



## CASE STUDY

# WHAT'S AT STAKE:

## How data made the case for the Vermont Association of Hospitals and Health Systems

A case study on how economic impact analysis helped VAHHS defend vital services and outmaneuver closure-driven consultants

## THE CHALLENGE:

### Consultant-led cuts that risked Vermont's local healthcare access

## The legislation that put this case in motion

In 2022, the Vermont legislature passed ACT 167, a healthcare delivery reform law aimed at improving hospital sustainability and financial health. To help carry out the law's objectives, state leaders brought in an outside consultant to assess the current system and recommend changes.

However, when outside consultants recommended cutting core services for four hospitals within the Vermont Association of Hospitals and Health Systems (VAHHS), it wasn't just an operational shake-up. It was an existential threat to rural communities that rely on local hospitals as lifelines.

## The problem with cutting core services

For many Vermont residents, the core recommendations wouldn't just mean inconvenience. It would mean longer travel times during medical emergencies, compromised health outcomes and the quiet erosion of trust in their healthcare system.

VAHHS knew they needed more than emotional arguments to push back — they needed proof of value for their services, specifically when the consultant suggested:

1. shifting inpatient and emergency departments services to neighboring hospitals;
2. discontinuing obstetrics (OB) services; and
3. converting facilities to 16-hour urgent cares.

## THE ASK:

### Quantifying the impact of hospitals on their communities

VAHHS requested a series of economic benefits reports for each of their hospitals that would quantify the broader impact of local hospital services. They needed to demonstrate — not just to the consultants, but to policy-makers and the public — how deeply embedded each hospital was in its local economy and how much the community stood to lose.

**The message was clear: Don't close our hospitals — and here's the data to back that up.**

## THE SOLUTION: Data sources and analyses driven by solid methodology

Working closely with DataGen, VAHHS received a comprehensive set of impact analyses. Using trusted public sources like cost reports and claims data and incorporating RIMS II Multipliers to provide a measure of value added, earnings and employment, the reports captured both the direct and indirect economic footprint of each hospital. To strengthen the case further, DataGen:

- created 15 customized reports, at least one for each hospital;
- included tailored sections that projected **negative impacts on the community** from discontinuing services like OB and emergency care; and
- analyzed **beneficiary origin data**, showing how many patients might be forced to seek care out of state, risking delays and system fragmentation.

**Each report translated cold numbers into human impact — tying community dollars, jobs and access directly to each hospital's presence.**

## THE OUTCOME: Keeping care local, backed by data

The reports quickly became essential tools for VAHHS. Distributed to each hospital, they sparked informed discussions, raised critical questions and helped leaders build a compelling counter-narrative to the outside recommendations.

**The emotional undercurrent was undeniable: These weren't just facilities — they were community anchors. And the data told a story that couldn't be ignored.**

## BEYOND VERMONT: Scaling economic impact across US healthcare

In a healthcare environment where data drives decisions, these reports don't just protect services — they protect lives. Buoyed by the value these reports brought to the table, DataGen continues to provide these economic benefits impact reports to healthcare and hospital systems that directly request them.

## DataGen's Medicare fee-for-service policy analytics put healthcare organizations first

With hospitals under growing financial and operational pressure, VAHHS' experience shows what is possible when data meets purpose. DataGen's Medicare fee-for-service policy analytics deliver the insight hospitals and health systems need to protect services, influence policy and lead with confidence — locally and nationally. If you'd like to learn more about these analyses and reports, [reach out to us directly to start a conversation](#).

## ABOUT DATAGEN

DataGen® offers analytical insights to healthcare organizations, focusing on Federal payment policy changes, Medicare and commercial insurers' value-based programs, community needs assessments for hospitals and health departments, healthcare market dynamics and surveying of a hospital's culture of safety. Its product portfolio includes financial impact reports that address annual and ad hoc changes to Medicare's fee-for-service programs, performance measures within Medicare's innovation and value-based programs, and custom analytics to evaluate financial and quality outcomes within any payer scenario. In addition to its high-touch customer service, DataGen's customers rely on its analytical expertise as they strive to improve quality, outcomes and financial performance.



KeySTATS®

[www.datagen.info/KeySTATS](http://www.datagen.info/KeySTATS)

One Empire Drive  
Rensselaer, NY 12144  
844.328.2436