



GMCB Priorities and Legislative Impacts

January 8, 2026

Owen Foster, Board Chair

Emily Brown, Executive Director

Green Mountain Care Board

Introduction

About Us

- Established in 2011 (Act 48)
- 5 Board Member
- 6-Year Staggered Terms
- Independent regulatory board within state government
- Quasi-judicial



Owen Foster, JD
GMCB Chair



Jessica Holmes, PhD
GMCB Member



David Murman, MD
GMCB Member



Thom Walsh,
PhD, MS, MSPT
GMCB Member



Sara Teachout,
MUP
GMCB Member



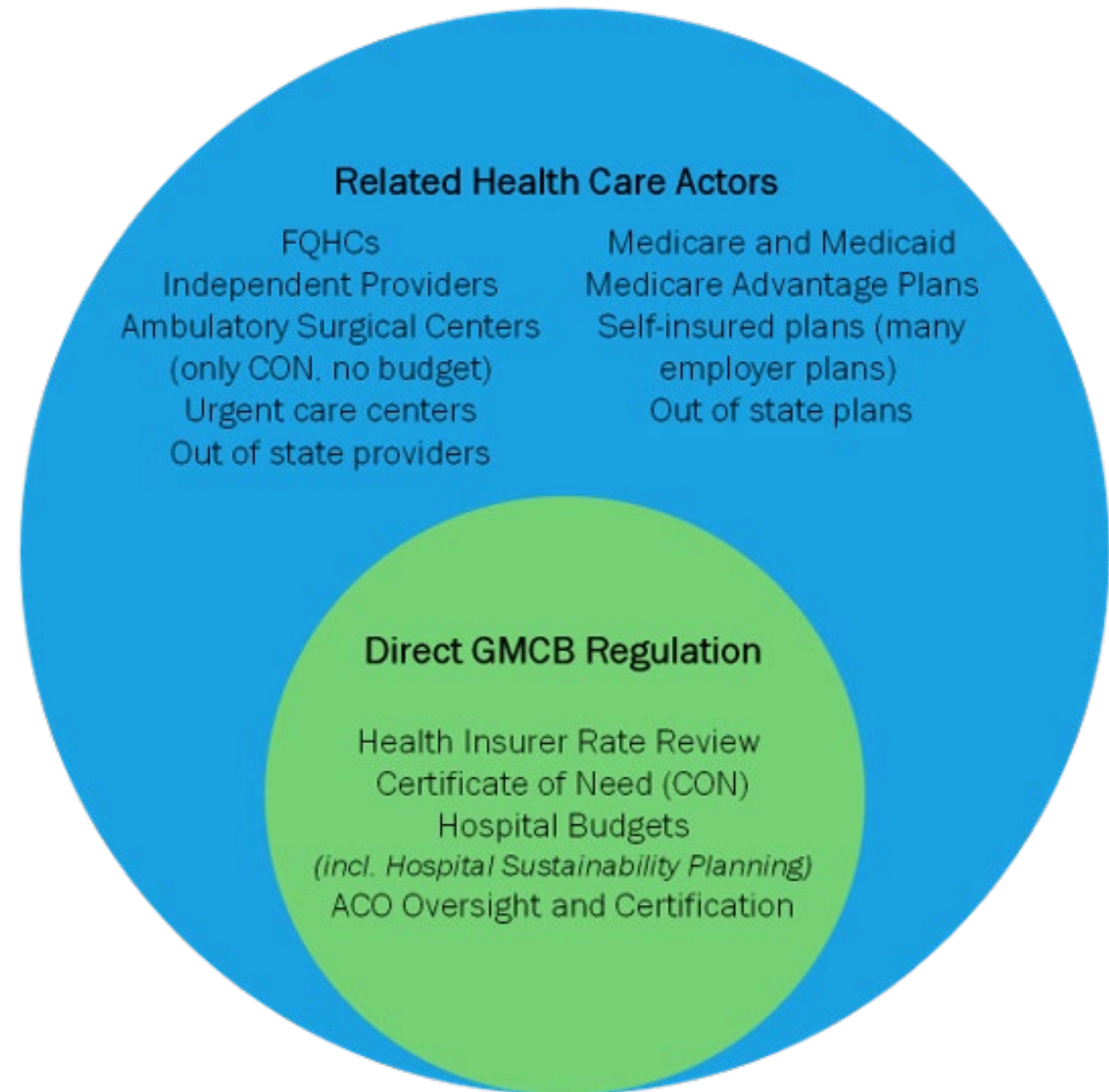
Emily Brown, JD
GMCB Executive Director

Our Mission

To drive system-wide improvements in access, affordability, and quality of health care.

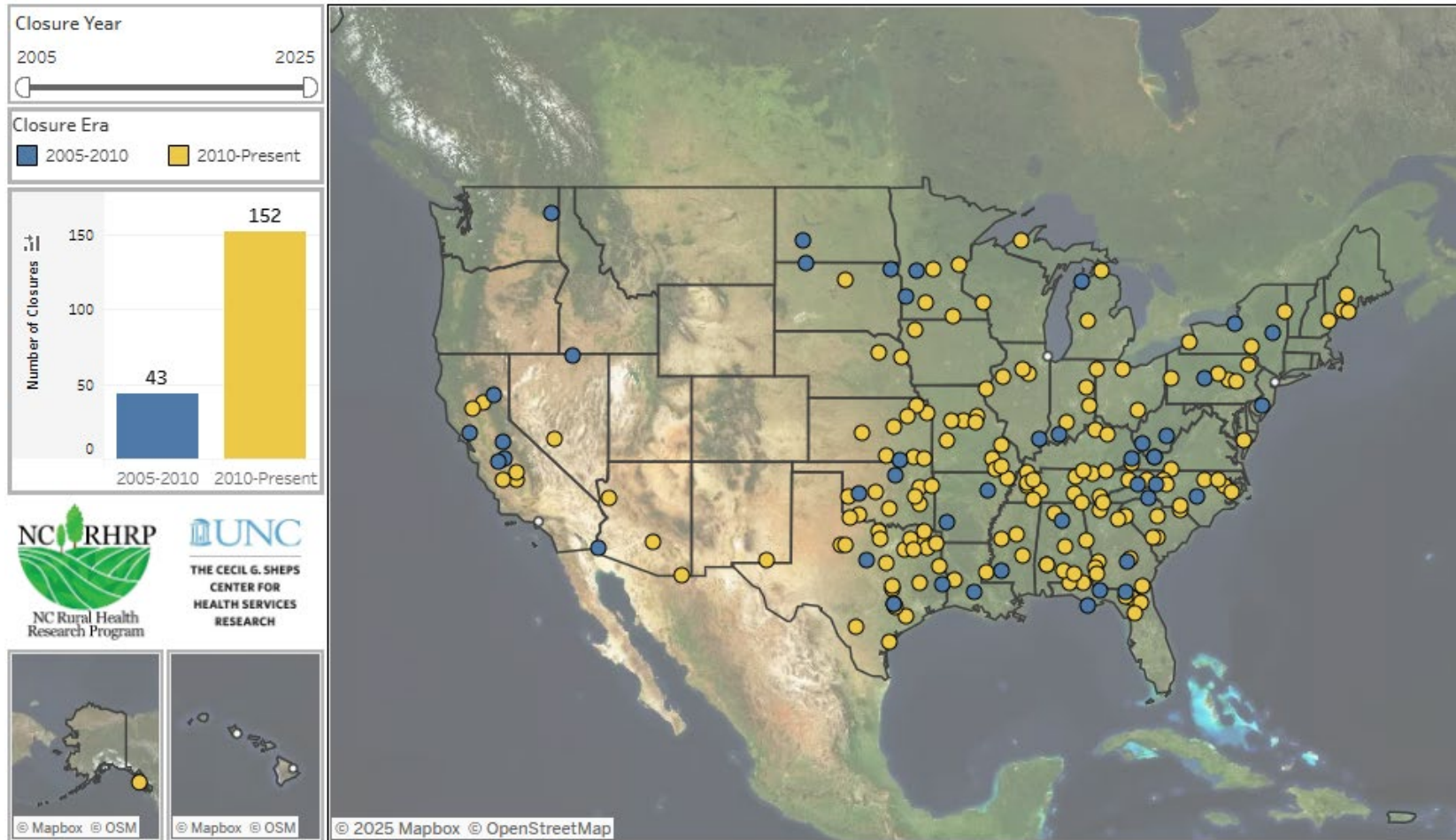
- Regulate major areas of Vermont's health care system
- Serve as transparent source of information and analysis on health system performance
- Advance innovation in health care payment and delivery

