



**Copley Hospital**  
528 Washington Highway, Morrisville, VT 05661  
(802) 888-8888  
copleyvt.org

Green Mountain Care Board  
144 State Street  
Montpelier, VT 05602

September 12, 2024

Dear Alena,

On behalf of Copley Hospital and our community, I am writing to express our strong opposition to the reduced rate increase of only 3.4% proposed in the Board's recent motion. While we understand the Board's objective of managing healthcare costs for Vermont residents, this reduction poses significant challenges to the sustainability of our small community hospital.

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. Any reduction to the 10.7% increase in charge requested would severely constrain our already limited resources, forcing us to make difficult choices that could undermine patient care and restrict access to vital services, particularly in our community.

It is critical to recognize the unique challenges that small, rural hospitals face in comparison to larger health systems. A one-size-fits-all approach to rate setting does not adequately reflect the realities of healthcare delivery in rural areas, where patient volumes are lower, but the cost of care remains high. Without sufficient reimbursement, Copley Hospital will struggle to meet the healthcare needs of our community.

Copley Hospital's charges have been significantly lower than most Vermont hospitals in terms of actual dollars charged when comparing specific services. We have tried again and again to show that we are so far behind on this issue that it can no longer be resolved in a single year. We will need reasonable increases over the next several years to ensure we can continue to provide high-quality healthcare to our community.

Furthermore, Copley Hospital has been proactive in controlling costs and improving efficiency. We have consistently worked to optimize operations while maintaining excellent patient outcomes. However, the proposed rate cut would impede our ability to continue these efforts and would likely exacerbate existing financial pressures that could lead to service reductions or even jeopardize our long-term viability.

We urge the Green Mountain Care Board (GMCB) to reconsider this rate reduction proposal and to explore alternative solutions that balance healthcare cost containment with the need to preserve high-quality care in rural areas.

We contacted you on 9/11/24 to better understand why our rate was being reduced to 3.4%. You indicated the additional information the board used to justify the reduction could be found on the FY25 Professional and Staff Analysis webpage. It was stated that the data showed that Copley was in the "middle of the pack" for outpatient prices. We have reviewed the additional information and disagree with that assessment. Below are our findings and the data to support our analysis.

## Rand Methods:

### Rand Definition of Price:

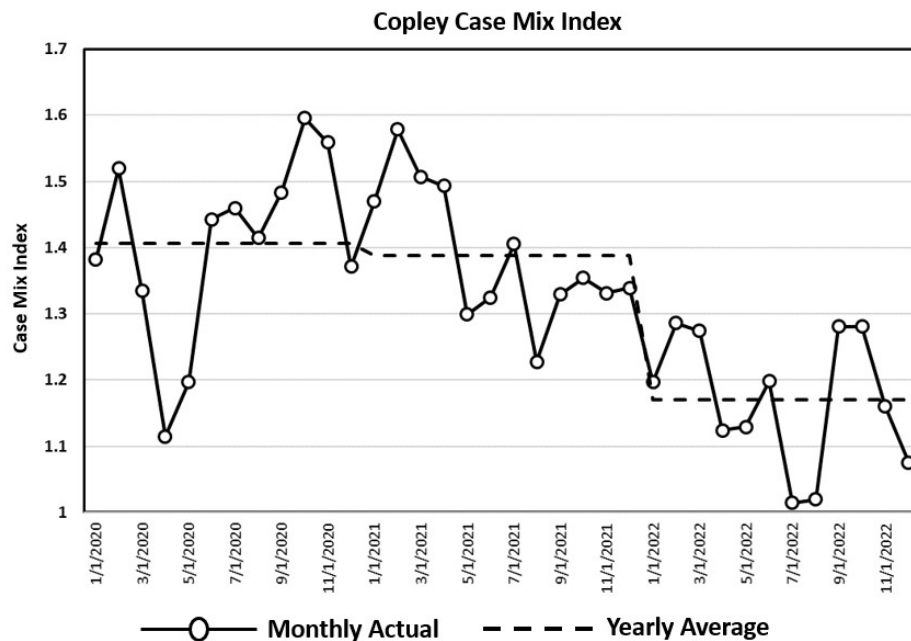
In this report, price refers to the amount paid to a health care provider per service. The amount paid is often referred to as the allowed amount, and it includes amounts paid by the health plan and any amounts due from the patient, such as deductibles, copayments, and coinsurance. One challenge in comparing health care prices is that services differ widely in their intensity and complexity from patient to patient and from provider to provider. We used two approaches to make comparisons among hospitals. Both approaches are case mix-adjusted and account for differences in procedure composition among hospitals.

