical Therapists and PT Assistants	7.70	8.70	8.70
13.	Occupational Therapists and OT Assistants	1.20	1.20	1.20
14.	Speech Therapists and Speech Assistants	0.50	0.50	0.50
15.	Other Therapists and Assistants	1.70	1.70	1.70
16.	Infection Control, Environment and Food Service			
17.	Clerical & Other Administrative	3.00	4.00	4.00
18.	Other			
19.	Other			
20.	Other			
21.	Total Number of Employees	15.10	17.10	17.10

* Last complete year prior to submitting application

** Use only for RHCF and D and T Center proposals

Describe how the number and mix of staff were determined:

The number and mix of staff were based on the experience of Elizabethtown Community Hospital in providing outpatient rehabilitation services at its ECHC extension clinic. The Current Year represents the experience of ECH for the outpatient rehabilitation services at the ECHC extension clinic site that will be relocated to the new extension clinic site. Year 1 and Year 3 represent the total operations of the proposed outpatient rehabilitation extension clinic.

PLEASE REFER TO THE OPERATING BUDGET ITEMS UNDER THE SCHEDULE 13 ATTACHMENT FOR ADDITIONAL INFORMATION.

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Schedule 13 B-2. Medical/Center Director and Transfer Agreements

All diagnostic and treatment centers and midwifery birth centers should complete this section when requesting a new location. DTCs are required to have a Medical Director who is a physician. MBCs may have a Center Director who is a physician or a licensed midwife.

NOT APPLICABLE

Medical/Center Director	
Name of Medical/Center Director:	
License number of the Medical/Center Director	

	Not Applicable	Title of Attachment	Filename of attachment
Attach a copy of the Medical/Center Director's curriculum vitae	<input type="checkbox"/>		

Transfer & Affiliation Agreement	
Hospital(s) with which an affiliation agreement is being negotiated	
<ul style="list-style-type: none"> ○ Distance in miles from the proposed facility to the Hospital affiliate. 	
<ul style="list-style-type: none"> ○ Distance in minutes of travel time from the proposed facility to the Hospital affiliate. 	
<ul style="list-style-type: none"> ○ Attach a copy of the letter(s) of intent or the affiliation agreement(s), if appropriate. 	N/A <input type="checkbox"/> Attachment Name:
Name of the nearest Hospital to the proposed facility	
<ul style="list-style-type: none"> ○ Distance in miles from the proposed facility to the nearest hospital. 	
<ul style="list-style-type: none"> ○ Distance in minutes of travel time from the proposed facility to the nearest hospital. 	

Schedule 13 C. Annual Operating Costs

See "Schedules Required for Each Type of CON" to determine when this form is required. One schedule must be completed for the total project and one for each of the subprojects. Indicate which one is being reported by checking the appropriate box at the top of the schedule.

Use the below tables or upload a spreadsheet as an attachment to this Schedule that matches the structure of the tables (Attachment Title:) to summarize the first and third full year's total cost for the categories, which are affected by this project. The first full year is defined as the first 12 months of full operation after project completion. Year 1 and 3 should represent projected total budgeted costs expressed in current year dollars. Additionally, you must upload the required attachments indicated below.

Required Attachments

	Title of Attachment	Filename of Attachment
1. In an attachment, provide the basis for determining budgeted expenses, including details for how depreciation and rent / lease expenses were calculated.	Please refer to the Schedule 13 Attachment	N/A
2. In a separate attachment, provide the basis for interest cost. Separately identify, with supporting calculations, interest attributed to mortgages and working capital	N/A	N/A

Total Project or Subproject Number

Table 13C - 1

	a	b	c
Categories	Current Year*	Year 1 Incremental Cost Impact*	Year 3 Incremental Cost Impact*
Start date of year in question: (m/d/yyyy)	10/1/2022	2/1/2026	2/1/2028
1. Salaries and Wages	\$1,288,458	\$1,424,178	\$1,424,178
1a. FTEs	15.10	17.10	17.10
2. Employee Benefits	\$364,735	\$405,247	\$405,247
3. Professional Fees			
4. Medical & Surgical Supplies	\$7,495	\$9,372	\$10,184
5. Non-med., non-surg. Supplies			
6. Utilities			
7. Purchased Services	\$15,823	\$16,823	\$16,823
8. Other Direct Expenses	\$72,266	\$100,607	\$100,607
9. Subtotal (total 1-8)	\$1,748,777	\$1,956,227	\$1,957,039
10. Interest (details required below)			
11. Depreciation (details required below)		\$387,827	\$387,827
12. Rent/Lease (details required below)			
13. Total Incremental Operating Costs	\$1,748,777	\$2,344,054	\$2,344,866

PLEASE REFER TO THE SCHEDULE 13 ATTACHMENT FOR THE CALCULATION OF DEPRECIATION.

*** The Current Year represents the experience of ECH for the outpatient rehabilitation services at the ECHC extension clinic site that will be relocated to the new extension clinic site. Year 1 and Year 3 represent the total operations of the proposed outpatient rehabilitation extension clinic.**

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Table 13C - 2

	a	b	c
Inpatient Categories	Current Year	Year 1 Incremental Cost Impact	Year 3 Incremental Cost Impact
Start date of year in question: (m/d/yyyy)			
1. Salaries and Wages			
1a. FTEs			
2. Employee Benefits			
3. Professional Fees	N/A	N/A	N/A
4. Medical & Surgical Supplies	---	---	---
5. Non-med., non-surg. Supplies	Outpatient	Outpatient	Outpatient
6. Utilities	Project	Project	Project
7. Purchased Services	Only	Only	Only
8. Other Direct Expenses			
9. Subtotal (total 1-8)			
10. Interest (details required below)			
11. Depreciation and Rent (details required below)			
12. Rent / Lease (details required below)			
13. Total Incremental Inpatient Operating Costs			

Table 13C - 3

	a	b	c
Outpatient Categories	Current Year*	Year 1 Incremental Cost Impact*	Year 3 Incremental Cost Impact*
Start date of year in question: (m/d/yyyy)	10/1/2022	2/1/2026	2/1/2028
1. Salaries and Wages	\$1,288,458	\$1,424,178	\$1,424,178
1a. FTEs	15.10	17.10	17.10
2. Employee Benefits	\$364,735	\$405,247	\$405,247
3. Professional Fees			
4. Medical & Surgical Supplies	\$7,495	\$9,372	\$10,184
5. Non-med., non-surg. Supplies			
6. Utilities	\$0	\$0	\$0
7. Purchased Services	\$15,823	\$16,823	\$16,823
8. Other Direct Expenses	\$72,266	\$100,607	\$100,607
9. Subtotal (total 1-8)	\$1,748,777	\$1,956,227	\$1,957,039
10. Interest (details required below)			
11. Depreciation and Rent (details required below)	\$0	\$387,827	\$387,827
12. Rent / Lease (details required below)			
13. Total Incremental Inpatient Operating Costs	\$1,748,777	\$2,344,054	\$2,344,866

Any approval of this application is not to be construed as an approval of any of the above indicated current or projected operating costs. Reimbursement of any such costs shall be in accordance with and subject to the provisions of Part 86 of 10 NYCRR. Approval of this application does not assure reimbursement of any of the costs indicated therein by payers under Title XIX of the Federal Social Security Act (Medicaid) or Article 43 of The State Insurance Law or by any other payers.

*** The Current Year represents the experience of ECH for the outpatient rehabilitation services at the ECHC extension clinic site that will be relocated to the new extension clinic site. Year 1 and Year 3 represent the total operations of the proposed outpatient rehabilitation extension clinic.**

PLEASE REFER TO THE SCHEDULE 13 ATTACHMENT FOR THE CALCULATION OF DEPRECIATION.

New York State Department of Health Certificate of Need Application

Schedule 13 D: Annual Operating Revenues

See “Schedules Required for Each Type of CON” to determine when this form is required. If required, one schedule must be completed for the total project and one for each of the subprojects. Indicate which one is being reported by checking the appropriate box at the top of the schedule.

Use the below tables or upload a spreadsheet as an attachment to this Schedule (Attachment Title: **N/A**) to summarize the current year’s operating revenue, and the first and third year’s budgeted operating revenue (after project completion) for the categories that are affected by this project.

Table 1. Enter the current year data in column 1. This should represent the total revenue for the last complete year before submitting the application, using audited data. Project the first and third year’s total budgeted revenue in current year dollars

Tables 2a and 2b. Enter current year data in the appropriate block. This should represent revenue by payer for the last complete year before submitting the application, using audited data.

Indicate in the appropriate blocks total budgeted revenues (i.e., operating revenues by payer to be received during the first and third years of operation after project completion). As an attachment, provide documentation for the rates assumed for each payer. Where the project will result in a rate change, provide supporting calculations. For managed care, include rates and information from which the rates are derived, including payer, enrollees, and utilization assumptions.

The Total of Inpatient and Outpatient Services at the bottom of Tables 13D-2A and 13D-2B should equal the totals given on line 10 of Table 13D-1.

