



TOWNSHEND HEALTHCARE COMMUNITY MEETING

ACT 167 (2022) COMMUNITY ENGAGEMENT TO SUPPORT HOSPITAL TRANSFORMATION

July 18th, 2024

A business of Marsh McLennan



Please navigate to the community meeting landing page on the GMCB website for closed captioning for this meeting

WHO IS HERE TODAY



Vermonters with whom we have worked:

-  Community members
-  Provider networks
-  State agencies
-  Legislators
-  Community-based organizations
-  Community-based advocates

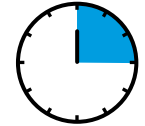
WHY ARE WE HERE TODAY?

1. To report what you and other members of your community told us
2. To explain the problems facing the healthcare community
3. To share options and potential transformation efforts to maintain and enhance appropriate health services in the community
4. To encourage your community and hospital to participate efforts to transform healthcare in Vermont led by Agency of Human Services and supported by GMCB

TODAY'S AGENDA



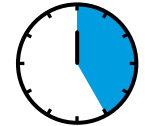
Challenging realities facing your community, Vermont and the country



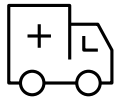
10 min



What the future healthcare provision might look like



20 min



Ongoing initiatives and current bright spots



5 min



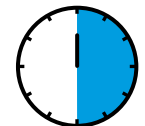
How you can help



5 min



Questions and comments



50 min

WE HEARD FEEDBACK FROM YOUR COMMUNITY IN TOWNSHEND LATE LAST YEAR



Oncology and major surgery are not available in Townshend and it's requiring patients to travel

Community agreed that local access to primary care is a big gap

There isn't enough transportation to other hospitals if community needs a major surgery or other locally inaccessible service

Community wants the hospital to expand UC access on holidays and weekends

More emphasis needed to address social determinants of health

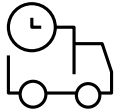


SIMILAR COMMENTS WERE MADE IN OTHER COMMUNITIES ACROSS THE STATE



The lack of housing is a problem making it hard to attract providers, and impossible for patients who have nowhere to be discharged

Keeping staff is a function of addressing the cost of living, inflation, and ability to find affordable housing, and these have all been difficult



There isn't enough transportation to other hospitals if the community needs a major surgery or other locally inaccessible service

Getting patients home has been a challenge because the hospitals sending the patients back are also experiencing challenges arranging transportation



When I go to the urgent care clinic, I may not see a provider because of the workforce shortages

It's difficult to find primary care providers, and difficult to communicate between physicians in the community and in other hospitals



Many individuals don't go to care because the premiums and out of pockets are too high

I can no longer afford the procedures or medications – only option is not to take my medications



No one tells patients about financial services or campaigns available to support their broader health and social needs

Gender-affirming and reproductive health access is an issue and there needs to be greater availability



ALL VERMONT COMMUNITIES ARE FACING SIGNIFICANT CHALLENGES TO HEALTHCARE ACCESS, EQUITY, AND AFFORDABILITY

Access challenges



Difficulty in getting primary care appointments



Long waits in the ER



Long ambulance waits



Long/difficult travel/transportation to care site



Long waits to get elective procedures

Affordability challenges



~60-80% increase in insurance premiums plans in past 6 years^{1,3}



>100% increase in out of pocket max in the past 5 years²



High costs of healthcare and housing without income increases

Source: 1. GVCB Vermont Hospital Budget Deliberations ([link](#), [link](#), [link](#)) 2. KFF analysis of data from Healthcare.gov, state rate review websites, state plan finder tools and CMS analysis of rate changes in the benchmark silver plan, October 2023 ([link](#)),3. GVCB analysis Note: 4. Premiums are monthly. Premiums were analyzed using the lowest-cost premium for each metal tier (bronze, silver, and gold) and the second-lowest-cost silver (benchmark) premium for a 40-year-old in each county and weighted by county plan selections. In some state-based marketplaces, the premium data for some years are at the rating area level and are mapped to counties before weighting by county plan selections.

EVERY VERMONT HOSPITAL IS FACING SIGNIFICANT OPERATIONAL AND FINANCIAL CHALLENGES, MANY ARE OUT OF THEIR CONTROL

Operational challenges



Physician shortages and difficulty in recruiting staff since COVID



Low volume of procedures to sustain operational excellence



Old infrastructure needing repair/replacement



Capacity consumed by caring for people with unmet social needs

Financial challenges



Increased labor and supply cost due to inflation



Depleting capital reserves unable to cover expenses and future investments



Increasing complications with reimbursement

THESE CHALLENGES HAVE CAUSED MOST VERMONT HOSPITALS TO EXPERIENCE A SIGNIFICANT DECLINE IN FINANCIAL HEALTH

Outlier year due to federal COVID relief

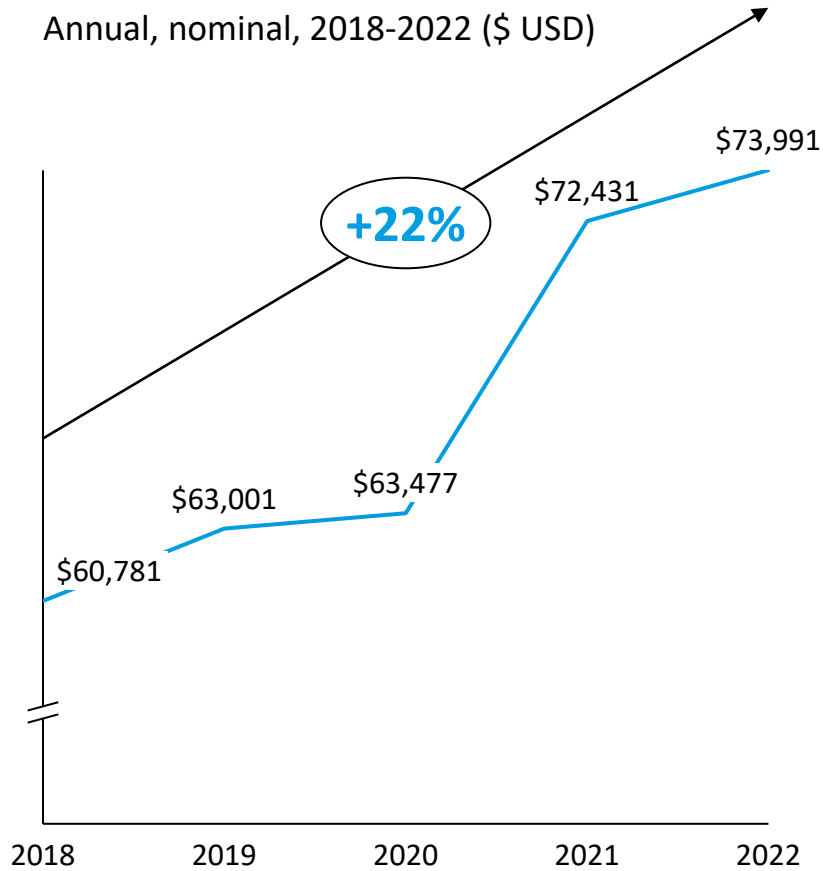
	FY19	FY20	FY21	FY22	FY23
Brattleboro Memorial Hospital	0.8%	0.6%	-1.7%	-3.8%	-1.7%
Central Vermont Medical Center	-2.1%	-0.6%	-1.0%	-6.5%	-6.5%
Copley Hospital	-3.2%	-3.9%	5.1%	-0.7%	-1.8%
Gifford Medical Center	-0.8%	2.5%	8.8%	7.0%	-8.3%
Grace Cottage Hospital	-6.7%	1.1%	8.0%	-6.8%	-8.9%
Mt. Ascutney Hospital & Health Center	0.2%	0.7%	9.1%	1.7%	2.0%
North Country Hospital	1.9%	3.7%	4.6%	-10.3%	-8.9%
Northeastern VT Regional Hospital	1.8%	1.3%	2.9%	0.2%	0.5%
Northwestern Medical Center	-8.0%	-0.9%	4.7%	-4.3%	-6.6%
Porter Medical Center	5.1%	4.0%	7.7%	3.1%	7.6%
Rutland Regional Medical Center	0.4%	0.2%	2.2%	-3.8%	2.1%
Southwestern VT Medical Center	3.3%	2.8%	4.5%	-0.2%	-3.8%
Springfield Hospital	-18.4%	-11.2%	1.2%	5.4%	-0.9%
The University of Vermont Medical Center	2.2%	-0.3%	2.3%	-1.2%	3.1%
All Vermont Community Hospitals	0.7%	0.1%	2.8%	-3.3%	0.3%

