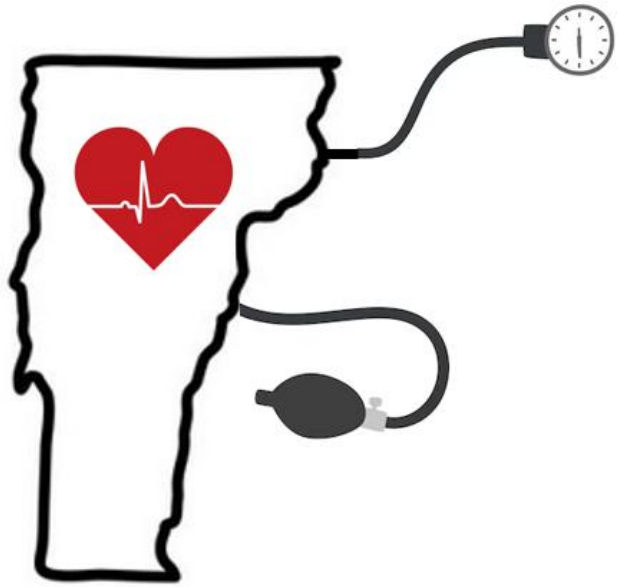
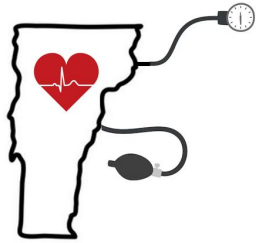
State of Health Care in Vermont



All Legislative Briefing

December 3, 2025

State of Health Care in Vermont

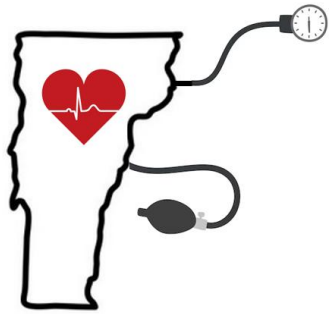


TODAY'S PRESENTERS

- **Jennifer Carbee**, Deputy Chief Counsel, Office of Legislative Counsel
- **Nolan Langweil**, Principal Fiscal Analyst, Joint Fiscal Office

- **Owen Foster**, Chair, Green Mountain Care Board
- **Jill Mazza Olson**, Medicaid and Health Systems Director, Agency of Human Services
- **Rebecca Heintz**, VP and General Counsel, BlueCross BlueShield of Vermont
- **Devon Green**, Senior VP of Policy and Strategy, Vermont Association of Hospitals and Health Systems
- **Jessa Barnard**, Executive Director, Vermont Medical Society
- **Amy Spear**, President, Vermont Chamber of Commerce
- **Mike Fisher**, Health Care Advocate, VT Legal Aid

Parts of a Health Care System



Patients / Consumers

– All of Us

Providers

– Clinicians, Hospitals, FQHCs, DAs/ SSAs, Home Health Agencies, Hospice, Nursing Homes, etc.

Payers

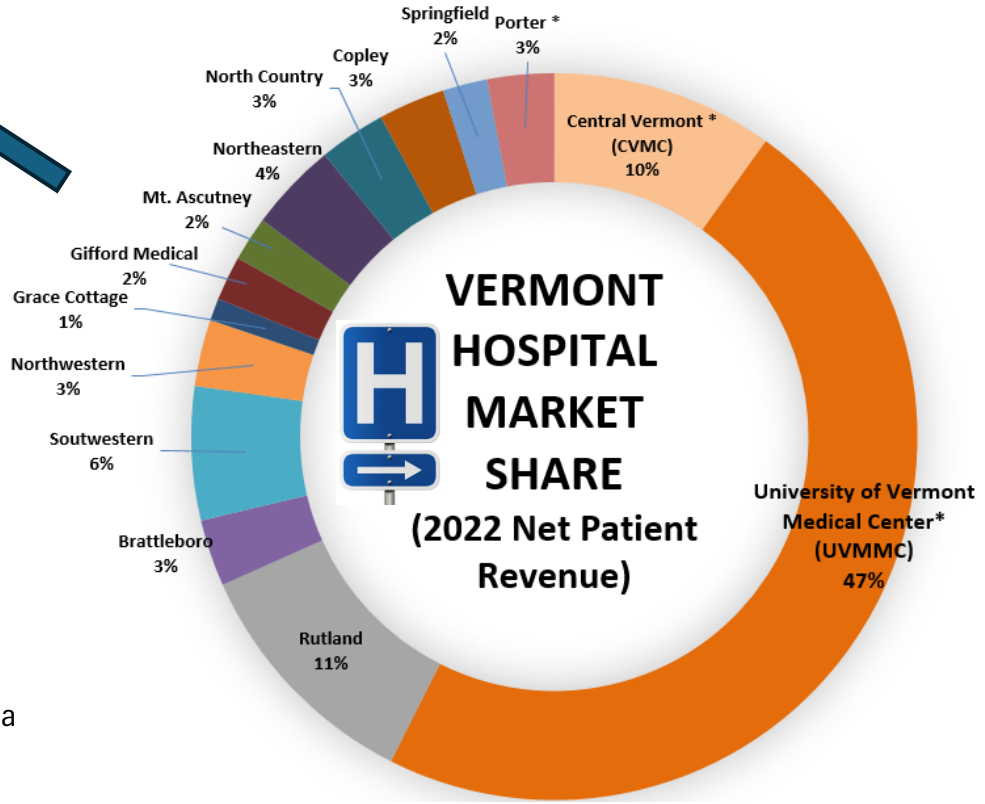
– Commercial Insurance, Medicare, Medicaid

Regulators

– Green Mountain Care Board
– Department of Financial Regulation
– Agency of Human Services
– Office of Professional Regulation (Sec. of State)
– Board of Medical Practice

Providers

Provider Type	Total
Hospitals (all non-profit)	14
Federally Qualified Health Centers (FQHCs) *- Located in 92 primary care sites*	11
Skilled Nursing Facilities	34
Home Health Agencies	9
Psychiatric Hospital *- VT Psychiatric Care Hospital (Berlin)* *- Brattleboro Retreat (private treatment center)* *Note: 6 other hospitals have inpatient psychiatric units*	2
Ambulatory Surgical Centers	2
Veterans Affairs Hospital	1
Designated Agencies (DA's)	11
Specialized Services Agencies (SSA's)	7



- Dartmouth Hitchcock, which is located in New Hampshire, also sees a significant number of Vermonters.

- Spending on Hospital Care (in Vermont Hospitals) in 2022 was $3.4 billion

* UVMMC, CVMC, and Porter are part of the University of Vermont Health Network.

Source: Bartholomew-Nash & Associates, Presentation to the GMCB, July 15, 2024

Health Care Coverage

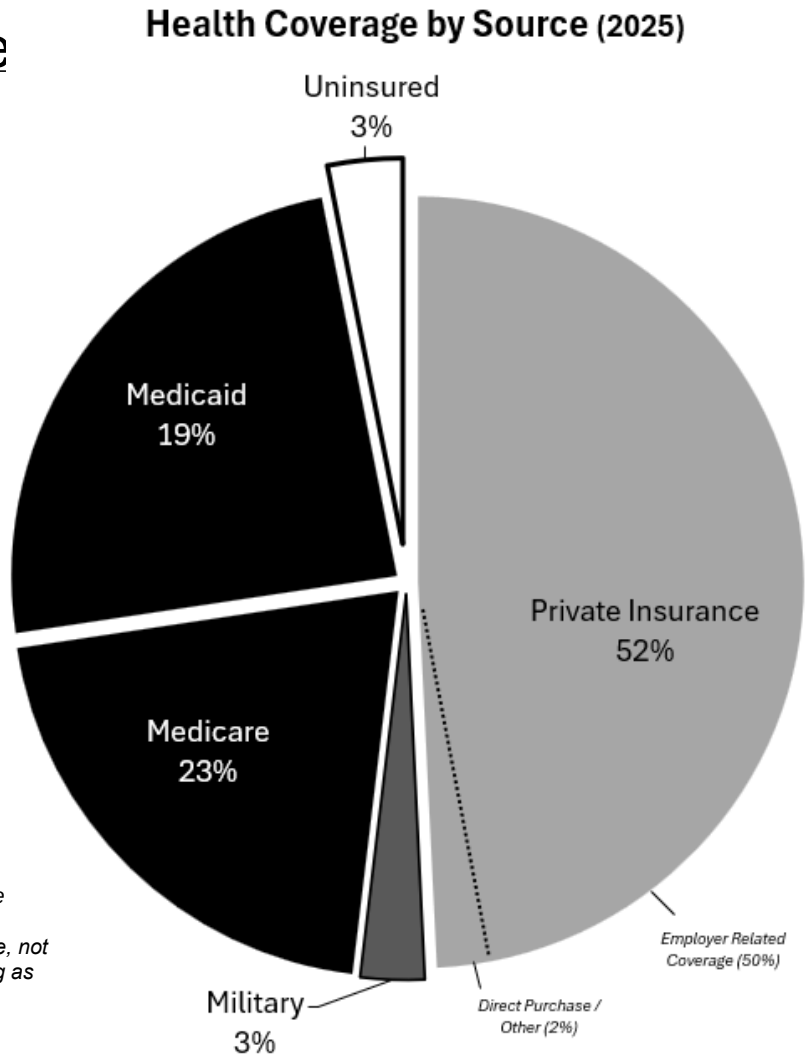
Private / Commercial Insurance

- Employer-based
- Individual Market

Government

- Medicare
- Medicaid

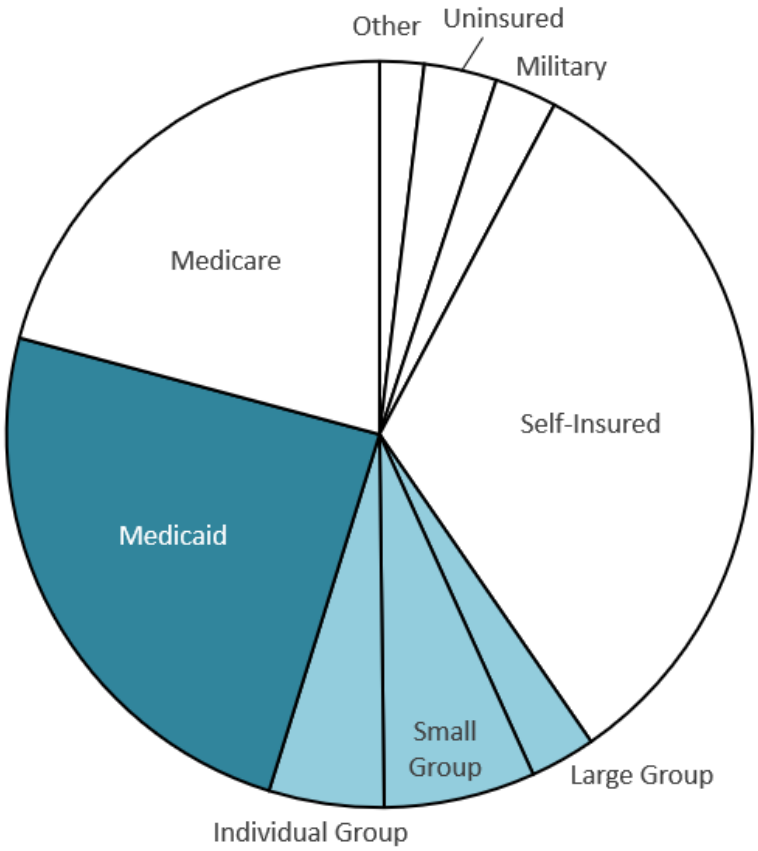
Military



Notes:
1) Chart = Primary source of health coverage by source (Vermont Household Health Insurance Survey, 2025)
2) Public employees (such as State employees and teachers) are treated as "private" insurance, not "public" insurance, because their plans are administered by private insurance companies acting as third-party administrators.