GMCB Scope



Vermont Health Care Landscape

Rural Hospitals Struggle Nationally

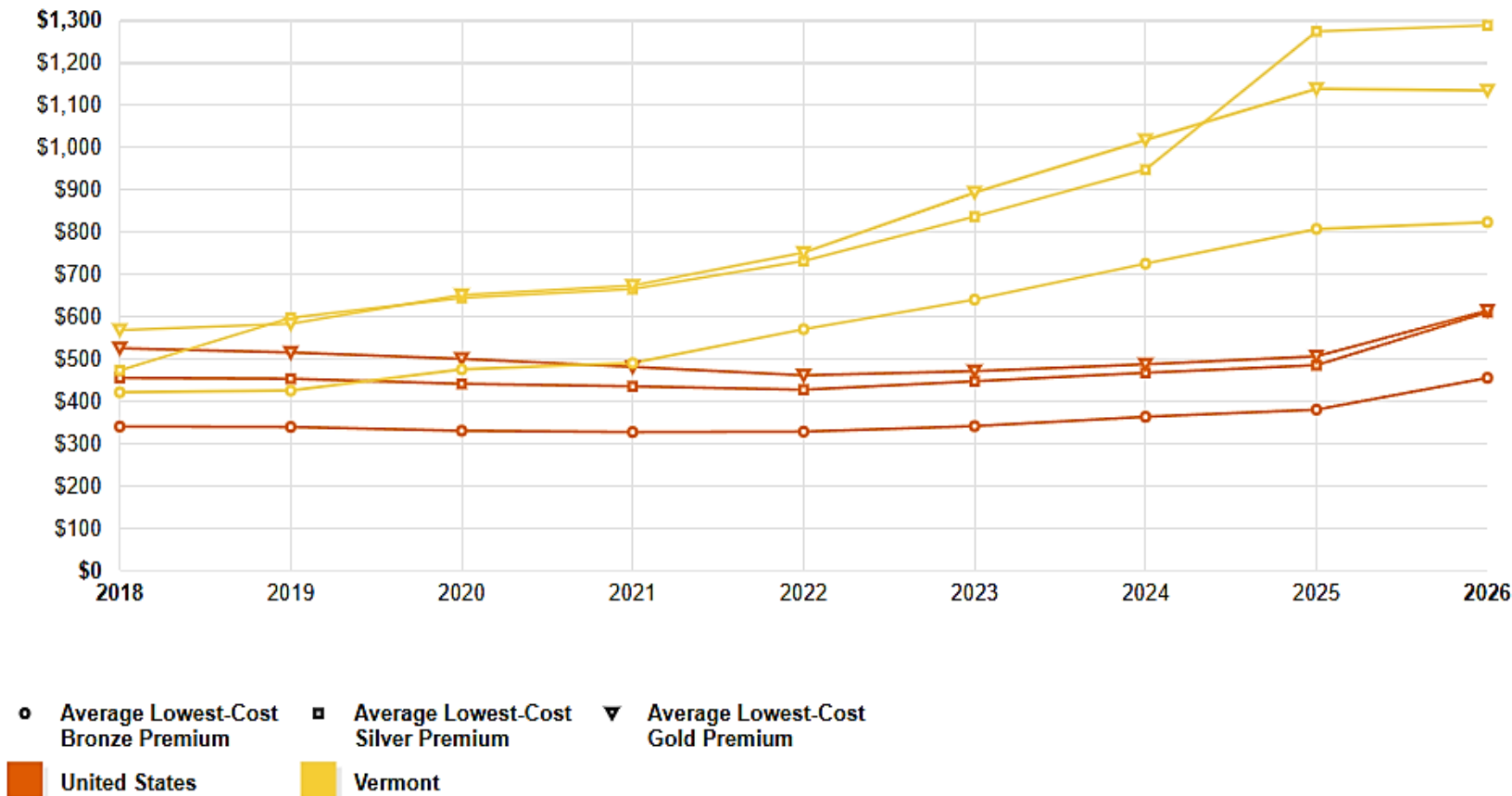


- 195 closures since 2005
- 152 since 2010
- 42 closures since 2020

Source: <https://www.shepscenter.unc.edu/programs-projects/rural-health/rural-hospital-closures/>

