

May 24, 2023

Owen Foster, Chair
Green Mountain Care Board

Re: VAHHS Comments on FY 2024 Hospital Budget Guidance Proposal

Dear Chair Foster,

Thank you for the opportunity to comment on the Green Mountain Care Board's fiscal year 2024 (FY 24) Hospital Budget Guidance.

The 2-year 8.6% net patient service revenue (NPSR) growth rate with only a .1% growth rate for FY 24 is difficult to attain and will fall short of covering actual operating expense growth for most hospitals and health systems across Vermont.

At Rutland Regional, maintaining our ability to care for our patients is our priority. We are committed to investing in our staff, our equipment, and our buildings to meet the needs of our community. This is becoming increasingly difficult as our society faces workforce shortages, the increased need for contract labor, instability in funding mechanisms, and increased demands for medical services.

It's important to note that these are national, even global, economic pressures, outside the control of our hospitals. Despite these challenges, our hospitals work every day to manage these costs. Indeed, all Vermont hospitals work closely with each other. We share patients, we share resources, and we share the commitment to provide the best care possible for our communities. The strength of each Vermont hospital depends on the sustainability of our state-wide network of hospitals. The failure of any one Vermont hospital will impact all hospitals across the State as access to vital services and patient care will be even more restrained than it is now.

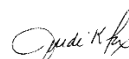
As we continue to meet the increased needs of our communities, hospitals across the state and the nation are focused on recruiting and retaining staff, maintaining high quality services, patient safety, and financial sustainability. With limited resources and little to no operating margin, our hospitals are fragile, and limited growth puts our statewide healthcare system at risk.

For all Vermont hospitals to remain strong and able to provide quality care for our communities, we need a hospital budget process that puts the needs of patients and communities first. We seek budget guidance that allows for appropriate cost coverage that enables our Vermont hospitals to maintain existing services and care for our communities. Anything less will further erode Vermont's fragile hospital system.

Sincerely,



Mark Foley, Jr.
Chair, RRHS-RRMC Board of Directors



Judi Fox
Interim President & CEO