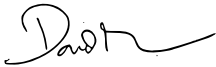


DISCLOSURE OF CONFLICT OF INTEREST AS REQUIRED BY THE VT CODE OF ETHICS
 TO BE FILED **ONLY** IF A PUBLIC SERVANT CHOOSES TO ACT

PUBLIC SERVANT INFORMATION	
Name and title/position of public servant:	David Murman, MD
Agency/Department:	Green Mountain Care Board
Office Phone:	802-828-2177
Office E-mail:	david.murman@vermont.gov
<p>In my capacity as a public servant, I am expected to take certain action(s) in the performance of my official duties. Under present circumstances, a reasonable person could conclude that I am, or will be, confronted with a conflict of interest in the performance of these duties.</p> <p>A conflict of interest is defined as a direct or indirect interest in the outcome of a matter pending before me, or the public body in which I serve, that is greater than that of another person generally affected by the outcome of the matter. The interest can be my own, that of an immediate family or household member, or of a business associate.</p> <p>I am filing this disclosure form to disclose the facts surrounding this potential conflict of interest, and to explain why, despite the conflict, I choose to take official action.</p>	
CONFLICT OF INTEREST INFORMATION	
<p>Briefly state the nature of the conflict (including identities of all potentially affected parties or properties, whether the conflict is ongoing or a one-time event, potential or perceived benefits, and any other relevant information).</p>	<p>Please see the attached summary.</p>
<p>Explain your relationship to the person or organization at issue.</p>	<p> <input checked="" type="checkbox"/> Self <input checked="" type="checkbox"/> Immediate family member <input checked="" type="checkbox"/> Business I am associated with <input type="checkbox"/> Business a family member is associated with <input type="checkbox"/> Business partner <input type="checkbox"/> Property I own or co-own <input type="checkbox"/> Property owned or co-owned by a family member <input type="checkbox"/> Other [Explain]: </p> <p>I work as a clinical emergency department physician at Central Vermont Medical Center (CVMC), which is a member hospital of the University of Vermont Health Network (UVMHN). My wife works as a clinical emergency department physician at CVMC and also works a portion of her time in health IT for UVMHN/University of Vermont Medical Center (UVMHC).</p>

<p>State the action(s) you intend to take, and how your action(s) may affect the person or organization at issue.</p>	<p>I intend to participate in the GMCB's review and deliberation on hospital budgets for the University of Vermont Medical Center (UVMMC) and Porter Hospital (PH), which along with CVMC are member hospitals of UVMHN. I am recusing myself from review and deliberation on CVMC's budget. The GMCB's decisions establish budgets for or UVMMC and PH by setting Net Patient Revenue and commercial rate increases for both hospitals.</p>
<p>Explain why, despite the relationship, you will act on the matter (Check at least one box)</p>	<p> <input checked="" type="checkbox"/> The conflict is de minimis in nature <input type="checkbox"/> My action on the matter is ministerial or clerical <input type="checkbox"/> My action will not benefit me [or the person or organization at issue] any more than others who are generally affected by the outcome of the matter <input checked="" type="checkbox"/> The conflict is amorphous, intangible, or speculative <input type="checkbox"/> I cannot legally or practically delegate the matter to another person <input type="checkbox"/> I have received advice from the Ethics Commission that permits my action(s) <input type="checkbox"/> Other [Explain]: </p> <p>Please see attached summary.</p>
<p>Confirmation and Signature</p>	
<p>Confirmation</p>	<p><input checked="" type="checkbox"/> This disclosure fully discloses the nature of my conflict of interest. Taking into account the facts that I have disclosed above, I believe that I nonetheless can perform my official duties objectively and fairly, and in the best interest of the State.</p>
<p>Public servant signature:</p>	
<p>Date:</p>	<p>8/22/23</p>

Attach additional pages if necessary.

Briefly state the nature of the conflict (including identities of all potentially affected parties or properties, whether the conflict is ongoing or a one-time event, potential or perceived benefits, and any other relevant information)

I am a member of the Green Mountain Care Board (GMCB) and also work as a clinical emergency physician at Central Vermont Medical Center (CVMC), which is a member hospital of the University of Vermont Health Network (UVMHN). My wife works as a clinical emergency physician at CVMC and also works a portion of her time in Information Technology (IT) for UVMHN/UVM Medical Center (UVMHC) Department of Emergency Medicine. The GMCB is an independent board established in 2011. The GMCB consists of a chair and four members, each of whom is nominated by the GMCB Nominating Committee and appointed and confirmed in the manner of a Superior Court Judge.¹ GMCB members are subject to GMCB-specific conflict of interest rules found at 18 V.S.A. § 9374(c). As members of an independent board appointed by the Governor, GMCB members are also “public servants” under the Code of Ethics.²

The GMCB has a number of duties with respect to health care.³ One of the GMCB’s duties is to review and approve the budgets of Vermont hospitals.⁴ By statute, the GMCB must “establish a budget for each hospital” on or before September 15 of each year.⁵ Under the GMCB’s current approach, reflected in its FY 2024 Hospital Budget Guidance and Reporting Requirements⁶ adopted in March of 2023, the GMCB will review each hospital’s submitted budget and approve or establish a net patient revenue (NPR) and a commercial rate increase from the prior year for each hospital for FY2024. The GMCB may also require hospitals to reduce operating expenses commensurate with a change to NPR.⁷ These components are referred to as the budget for each hospital. NPR is the amount of revenue a hospital generates from patient care and makes up the majority of a hospital’s revenue, and commercial rate increases are the limit for prices increases that hospitals may charge to commercial insurers. The review of the proposed budgets for each hospital may involve an extensive review of the hospital’s finances, operations, revenue, and expenses, and comparisons of those elements to national peer groups, national trends, or industry standards. The GMCB’s FY 2024 Hospital Budget Guidance and Reporting Requirements sets out the criteria the Board may consider in its review and deliberation.