Vermont: An Outlier on Health Care Affordability

[KFF Average Monthly Marketplace Premiums by Metal Tier](#)

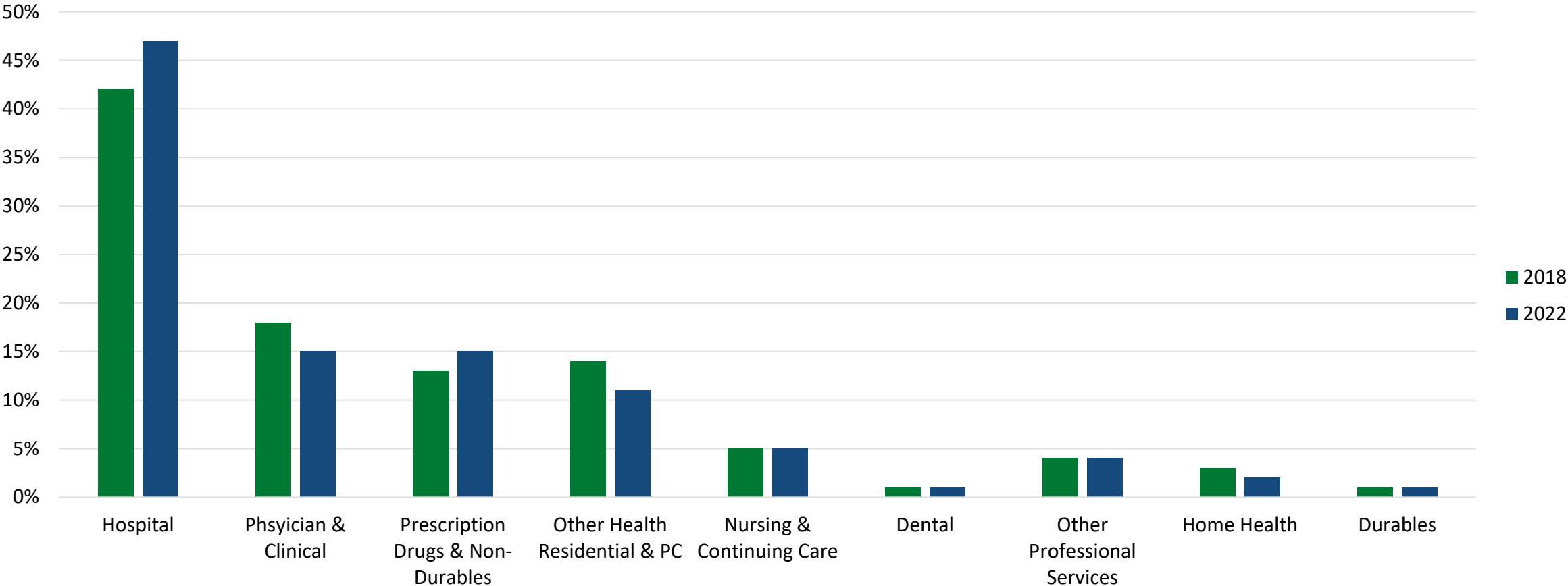


Between 2018 and 2025 marketplace premiums in Vermont experienced a compound annual growth rate between 10% and 15%, compared to -1% and 2% Nationally.

