

GREEN MOUNTAIN CARE BOARD (GMCB)
GMCB Board Meeting Minutes
Wednesday, September 1, 2021
8:30 am

Attendance

Kevin J. Mullin, Chair *(via Microsoft Teams)*
Susan J. Barrett, JD, Executive Director *(via Microsoft Teams)*
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 8:30 am. Susan Barrett announced on August 31, 2021, Vermont's Federal All-Payer partners released [the first evaluation report for the model for performance years one and two](#). The report was prepared by a team of researchers from NORC at the University of Chicago. Susan Barrett gave a summary of the findings of the report. Susan Barrett then announced [the ongoing special comment periods on the GMCB website](#).

Minutes

The Board voted (5-0) to approve the minutes from August 11, 2021.

FY 2022 Vermont Hospital Budgets Board Deliberations

Patrick Rooney, Director of Health Systems Finances, GMCB
Lori Perry, Health Systems Analytics Director, GMCB
Kaitlyn Hoffman, Health System Finances Principle Analyst, GMCB
Russ McCracken, Staff Attorney, GMCB

Patrick Rooney reviewed the FY22 hospital budgets schedule, the public comment received, staff considerations, common budgeting themes, and a system wide look at the FY22 hospital budgets. [The presentation can be seen here on the GMCB website](#).

Russ McCracken explained that the Board voted on July 28, 2021 to exempt Gifford Medical Center (GMC) and Northwestern Medical Center (NMC) from the hearings because they met the conditions in the budget guidance and voted to approve their budgets. Russ McCracken advised voting specifically on the budgets' Net Patient Revenue/Fixed Prospective Payments (NPR/FPP), charge increase, and budget order standard conditions. Board Member Pelham asked for confirmation that no adjustments or modifications were being made to either hospital's submitted

budgets, which was confirmed. Russ McCracken then reviewed the standard budget conditions on Slide 34.

Board Member Holmes discussed adding a condition to the standard budget conditions for all hospitals to develop strategies to prevent avoidable utilization. The Board Members discussed this option and asked the staff to look at language during the recess.

Board Member Pelham and Board Member Usifer gave the staff feedback on the tables in the system wide analysis of the FY22 hospital budgets.

Chair Mullin recessed the meeting until 10:05 am.

Board Members Holmes read the potential language to be added to the standard budget conditions on the revised Slide 34: "Hospital will review the data and information in the Mathematica report regarding potentially avoidable utilization in their Emergency Department (ED) and inpatient settings, and hospitals will work with Board staff to potentially include these measures in non-financial reporting as part of the FY23 hospital budget review process, with the goal of developing strategies to reduce potentially avoidable utilization." Board Member Lunge moved to adopt the standard budget order conditions on revised Slide 34 to be included in each hospital's budget order. Board Member Holmes seconded the motion. The Board voted (5-0) to approve the motion.

Board Member Lunge moved to approve GMC's budget as submitted, with a 3.50% increase from FY21 to FY22 budgeted NPR/FPP, a 3.50% increase to overall charges, and subject to the standard budget conditions as outlined on Slide 34. Board Member Holmes seconded the motion. The Board voted (5-0) to approve the motion.

Board Member Lunge moved to approve NMC's budget as submitted, with a 2.00% increase from FY21 to FY22 budgeted NPR/FPP, a 3.00% increase to overall charges, and subject to the standard budget conditions as outlined on Slide 34. Board Member Holmes seconded the motion. The Board voted (5-0) to approve the motion.

Patrick Rooney presented Southwestern Vermont Medical Center's (SVMC) requested NPR/FPP, requested overall charge master increase, a graph of performance versus 3.5% trending, the hospital's justification, NPR/FPP drivers, operating expense drivers, FY21 operating performance, historical performance, a breakdown of change in charge, the NPR/FPP payer mix, gross to net revenue, and staff recommendations.

Patrick Rooney discussed the setup of the suggested motion language. Board Member Usifer discussed the format of the NPR/FPP payer mix graph and the calculation of change in charge with Patrick Rooney. Board Member Lunge and Chair Mullin discussed the process of the motion language if NPR/FPP is changed from what was submitted

The Board Members discussed SVMC's submitted budget. Board Member Lunge moved to approve SVMC's budget as submitted with a 6.30% increase from FY21 to FY22 budgeted NPR/FPP, a 4.80% increase to overall charges, and subject to the standard budget conditions as

outlined on Slide 34. Board Member Holmes seconded the motion. The Board voted (5-0) to approve the motion.

