



Vermont Conversation

Vermont House Committee on Health Care

January 27, 2026



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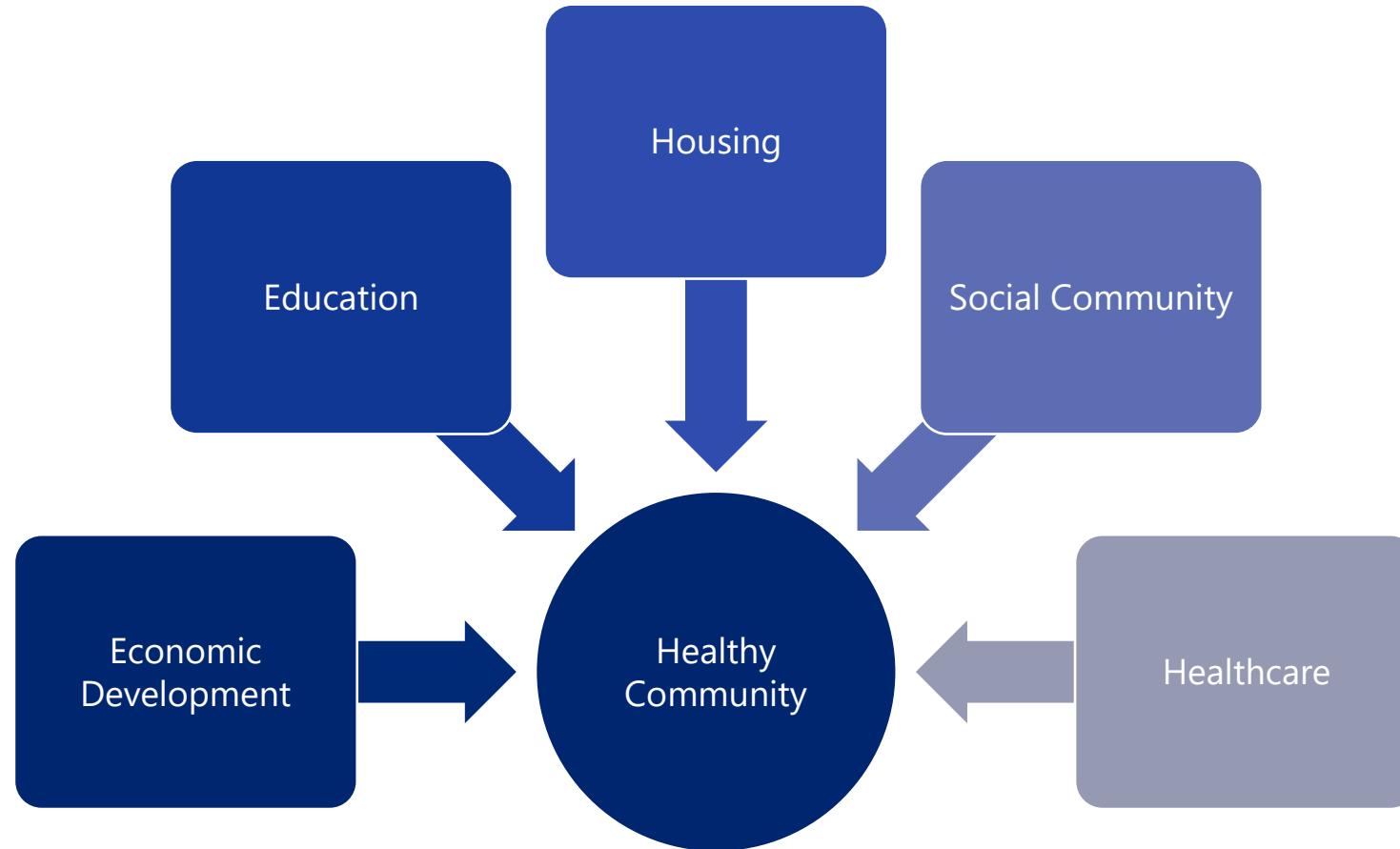
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Board
Medical Staff
Executive Leadership
Community

Every Day Sacred

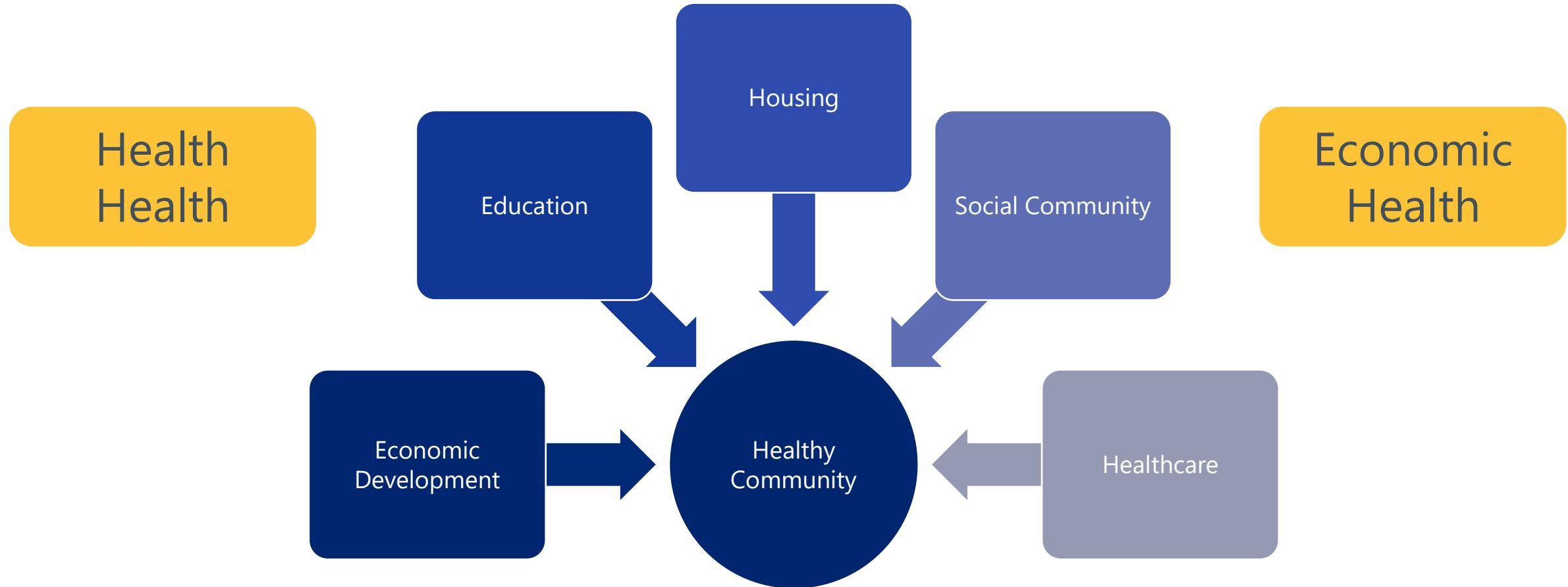


Caring for Community – SDOH & HRSN



Increasing Attention on / to
Social Determinants/Drivers of Health (SDOH) & Health Related Social Needs (HRSN)

