

Copley Hospital

Fiscal Year 2024 YTD Summary

Year to Date Submission (October 2023 through December 2023)

Copley Hospital															
Fiscal Year 2024 YTD Summary															
INCOME STATEMENT	2022 A	2023 B	2023 A	2024 B	Submission (October 2023 through December 2023)				Submission (October 2023 through December 2023)				2024 B-2024 A YTD	2023 A-2024 P	
					Oct-2023	Nov-2023	Dec-2023	2024 B YTD	Oct-2023	Nov-2023	Dec-2023	2024 YTD			2024 PROJ
Revenues															
Gross Patient Care Revenue	\$157,683,404	\$127,420,030	\$89,236,310	\$145,640,641	\$16,182,293	\$16,182,293	\$16,182,293	\$48,546,880	\$16,819,888	\$15,697,617	\$16,808,540	\$49,326,045	\$196,130,150	1.6%	119.8%
Disproportionate Share Payments	\$742,030	\$361,500	\$291,821	\$361,500	\$40,167	\$40,167	\$40,167	\$120,500	\$57,273	\$57,273	\$57,273	\$171,818	\$533,318	42.6%	82.8%
Graduate Medical Education (UVMMC only)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Bad Debt	-\$4,294,043	-\$3,661,671	-\$3,266,406	-\$4,398,347	-\$488,705	-\$488,705	-\$488,705	-\$1,466,116	-\$179,452	-\$269,178	-\$362,235	-\$810,864	-\$5,209,212	-44.7%	59.5%
Free Care	-\$1,355,398	-\$1,290,276	-\$635,218	-\$1,310,766	-\$145,641	-\$145,641	-\$145,641	-\$436,922	-\$115,106	-\$109,202	-\$166,946	-\$391,254	-\$1,702,020	-10.5%	167.9%
Deductions from Revenue	-\$66,809,343	-\$54,537,242	-\$40,429,996	-\$65,676,539	-\$7,297,393	-\$7,297,393	-\$7,297,393	-\$21,892,180	-\$8,752,396	-\$7,751,540	-\$8,436,050	-\$24,939,986	-\$91,700,158	13.9%	126.8%
Net Patient Care Revenue	\$85,966,650	\$68,292,341	\$45,196,511	\$74,616,488	\$8,290,721	\$8,290,721	\$8,290,721	\$24,872,163	\$7,830,208	\$7,624,970	\$16,808,540	\$49,326,045	\$196,130,150	-6.1%	116.9%
Fixed Prospective Payments	\$7,017,485	\$3,732,584	\$2,989,432	\$4,463,379	\$495,931	\$495,931	\$495,931	\$1,487,793	\$455,862	\$440,403	\$433,204	\$1,329,469	\$5,914,104	-10.6%	97.8%
Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Fixed Prospective Payments and Reserves	\$7,017,485	\$3,732,584	\$2,989,432	\$4,463,379	\$495,931	\$495,931	\$495,931	\$1,487,793	\$455,862	\$440,403	\$433,204	\$1,329,469	\$5,914,104		
Net Patient Care Rev & Fixed Payments & Reserves	\$92,984,135	\$72,024,925	\$48,185,943	\$79,079,867	\$8,786,652	\$8,786,652	\$8,786,652	\$26,359,956	\$8,286,070	\$8,065,373	\$8,333,785	\$24,685,228	\$103,966,182	-6.4%	115.8%
340B Retail Pharmacy Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
COVID-19 Stimulus and Other Grant Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Specialty Pharmacy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Outpatient Pharmacy Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Cafeteria & Parking	\$409,992	\$330,000	\$237,743	\$308,744	\$34,305	\$34,305	\$34,305	\$102,915	\$41,776	\$40,773	\$38,080	\$120,628	\$429,372	17.2%	80.6%
Grant Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Reference Lab Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Meaningful Use	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other	\$2,991,170	\$430,745	\$679,873	\$193,061	\$21,451	\$21,451	\$21,451	\$64,354	\$177,935	\$224,210	\$168,827	\$570,972	\$775,630	787.2%	14.1%
Other Operating Revenue	\$3,401,162	\$760,745	\$917,616	\$501,804	\$55,756	\$55,756	\$55,756	\$167,268	\$219,711	\$264,983	\$206,907	\$691,601	\$1,205,002	313.5%	31.3%
Total Operating Revenue	\$96,385,297	\$72,785,669	\$49,103,559	\$79,581,671	\$8,842,408	\$8,842,408	\$8,842,408	\$26,527,224	\$8,505,781	\$8,330,356	\$8,540,692	\$25,376,829	\$105,171,184	-4.3%	114.2%
Operating Expenses															
Salaries Non MD, Fringe Benefits Non MD	\$50,500,817	\$42,477,545	\$26,963,010	\$50,669,825	\$5,629,981	\$5,629,981	\$5,629,981	\$16,889,942	\$4,773,793	\$4,620,607	\$4,822,921	\$14,217,320	\$65,154,926	-15.8%	141.6%
Physician Fees & Salaries, Fringe Benefits MD	\$5,158,266	\$4,137,431	\$2,765,880	\$4,435,437	\$492,826	\$492,826	\$492,826	\$1,478,479	\$488,016	\$488,016	\$488,016	\$1,464,048	\$5,913,918	-1.0%	113.8%
Health Care Provider Tax	\$2,953,518	\$2,325,610	\$1,506,751	\$2,593,102	\$288,122	\$288,122	\$288,122	\$864,367	\$252,233	\$252,129	\$251,103	\$755,465	\$3,364,095	-12.6%	123.3%
Depreciation Amortization	\$187,344	\$145,500	\$95,756	\$146,297	\$16,255	\$16,255	\$16,255	\$48,766	\$15,874	\$15,428	\$15,798	\$47,100	\$193,396	-3.4%	102.0%
Interest - Short Term, Interest - Long Term	\$115,007	\$133,152	\$0	\$151,298	\$16,811	\$16,811	\$16,811	\$50,433	\$16,811	\$16,811	\$16,811	\$50,432	\$201,730	-0.0%	#DIV/0!
ACO Dues	\$5,054,820	\$0	\$10,608,523	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	-100.0%
Medical/Surgical Drugs and Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Pharmaceuticals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Purchased Services - Consulting	\$3,978,871	\$0	\$7,012,205	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Purchased Services - Travelers	\$28,577,084	\$22,389,611	\$1,045,974	\$23,880,367	\$2,653,374	\$2,653,374	\$2,653,374	\$7,960,122	\$3,117,971	\$2,953,159	\$3,117,098	\$9,188,227	\$33,289,378	15.4%	3082.6%
Other Operating Expenses	\$96,525,727	\$71,608,847	\$49,998,099	\$81,876,325	\$9,097,369	\$9,097,369	\$9,097,369	\$27,292,108	\$8,664,697	\$8,346,149	\$8,711,748	\$25,722,593	\$108,117,443	-5.8%	116.2%
Total Operating Expenses	\$96,525,727	\$71,608,847	\$49,998,099	\$81,876,325	\$9,097,369	\$9,097,369	\$9,097,369	\$27,292,108	\$8,664,697	\$8,346,149	\$8,711,748	\$25,722,593	\$108,117,443	-5.8%	116.2%
Net Operating Income	-\$140,430	\$1,176,822	-\$894,540	-\$2,294,654	-\$254,962	-\$254,962	-\$254,962	-\$764,885	-\$158,916	-\$15,793	-\$171,056	-\$345,765	-\$2,946,259	-54.8%	229.4%
Non Operating Revenue	\$1,039,423	\$226,638	\$80,116	\$226,638	\$25,182	\$25,182	\$25,182	\$75,546	\$3,664	\$4,372	\$3,536	\$11,573	\$211,450	-84.7%	163.9%
Excess (Deficit) of Rev over Exp	\$898,993	\$1,403,460	-\$814,424	-\$2,068,016	-\$229,780	-\$229,780	-\$229,780	-\$689,339	-\$155,252	-\$11,421	-\$167,519	-\$334,192	-\$2,734,809	-51.5%	235.8%
Income Statement Metrics															
Operating Margin %	-0.1%	1.6%	-1.8%	-2.9%	-2.9%	-2.9%	-2.9%	-14.4%	-1.9%	-0.2%	-2.0%	-1.4%	-2.8%		
Total Margin %	0.9%	1.9%	-1.7%	-2.6%	-2.6%	-2.6%	-2.6%	-13.0%	-1.8%	-0.1%	-2.0%	-1.3%	-2.6%		