Required Attachments

	N/A	Title of Attachment	Filename of Attachment
1. Provide a cash flow analysis for the first year of operations after the changes proposed by the application, which identifies the amount of working capital, if any, needed to implement the project.	<input type="checkbox"/>	Please refer to the Schedule 5 Attachment	N/A
2. Provide the basis and supporting calculations for all utilization and revenues by payor.	<input type="checkbox"/>	Utilization and revenues by payer are based upon the experience of ECH in providing outpatient therapy services at the ECHC extension clinic	N/A
3. Provide the basis for charity care revenue assumptions used in Year 1 and 3 Budgets ((Table 13D-2B). <i>If less than 2%, provide a reason why a higher level of charity care cannot be achieved and remedies that will be implemented to increase charity care.</i>	<input type="checkbox"/>	Charity Care based upon the experience of ECH at the ECHC extension clinic	N/A

**New York State Department of Health
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Schedule 13D

Table 13D - 1

	a	b	c
Categories	Current Year*	Year 1 Total Revenue Budget*	Year 3 Total Revenue Budget*
Start date of year in question:(m/d/yyyy)	10/1/2022	2/1/2026	2/1/2028
1. Inpatient Services			
2. Outpatient Services	\$1,891,383	\$2,078,359	\$2,159,127
3. Ancillary Services			
4. Total Gross Patient Care Services Rendered	\$1,891,383	\$2,078,359	\$2,159,127
5. Deductions from Revenue			
6. Net Patient Care Services Revenue	\$1,891,383	\$2,078,359	\$2,159,127
7. Other Operating Revenue (Identify sources)			
8. Total Operating Revenue (Total 1-7)	\$1,891,383	\$2,078,359	\$2,159,127
9. Non-Operating Revenue			
10. Total Project Revenue	\$1,891,383	\$2,078,359	\$2,159,127

*** The Current Year represents the experience of ECH for the outpatient rehabilitation services at the ECHC extension clinic site that will be relocated to the new extension clinic site. Year 1 and Year 3 represent the total operations of the proposed outpatient rehabilitation extension clinic.**

Table 13D – 2A Various inpatient services may be reimbursed as discharges or days. Applicant should indicate which method applies to this table by choosing the appropriate checkb

Patient Days or Patient Discharges

Inpatient Services Source of Revenue	Total Current Year*			First Year Total Budget			Third Year Total Budget		
	(A) Patient Days or dis- charges	Net Revenue		(C) Patient Days or dis- charges	Net Revenue		(E) Patient Days or dis- charges	Net Revenue	
		(B) Dollars (\$)	\$ per Patient Day or dis- charge (B)/(A)		(D) Dollars (\$)	\$ per Patient Day or dis- charge (D)/(C)		(F) Dollars (\$)	\$ per Patient Days or dis- charges (F)/(E)
Commercial	Fee for Service								
	Managed Care								
Medicare	Fee for Service	N/A			N/A			N/A	
	Managed Care	---			---			---	
Medicaid	Fee for Service	Outpatient			Outpatient			Outpatient	
	Managed Care	Project			Project			Project	
Private Pay		Only			Only			Only	
OASAS									
OMH									
Charity Care									
Bad Debt									
All Other									
Total									

Table 13D – 2B

Various outpatient services may be reimbursed as visits or procedures. Applicant should indicate which method applies to this table by choosing the appropriate checkbox.

Visits (V) or Procedures (P)

Outpatient Services Source of Revenue	Total Current Year			First Year Total Budget			Third Year Total Budget			
	(A) Visits or Procedures	Net Revenue		(C) Visits or Procedures	Net Revenue		(E) Visits or Procedures	Net Revenue		
		(B) Dollars (\$)	\$ per Visit or Procedure (B)/(A)		(D) Dollars (\$)	\$ per Visit or Procedure (D)/(C)		(F) Dollars (\$)	\$ per Visit or Procedure (F)/(E)	
Commercial	Fee for Service	4,106	\$902,216	\$219.73	4,512	\$991,427	\$219.73	4,688	\$1,030,100	\$219.73
	Managed Care									
Medicare	Fee for Service	3,863	\$647,191	\$167.54	4,245	\$711,190	\$167.54	4,409	\$738,666	\$167.54
	Managed Care	1,527	\$266,024	\$174.21	1,678	\$292,330	\$174.21	1,743	\$303,654	\$174.21
Medicaid	Fee for Service	45	\$2,449	\$54.42	49	\$2,667	\$54.43	51	\$2,776	\$54.43
	Managed Care	1,015	\$73,503	\$72.42	1,115	\$80,745	\$72.42	1,159	\$83,931	\$72.42
Private Pay										
OASAS										
OMH										
Charity Care										
Bad Debt										
All Other										
TOTAL		10,556	\$1,891,383	\$179.18	11,599	\$2,078,359	\$179.18	12,050	\$2,159,127	\$179.18
Total of Inpatient and Outpatient Services						\$2,078,359			\$2,159,127	

* The Current Year represents the experience of ECH for the outpatient rehabilitation services at the ECHC extension clinic site that will be relocated to the new extension clinic site. Year 1 and Year 3 represent the total operations of the proposed outpatient rehabilitation extension clinic.

SCHEDULE 13 ATTACHMENT

ELIZABETHTOWN COMMUNITY HOSPITAL

FINANCIAL DOCUMENTATION

1. Calculation of Depreciation

ELIZABETHTOWN COMMUNITY HOSPITAL

CERTIFY AND CONSTRUCT A NEW EXTENSION CLINIC

CALCULATION OF DEPRECIATION

Calculation of Depreciation

	<u>Amount</u>	<u>Depreciation Life (in Years)</u>	<u>Depreciation Amount</u>
Depreciation - New Moveable Equipment	\$190,529	7	\$27,218
Depreciation - Leasehold Improvements/Other	\$9,015,235	25	\$360,609
TOTAL	\$9,205,764		\$387,827

Schedule 16 A. Hospital Program Information

See “Schedules Required for Each Type of CON” to determine when this form is required.

Instructions: Briefly indicate how the facility intends to comply with state and federal regulations specific to the services requested, such as cardiac surgery, bone marrow transplants. For clinic services, please include the hours of service for each day of operation, name of the hospital providing back-up services (indicating the travel time and distance from the clinic) and how the facility intends to provide quality oversight including credentialing, utilization and quality assurance monitoring.

The proposed extension clinic will be operated in compliance with applicable Federal and State regulations, including Title 10 of New York Codes, Rules and Regulations.

The general operations of the extension clinic will adhere to the standards required under 10 New York Codes, Rules and Regulations. The Hospital’s standards of patient care emphasize accuracy and timeliness of diagnosis and referral to appropriate medical practitioners. All existing policies and procedures in place at the Hospital will be incorporated into the operation of the extension clinic, which will be operated under the same high standards of care currently in practice at the Hospital.

All administrative aspects of the proposed extension clinic will be directed by an individual who is qualified for such duties by education and experience. The Quality Assurance (QA) Program associated with the extension clinic will be administered by Rob L. Demuro, M.D., the Medical Director of the proposed extension clinic. Please refer to **Appendix I** (found under the **Schedule 16 Attachment**) for the curriculum vitae of Dr. Demuro. The QA Program and operational protocols will be followed for the extension clinic. The QA Program ensures that patients receive the highest level of quality. There are continuing education activities to provide staff with the opportunity to learn the newest technology, techniques and protocols in the provision of services at the extension clinic.

To ensure that all services are appropriate to an individual’s needs, the Hospital will use its existing, comprehensive utilization review and monitoring program for its proposed extension clinic. The appropriate utilization of the services will be monitored through the QA Program, under the supervision of the Medical Director.

The ability to pay will not be a factor in the process of accepting patients. Every effort will be made to ensure that appropriate payment is made, but in no circumstance will a patient be refused treatment. All services will be offered to those in need of care who satisfy admission requirements, regardless of age, sex, sexual orientation, race, creed, religion, disability, source of payment or any other personal characteristic.

Please refer to the following enclosure for statements affirmatively attesting to the “separate and distinct” requirements for the proposed extension clinic.

New York State Department of Health Certificate of Need Application

Schedule 16A

For Hospital-Based -Ambulatory Surgery Projects: N/A

Please provide a list of ambulatory surgery categories you intend to provide.

List of Proposed Ambulatory Surgery Category

For Hospital-Based -Ambulatory Surgery Projects: N/A

Please provide the following information:

Number and Type of Operating Rooms:

- Current:
- To be added:
- Total ORs upon Completion of the Project:

Number and Type of Procedure Rooms:

- Current:
- To be added:
- Total Procedure Rooms upon Completion of the Project:

**RE: ELIZABETHTOWN COMMUNITY HOSPITAL
(Essex County)
Certify and Construct Extension Clinic at 80 Park Street, Elizabethtown, and
Relocate Services from Elizabethtown Community Health Center to the New Site**

Applicant Confirmations

- Elizabethtown Community Hospital (ECH) will put in place signage that will denote that the Hospital's proposed extension clinic is separate and distinct from any other entity located at 80 Park Street, Elizabethtown (Essex County), New York 12932. This will be accomplished by clearly identifying the operations of the Hospital with its standard logo and signage.
- ECH confirms that the staffing for the extension clinic will be separate and distinct from any other entity at the location.
- ECH confirms that the extension clinic will be located in a self-contained space on the 1st floor at 80 Park Street, Elizabethtown (Essex County), New York 12932. Please refer to the architectural drawings for this project, which attest to this.
- ECH confirms that the extension clinic will be used exclusively for the purpose stated in this application.

Schedule 16 B. Community Need

See “Schedules Required for Each Type of CON” to determine when this form is required.

Public Need Summary:

Briefly summarize on this schedule why the project is needed. Use additional paper, as necessary. If the following items have been addressed in the project narrative, please cite the relevant section and pages.

1. Identify the relevant service area (e.g., Minor Civil Division(s), Census Tract(s), street boundaries, Zip Code(s), Health Professional Shortage Area (HPSA) etc.)

The primary service area for this project is comprised of Essex County.

Project Introduction

The University of Vermont Health System – Elizabethtown Community Hospital (ECH), a 25-bed, Critical Access Hospital, is submitting this Administrative Review Certificate of Need Application that seeks approval to certify and construct a new extension clinic to be located at 80 Park Street, Elizabethtown (Essex County), New York 12932. Through this project, outpatient therapy services (including physical therapy, occupational therapy, cardiac and pulmonary rehabilitation and speech-language pathology services) currently located within the Elizabethtown Community Health Center (EHC) extension clinic at 66 Park Street, Elizabethtown (Essex County), New York 12932 will be relocated to the proposed extension clinic. The two (2) sites are located just 100 yards from one another, and both sites are located directly across the street from the Hospital. Please refer to Appendix II (found under the Schedule 16 Attachment) for a map of these sites. This project will be funded, in part, through a Statewide Health Care Facility Transformation Program Phase 3 grant.