Caring for Community – SDOH & HRSN



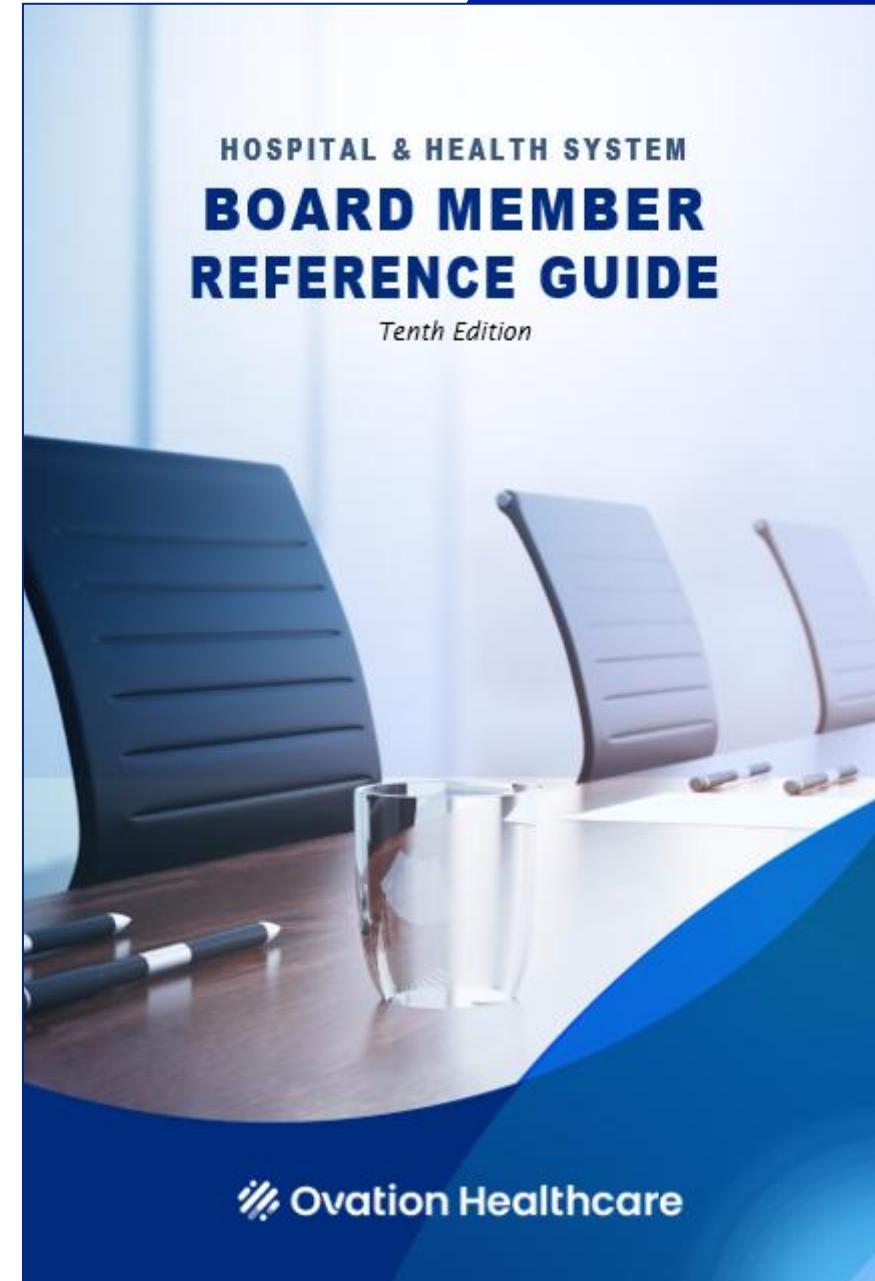
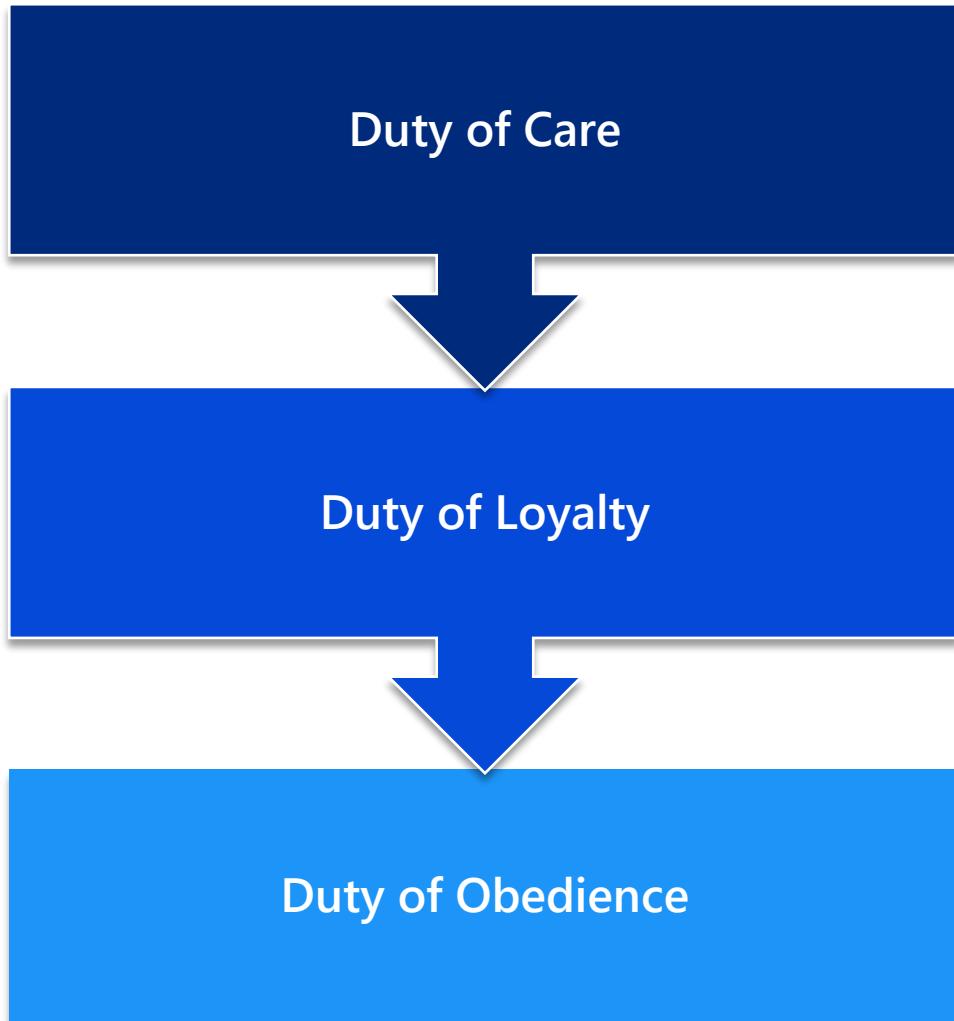
Increasing Attention on / to Social Determinants/Drivers of Health (SDOH) & Health Related Social Needs (HRSN)

