



September 10, 2021

Kevin Mullin, Chair  
Green Mountain Care Board  
144 State Street  
Montpelier, VT 05602

Dear Chair Mullin,

On behalf of Brattleboro Memorial Hospital (BMH), I am extremely concerned that the Green Mountain Care Board voted on September 3, 2021 to reduce BMH's proposed NPR/FPP increase from a 3.0% to a 0.3% growth rate from FY21 Budget to FY22 Budget. BMH built its FY22 budget proposal based on its experience during FY2019 (pre-COVID) and the real recovery trends the hospital has experienced this spring. As we discussed in our budget presentation and submissions with your staff, BMH reported significant volume growth from March through July (this trend has continued through August).

The attached report shows our March-July financial performance for NPR/FPP which, when annualized, is consistent with our FY 2022 budget submission of \$95,595,380. To not take into account our significant volume rebound starting in March in evaluating our NPR/FPP for our FY 2022 Budget seems shortsighted. We have weathered the past Covid storm and we are confident that revenues and volumes will mirror our last six months performance. Of course, this is predicated on Vermont's continued success in responding to Covid19. Additionally, our budget proposal is well within the parameters set out in the FY2022 Hospital Budget Guidance and Reporting Requirements, effective March 31, 2021.

I did not expect the Board to order a reduction, especially as the continuing recovery trend to date supports our budget proposal submission. As with every Vermont hospital, BMH's leadership and Board spent an enormous amount of time preparing its budget for submission for GMCB review and we believed that the budget submitted met all known requirements for approval. I respectfully request that the Board reconsider its recommendations related to NPR/FPP and approve our budget as submitted.

I would be happy to meet with the Board and staff to further discuss this important matter and provide any additional information needed before formal Budget Orders are issued.

I appreciate your time and attention to this request.

Sincerely,  


Steven R. Gordon  
CEO /PRESIDENT  
Brattleboro Memorial Hospital  
Brattleboro, VT 05301

**BRATTLEBORO MEMORIAL HOSPITAL  
SUMMARY STATEMENT OF NPR & FPP**

	FY 2021 March - July Actual	Annualized	* 4.6% Annualized with rate increase*	FY 2022 Budget as submitted
REVENUES				
INPATIENT CARE REVENUE	17,381,527	41,715,665	43,884,880	46,970,672
OUTPATIENT CARE REVENUE	59,473,702	142,736,884	150,159,202	141,726,609
OUTPATIENT CARE REVENUE - PHYSICIAN	9,598,247	23,035,793	23,035,793	24,318,448
GROSS PATIENT CARE REVENUE	\$86,453,476	\$207,488,342	\$217,079,874	\$213,015,729
DISPROPORTIONATE SHARE PAYMENTS	258,690	620,856	620,856	530,861
BAD DEBT	(1,063,405)	(2,552,173)	(3,705,003)	(3,635,638)
FREE CARE	(466,293)	(1,119,103)	(2,883,117)	(2,829,140)
DEDUCTIONS FROM REVENUE	(51,370,500)	(123,289,200)	(127,771,449)	(125,379,326)
NET PATIENT CARE REVENUE	\$33,811,967	\$81,148,722	\$83,341,161	\$81,702,486
FIXED PROSPECTIVE PAYMENTS	5,309,179	12,742,029	12,742,029	13,892,894
TOTAL FIXED PROSPECTIVE PAYMENTS & RESERVES	\$5,309,179	\$12,742,029	\$12,742,029	\$13,892,894
TOTAL NPR & FPP & RESERVES & OTHER	\$39,121,146	\$93,890,751	<b>\$96,083,191</b>	<b>\$95,595,380</b>