Health Care Coverage

What does the state regulate / influence?



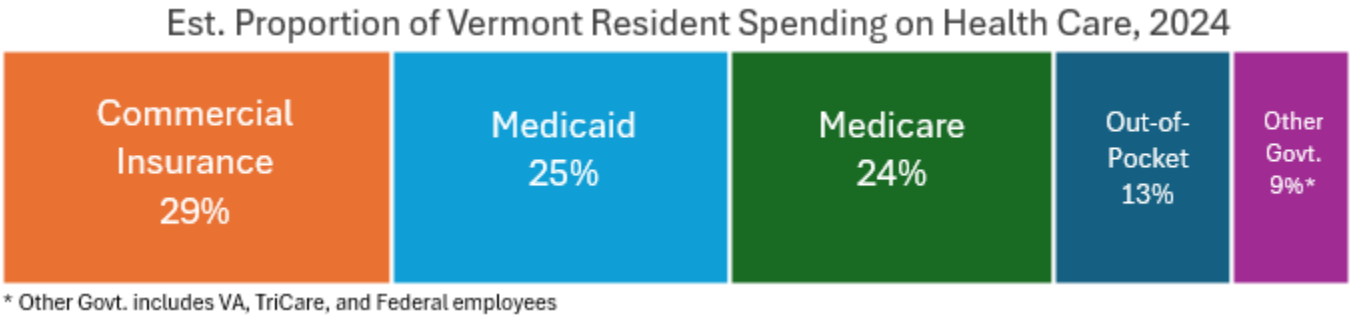
- **Regulated/Influenced by the State**
  - Individual Market
  - Small Group
  - Large Group
  - Medicaid (with federal gov't)

- **Not Regulated/Influenced by the State**
  - Self-Insured Employer Plans
  - Medicare
  - Military

Health Care Spending

IN 2024, VERMONTERS SPENT AN ESTIMATED $10 BILLION ON HEALTH CARE

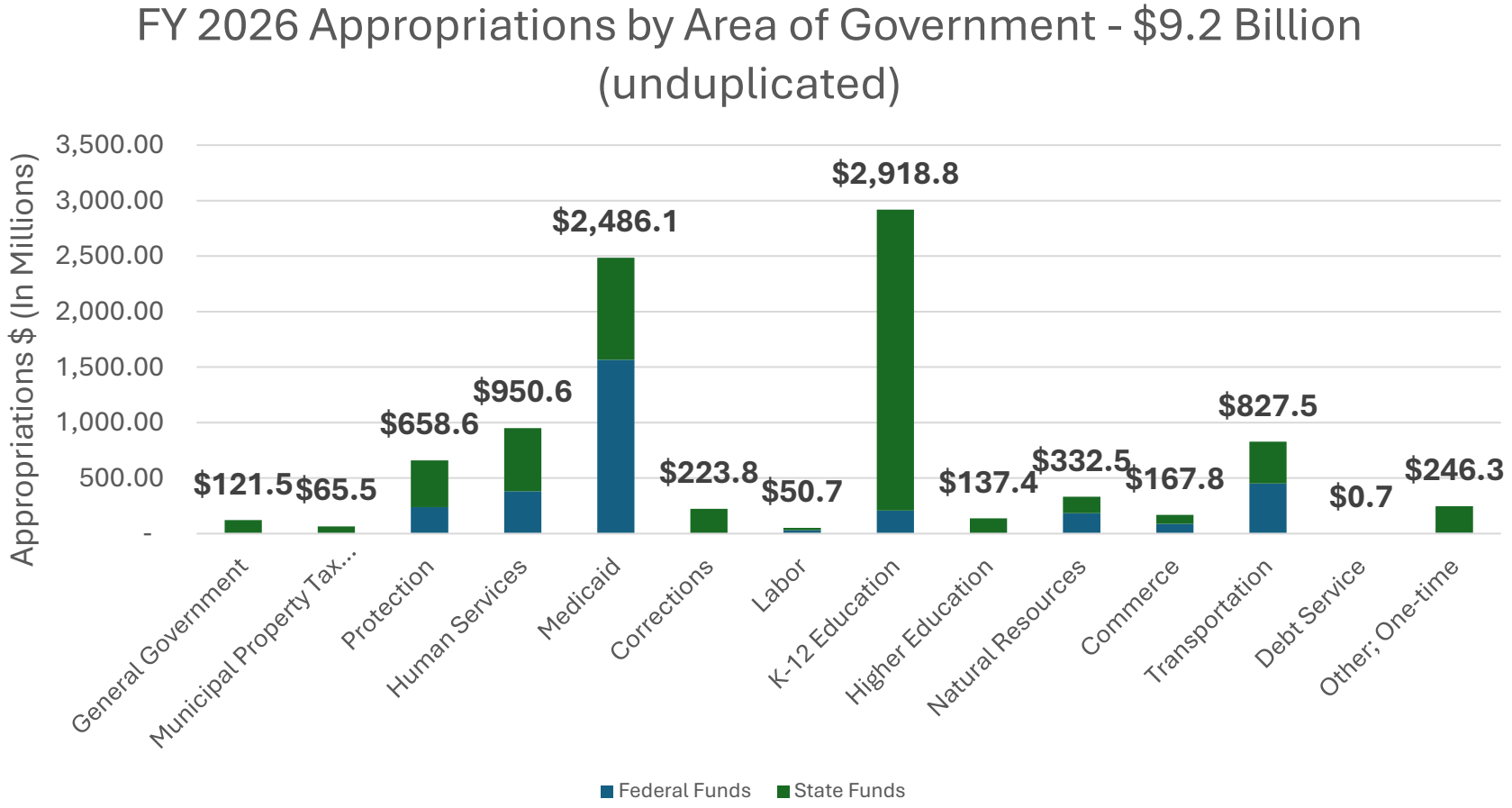
- **Medicaid** and **Medicare** each accounted for roughly a quarter of Vermonters' 2024 health care spending.



Source: Vermont Health Care Expenditure Analysis, Part II Projections (Released January 2025)

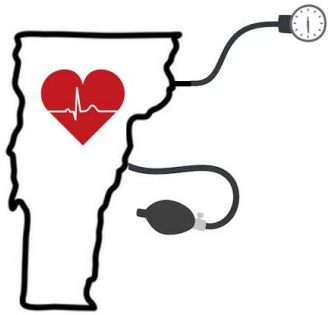
Health Care Spending

State Budget Context



2025 Health Care Reform Legislation

- **Act 2** – permanently unmerged individual and small group markets
- **Act 15** – increased monetary thresholds for certificates of need (CON) and added new CON exclusions
- **Act 49** – gave Green Mountain Care Board (GMCB) authority to:
  - adjust a domestic health insurer's hospital reimbursement rates to prevent the insurer's insolvency
  - appoint hospital observer if hospital makes a material misrepresentation to GMCB or is materially out of compliance with its budget
- **Act 55** – capped hospital prices for outpatient prescription drugs at 120% of average sales price
- **Act 68** - health care payment and delivery system reform, including:
  - GMCB will establish reference-based prices for hospital services, begin developing global hospital budgets, and oversee hospital networks
  - Agency of Human Services (AHS) will develop Statewide Health Care Delivery Strategic Plan and facilitate providers' efforts to reduce hospital spending by at least 2.5% for FY2026



Owen Foster

Chair
Green Mountain Care Board

VERMONT

AFFORDABILITY, SOLVENCY, AND SUSTAINABILITY RISKS NECESSITATE URGENT AND INTENTIONAL TRANSFORMATION

Legislative Briefing

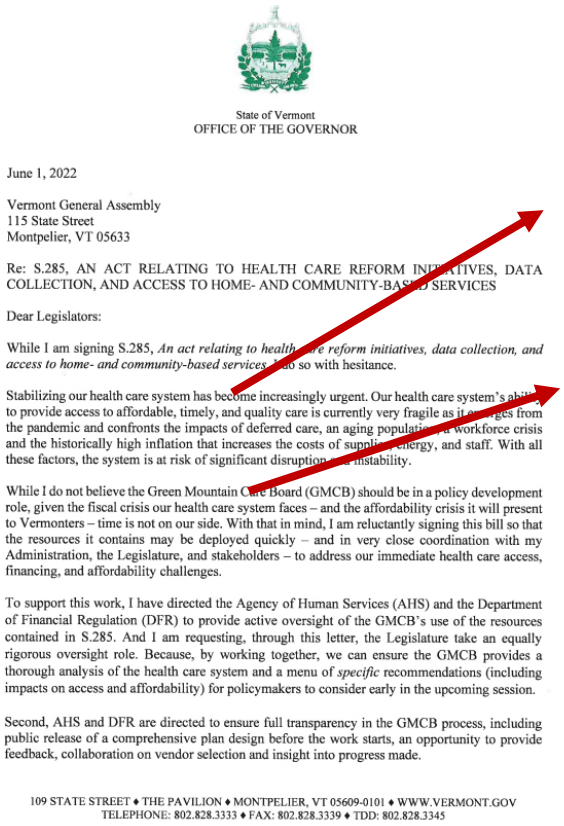
Wednesday, December 3, 2025

Green Mountain Care Board

Owen Foster, Chair

Emily Brown, Executive Director

JUNE 1, 2022: URGENCY!