**“If anything we are doing in the Boardroom does not matter to the people outside the Hospital...
Then we are doing the wrong thing”**

Carolyn Boone Lewis, Former Chair, AHA



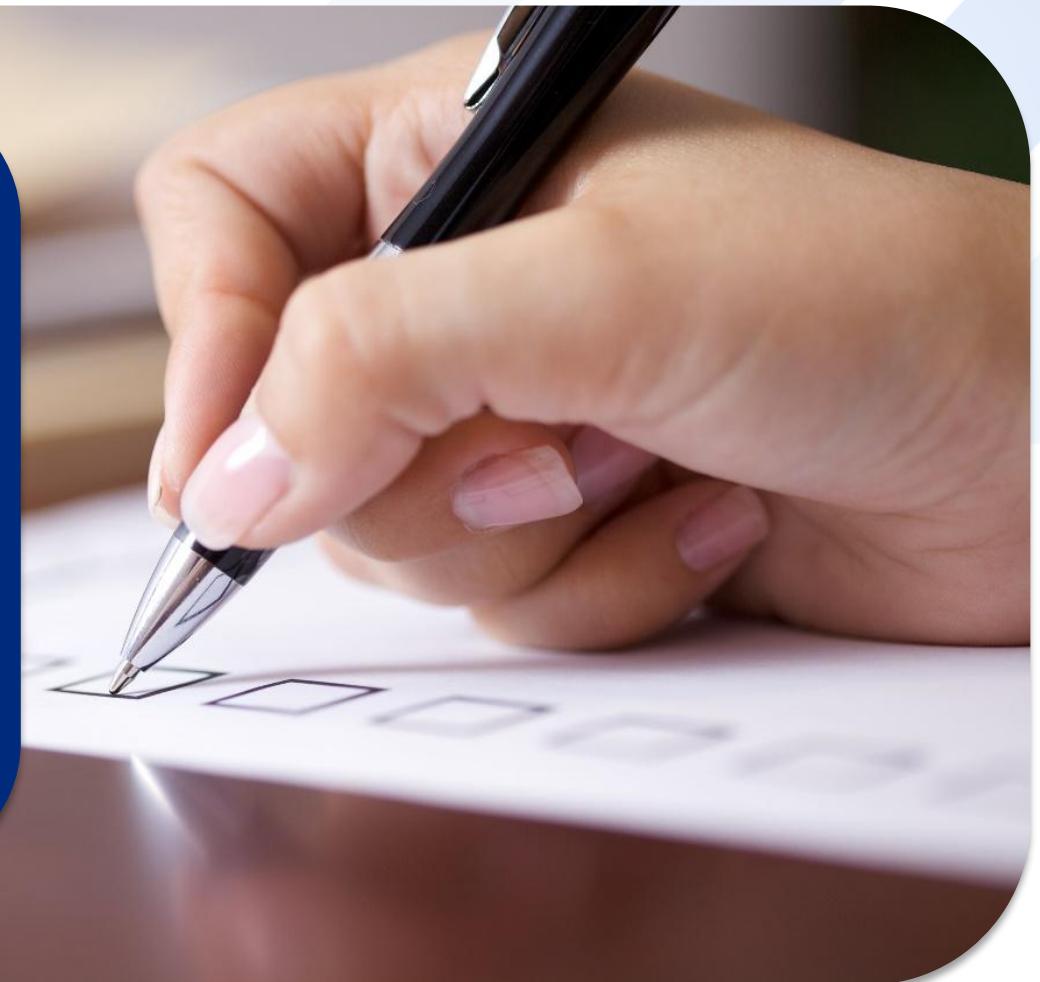
Fiduciary Duties



Fiduciary Duties

“Duties Board Members of the Hospital/Health System are legally bound to perform – Board Members are legally and ethically responsible for everything that happens in the institution”

– Ovation Healthcare





Ovation Healthcare Overview

About Ovation

With 49 years of experience, Ovation Healthcare delivers integrated shared services that strengthen financial performance, empower leadership to drive results, and sustain long-term independence.

We are partnered with 500+ clients in 47 states from critical access hospitals to large health systems.

What Sets Us Apart



We develop and execute strategies that deliver real results



Our models adapt to your needs to deliver best outcomes



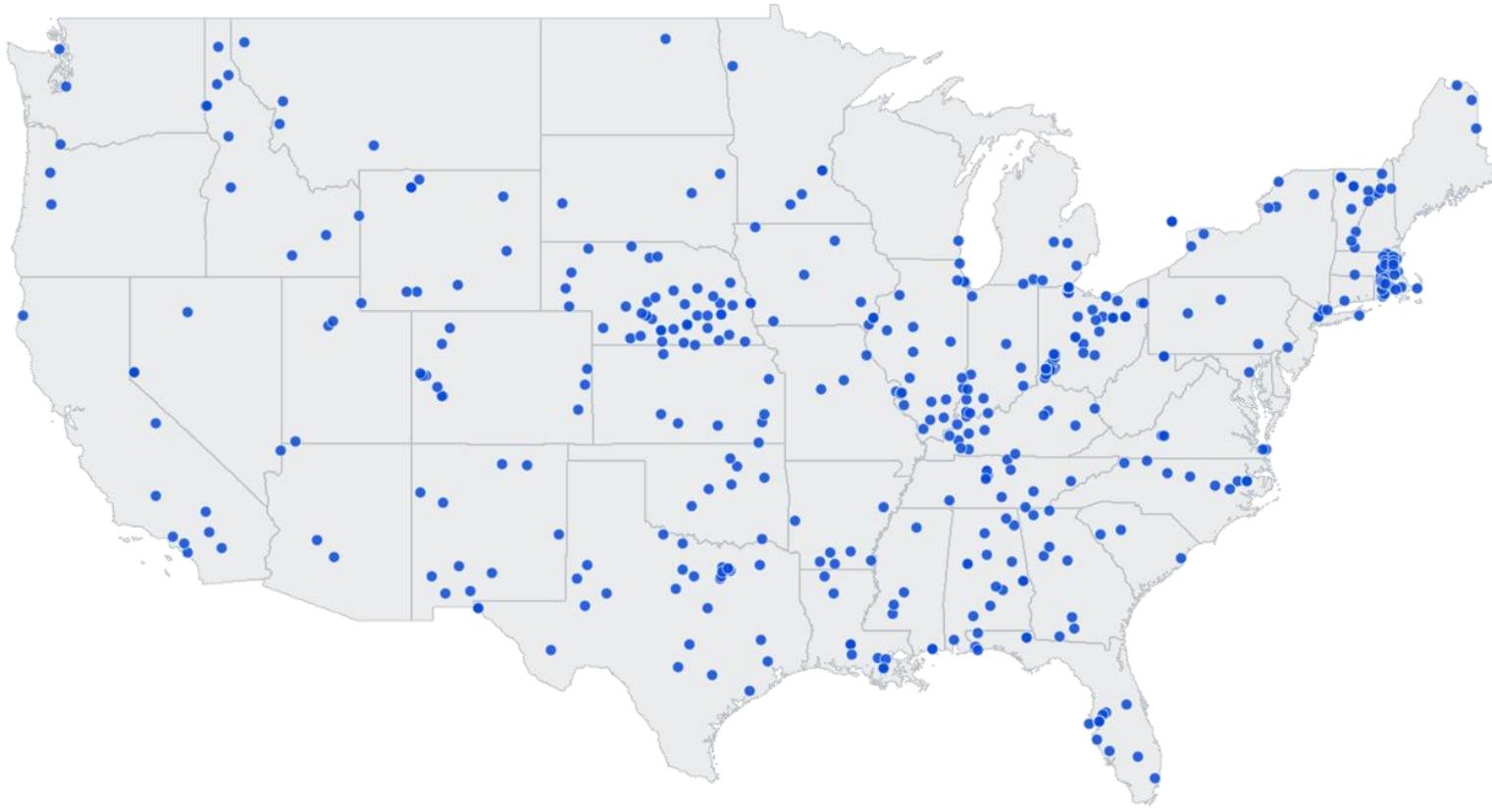
We foster innovation and empower every voice to create meaningful strategies



