

Brattleboro Reformer

Brattleboro Memorial Hospital turnaround could take 2-3 years

By Chris Mays, Brattleboro Reformer, Mon. Feb. 16, 2026



Luke Gorham, an EMT from Rescue Inc. watches as Dr. Elizabeth McLarney, orthopedic surgeon at Brattleboro Memorial Hospital, talks with patient Suzanne Marie Ray Linden of Putney on March 12, 2024. McLarney currently serves as interim co-CEO at BMH. Reformer file photo

BRATTLEBORO — David Sanville estimates a financial turnaround like the one needed at Brattleboro Memorial Hospital will take about two or three years.

Since October, Sanville has been consulting with the hospital. He moved to Vermont in 1997 and has worked at other hospitals in the state.

At BMH, he started consulting for the Board of Trustees and interim co-CEOs then moved on to project managing for "some of the initiatives to improve our financial situation and our relationships with external entities, most notably the Green Mountain Care Board," he said of the state regulatory body. He now is interim chief financial officer at BMH and continues plugging away at those efforts.

A revised budget was submitted to the regulators in December. They had previously raised concerns about the hospital's financial solvency.

BMH's initial budget showed a \$250,000 positive margin, Sanville said, then a more realistic plan came out with a projected loss of \$14.5 million. He described the annual audit process validating the new numbers.

"The budget was not aspirational in the sense of these are the things we think we can accomplish in the next year to mitigate this loss," he said. "The budget was more of a presentation of who we are, where we're at, and what do we absolutely 100 percent know that we can pull off over the next several months."

Despite the large projected loss, Sanville said he believes that "we will be able to bend that curve pretty significantly."

"My goal would be to cut that in half for the year," he said of the \$14.5 million figure. "I believe that most turnarounds of this size will take two to three years if everybody sticks to it

and there's an organizational commitment to get there and to make the changes that are necessary."

Sanville said he expects the work will be "more than challenging."

"If we were in a state that was less regulated, it would be a little easier," he said. "If we didn't have some of the other concerns that we deal with on a daily basis here, it would be a little easier. But we believe that we could get cut that negative margin in half for the first year and hopefully half again in the second year."

Sanville said problems at the hospital include expenses, including staffing and benefits. Some of the costs are "outside of market norms," he said, "so we're looking at those and working on those on a literally daily basis."

"You don't fix a negative operating margin like this by just making cuts," he said. "You also need to increase revenues, which would mean making sure patients have the appropriate access to clinics, whether it be primary care or surgical specialties or what have you."

One goal is to improve access, which Sanville said has already been accomplished in a number of clinics. With professional revenue up about 14 percent year to date, he said, "that means that we're seeing more patients and getting more patients in."

Another major issue relates to the hospital's financial systems, Sanville said, "not only our ability to report accurately and timely internal performance but also to report it externally."

"One is the general ledger piece, and then the other side is the billing piece," he said.

He called BMH's billing processes "less than ideal."

"We have a great deal of timeliness issues, denials from payers, making sure that we're getting credit for the good work we are doing," he said. "All of those things are being looked at and aggressively and formally."

Sanville said the hospital is examining services to ensure they are provided in the most effective and efficient way, and that the hospital stays committed to access for the local community.

"As we clean up the internal financial reporting systems, we're now being able to create data that will help us make good business and clinical decisions relative to the services we offer," he said. "Most notably at this point, the two big services that are of greatest concern are our obstetrics, birthing delivery program, as well as the oncology program."

Geographic location is a challenge, as patients would have to drive far to access these services. Another is finding an

independent oncologist to work at BMH. Vermont's new law Act 55 "reduced our ability to bill and cover the expenses associated with that program," Sanville said, "so we're working through that as well through the legislative process."

Reducing some management and higher-end positions within the organization will result in savings in salaries and benefits, Sanville said. Another project involves "looking at virtually every other contract or contracted relationship we have," he said.

Sanville said he's exploring "some opportunities to partner with payers, other providers, whatever I can do, to ensure that the services are provided here at high quality and helping us overcome our margin deficiency."

His team has applied to the state for a stabilization grant for health care providers. That "will help us have the bandwidth and to bring in the extra expertise we need to turn the ship faster," he said.

BMH also is contending with increased pharmaceutical costs and loss of revenue due to changes in its eligibility in the 340B Drug Pricing Program.

Sanville noted the hospital is "already outperforming the budget that was submitted."

"But there's a great deal of work ahead of us," he said.

https://www.reformer.com/local-news/brattleboro-memorial-hospital-turnaround-could-take-2-3-years/article_62ad132c-9bfb-40df-bd18-cc48ffbd43a7.html