State of Vermont
OFFICE OF THE GOVERNOR

June 1, 2022

Vermont General Assembly
115 State Street
Montpelier, VT 05633

Re: S.285, AN ACT RELATING TO HEALTH CARE REFORM INITIATIVES, DATA COLLECTION, AND ACCESS TO HOME- AND COMMUNITY-BASED SERVICES

Dear Legislators:

While I am signing S.285, *An act relating to health care reform initiatives, data collection, and access to home- and community-based services*, I do so with hesitance.

Stabilizing our health care system has become increasingly urgent. Our health care system's ability to provide access to affordable, timely, and quality care is currently very fragile as it emerges from the pandemic and confronts the impacts of deferred care, an aging population, a workforce crisis and the historically high inflation that increases the costs of supplies, energy, and staff. With all these factors, the system is at risk of significant disruption and instability.

While I do not believe the Green Mountain Care Board (GMCB) should be in a policy development role, given the fiscal crisis our health care system faces – and the affordability crisis it will present to Vermonters – time is not on our side. With that in mind, I am reluctantly signing this bill so that the resources it contains may be deployed quickly – and in very close coordination with my Administration, the Legislature, and stakeholders – to address our immediate health care access, financing, and affordability challenges.

To support this work, I have directed the Agency of Human Services (AHS) and the Department of Financial Regulation (DFR) to provide active oversight of the GMCB's use of the resources contained in S.285. And I am requesting, through this letter, the Legislature take an equally rigorous oversight role. Because, by working together, we can ensure the GMCB provides a thorough analysis of the health care system and a menu of *specific* recommendations (including impacts on access and affordability) for policymakers to consider early in the upcoming session.

Second, AHS and DFR are directed to ensure full transparency in the GMCB process, including public release of a comprehensive plan design before the work starts, an opportunity to provide feedback, collaboration on vendor selection and insight into progress made.

109 STATE STREET ♦ THE PAVILION ♦ MONTPELIER, VT 05609-0101 ♦ WWW.VERMONT.GOV
TELEPHONE: 802.828.3333 ♦ FAX: 802.828.3339 ♦ TDD: 802.828.3345

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While I do not believe the Green Mountain Care Board (GMCB) should be in a policy development role, given the fiscal crisis our health care system faces – and the affordability crisis it will present to Vermonters – time is not on our side. With that in mind, I am reluctantly signing this bill so that the resources it contains may be developed quickly – and in very close coordination with my Administration, the Legislature, and stakeholders – to address our immediate health care access, financing, and affordability challenges.

In conclusion, I want to underscore the sense of urgency I feel.

2024: URGENCY!! 2025: URGENCY!!!

vtdigger

HEALTH

‘A sense of urgency’: Sen. Bernie Sanders pushes Vermont health care players on high costs

In a wide-ranging conversation, Vermont’s senior senator and top health care leaders sought to understand the reasons for rising health care costs — and how to stop them.

By Peter D’Auria
May 31, 2024, 7:16 pm

SEVEN DAYS

HEALTH CARE, NEWS

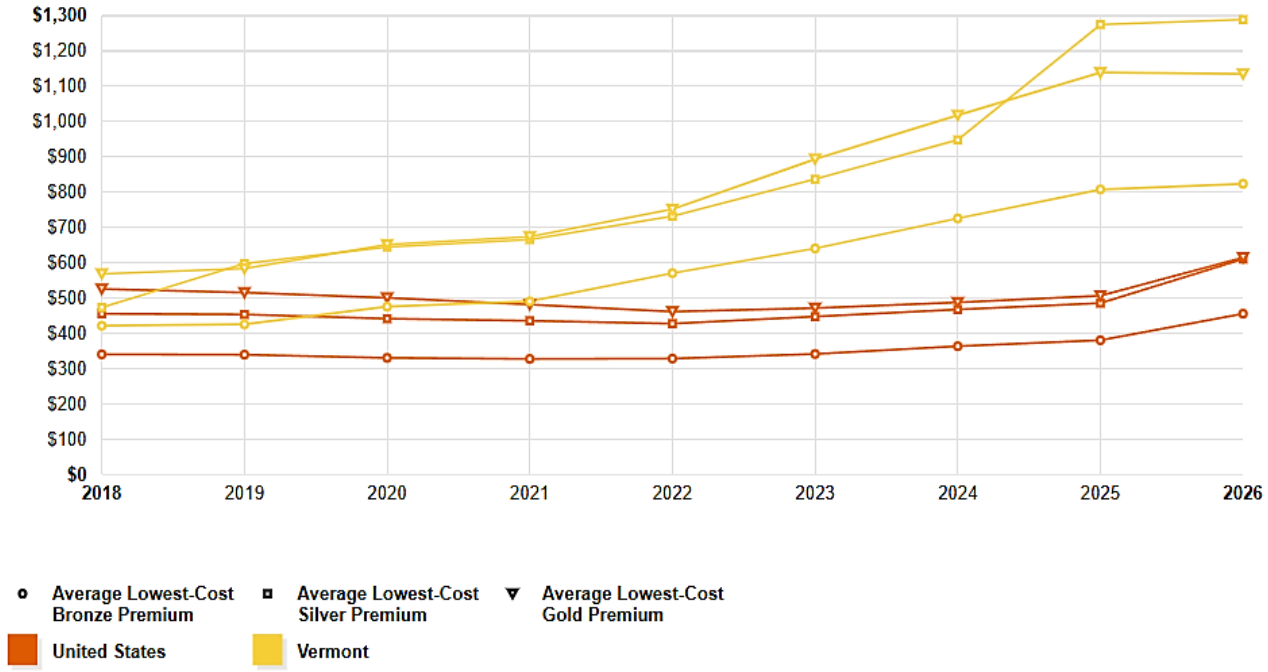
Health Care Leaders Are Scrambling to Prevent Another Major Insurance Hike

The future of Vermont's health care system could hinge on whether hospitals are willing to make tough decisions — and fast.

by **Colin Flanders** May 7, 2025

Vermont: An Outlier on Health Care Affordability

KFF Average Monthly Marketplace Premiums by Metal Tier



Between 2018 and 2025 marketplace premiums in Vermont experienced a compound annual growth rate between 10% and 15%, compared to -1% and 2% Nationally.

Over this period, premiums for the average lowest cost silver plan grew 169%.

Vermont Insurance Premiums

2025

Premiums by Tier (monthly cost)		BCBSVT Platinum Plan — MVP VT Platinum 1	BCBSVT Gold Plan — MVP VT Gold 1	BCBSVT Silver Plan — MVP VT Silver 3
		Cost before subsidy	Cost before subsidy	Cost before subsidy
Single	BCBSVT	$1,432.43	$1,219.41	$1,390.77
	MVP	$1,366.60	$1,145.36	$1,276.53
Couple	BCBSVT	$2,864.86	$2,438.82	$2,781.54
	MVP	$2,733.20	$2,290.72	$2,553.06
Parent and Child(ren)	BCBSVT	$2,764.59	$2,353.464	$2,684.19
	MVP	$2,637.54	$2,210.54	$2,463.70
Family	BCBSVT	$4,025.13	$3,426.54	$3,908.06
	MVP	$3,840.15	$3,218.46	$3,587.05

2026

Premiums by Tier (monthly cost)		BCBSVT Platinum Plan - MVP VT Platinum 1	BCBSVT Gold Plan - MVP VT Gold 1	BCBSVT Silver Plan - MVP VT Silver 3
		Cost before subsidy	Cost before subsidy	Cost before subsidy
Single	BCBSVT	$1,579.72	$1,345.45	$1,531.88
	MVP	$1,365.59	$1,144.62	$1,288.59
Couple	BCBSVT	$3,159.44	$2,690.90	$3,063.76
	MVP	$2,731.18	$2,289.24	$2,577.18
Parent and Child(ren)	BCBSVT	$3,048.86	$2,596.72	$2,956.53
	MVP	$2,635.59	$2,209.12	$2,486.98
Family	BCBSVT	$4,439.01	$3,780.71	$4,304.58
	MVP	$3,837.31	$3,216.38	$3,620.94

What Has Been Done?

HEALTH

Vermont health care regulator approves lowest insurance premium increases since 2022

The Green Mountain Care Board significantly reduced initial requests by Blue Cross Blue Shield of Vermont and MVP for much larger increases.

By Olivia Gieger
August 25, 2025, 6:46 pm

vtdigger

VERMONT 50TH LOWEST PREMIUM INCREASE IN THE COUNTRY IN 2026

BECKER'S
PAYER ISSUES

Arkansas will see the largest percentage increase in average ACA benchmark premiums between 2025 and 2026, while Alaska is the only state where the average benchmark premium will decline, according to KFF.

The U.S. average increase is 26%. Premiums were analyzed using the second-lowest-cost silver (benchmark) premium for a 40-year-old in each county and weighted by county plan selections.

The U.S. average increase is 26%.

States ranked by percentage change in average benchmark premiums from 2025 to 2026:

1. Arkansas: 69%
2. Washington: 41%
3. Tennessee: 38%
4. Mississippi: 37%

42. Massachusetts: 11%
43. New Jersey: 11%
44. Hawaii: 10%
45. North Dakota: 6%
46. Oregon: 6%
47. South Dakota: 6%
48. District of Columbia: 5%
49. New York: 3%
50. Vermont: 2%
51. Alaska: -1%

50. Vermont: 2%

What Has Been Done?

Vermont Public

A cap on drug prices at Vt. hospitals will save millions. Hospitals say they can't afford it

Vermont Public | By Lexi Krupp
Published June 3, 2025 at 5:51 PM EDT

vtdigger

HEALTH

Gov. Phil Scott signs into law 2 bills to address Vermont's high health care costs

Taken together, the two pieces of legislation represent a major effort by lawmakers and officials to curb health care costs.

By Habib Sabet
June 12, 2025, 6:35 pm

NBC 5

Vermont Gov. Phil Scott signs bill capping certain prescription prices

Starting Jan. 1, hospitals participating in the 340B Drug Pricing Program cannot charge more than 120% of the average sales price of prescriptions

What Has Been Done?