Our shared services deliver scale while preserving your community focus

WHO WE SERVE

Our partners are community and independent hospitals, regional and larger health systems, outpatient facilities, and physician groups nationwide.



\$90B Client NPR



500+ Clients



47 States



We deliver smarter strategy, lower costs, and stronger margins



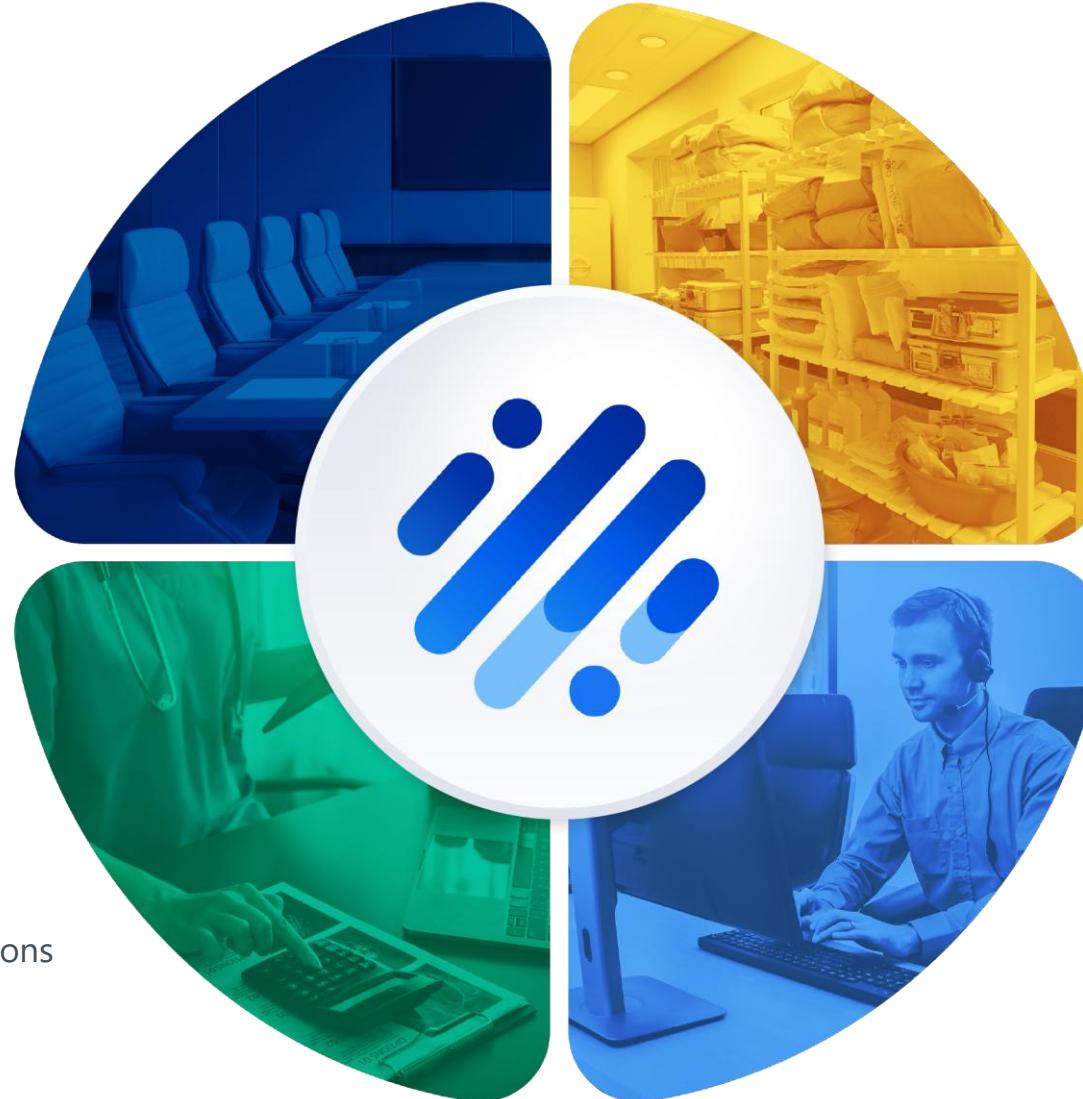
Ovation is the premier provider of shared services to independent hospitals. Services offered include:

- Leadership Advisory
- Revenue Cycle Management
- Spend Management
- Technology Services
- Learning Institute



Leadership Advisory

- Governance & Leadership
- Strategic Positioning
- Clinical Excellence
- Financial Operations & Reimbursement
- Workforce Optimization
- Payer Relations



Revenue Cycle Management

- Cash Acceleration
- Denial Management
- ProFee Billing
- Zero Balance & AR Resolutions
- Early-Out Services
- Coding & Billing



Spend Management

- Supply Chain Optimization
- Pharmacy Management
- Insurance Services
- Purchased Services
- Expense Analytics Tool



Technology Services

- Managed IT Services
- Security & Compliance
- Application Support
- EHR Optimization
- Infrastructure Support
- End User Computing

Ovation Learning Institute (OLI)

Leadership Advisory works across the Ovation enterprise



Strategy

- Strategic Plan Development
- Board/Leadership Facilitation
- Medical Staff Development Planning
- Community Health Needs Assessment
- Service Line Development
- Ambulatory Network Development
- Strategic Positioning
- Decision Support and Analysis



Payer Relations

- Payer Performance Assessment
- Contract Analysis and Negotiation
- Chargemaster Analysis and Update
- Payer/Provider Facilitation
- Patient/Financial Service (PFS) Education
- Network Design and Planning
- Revenue Cycle



Care Transformation & Operational Improvement

- Workforce Productivity
- Improvement Facilitation
- Lean Healthcare & Education
- Facility Assessment and Improvement
- Clinical Operations
- Leadership Development Support
- Quality Improvement Implementation
- Survey Readiness & Mock Surveys



Physician Services Support

- Medical Practice Management Support
- Provider Consulting Support
- Medical Group Coordination
- Reporting and Analytics
- Human Resources Support
- Accounting Services
- Strategic Planning
- Equipment Purchasing