In 2021 Copley adopted the ability to move to outpatient joint replacements (versus inpatient), which allowed the patient to go home the same day their orthopedic surgeon performed the procedure.

The benefits to outpatient are:

- Reduced risk of infection
- Reduced surgical impact
- Less pain
- Patient satisfaction
- Reduction of cost

Moving away from the inpatient orthopedic procedures greatly affected our case mix (the adjustment factor Rand uses), which in 2020 averaged 1.41 and by 2022 averaged 1.17 (a reduction of 17%). This would have a profound effect on the adjustment that Rand uses for their pricing study and needs to be understood in this context.



Even with the above issue on how Rand adjusts the prices, the data on the GMCB site still demonstrates that we are extremely low.

The Rand standardized price does show that we are the lowest for inpatient, but we do not agree that our outpatient prices are “more middle of the pack”.

With the exception of NMC we are the second lowest for outpatient. Our outpatient price of \$315 is only \$7 higher than NMC. We are \$291 (93%) lower than North Country, and \$146 (47%) lower than the Vermont average.

## RAND 5.0 Data (2020-2022) using Standardized Pricing

	OP	IP	OP (facility)	IP (facility)
Copley	\$ 315	\$ 16,127	\$ 253	\$ 15,076
NMC	\$ 308	\$ 16,572	\$ 243	\$ 14,772
Springfield	\$ 374	\$ 14,290	\$ 295	\$ 13,256
RRMC	\$ 399	\$ 24,645	\$ 318	\$ 22,592
CVMC	\$ 419	\$ 19,902	\$ 326	\$ 18,210
Porter	\$ 423	\$ 21,403	\$ 328	\$ 19,507
SVMC	\$ 438	\$ 23,165	\$ 354	\$ 21,482
Brattelboro	\$ 456	\$ 19,264	\$ 366	\$ 17,761
NVRH	\$ 522	\$ 25,134	\$ 430	\$ 23,734
Mt Ascutney	\$ 543	\$ 42,223	\$ 446	\$ 41,154
Gifford	\$ 544	\$ 22,530	\$ 441	\$ 21,569
Grace Cottage	\$ 548		\$ 423	
UVM	\$ 557	\$ 31,753	\$ 435	\$ 28,811
North Country	\$ 606	\$ 26,877	\$ 505	\$ 25,161
Vermont Average	\$ 461	\$ 23,376	\$ 369	\$ 21,776

\* All of the above data was acquired using the GMCB website file name is Community Meeting Quick View.xlsx

In our GMCB presentation we used the Rand Relative price (adjusted to the Medicare allowed amount). The Rand Relative pricing data has us as the lowest for both inpatient pricing and outpatient pricing.

The Rand data does not deviate to what we presented in our narrative, which looks at the actual 2024 prices posted on the Vermont hospital websites.

We acquired this data through the hospital price transparency files required by Medicare. The hospital price transparency requirements are codified in regulation at 45 C.F.R. Part 180 and require hospitals to make public their standard charges (as defined at § 180.20) online as a comprehensive machine-readable file that includes the following standard charges for all hospital items and services (as provided in § 180.50): gross charges, discounted cash prices, payer-specific negotiated charges, and de-identified minimum and maximum negotiated charges:

**Gross charge:** This is the charge for an individual item or service that is reflected on your hospital's chargemaster, absent any discounts.

**Payer-specific reimbursement rate (payment):** This is the charge that your hospital has negotiated with a third-party payer for an item or service or service package. Each payer-specific charge in your machine-readable file must be clearly associated with the name of the third-party payer and plan.

The hospital must post a machine-readable file of all items and services on a publicly available website. The standard charge information must be displayed in a prominent manner and must be clearly identified with the hospital location with which the standard charges are associated.