9 OUT OF 14
Hospitals ended with negative operating margins in FY2023

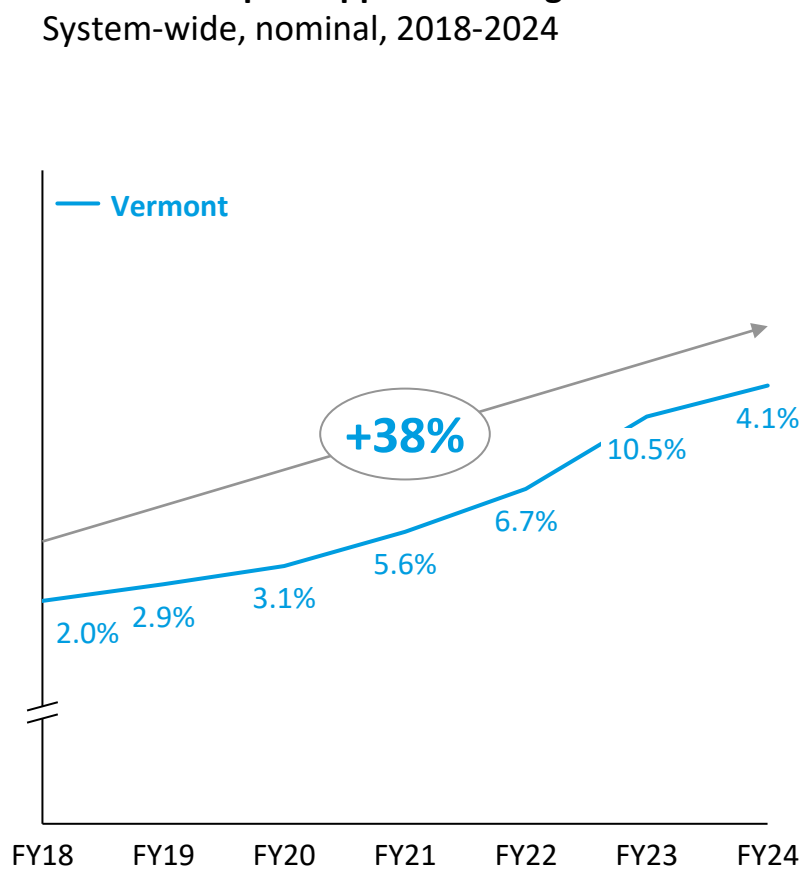
Source: <https://gmcbboard.vermont.gov/sites/gmcb/files/documents/167%20-%20brief%20history%20and%20motivation%206.19.pdf>

EVERY VERMONTER'S COST FOR HEALTHCARE HAS MARKEDLY INCREASED OVER THE PAST 6 YEARS

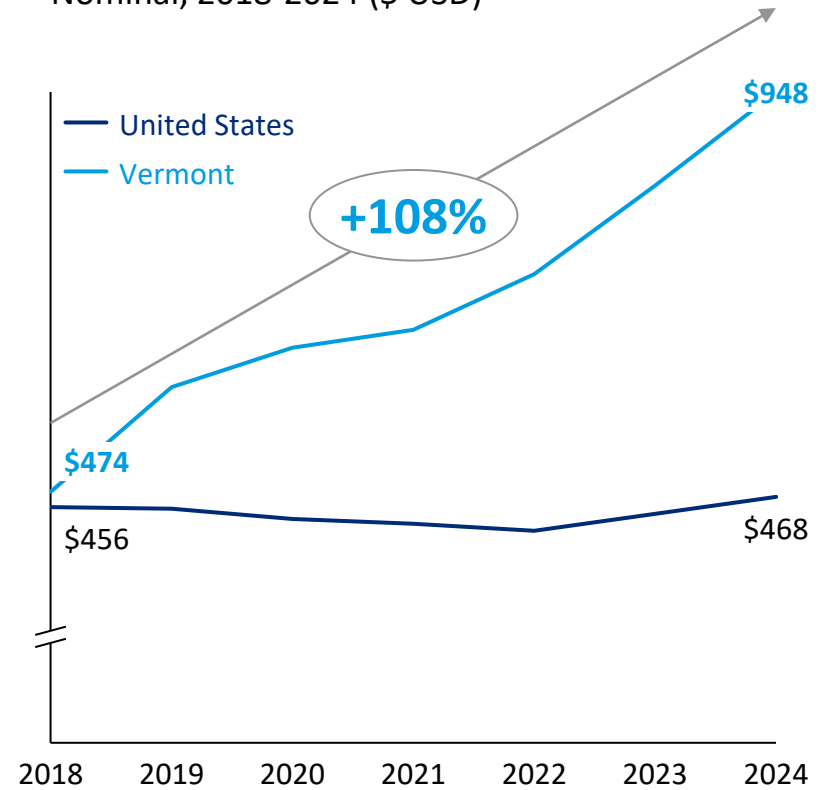
Median household income in Vermont¹
Annual, nominal, 2018-2022 (\$ USD)



Vermont hospital approved charge increases²
System-wide, nominal, 2018-2024



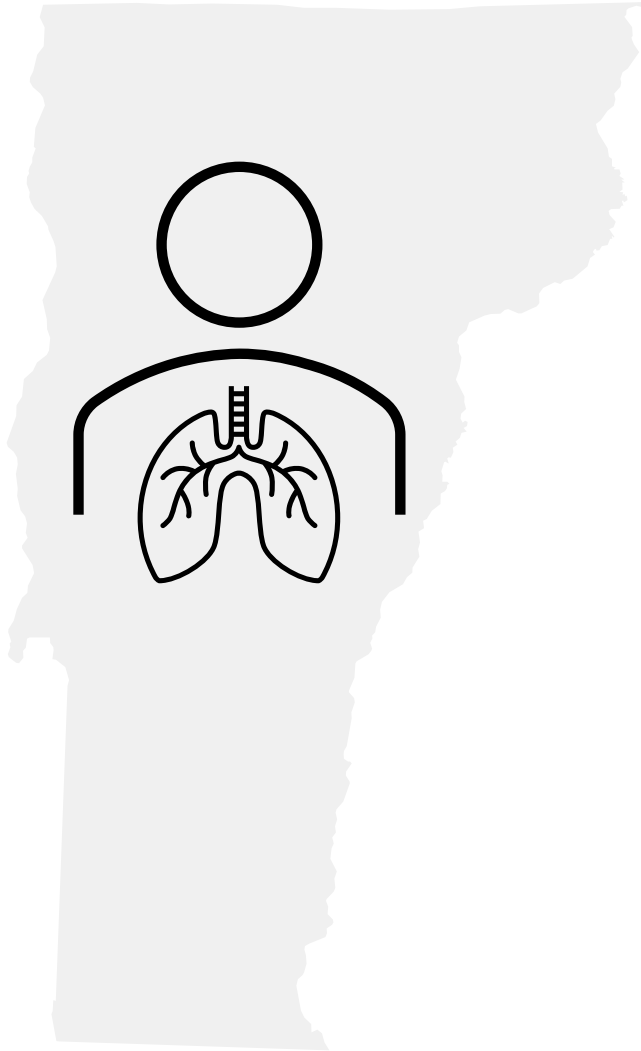
Average monthly premium for lowest-cost Silver marketplace premium³⁻⁵
Nominal, 2018-2024 (\$ USD)



Source: All graphs shown are nominal values 1. [Income](#), [FRED inflation](#) 2. GMCB Vermont Hospital Budget Deliberations ([link](#), [link](#)) 3. KFF analysis of data from Healthcare.gov, state rate review websites, state plan finder tools and CMS analysis of rate changes in the benchmark silver plan, October 2023 ([link](#)), 4. GMCB analysis

Note: 5. Premiums are monthly. Premiums were analyzed using the lowest-cost premium for each metal tier (bronze, silver, and gold) and the second-lowest-cost silver (benchmark) premium for a 40-year-old in each county and weighted by county plan selections. In some state-based marketplaces, the premium data for some years are at the rating area level and are mapped to counties before weighting by county plan selections.