In addition to my duties as a GMCB member, I work as an emergency physician at the hospital operated by Central Vermont Medical Center (CVMC), which, along with UVMHC and PH, is a member of the UVMHN. I am employed by the UVMHN Medical Group, Inc. (UVMHNMGI), the governing organization for physicians employed to provide clinical services

¹ 18 V.S.A. § 9374(a).

² 3 V.S.A. § 1202.

³ See, e.g., 18 V.S.A. § 9375.

⁴ 18 V.S.A. §§ 9375(b)(7), 9451 – 9458.

⁵ 18 V.S.A. § 9456(d)(1).

⁶ Available at:

https://gmcboard.vermont.gov/sites/gmcb/files/documents/FY24%20Guidance%20Updated%202023_05_24.pdf.

⁷ See FY 2024 Hospital Budget Guidance and Reporting Requirements at 6.

to UVMHN's member hospitals.⁸ My wife is also employed by UVMHNMG/UVMMC in the field of medical informatics and works clinically in CVMC's emergency department. My wife and I are both salaried employees and we have not recently received variable compensation or bonuses, although we are compensated per-diem for extra clinical work. To the extent we were eligible or did receive any variable compensation or bonuses for FY24, we would direct UVMHNMG to send those funds to charity care or community health organizations. With respect to my and my wife's clinical work at CVMC, we are paid the same as other similarly situated physicians at CVMC; the compensation and compensation adjustments for clinical work are set by a standardized plan, established by the UVMHNMG.

One could argue that the employment of my wife and I by UVMHNMG creates the appearance of a Conflict of Interest with respect to the matters discussed above. One could also argue that my wife, as a UVMHNMG employee that works in medical informatics at UVMHN/UVMMC, has an indirect interest in the approval of UVMMC's proposed budget. The approval or modification of budgets for UVMMC and PH arguably could have impacts on future employee compensation decisions made by UVMHN that could affect me and my wife as salaried employees of UVMHNMG.⁹

Explain why, despite the relationship, you will act on the matter.

In its advisory opinion, the State Ethics Commission concluded that I did not have an actual conflict of interest with respect to the UVMMC and PH hospital budgets. The advisory opinion could not make a conclusion with respect to my wife's employment because of the uncertainty around how her compensation for her IT work is determined. I believe that to the extent any conflict of interest or appearance of a conflict of interest does exist, there is good cause for me to proceed because any conflict of interest is speculative and de minimis.

A public servant may participate in a matter notwithstanding a Conflict of Interest or the appearance of a Conflict of Interest may be resolved under the Code of Ethics through a determination that the public servant has "good cause to proceed" with a matter. 3 V.S.A. § 1203(c). Good cause to proceed may exist where (1) the identified conflict or potential conflict is de minimis in nature; (2) the conflict is amorphous, intangible, or otherwise speculative; or (3) the public servant cannot legally or practically delegate the matter. 3 V.S.A. § 1203(c).

If a Conflict of Interest exists with my participation in establishing hospital budgets for UVMMC and PH based on my and my wife's employment by UVMHNMG, then I believe there is good cause for me to proceed with the GMCB's consideration of those matters because any indirect interest I may have in these matters is speculative and de minimis in nature. The GMCB's decision regarding the budgeted NPR, operating expenses, and commercial rate at UVMMC and

⁸ Pricewaterhouse Coopers LLP, The University of Vermont Health Network Inc. and Subsidiaries Consolidated Financial Statements and Supplemental Consolidating Information (Sept. 30, 2021 and 2020), 7, available at https://gmcboard.vermont.gov/sites/gmcb/files/documents/The_University_of_Vermont_Health_Network_Inc._and_Subsidiaries_FY2021.pdf.

⁹ Each year, UVMHN Medical Group's Board of Directors passes a compensation plan that goes a long way to determining how much network physicians get paid. The compensation plan contains benchmarks to ensure that physicians are paid competitively, but consistent with fair market value.

PH will not directly impact me or my wife. To the extent the GMCB's decisions in these matters result in UVMHN making decisions about employee salaries or benefits that do impact me or my wife, those later UVMHN actions will be far removed from the GMCB's decisions and will involve other intervening factors and considerations, including many decisions that UVMHN and its hospitals would need to make regarding how to implement any GMCB hospital budget order. Those are decisions within UVMHN that my wife and I would not be involved in. Additionally, UVMHNMG's likely reference to salary benchmarks and practices at peer hospitals to ensure that employee compensation is consistent with fair market value likely mitigates any impact on my or my wife's salaries. If my wife or I were to be eligible for or receive any incentive compensation or bonuses, we would not accept that compensation and instead instruct that it be provided to charity care or community health organizations. To the extent there is any impact on my compensation, I would also expect the impact to be de minimis because my clinical practice is limited to one-third of my time, with the rest dedicated to my service on the GMCB.

I also note that I cannot legally or practically delegate the hospital budget decisions and, as a result, recusing myself would raise the possibility of inaction on the part of the GMCB.¹⁰

Finally, I am not in an administrative or managerial position within UVMHN, my wife is not in an administrative or managerial position within UVMHN's finance department, and neither my wife or I have a fiduciary relationship, duty of loyalty, or responsibility at either hospital for developing or getting budgets approved at either UVMHC or PH, that would interfere with my consideration of these matters. I also note that my employment relationship is specifically permitted by 18 V.S.A. § 9374(c)(1).

¹⁰ See 1 V.S.A. § 172 (requiring a majority of the five-member GMCB to act).