SEVEN DAYS

State Regulators Cut $88 Million From UVM Medical Center's Budget

The Green Mountain Care Board says the decision should help reduce pressure on Vermont's ailing private insurance companies.

Vermont Public

Regulators set Vermont hospital budgets, aiming for cost control and stability

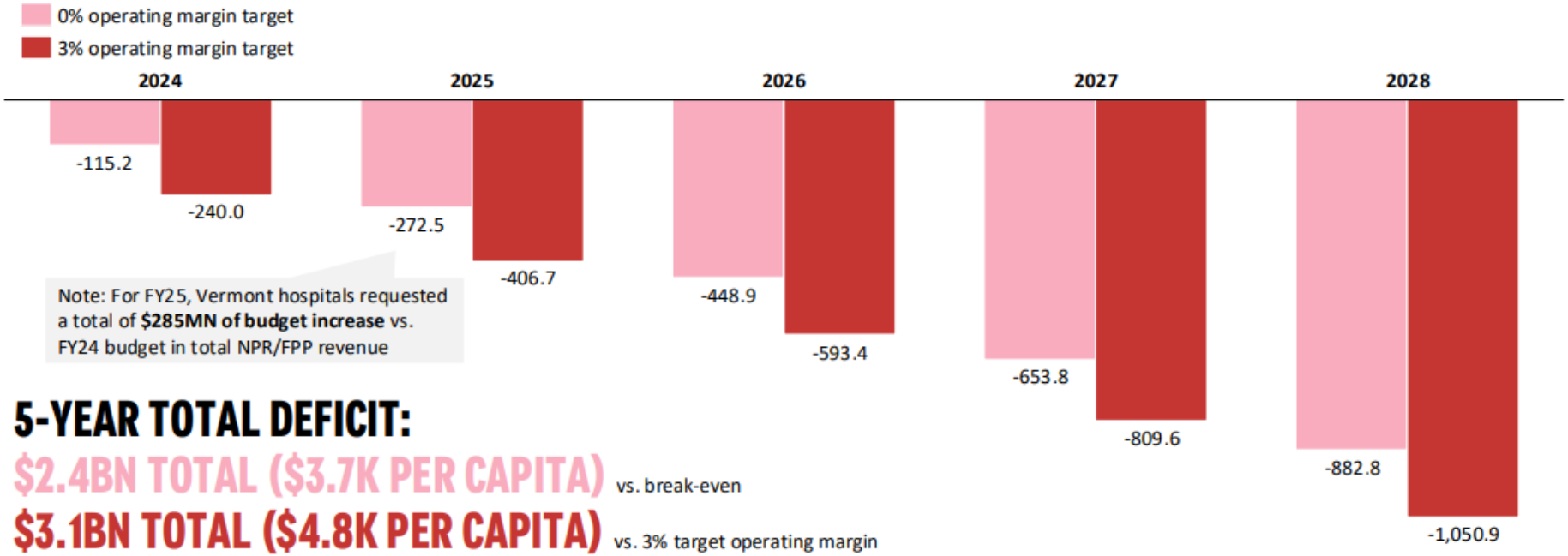
Vermont Public | By Howard Weiss-Tisman
Published September 16, 2025 at 4:41 PM EDT

2026: URGENCY

The fundamental problems remain and must be addressed if Vermonters are going to have affordable and sustainable healthcare.

ACROSS ALL VT HOSPITALS: CUMULATIVE LOSSES OVER A 5-YEAR PERIOD WILL REQUIRE AN ADDITIONAL $2.4BN TO BREAK EVEN, ASSUMING 3.5% REVENUE, 7-8% EXPENSE GROWTH

Financial deficit vs. revenue needed to achieve 0% or 3% operating margin, assuming 3.5% revenue and 7-8% expense growth[1]
2024F-2028F, USD MN



5-YEAR TOTAL DEFICIT:

$2.4BN TOTAL ($3.7K PER CAPITA) vs. break-even

$3.1BN TOTAL ($4.8K PER CAPITA) vs. 3% target operating margin

1. Assuming 340B payments remain constant, with growth due to inflation only at 3%, 3.5% annual non-340B revenue growth, 10% annual expense growth on non-MD salaries and benefits, 5% annual expense growth on physician fees, salaries, and benefits, and 7% growth in other operating expenses from 2024 onwards 2. Projection were based on FY2023 actuals as baseline (except Gifford Medical Center using a 1.84% operating margin hypothetical baseline for FY23)
Source: GMCB hospital financial records, GCMB FY25 budget requests (accessed August 2024), Oliver Wyman analysis

Slide from Oliver Wyman final report posted on GMCB website.

Cash and Margin - Proposed Budget 2026

	FY26 Budget as submitted			
	DCOH	Operating Income	Operating Margin	Reduced NPR *from submitted*
BMH	93.4	$0.2M	0.2%	-$1.9M
CVMC	79.0*	$0.1M	0.0%	-$0.1M
Copley	66.3*	$3.5M	2.7%	-$0.7M
Gifford	89.9	$1.6M	2.3%	
Grace	81.1	$0.3M	0.8%	
Mt. Ascutney	186.5	$0.6M	0.7%	
North Country	189.3	$0.8M	0.7%	
NVRH	81.8	$1.1M	0.8%	
Northwestern	198.6	-$8.0M	-5.7%	
Porter	110.8*	$9.8M	6.9%	-$0.03M
Rutland	154.1	-$5.0M	-1.4%	
SVMC	50.9*	-$1.0M	-0.4%	-$3.3M
Springfield	33.4	$0.03M	0.0%	
UVMMC	134.4*	$72.0M	3.0%	-$88.5M

* Additional reserves held at parent entity.

DCOH S&P Global Ratings	
Highly Vulnerable	<80
Vulnerable	80-110
Adequate	110-160
Strong	160-205
Very Strong	205-275
Extremely Strong	>275
Source: FY26 HBR Metric Inventory	

INTENTIONAL TRANSFORMATION NEEDED

HEALTH

Consultant deems Vermont health care system 'badly broken'

In a presentation to the Green Mountain Care Board, the consultant called for an urgent — if not yet specific — transformation of the state's hospital and broader health care system.

By Peter D'Auria
June 20, 2024, 3:41 pm

"The needs for structural reform of the Vermont health care system and systems cannot be overemphasized," Hamory told the Green Mountain Care Board and Agency of Human Services officials during his presentation. Without significant changes in the next three to five years, he predicted, "hospital systems and the state will see deep financial deficits."

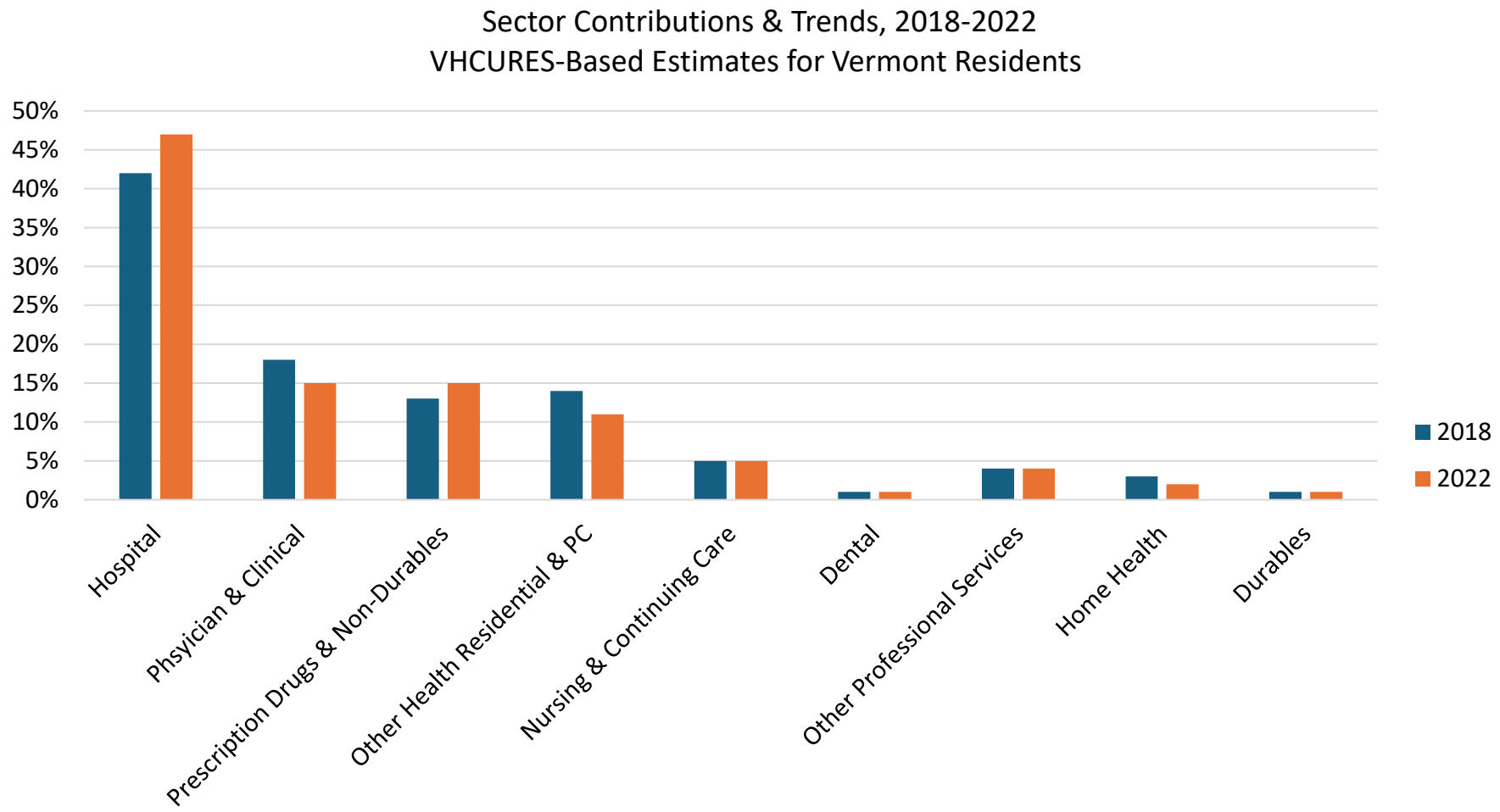
vtdigger

"The health care system in Vermont, unfortunately, is badly broken," Hamory told state officials Wednesday.

He outlined a number of recommendations to put that system back together. Those proposed reforms ranged from specific — such as posting signs in multiple languages in hospitals — to sweeping, such as building more housing.

