Owen Foster, J.D.
Chair, Green Mountain Care Board
112 State Street, 5th Floor
Montpelier, VT 05633-3601

Re: Brattleboro Memorial Hospital FY2027 Budget Submission and Continued Maternity Services

Dear Chair Foster:

We write as members of the Windham County legislative delegation in support of Brattleboro Memorial Hospital's continued stabilization and the hospital's efforts to preserve access to local maternity care.

Brattleboro Memorial Hospital is one of the most important institutions in southeastern Vermont. Every day, it provides primary care, emergency care, cancer treatment, surgery, rehabilitation, behavioral health services, maternity care, and countless other services that allow people to receive high-quality healthcare close to home.

BMH's FY2027 budget submission describes a hospital confronting serious and longstanding financial and operational challenges while making measurable progress under new leadership. Acting Co-CEOs Dr. Tony Blofson and Dr. Elizabeth McLarney, together with the Board of Directors, clinicians, nurses, staff, and labor partners, have begun the difficult work of improving financial systems, strengthening revenue-cycle operations, reducing reliance on contracted labor, increasing productivity, restoring regulatory compliance, and rebuilding trust with employees, state agencies, and the community.

The budget projects an FY2027 operating loss of approximately $7.1 million, a substantial improvement from the hospital's FY2025 results and its revised FY2026 budget. It also reflects increased outpatient activity, reduced expenses in several significant categories, and continued progress in staffing, quality, access, and financial management. At the same time, BMH acknowledges that it is not yet financially stable and that the turnaround will require sustained work over multiple years.

We believe the hospital's new leadership is beginning to turn the curve. The progress described in the budget narrative should be recognized, and the leadership team should be given a reasonable opportunity to continue righting the ship. This does not diminish the GMCB's responsibility to protect affordability, require accountability, or carefully evaluate the hospital's assumptions. Rather, it underscores the importance of evaluating BMH's budget in the context of both its current financial condition and the significant corrective actions now underway.

We are additionally concerned about the future of the BMH Birthing Center.

For generations, families have welcomed their children into the world at Brattleboro Memorial Hospital. The possibility of losing local maternity services is painful for families, caregivers, hospital employees, emergency responders, employers, and the broader community. BMH's budget currently assumes that obstetrical services will end during FY2027, but the hospital has also stated that it does not want to discontinue the service and continues to seek a viable alternative.

The challenges facing BMH are real, and they are not unique. Rural hospitals throughout Vermont and across the country are struggling with declining birth rates, workforce shortages, inadequate reimbursement, rising healthcare costs, and the high fixed costs associated with maintaining round-the-clock obstetrical and newborn coverage.

The hospital's Board has the difficult responsibility of protecting the long-term viability of the entire institution while exploring every reasonable opportunity to preserve obstetric services. We recognize the seriousness of the financial and staffing challenges described in the budget. We also recognize that closure of the Windham and Windsor County region's only hospital-based birthing service would be difficult to reverse and could shift clinical, financial, operational, and social costs to families, emergency departments, EMS providers, other hospitals, insurers, employers, and the State of Vermont. BMH's submission appropriately identifies many of these consequences.

We are committed to legislative action during the coming session to improve the conditions affecting BMH and other rural healthcare providers. We must evaluate how reimbursement, regulatory, and healthcare financing systems affect rural hospitals and essential but financially vulnerable service lines. The Legislature must consider longer-term approaches such as improved Medicaid reimbursement for obstetrical care, support for standby capacity, rural hospital stabilization strategies, prior-authorization reforms, and other policies that better recognize the cost of maintaining healthcare access in rural communities. We cannot promise a particular appropriation, reimbursement decision, or legislative outcome. We can promise sustained engagement, collaboration, and advocacy.

We therefore respectfully ask the Green Mountain Care Board to:

1. Approve a responsible FY2027 budget that recognizes BMH's documented progress and supports the continuation of its hospital-wide stabilization work.
2. Work with BMH, our legislative delegation, the Agency of Human Services, the Department of Vermont Health Access, healthcare providers, insurers, and community partners to identify a sustainable path for maternity care in southeastern Vermont.
3. Consider all available reimbursement and regulatory options that could help BMH maintain essential services, including maternity care, while protecting affordability and establishing clear accountability and reporting requirements.
4. Allow sufficient time for the hospital and its partners to evaluate pending transformation funding, operational improvements, philanthropic support, potential partnerships, and other realistic strategies before maternity services are permanently discontinued.
5. Evaluate the statewide costs and access consequences of closure, including the effect on Medicaid beneficiaries, commercially insured families, emergency transportation, out-of-state care, workforce recruitment, and continuity of prenatal and postpartum services.

We understand that no single action by the GMCB, the Legislature, the hospital, or the community can solve this problem. Preserving maternity care will require a shared strategy.

Members of the delegation will also continue working with state and federal officials regarding BMH's potential transition to Critical Access Hospital status. We support the creation of a broad regional coalition that includes hospital leaders, healthcare providers, municipalities, labor representatives, employers, patients, community organizations, and the Vermont Medical Society, to advance a coordinated rural healthcare agenda during the legislative session.

Communication with BMH employees and the community must remain a priority. Hospital staff have expressed understandable concerns about retention, morale, staffing levels, administrative costs, and the future of the Birthing Center. Attendance at regular employee forums and transparent public updates can help rebuild confidence, address misinformation, and ensure that those providing care have an opportunity to be heard.

We are grateful to the physicians, nurses, clinical staff, support staff, administrators, and union members who continue to serve patients through this period of uncertainty. We also appreciate the towns, community organizations, donors, and residents who are organizing letters of support, fundraising efforts, and other forms of assistance.

We encourage residents who depend on Brattleboro Memorial Hospital to continue using it whenever clinically appropriate. Choosing BMH for primary care, imaging, laboratory services, specialty care, surgery, rehabilitation, and emergency care strengthens the hospital our community relies upon every day. A strong hospital is the best foundation for preserving the full range of services it provides.

This is a difficult moment, but it is also a moment for collaboration. BMH has presented a budget that reflects meaningful improvement, difficult decisions, and a continuing need for state and community partnership. We respectfully ask the Green Mountain Care Board to support the hospital's stabilization, carefully consider the regional consequences of losing obstetrical care, and work with all parties toward a sustainable alternative.

We remain committed to working with the GMCB, the hospital, our communities, and one another to build a sustainable future for Brattleboro Memorial Hospital and the people it serves.

Respectfully,

Senators: Nader Hashim, Wendy Harrison

Representatives: Mollie Burke, Michelle Bos-Lun, Emily Carris-Duncan, Zon Eastes, Ian Goodnow, Leslie Goldman, Emilie Kornheiser, Emily Long, Chris Morrow, Mike Mrowicki, Laura Sibilia