ECH will construct a new, 12,471-square-foot building to house the above-noted outpatient therapy services. The Hospital currently owns land on which the building will be constructed. The proposed extension clinic, which will be known as “UVMHN Elizabethtown Community Hospital Rehabilitation Center”, will be certified for the following services: Therapy – Physical O/P, Therapy – Occupational O/P and Speech-Language Pathology O/P.

The EHC extension clinic, which is about 10,000 square feet in size and equally allocated in square footage between primary care and therapy services, is outdated and too small to meet the growing and evolving needs of patients requiring primary care and outpatient therapy services. In particular, ECH seeks approval of this project to relocate the outpatient therapy services of EHC to the proposed extension clinic in order to open up space for the future expansion of the EHC site for primary medical care services (subject of a separate Application to the NYSDOH) and to meet the large and growing demand for outpatient primary medical care and therapy services. Lastly, because EHC and the proposed extension clinic are located just down the street from one another, the existing patient base and the primary service area for those services will remain the same.

The proposed extension clinic will offer larger, dedicated space for the outpatient therapy program, relieving congestion at EHC and creating room for the EHC extension clinic to expand its capacity. This expansion in capacity is expected to reduce waiting times for patients seeking care and thus improve the quality of care for patients. The proposed extension clinic addresses the inadequacies of the current space, facilitates the specific needs of the aging population and strategically supports the Hospital's goals for service expansion and improved patient care.

2. Provide a quantitative and qualitative description of the population to be served. Data may include median income, ethnicity, payor mix, etc.

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Schedule 16B

The primary service area for this project is comprised of Essex County. Please refer to Appendix IV (found under the Schedule 16 Attachment) for a map of the PSA. Per data from the U.S. Census Bureau, the PSA for this project shows the following population characteristics, as compared to New York State (NYS) overall:

Table A. Population Demographics of the Essex County PSA and New York State, 2022

	Essex County	New York State
2022 Population, Estimate	37,314	19,677,151
Percent Individuals Aged 45 and Over	54.7%	43.7%
Percent Individuals Aged 65 and Over	24.8%	18.1%
Percent Caucasian, Non-Hispanic	91.9%	52.9%
Percent African American, Non-Hispanic	2.4%	13.4%
Percent Asian, Non-Hispanic	0.3%	9.0%
Percent Other Racial Minority Group Members, Non-Hispanic	2.5%	5.0%
Percent Hispanic/Latino	2.9%	19.7%
Percent Racial/Ethnic Minority Group Members	8.1%	47.1%
Percent Foreign-Born	4.1%	22.7%
Median Household Income	\$68,090	\$79,557
Percent Living at or Below Federal Poverty Level	10.4%	14.3%

Source: U.S. Census Bureau. All data represents 2022 data.

Per the table above, Essex County was the home to 37,314 residents in 2022 and is one (1) of only two (2) NYS counties fully contained within the 6.1-million-acre, 5,000-square-mile Adirondack Park. The park itself stretches north nearly to the Canadian border, east to Lake Champlain, south to the Lake George region, and west towards Lake Ontario and the Central New York region. All census tracts within Essex County are designated as rural by the U.S. Census Bureau and the region is described as “mountainous and remote”. The PSA’s small villages and hamlets are at risk of complete isolation during all seasons because of severe weather conditions, frequent power outages, road impassability and mountainous topography. For these reasons, area residents tend to be isolated. Public transportation is virtually non-existent, and travel is over winding, mountainous, secondary roads. The region boasts a robust seasonal population due to the considerable number of second-home owners in the region combined with seasonal tourism. It is estimated that up to 13 million people visit the Adirondacks each year. The population of Essex County swells during the summertime with the influx of seasonal residents and visitors. This number has increased since the COVID-19 pandemic, which spurred property sales due to people living in congested cities seeking to escape crowded living conditions. This is reflected by a corresponding increase in both inpatient volume and outpatient utilization of all Hospital services at Elizabethtown Community Hospital.

The PSA is generally older than the overall NYS population. To this end, in 2022, 24.8% of all PSA residents were aged 65-and-over, as compared to 18.1% for NYS overall. This elderly population is projected to grow even larger by 2025 and 2030. According to the Cornell University PAD population projections, the 65-and-older population of the Essex County PSA is projected to comprise 25.0% of the total PSA population in 2025, as compared to 19.0% for NYS overall. By 2030, the 65-and-older population of the PSA is projected to comprise 27.0% of the total PSA population, as compared to 21.0% for NYS overall. Older individuals typically experience a greater need for outpatient therapy services, including those services that are proposed in this Application, than the younger population.

Additionally, 10.4% of PSA residents were living at or below the Federal Poverty Level in 2022. Furthermore, the median household income in the Essex County PSA in 2022 was \$68,090, as compared to \$79,557 for all residents of NYS.

Following is a brief analysis of the socio-economic factors of unemployment, insurance coverage and educational levels for residents of the PSA, as compared to New York State overall:

**New York State Department of Health
Certificate of Need Application**

Schedule 16B

Table B. Socio-Economic Characteristics of Primary Service Area and New York State, 2022

	Essex County	New York State
Percent Unemployed (Age 16+)	5.1%	5.1%
Insurance Coverage		
Public Health Insurance Coverage	47.0%	42.9%
No Health Insurance Coverage	4.1%	4.9%
Public or No Health Insurance Coverage	51.1%	47.8%
Percent with Bachelor’s Degree or Higher (Age 25+)	31.2%	40.0%

Source: U.S. Census Bureau. All data represents 2022 data.

As demonstrated in the table above, in 2022, 5.1% of the PSA population aged 16+ was unemployed. All peer NYS residents experienced the same rate (5.1%) of unemployment in 2022. In addition, 51.1% of the PSA population had either public health insurance coverage or no health insurance coverage, as compared to 47.8% of all NYS residents. Lastly, only 31.2% of the PSA population aged 25+ years had a Bachelor’s degree or higher education, as compared to 40.0% of all NYS residents. These characteristics (i.e., being unemployed, having public or no health insurance and having lower levels of education attainment) are found in populations that are traditionally medically underserved and that often demonstrate disproportionately adverse health outcomes, and this is the case for the PSA population.

3. Document the current and projected demand for the proposed service in the population you plan to serve. If the proposed service is covered by a DOH need methodology, demonstrate how the proposed service is consistent with it.

The proposed extension clinic is not covered by a DOH need methodology, although it was approved to be funded through a Statewide Health Care Facility Transformation Program – Phase 3 grant.

As testament to the need to expand the space for rehabilitation services, from 2019 to 2022, the existing ECHC extension clinic experienced a 29.7% growth in the number of outpatient therapy visits to the site. Please refer to the following table for these statistics:

Table C. Utilization by Service, FY 2019 – FY 2022, Elizabethtown Community Health Center

	FY 2019	FY 2020	FY 2021	FY 2022
Physical Therapy/Occupational Therapy	6,820	6,057	7,971	9,141
Cardiac Rehabilitation Services	1,083	1,025	1,161	1,157
Pulmonary Rehabilitation Services	135	108	53	175
Speech and Language Therapy	95	21	53	83
TOTAL	8,133	7,211	9,238	10,556

Source: Internal Hospital Data

Given this data, it is clear that the outpatient therapy services at the ECHC extension clinic are well-utilized. The implementation of this project will enable ECH to meet the large and growing demand for its outpatient therapy services at a new, dedicated site, in line with the goals of the SHCFTP program.

4. (a) Describe how this project responds to and reflects the needs of the residents in the community you propose to serve.

As noted above, this project was approved to be funded under a Statewide Health Care Facility Transformation Program – Phase 3 grant.

New York State Department of Health Certificate of Need Application

Schedule 16B

The existing ECHC extension clinic site is undersized for the current volume of services. In particular, the ECHC extension clinic is about 10,000 square feet in total and contains primary care services in about 5,000 square feet and outpatient therapy services in the other 5,000 square feet. The outpatient therapy space was designed to support three (3) therapists and one (1) administrative support person, and the outpatient primary care space was designed to support a primary care practice with three (3) physicians. However, the outpatient therapy practice currently has seven (7) therapists and three (3) administrative support staff members. In addition, the primary care practice has grown to five (5) physicians and ECHC is seeking a sixth physician. Each physician also requires the services of a nurse, thereby increasing the number of staff needed and further stressing the available space. In short, the existing clinical care space at ECHC is tight and congested, making it difficult for the staff to work in, thereby hampering staff and patient experience. The proposed extension clinic, which will be 12,471 square feet in size, will contain a suitable amount of space for the current and future projected outpatient therapy volume.

The COVID-19 pandemic has also increased patient acuity, required social distancing and has further amplified the need for upgraded and expanded space at the ECHC extension clinic, which necessitates the relocation of outpatient therapy services from the ECHC building. Furthermore, the Hospital started providing COVID-19 testing and vaccination services within the primary care space at the ECHC extension clinic, and this situation has led to increased patient utilization and additional space constraints within the building. It is the overall goal of ECHC to renovate the outpatient therapy space at ECHC that will be vacated by the outpatient therapy program through this project for expanded primary care space (subject of a separate Application to the New York State Department of Health).

In addition, the implementation of the Epic Systems IT system at ECHC has resulted in a need for larger rooms and space to house IT equipment, in general. The new site will allow for the development of adequate patient capacity and will create a more patient-centric and operationally efficient setting.

Moreover, the Hospital also intends to hire additional staff to keep up with the current and forecasted growth in patient volume for outpatient therapy services. However, lack of space and obsolescence of the therapy space in the current ECHC extension clinic site makes recruiting new providers difficult.

