

Why is it a good investment for towns to support the VNA & Hospice?

- The VNA & Hospice, a not-for-profit home healthcare agency, is similar to your local EMS, police and fire departments – a vital part of the community's safety net. Supporting home healthcare is a way to control other town expenses. By keeping residents out of emergency rooms and hospitals and by reducing the need for relocation to nursing homes, home care provided by the VNA & Hospice offers significant savings in the town's emergency services and other medical costs.
- Town funding helps the VNA & Hospice meet the demand for quality home health care and to ensure that all who medically qualify for our services will always be able to receive them, regardless of their ability to pay. Last year, the VNA & Hospice of VT and NH provided millions of dollars in uncompensated care to individuals. Town funding helps compensate for some of this care in addition to support from private donations and grants. The VNA & Hospice does not contract with outside fundraisers – 100% of funds raised go directly to the VNA & Hospice.
- The VNA & Hospice is facing the same financial constraints that other non-profits, and town, county, state and federal governments are facing. We have increased needs with reduced finances – reimbursement rates are being reduced and donations/grants are declining rapidly. In fact, the standard Medicare reimbursement rate in 2009 was *lower* than the standard rate in 2002. 72% of the VNA & Hospice's revenue is from Medicare and 18% from Medicaid. Any cut in Medicare or Medicaid reimbursement has a significant impact on the solvency of the VNA & Hospice.

Additionally, the VNA & Hospice provides nearly \$1.5 million in two subsidies to the state of Vermont. First, the VNA & Hospice saves the state of Vermont money by serving Medicaid patients even though we are not being reimbursed for the full cost of providing that care. Additionally, the VNA & Hospice pays the state of VT a non-profit provider tax. Vermont is the only state in the nation that taxes medical nonprofits.

We are doing our part to trim expenses:

- Continue to rely on technology to keep our clinicians in the field providing care and not needing to come into the office as often
- Ordering patient supplies to be delivered directly to patient home to reduce clinicians traveling to pick up supplies (VNA & Hospice clinicians drive over 2 million miles a year, so every one-penny increase in reimbursement for gas represents an added \$20,000 expense to the agency.)
- Consolidating office space while continuing to serve all communities.