Below is a study of both gross charges and payer-specific reimbursement rate (payment) using the 2024 Medicare price transparency files.

1. Gross Charges by Hospital – Comparison using common charges
2. Rate Increase Study – Rate increase Copley would need to implement to get to other Vermont hospitals
3. Net Reimbursement by Hospital – Comparison of reimbursement by charges by payer

# 1. Gross Charges by Hospital (includes Copley's midyear rate increase):

CPT	Description	Copley	Vermont Hospitals													
			VT Avg	*A	B	*C	D	E	F	G	H	I	J	K	L	M
<b>Estimated FY 2024 Semi Private Rooms</b>																
	Semi Private Medical Surgical Room & Bed Rate	\$ 1,700	\$ 2,463	\$ 2,749	\$ 2,450		\$ 2,366	\$ 2,087	\$ 3,377	\$ 2,866		\$ 1,807	\$ 3,115	\$ 2,052	\$ 1,850	\$ 3,140
<b>Estimated FY 2024 Emergency Room Levels of Care</b>																
99281	EMERGENCY VISIT LEVEL 1	\$ 323	\$ 354	\$ 350	\$ 283		\$ 288	\$ 363	\$ 678	\$ 490	\$ 251	\$ 152	\$ 405	\$ 253	\$ 358	\$ 402
99282	EMERGENCY VISIT LEVEL 2	\$ 510	\$ 530	\$ 613	\$ 498		\$ 445	\$ 406	\$ 1,066	\$ 490	\$ 431	\$ 262	\$ 599	\$ 316	\$ 400	\$ 858
99283	EMERGENCY VISIT LEVEL 3	\$ 804	\$ 877	\$ 1,049	\$ 740		\$ 824	\$ 601	\$ 1,968	\$ 876	\$ 651	\$ 460	\$ 707	\$ 674	\$ 747	\$ 1,296
99284	EMERGENCY VISIT LEVEL 4	\$ 1,179	\$ 1,223	\$ 1,748	\$ 1,281		\$ 1,265	\$ 960	\$ 1,167	\$ 1,316	\$ 1,159	\$ 717	\$ 1,224	\$ 944	\$ 902	\$ 2,039
99285	EMERGENCY VISIT LEVEL 5	\$ 1,608	\$ 1,818	\$ 2,623	\$ 1,656		\$ 1,769	\$ 1,540	\$ 3,110	\$ 1,316	\$ 1,865	\$ 1,030	\$ 1,834	\$ 1,158	\$ 932	\$ 3,188
<b>Estimated FY 2024 Laboratory Services:</b>																
80053	COMPREHEN METABOLIC PANEL	\$ 119	\$ 145	\$ 134	\$ 135		\$ 185	\$ 208	\$ 235	\$ 221	\$ 66	\$ 182	\$ 56	\$ 135	\$ 95	\$ 119
80061	LIPID PANEL	\$ 109	\$ 133	\$ 185	\$ 117		\$ 155	\$ 196	\$ 131	\$ 227	\$ 58	\$ 137	\$ 71	\$ 135	\$ 113	\$ 99
84443	ASSAY THYROID STIM HORMONE	\$ 129	\$ 196	\$ 209	\$ 213		\$ 212	\$ 288	\$ 282	\$ 335	\$ 97	\$ 190	\$ 103	\$ 245	\$ 116	\$ 125
85025	COMPLETE CBC W/AUTO DIFF WBC	\$ 63	\$ 101	\$ 98	\$ 65		\$ 123	\$ 145	\$ 140	\$ 168	\$ 79	\$ 97	\$ 45	\$ 128	\$ 110	\$ 51