Lastly, the implementation of this project will address inadequate parking space, given staff and patient volumes at the ECHC site. At the existing ECHC extension clinic, patient parking sometimes overflows to a public parking area down the street. This is an inconvenience for patients, particularly non-ambulatory patients who may be dependent upon wheelchairs and caregivers, and who are often receiving outpatient therapy services a couple of times per week at the ECHC extension clinic. The proposed extension clinic will result in the creation of 27 additional parking spaces.

(b) Will the proposed project serve all patients needing care regardless of their ability to pay or the source of payment? If so, please provide such a statement.

Through this proposed project, the Hospital will continue to serve all patients in need of care, regardless of their ability to pay or the source of payment.

5. Describe where and how the population to be served currently receives the proposed services.

Patients who will be served at the extension clinic are already patients of the existing ECHC extension clinic site, as described above. Through this project, outpatient therapy services (including physical therapy (PT), occupational therapy (OT), cardiac and pulmonary rehabilitation and speech-language pathology services) currently located within the ECHC extension clinic at 66 Park Street, Elizabethtown (Essex County), New York 12932 will be relocated to the proposed extension clinic.

6. Describe how the proposed services will be address specific health problems prevalent in the service area, including any special experience, programs or methods that will be implemented to address these health issues.

Health Professional Shortage Areas and Medically Underserved Areas

Per data from the Health Resources and Services Administration of the U.S. Department of Health and Human Services, the proposed extension clinic site is federally-designated as a Medically Underserved Area, as well as a HPSA for Mental Health and Dental services. This provides further documentation of the lack of access to basic healthcare services for residents of the area.

PQI Rates

Developed by the Agency for Healthcare Research and Quality (AHRQ), Prevention Quality Indicators (PQIs) are a set of measures that can be used to identify “ambulatory care sensitive” conditions (ACSCs) in adult populations. These are conditions for which good outpatient care can potentially prevent the need for hospitalization, or for which early intervention can prevent complications or more severe disease. Approval of this C.O.N. Application, which will free up space for the future expansion of primary medical care services (subject of a separate Application to the NYSDOH), will help to support disease-focused, preventive health services to underserved communities that are experiencing a high number of hospital admissions for certain conditions due to the lack of early healthcare intervention and monitoring of chronic diseases. Residents of the Essex County PSA experienced a higher observed than expected rate of hospitalization due to lower-extremity amputation among patients with diabetes.

Outpatient rehabilitation programs for chronic conditions (such as cardiac rehabilitation), which will be included as part of this project, have been shown to enhance quality of life, functional exercise capacity and self-management skills, reduce harm from risk factors and decrease the need for the use of acute healthcare facilities. Approval of this Application will help to ensure that patients seeking treatment for ACSCs receive the appropriate level of care, resulting in earlier treatment and a reduction in unnecessary and costly inpatient admissions.

Poor Health Outcomes

Access to comprehensive, high-quality health care services is important for improving poor health outcomes and promoting health, preventing and managing diseases, improving quality of life and achieving health equity. Data from the New York State Community Health Indicator Reports (CHIRS) corroborates the PQI data above and provides further evidence of the need for enhanced, highly coordinated, outpatient care within the PSA. Please refer to Appendix V (found under the Schedule 16 Attachment) for a detailed list of the poor health outcomes of the residents of the PSA as compared to New York State overall. The proposed project will ensure sufficient access to outpatient therapy services that are critical for population health and to help reduce the costs of the overall health care system.

ONLY for Hospital Applicants submitting Full Review CONs

NOT APPLICABLE – ADMINISTRATIVE REVIEW C.O.N. APPLICATION

Non-Public Hospitals

7. (a) Explain how the proposed project advances local Prevention Agenda priorities identified by the community in the most recently completed Community Health Improvement Plan (CHIP)/Community Service Plan (CSP). *Do not submit the CSP*. Please be specific in which priority(ies) is/are being addressed.

(b) If the Project does not advance the local Prevention Agenda priorities, briefly summarize how you are advancing local Prevention Agenda priorities.
8. Briefly describe what interventions you are implementing to support local Prevention Agenda goals.
9. Has your organization engaged local community partners in its Prevention Agenda efforts, including the local health department and any local Prevention Agenda coalition?
10. What data from the Prevention Agenda dashboard and/or other metrics are you using to track progress to advance local Prevention Agenda goals?
11. In your most recent Schedule H form submitted to the IRS, did you report any Community Benefit spending in the Community Health Improvement Services category that supports local Prevention Agenda goals? (Y/N question)

ONLY for Hospital Applicants submitting Full Review CONs

NOT APPLICABLE – ADMINISTRATIVE REVIEW C.O.N. APPLICATION

Public Hospitals

12. Briefly summarize how you are advancing local public health priorities identified by your local health department and other community partners.

13. Briefly describe what interventions you are implementing to support local public health priorities.

14. Have you engaged local community partners, including the local health department, in your efforts to address local public health priorities?

15. What data are you using to track progress in addressing local public health priorities?

The Sites Tab in NYSE-CON has replaced the Authorized Beds and Licensed Services Tables of Schedule 16C. The Authorized Beds and Licensed Services Tables in Schedule 16C are only to be used when submitting a Modification, in hardcopy, after approval or contingent approval.

NOT APPLICABLE – INITIAL C.O.N. APPLICATION SUBMISSION

C. Impact of CON Application on Hospital Operating Certificate

Note: If the application involves an extension clinic, indicate which services should be added or removed from the certificate of the extension clinic alone, rather than for the hospital system as a whole. If multiple sites are involved, complete a separate 16C for each site.

TABLE 16C-1 AUTHORIZED BEDS

LOCATION:
 (Enter street address of facility)

Category	Code	Current Capacity	Add	Remove	Proposed Capacity
AIDS	30		<input type="checkbox"/>	<input type="checkbox"/>	
BONE MARROW TRANSPLANT	21		<input type="checkbox"/>	<input type="checkbox"/>	
BURNS CARE	09		<input type="checkbox"/>	<input type="checkbox"/>	
CHEMICAL DEPENDENCE-DETOX *	12		<input type="checkbox"/>	<input type="checkbox"/>	
CHEMICAL DEPENDENCE-REHAB *	13		<input type="checkbox"/>	<input type="checkbox"/>	
COMA RECOVERY	26		<input type="checkbox"/>	<input type="checkbox"/>	
CORONARY CARE	03		<input type="checkbox"/>	<input type="checkbox"/>	
INTENSIVE CARE	02		<input type="checkbox"/>	<input type="checkbox"/>	
MATERNITY	05		<input type="checkbox"/>	<input type="checkbox"/>	
MEDICAL/SURGICAL	01		<input type="checkbox"/>	<input type="checkbox"/>	
NEONATAL CONTINUING CARE	27		<input type="checkbox"/>	<input type="checkbox"/>	
NEONATAL INTENSIVE CARE	28		<input type="checkbox"/>	<input type="checkbox"/>	
NEONATAL INTERMEDIATE CARE	29		<input type="checkbox"/>	<input type="checkbox"/>	
PEDIATRIC	04		<input type="checkbox"/>	<input type="checkbox"/>	
PEDIATRIC ICU	10		<input type="checkbox"/>	<input type="checkbox"/>	
PHYSICAL MEDICINE & REHABILITATION	07		<input type="checkbox"/>	<input type="checkbox"/>	
PRISONER				<input type="checkbox"/>	
PSYCHIATRIC**	08		<input type="checkbox"/>	<input type="checkbox"/>	
RESPIRATORY				<input type="checkbox"/>	
SPECIAL USE				<input type="checkbox"/>	
SWING BED PROGRAM				<input type="checkbox"/>	
TRANSITIONAL CARE	33		<input type="checkbox"/>	<input type="checkbox"/>	
TRAUMATIC BRAIN INJURY	11		<input type="checkbox"/>	<input type="checkbox"/>	
TOTAL			<input type="checkbox"/>	<input type="checkbox"/>	

*CHEMICAL DEPENDENCE: Requires additional approval by the Office of Alcohol and Substance Abuse Services (OASAS)

**PSYCHIATRIC: Requires additional approval by the Office of Mental Health (OMH)

Does the applicant have previously submitted Certificate of Need (CON) applications that have not been completed involving addition or decertification of beds?

No Yes (Enter CON number(s) to the right)

**New York State Department of Health
Certificate of Need Application**

Schedule 16C

The Sites Tab in NYSE-CON has replaced the Authorized Beds and Licensed Services Tables of Schedule 16C. The Authorized Beds and Licensed Services Tables in Schedule 16C are only to be used when submitting a Modification, in hardcopy, after approval or contingent approval.

TABLE 16C-2 LICENSED SERVICES FOR HOSPITAL CAMPUSES

LOCATION:				
<i>(Enter street address of facility)</i>				
	<u>Current</u>	<u>Add</u>	<u>Remove</u>	<u>Proposed</u>
MEDICAL SERVICES – PRIMARY CARE ⁶	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MEDICAL SERVICES – OTHER MEDICAL SPECIALTIES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AMBULATORY SURGERY				
MULTI-SPECIALTY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SINGLE SPECIALTY – GASTROENTEROLOGY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SINGLE SPECIALTY – OPHTHALMOLOGY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SINGLE SPECIALTY – ORTHOPEDICS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SINGLE SPECIALTY – PAIN MANAGEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SINGLE SPECIALTY – OTHER (SPECIFY)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CARDIAC CATHETERIZATION				
ADULT DIAGNOSTIC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ELECTROPHYSIOLOGY (EP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PEDIATRIC DIAGNOSTIC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PEDIATRIC INTERVENTION ELECTIVE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PERCUTANEOUS CORONARY INTERVENTION (PCI)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CARDIAC SURGERY ADULT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CARDIAC SURGERY PEDIATRIC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CERTIFIED MENTAL HEALTH O/P ¹	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CHEMICAL DEPENDENCE - REHAB ²	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CHEMICAL DEPENDENCE - WITHDRAWAL O/P ²	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CLINIC PART-TIME SERVICES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COMPREHENSIVE PSYCH EMERGENCY PROGRAM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DENTAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
EMERGENCY DEPARTMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
EPILEPSY COMPREHENSIVE SERVICES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HOME PERITONEAL DIALYSIS TRAINING & SUPPORT ⁴	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HOME HEMODIALYSIS TRAINING & SUPPORT ⁴	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
INTEGRATED SERVICES – MENTAL HEALTH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
INTEGRATED SERVICES – SUBSTANCE USE DISORDER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
LITHOTRIPSY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
METHADONE MAINTENANCE O/P ²	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
NURSING HOME HEMODIALYSIS ⁷	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ A separate licensure application must be filed with the NYS Office of Mental Health in addition to this CON.