Hamory called for the creation of "alternative sites of care and mobile clinics" and "regional referral centers" to help patients get care locally, rather than sending them to the University of Vermont Medical Center or Dartmouth Hitchcock Medical Center. The state also needs more long-term care facilities, he said, some of which "could be based in facilities currently used for other purposes."

Hospital spending is a major driver of health care spending



UNINTENTIONAL TRANSFORMATION

NBC 5

‘How are they going to do it?’: Dialysis patients worry as hospitals review next steps for clinics run by UVMMC

Rutland Regional Medical Center announces closure of pediatric inpatient beds

Story by Connor Ullathorne • 1mo • 1 min read

HEALTH

UVM Health Network cuts elicit dismay, frustration

Advocates, providers and community members across Vermont have expressed concern about a slate of planned service cuts across the University of Vermont Health Network.

By Peter D'Auria
November 21, 2024, 6:00 pm

Mad River Valley clinic workers rally against UVM Health Network budget ax

WCAX

HEALTH

Copley Hospital decides to close birthing center

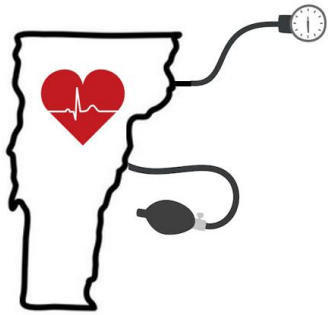
Copley's Women's Center will remain open, and pre- and postpartum care will continue to be offered at the Morristown hospital.

By Kristen Fountain
June 20, 2025, 7:10 pm

Accessibility Requests

To receive this information in an alternative format or for other accessibility requests, please contact:

Kristen LaJeunesse
Communication & Information Officer
Green Mountain Care Board
Kristen.LaJeunesse@vermont.gov
(802) 622-4134



Jill Mazza Olson

Medicaid and Health Systems Director
Agency of Human Services

VERMONT

Agency of Human Services

JILL MAZZA OLSON - MEDICAID AND HEALTH SYSTEMS DIRECTOR

Challenges

Access to Care

- Fragility of critical organizations in many communities
- Gaps in long-term care and community-based care that lead to increased use of hospitals
- Long wait times for primary and some specialty care

Federal Changes

- Loss of enhanced federal subsidies for purchasing insurance on the Exchange
- Federal changes to Medicaid eligibility:
  - Immigration status: removal of asylees, refugees, and other non-citizens (10/1/2026)
  - Redeterminations for the Medicaid expansion population every six months, instead of annually (1/1/27)
  - Work requirements for the Medicaid expansion population (1/1/27)

Opportunities

Regionalization

- The goal of regionalization is to **ensure that our health care resources are optimally distributed** so that Vermonters can access the right care, at the right time, at the right place, and at an affordable cost.
- This can include **improving how organizations work together**, for example by sharing administrative services, coordinating patient transfers between hospitals, or redesigning how clinical services are delivered
- Regionalization helps **protect access to essential services over the long term**, rather than risking losing them altogether.

Emerging Themes from Regional Hospital Meetings

Inter-Facility Transfer Coordination

Capacity Management, Specialty Coverage, Hospital-to-Hospital Transfers

Group Purchasing

Group Purchasing/Managed Service Organizations

Clinical Service Redesign

Tiering of Services, Center of Excellence Opportunities, Surgical/OR Management, Ambulatory Hospital Affiliated Specialties, Acuity Management

Regulatory and Financing

Antitrust Navigation, Growth Regulation, Uncompensated Care and Service Pressures

Electronic Medical Record Interoperability

EMR Unification

Workforce

Recruitment, Training

Rural Health Transformation Program (RHTP)

VERMONT
AGENCY OF HUMAN SERVICES

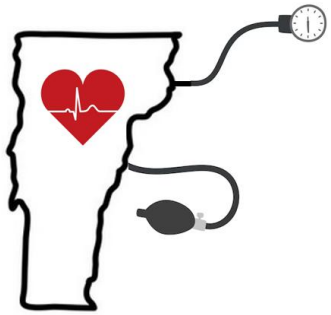
Vermont's RHT Proposal Overview

Build Stronger Rural Health Networks: Strengthen primary care, support transfers, enlist the EMS in a new way, create new mobile health and dental options, build out mental health urgent care, expand access to complex care in nursing facilities, expand recovery housing implement pharmacy "test-to-treat"

Technology and Shared Operations: Shared EHR for interested providers, remote patient monitoring, "closed-loop" referrals, shared HR systems, support for AI transcription

Strengthen the Rural Health Workforce: Housing, training programs at clinical sites across the continuum, financial incentives for education

Planning: Exploring strategies to expand insurance options and a reinsurance model, consumer-facing price and quality transparency tools, data and expert support to regionalize some services



Rebecca Heintz

Vice President and General Counsel
BlueCross BlueShield of Vermont

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

STATE OF HEALTH CARE

ALL LEGISLATIVE BRIEFING

Rebecca Heintz, Vice President and General Counsel

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

As Vermont's only local, non-profit health plan for more than 40 years, we have a simple mission: make health care work better for all Vermonters.

We are dedicated to enhancing our state’s unique way of life. Our passion and purpose are rooted in supporting our community's well-being with useful tools and resources, wellness programs and services, and local events.

THE MOST PRESSING HEALTH CARE CHALLENGES IN VERMONT

- Cost of care
- Artificial Intelligence
- Private Equity

Affordability Matters

COST OF CARE

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

AFFORDABILITY MATTERS

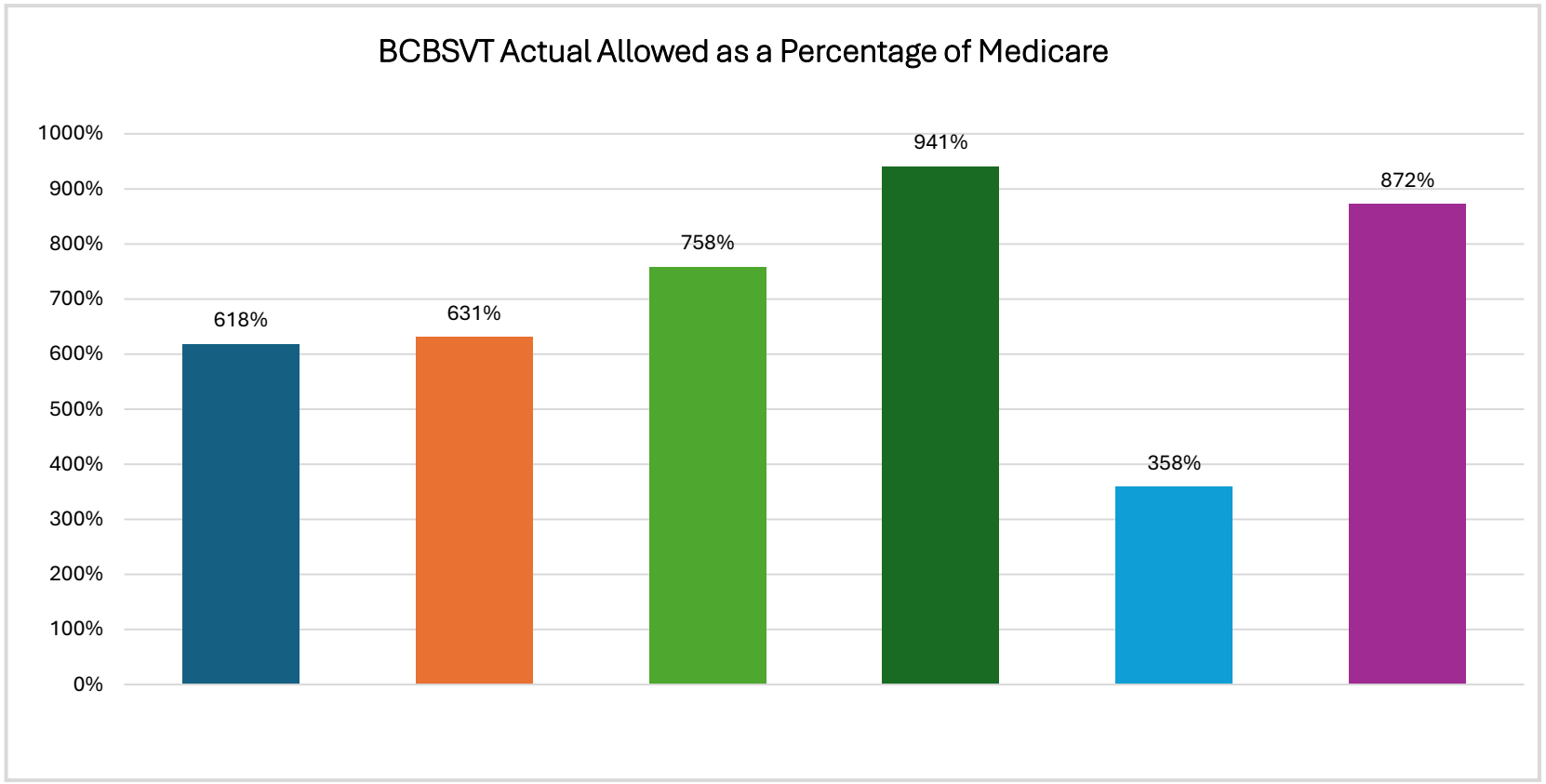
Vermonters now spend **19.6% of their income on healthcare,** compared to the national average of just 7.9%. That's the highest in the country — and it impacts families, neighbors, and the overall well-being of our state.

