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S.189

An act relating to establishing a process for reducing or eliminating hospital services

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 18 V.S.A. § 9405d is added to read:

§ 9405d. HOSPITAL SERVICE REDUCTIONS; NOTICE REQUIRED

(a) A hospital that proposes to intentionally reduce or eliminate any service shall:

(1) Provide a notice of intent to the Agency of Human Services, the Green Mountain Care Board, the Office of the Health Care Advocate, and the members of the General Assembly who represent the hospital service area not less than 60 days prior to the proposed reduction or elimination. The notice shall explain the rationale for the proposed reduction or elimination and describe how it is consistent with the Statewide Health Care Delivery Strategic Plan, once established, and the hospital's most recent community health needs assessment conducted pursuant to section 9405a of this title and 26 U.S.C. § 501(r)(3).

(2) Post the notice of intent on the hospital's website beginning on or before the day on which the notice is provided pursuant to subdivision (1) of this subsection.

1           (3) Publish the notice in a newspaper of general circulation in the  
2           hospital service area within 10 days after notice is provided pursuant to  
3           subdivision (1) of this subsection.

4           (4) Conduct a public engagement process, including holding one or  
5           more public hearings in the county in which the hospital is located and  
6           soliciting and responding to public comments, regarding the proposed service  
7           reduction or elimination. The public engagement process may begin prior to  
8           providing the notice required by subdivision (1) of this subsection and shall  
9           continue for not less than 30 days following the notice. The hospital shall  
10           provide a summary of the community's response to the proposal, including the  
11           public comments received, to the Agency of Human Services following the  
12           conclusion of the public engagement process.

13           (b) The Agency of Human Services shall:

14           (1) analyze each proposed service reduction or elimination for  
15           consistency with the Statewide Health Care Delivery Strategic Plan, once  
16           established, and the community health needs assessment;

17           (2) consider the community's response and the impact of the proposal  
18           on access to necessary care and services in the hospital service area; and

19           (3) provide nonbinding recommendations regarding the proposed  
20           reduction or elimination to the hospital, the Green Mountain Care Board, and  
21           the public.



1           ~~(B) The notice shall explain the rationale for the proposed reduction~~  
2           ~~or elimination and describe how it is consistent with the Statewide Health Care~~  
3           ~~Delivery Strategic Plan, once established, and the hospital's most recent~~  
4           ~~community health needs assessment conducted pursuant to section 9405a of~~  
5           ~~this title and 26 U.S.C. § 501(r)(3).~~

6           ~~(C) The Board may evaluate the proposed reduction or elimination for~~  
7           ~~consistency with the Statewide Health Care Delivery Strategic Plan, once~~  
8           ~~established and the community health needs assessment, and may modify the~~  
9           ~~hospital's budget or take such additional actions as the Board deems~~  
10          ~~appropriate to preserve access to necessary services.~~

11          ~~(D) A service that has been identified for reduction or elimination in~~  
12          ~~connection with the transformation efforts undertaken by the Board and the~~  
13          ~~Agency of Human Services pursuant to 2022 Acts and Resolves No. 167 does~~  
14          ~~not need to comply with subdivisions (A)–(C) of this subdivision (e)(2).~~

15          Upon receipt of notification from a hospital pursuant to subsection  
16          9405d(b) of this title that the hospital intends to reduce or eliminate a service  
17          following its completion of the process set forth in subsection 9405d(a) of this  
18          title, the Board shall review the impact of the reduction or elimination on the  
19          hospital's approved budget. The Board may adjust the hospital's budget as  
20          necessary to reflect the elimination or reduction, which may include directing  
21          that any savings related to the reduction or elimination are returned to

1 Vermonters to address affordability concerns or to payers to be reflected in  
2 health insurance premiums or are reinvested in primary care, prevention, and  
3 other community-based services.

4 (3) The Board, in collaboration with the Department of Financial  
5 Regulation, shall monitor the implementation of any authorized ~~decrease~~  
6 reduction in or elimination of hospital services to determine its benefits to  
7 Vermonters or to Vermont's health care system, or both.

8 \* \* \*

9 Sec. 3. EFFECTIVE DATE

10 This act shall take effect on passage.