² A separate licensure application must be filed with the NYS Office of Alcoholism and Substance Abuse Services in addition to this CON.

⁴ DIALYSIS SERVICES require additional approval by Medicare

⁵ RADIOLOGY – THERAPEUTIC includes Linear Accelerators

⁶ PRIMARY CARE includes one or more of the following: Family Practice, Internal Medicine, Ob/Gyn or Pediatric

⁷ Must be certified for Home Hemodialysis Training & Support

The Sites Tab in NYSE-CON has replaced the Authorized Beds and Licensed Services Tables of Schedule 16C. The Authorized Beds and Licensed Services Tables in Schedule 16C are only to be used when submitting a Modification, in hardcopy, after approval or contingent approval.

TABLE 16C-2 LICENSED SERVICES (cont.)	Current	Add	Remove	Proposed
RADIOLOGY-THERAPEUTIC ⁵	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RENAL DIALYSIS, ACUTE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RENAL DIALYSIS, CHRONIC [Complete the ESRD section 16C-3(a)&(b)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TRANSPLANT				
HEART - ADULT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HEART - PEDIATRIC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
KIDNEY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
LIVER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TRAUMATIC BRAIN INJURY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

⁵RADIOLOGY – THERAPEUTIC includes Linear Accelerators

The Sites Tab in NYSE-CON has replaced the beds and services Tables of Schedule 16C. The Tables in Schedule 16C are only to be used when submitting a Modification, in hardcopy, after approval or contingent approval.

**TABLE 16C-3 LICENSED SERVICES FOR
HOSPITAL EXTENSION CLINICS and OFF-CAMPUS EMERGENCY DEPARTMENTS**

LOCATION: <i>(Enter street address of facility)</i>	Check if this is a mobile van/clinic <input type="checkbox"/>			
	Current	Add	Remove	Proposed
MEDICAL SERVICES – PRIMARY CARE ⁶	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MEDICAL SERVICES – OTHER MEDICAL SPECIALTIES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AMBULATORY SURGERY				
SINGLE SPECIALTY -- GASTROENTEROLOGY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SINGLE SPECIALTY – OPHTHALMOLOGY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SINGLE SPECIALTY – ORTHOPEDICS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SINGLE SPECIALTY – PAIN MANAGEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SINGLE SPECIALTY – OTHER (SPECIFY)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MULTI-SPECIALTY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CERTIFIED MENTAL HEALTH O/P ¹	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CHEMICAL DEPENDENCE - REHAB ²	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CHEMICAL DEPENDENCE - WITHDRAWAL O/P ²	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DENTAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HOME PERITONEAL DIALYSIS TRAINING & SUPPORT ⁴	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HOME HEMODIALYSIS TRAINING & SUPPORT ⁴	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
INTEGRATED SERVICES – MENTAL HEALTH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
INTEGRATED SERVICES – SUBSTANCE USE DISORDER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
LITHOTRIPSY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
METHADONE MAINTENANCE O/P ²	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
NURSING HOME HEMODIALYSIS ⁷	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RADIOLOGY-THERAPEUTIC ⁵	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RENAL DIALYSIS, CHRONIC [Complete the ESRD section 16C-3(a)&(b) below] ⁴	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TRAUMATIC BRAIN INJURY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FOR OFF-CAMPUS EMERGENCY DEPARTMENTS ONLY⁸				
EMERGENCY DEPARTMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ A separate licensure application must be filed with the NYS Office of Mental Health in addition to this CON.

² A separate licensure application must be filed with the NYS Office of Alcoholism and Substance Abuse Services in addition to this CON.

⁴ DIALYSIS SERVICES require additional approval by Medicare

⁵ RADIOLOGY – THERAPEUTIC includes Linear Accelerators

⁶ PRIMARY CARE includes one or more of the following: Family Practice, Internal Medicine, Ob/Gyn or Pediatric

⁷ Must be certified for Home Hemodialysis Training & Support

⁸ OFF-CAMPUS EMERGENCY DEPARTMENTS must meet all relevant Federal Conditions of Participation for a hospital per CMS S&C-08-08

END STAGE RENAL DISEASE (ESRD) N/A

TABLE 16C-3(a) CAPACITY	Existing	Add	Remove	Proposed
CHRONIC DIALYSIS				

If application involves dialysis service with existing capacity, complete the following table:

TABLE 16C-3(b) TREATMENTS	Last 12 mos	2 years prior	3 years prior
CHRONIC DIALYSIS			

All Chronic Dialysis applicants must provide the following information in compliance with 10 NYCRR 670.6.

1. Provide a five-year analysis of projected costs and revenues that demonstrates that the proposed dialysis services will be utilized sufficiently to be financially feasible.

N/A

2. Provide evidence that the proposed dialysis services will enhance access to dialysis by patients, including members of medically underserved groups which have traditionally experienced difficulties obtaining access to health care, such as; racial and ethnic minorities, women, disabled persons, and residents of remote rural areas.

N/A

3. Provide evidence that the hours of operation and admission policy of the facility will promote the availability of dialysis at times preferred by the patients, particularly to enable patients to continue employment.

N/A

4. Provide evidence that the facility is willing to and capable of safely serving patients.

N/A

5. Provide evidence that the proposed facility will not jeopardize the quality of care or the financial viability of existing dialysis facilities. This evidence should be derived from analysis of factors including, but not necessarily limited to current and projected referral and use patterns of both the proposed facility and existing facilities. A finding that the proposed facility will jeopardize the financial viability of one or more existing facilities will not of itself require a recommendation to of disapproval.

N/A

Schedule 16 D. Hospital Outpatient Department - Utilization projections

a		d	f
	Current Year Visits	First Year Visits	Third Year Visits
CERTIFIABLE SERVICES			
MEDICAL SERVICES – PRIMARY CARE			
MEDICAL SERVICES – OTHER MEDICAL SPECIALTIES			
AMBULATORY SURGERY			
SINGLE SPECIALTY -- GASTROENTEROLOGY			
SINGLE SPECIALTY – OPHTHALMOLOGY			
SINGLE SPECIALTY – ORTHOPEDICS			
SINGLE SPECIALTY – PAIN MANAGEMENT			
SINGLE SPECIALTY -- OTHER			
MULTI-SPECIALTY			
CARDIAC CATHETERIZATION			
ADULT DIAGNOSTIC			
ELECTROPHYSIOLOGY			
PEDIATRIC DIAGNOSTIC			
PEDIATRIC INTERVENTION ELECTIVE			
PERCUTANEOUS CORONARY INTERVENTION (PCI)			
CERTIFIED MENTAL HEALTH O/P			
CHEMICAL DEPENDENCE - REHAB			
CHEMICAL DEPENDENCE - WITHDRAWAL O/P			
CLINIC PART-TIME SERVICES			
CLINIC SCHOOL-BASED SERVICES			
CLINIC SCHOOL-BASED DENTAL PROGRAM			
COMPREHENSIVE EPILEPSY CENTER			
COMPREHENSIVE PSYCH EMERGENCY PROGRAM			
DENTAL			
EMERGENCY DEPARTMENT			
HOME PERITONEAL DIALYSIS TRAINING & SUPPORT			
HOME HEMODIALYSIS TRAINING & SUPPORT			
INTEGRATED SERVICES – MENTAL HEALTH			
INTEGRATED SERVICES – SUBSTANCE USE DISORDER			
LITHOTRIPSY			
METHADONE MAINTENANCE O/P			
NURSING HOME HEMODIALYSIS			
RADIOLOGY-THERAPEUTIC			
RENAL DIALYSIS, CHRONIC			
OTHER SERVICES			
Physical Therapy O/P	9,130	10,033	10,421
Occupational Therapy O/P	11	12	13
Speech Therapy	83	91	95
Cardiac Rehabilitation	1,157	1,271	1,321
Pulmonary Rehabilitation	175	192	200
Total	10,556	11,599	12,050

Note: In the case of an extension clinic, the service estimates in this table should apply to the site in question, not to the hospital or network as a whole.

*The 'Total' reported MUST be the SAME as those on Table 13D-4.

*** The Current Year represents the experience of ECH for the outpatient rehabilitation services at the ECHC extension clinic site that will be relocated to the new extension clinic site. Year 1 and Year 3 represent the total operations of the proposed outpatient rehabilitation extension clinic.**

Schedule 16 E. Utilization/Discharge and Patient Days

Service (Beds) Classification	Current Year Start date:		1st Year Start date:		3rd Year Start date:	
	Discharges	Patient Days	Discharges	Patient Days	Discharges	Patient Days
AIDS						
BONE MARROW TRANSPLANT						
BURNS CARE						
CHEMICAL DEPENDENCE - DETOX						
CHEMICAL DEPENDENCE - REHAB						
COMA RECOVERY						
CORONARY CARE						
INTENSIVE CARE						
MATERNITY		N/A		N/A		N/A
MED/SURG		---		---		---
NEONATAL CONTINUING CARE		Outpatient		Outpatient		Outpatient
NEONATAL INTENSIVE CARE		Project		Project		Project
NEONATAL INTERMEDIATE CARE		Only		Only		Only
PEDIATRIC						
PEDIATRIC ICU						
PHYSICAL MEDICINE & REHABILITATION						
PRISONER						
PSYCHIATRIC						
RESPIRATORY						
SPECIAL USE						
SWING BED PROGRAM						
TRANSITIONAL CARE						
TRAUMATIC BRAIN-INJURY						
OTHER (describe)						
TOTAL						

NOTE: Prior versions of this table referred to “incremental” changes in discharges and days. The table now requires the full count of discharges and days.