Consider these comparisons of local costs:

As of October 1, 2025	UVMMC	Dartmouth	Northwestern Medical Center	Independent Facilities
MRI (outpatient + professional)	$6,520	$4,884	$2,785	$1,799
Colonoscopy (outpatient + professional)	$5,609	$3,626	$2,062	$1,865
Laboratory (outpatient OR professional)	$117	$98	$60	$18
Vaginal Delivery (Inpatient facility cost only)	$17,373	$12,471	$5,150	$2,870

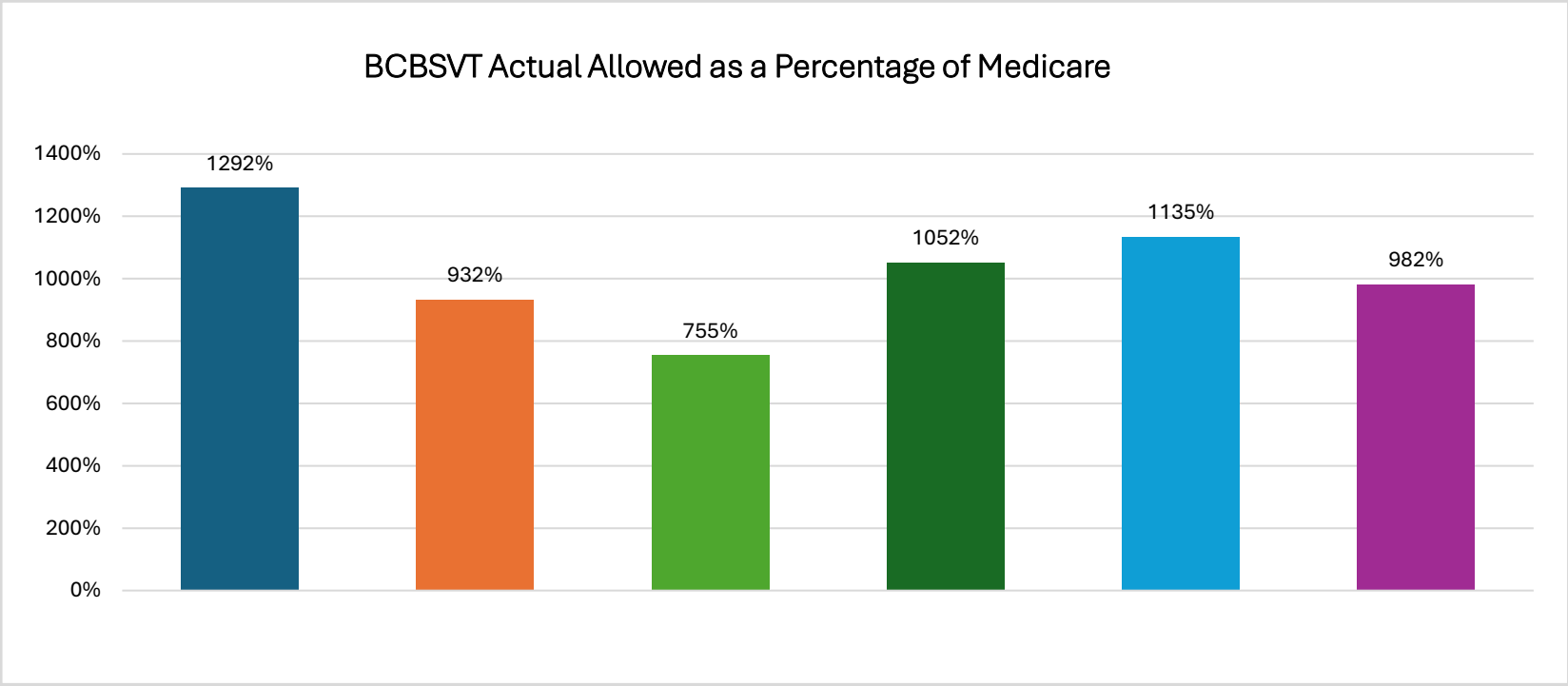
OUTPATIENT HOSPITAL COSTS – LAB SERVICES

Vermont hospitals excluding Critical Access Hospitals using 2024 claims data.



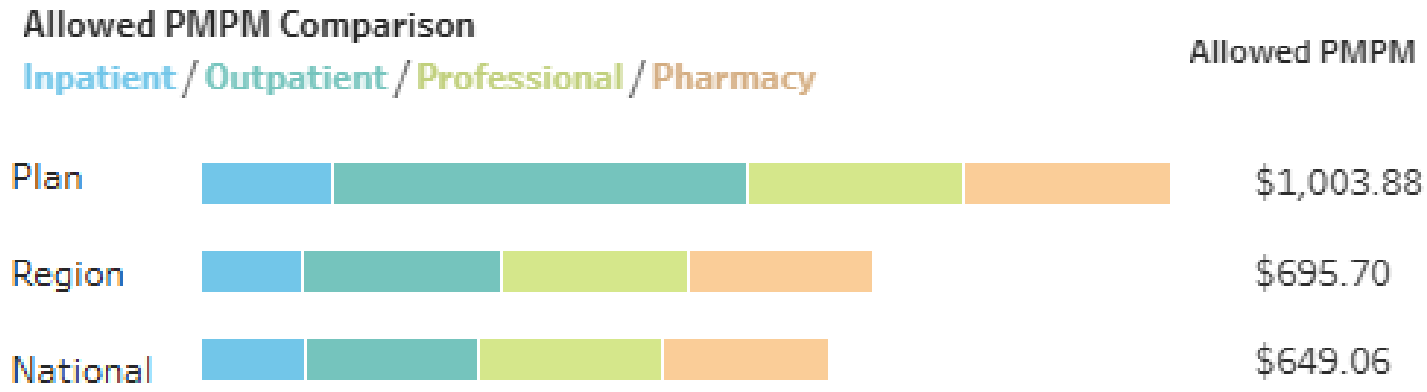
OUTPATIENT HOSPITAL COSTS – DIAGNOSTIC RADIOLOGY SERVICES

Vermont hospitals excluding Critical Access Hospitals using 2024 claims data.



SPIKE IN COST OF HEALTH SERVICES

- The per member, per month (PM/PM) cost of claims has spiked over 65% since 2021.
- Total allowed PM/PM claims are roughly 44% higher than regional average.



The expensive arms race

ARTIFICIAL INTELLIGENCE

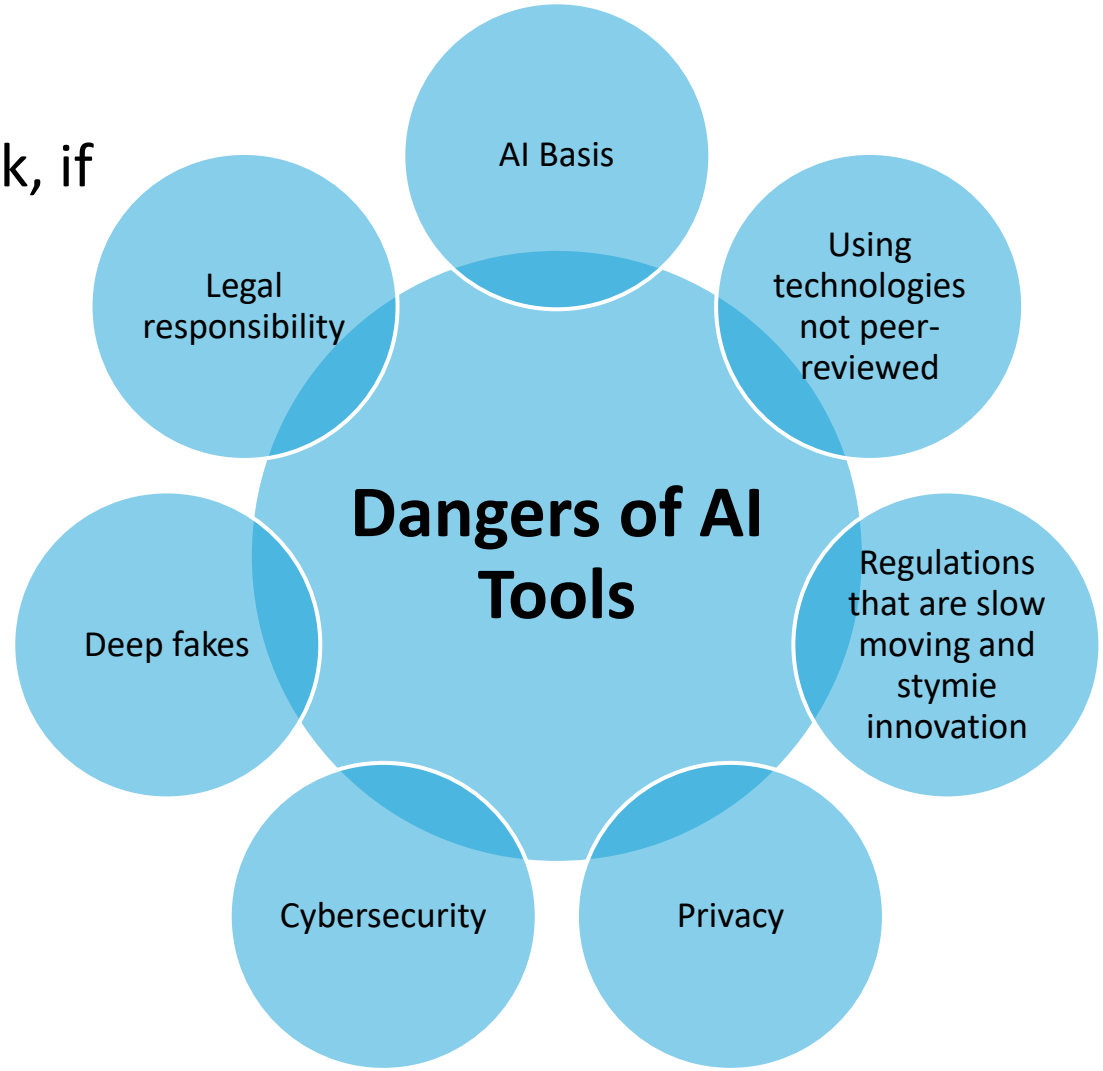
BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

RISK TO REGULATORY MODEL

- Vermont's system depends on regulation and transparency. Many AI tools are effectively "black boxes," making it difficult for GMCB and state agencies to evaluate their safety or cost impact.
- AI tools can introduce algorithmic bias that disproportionately affects rural, low-income, and aging populations, all characteristics that define Vermont.
- Without reimbursement alignment, we risk importing high-cost AI technologies without corresponding improvements in outcomes.

