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Notes from editor (not for publication):

HEADLINE ELEMENTS:

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BMH projects \$14.5M shortfall in current budget

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Hospital's new estimate for the fiscal year that began

Oct. 1 would extend a string of annual losses since 2020

####END SUBHED####

TEXT BODY:

####BEGIN TEXT####

Brattleboro Memorial Hospital is projecting to end its
current budget with a \$14.5 million operating loss, potentially
extending a string of annual shortfalls since 2020.

"This is not the budget outcome we had hoped for,"
Elizabeth McLarney, one of two acting co-CEOs, said in a Dec. 4
written statement.

11 The 500-worker hospital, the main health care provider
12 for about 55,000 people in southeastern Vermont, initially
13 proposed a \$121 million budget for the fiscal year that began
14 Oct. 1. Under the plan reviewed by the state this summer and
15 fall, the not-for-profit facility expected to close out spending next
16 Sept. 30 with a \$244,529 surplus.

17 But regulators at Vermont's Green Mountain Care Board
18 questioned the accuracy of those figures in August and ordered
19 the hospital in October to recalculate its budget or risk becoming
20 the first health care facility to receive state intervention under a
21 new law.

22 Administrators have blamed the hospital's fiscal problems
23 on everything from too many unpaid patient bills to their own
24 staff's rising health insurance costs. Submitting an updated \$130
25 million budget to the state this week, they also cited about \$5
26 million of coming losses due to federal and state changes in
27 pharmaceutical prices and payments.

28 Regulators have yet to say whether they'll hold another
29 review hearing but believe the \$14.5 million projected loss is "an
30 accurate representation," spokesperson Kristen Lajeunesse said in
31 a written statement.

32 The new numbers come as the 61-bed hospital has
33 launched a hiring freeze, let go of six administrators, and hired
34 two outside advisers — Ovation Healthcare, a national
35 consultant, and David Sanville, a former chief financial officer at
36 Windsor's Mt. Ascutney Hospital.

37 The facility also is searching for a new CEO after its most
38 recent leader, Christopher Dougherty, took an unexplained leave
39 of absence in October and permanently exited his post last
40 month.

41 "The parties agree that under the current circumstances it
42 is best for Chris to depart and for the hospital to bring in new
43 leadership," the not-for-profit facility said in a written public
44 statement.

45 The hospital, one of Brattleboro's three largest employers,
46 currently is being led by McLarney, an orthopaedic surgeon, and
47 fellow acting co-CEO Tony Blofson, a primary care physician.

48 "We will continue to thoroughly monitor our finances
49 with a focus on maximizing patient access and closely evaluating
50 all expenses," Blofson said in a Dec. 4 written statement. "We
51 also stand by our earlier promise to our staff and our community
52 to remain open and transparent about BMH's financial challenges
53 as we move forward."

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