Kaitlyn Hoffman presented Rutland Regional Medical Center's (RRMC) requested NPR/FPP, requested overall charge master increase, a graph of performance versus 3.5% trending, the hospital's justification, NPR/FPP drivers, operating expense drivers, FY21 operating performance, historical performance, a breakdown of change in charge, the NPR/FPP payer mix, gross to net revenue, and staff recommendations. The Board discussed RRMC's submitted budget. Board Member Lunge moved to approve RRMC's budget as submitted with a 9.20% increase from FY21 to FY22 budgeted NPR/FPP, a 3.64% increase to overall charges, and subject to the standard budget conditions as outlined on Slide 34. Board Member Holmes seconded the motion. The Board voted (5-0) to approve the motion.

Lori Perry presented Northeastern Vermont Regional Hospital's (NVRH) requested NPR/FPP, requested overall charge master increase, a graph of performance versus 3.5% trending, the hospital's justification, NPR/FPP drivers, operating expense drivers, FY21 operating performance, historical performance, a breakdown of change in charge, the NPR/FPP payer mix, gross to net revenue, and staff recommendations. The Board discussed NVRH's submitted budget. Board Member Lunge moved to approve NVRH's budget as submitted with a 7.60% increase from FY21 to FY22 budgeted NPR/FPP, a 3.00% standard increase to overall charges, and subject to the standard budget conditions as outlined on Slide 34. Board Member Holmes seconded the motion. The Board voted (5-0) to approve the motion.

Chair Mullin recessed the meeting until 1:35 pm.

Patrick Rooney presented Mt. Ascutney Hospital & Health Center's (MAHHC) requested NPR/FPP, requested overall charge master increase, a graph of performance versus 3.5% trending, the hospital's justification, NPR/FPP drivers, operating expense drivers, FY21 operating performance, historical performance, a breakdown of change in charge, the NPR/FPP payer mix, gross to net revenue, and staff recommendations. Board Member Pelham asked Patrick Rooney about the mistake in the MAHHC budget hearing regarding the Medicaid increase 2022 budget over 2021 projected. The Board discussed MAHHC's submitted budget. Board Member Lunge moved to approve MAHHC's budget as submitted with a 6.10% increase from FY21 to FY22 budgeted NPR/FPP, a 2.20% standard increase to overall charges, and subject to the standard budget conditions as outlined on Slide 34. Board Member Holmes seconded the motion. The Board voted (5-0) to approve the motion.

Kaitlyn Hoffman presented North Country Hospital's (NCH) requested NPR/FPP, requested overall charge master increase, a graph of performance versus 3.5% trending, the hospital's justification, NPR/FPP drivers, operating expense drivers, FY21 operating performance, historical performance, a breakdown of change in charge, the NPR/FPP payer mix, gross to net revenue, and staff recommendations. The Board discussed NCH's submitted budget. Board Member Lunge moved to approve NCH's budget as modified with a 6.20% increase from FY21 to FY22 budgeted NPR/FPP, a 3.30% increase to overall charges, and subject to the standard budget conditions as outlined on Slide 34. Board Member Holmes seconded the motion. The Board voted (5-0) to approve the motion.

Lori Perry presented Grace Cottage Hospital's (GCH) requested NPR/FPP, requested overall charge master increase, a graph of performance versus 3.5% trending, the hospital's justification, NPR/FPP drivers, operating expense drivers, FY21 operating performance, historical performance, a breakdown of change in charge, the NPR/FPP payer mix, gross to net revenue, and staff recommendations. The Board discussed GCH's submitted budget. Board Member Lunge moved to approve GCH's budget as submitted with an 8.20% increase of NPR/FPP from FY21 to FY22 budget, a 5.0% increase in overall charges as submitted, and subject to the standard budget conditions as outlined on Slide 34. Board Member Usifer seconded the motion. The Board further discussed GCH's submitted budget. Board Member Lunge amended the motion to approve GCH's budget with a modified NPR/FPP increase of 6.70% from FY21 to FY22 budget, a 5.0% increase to overall charges as submitted, and subject to the standard budget conditions as outlined on Slide 34. Board Member Usifer asked to change the NPR/FPP increase to 6.80% due to her calculations. Board Member Lunge accepted the change. Board Member Usifer agreed with the amendment. The Board voted (4-1) by roll call to approve the motion, with Chair Mullin voting no.

Chair Mullin explained that the Board is waiting on responses from Springfield Hospital and the University of Vermont Health Network. On Friday, September 3, 2021, the Board will discuss the submitted budgets of Brattleboro Memorial Hospital and Copley Hospital.

Public Comment

Michael Del Trecco, Sr. Vice President of Finance & Operations, VAHHS
Eric Schultheis, Staff Attorney, Office of the Health Care Advocate, Vermont Legal Aid

Old Business

None

New Business

None

Adjourn

The Board voted (5-0) to adjourn at approximately 3:05 p.m.