RISK TO REGULATORY MODEL

- Can be worth the risk, if we stay in control



The quiet buyout

PRIVATE EQUITY

BlueCross BlueShield of Vermont
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RISK TO COST AND QUALITY

Private Equity Impact on Hospitals

	Impacts			
	Health outcomes	Costs to patients or payers	Costs to operator	Quality
Borsa and Bruch 2022[36]	Neutral			Neutral
Bos and Harrington 2017[37]				Harmful
Bos et al 2020[38]				Harmful
Braun et al 2021[39]		Harmful		
Braun et al 2021[60]	Harmful	Harmful		Neutral
Braun et al 2020[40]	Harmful			Mixed
Broms et al 2023[61]				Harmful
Bruch et al 2023[62]				Harmful
Bruch et al 2022[42]	Neutral	Neutral		
Bruch et al 2021[41]		Neutral		Harmful
Bruch et al 2020[42]		Harmful		Beneficial
Cerullo et al 2022[43]			Beneficial	Harmful
Cerullo et al 2022[44]	Beneficial	Neutral		Neutral
Cerullo et al 2021[45]				Mixed
Creadore et al 2021[46]				Beneficial
Gandhi et al 2020[22]				Mixed
Gandhi et al 2020[47]	Beneficial			Beneficial
Gupta et al 2021[48]	Harmful	Harmful	Harmful	Harmful
Harrington et al 2012[49]				Harmful
Huang and Bowblis 2019[50]				Mixed
La Forgia et al 2022[51]		Harmful		
La France et al 2021[52]				Harmful
Liu 2021[53]	Neutral	Harmful	Beneficial	Mixed
Nie et al 2022[66]		Harmful		Harmful
Nie et al 2022[54]				Mixed
Offodile et al 2021[55]		Harmful	Beneficial	Harmful
Patwardhan et al 2022[64]				Harmful
Pradhan et al 2014[56]				Mixed
Pradhan et al 2013[57]			Harmful	
Singh et al 2022[65]		Harmful		
Stevenson and Grabowski 2008[58]				Mixed
Winblad et al 2017[59]				Mixed

Source:
https://legislature.vermont.gov/Documents/2026/Workgroups/House%20Health%20Care/Miscellaneous/Private%20Equity/W~Nancy%20Kane~Private%20Equity%20in%20Medicine~3-25-2025.pdf

RISK TO PER PATIENT PRICES

Impact of PE Ownership and Market Share on Prices and Expenditures

Table 3: Relative Physician Price and Expenditures per Patient Changes of PE Acquired Practices Relative to Matched Controls

Specialty	(A) Price	(B) Price (>30% market share MSAs)	(C) Expenditures per patient	(D) Expenditures per patient (>30% market share MSAs)
Gastroenterology	**14.0%**	**18.2%**	**16.4%**	14.9%
Dermatology	**4.0%**	**13.3%**	**4.1%**	15.0%
OB/GYN	**8.8%**	**16.3%**	**10.5%**	**18.9%**
Ophthalmology	**8.7%**	8.5%	**15.4%**	6.7%
Radiology	**8.2%**	1.5%	-1.8%	2.0%
Orthopedics	**7.1%**	9.7%	4.0%	6.8%
Urology	4.2%	9.3%	**8.5%**	**17.0%**
Oncology	**16.4%**	11.2%	10.8%	29.7%
Cardiology	8.7%	-2.7%	13.1%	-10.7%
Primary Care	**4.1%**	-3.4%	**6.2%**	**12.6%**

Notes: Bold indicates statistically significant at the p<0.05 level. Only includes treated and control practices that matched using 5:1 caliper matching. The formula (exp(coefficient)-1)*100 was used to convert the coefficients from the Sun & Abraham versions of our difference-in-differences regressions to the percentages in this table. The unit of analysis in the regressions is a practice.
Source: Authors' analysis of data from HCCI Commercial Claims Research Dataset, OneKey and SK&A Office Based Physicians Database provided by IQVIA, and Area Health Resources File.

Source:
https://legislature.vermont.gov/Documents/2026/Workgroups/House%20Health%20Care/Miscellaneous/Private%20Equity/W~Nancy%20Kane~Private%20Equity%20in%20Medicine~3-25-2025.pdf

STATE OF HEALTH CARE

ALL LEGISLATIVE BRIEFING

Rebecca Heintz, Vice President and General Counsel
heintzr@bcbsvt.com

Please send questions to:
Courtney Harrness, Director of Legislative and Government Relations
harrnessc@bcbsvt.com

BlueCross BlueShield of Vermont
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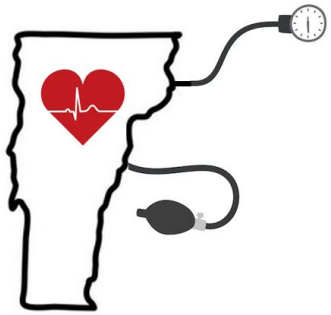


Devon Green

Senior Vice President of Policy and Strategy
Vermont Association of Hospitals and Health Systems

Provider Perspectives

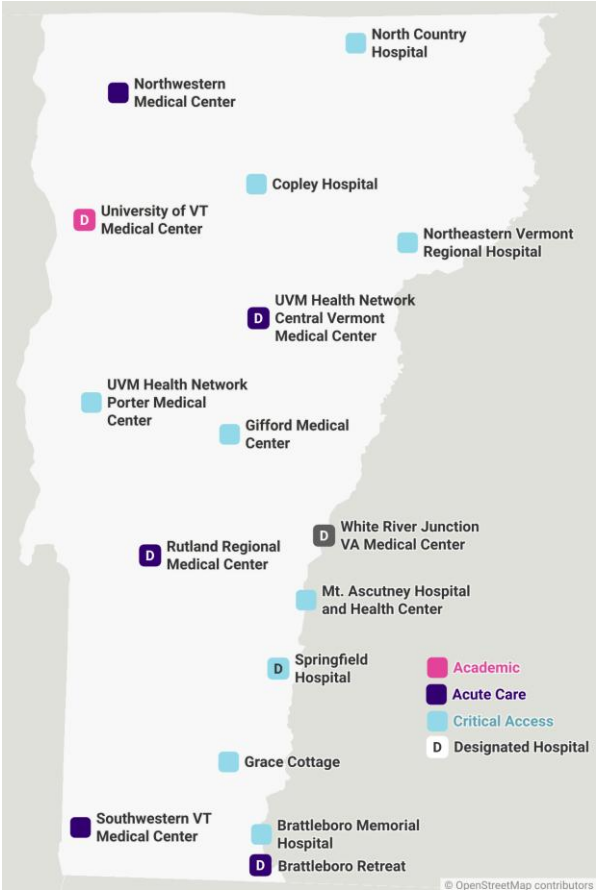
Devon Green, VAHHS

devon@vahhs.org

12/3/25

Vermont's Nonprofit Rural Hospital System

- 16 Hospitals
- 8 Critical Access Hospitals
- 1 Academic Medical Center
- 4 Inpatient Psychiatric Care
- 1 Veteran's Affairs Hospital
- Find more information about your community's hospital at: https://www.vahhs.org/hospitals-101



Affordability

Hospitals, the GMCB, and the legislature reduced expenses by $215M for FY 2026

- In response to the GMCB benchmarks, hospitals submitted budgets that eliminated $215M in operational expenses.
- The Act 55 prescription drug cap further reduced premium inflation.

Hospitals pledge to eliminate operating expenses by $100M over 2 years - FY 2027 and FY 2028

- The GMCB's Oliver Wyman Report recommended cutting administrative and operating expenses by $300M by FY2030.
- In partnership with the GMCB and the legislature, hospitals would achieve reductions of $315M by 2028, 2 years ahead of the Oliver Wyman timeline.

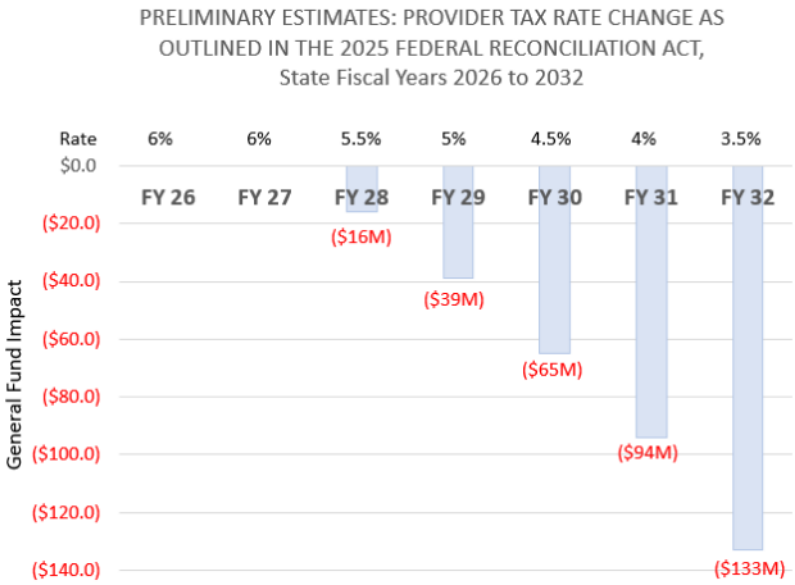
Transformation/Regionalization

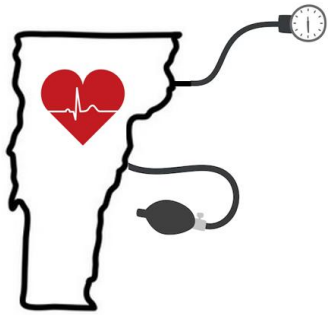
- Hospitals are committed to regionalization with an expected savings of $40M over two years
- Need strong health care and community providers combined with an efficient and accessible transportation system
- Antitrust concerns

Federal Issues

- Medicaid and premium subsidy changes will lead to more uninsured
  - Will impact Vermonter health, community providers, and hospitals
  - Loss of coverage for 45,000 Vermonters creates $50-75M loss for hospitals per year

- Provider tax– 0.5% reduction every year for 5 years starting 10/1/27
  - $133M loss to general fund





Jessa Barnard

Executive Director
Vermont Medical Society

Vermont Medical Society

All Legislative Briefing
Health Care Challenges
December 3, 2025

Jessa Barnard, Executive Director, jbarnard@vtmd.org

About the Vermont Medical Society

- 501(c)(6) nonprofit member service organization founded in 1784

- **3100 members:** MDs, DOs, PAs, medical students
  - About 2/3 of practicing MDs in the State
  - All specialties – primary care, specialty care, in- and out-patient
  - All practice settings – hospital, independent, FQHC, DAs

- ***Dedicated*** to ***protecting the health*** of all Vermonters and ***improving the environment*** in which Vermont physicians & physician assistants practice medicine

Health Care Associations

- VNAs of Vermont
- Vermont Assn. of Hospitals and Health Systems
- Vermont Health Care Association
- Bi-State Primary Care
- Vermont HealthFirst
- Vermont Care Partners
- Vermont Program for Quality in Health Care
- Vermont Academy of Family Physicians/American Academy of Pediatrics Vermont Chapter
- Vermont Nurse Practitioner Association
- Vermont Association of Area Agencies on Aging
- Vermont State Dental Society
- Vermont Association of Adult Day Services