Copley Hospital										
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Fiscal Year 2024 YTD Summary										
Submission (October 2023 through December 2023)										
BALANCE SHEET	FY2022A	FY2023 B	FY2023 A	FY2024 B	Oct-2023	Nov-2023	Dec-2023	2024 Projection	2024 B-2024 P	2023 A-2024 P
Cash & Investments	\$16,667,414	\$22,298,742	\$0	\$11,458,173	\$9,910,311	\$13,278,446	\$12,659,476	\$7,235,001	-36.9%	#DIV/0!
Net Patient Accounts Receivable	\$11,720,650	\$10,524,000	\$0	\$9,540,000	\$15,093,978	\$14,375,840	\$14,938,469	\$9,540,000	0.0%	#DIV/0!
Due From Third Parties	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Risk Reserve Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Current Assets	\$5,311,961	\$5,000,000	\$0	\$5,000,000	\$5,357,892	\$5,280,376	\$5,555,926	\$5,000,000	0.0%	#DIV/0!
Current Assets	\$33,700,025	\$37,822,742	\$0	\$25,998,173	\$30,362,181	\$32,934,662	\$33,153,872	\$21,775,001	-16.2%	
Board Designated Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Net, Property, Plant And Equipment	\$31,324,543	\$32,937,466	\$0	\$45,690,370	\$33,381,980	\$33,632,846	\$33,760,549	\$45,690,370	0.0%	#DIV/0!
Other Long-Term Assets	\$3,200,901	\$3,800,000	\$0	\$3,500,000	\$3,910,205	\$3,910,205	\$3,910,205	\$3,500,000	0.0%	#DIV/0!
Assets	\$68,225,469	\$74,560,208	\$0	\$75,188,543	\$67,654,366	\$70,477,713	\$70,824,626	\$70,965,371	-5.6%	#DIV/0!
Accounts Payable	\$2,604,655	\$6,590,000	\$0	\$2,900,000	\$3,159,630	\$3,654,247	\$3,343,041	\$2,900,000	0.0%	#DIV/0!
Current Liabilities COVID-19	\$566,722	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Salaries, Wages And Payroll Taxes Payable	\$4,457,357	\$7,363,000	\$0	\$8,783,000	\$5,250,151	\$5,528,059	\$5,785,336	\$8,783,000	0.0%	#DIV/0!
Other Third Party Settlements	\$3,090,700	\$1,952,712	\$0	\$3,018,821	\$0	\$0	\$0	\$0	-100.0%	#DIV/0!
ACO Risk Reserve	\$427,769	\$1,047,288	\$0	\$481,179	\$0	\$0	\$0	\$0	-100.0%	#DIV/0!
Other Current Liabilities	\$651,270	\$600,363	\$0	\$640,830	\$4,282,461	\$4,497,303	\$4,711,874	\$640,830	0.0%	#DIV/0!
Current Liabilities	\$11,798,473	\$17,553,363	\$0	\$15,823,830	\$12,692,242	\$13,679,609	\$13,840,251	\$12,323,830	-22.1%	#DIV/0!
Long Term Liabilities COVID-19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Long Term Liabilities	\$10,313,989	\$14,027,284	\$0	\$21,316,813	\$15,057,839	\$16,905,240	\$17,259,031	\$21,316,813	0.0%	#DIV/0!
Other Noncurrent Liabilities	\$4,700,901	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Long Term Liabilities	\$15,014,890	\$14,027,284	\$0	\$21,316,813	\$15,057,839	\$16,905,240	\$17,259,031	\$21,316,813	0.0%	#DIV/0!
Total Liabilities	\$26,813,363	\$31,580,647	\$0	\$37,140,643	\$27,750,081	\$30,584,849	\$31,099,282	\$33,640,643	-9.4%	
Net Assets	\$40,721,747	\$41,108,281	\$41,412,107	\$40,805,254	\$40,059,537	\$40,059,537	\$40,059,537	\$40,059,537	-1.8%	-3.3%
YTD Change In Net Assets	\$690,359	\$1,871,280	-\$1,012,956	-\$2,757,354	-\$155,252	-\$166,673	-\$334,192	-\$2,734,809	-0.8%	170.0%
Fund Balance	\$41,412,106	\$42,979,561	\$40,399,151	\$38,047,900	\$39,904,285	\$39,892,864	\$39,725,345	\$37,324,728	-1.9%	-7.6%
Liabilities and Equities	\$68,225,469	\$74,560,208	\$40,399,151	\$75,188,543	\$67,654,366	\$70,477,713	\$70,824,626	\$70,965,371	-5.6%	75.7%
Balance Sheet Metrics										Change in Points
Days Cash on Hand	65.8	88.1	0.0	39.6	36.5	49.1	47.6	39.6	0.0	39.6
Debt Service Coverage Ratio	3.1	6.1	9.0	0.7	1.5	2.5	3.5	0.7	0.0	-8.3
Long Term Debt to Capitalization	0.2	0.2	0.0	0.4	0.3	0.3	0.3	0.4	0.0	0.4
Days Payable	46.6	69.4	0.0	54.6	30.7	33.7	32.1	54.6	0.0	54.6
Days Receivable	50.7	42.2	0.0	35.0	56.5	53.6	55.4	35.0	0.0	35.0