Compliance

- Program Assessment and Development
- Program Implementation
- Interim Leadership Support
- Compliance Audits and Risk Assessment
- Physician Payment Reconciliation
- Education and Training
- Credentialing Program Assessment
- Patient Transfer Assessment



Financial Services

- Finance & Reimbursement
- Cost Report Analysis and Development
- Critical Access Program Advisory
- Reimbursement Advisory
- Turnaround Services
- Interim Financial Leadership
- Debt Refinancing and Assessment
- Regional Financial Advisement
- Benchmarking and Analysis
- CFO Training and Development

Ovation Learning Institute (OLI)

From virtual to in-person education sessions, as well as Ovation's exclusive Leadership U program, Ovation's operators and subject matter experts have delivered contemporary, curated content to hospital leaders, managers, and boards for nearly 50 years



Over
3,500
attendees educated
annually



Over
300 hours
of education
annually



Over
72
unique learning
opportunities



Leadership and Governance



Operations



Healthcare Trends



Regulatory and Legislation

Our Client Results – Comparison Metrics

Compared to peer hospitals and/or similar companies, Ovation Healthcare supports or achieves:

25%

lower net days
in accounts receivable

20%

reduction in
IT spend

12%

improvement in
reimbursement

13%

cost-to-collect
reduction by insourcing

12%

reduction in spend
management

3x

higher Net Promoter
Score (NPS)



Springfield Hospital - Clarification

QHR

Health

| AUGUST 2022

CLIENT SUCCESS STORY

Springfield Hospital

"Springfield Hospital came within days of closing." How QHR Health helped Springfield Hospital navigate a financial turnaround.



QHR
Chap11
OVHC

Jan 2019 - April 2021
Jun 2019 - Dec 2020
May 2021 - Current

THE BACKGROUND

Springfield Hospital

"In the summer of 2019, one institution in the Green Mountain State was dangerously close to joining that list [of closed rural hospitals]. Springfield Hospital, a 25-bed facility in Windsor County, had been operating at a deficit for years. As bills mounted in 2018, there wasn't enough money to keep the heat on or cover salaries," reported the *Vermont Digger*.

The interim CEO Mike Halstead shared at a series of community town halls in 2019 and 2020, "Springfield Hospital came within days of closing its doors. When I arrived in January 2019, the hospital had one day of cash on hand."

Springfield Hospital (SPH), in Springfield, VT, is a 25-bed, not-for-profit, critical access and safety net hospital. The hospital provides inpatient, outpatient, 24-hour emergency, diagnostic imaging, physical therapy, rehabilitation and general surgical services as well as specialty care and inpatient general psychiatric care.

In 2016, SPH and the system to which it belonged at the time, Springfield Medical Care Systems, Inc. (SMCS), began to face financial challenges. In the fall of 2018, independent

QHR Health: Springfield Hospital Success Story

OUR CHALLENGE

Financial Turnaround

Rapidly partner with the State of Vermont and together with the Green Mountain Care Board, support and secure the ongoing approval to turnaround a financially distressed hospital that is a key healthcare resource and economic engine in its community.

The Green Mountain Care Board (GMCB) an independent five-member Board whose members are appointed by the Governor for six-year terms and "charged with reducing the rate of healthcare cost growth in Vermont while ensuring that the State of Vermont maintains a high quality, accessible healthcare system." The Board has six major regulatory duties including reviewing and establishing community hospital budgets.

QHR Health: Springfield Hospital Success Story

THE RESULTS

Operational Excellence

2018 (Audited)	2019 (Audited)	2020 (Audited)	2021 (Audited)	
Total FTEs (in thousands)	321.67	297.10	271.10	273.60
Gross Patient Revenue	\$121,253	\$110,213	\$93,131	\$101,349
Deductions from Revenue	\$76,630	\$72,011	\$59,421	\$59,021
Net Patient Revenue	\$44,623	\$38,202	\$33,710	\$42,328
Other Operating Revenue*	\$10,241	\$11,650	\$13,600	\$12,291
Operating Expenses	\$61,860	\$57,585	\$51,329	\$55,001
EBITDA	(\$4,809)	(\$5,607)	(\$1,985)	\$3,337
Net Income/Loss	(\$6,996)	(\$7,733)	(\$4,019)	\$1,618

*Significant items include Fund Perspective Revenue, Shared Master Service in Agreement with local FQHC

By calendar year-end 2020, and 18 months after the original court filing, SPH successfully emerged from Chapter 11 Reorganization. As a condition for exiting Chapter 11, SPH separates from SMCS. The hospital's balance sheet reflects significantly reduced debt structured for long-term financing, paving the way for operational sustainability.

In 2021, leadership transitions from interim CEO Mike Halstead to the new CEO, Bob Adcock. Kayda Wescott moves from the controller to interim CFO.

As reported in the *Vermont Digger*, by the end of fiscal year 2021 on September 30, 2021, Springfield Hospital has \$6 million in reserves, 42 days cash on hand, \$1.6 million in operating income (per audited financials) and \$18 million in net income, a \$17 million overall increase due to removing the debt from Chapter 11 Reorganization preparation and filing.

QHR Health: Springfield Hospital Success Story

THE IMPACT

"We worked together to save Springfield Hospital. Between 2019 and 2022, while contending with the COVID-19 pandemic, Springfield Hospital went from one day's cash on hand and millions owed to vendors and banks to a lower total debt, improved cash flow and positive days cash. I am grateful for the invaluable role QHR Health provided in catalyzing the medical and clinical staff, the leadership team, the Board of Directors, the community, the Governor and the State of Vermont."

Jim Rummell
Chair, Springfield Hospital Board of Directors

OUR SOLUTION

Four Areas of Success

In 2019, SMCS engages QHR Health to focus on:

Leadership

QHR Health recruits interim CEO Mike Halstead, fills interim CFO role and, in 2021, helps recruit a permanent CEO, Bob Adcock, who said:

"I am looking forward to joining Springfield Hospital and continuing its 107-year tradition of caring for the community and the remarkable achievements its team has made in providing high quality healthcare through some challenging times."

Collaboration and Relationship Management

QHR Health cultivates relationships with the Governor of Vermont, the Agency of Human Services and the Green Mountain Care Board, ultimately helping to secure comprehensive state support in the form of loans and tax and fee reductions. Financial support from the State of Vermont was conditioned upon the ongoing involvement of QHR Health.

As reported in the *Valley News*, "That \$2 million in assistance [to care for the state's COVID-positive behavioral health patients] was on top of \$4 million the state gave the hospital in 'exit funding' to help it get out of bankruptcy, as well as \$800,000 the state loaned Springfield Medical Care Systems (SMCS), the federally qualified health center that was tied to the hospital before those ties severed through the bankruptcy in early 2019. As part of the bankruptcy, the health system also wrote off some \$4.65 million in unpaid taxes owed the state of Vermont."

QHR Health: Springfield Hospital Success Story

Strengthening Independent Community Healthcare

"I am looking forward to joining Springfield Hospital and continuing its 107-year tradition of caring for the community through some challenging times."

