

Perhaps as tradition, but certainly not by statute – August 9<sup>th</sup>'s commencement of the annual hospital budget review will ceremonially open with a statement by Mike Del Trecco of the Vermont Association of Hospitals and Health Systems (VAHHS). He will reiterate as he did in his extraordinary request to waive revenue limits in the spring – the hospitals he represents have been pushed to their limits, and failure by the GMCB to approve hospital budgets *as submitted* risks limiting access to care in Vermont's communities. Care Rationing?

Examining VAHHS, how it is funded and how its funds are expended should provide context for Del Trecco's request, if not demand. Based on the last available form 990, the VAHHS CEO commands roughly \$350,000 per year. It brings in revenue through hospital "membership dues" of approximately \$400,000 per year. Del Trecco is essentially a hired gun, with no health care provider credential, and no health care specific education let alone experience.

As he "advocates" on behalf of what GMCB member Thom Walsh intimated as Vermont's [Monopoly](#), his limited availability heuristic forecloses his ability to delineate between hospital "price" and "cost". He will argue that Covid, inflation, traveler nurses, etc. have pushed those paying his salary (at nearly 6x Vermont median income) to the brink of insolvency and absent awarding them their budget requests, Vermont communities will lose access to care.

In the meantime, his primary benefactor spends \$23mm on a highly aspirational "Population Health Services Organization" – operational now for 21 months. Perhaps his M.B.A could be resourced to give the public some tangible ROI for the past nearly two years? Also, could Mr. Del Trecco explain why his benefactor's proposed surgical center's projected cost at \$1,547.51 per sq ft is [the most expensive new medical build on a cost/sf basis in the nation at 3-5 times the cost of similar builds](#)?

More fundamentally, could he please distinguish for the tax and rate payers who fund his salary and these capital expenditures – are such line items "costs" or "prices"?

Based on the foregoing, VAHHS should be disqualified on its face from commencing the Hospital Budget process. The public would hope Mike Fisher's voice of the Health Care Advocate on its behalf immediately following Mr. Del Trecco will enumerate the role of monopolies backing into their budgets annually after they've already exercised questionable expenditures creating price discrimination in the marketplace. Assuredly he will speak to the average VT'ers experience funding Del Trecco's salary at 6x theirs, what its like to struggle to access health care, to afford health care it can't access, and even to risk their lives as a result of these struggles.

As GMCB Member Walsh articulated in his above linked Wahington Monthly article – its time to introduce VT hospitals to living within their means and in his words **"take aggressive action now to end corporate concentration and price discrimination in health care and cap hospital prices,"** consistent with current U.S. Congressional efforts to eliminate price discrimination from the health care marketplace.

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