TO EVALUATE THIS PROBLEM, WE DID WHAT DOCTORS DO



Diagnosis

What are the causes of the systemic problems and community healthcare needs that you have shared?

Prognosis

Based on what we have found and heard, what does the unaltered future hold?

Treatment

What are the options and opportunities to address these problems and ensure the sustainability of your health system?

As users (patients of the system), YOU get to shape the treatment

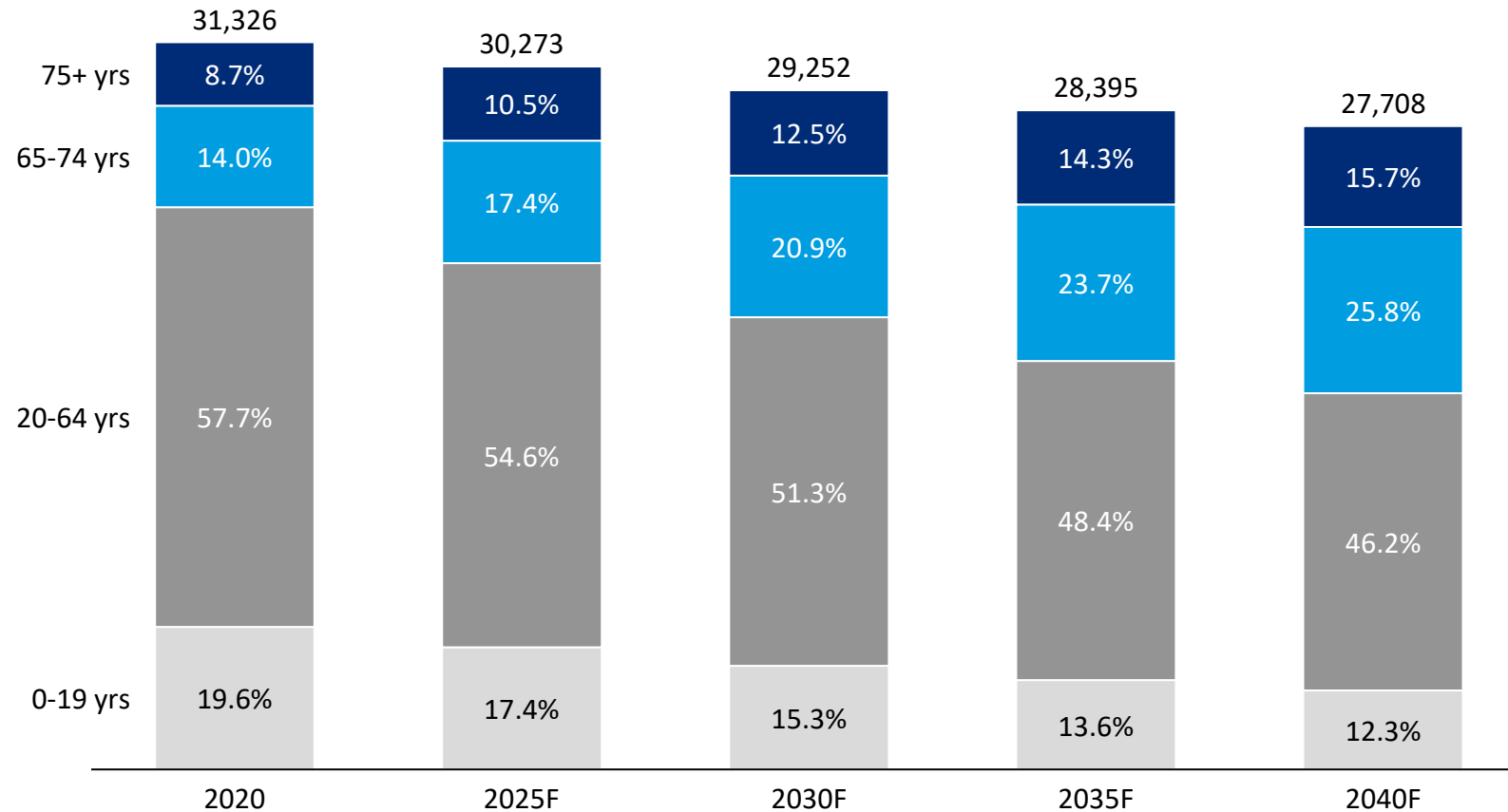
WE LISTENED TO MULTIPLE GROUPS AND INDIVIDUALS TO BETTER UNDERSTAND CURRENT AND FUTURE NEEDS OF VERMONT’S HEALTHCARE SYSTEM

1800+ PARTICIPANTS	Across all stakeholder types and meetings ¹	Meeting Type	# of Meetings	Estimated # of Attendees¹
		Stakeholder meetings on engagement plan	16	91 ²
~52 PARTICIPANTS	On average per community meeting, including state-wide meetings	Hospital Leadership and Boards	56	476
		Diverse Populations³	13	96
100+ ORGANIZATIONS	Contacted	State Partners	35	176 ⁴
		Community Leaders	3	6
93+ PUBLIC COMMENTS	Received	Community Meetings (public health service area level)	18	931
		Provider Meetings (public health service area level)	14	460
		Provider interviews and sessions	15	128

1. The number of attendees provided is an estimate as there are pending meetings, and technical errors/malfunctions in producing some attendance reports; 2. The 91 participants are excluded from the 1.8K total as they are accounted for in the other meeting types 3. Vermont’s diverse populations – driven by (but not limited to) populations served by organizations receiving Health Equity grants as reported healthvermont.gov – include those identifying as BIPOC, Immigrant & Refugee, LGBTQIA+, those with shared medical conditions (e.g., disabled, neurodivergent, psychiatric, substance abuse), older Vermonters, isolated Vermonters, those living in higher rurality, veterans, incarcerated, and the unhoused 4. Includes AHS field director calls

AS THE BRATTLEBORO COMMUNITY AGES, YOUR HEALTH NEEDS BECOME COMPLEX AND DIFFERENT SERVICES WILL BE NEEDED

Projected Brattleboro population break-down¹
2020-2040F



Population is aging and shrinking by **~12%**, reducing working force and increasing Medicare eligible patients



Working age population will decline by **~29%**, making it impossible to sustain healthcare payments with commercial premiums



