



Thank you for asking me to testify about the status of hospitals during the COVID-19 pandemic. I want to start off by laying out the hospital landscape right now, address some key issues, and finish with what's working well and our appreciation.

Hospital Landscape

As you can imagine, the hospital landscape is completely different than it was when we were all together in our little committee rooms last month. Due to your work in passing Act 91, we've been able to move quickly.

Here's how hospitals have prepared and continue to prepare for COVID-19:

- Established incident command
- Parking lot testing
- Creating new areas of the emergency department- one hospital converted its ambulance bay, other hospitals have put up walls
- Creating negative pressure rooms, moving units, creating alternatives to ICU and ventilation
- Bringing on other providers to the emergency department shift so that they're in the EMR and familiar with the environment and ready to go once a surge hits and ED providers get sick
- Housing providers who don't want to expose their families or have been working long hours in nearby hotels
- Surge planning
- PPE procurement efforts
- Suspending non-essential procedures—worried that people are forgoing care, so have put out a PSA

Coordination Efforts

HOSPITAL COMMUNITY

- Calls three times per week with all hospital CEOs
- Calls every week with Chief Medical Officers and ED Directors
- Calls with Chief Nursing Officers, Chief Financial Officers, Quality Directors, inpatient psychiatric leadership, and community outreach directors
- Website forums for sharing policies and information

PROVIDER COMMUNITY

- VAHHS participates on daily calls with other provider associations to coordinate efforts and share resources.
- VAHHS has weekly conversations with Vermont Care Partners
- Hospitals have reached out to local nursing homes and home health agencies

STATE

- Daily data submission to EMResource re: number of available beds, surge beds, PPE, ventilators, etc.
- Weekly call between hospital CEOs and Dr. Levine, Commissioner of the Department of Health
- Surge capacity planning



- Working with DVHA and the GMCB on financial issues
- Weekly meeting with DFR to provide input on rules and bulletins
- Working with DVHA and DAIL on 1135 waivers
- Board of Medical Practice and Office of Professional Regulation on provider association calls
- Meetings with DMH on patient placement
- Meeting with DOC regarding COVID-19 planning
- Meeting with DOL on provider association call

PUBLIC

- Hospital dashboards available to the public for local data
- VAHHS and VDH PSAs. Latest [PSA](#) encourages Vermonters to seek treatment for necessary care

Financial Picture and Health Care Reform

Hospitals have been investing in these efforts to ensure proper care through the epidemic while seeing a 50-70% loss in revenue due to the suspension of non-essential procedures. Vermont's hospital system was fragile prior to the pandemic, but the financial standing of all of our hospitals is much more precarious now.

FEDERAL FINANCIAL RELIEF

Bottom line—a lot of uncertainty remains around federal financial relief.

Accelerated/Advance Payment Program: Created a quick infusion of cash, but downside is some hospitals must pay back within 210 days and other hospitals must pay back within 365 days or else subjected to a 10.25% interest rate. Given that the pandemic looks to be here long-term, this option has challenges. Is not available to hospitals in bankruptcy proceedings.

FEMA: providing information to our hospitals

SHIP Grant: \$90,000 available to Critical Access Hospitals and Brattleboro Memorial Hospital. Working closely with VDH to access these funds.

CARES Act Emergency Fund: By now all but one of our hospitals have received funding. Funding was based on fee-for-service. There was a lack of communication between HHS and CMS and this created a problem for those hospitals in the All Payer Model. We are working with the state and our federal delegation to resolve that issue.

STATE FINANCIAL RELIEF

- State has been a great partner in this area. Hospitals are providing information to DVHA and the Green Mountain Care Board.
- DVHA has been helpful in providing advance payments to some of our hospitals that are most in need.



ONECARE VERMONT AND ALL-PAYER MODEL

We really appreciate the efforts of OneCare Vermont, the Director of Health Care Reform, and the Green Mountain Care Board in writing a letter to the federal government asking for flexibility around the All Payer Model. To be clear, the letter does not eliminate our health care reform efforts, but requests flexibilities because the circumstances of the pandemic were never contemplated in the APM, such as:

- Allow 2020 benchmarks to be reevaluated
- Eliminates requirement that hospitals pay if doesn't meet financial targets
- 2020 is a "reporting only" year—acknowledging that hospitals may not be able to meet quality targets due to deferring follow-up services or preventive care because of focus on treating and avoiding the spread of COVID-19
- Hold providers harmless for large swings in utilization
- Allow OneCare to hold on to funds due to CMS for duplicate payments

Prior to the pandemic, our innovative payment model placed us in uncharted waters, but with COVID-19, the map has been torn to shreds. We need every flexibility at this point.

Personal Protective Equipment

Personal protective equipment is a broad term, it includes not only N95s, but also surgical masks, gowns, eye protection, etc. When a hospital is down to a few days of PPE, they may have N95s, but be low on surgical masks, which means they may have to resort to using N95s as a substitute and diminishing that supply.

In short, all PPE is vital and supply can be fluid—7 days of PPE turns into 2 days of PPE if there is a spike in COVID-19 patients. As a result, our hospitals have employed PPE conservation policies. These policies are based on available information regarding the science of the virus, the supply chain, and the likelihood of future spikes in cases.

In addition to the inherent unpredictability of PPE, there has been much uncertainty at the federal level. The state has been very helpful, but hospitals aren't always sure when or how much PPE will be delivered through the federal government.

Personal protective equipment will continue to be an issue—nursing homes, home health, and community providers need more of it to provide care and slow the spread of COVID-19. It is also crucial as time goes on and restrictions are slowly lifted.

Thank You

VAHHS appreciates the legislature's work on Act 91, Governor Scott for his quick and effective initiatives to flatten the curve, and the constant coordination between the Administration, our federal delegation, and other provider groups.

I want to thank all of our health care workers, in every position. Their ingenuity and endurance during this time is truly inspirational.

Most of all, I want to thank the people of this brave little state. Under these difficult conditions, Vermonters have exceeded expectations. You are saving lives. Thank you.