COMMON CONCERNS

Informed Rural Health Transformation Fund Recommendations

Workforce Shortages & Training Needs

- 50 healthcare employers forecast 5,394 total nursing positions across six different level roles (MA, LNA, LPN, RN, Nurse Educator, NP) between Jan. 24 to Jan. 26
- Our current supply of primary care physicians is 369.7 FTEs short of what we will need in 2030

Patient Transportation Needs

- Medical/mental health transportation to/from facilities
- EMS availability/coordination

Data Sharing & Communication Tools

- Current IT systems lead to duplication of services, admin burden, poor patient/clinician experience
- 36 % of physicians experiencing burnout; 57% report EHR as a contributor

Vermont Medical Society

Integration of MH/SUD & Primary Care

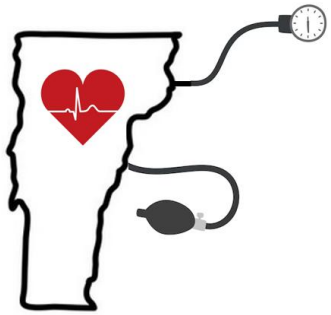
- Up to 75% of primary care visits include mental health components

Bring Care to Patients

- Many current models of care assume patient transportation/mobility or services in the hospital

Focus on Quality

- Improving quality should drive health care transformation and reform goals



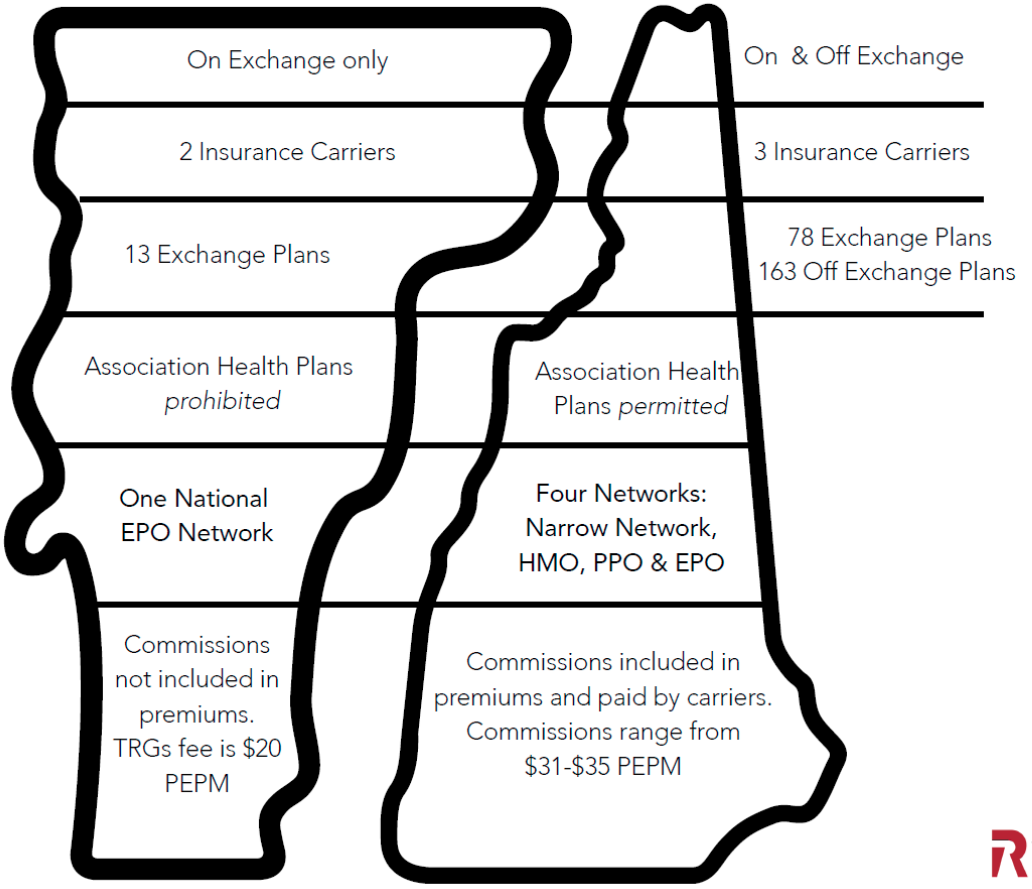
Amy Spear

President
Vermont Chamber of Commerce

HOW HEALTH CARE COSTS ARE SHAPING VERMONT'S BUSINESS CLIMATE

All Legislative Briefing | December 3, 2025

Fully Insured Small Group Market Comparison



The Richards Group TOTAL REWARDS

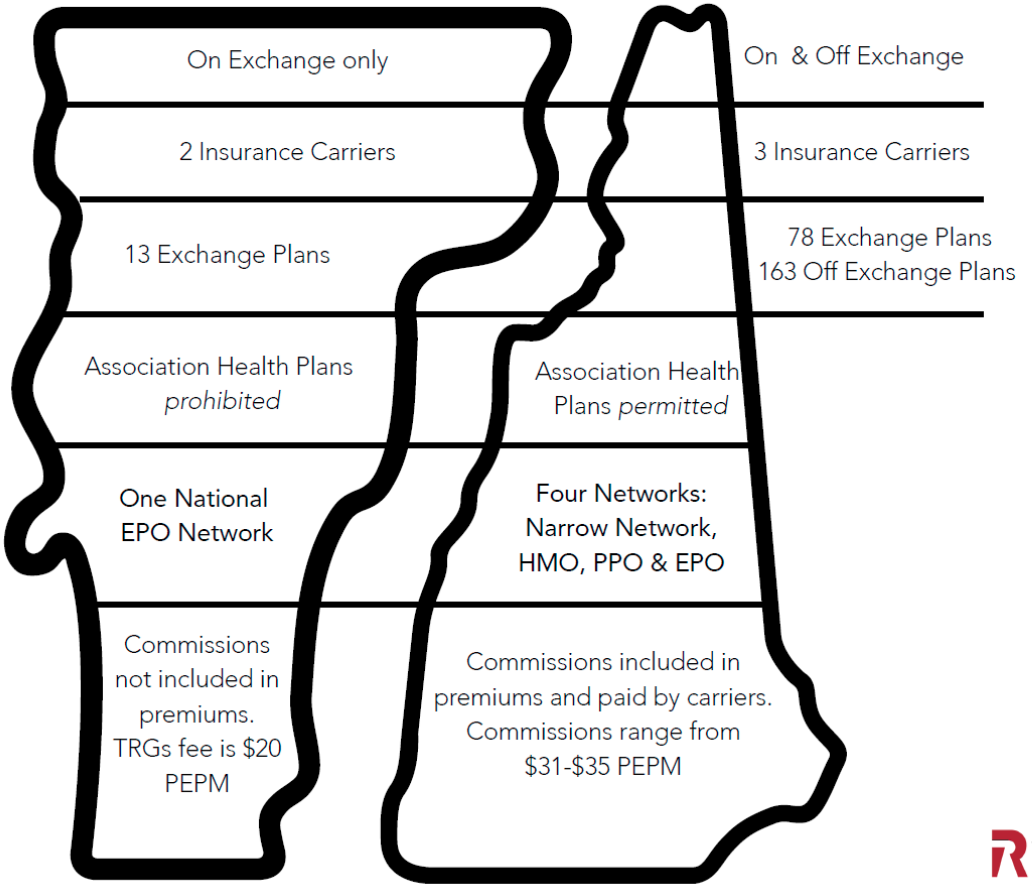
Silver Plan
Ded: $3,500/$7,000
OOPM: $10,150/$20,300

Silver Plan
Ded: $3,500/$7,000
OOPM: $10,000/$20,000

BCBSVT On Exchange EPO	**Small Employer w/ 5 Employees**	**Anthem On Exchange Narrow Network**	**Anthem On Exchange HMO**	**Anthem On Exchange PPO**
$980.80	Employee (25)	$400.65	$465.78	$577.76
$980.80	Employee (30)	$452.92	$526.55	$653.15
$1,961.60	Employee + Spouse (35 & 38)	$984.86	$1,144.95	$1,420.23
$2,756.05	Employee + Family (45, 40, 15, 10)	$1,723.90	$2,004.14	$2,485.99
$1,892.94	Employee + Children (50, 19, 25)	$1,488.86	$1,730.89	$2,147.04
$8,572.19	**Total Monthly Premium**	**$5,051.19**	**$5,872.31**	**$7,084.17**

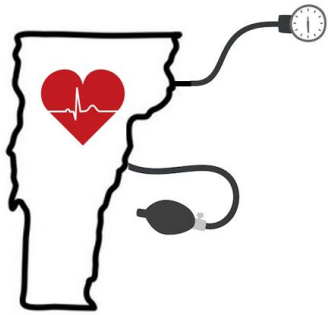
The Richards Group TOTAL REWARDS

Fully Insured Small Group Market Comparison



The Richards Group TOTAL REWARDS

VERMONT
CHAMBER
of Commerce



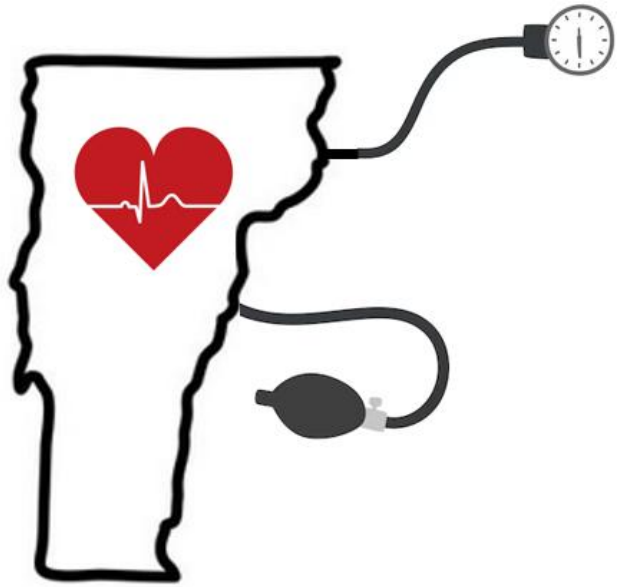
Mike Fisher

Health Care Advocate

VERMONT LEGAL AID

WORKING TOGETHER FOR JUSTICE

State of Health Care in Vermont



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