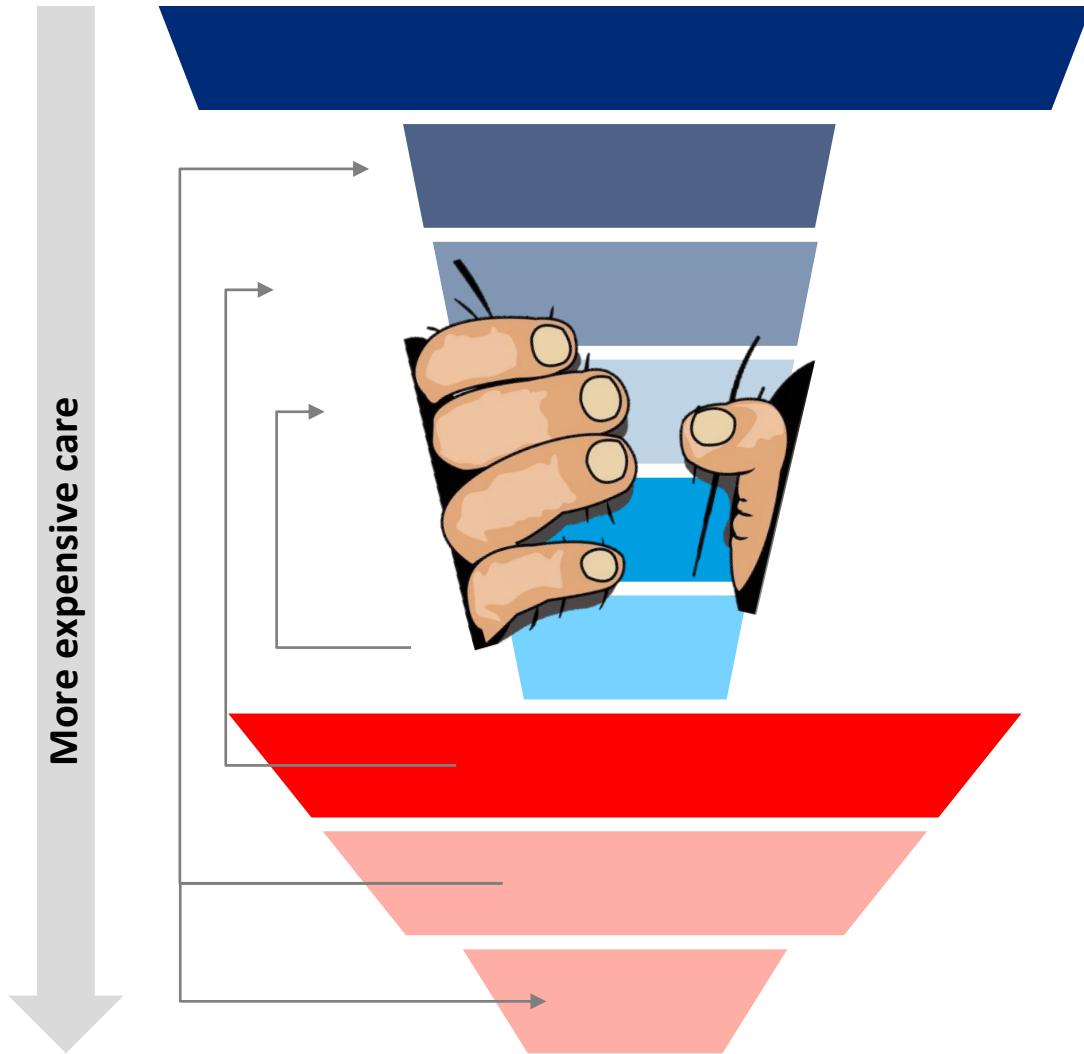
Cancer, heart disease, and stroke-related hospitalizations will increase as population ages



There will be increased demand for long term care, memory care, and assisted living facilities as well as physician visits

Sources: MPR VT Population by HSA, Trends in Supply of Nursing Home Beds, 2011-2019 (Miller et al., link), AHS Consumer Guide to VT Long-term Care Facilities (Jan 2020, link) NIH State Cancer Profiles Incidence Rate Report for Vermont by County in 2016-2020 (link), Oliver Wyman analysis, CDC [Interactive Atlas of Heart Disease and Stroke](#)
© Oliver Wyman

IF CARE IN THE LESS EXPENSIVE PRIMARY CARE SETTING IS UNAVAILABLE, PATIENTS ARE FORCED TO GET CARE IN MORE EXPENSIVE EMERGENCY DEPARTMENTS OR HOSPITALS



Selfcare and community prevention
(social determinants of health / substance abuse prevention)

Housing/Group homes/Assisted living/Home Health

Institutional care
(mental health/skilled nursing facility/prison)

Primary care
Community mental health / substance abuse intervention

Urgent care

Specialty care
Ambulatory surgery

Emergency room \$

Community hospital \$ \$

Referral hospital (e.g. UVM, Dartmouth) \$ \$ \$

EVEN WITH INCREASES IN COMMERCIAL RATES, FORECASTED HOSPITAL MARGINS AT GRACE COTTAGE HOSPITAL ARE NOT FAVORABLE

Submitted and approved hospital charge increases
(%, 2018-2024)

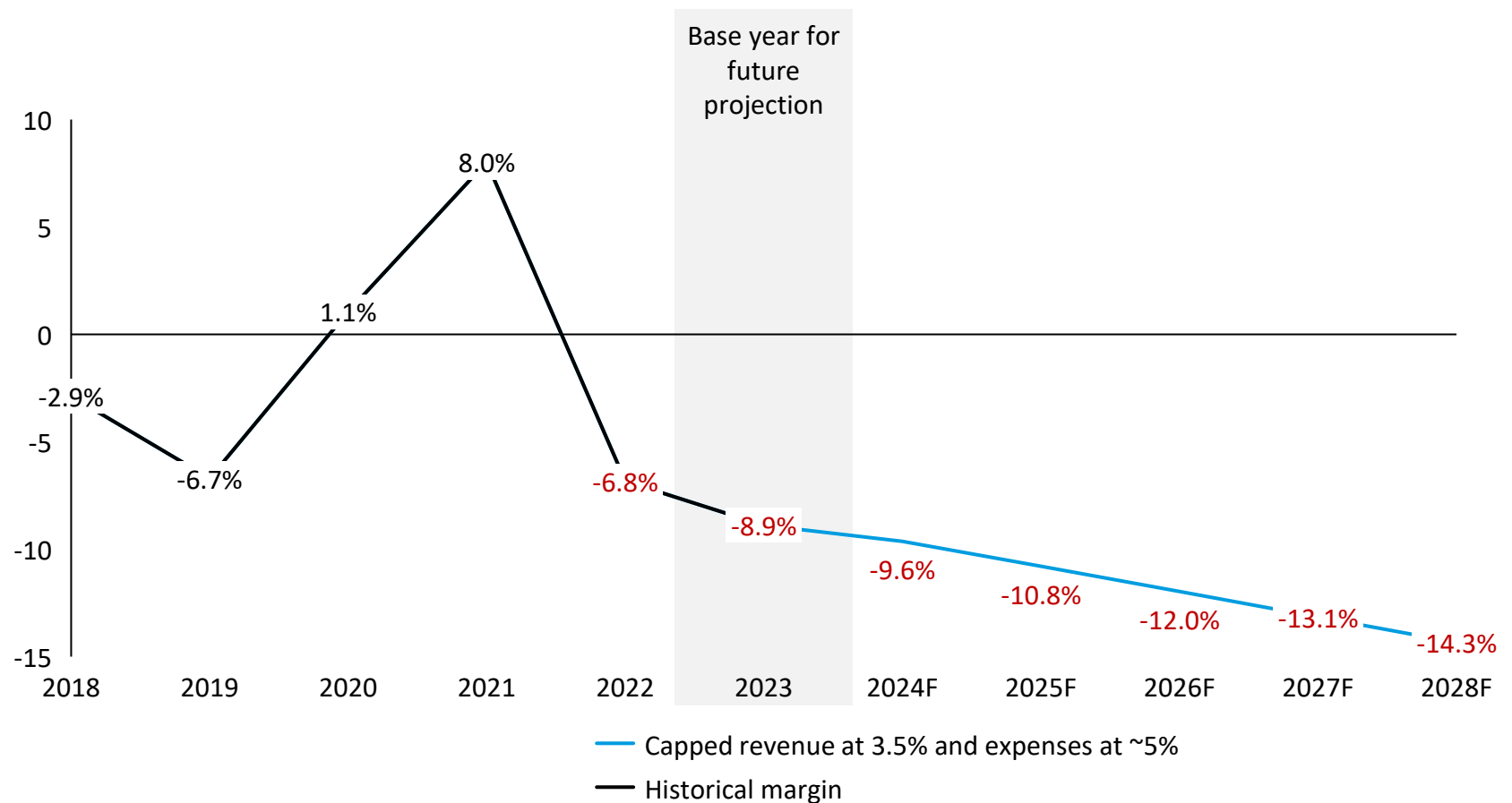
	2018	2019	2020	2021	2022
Submitted	5.0%	3.2%	3.2%	3.2%	5.0%
Approved	5.0%	3.2%	3.2%	3.2%	5.0%

