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September 13, 2024

Mr. Owen Foster, Chair Green Mountain Care Board 144 State Street Montpelier, Vermont 05602

Dear Chair Foster and Members of the Green Mountain Care Board,

I would like to start by acknowledging the Board's position and the complexity in reviewing the data that has been submitted. This process is not easy for any of us. The strength of our hospital is vital to the health and well-being of our region. As CEO, it is my responsibility to ensure that we provide consistent, high-quality care for our patients—the care they need and, frankly, the care they deserve.

Today, I must express my deep concern. The motions made by this Board will, without a doubt, undermine Rutland Regional's ability to meet the needs of our community. The reductions in our hospital's budget do not achieve the affordability goals we collectively share. Instead, they threaten access to care and place the health of our patients at significant risk.

Our FY 2025 budget reflects investments in critical services—specifically, diagnostic imaging, surgery, infusion therapies, and specialty care. Let me be clear: these investments are not luxuries. They are the lifelines our patients depend on. We've thoughtfully and carefully expanded these services to reduce the very wait times this Board has mandated we monitor.

And the results are clear: reduced delays, faster diagnoses, and quicker treatments, all while providing high-quality care. These improvements directly benefit our patients' lives and align with the goals of this Board. Yet, despite these efforts, Rutland's net patient service revenue has been arbitrarily slashed by over six million dollars. The impact of your decision? Rutland will be forced to reduce care—care that our patients desperately need. This is not an empty threat but reality. We're talking about longer wait times for 1,200 MRI scans, 375 surgeries, and 400 infusion treatments. These aren't just numbers; they are people who will now face unnecessary delays in receiving the care they so desperately need.

The demand for Rutland Regional's services continues to grow, not only from Rutland County but from across the state. Patients are traveling to us for high-quality, timely care. And yet, this Board is restricting our ability to serve these patients. If these restrictions stand, there is one major result that is not being discussed by the GMCB: patients will seek care outside of Vermont, taking their health and their healthcare dollars elsewhere. But those who cannot afford to travel—the most vulnerable among us—will be left without the care they need, without the timely MRI to detect their life-threatening condition, and without the surgery they need to return to their life and their work.

Now, let me be very clear: we are not asking for more than what is necessary. Our FY 2025 budget includes \$4 million in expense cuts. We have used reserve funds to support our capital needs, all while keeping our commercial rate growth below the state's 3.4% guidance. Since the pandemic, we've even cut over \$10 million in operating costs and reduced the cost of care by over \$1,100 per discharge—despite rising inflation. Our new management team has done its part; we have worked hard. This work has all been performed with the sole focus of our patients and employees at the center.

But the reality is humbling: rural hospitals like Rutland Regional face unique challenges. An aging population, mental health crises, addiction, housing shortages, recruitment difficulties, access to childcare, and, of course, access to health care—these are the daily realities we confront. Rutland Regional is more than a hospital; we are a safety net for our community. But that safety net comes at a great cost, and it requires thoughtful, diligent support.

To truly reduce costs and improve access, we need a comprehensive approach. We need more skilled nursing beds, a functional ambulance system, solutions to homelessness, and transitional housing for those who shouldn't be in the hospital but have nowhere else to go. This is the hard work of healthcare, and this burden cannot and must not fall on hospitals alone.

We are committed to this work. We are committed to our community. But the motion made by this Board this week jeopardizes our ability to meet these critical commitments. We need partners—partners who understand that cutting budgets does not cut the need for care.

Rutland Regional Medical Center is ready to work with you to find solutions that ensure access to care for our patients. But the Board's current actions are not collaborative towards Rutland Regional and do not show what we believe is partnership. We ask today that you thoughtfully consider our numerous requests, the impacts we have shared, and, most importantly, the people we serve. Your actions have consequences, and many of these consequences cannot be so easily reversed and will harm the most vulnerable in our communities.

Sincerely

CEO & President

Rutland Regional Medical Center