

From: Glenn Von Bernewitz

Date: August 5, 2022 at 12:30:00 PM EDT

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

The rate increases requested by Vermont hospitals are staggering and unsustainable. Hospital budgets must be reigned in or Vermont families and small businesses, who are directly shouldering the burden of these budgets, will not survive.

Increased hospital health care costs have a direct impact on Vermonters in the form of double digit increases on health insurance premiums and on claims paid in reaching plan deductibles. They also directly impact the potential for a group to share in any claim surplus. The math is not difficult – Vermont families and businesses simply cannot afford these increases. We, like all Vermont businesses, have to continually adjust to the changing landscape in our markets – examining every opportunity to reduce costs and administrative overhead. We expect hospitals to do the same – and to be in a better position to do so in light of the reserves they maintain.

The GMCB's recent budget guidance allows for an 8.6% increase which is well above the usual 3.5% annual increase target. Nonetheless, the hospitals' requests far exceed your guidance. Even if the Board follows its own guidance, the cost of care will be out of reach for many Vermonters – resulting in an even smaller population shouldering a greater burden. The thought of even higher increases is unfathomable. The GMCB must have the courage to stick to its original budget guidance.

Regards,

Glenn W. Von Bernewitz (he/him), CPA | Partner & CFO | Redstone