**New York State Department of Health
Certificate of Need Application**

Schedule 16F

Schedule 16 F. Facility Access NOT APPLICABLE

See "Schedules Required for Each Type of CON" to determine when this form is required.

Complete Table 1 to indicate the method of payment for inpatients and for inpatients and outpatients who were transferred to other health care facilities for the calendar year immediately preceding this application.

Start date of year for which data applies (m/c/yyyy):

Table 1. Patient Characteristics	Total Number of Inpatients	Number of Patients Transferred		
		Inpatient	OPD	ER
Payment Source				
Medicare				
Blue Cross				
Medicaid				
Title V				
Workers' Compensation				
Self Pay in Full				
Other (incl. Partial Pay)				
Free				
Commercial Insurance				
Total Patients				

Complete Table 2 to indicate the method of payment for outpatients.

Table 2. Outpatient Characteristics	Emergency Room		Outpatient Clinic		Community MH Center	
	Visits	Visits Resulting in Inpatient Admissions	Visits	Visits Resulting in Inpatient Admissions	Visits	Visits Resulting in Inpatient Admissions
Primary Payment Source						
Medicare						
Blue Cross						
Medicaid						
Title V						
Workers' Compensation						
Self Pay in Full						
Other (incl. Partial Pay)						
Free						
Commercial Insurance						
Total Patients						

A. Attach a copy of your discharge planning policy and procedures.

B. Is your facility a recipient of federal assistance under Title VI or XVI of the Public Health Service Act (Hill-Burton)?

Yes No

If yes, answer the following questions and attach the most recent report on Hill-Burton compliance from the Federal Department of Health and Human Services.

**New York State Department of Health
Certificate of Need Application**

Schedule 16F

1. Is your facility currently obligated to provide uncompensated service under the Public Health Service Act?

Yes No

If yes, provide details on how your facility has met such requirement for the last three fiscal years - including notification of the requirement in a newspaper of general circulation. Also, list any restricted trusts and endowments that were used to provide free, below-cost or charity care services to persons unable to pay.

2. With respect to all or any portion of the facility which has been constructed, modernized, or converted with Hill-Burton assistance, are the services provided therein available to all persons residing in your facility's service area without discrimination on the basis of race, color, national origin, creed, or any basis unrelated to an individual's need for the service or the availability of the needed service in the facility?

Yes No

If no, provide an explanation.

3. Does the facility have a policy or practice of admitting only those patients who are referred by physicians with staff privileges at the facility?

Yes No

4. Do Medicaid beneficiaries have full access to all of your facility's health services?

Yes No

If no, provide a list of services where access by Medicaid beneficiaries is denied or limited.

NOT APPLICABLE

SCHEDULE 16 ATTACHMENT

ELIZABETHTOWN COMMUNITY HOSPITAL

SCHEDULES 16 APPENDICES

APPENDIX I

ELIZABETHTOWN COMMUNITY HOSPITAL

CV – MEDICAL DIRECTOR

APPENDIX II

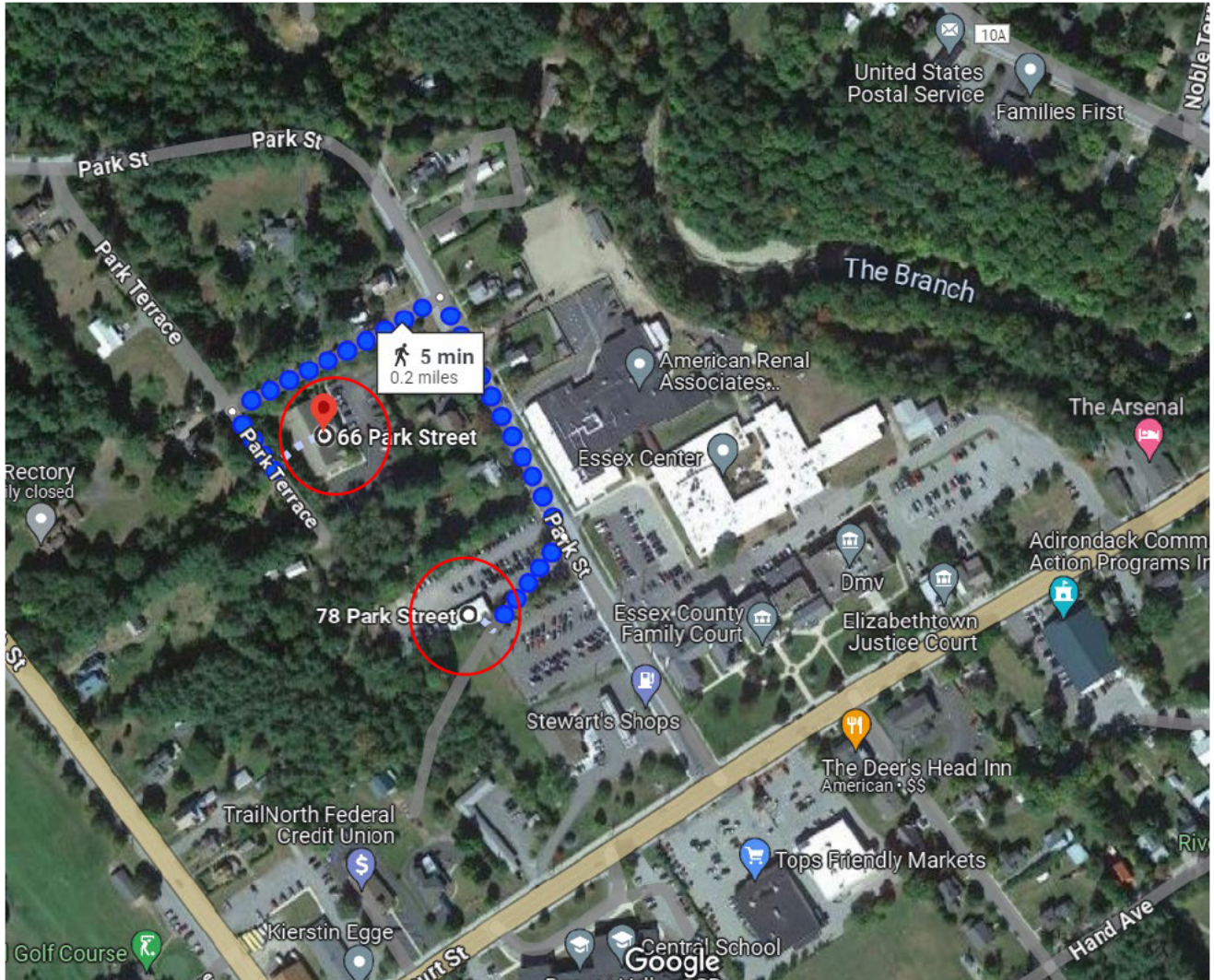
ELIZABETHTOWN COMMUNITY HOSPITAL

MAP OF THE EXTENSION CLINIC SITE

ELIZABETHTOWN COMMUNITY HOSPITAL

CERTIFY AND CONSTRUCT A NEW EXTENSION CLINIC

MAP OF THE EXTENSION CLINIC SITE



APPENDIX III

ELIZABETHTOWN COMMUNITY HOSPITAL

CLOSURE PLAN

Transition Plan – Elizabethtown Community Health Center (PFI: 6546)
66 Park Street
Essex County, New York 12932

General Information

The University of Vermont Health System – Elizabethtown Community Hospital (ECH), a 25-bed, Critical Access Hospital, is submitting this Administrative Review Certificate of Need Application that seeks approval to certify and construct a new extension clinic to be located at 80 Park Street, Elizabethtown (Essex County), New York 12932. Through this project, outpatient therapy services (including physical therapy, occupational therapy, cardiac and pulmonary rehabilitation and speech-language pathology services) currently located within the Elizabethtown Community Health Center (EHC) extension clinic at 66 Park Street, Elizabethtown (Essex County), New York 12932 will be relocated to the proposed extension clinic. The two (2) sites are located just 100 yards from one another, and both sites are located directly across the street from the Hospital. **This project will be funded, in part, through a Statewide Health Care Facility Transformation Program Phase 3 grant.**

ECH will construct a new, 12,471-square-foot building to house the above-noted outpatient therapy services. The Hospital currently owns land on which the building will be constructed. The proposed extension clinic, which will be known as “UVMHN Elizabethtown Community Hospital Rehabilitation Center”, will be certified for the following services: Therapy – Physical O/P, Therapy – Occupational O/P and Speech-Language Pathology O/P.

The EHC extension clinic, which is about 10,000 square feet in size and equally allocated in square footage between primary care and therapy services, is outdated and too small to meet the growing and evolving needs of patients requiring primary care and outpatient therapy services. In particular, ECH seeks approval of this project to relocate the outpatient therapy services of EHC to the proposed extension clinic in order to open up space for the future expansion of the EHC site for primary medical care services (subject of a separate Application to the NYSDOH) and to meet the large and growing demand for outpatient primary medical care and therapy services. Lastly, because EHC and the proposed extension clinic are located just down the street from one another, the existing patient base and the primary service area for those services will remain the same.

