

Oliver Wyman Press Statement Regarding Act 167 Options Presented to the Green Mountain Care Board on September 18, 2024

OW used multiple data sources in assessing Vermont's healthcare system, including data provided by hospitals, from State resources, and submitted as part of the State's regulatory process. Moreover, OW assessed and considered scores of public comment raising serious concerns as to the affordability of the healthcare system. For the financial projections, OW required data that included financial information, as opposed to strictly volumes of services. This claims-based data was the most appropriate, accurate, and reliable source. The volume data identified by some hospitals in recent press releases could not be relied upon for this analysis as it does not include financial information.

OW calculated percentages of potentially avoidable visits and admissions – not absolute patient visit counts. OW applied percentages of avoidable and preventable utilization to hospital supplied financial information to determine the impact of reducing potentially avoidable visits on hospital revenue. This yielded a conservative view of hospital financial projections. Given the importance of ensuring the accuracy of the data, OW provided each hospital the data and financial projections prior to publication of the final report so that any comments or corrections could be made. It is important that hospital leadership and communities recognize the overall system-wide financial challenges and continue to assess and consider options for the future.

As described in the report and presented to the public, OW has provided financial projections that account for Vermont's concerning demographic trends. OW did not mandate or recommend any hospital closure, to the contrary we provided local communities and hospital options to examine in addressing critical gaps in care and financial challenges so that local healthcare is sustained.