

DELIVERED ELECTRONICALLY

June 24, 2022

Dr. John Brumsted, President and CEO
University of Vermont Health Network

RE: Use of Self Restricted Funds for Inpatient Mental Health Capacity

Dear Dr. Brumsted,

Thank you for updating the Green Mountain Care Board on the status of the UVMHN psychiatric inpatient capacity (PIC) project on April 27, 2022. Based on the presentation, the GMCB understands that the PIC project is indefinitely on hold, and that UVMHN's current financial position will not support the PIC project.

In the spring of 2018, the GMCB voted to "provisionally allow UVMHC to self-restrict \$21M in surplus funds with the condition that such funds be used solely for investments that measurably increase inpatient mental health capacity in Vermont." The GMCB further stated that if "the GMCB determines that insufficient progress has been made, it may order that UVMHC use all or a portion of the \$21M to benefit ratepayers through a commercial rate reduction."

Since the PIC project is indefinitely on hold, we determine that insufficient progress is being made. The need for additional inpatient mental health capacity in Vermont has only increased since 2018. The UVMHN presentation makes that need clear: the number of patients arriving at the UVMHC emergency department with psychiatric issues increased almost every year from 2010-2021, most patients waiting for an inpatient bed for mental health treatment are waiting for more than 24 hours, and UVMHN's analysis concludes that 29-35 additional adult inpatient beds are needed in the state.¹

In light of the significant need for additional inpatient mental health capacity, we ask that UVMHN develop alternatives to the PIC project that would satisfy the condition of increasing inpatient mental health capacity in Vermont and in which UVMHN could invest the balance of the \$21 million self-restricted funds. The use is not limited to adult inpatient capacity, and could be used to increase inpatient mental health capacity for children or adolescents. The capital cost of the PIC project is significant, at \$157.8 million.² We ask that UVMHN also consider whether there is a smaller scale project or investment that, while not meeting the total demand, could offer some increased capacity to help with the urgent need.

¹ See UVMHN Progress Report: Psychiatric Inpatient Capacity Project (April 27, 2022) (UVMHN Presentation), 5, 6, 12.

² See UVMHN Presentation, 19.



Sincerely,

/s/ Kevin Mullin

Kevin Mullin
Chair
Green Mountain Care Board