CEO Bob Adcock

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Private Equity in Healthcare

Private Equity (PE) in Healthcare

PE's involvement in many sub-sectors of healthcare has continued to grow, with an estimated \$1+ trillion invested in the past decade

PE in Healthcare

- PE invests due to healthcare's fragmentation, high cost, bureaucracy, inefficiency, data challenges, and more
- Owns 8% of private (non-gov't owned) hospitals
- Owns > 6,000 physician practices (800 in 2012)
- Owns 5% of nursing homes

Types of PE in Healthcare

- Own hospitals, systems, and providers
- Provide services to hospitals, systems, and providers
- Own non-provider businesses
- Provide services to non-provider businesses

Steward Healthcare (Hospital System)

Prospect Health (Hospital System)

Ownership of Providers & Facilities

Medical Decision Making

Epic (EHR & think AI)

Press Ganey (Patient Satisfaction & Experience)

Healogics (Wound Care)

Shared Services, Scale, Advice

Control & Concern

Collaborate & Contribute

Grant Avenue Capital

Grant Avenue Capital (GAC) has been Ovation Healthcare's primary private equity (PE) sponsor since May 2021, and there are a variety of investors (PE and non-PE) supporting Ovation along with GAC



Core Values & Mission: Truth, grit, teamwork, and community – Deliver outstanding, risk-adjusted results for investors by actively building world-class companies that enhance patient health, improve the overall healthcare system, and positively impact communities



Portfolio: GAC invests in healthcare sub-sectors—including healthcare and pharma services, medtech, and healthcare IT. Other than Ovation, current investments include businesses in PT/rehab, home health and hospice, clinical research, home medical equipment/supplies, consulting, EMS, and vitamins and supplements manufacturing



Core Investment Themes: Cost containment (reduce healthcare costs + support improved clinical outcomes), consumerism (provide individuals with better healthcare info. and options), compliance (tech-enabled businesses that attack fraud, waste, and ensure payment compliance), custom solutions (companies with outsourcing and tech solutions that drive efficiency, reduce expenses, and improve results)

Private Equity (PE) in Healthcare and Ovation's Position

PE's involvement in many sub-sectors of healthcare has continued to grow, with an estimated \$1+ trillion invested in the past decade

Ovation since Grant Avenue's Involvement

- Tens of millions of dollars have been invested and funded by Ovation to add services to support clients (RCM and IT)
- Ovation's prices to clients have not increased, and in many cases have been reduced to support clients' needs and business realities (against headwind of rising cost of business)

What Ovation currently is / does / cannot do

- Ovation is not a provider of clinical services
- Ovation is not an owner of hospitals
- Ovation does not "cherry pick" its clients by location, financial situation, market realities, etc.
- Ovation can not be everything to all hospitals, health systems, and other related providers of care

We are operators, advisors & subject matter experts supporting independent healthcare with experience, discipline & caring

A group of diverse professionals in a modern office setting. A man in a suit is gesturing while speaking, and others are listening attentively. The background shows office windows and a potted plant.

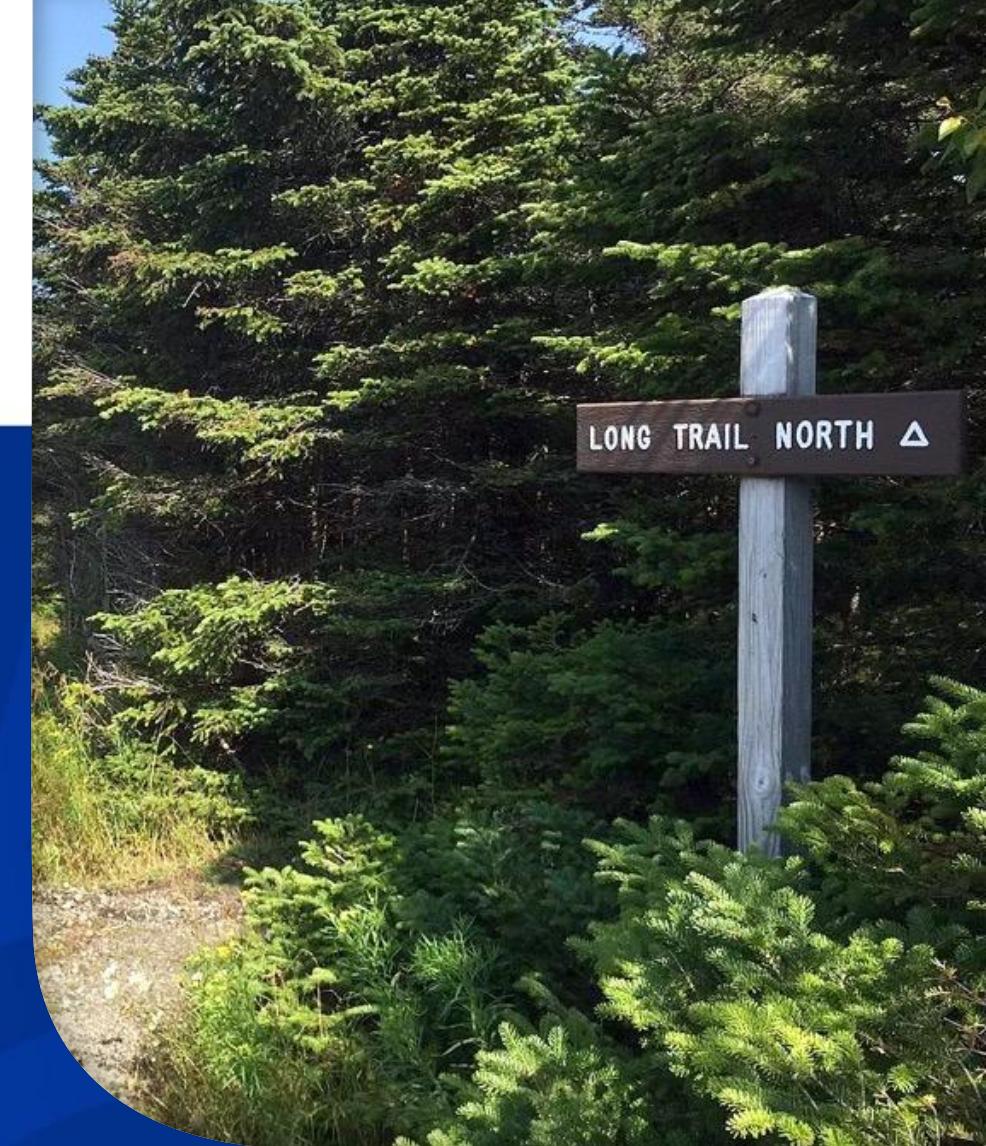
New England Collaborative Health Network (NECHN)



Remaining Independent Through Interdependence

State of VT Health Reform Oversight Committee

David Turner, Exec Director
12.04.25





Hospital Members



Brattleboro
Memorial Hospital



HEALTH SYSTEMS



NMCC
Northwestern Medical Center



ADIRONDACK HEALTH

Better Health. Better Lives.



The logo for Cottage Hospital features the word "COTTAGE" in a large, serif, all-caps font. A stylized blue house roof graphic sits above the letter "T". To the right of "COTTAGE" is the word "HOSPITAL" in a smaller, bold, sans-serif, all-caps font. Two small blue pine tree icons are positioned to the right of "HOSPITAL".