5 year average: 3.9% requested, 3.9% approved

	2023	2024
Submitted	5.0%	4.0%
Approved	5.0%	4.0%

2 year average: 4.5% requested, 4.5% approved

Grace Cottage Hospital operating margin forecast comparison (%, 2018-2028F)

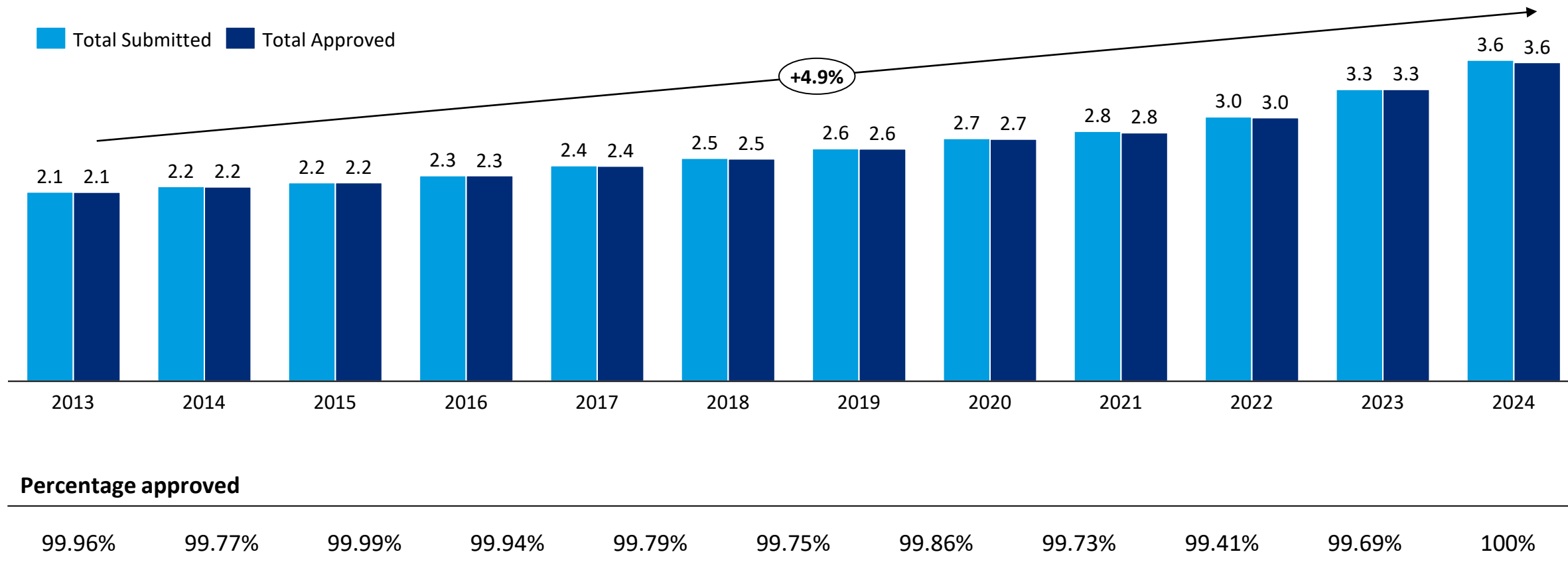


1. Operating revenue include Covid-19 related government supports in 2020-22; 2. Assuming forecasted non-operating income is at the average level between 2018 and 2023, with 3% CAGR in line with inflation.

Source: [GMCB hospital financial records](#), Rate increase analysis [2018-2022](#) and [2023-2024](#), Oliver Wyman analysis

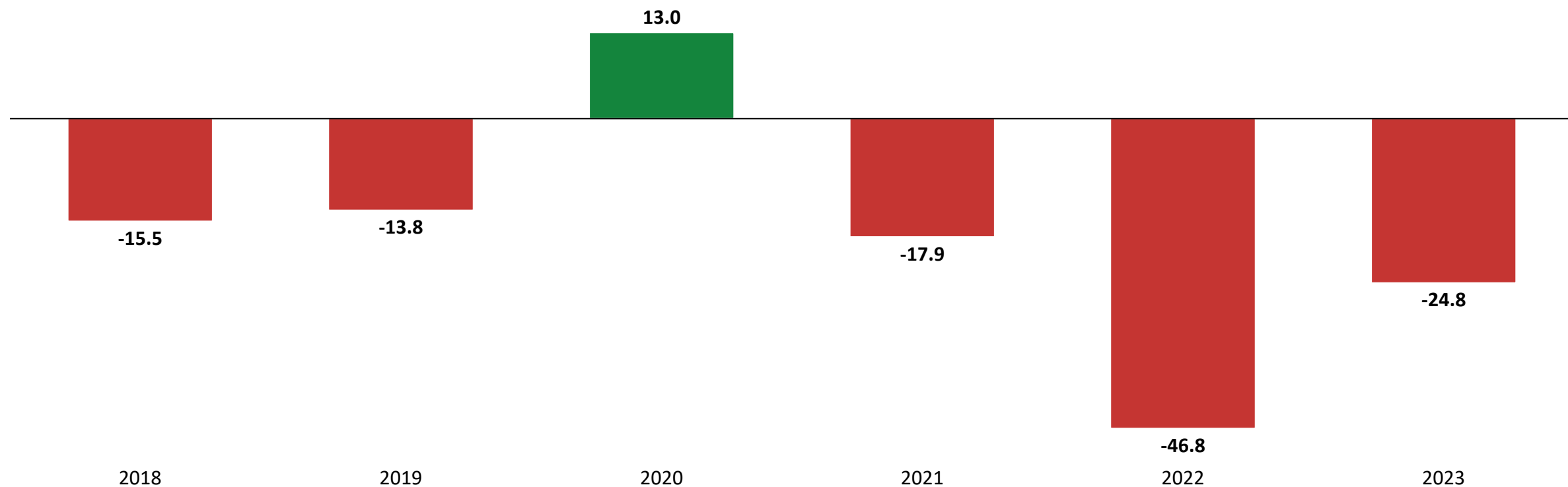
IN THE PAST DECADE, GMCB HAS APPROVED HOSPITAL REVENUE GROWTH AT ~5% ANNUALLY, WITH >99% APPROVAL RATIO CONSISTENTLY

Total Net Patient Revenue and Fixed Prospective Payment across Vermont hospitals, Requested vs. Approved
2013-2024, USD BN



COMMERCIAL INSURANCE HAVE BEEN MAKING LOSSES FROM PAYING HEALTHCARE EXPENSES USING INSURANCE PREMIUMS

BCBS VT Net Underwriting Gain / Loss
2018-2023, USD MN



Source: BCBS Vermont Financial Submissions to the Department of Financial Regulation

HOSPITALS HAVE EMPLOYED TYPICAL MEASURES TO IMPROVE THEIR FINANCIAL HEALTH, BUT THESE HAVE BEEN LARGELY UNSUCCESSFUL



Increase Commercial Prices



Reduce Operational Costs

OR



Request Financial Relief
(from State, Donors)...



Increase Volume of Services

Hospitals cannot solve these problems alone. Different and more innovative approaches are needed to reduce costs and improve health services for the community

Solving Vermont's challenge **requires concerted, sustained systems transformation with the Green Mountain Care Board and Agency of Human Services assistance.**



SO, WHERE DO WE GO FROM HERE?

What can the future of healthcare in Vermont look like? What will it require? What is already underway?