80048	METABOLIC PANEL TOTAL CA	\$ 89	\$ 116	\$ 107	\$ 89		\$ 162	\$ 177	\$ 142	\$ 179	\$ 66	\$ 120	\$ 51	\$ 105	\$ 114	\$ 101
87088	URINE BACTERIA CULTURE	\$ 36	\$ 83	\$ 48	\$ 88		\$ 79	\$ 232	\$ 88	\$ 28	\$ 75	\$ 39		\$ 91	\$ 109	
85027	COMPLETE CBC AUTOMATED	\$ 59	\$ 79		\$ 58		\$ 87	\$ 118	\$ 99	\$ 139	\$ 46	\$ 68	\$ 42	\$ 73	\$ 105	\$ 48
87070	CULTURE OTHR SPECIMN AEROBIC	\$ 56	\$ 168	\$ 107	\$ 211		\$ 144	\$ 182	\$ 460	\$ 185	\$ 58	\$ 127	\$ 232	\$ 203	\$ 106	\$ 110
<b>Estimated FY 2024 Diagnostic Imaging:</b>																
73030	X-RAY EXAM OF SHOULDER	\$ 448	\$ 722	\$ 510	\$ 574		\$ 393	\$ 607	\$ 1,941	\$ 855	\$ 671	\$ 455	\$ 517	\$ 813	\$ 754	\$ 854
73630	X-RAY EXAM OF FOOT	\$ 448	\$ 648	\$ 510	\$ 530		\$ 393	\$ 679	\$ 1,449	\$ 687	\$ 546	\$ 438	\$ 435	\$ 608	\$ 870	\$ 827
77067	SCR MAMMO BI INCL CAD	\$ 736	\$ 704	\$ 530	\$ 749			\$ 757	\$ 606	\$ 1,250	\$ 441	\$ 651	\$ 579	\$ 746	\$ 620	\$ 777
73610	X-RAY EXAM OF ANKLE	\$ 448	\$ 688	\$ 510	\$ 535		\$ 393	\$ 700	\$ 2,111	\$ 726	\$ 585	\$ 446	\$ 464	\$ 608	\$ 573	\$ 839
70450	CT HEAD/BRAIN W/O DYE	\$ 1,539	\$ 2,080	\$ 1,667	\$ 1,979		\$ 2,404	\$ 2,412	\$ 2,194	\$ 533	\$ 2,078	\$ 1,810	\$ 2,103	\$ 2,408	\$ 2,025	\$ 3,892
73110	X-RAY EXAM OF WRIST	\$ 448	\$ 656	\$ 510	\$ 574		\$ 367	\$ 808	\$ 1,193	\$ 687	\$ 557	\$ 439	\$ 552	\$ 709	\$ 837	\$ 849
73562	X-RAY EXAM OF KNEE 3	\$ 580	\$ 763	\$ 510	\$ 574		\$ 508	\$ 776	\$ 2,407	\$ 701	\$ 916	\$ 490	\$ 375	\$ 581	\$ 613	\$ 889
73560	X-RAY EXAM OF KNEE 1 OR 2	\$ 448	\$ 646	\$ 510	\$ 535		\$ 349	\$ 620	\$ 1,986	\$ 649	\$ 779	\$ 439	\$ 334	\$ 518	\$ 501	\$ 735
73130	X-RAY EXAM OF HAND	\$ 448	\$ 685	\$ 510	\$ 574		\$ 393	\$ 690	\$ 2,044	\$ 710	\$ 507	\$ 393	\$ 607	\$ 581	\$ 635	\$ 813
74176	CT ABD & PELVIS W/O CONTRAST	\$ 1,899	\$ 3,773	\$ 3,390	\$ 3,844		\$ 3,929	\$ 4,939	\$ 3,480	\$ 1,056	\$ 4,078	\$ 3,008	\$ 4,630	\$ 3,795	\$ 4,547	\$ 6,458
73721	MRI JNT OF LWR EXTRE W/O DYE	\$ 2,729	\$ 3,778	\$ 3,272	\$ 3,405		\$ 4,902	\$ 3,591	\$ 3,616	\$ 5,299	\$ 3,353	\$ 3,785	\$ 3,934	\$ 2,235	\$ 5,220	