GraceCottage
FAMILY HEALTH & HOSPITAL



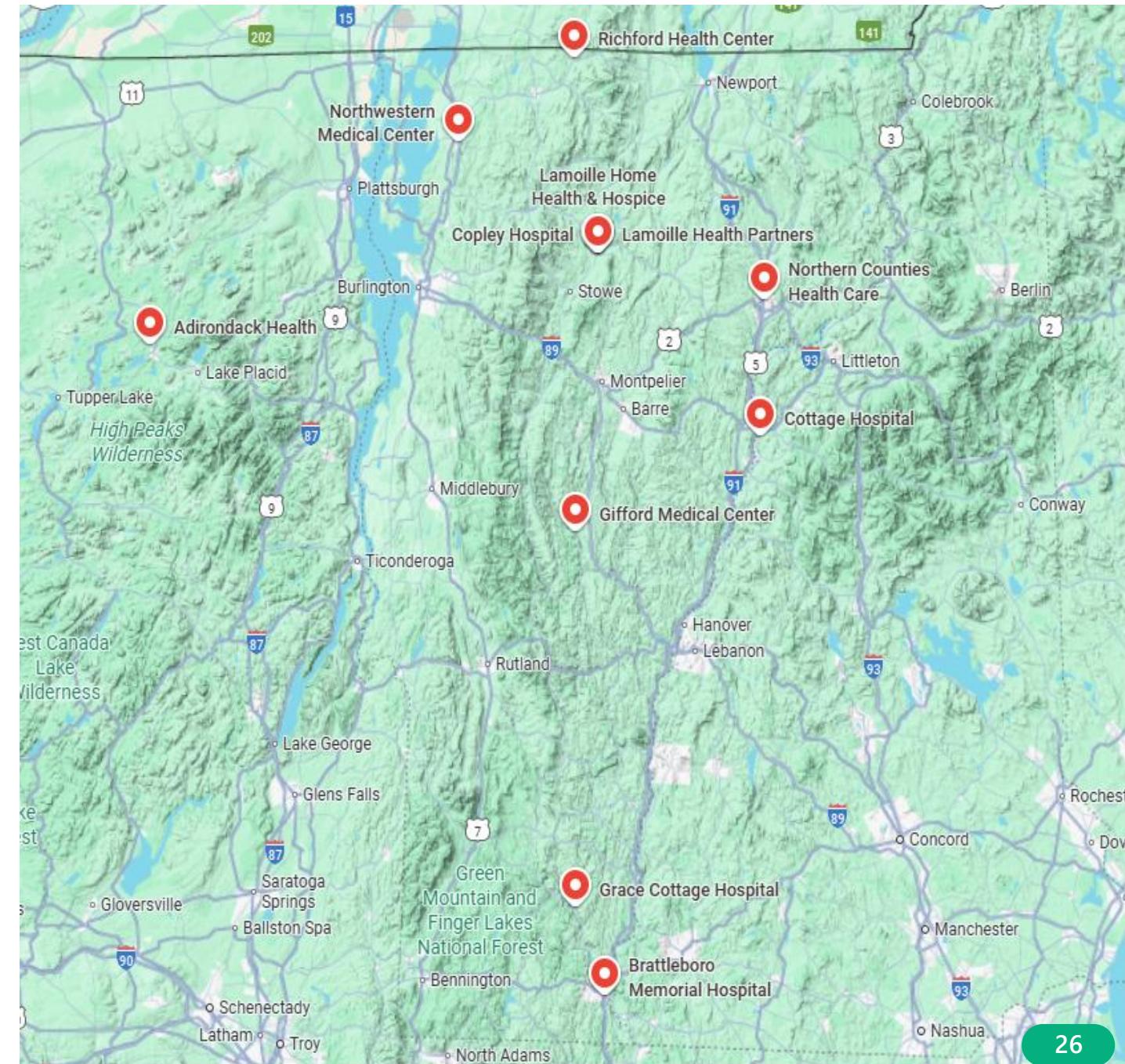
Gifford
Health Care



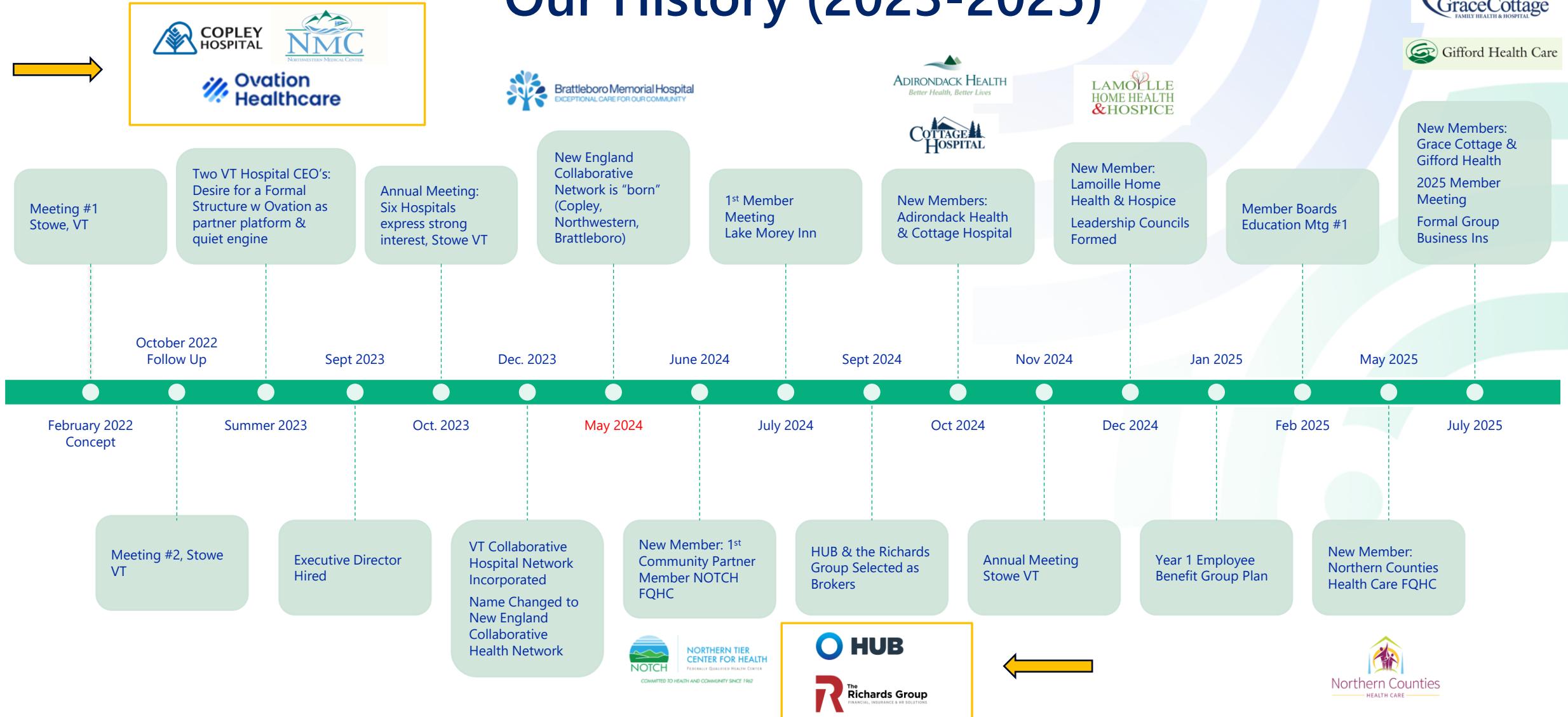
Community Partners



**NORTHERN TIER
CENTER FOR HEALTH**
FEDERALLY QUALIFIED HEALTH CENTER
HEALTH AND COMMUNITY SINCE 1967



Our History (2023-2025)