Over this period, premiums for the average lowest cost silver plan grew 169%.

Hospital spending is a major driver of health care spending

Sector Contributions & Trends, 2018-2022
VHCURES-Based Estimates for Vermont Residents



GMCB Updates

Recent Legislative Updates Impacting GMCB

Act 68 (S.126)

- Implemented RBP framework
- Expanded data requirements
- Improved clarity on NOSR submissions

Act 55 (H.266)

- Caps outpatient/office-administered prescription drug charges at 120% of ASP
- Requires hospitals to report 340B drug acquisition and payment data
- Requires hospitals to disclose how they use 340B revenues to support community benefit programs

Act 62 (S.63)

- Clarifies and updates GMCB's regulatory roles

Act 49 (H.482)

- Allows rate adjustments to protect insurer solvency
- Establishes hospital observer authority
- Enhances transparency of reimbursement structures

Act 15 (H.96)

- Updates Certificate of Need (CON) thresholds
- Streamlines review for smaller projects
- Maintains oversight for major health system investments

Implementation Updates

Reference Based Pricing (RBP)

- Cost containment strategy
 - Setting maximum price for hospital services tied to Medicare benchmark
- Current Status: Policy Development and Rulemaking for FY27
 - Phased Approach
 - Hospital Budget Guidance Integration for FY27

Implementation Updates Cont'd

Notice of Service Reduction Policy and Implementation

- [Interim Notice of Service Reduction Policy](#)

Accountable Care Organizations (ACO)

- Rulemaking

Act 134 Report on Prescription Drug Affordability

- Due Date: January 15, 2026

Act 55 340B Reporting

- [Reporting Guidance](#)

Act 55 120% ASP

- Implemented through hospital budget review

Ongoing Projects

Hospital Budget Guidance

- Currently developing FY 27 Hospital Budget Guidance
- Finalized March 2026

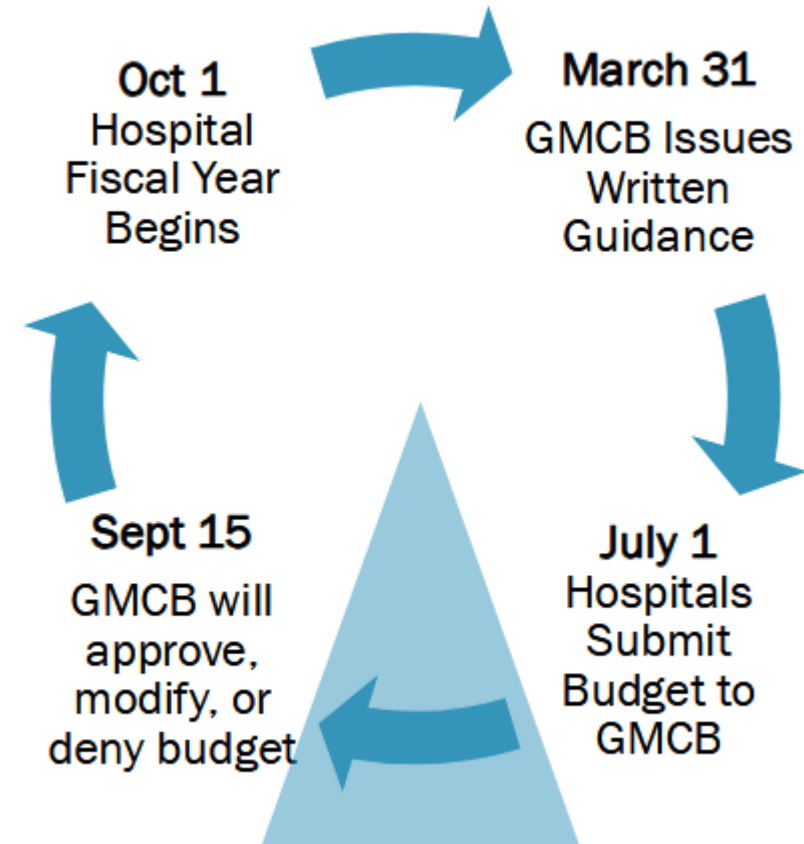
Rural Health Transformation Fund (RHTF)