Copley Hospital							
Fiscal Year 2024 YTD Summary							
Draft							
Utilization & Staffing	2022 A	2023 A	Oct-2023	Nov-2023	Dec-2023	2024 YTD	2024 PROJ
Utilization Monthly				Utilization Monthly			
Total Average Daily Census							
Total Admissions	1,567	-	125	102	99	326	1,774
Total Patient Days	5,925	-	652	329	530	1,511	6,143
Magnetic Resonance Im	1,731	-	184	146	159	489	2,214
Cat Scan Procedures	5,816	-	569	518	525	1,612	6,188
Radiology - Diagnostic	19,385	-	2,427	2,041	2,160	6,628	26,889
Emergency Room Visits	13,081	-	1,248	962	1,277	3,487	14,028
Operating Room Proce	2,280	-	210	207	214	631	2,680
Operating Room Cases	-	-	-	-	-	-	-
Physician Office Visits	33,996	-	3,954	3,148	3,877	10,979	48,061
Primary Care Visits						-	-
Specialty Visits						-	-
Staffing Year to Date				Staffing Year to Date			
Non MD FTEs	381.2	-	375.8	375.6	375.2	375.5	413.5
MLPs	-	-	-	-	-	-	-
Residents & Fellows	-	-	-	-	-	-	-
Physician FTEs	19.2	-	25.0	24.7	24.4	24.7	24.1
Travelers, Travelers MI	37.9	-	-	-	-	-	-

