



144 State Street
Montpelier, VT 05633-3601
802-828-2177

Owen Foster, J.D., Chair
Jessica Holmes, Ph.D.
Robin Lunge, J.D., MHCDS
David Murman, M.D.
Thom Walsh, Ph.D., MS, MSPT
Susan J. Barrett, J.D., Executive Director

FOR IMMEDIATE RELEASE
May 31, 2023

Contact: Julia Boles, Green Mountain Care Board
(802) 261-0411, julia.boles@vermont.gov

GMCB DECLINES TO CHANGE FY24 HOSPITAL BUDGET NET PATIENT REVENUE TARGET

Montpelier, VT – On May 31, 2023, the Green Mountain Care Board (GMCB) voted unanimously to uphold the two-year 8.6% net patient revenue target for Vermont hospitals. The vote was in response to [a letter](#) from the Vermont Association of Hospitals and Health Systems (VAHHS), requesting that GMCB either increase the target or waive enforcement of the target for Vermont hospitals for the second year.

GMCB received nearly 100 public comments from hospitals, non-hospital providers, small businesses, and individuals across the state. The comments highlighted concerns about how hospital budget increases would impact Vermonters' ability to pay for rising health care premiums. Comments from hospitals and non-hospital providers cited the financial challenges facing Vermont's health care system.

“Our health care system, including hospitals and independent providers, is under financial stress. So too are Vermonters,” said Owen Foster, GMCB Chair. “The Care Board takes its responsibility to promote an accessible and affordable health care system seriously. In light of these challenges, we have maintained our two-year 8.6% growth target and hospital budget requests will be fairly evaluated based on the clear, objective benchmarks established in our guidance.”

Fiscal year (FY) 2024 hospital budget guidance holds hospitals accountable by continuing the decision from FY23: the amount of revenue hospitals budget for patient services should be compared with the All-Payer Model growth rate. GMCB instituted this two-year net patient revenue target to provide greater predictability in the hospital budget process.

When hospitals submit FY24 budgets this summer, GMCB will evaluate how the budgets compare with benchmarks in the guidance and factors such as pharmaceutical costs, workforce challenges, and other inflationary expenses. GMCB will review how Vermont hospital budgets compare with historical trends and national comparison groups to identify and consider opportunities to avoid unnecessary costs and leverage efficiencies.

About: The Green Mountain Care Board (GMCB) is a 5-member, independent Board with a vision of a sustainable and equitable health care system that promotes better health outcomes for Vermonters. The GMCB was created in 2011 with an ambitious mission to drive system-wide improvements in access, affordability, and quality of health care to improve the health of Vermonters. Through public meetings, the GMCB ensures a transparent approach to health care regulation and a voice for stakeholders, including health care organizations, clinicians, and members of the public. With a holistic, data driven approach, the GMCB carries out its regulatory duties, supports innovation in health care delivery and payment reform, and serves as an important resource for independent, transparent analyses of Vermont's health care system performance.

###

