July 1, 2019

Attn: Ms. Susan Barrett, J.D. Executive Director
Green Mountain Care Board
89 Main Street, Third Floor, City Center
Montpelier, Vermont 05620

Re: Salary Information

Currently, MAH utilizes a few different sources for wage benchmarking and staffing levels. Annually, we submit wage data and receive a full report from the Northern New England Healthcare Compensation Survey. This survey is produced/sponsored by the Maine, New Hampshire, and Vermont Hospital Associations and produced by Gallagher Consulting. Additionally, the VNA and Home Health Associations of those states also participate. Every few years we engage a firm, AMS, to help us look at staffing levels, productivity, and duties. These are key components in considering our wage levels against the market. We use regional compensation data for providers, as well as, MGMA in considering annual market pay discussions. There are also "unofficial" discussions within D-HH and other entities or trade groups.

Primarily, we stick to the Northern New England Healthcare Compensation Survey. This survey lists more than 300 different job descriptions/titles. Ninety-four organizations, employing over 54,000 employees, contribute to this survey. There are nineteen cuts of data possible for each position. Note that not all positions have contributing data and there are often positions that are combinations of the standard survey positions.

This survey utilizes the following regions, categories, and characteristics in aggregate and separately to cut the data. The geographic cuts are Maine, Northern Maine, Southern Maine, New Hampshire, Northern New Hampshire, Southern New Hampshire, Vermont, River Valley, and non-River Valley. The data is also cut by organizational size relative to FTE's (< 350, 350 – 800, >800), Beds (<50, 50 – 150, 150+), and Operating Expense (< $50m, $50 – 149m, >$150m). There are also some cuts specific to Home Health services. Generally, we utilize the following benchmark categories: Vermont, Under 350 FTE's, and 50 Beds or less. When the sample size is inadequate for a particular job, we will look at "All Participants".

Our process is to take minimums, maximums, and the length of service (15 years) to get from the minimum to the maximum from the survey data for all of our non-MD employees. We use our employee's job category and their length of experience to calculate where they would fall in the market. We then compare the result to their actual salary and determine the percentage that they are or are not within market.

Each year we budget a small percentage for "market" increases (as opposed to merit-based increases) and spread those funds as far as we can to all employees who are lagging market. Often times, hard-to-fill positions are given a greater share as wage and labor pressures ebb and flow.

We calculate and track the percent of deficiency by job type, department, and by senior manager area. After discussion internally, we are not comfortable with providing a summary as requested. Currently, we

are below average for wages (have been for years) and are hesitant to create additional labor pressures for ourselves by providing the requested data in this submission. Currently, we are in a competitive market with several facilities within easy driving distance. Multiple facilities are across the border but who are not required to produce this type of information but are happy to make use of it. We would be willing to share whatever you request in a less-public forum or GMCB-internal document. Our average department lags market by around 7%. On an individual employee basis, the lag is around 5%. Senior leadership lags the market by more than 9%.