

Date: May 1, 2026  
To: Chair Marcotte and Members of the House Committee on Commerce and Economic Development  
From: HealthFirst, Susan Ridzon, Executive Director, [sr@vermonthealthfirst.org](mailto:sr@vermonthealthfirst.org)  
Re: S.71 - An act relating to consumer data privacy and online surveillance

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These comments are from HealthFirst, Vermont's independent practice association representing 66 clinician-owned independent primary care and specialty care practices located across Vermont. Our members are the high value local practices that are part of fabric of our communities, such as Georgia Pediatrics, Middlebury Family Health, Upper Valley Pediatrics, Northeast Kingdom Hematology Oncology, and others. (See slide at the end for an overview of our network and a link to our full practice directory.)

First, we agree that it is important to protect consumer data and online surveillance and we support the [Senate passed version of S.71](#). Our practices take data privacy seriously and they already comply with federal HIPAA requirements. However, we have considerable concerns that the House's latest version, [draft 2.3 of S.71](#), will add significant administrative and legal costs onto our already over-burdened practices. **Most of our practices simply do not have the resources necessary to do this additional work, nor the means to obtain them.**

For those who are not aware, the only source of revenue for independent practices is typically only payer reimbursements. Most often small practices have little or no negotiating power for what those reimbursements will be. As a result, reimbursement rates have not kept pace with costs and in some cases the rates are going down. Independent clinicians close their doors because of this imbalance. This has happened to eleven of our practices since 2020. These practices provided high quality services to Vermonters at a lower price. Services in areas that Vermonters need such as primary care, oncology, and obstetrics/gynecology.

The practices that remain must operate as leanly as possible to survive and keep prices lower for patients. Adding more administrative burden and cost significantly increases the risk that more independent practices will become insolvent and close. When this happens, the cost of healthcare increases for all of us as more expensive and better resourced health systems and private equity-owned entities become the only options for care.

Draft 2.3 would impart sizable additional burden on our medical practices. It would:

- Increase administrative complexity and overlap
- Add compliance overhead
- Create new legal exposure and legal costs
- Force a whole new level of vendor management when practice control, insight and negotiating ability is limited

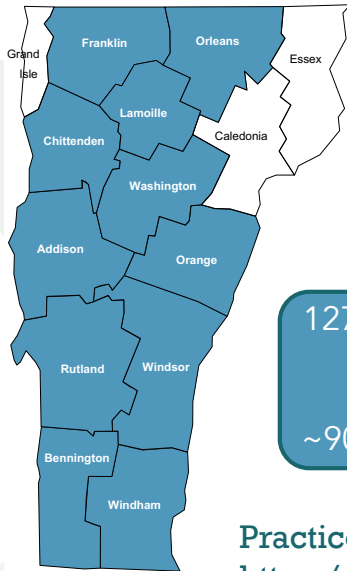
This would not just be a one-time compliance project. It would be an ongoing significant operational function and overhead cost with no scale advantage. Unlike larger entities who have IT departments, legal teams, and dedicated administrative staff, most independent practices do not have this deep infrastructure and will disproportionately feel the effects of this bill. **This will further stress and weaken existing independent practices, ultimately straining healthcare access and increasing costs.**

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About the HealthFirst Network (see next page)



# HealthFirst Independent Practice Association



66 primary & specialty care practices in 11 counties

21% Direct Care or Concierge (increasing)

Independents instrumental in bringing these high quality, lower costs facilities to Vermont.

127 primary care clinicians caring for ~90,000 patients

108 specialists offering 25+ specialty care services



Practice directory:  
<https://vermonthealthfirst.org/directory.php>