Copley Hospital								
Fiscal Year 2024 YTD Summary								
Draft								
Payer Mix	2022 A	2023 B	2023 A	Oct-2023	Nov-2023	Dec-2023	2024 YTD	2024 PROJ
Total Revenue	\$157,683,404	\$127,420,030	\$89,236,310	\$16,819,888	\$15,697,617	\$16,808,540	\$49,326,045	\$196,130,150
Disproportionate Share Payments	742,030	361,500	291,821	57,273	57,273	57,273	171,818	533,318
Graduate Medical Education	-	-	-	-	-	-	-	-
Bad Debt	(4,294,043)	(3,661,671)	(3,266,406)	(179,452)	(269,178)	(362,235)	(810,864)	(5,209,212)
Free Care	(1,355,398)	(1,290,276)	(635,218)	(115,106)	(109,202)	(166,946)	(391,254)	(1,702,020)
Deductions from Revenue	(66,809,343)	(54,537,242)	(40,429,996)	(8,752,396)	(7,751,540)	(8,436,050)	(24,939,986)	(91,700,158)
Net Payer Revenue	85,966,650	68,292,341	45,196,511	7,830,208	7,624,970	7,900,581	23,355,759	98,052,078
Fixed Prospective Payments	7,017,485	3,732,584	2,989,432	455,862	440,403	433,204	1,329,469	5,914,104
Reserves	-	-	-	-	-	-	-	-
Other Reform Payments	-	-	-	-	-	-	-	-
Fixed Prospective Payments and R	7,017,485	3,732,584	2,989,432	455,862	440,403	433,204	1,329,469	5,914,104
Total Net Payer Revenue & Fixed Prospective Payment	92,984,135	72,024,925	48,185,943	8,286,070	8,065,373	8,333,785	24,685,228	103,966,182
Above From the Income Statement				Above From the Income Statement				
Medicare								
Gross Revenue	\$68,606,060	\$69,432,075	\$60,522,760	\$8,046,915	\$6,805,049	\$7,512,253	\$22,364,217	\$88,924,566
Disproportionate Share Payments							\$0	\$0
Graduate Medical Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debt	-\$250,980	-\$364,111	-\$980,294	-\$10,231	-\$9,336	-\$70,406	-\$89,973	-\$578,013
Free Care	-\$650,335	-\$762,813	-\$428,756	-\$33,529	-\$33,232	-\$35,191	-\$101,951	-\$443,505
Deductions from Revenue	-\$29,421,598	-\$34,163,594	-\$25,227,983	-\$4,547,251	-\$3,694,059	-\$3,411,340	-\$11,652,649	-\$42,844,841
Net Payer Revenue	\$38,283,147	\$34,141,557	\$33,885,726	\$3,455,905	\$3,068,422	\$3,995,316	\$10,519,643	\$45,058,207
Fixed Prospective Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves - Risk Portion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Payer Revenue & Fixed Prospective Payment	\$38,283,147	\$34,141,557	\$33,885,726	\$3,455,905	\$3,068,422	\$3,995,316	\$10,519,643	\$45,058,207
Medicaid								
Gross Revenue	\$24,549,109	\$26,597,283	\$19,762,818	\$2,414,427	\$2,110,387	\$2,501,050	\$7,025,865	\$27,936,234
Disproportionate Share Payments							\$0	\$0
Graduate Medical Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debt	-\$100,196	-\$150,571	-\$177,901	-\$9,324	-\$16,441	-\$4,414	-\$30,180	-\$193,881
Free Care	-\$6,343	-\$7,439	-\$9,920	-\$3,431	\$3,301	-\$2,637	-\$2,766	-\$12,034
Deductions from Revenue	-\$16,281,006	-\$14,578,438	-\$17,515,250	-\$2,049,896	-\$2,456,514	-\$2,211,167	-\$6,717,577	-\$24,699,406
Net Payer Revenue	\$8,161,564	\$11,860,835	\$2,059,747	\$351,777	-\$359,267	\$282,833	\$275,342	\$3,030,912
Fixed Prospective Payments	\$7,069,106	\$4,976,779	\$4,705,088	\$455,862	\$440,403	\$433,204	\$1,329,469	\$5,914,104
Reserves - Risk Portion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Payer Revenue & Fixed Prospective Payment	\$15,230,670	\$16,837,614	\$6,764,835	\$807,639	\$81,136	\$716,036	\$1,604,812	\$8,945,016
Commercial								
Gross Revenue	\$61,485,639	\$73,864,015	\$50,653,529	\$6,358,546	\$6,782,181	\$6,795,237	\$19,935,964	\$79,269,351
Disproportionate Share Payments							\$0	\$0
Graduate Medical Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debt	-\$4,061,131	-\$4,367,546	-\$3,093,022	-\$159,897	-\$243,400	-\$287,414	-\$690,712	-\$4,437,318
Free Care	-\$810,024	-\$950,117	-\$451,914	-\$78,147	-\$79,271	-\$129,119	-\$286,537	-\$1,246,482
Deductions from Revenue	-\$19,543,202	-\$23,974,290	-\$15,124,019	-\$2,155,250	-\$1,600,967	-\$2,813,544	-\$6,569,761	-\$24,155,911
Net Payer Revenue	\$37,071,282	\$44,572,062	\$31,984,573	\$3,965,253	\$4,858,542	\$3,565,160	\$12,388,955	\$49,429,640
Fixed Prospective Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves - Risk Portion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Payer Revenue & Fixed Prospective Payment	\$37,071,282	\$44,572,062	\$31,984,573	\$3,965,253	\$4,858,542	\$3,565,160	\$12,388,955	\$49,429,640
Disproportionate Share Payments	\$742,030	\$361,500	\$291,821	\$57,273	\$57,273	\$57,273	\$171,818	\$533,318

