

A new GMCB Public Comment has been received.

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**Affiliation:** Medical Director Vermont Orthopaedic Clinic

**Town/City:** Rutland

**Topic:** Hospital Budget

**Comment:** The GMCB today past a motion to punish Rutland Regional Medical Center for having unexpected patient care volume in 2023. This makes no sense at all for the citizens of the state of Vermont. When hospitals have increased volume they also have increased expenses. Hospitals in the state of Vermont operate with very low margins meaning that the revenues essentially equal the expense of providing care (the cost to provide the care is +/- 1-3% of the revenue from the payors). Therefore RRMC did not benefit substantially financially from providing this increase acute healthcare volume. When a health system such as RRMC works diligently to improve access to care, the citizens and businesses in the state of Vermont benefit. For example in my world (orthopedic care) improved access results in folks with arthritis having less pain, teenagers with injuries return to sports and a healthy lifestyle quicker, working people are able to return to work quicker and patients with disabilities can be improved to have a higher quality of life. Improved access is exactly what Vermonters need right now. The recent findings of the out of state consultant for Act 167 said exactly that in their recent report. It seems that the GMCB is working against improved access by punishing RRMC and perhaps other hospitals for stepping up to help Vermonters. Patients in Vermont frequently seek care at non local hospitals and outpatient specialty clinics. Changes in specialty care at one hospital will affect volumes at another hospital. This shift in care, as well as the fact that in Vermont patients are, fortunately, free to choose where they receive care, leads to hospital budgets being only an estimate of revenues (and volume). For example in 2023 a busy respected Orthopedic surgeon at Porter Hospital slowed his practice and retired from Porter. We at Vermont Orthopaedic Clinic in Rutland saw a marked increase in patients from the Porter Hospital service area seeking care in the RRMC service area. The administration and clinical staff at RRMC/VOC stepped up by improving access to care for these patients and doing our best not to subject them to long wait times for appointments and procedures. Now in a rather shocking development, it seems that the GMCB want to claw back money from RRMC for improving access to necessary care. One would think the GMCB would praise RRMC/VOC rather than punish them. There are other ways to control the cost of care and to improve affordability other than disincentivizing hospital and physician systems to decrease access to care. If the GMCB continues to punish Vermont hospitals for decreasing access to care Vermonters will either be left untreated or need to travel out of state for healthcare. Both of those options will increase the total economic cost to Vermonters and decrease the quality of life in our communities far beyond what we can afford. The GMCB needs to prioritize access to care and find other strategies to improve affordability. I suspect your physicians have many good ideas.

**Post Comment:** Yes

**Received 09/06/2024**

**Comment:** I wish to make a few corrections to my public comment from earlier today. A member of the GMCB thoughtfully and correctly mentioned that the "Enforcement" motion for RRMC and its 2023 budget inaccuracy was not passed today. I was wrong in suggesting it was in my earlier public comment. The motion for enforcement was put forward and seconded. Discussion and voting on whether or not to claw back revenue directly or indirectly will occur at a later date. I do remain concerned that the GMCB is considering punitive action on RRMC and other hospitals for increasing access to care.

Budgets are simply an estimate and hospitals should not be punished for having a budget that turns out to be inaccurate if the hospital made a good faith effort to create an accurate budget. In Vermont the average cost to the hospital to provide treatment is within +/- 1-3% of the average revenue the hospital receives. Access to care is as important as affordability and we need both in Vermont. It appears that some members of the GMCB feel that it is ok to disincentive access in the name of affordability. I hope they change their minds and allow hospitals to receive payments for the services they provide even if their budget turns out to be conservative.