



Copley Hospital
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Green Mountain Care Board
144 State Street
Montpelier, VT 05602

October 23, 2024

Sent via e-mail

Dear Chair Foster and Members of the Green Mountain Care Board:

On behalf of Copley Hospital, I am writing to request formal clarification of the standard budget language, as adopted by the Green Mountain Care Board (GMCB) on September 13, 2024, and included in the 2025 budget orders, released October 1, 2024. Copley is not filing a formal claim and is resolved to the order; however, this is a concerning issue that Copley brought up months ago with Alena Berube.

The current budget language is a departure from prior years where the approved rate increase was applied to Copley's chargemaster, a comprehensive list of a hospital's charges for services rendered during an encounter. The charge is an individual item or service that is charged to all third-party payers or patients, absent any discounts. The aggregated/overall approved rate is then applied to all our gross charges. During this process we strive to understand the costs as well as the volumes associated with each charge, which will then dictate that some get increased, while others get decreased. The final result will be the approved aggregated/overall rate increase.

Payer-Specific Reimbursement/Payment (net revenue) is the reimbursement/payment that a hospital has negotiated with a third-party payer for an item or service or service package. The change in Payer-Specific Reimbursement/Payment represents the net change in aggregated/overall reimbursement. For this purpose, the change is caused by the aggregated rate increase applied to a hospital chargemaster.

A third-party payer has the ability to negotiate the net change to be no more than [X]%. However, this year we are seeing multiple interpretations of the budget order from our payers due to the confusing way that it has been written. The payers are using the budget order as license to lower our reimbursement rates. A major payer went as far as to hold payments, which has further undermined our dangerously low days cash on hand.

In closing, Copley Hospital plays a crucial role in providing high-quality, accessible healthcare to the community we serve. Our ability to maintain services, retain skilled staff, and invest in essential medical equipment and facilities hinges on sufficient funding.

Thank you for considering our feedback, we welcome the opportunity to work collaboratively with Green Mountain Care Board Members and your team.

Respectfully,

Jeff Hebert

Jeffrey Hebert
Chief Financial Officer
Copley Hospital

Joseph Woodin

Joseph Woodin
Chief Executive Officer
Copley Hospital