

GREEN MOUNTAIN CARE BOARD (GMCB)
GMCB Board Meeting Minutes
Wednesday, July 28, 2021
1:00 pm

Attendance

Kevin J. Mullin, Chair (*via Microsoft Teams*)
Susan J. Barrett, JD, Executive Director (*Absent*)
Michael Barber, General Counsel (*via Microsoft Teams*)
Robin Lunge, JD, MHCDS (*via Microsoft Teams*)
Maureen Usifer (*via Microsoft Teams*)
Jessica Holmes, PhD (*via Microsoft Teams*)
Tom Pelham (*via Microsoft Teams*)

Executive Director's Report

Chair Mullin called the meeting to order at approximately 1:00 pm. Chair Mullin announced [the special comment periods on the GMCB website](#). The Board is accepting public comment July 28, 2021 through September 1, 2021 on the FY22 Hospital Budgets.

Minutes

The Board voted (5-0) to approve the minutes from July 14, 2021.

Preliminary Review of FY 2022 Hospital Budget Submissions and Public Budget Hearing Exemptions

Patrick Rooney, Director of Health Systems Finances, GMCB

Patrick Rooney explained that the preliminary review is based off the FY22 hospital budget submissions as of July 19, 2021. There can be changes to the submissions from July 1, 2021 and may continue to change before deliberations. The hospital budget hearings begin August 17, 2021. Patrick Rooney presented the FY22 hospital budgets schedule, the public comment process, the Net Patient Revenue/Fixed Prospective Payments (NPR/FPP) growth guidance, the documents and information collected for the submissions, the criteria for exemptions from public hearings, items to consider, and the common budgeting themes.

Patrick Rooney reviewed the charts detailing the history of annual increases in charges, changes in NPR/FPP (with and without Covid-19 allowance), payer mix, other operating revenues, total operating revenue, total operating expenses (with and without Covid-19 adjustment), components of net operating income, operating margins, and total margins. This information gives context for the Board for the hospital budget review process. Patrick Rooney then discussed the financial metric comparisons and the statutory basis for using the metrics. The purpose and use of financial metrics is to provide perspective and context to the analyses. They are not intended to be financial targets for any party and were not adopted as specific targets or

benchmarks in the FY22 hospital budget guidance process. The financial metrics include operating margins, total margins, days cash on hand, days receivable, days payable, long-term debt to capitalization, debt service coverage ratio (DSCR), and age of plant. Patrick Rooney reviewed the FY22 metrics of all fourteen Vermont hospitals in a series of charts using established medians and the FY22 Accountable Care Organization (ACO) participation.

Gifford Medical Center (GMC) and Northwestern Medical Center (NMC) both met the qualifying criteria for the exemption for a public hearing and Patrick Rooney presented an overview of their budget submissions and the proposed motion language to approve their budgets. Patrick Rooney then discussed next steps, the schedule for the hospital budget hearings, key indicators, the financial metrics key, and the glossary. [The presentation can be seen here on the GMCB website.](#) The Board Members asked Patrick Rooney questions and had a discussion regarding NMC's progress, the use of flex monitoring and fitch ratings solutions as benchmarks in the metrics, the provider rate tax and travelers in the inflation chart, and reconciliation of FPP.

Board Member Lunge moved to find that Gifford Medical Center and Northwestern Medical Center each meet the requirements for exemption from public budget hearings as established by the Board in the FY22 Hospital Budget Guidance, to exempt Gifford Medical Center and Northwestern Medical Center from the requirement of having public budget hearings for their FY22 budgets, and to approve the FY22 budgets of Gifford Medical Center and Northwestern Medical Center as presented to the Board. Board Member Holmes seconded the motion. The Board voted (5-0) to approve the motion.

Public Comment

Hamilton Davis, Journalist and Policy Analyst
Dale Hackett, Health Care and Disability Rights Advocate
Marc Stanislas, Vice President of Finance, University of Vermont Health Network
Michael Del Trecco, Sr. Vice President of Finance & Operations, VAHHS

Old Business

None

New Business

None

Adjourn

The Board voted (5-0) to adjourn at approximately 2:30 p.m.