Guiding Principles

As caring members and partners of the NE Collaborative Health Network (NECHN), we believe and affirm:

Through collaboration we can **strengthen the sustainability and resilience of independent rural community healthcare** and in so doing protect quality patient care and services for the Communities we serve

The development of a formal network **creates numerous business opportunities** that, individually, we might not otherwise be in a position to pursue or achieve

NECHN Members and Partners will **benefit from shared solutions** to face the current and foreseeable challenges that the healthcare industry is experiencing (among others) with workforce, costs, and access to quality care.

Advocacy is enhanced through **a collective voice** that intimately appreciates and speaks knowingly about the true needs of healthcare in rural communities.

Supporting NECHN peer workgroups and programs are an important means to problem solve, to **share best practices, and build a shared regional trust**.

Our independent NECHN Board of Directors, a collective of like size organizations with similar realities, offers the ability through shared passion and **vision to develop both local and regional shared solutions**.



NE Collaborative Health Network Member Accord

As caring members and partners of the New England Collaborative Healthcare Network (NECHN), we recognize the importance of and agree upon the need to work inter-dependently for the long-term sustainability of Independent Community Hospitals, Health Systems and Community Partners in Care, that any collaborative framework should be structured on harmonious shared solutions achieving scale and efficiency, and the philosophical foundation that a network of true collaboration is rooted in trust, respect, and deeds of integrity.

Recognizing the NECHN Board of Directors is an independent governing body, free to make decisions in the best interest of collaborative members and partners with the mission to strengthen and protect independent rural community healthcare.

Accordingly, as caring members and partners of the NECHN we believe and affirm:

- Through collaboration we can strengthen the sustainability and resilience of independent rural community healthcare and in so doing protect quality patient care and services for the Communities we serve.
- The development of a formal network creates numerous business opportunities that, individually, we might not otherwise be in a position to pursue or achieve.
- NECHN Members and Partners will benefit from shared solutions to face the current and foreseeable challenges our shared healthcare industry is experiencing (among others) with workforce, costs, and access to quality care.
- Advocacy is enhanced through a collective voice that intimately appreciates and speaks knowingly about the true needs of healthcare in rural communities.
- Supporting NECHN peer workgroups and programs are an important means to problem solve, to share best practices, and to build a shared regional trust.
- Our independent NECHN Board of Directors, a collective of like size organizations with similar realities, offers the ability through shared passion and vision to develop both local and regional shared solutions.

Our success depends on our members' level of inter-dependence. Therefore, we pledge:

✓ To care enough to contribute our best	✓ To be courageous as we innovate
✓ To be loyal enough to help each other succeed	✓ To remain vigilant as we care for our caregivers and the communities we serve



Christopher Dougherty, CEO
Brattleboro Memorial Hospital



Joseph Woodin, CEO
Copley Hospital



Peter Wright, CEO
Northwestern Medical Center



Chip Holmes, EVP Hosp. Ops.
Ovation Healthcare



David Turner, Exec. Director
NE-CHN



Scott Glessert, COO
Ovation Healthcare

VT Hospital Transformation Role

Enhanced Functionality

Need for Shared IT Network & Electronic Health Record & HR Info Systems



Shared Network & Cyber
Specialists, Application
Training(ers)



Shared Revenue Cycle
Functions/ Teams



Centralized Budget /
Financial Functions
(AP/Payroll)



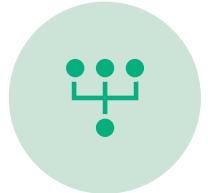
Enhanced Data Analytics /
Population Health



Regional Professional Group
Practices, Diagnostic
Interpretations



Shared Care Coordination
Services (Acute to LTC to
Home Health w/ Primary
Care Connected)



Integration of Remote Patient
Monitoring



Provider Productivity / AI &
Enhanced System Capabilities



Shared Quality, Risk,
Utilization Review Teams

Conversation



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THANK YOU

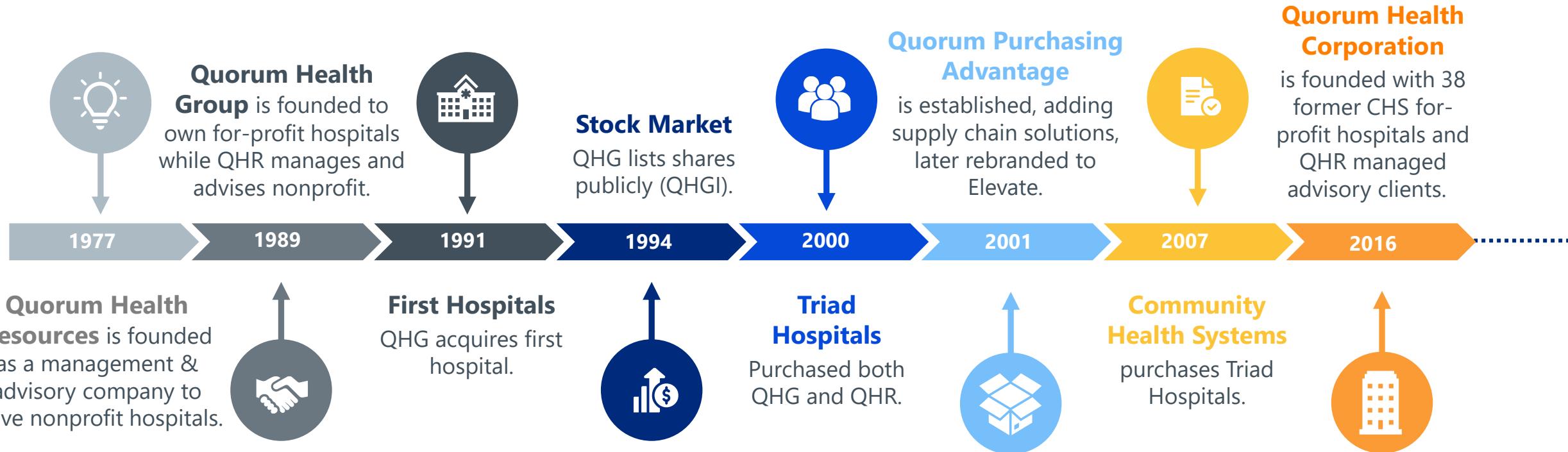
for this opportunity to serve



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The Ovation Healthcare Journey



The Ovation Healthcare Journey

