

May 24, 2023

Mr. Owen Foster, Chair Green Mountain Care Board 144 State St. Montpelier, VT 05602

Dear Chair Foster,

I am writing in support of the request to reconsider the FY2024 hospital net patient revenue (NPR) guidance submitted by the Vermont Association of Hospitals and Health Systems (VAHHS) on May 3, 2023. The guidance established by the Green Mountain Care Board (GMCB) does not reflect the economic realities Vermont health care providers face, and, if the guidance is enforced by the GMCB, it would further destabilize a system that has faced unprecedented financial challenges over the past several years.

Gifford Medical Center (GMC) and its affiliated organizations have encountered unprecedented workforce pressures beginning with the pandemic's onset and continuing today. Between fiscal years 2021 and 2022, GMC incurred \$1.9 million in additional costs for traveling staff, not including providers. We incurred more than that amount in additional costs for locum OB/GYN physicians necessary to maintain a birthing program. We have experienced wage inflation caused by the many workforce pressures being experienced throughout the economy. These cost pressures have destabilized our organization.

We have made appropriate investments to combat these trends, including enhancements to our employee compensation program to retain nursing, ancillary, support and medical staff. We have invested in internal programs to train and recruit medical assistants, and in external programs to train licensed nursing assistants. We have created nursing residency and mentoring programs that not only provide opportunities to new nurses, but ensure they will have a successful start to their career. We have created partnerships with area educational institutions to ensure they can continue to educate our future nursing staff.

At the same time, we continue to invest in population health programs consistent with Vermont's health care reform work. These efforts are guided by our Community Health Needs Assessment and are designed to meet the many challenges faced by our community members.

Gifford is engaged with our health care and community partners to create a health care system to meet the present and future needs of Vermonters. We are investing in a future that embraces the goals of Vermont's health care reform agenda and provides a workforce to care for our community. We require financial and operational stability to continue those efforts. The current GMCB guidance does not support this needed stability.

I respectfully request that the GMCB create FY2024 budget guidance that allows for needed stability, waive the current NPR growth guidance, or choose not to enforce the current guidance.

Thank you for considering my public comment.

Respectfully

Dan Bennett President and CEO, Gifford Medical Center