\*Note: Hospital A & C haven't submitted ACT 53 data for FY24

Copley Price is Lower Copley Price is Higher

# 2. Rate Increase Study:

## Vermont Hospital 2024 Rate & 2021 Rate Study

Used Act 53 procedures as basis for study

	2021		2024	
	*Rank	Copley increase needed to get to hosp rates	*Rank	Copley increase needed to get to hosp rates
Hospital I	9	22%	13	-4%
Copley	12	0%	12	0%
Hospital L	11	19%	11	6%
Hospital H	10	22%	10	12%
Hospital K	8	28%	9	17%
Hospital B	7	31%	8	22%
Hospital J	5	38%	7	25%
Hospital D	6	36%	6	28%
Hospital E	4	51%	5	29%
Hospital G	3	68%	4	41%
Hospital M	2	92%	2	76%
Hospital F	1	124%	1	111%
**Hospital A	N/A	N/A	3	43%
***Hospital C	N/A	N/A	N/A	N/A
<b>VT Average</b>		<b>44%</b>		<b>32%</b>

### For example:

- In 2021, we were the lowest in gross charges for the 12 hospital data points available. To move up one position, we would need a 19% rate increase. To get to the most expensive, we would need a 124% increase.
- In 2024, we were the second lowest in gross charges for the 13 hospital data points available. To move up one position, we would need a 6% rate increase. To get to the most expensive, we would need a 111% increase.

