

**Green Mountain Care Board**  
89 Main Street  
Montpelier, VT 05620

[phone] 802-828-2177  
[www.gmcboard.vermont.gov](http://www.gmcboard.vermont.gov)

*Alfred Gobeille, Chair*  
*Karen Hein, MD*  
*Con Hogan*  
*Betty Rambur, PhD, RN*  
*Allan Ramsay, MD*  
*Georgia Maheras, Executive Director*

**FOR IMMEDIATE RELEASE: July 10, 2014**  
**For more information, contact Mike Davis 802.828.2989**

## **VERMONT HOSPITAL BUDGET SUBMISSIONS MAINTAIN LOW GROWTH FOR 2015**

**Montpelier, VT** – Initial submissions from Vermont’s 14 hospitals maintain historically low growth for the second year in a row. Hospital budget submissions received last week by the Green Mountain Care Board (GMCB) mark the start of a budget review process that includes public hearings August 26-28 and culminates in GMCB decisions on budgets by September 15. The budgets guide spending in fiscal year 2015, which begins October 1.

Preliminary data submitted by Vermont’s 14 hospitals indicate that the average requested total increase in net patient revenue for FY 15 is 2.6 percent. Net patient revenue includes payments hospitals receive from patients, government, and insurers to pay for patient care—but not revenues from other activities such as cafeterias, parking, and philanthropy. Last year, Vermont’s hospitals initially requested increases averaging 3.0 percent. After its extensive review, the GMCB approved growth of 2.7 percent—the lowest increase for Vermont’s hospitals in at least 15 years.

This is the second straight year the GMCB has instructed Vermont’s hospitals to keep increases in net patient revenue to 3 percent or lower, with the possibility that the GMCB would allow as much as an additional 0.8 percent for investments in health reform initiatives designed to improve quality and control costs over the long term. The 2.6 percent figure for 2015 includes investments in reform.

“These low revenue requests are a great step toward the reform envisioned in Act 48,” says Al Gobeille, Chair of the GMCB. “I appreciate the incredibly difficult work our hospitals have done to make health care more affordable for Vermonters. I credit the hospital leaders, health professionals, staff, and volunteer community boards for doing the heavy lifting here.”

Gobeille noted that the budget numbers are preliminary and that GMCB staff will be hard at work between now and September 15 verifying the data’s accuracy and consistency with standards.

The GMCB hospital budget review process began in April with instructions from the GMCB to hospitals for budget submissions that were due July 1. Milestones in the process include:

- July 31: GMCB staff will present an initial analysis of the submitted budgets in the GMCB’s weekly open meeting, held from 1 to 4 p.m. each Thursday on the second floor of City Center, 89 Main St., Montpelier.



- August 26-28: Each hospital's leadership will appear before the GMCB to discuss its budget requests. A detailed schedule for the hearings, which will be held at Montpelier's Capitol Plaza Hotel, is available on the GMCB website:  
[http://www.gmcboard.vermont.gov/hospital\\_budgets/2014schedule](http://www.gmcboard.vermont.gov/hospital_budgets/2014schedule)
- September 11: The GMCB is scheduled to vote on budgets in its regular weekly meeting.
- September 15: GMCB staff will inform hospitals of their approved budgets.
- October 1: Formal budget orders will be sent to hospitals.

For more information, see the hospital budget review section of the GMCB website:

<http://www.gmcboard.vermont.gov/hospitalbudgets>. Hospital budget submissions will be posted to the site by next week.

**# # #**



# VERMONT HOSPITAL BUDGETS

## NET PATIENT REVENUE GROWTH

	2014	2015	Bud 14 - Bud 15	
	<u>Approved Budget</u>	<u>Submitted Budget</u>	<u>\$ Change</u>	<u>% Change</u>
Brattleboro Memorial Hospital	\$69,793,065	\$71,284,571	\$1,491,506	2.1%
Central Vermont Medical Center	\$161,135,050	\$166,221,844	\$5,086,794	3.2%
Copley Hospital	\$57,795,625	\$59,600,484	\$1,804,859	3.1%
Fletcher Allen Health Care	\$1,049,059,424	\$1,087,767,762	\$38,708,338	3.7%
Gifford Medical Center	\$64,106,475	\$57,753,248	-\$6,353,227	-9.9%
Grace Cottage Hospital	\$16,560,535	\$17,980,282	\$1,419,747	8.6%
Mt. Ascutney Hospital & Health Center	\$46,900,851	\$48,508,891	\$1,608,040	3.4%
North Country Hospital	\$75,375,299	\$73,586,147	-\$1,789,153	-2.4%
Northeastern VT Regional Hospital	\$64,687,170	\$65,324,117	\$636,947	1.0%
Northwestern Medical Center	\$87,759,305	\$90,795,885	\$3,036,580	3.5%
Porter Medical Center	\$69,809,475	\$72,696,907	\$2,887,432	4.1%
Rutland Regional Medical Center	\$217,820,712	\$224,138,940	\$6,318,228	2.9%
Southwestern VT Medical Center	\$139,576,168	\$139,041,542	-\$534,626	-0.4%
Springfield Hospital	\$51,978,213	\$54,652,014	\$2,673,801	5.1%
All Vermont Community Hospitals	<b>\$2,172,357,368</b>	<b>\$2,229,352,634</b>	<b>\$56,995,266</b>	<b>2.6%</b>

\*

Note: \* Reported budget submissions to Green Mountain Care Board adjusted for known reporting changes as of 7/9/2014.

# **Net Patient Revenue Increases Vermont Hospitals FY 2000-2015**



Notes:  
a Budget increase as approved by the GMCB  
b Budget increase as reported by hospitals in July of 2014  
Adjusted to reflect bad debt reporting change in 2012