The proposed extension clinic will offer larger, dedicated space for the outpatient therapy program, relieving congestion at EHC and creating room for the EHC extension clinic to expand its capacity. This expansion in capacity is expected to reduce waiting times for patients seeking care and thus improve the quality of care for patients. The proposed extension clinic addresses the inadequacies of the current space, facilitates the specific needs of the aging population and strategically supports the Hospital’s goals for service expansion and improved patient care.

1. Target Transition Date / Services Closing

All physical therapy, occupational therapy, cardiac and pulmonary rehabilitation, and speech-language pathology services provided at EHC will be relocated to the new extension clinic site or operations starting at 8:30 am on Monday, November 3, 2025.

2. Reason for Discontinuation of Services

The relocation of the above-noted services to the new extension clinic site will result in ECHC no longer offering these services at the ECHC extension clinic site. The goal is to transfer ECHC's therapy services to the new, proposed extension clinic, thereby creating room for the forthcoming expansion of ECHC to support a growth in primary care and rehabilitation services.

The existing ECHC extension clinic site is undersized for the current volume of services. In particular, the ECHC extension clinic is about 10,000 square feet in total and contains primary care services in about 5,000 square feet and outpatient therapy services in the other 5,000 square feet. The outpatient therapy space was designed to support three (3) therapists and one (1) administrative support person, and the outpatient primary care space was designed to support a primary care practice with three (3) physicians. However, the outpatient therapy practice currently has seven (7) therapists and three (3) administrative support staff members. In addition, the primary care practice has grown to five (5) physicians and ECHC is seeking a sixth physician. Each physician also requires the services of a nurse, thereby increasing the number of staff needed and further stressing the available space. In short, the existing clinical care space at ECHC is tight and congested, making it difficult for the staff to work in, thereby hampering staff and patient experience. The proposed extension clinic, which will be 12,471 square feet in size, will contain a suitable amount of space for the current and future projected outpatient therapy volume.

3. Contact Person

The individual designated as the operator's contact person throughout the closure process will be as follows:

Name: Matthew Nolan
Title: Vice President/Chief Operating Officer
Tel: [REDACTED]
Email: [REDACTED]

4. Coordination of Transition

The individual responsible for coordinating the closure will be as follows:

Name: William Doherty
Title: Director of Rehabilitation
Tel: [REDACTED]
Email: [REDACTED]

5. Coordination with NYSDOH

Throughout each milestone of this formal transition plan process, ECHC will establish and maintain ongoing communication with the Regional Office of the New York State Department of Health.

6. Patients Affected by Closure

Services will be transitioned from ECHC to the new extension clinic site for service starting on Monday, August 18, 2025. The historical utilization for the to-be-relocated services in FY 2019, FY 2020, FY 2021 and FY 2022 is:

FY 2019 – 8,133 visits
FY 2020 – 7,211 visits
FY 2021 – 9,238 visits

FY 2022 – 10,556 visits

7. Number of Staff Affected by Closure

The extension clinic site has 10 FTE staff members providing therapy services as of April 22, 2024. All affected providers and staff members will be relocated to the new extension clinic upon discontinuation of the services at ECHC.

8. Verbal and Written Notification to the NYSDOH Hospital Program Director in Regional Office

ECH will be reaching out to the Program Director of the NYSDOH Regional Office of the Capital Region in the near future, subsequent to the submission of the C.O.N. Application to certify and construct a new outpatient therapy extension clinic. The Closure Plan herein serves as a formal Written Notification to the NYSDOH Hospital Program Director in the Regional Office.

9. Plan to Notify Patients, Physicians and Other Staff

Notification to Patients

As part of the Hospital's communication plan, a patient notification letter will be given to patients who received treatment within the two (2) previous years prior to the transition of therapy services from ECHC to the proposed new extension clinic. Please refer to **Attachment No. 1** for a copy of the letter. Patients with upcoming services will be reached via phone call.

Notification at the Existing Extension Clinic

Prior to the transition of therapy services from ECHC to the proposed new extension clinic, the Hospital will post signage at the reception desk at ECHC (please refer to **Attachment No. 2** for a PDF of this signage).

Notification to Physicians and Other Staff Members

As part of ECH's communication plan, prior to the transition of therapy services from ECHC to the proposed new extension clinic, ECH will notify all therapists and related staff members of the discontinuation and subsequent transition of therapy services from ECHC to the new extension clinic. Please refer to **Attachment No. 3** for the notification documentation to the therapists and related staff of ECHC.

Notification to Community and Local Leaders

A press release will be submitted on August 15, 2025, notifying the community of the discontinuation and subsequent transition of therapy services from ECHC effective November 3, 2025. Please refer to **Attachment No. 4** for a copy of the press release.

Notification of Managed Care Plans

ECH will notify all managed care plans of the relocation of services to the proposed extension clinic.

Timeline of Key Dates and Activities

The following is a timeline of key dates and activities associated with the closure of the extension clinic site:

Date	Activity
08/15/2025	Will begin to notify patients of anticipated discontinuation of services at ECHC effective October 31, 2025.
10/31/2025	Will discontinue PT, OT, cardiac and pulmonary rehabilitation, speech and language pathology services at 4:00pm.
11/03/2025	Outpatient therapy (PT, OT, cardiac and pulmonary rehabilitation, speech and language pathology) patients will be seen at the new extension clinic site.

10. Required Reporting

All required financial and census reports for ECHC have been submitted to the New York State Department of Health. In addition, all required information within the Health Commerce System (HCS) is up-to-date.

11. Managing Media Contacts

Throughout the closure period, the following contact person will be available to answer questions from the media:

Name: Michele Powers
 Title: Director, Communications & Engagement Strategies
 Tel: [REDACTED]
 Email: [REDACTED]

Please refer to **Attachment No. 4** for a press release related to the upcoming discontinuation and subsequent transition of therapy services from ECHC to the proposed extension clinic and the relocation of patients to the new extension clinic.

12. Plan of Discontinuation of Patient-Visits

ECHC will work with all appropriate providers (including referring providers) and other individuals to make them aware of the November 3, 2025 transition date of services from ECHC and the subsequent provision of services in the new extension clinic.

13. Current Financial Condition

The University of Vermont Health Network – Elizabethtown Community Hospital, which includes Elizabethtown Community Health Center, experienced positive net income in the first six (6) months of fiscal year 2024 (ending September 30, 2024).

14. Description of Population

The primary service area (PSA) of ECHC is comprised of Essex County. Essex County was the home to 37,314 residents in 2022 and is one (1) of two (2) New York State (NYS) counties fully contained within the 6.1-million-acre, 5,000-square-mile Adirondack Park. In 2022, 24.8% of all PSA residents were aged 65-and-over, as compared to 18.1% for NYS overall. Additionally, 10.4% of PSA residents were living at or below the Federal Poverty Level in 2022. Furthermore, the median household income in the PSA in 2022 was \$68,090, as compared to \$79,557 for all residents of NYS. Regarding the socio-economic characteristics of the PSA, in 2022, 5.1% of the

PSA population aged 16+ was unemployed. In addition, 51.1% of the PSA population had either public health insurance coverage or no health insurance coverage, as compared to 47.8% of all NYS residents. Lastly, only 31.2% of the PSA population aged 25+ years had a Bachelor's degree or higher education, as compared to 40.0% of all NYS residents.

15. Continuity of Care

If a patient of ECHC prefers to be served by another provider, they will be provided with a list of other Article 28 providers that could serve the patient.

16. Patient Belongings

All patient belongings that are left at ECHC will be moved to the new extension clinic.

17. Method of Transport

Because ECHC only provides outpatient services, this section is not applicable.

18. Medications, Medical Supplies, Equipment

All medications, supplies and appropriate equipment will be relocated to the new extension clinic.

19. Medical Records

The medical records of all patients of ECH are in electronic format and meet applicable Federal, State and local regulations, and will be at the time of the discontinuation of services at ECHC. If a patient expresses desire to receive services from providers outside of ECHC, the patient will be asked to sign a release of records form, and hard copies of their record(s) will be transferred to the specified provider/facility.

All records, medical and financial, will continue to be maintained by ECH for the statutorily required amount of time. As ECH has an electronic medical record (EMR) system in place, all medical records can be retrieved by contacting:

Name: Ms. Michelle Perkins
Title: HIS File Clerk
Tel: [REDACTED]
Email: [REDACTED]

20. Medical Staffing

As noted above, all applicable providers and staff members of ECHC will be relocated to the new extension clinic immediately upon discontinuation of services at ECHC.

21. Future Use of Space

Upon approval to relocate the outpatient rehabilitation services of ECHC to the proposed extension clinic, plans are in place to expand the ECHC site, allowing for an increase in primary care services.

22. Surrender of Current Operating Certificate

ECH will not surrender any of its Operating Certificates upon the implementation of this new extension clinic project. However, through the future submission of a separate Application to the NYSDOH for the expansion of primary care services within the ECHC extension clinic, ECH

will surrender the Elizabethtown Community Health Center extension clinic Operating Certificate by mailing it to the New York State Department of Health and request for a new Operating Certificate without therapy services listed on it.

23. Temporary Closure

Not Applicable – not a temporary closure.

THE UNIVERSITY OF VERMONT HEALTH NETWORK –
ELIZABETHTOWN COMMUNITY HOSPITAL

ATTACHMENT 1

PATIENT LETTER

Dear Patient,

We are happy to share news with you of the relocation of outpatient therapy services from the Elizabethtown Community Health Center (ECHC) to a proposed, new extension clinic site just down the street at 80 Park Street, Elizabethtown, NY 12932. This new site is located just 100 yards from ECHC. All providers and staff who have served you at our ECHC location will be relocating to the new site as well. The effective date of this relocation will be November 3, 2025.

We ask that you let us know at the desk if you will be continuing your care at this new location so that we can plan to continue to meet your needs.

However, should you wish to transfer to providers outside of The University of Vermont Health Network – Elizabethtown Community Hospital (ECH) network, you will be asked to sign a release of records form and hard copies of your record(s) will be transferred to the specified physician/facility.