\*Rank - 1 = highest 12 = Lowest

\*\*Note1: Act 53 data not available

\*\*\*Note2: Act 53 as well as Medicare Transparency data not available



# MVP Reimbursement Rates

CPT	Description	Copley	Vermont Hospitals													
			VT Avg	*A	B	*C	D	E	F	G	H	I	J	K	L	M
<b>Estimated FY 2024 Emergency Room Levels of Care</b>																
99281	EMERGENCY VISIT LEVEL 1	\$ 252	\$ 263	\$ 315	\$ 261		\$ 110	\$ 330	\$ 271		\$ 201	\$ 167	\$ 405	\$ 264	\$ 276	\$ 300
99282	EMERGENCY VISIT LEVEL 2	\$ 398	\$ 410	\$ 552	\$ 459		\$ 209	\$ 369	\$ 494		\$ 345	\$ 214	\$ 599	\$ 329	\$ 308	\$ 640
99283	EMERGENCY VISIT LEVEL 3	\$ 627	\$ 674	\$ 944	\$ 683		\$ 404	\$ 547	\$ 930		\$ 524	\$ 358	\$ 707	\$ 702	\$ 671	\$ 997
99284	EMERGENCY VISIT LEVEL 4	\$ 920	\$1,033	\$1,574	\$1,181		\$ 641	\$ 874	\$1,034		\$ 927	\$ 739	\$1,224	\$ 982	\$ 695	\$1,606
99285	EMERGENCY VISIT LEVEL 5	\$ 1,254	\$1,471	\$2,361	\$1,526		\$ 911	\$1,401	\$1,446		\$1,492	\$1,117	\$1,834	\$1,204	\$ 718	\$2,383
<b>Estimated FY 2024 Laboratory Services:</b>																
80053	COMPREHEN METABOLIC PANEL	\$ 93	\$ 121	\$ 121	\$ 125		\$ 139	\$ 189	\$ 209		\$ 53	\$ 160	\$ 56	\$ 128	\$ 73	\$ 108
80061	LIPID PANEL	\$ 85	\$ 113	\$ 122	\$ 114		\$ 227	\$ 178	\$ 117		\$ 53	\$ 113	\$ 71	\$ 80	\$ 104	\$ 90
84443	ASSAY THYROID STIM HORMONE	\$ 101	\$ 177	\$ 188	\$ 196		\$ 310	\$ 263	\$ 273		\$ 80	\$ 177	\$ 103	\$ 233	\$ 89	\$ 116
85025	COMPLETE CBC W/AUTO DIFF WBC	\$ 49	\$ 80	\$ 89	\$ 60		\$ 64	\$ 132	\$ 124		\$ 63	\$ 77	\$ 45	\$ 122	\$ 85	\$ 47
80048	METABOLIC PANEL TOTAL CA	\$ 69	\$ 104	\$ 96	\$ 82		\$ 238	\$ 161	\$ 127		\$ 53	\$ 90	\$ 51	\$ 100	\$ 88	\$ 92
87088	URINE BACTERIA CULTURE	\$ 28	\$ 68		\$ 81			\$ 72	\$ 206		\$ 22	\$ 60	\$ 39		\$ 35	\$ 68
85027	COMPLETE CBC AUTOMATED	\$ 46	\$ 64		\$ 54		\$ 64	\$ 107	\$ 88		\$ 37	\$ 77	\$ 42	\$ 69	\$ 81	\$ 44
87070	CULTURE OTHR SPECIMN AEROBIC	\$ 44	\$ 126	\$ 96	\$ 194		\$ 107	\$ 166	\$ 131		\$ 107	\$ 101	\$ 232	\$ 193	\$ 72	\$ 66
<b>Estimated FY 2024 Diagnostic Imaging:</b>																
73030	X-RAY EXAM OF SHOULDER	\$ 349	\$ 530	\$ 459	\$ 529		\$ 323	\$ 552	\$ 864		\$ 537	\$ 364	\$ 464	\$ 773	\$ 581	\$ 570
73630	X-RAY EXAM OF FOOT	\$ 349	\$ 492	\$ 459	\$ 489		\$ 323	\$ 618	\$ 645		\$ 468	\$ 364	\$ 435	\$ 577	\$ 670	\$ 512
77067	SCR MAMMO BI INCL CAD	\$ 574	\$ 582	\$ 477	\$ 691			\$ 689	\$ 540		\$ 353	\$ 572	\$ 579	\$ 708	\$ 477	\$ 743
73610	X-RAY EXAM OF ANKLE	\$ 349	\$ 502	\$ 459	\$ 493		\$ 326	\$ 637	\$ 940		\$ 468	\$ 364	\$ 464	\$ 577	\$ 441	\$ 501
73110	X-RAY EXAM OF WRIST	\$ 349	\$ 560	\$ 459	\$ 529		\$ 304	\$ 735	\$1,157		\$ 446	\$ 364	\$ 552	\$ 673	\$ 644	\$ 512
73562	X-RAY EXAM OF KNEE 3	\$ 452	\$ 561	\$ 459	\$ 529		\$ 410	\$ 644	\$1,071		\$ 733	\$ 406	\$ 375	\$ 551	\$ 472	\$ 627
73560	X-RAY EXAM OF KNEE 1 OR 2	\$ 349	\$ 477	\$ 459	\$ 493		\$ 294	\$ 564	\$ 884		\$ 623	\$ 364	\$ 334	\$ 492	\$ 386	\$ 481
73130	X-RAY EXAM OF HAND	\$ 349	\$ 512	\$ 459	\$ 529		\$ 326	\$ 628	\$ 960		\$ 406	\$ 318	\$ 607	\$ 551	\$ 489	\$ 522
74176	CT ABD & PEL VIS W/O CONTRAST	\$ 1,481	\$3,364	\$3,075	\$3,544		\$3,218	\$4,494	\$3,097		\$3,263	\$2,498	\$4,630	\$3,605	\$3,501	\$3,967
73721	MRI JNT OF LWR EXTRE W/O DYE	\$ 2,129	\$2,950	\$2,945	\$3,139			\$4,461	\$3,196		\$4,240	\$2,712	\$3,785	n/a	\$1,721	\$4,122

Copley Price is Lower
Copley Price is Higher

## Burns and Associates:

Using the data in the link called “Hospital Repricing and Cost Coverage Analysis”, and reviewing the file called “INPATIENT OUTPATIENT Source Data and Exhibits (08-02-24)\_GMCB”, the outpatient data unfortunately is being adjusted by the HFY 2023 case mix data. Due to this, the study will not adjust Copley appropriately as it does not adjust the price for the inpatient orthopedic procedures that are now being done as outpatient. Given our high volume of orthopedic cases and the fact that a single outpatient case on average has a gross charge of over \$33k, this data will understandably skew the outpatient comparison. Please see the case mix chart on page 2 that shows the drop in the overall score as the procedure have moved to the outpatient setting.

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. Any reduction to the 10.7% increase in charge requested would severely constrain our already limited resources, forcing us to make difficult choices that could undermine patient care and restrict access to vital services, particularly in our community.

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

cc: Mr. Owen Foster, J.D., Chair