WHAT DOES CHARTING A PATH FORWARD LOOK LIKE?

Recognize current situation and future headwinds

Change what you can and build on ongoing efforts to make major changes in how healthcare is delivered in your community

Improve access and equity and constrain healthcare costs for the Townshend community

Ensure financial stability for healthcare services in Townshend and for Vermont

The time to act is now

THE SYSTEM NEEDS TO ADDRESS **CURRENT AND FUTURE UNMET NEEDS IDENTIFIED BY YOUR COMMUNITY**

Grace Cottage Mission











Mission
To serve the healthcare needs of our community

To promote wellness, relieve suffering, and restore health

-  **Level 1 priorities**
-  **Level 2 priorities**
-  **Level 3 priorities**

Townshend Medical & Service Needs

Health issues & conditions

 Arthritis	 Mental Health
 Basic needs (housing food access, income)	 Physical Fitness
 Cancer	 Social isolation
 Healthy Aging	 Substance Use/Abuse
 High Blood Pressure (hypertension)	 Weight Management/Obesity

Barriers to achieving good health

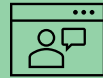
 Financial Constraints	 Time
 Shame (cited as top barrier to seeking help for addiction)	 Transportation Limitations

Source: [Hospital community health needs assessments](#), OW notes from Phase 1 discussion with hospital leadership team and board members

THERE ARE EXISTING EFFORTS UNDERWAY IN YOUR COMMUNITY AND AT GRACE COTTAGE HOSPITAL TO ADDRESS CURRENTLY IDENTIFIED NEEDS



Expanding imaging capabilities with existing machinery, e.g. low dose lung cancer screening



High adopter of telehealth (Tele-pharmacy, Tele-ED, Tele Neurology, Telepsychiatry, Tele-ID for IP, vRad)



Nearly 50% fundraising completed for new primary care clinic space with additional urgent care capabilities



Outpatient rehabilitation center renovation ongoing for Oct 1, expansion to provide more space for outpatient rehab which is in very high demand



Free care for our community, projected for this fiscal year just short of half a million



Partnership with Turning Point to offer peer support for substance use recovery inpatient, in the ED and primary care clinic.



Part of the New England Alliance for Health group purchasing program at Dartmouth



Currently exploring partnership opportunity with Senior Life Solutions for intensive outpatient geriatric psychiatry to combat geriatric mental health and social isolation epidemic

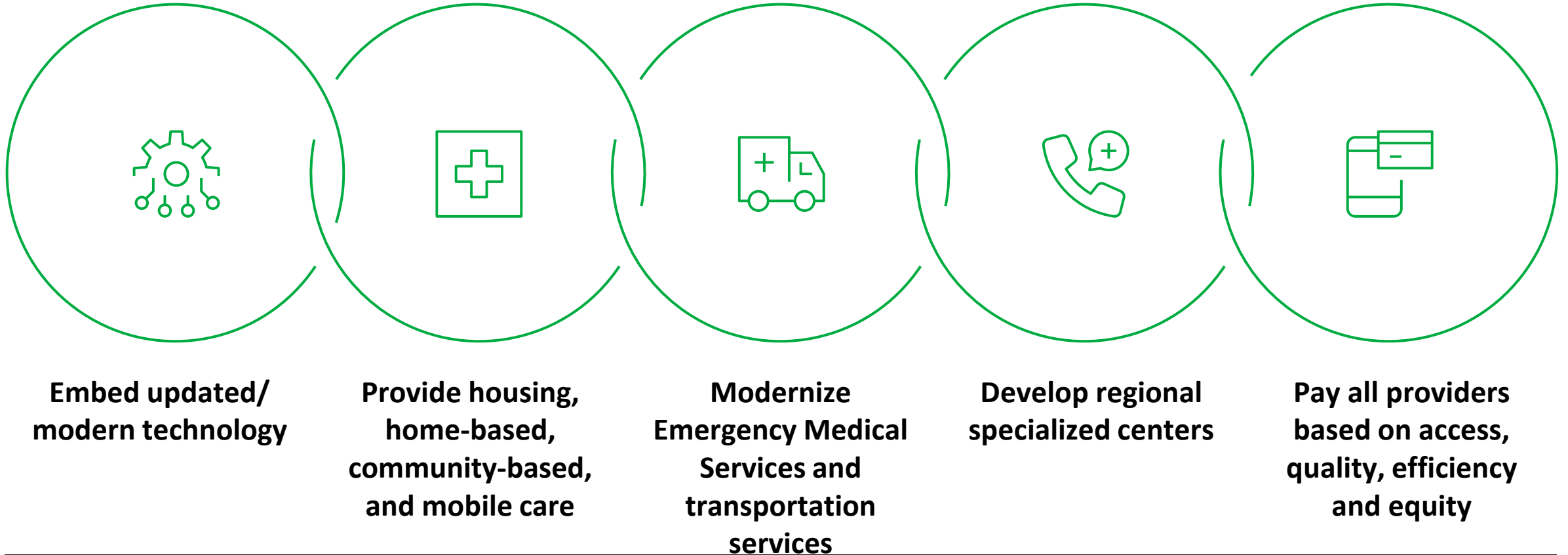


Grace Cottage earned Human Rights Campaign (HRC) Foundation “LGBTQ+ Healthcare Equality Top Performer” designation, one of only two hospitals in 2022. Highest score in VT in 2024



Workforce/Pipeline development- licensed nursing assistant (LNA) program planning underway in partnership with Valley Village assisted living facility in Townshend VT

CHANGES AT BOTH HOSPITAL AND SYSTEM LEVEL CAN HELP FULFILL **CURRENT AND FUTURE** HEALTHCARE NEEDS



We want to move to a future healthcare system in Vermont that focuses on earlier identification and treatment of illness, and patients being able to obtain care at the most appropriate level - **in their home, in their community, or close by**

SOME OF THE POTENTIAL OPTIONS AT THE HOSPITAL AND CROSS-HOSPITAL LEVEL CAN HELP ACHIEVE THE CHANGE NEEDED FOR A BRIGHTER FUTURE

Some local transformation options



- Increased use of telehealth for Emergency Room/UrgiCare and specialists
- Increased use for remote monitoring and patient follow-up



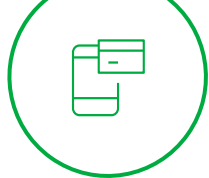
- Expand rural outreach programs for primary care and preventative services
- Expand primary care/Urgicare hours to permit access for working people



- Contract full-time paid professional Emergency Medical Services organisations
- Develop state-wide bed availability monitoring