Additionally, should you desire to retrieve your medical records, please contact the following:

Name: Ms. Michelle Perkins
Title: HIS File Clerk
Tel: [REDACTED]
Email: [REDACTED]

There should be no disruption in fulfilling your healthcare needs. The office staff will contact you if there is any change in your appointment status prior to the relocation date. We will ensure that your medical records are available at the location where you choose to receive services. Should you have any questions or concerns during our transition, wish to make an appointment, or if you wish to transfer to another provider, please contact us.

Your health care needs are very important to us, and we are committed to assuring that you are highly satisfied with our services.

Sincerely,

William Doherty
Director of Rehabilitation

THE UNIVERSITY OF VERMONT HEALTH NETWORK –
ELIZABETHTOWN COMMUNITY HOSPITAL

ATTACHMENT 2

PATIENT NOTIFICATION AT RECEPTION DESK

Attention:

All Physical Therapy, Occupational Therapy, Cardiac and Pulmonary Rehabilitation, and Speech-Language Pathology services provided at this location will be relocated to a new site at 80 Park Street, effective November 3, 2025.

THE UNIVERSITY OF VERMONT HEALTH NETWORK –
ELIZABETHTOWN COMMUNITY HOSPITAL

ATTACHMENT 3

PROVIDER/STAFF LETTER

ECH Letterhead

Dear Provider:

This letter is to inform you that we are constructing a new extension clinic at 80 Park Street in Elizabethtown that will house outpatient therapy (physical therapy (PT), occupational therapy (OT), cardiac and pulmonary rehabilitation, and speech-language pathology) services currently located within the Elizabethtown Community Health Center (ECHC) extension clinic at 66 Park Street in Elizabethtown. The proposed new extension clinic site is down the street from ECHC. The move is effective November 3, 2025. The goal is to provide additional space to house a growing number of providers and patients associated with the outpatient primary care and therapy services at the ECHC extension clinic.

This relocation allows our health care partners and patients to access our rehabilitation services, in a more spacious and improved setting. We appreciate your continued confidence in our high-quality care and look forward to meeting your needs and expanding our services as we move forward together to care for our community.

Sincerely,

Matthew Nolan

Vice President & Chief Operating Officer

THE UNIVERSITY OF VERMONT HEALTH NETWORK –
ELIZABETHTOWN COMMUNITY HOSPITAL

ATTACHMENT 4

PRESS RELEASE

THE
University of Vermont
HEALTH NETWORK

Elizabethtown Community Hospital

DRAFT PRESS RELEASE

For More Information Contact:

Michele Powers
Director, Communications & Engagement Strategies
(518) 873-9038
mpowers2@ech.org

For Immediate Release

**Elizabethtown Community Hospital to Relocate
Elizabethtown Outpatient Physical Therapy and Rehabilitation**
New state-of-the-art facility will help accommodate more patients and services

ELIZABETHTOWN, N.Y. (xx/xx/xxxx) – University of Vermont Health Network – Elizabethtown Community Hospital (ECH) Outpatient Physical Therapy and Rehabilitation is moving to a new home to better care for patients and improve the patient experience.

On xx/xx/xx, the hospital will relocate its Outpatient Physical Therapy Rehabilitation clinic to 78-80 Park Street in Elizabethtown. Its new location is adjacent to its current home within the Elizabethtown Community Health Center at 66 Park Street which provides primary care services. Both are located directly across from the Elizabethtown hospital and have seen significant growth in the number of patients, volume and support staff over the past several years.

Chief operating officer Matt Nolan said, “The increasing need for space to accommodate a growing patient base and additional providers, therapists and staff, was recognized by New York State with a \$5.4 million grant from the state’s Health Care Facility Transformation Program. We’re grateful for this funding as it has helped the new 13,000 sf state-of-the-art facility come to life.”

Physical therapy and rehabilitation director Bill Doherty said, “Our Elizabethtown outpatient rehab team is so excited for this new facility. It will help us provide the highest quality care for our current patients as well as see new patients needing physical therapy, occupational therapy, cardiac and pulmonary rehabilitation or speech language pathology services.” He added, “We will continue to provide outpatient therapy services to patients in our Ticonderoga hospital as well.”

Elizabethtown Community Health Center will continue to care for its patients at 66 Park Street which will now be dedicated solely to primary care and wellness. The space will be upgraded to improve patient flow and accommodate the growing team and changing technological needs.

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About Elizabethtown Community Hospital

Elizabethtown Community Hospital (ECH) is a not-for-profit critical access hospital which includes two campuses and six community-based primary care health centers. In Essex County, Elizabethtown Community Hospital serves as the central source for the delivery of health care services to county residents and visitors to the Adirondack Park.

Elizabethtown Community Hospital (ECH) is part of The University of Vermont Health Network, a six-hospital network serving patients and their families in northern New York and Vermont.

About The University of Vermont Health Network

The University of Vermont Health Network is an integrated system serving the residents of Vermont and northern New York with a shared mission: working together, we improve people's lives. The partners are:

- The University of Vermont Medical Center
- The University of Vermont Health Network Medical Group
- The University of Vermont Health Network – Alice Hyde Medical Center
- The University of Vermont Health Network – Central Vermont Medical Center
- The University of Vermont Health Network – Champlain Valley Physicians Hospital
- The University of Vermont Health Network – Elizabethtown Community Hospital
- The University of Vermont Health Network – Porter Medical Center
- The University of Vermont Health Network – Home Health & Hospice

Our 15,000 employees are driven to provide high-quality, cost-efficient care as close to home as possible. Strengthened by our academic connection to the University of Vermont, each of our affiliates remains committed to its local community by providing compassionate, personal care shaped by the latest medical advances and delivered by highly skilled experts.

APPENDIX IV

ELIZABETHTOWN COMMUNITY HOSPITAL

MAP OF THE PSA

APPENDIX V

ELIZABETHTOWN COMMUNITY HOSPITAL

HEALTH OUTCOMES

ELIZABETHTOWN COMMUNITY HOSPITAL

CERTIFY AND CONSTRUCT A NEW EXTENSION CLINIC

HEALTH INEQUITIES AND POOR HEALTH OUTCOMES

The following information documents the health inequities and the resultant poor health statistics/outcomes for select health conditions experienced by residents of Essex County, as per the New York State Community Health Indicator Reports (CHIRS).

Cardiovascular Diseases

- In 2018-2020, the age-adjusted cardiovascular disease mortality rate per 100,000 for Essex County residents was 327.9 per 100,000, as compared to 287.4 per 100,000 for NYS residents overall.
- In 2018-2020, the age-adjusted cardiovascular disease premature death (aged 35-64 years) rate per 100,000 for Essex County residents was 200.1 per 100,000, as compared to 177.7 per 100,000 for NYS residents overall.
- In 2018-2020, the age-adjusted diseases of the heart mortality rate per 100,000 for Essex County residents was 254.6 per 100,000, as compared to 231.9 per 100,000 for NYS residents overall.
- In 2018-2020, the diseases of the heart premature death (aged 35-64 years) mortality rate per 100,000 for Essex County residents was 88.7 per 100,000, as compared to 87.9 per 100,000 for NYS residents overall.
- In 2018-2020, the diseases of the heart pre-transport mortality rate per 100,000 for Essex County residents was 159.9 per 100,000, as compared to 150.9 per 100,000 for NYS residents overall.
- In 2018-2020, the heart attack mortality rate per 100,000 for Essex County residents was 65.2 per 100,000, as compared to 29.5 per 100,000 for NYS residents overall.
- In 2018-2020, the age-adjusted heart attack mortality rate per 100,000 for Essex County residents was 38.2 per 100,000, as compared to 22.4 per 100,000 for NYS residents overall.
- In 2018-2020, the congestive heart failure mortality rate per 100,000 for Essex County residents was 17.9 per 100,000, as compared to 14.4 per 100,000 for NYS residents overall.
- In 2018-2020, the congestive heart failure pre-transport mortality rate per 100,000 for Essex County residents was 15.2 per 100,000, as compared to 8.3 per 100,000 for NYS residents overall.
- In 2018-2020, the age-adjusted cerebrovascular disease (stroke) mortality rate per 100,000 for Essex County residents was 49.1 per 100,000, as compared to 32.0 per 100,000 for NYS residents overall.
- In 2018-2020, the cerebrovascular disease (stroke) pretransport mortality rate per 100,000 for Essex County residents was 25.0 per 100,000, as compared to 14.0 per 100,000 for NYS residents overall.

Obesity and Respiratory Diseases

- In 2021, the age-adjusted percentage of adults overweight or obese (BMI 25 or higher) in Essex County was 67.9, as compared to 63.5 for NYS residents overall.
- In 2021, the age-adjusted percentage of adults with obesity (BMI 30 or higher) in Essex County was 30.8, as compared to 29.2 for NYS residents overall.
- In 2018-2020, the chronic lower respiratory disease mortality rate of Essex County residents was 79.5 per 100,000, as compared to 35.6 per 100,000 for NYS residents overall.
- In 2018-2020, the age-adjusted chronic lower respiratory disease mortality rate of Essex County residents was 44.8 per 100,000, as compared to 27.3 per 100,000 for NYS residents overall.

- In 2021, the age-adjusted percentage of adults in Essex County with current asthma was 17.5, as compared to 10.1 for NYS residents overall.

Approval of this C.O.N. Application will allow the applicant to provide disease-focused, preventive health services to the community of Essex County, enabling the low-income population to receive the high quality, culturally adaptive health services that they need and deserve. In doing so, Elizabethtown Community Hospital intends to improve health outcomes and reduce avoidable ED visits, which will decrease the burden on the health care system that currently exists due to the disparity of care in low-income populations.

Source of Data:

New York State Community Health Indicator Reports

<https://www.health.ny.gov/statistics/chac/indicators/>