Question:

Please address the financial performance seen in your quarterly reporting.

For the first quarter of FY 2024 Copley's volume is coming in at budgeted expectations, and due to the reduction of its rate increase, the net revenues are not able to cover expenses. As of December, Copley's YTD operating loss is (\$345,765), and is projected to increase to a loss of (\$2,946,259) by the end of the fiscal year.

The budget order reduced the requested rate increase from 15% to 8%. To make up for the decrease of 7% in rates, it was assumed that Copley could get to a Total NPR + FPP of \$111,856,924 by increasing volume over expectations. Unfortunately, this will not be possible as evidenced by our first quarter's actual volumes, which came in at budgeted expectations.

Copley needs to achieve a reasonable operating margin for the next several years in order to rebuild cash reserves necessary to weather unexpected downturns, take on risk in payment reform, invest in necessary equipment and infrastructure improvements, and provide financial stability for our employees and community.

Physician Acquisitions or Transfers: <https://gmcboard.vermont.gov/sites/gmcb/files/files/hospital-budget/Physician%20Transfer%20Schedules%20A%20%26%20B.xls>

FY2020 Budget Guidance: <https://gmcboard.vermont.gov/sites/gmcb/files/FY2020%20Hospital%20Budget%20Guidance%20Final%20as%20of%202019-03-27%20updated%204%208%2019.pdf>