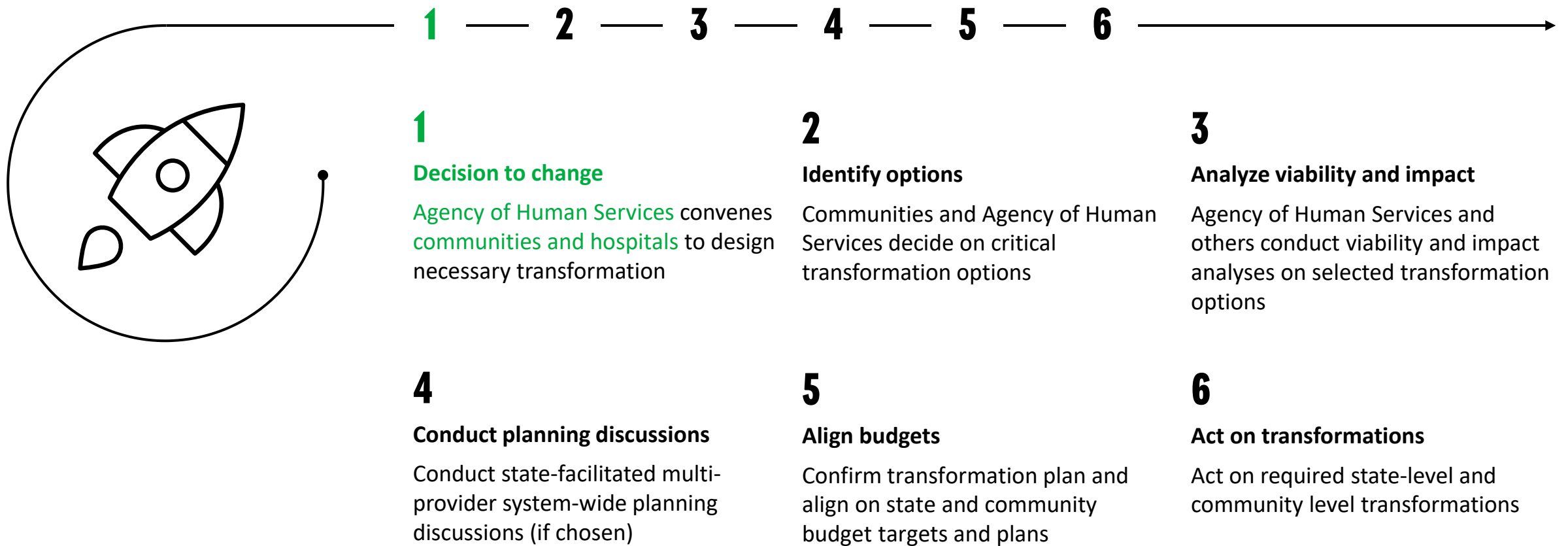


- Develop regional service line specialization with other hospitals
- Create multi-hospital support services (e.g. back office, specialty physician group)



- Establish programs targeted at high needs groups/ individuals (e.g. health at home programs)

NEXT STEP: DECIDE TO TRANSFORM AND TRANSLATE FUTURE VISION INTO APPROPRIATE LOCAL CHANGES AND IMPLEMENT



MANY ONGOING INITIATIVES AT THE STATE LEVEL ARE ALREADY UNDERWAY TO TACKLE SYSTEM-WIDE CHALLENGES SEEN IN VERMONT

Select initiatives only, non-exhaustive



Medical data infrastructure improvement

- ✓ Improved master patient index
- ✓ 5-year strategic plan
- ❑ 'Unified data space' data aggregator
- ❑ Provider single sign-on
- ❑ Co-develop use case with providers
- ❑ Provider 'self-help' data analysis tool
- ❑ Collaborate with payers to obtain pharmacy data
- ❑ Modernize integrating enrolment eligibility (*legislative effort, 5-year runway*)



Licensure streamlining

- ✓ Joined social work compact (effective upon passing)
- ✓ Joined counselling and Psychology Interjurisdictional Compact (effective 1 July upon approval)
- ✓ Allowed bachelor-level mental health professionals to obtain license in VT
- ✓ In 2020, approved short-term prescription extension by pharmacist (until consultation, up to 5 days, one time only)
- ❑ Act 117 to review mental health licensure in VT to streamline and further remove barriers to licensure (study due Dec'24)



Mental health / substance use support

- ✓ Mobile crisis response (since Jan'24, [link](#))
- ✓ New psychiatric residential treatment facilities ([youth](#), [forensic](#))
- ✓ Centralized dispatch from 988
- ✓ 6 new delivery system projects, funded by \$100k by OneCare ([link](#))
- ✓ \$1 million, one-year Certified Community-Based Integrated Health Centers Planning Grant (extended to March'25) ([link](#))
- ✓ Department Mental Health Vision 2030 on mental health integration across the healthcare setting ([link](#))
- ❑ Department mental health global referral checklist
- ❑ Seek alternative to hospital-based administration of court ordered medication

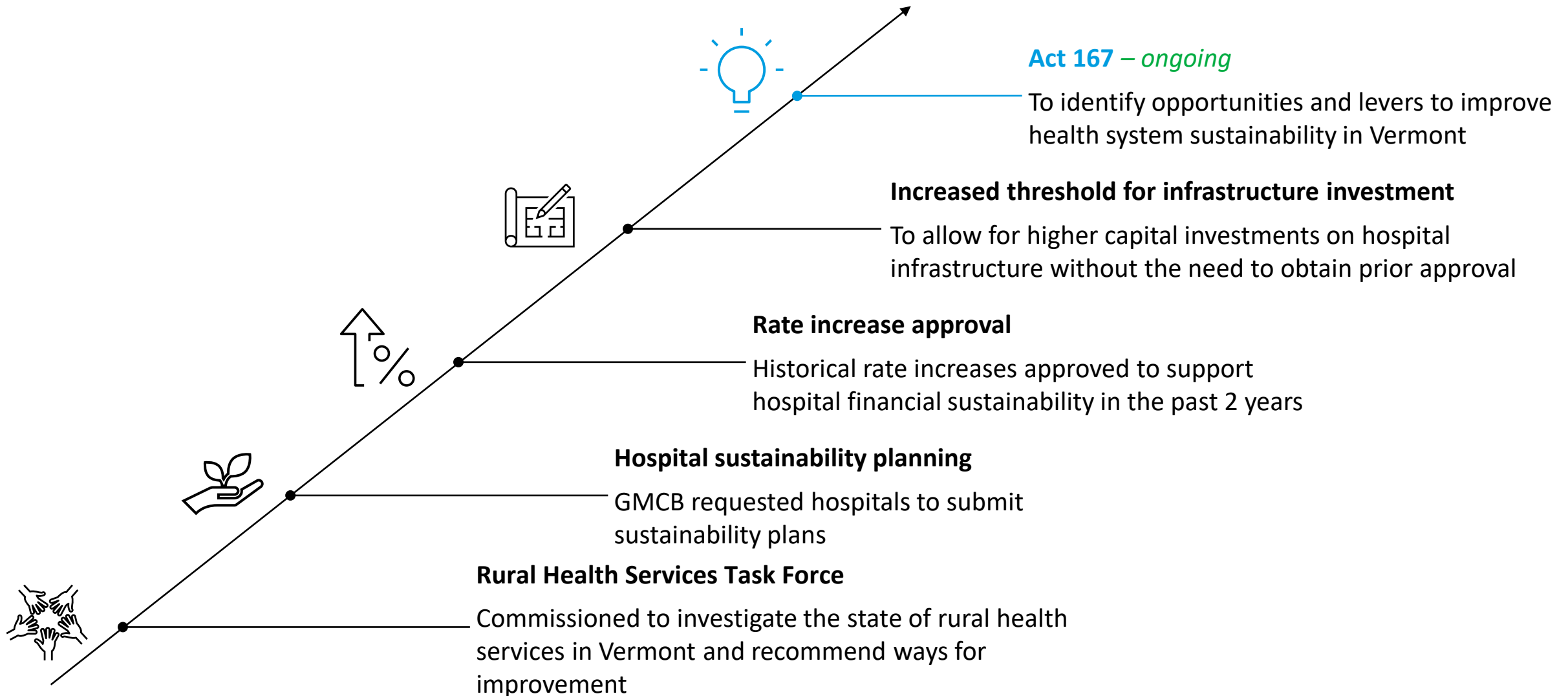


Elderly care support

- ✓ Age Strong Vermont Plan ([link](#))
- ✓ Skilled nursing facility bed board (from March'24)
- ✓ 3 Adult Services Division complex care nurses to help with care coordination
- ✓ Nursing facility retrospective rate adjustments
- ✓ Rate review for residential care, assisted living, home health, and adult day ([link](#))
- ✓ Root cause analysis for hospital case managers to address complex discharges
- ❑ Further expedite new application process for long-term care Medicaid eligibility process
- ❑ Reduce minimum occupancy threshold on nursing homes ([link](#))
- ❑ Seek to bring more long term care capacity to Vermont