- Data Infrastructure Project
- \$14 million proposed budget

Hospital Budget Review

Hospital Budget Review

- The GMCB must establish a budget for each hospital by September 15, with a written decision by October 1. 18 V.S.A. § 9456(d)(1)(A).
- The GMCB must establish hospital budgets that are consistent with the state's health care goals as defined in statute.
- The GMCB has a process to set hospital budget benchmarks, which guide the Board in its decision-making. GMCB Rule 3.000, § 3.303.
- Hospitals bear the burden of persuasion in justifying their proposed budgets. GMCB Rule 3.000, § 3.306(a).
- If a hospital does not meet its burden, the GMCB must adjust the budget to ensure consistency with the state's health care goals.



Cash and Margin - FY2026

FY26 Budgets				
	DCOH	Operating Income	Operating Margin	Reduced NPR <i>from submitted</i>
BMH*	72	-\$14.5M	-12.5%	-\$1.9M
CVMC	80	751K	0.2%	-\$0.1M
Copley	65	2.8M	2.2%	-\$0.7M
Gifford	90	156M	2.3%	
Grace	81	255K	0.8%	
Mt. Ascutney	187	591K	0.7%	
North Country	189	754K	0.7%	
NVRH	82	1.11M	0.8%	
Northwestern**	203	-5.08M	-3.5%	
Porter	112	10.1M	7.2%	-\$0.03M
Rutland	154	-4.97M	-1.4%	
SVMC	45	-4.33M	-1.9%	-\$3.3M
Springfield	33	25K	0.0%	
UVMC	127	23.6M	1.0%	-\$88.5M

DCOH	
S&P Global Ratings	
Highly Vulnerable	<80
Vulnerable	80-110
Adequate	110-160
Strong	160-205
Very Strong	205-275
Extremely Strong	>275
<i>Source: FY26 HBR Metric Inventory</i>	

* BMH figures reflect [resubmission](#) as of 12/1.

** Northwestern figures reflect a [midyear adjustment](#) from 12/17.
NMC's original budget had ~\$8M operating losses and 199 DCOH.

How has Vermont slowed hospital revenue growth?

		FY26 Commercial Revenue (\$M)
VT Legislature	Act 55, Outpatient drug cap	-\$104.30
Green Mountain Care Board	Hospital Budget Orders	-\$94.58
	Hospital Budget Enforcement	-\$31.76
		-\$230.65

Legislative and regulatory actions taken in 2025 removed approximately \$231M from the system

Health Insurance Rate Review

Rate Review – 2026 Individual Plans

Insurance Carrier	MVP Proposed	MVP Approved	BCBS Proposed	BCBS Approved
Average	6.2%	1.3%	23.5%	9.6%
Min*	4.6%	-0.3%	21.7%	8.1%
Max*	10.3%	5.3%	24.8%	10.3%
Av. PMPM Change	\$61.14	\$12.82	\$245.74	\$99.86
Total Rev Changes	\$9,383,581	\$1,967,525	\$70,631,283	\$28,703,351

Total Revenue Reduction: \$49,343,988

* Excluding catastrophic coverage.

Rate Review – 2026 Small Group Plans

Insurance Carrier	MVP Proposed	MVP Approved	BCBS Proposed	BCBS Approved
Average	7.5%	2.5%	13.5%	4.4%
Min	5.9%	0.9%	12.0%	2.8%
Max	11.6%	6.4%	14.5%	5.4%
Av. PMPM Change	\$61.14	\$24.16	\$127.38	\$41.89
Total Rev Changes	\$13,159,757	\$5,200,226	\$23,016,456	\$7,569,856

TOTAL REVENUE REDUCTION = \$23,406,131

Accessibility Requests

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