Key: ✓ Completed ❑ Ongoing

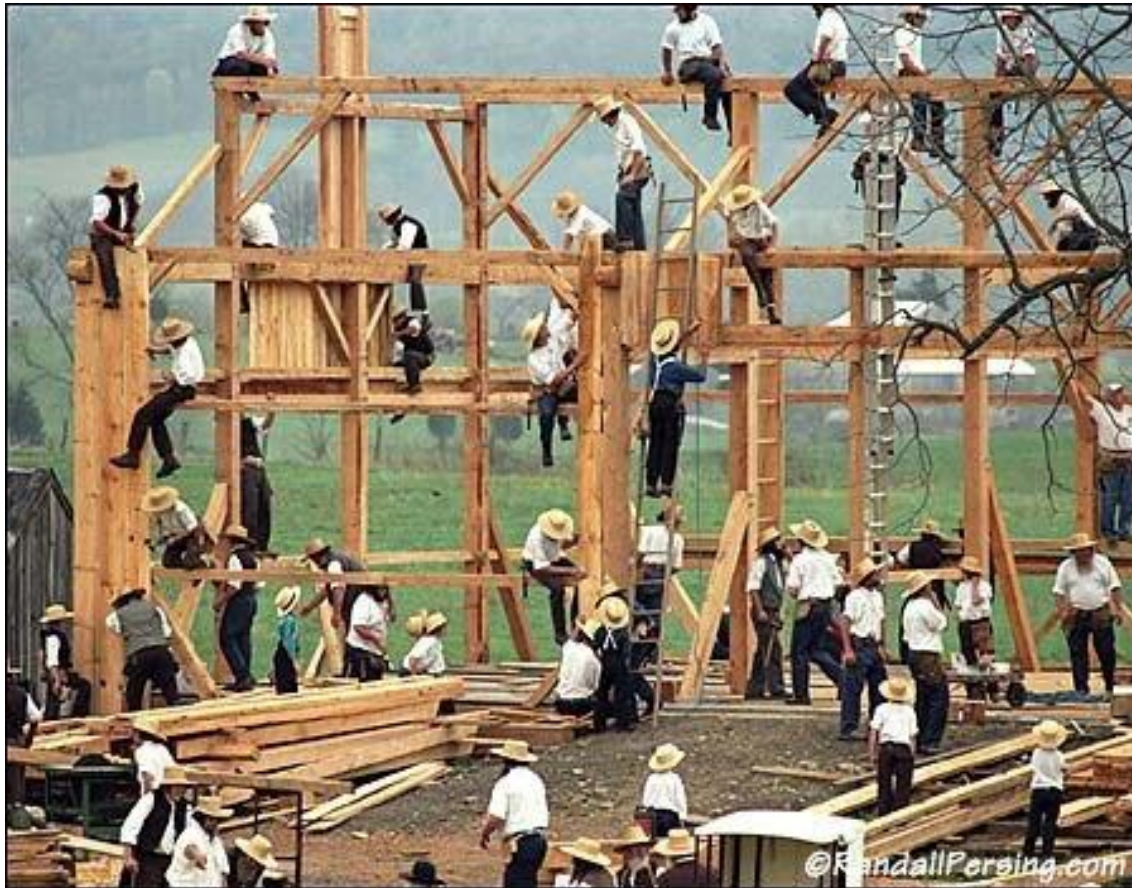
GMCB HAS ALSO BEEN WORKING ON MANY INITIATIVES



WHERE DO YOU GO NEXT AND HOW YOU CAN GET INVOLVED

CHANGE CANNOT HAPPEN BY ITSELF...IT'S FACILITATED BY ACTIVE COMMUNITY ENGAGEMENT AND BROADER TRANSFORMATION

WHAT THE COMMUNITY CAN ACHIEVE...



WILL REQUIRE BROADER STATE CHANGE...



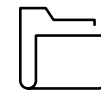
Build housing, group homes, assisted living, and other facilities



Improve transportation for people and patients



Enlarge workforce and improve support



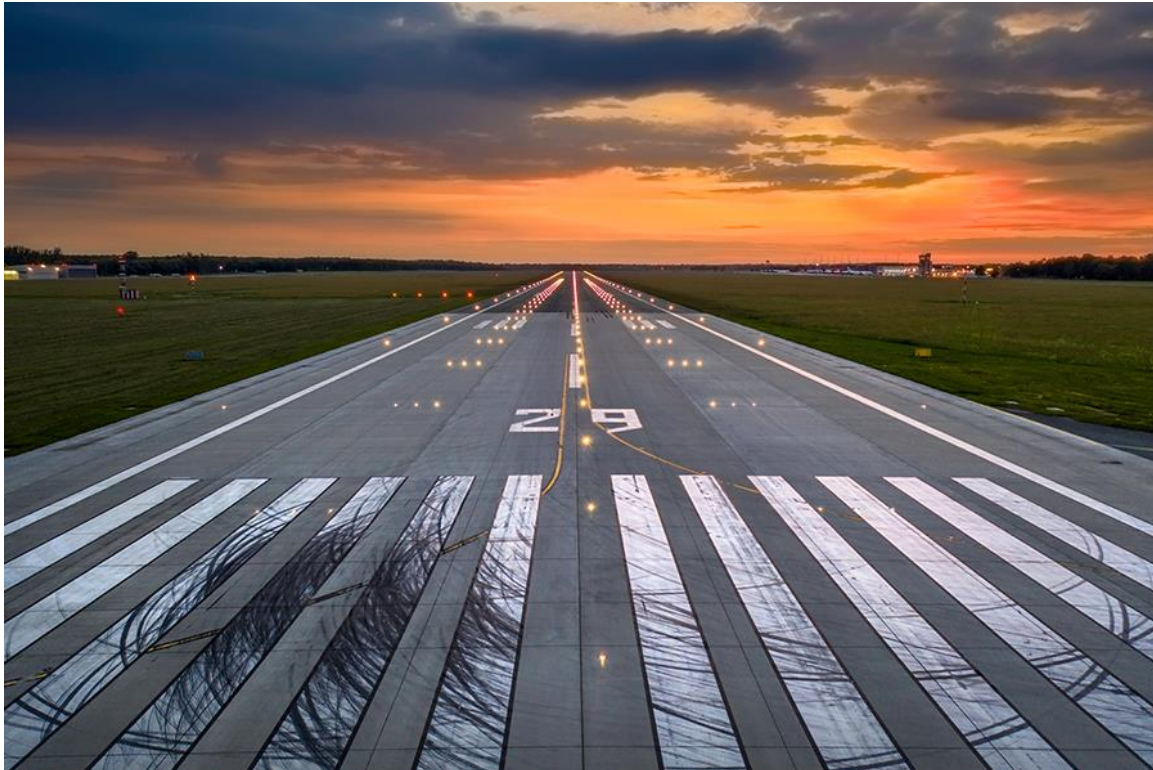
Reduce and simplify administrative work



Create new pathways for appropriate levels of care in each community. Expand existing pathways.

THE RUNWAY TO CHANGE IS SHORT AND REQUIRES IMMEDIATE ACTION AND ENGAGEMENT AT ALL LEVELS WITHIN THE COMMUNITY, HOSPITAL, AND STATE

YOU DON'T HAVE THIS...



YOU HAVE THIS...



OUR TEAM'S WORK AND THIS PRESENTATION ARE ONLY THE FIRST STEPS IN THE PROCESS NEEDED TO DESIGN THE FUTURE, IT WILL NEED YOUR SUPPORT TO BUILD YOUR FUTURE

**INFORM ABOUT
URGENCY FOR ACTION**

**SUPPORT LOCAL
CHANGE**

**IMPROVE HEALTHCARE
ACCESS, QUALITY
& AFFORDABILITY**

We must act now to implement structural changes within the next 5 years

Engage your community to plan for the future

Deliver structural reforms rather than band aid solutions

QUESTIONS? CLOSING COMMENTS

Submit additional
questions/comments here



<https://forms.office.com/g/PJk4XCnvns>

THANK YOU

**For your time and for helping to shape and plan for the future of your
community and Vermont**