

Income Statement	FY-2016B	Physician Transfer during FY 2016	Approved FY 2016B w/Physician Transfer	FY-2016A	\$ Change FY-2016B w/Phys Transfer -FY-2016A higher/lower	% Change FY-2016B-FY-2016A higher/lower
Revenues						
Gross Patient Care Revenue	510,432,125		510,432,125	528,854,315	18,422,190	3.6%
Disproportionate Share Payments	4,169,146		4,169,146	4,573,554	404,408	9.7%
Bad Debt	(8,337,141)		(8,337,141)	(4,183,690)	4,153,451	-49.8%
Free Care	(5,627,667)		(5,627,667)	(5,838,729)	(211,062)	3.8%
Deductions from Revenue	(267,388,301)		(267,388,301)	(277,582,498)	(10,194,197)	3.8%
Net Patient Care Revenue	233,248,162	2,372,983	235,621,145	245,822,952	10,201,807	4.3%
Other Operating Revenue	9,938,846		9,938,846	8,598,283	(1,340,563)	-13.5%
Total Operating Revenue	243,187,008	2,372,983	245,559,991	254,421,235	8,861,244	3.6%
Expenses						
Salaries Non MD	73,162,616		73,162,616	78,446,783	5,284,167	7.2%
Fringe Benefits Non MD	25,651,715		25,651,715	25,172,851	(478,864)	-1.9%
Fringe Benefits MD	2,008,606		2,008,606	1,375,451	(633,155)	-31.5%
Physician Fees Salaries Contracts & Fr	30,114,342		30,114,342	30,000,115	(114,227)	-0.4%
All Other Expenses	106,389,775		106,389,775	108,647,660	2,257,885	2.1%
Total Operating Expense	237,327,054	2,124,257	239,451,311	243,642,860	4,191,549	1.8%
Net Operating Income (Loss)	5,859,954	248,726	6,108,680	10,778,375	4,669,695	76.4%
Non-Operating Revenue	5,973,111		5,973,111	11,380,794	5,407,683	90.5%
Excess (Deficit) of Revenue Over Expense	11,833,065	248,726	12,081,791	22,159,169	10,077,378	83.4%

Payer Schedule - Net Payer Revenue	FY-2016B	Physician Transfer during FY 2016	Approved FY 2016B w/Physician Transfer	FY-2016A	\$ Change FY-2016B - FY-2016A higher/lower	% Change FY-2016B-FY-2016A higher/lower
Commercial NPR	124,287,054	1,264,452	125,551,506	124,212,968	(1,338,538)	-0.1%
Medicaid NPR	39,517,463	402,036	39,919,499	30,951,771	(8,967,728)	-21.7%
Medicare NPR	69,443,645	706,495	70,150,140	90,658,213	20,508,073	30.5%
Total NPR	233,248,162	2,372,983	235,621,145	245,822,952	10,201,807	4.3%

Income Statement	FY-2016B	Physician Transfer during FY 2016	Approved FY 2016B w/Physician Transfer	FY-2016A	\$ Change FY-2016B w/Phys Transfer -FY-2016A higher/lower	% Change FY-2016B w/Phys Transfer -FY-2016A higher/lower	Over/Under Explained				Total of Explained Variance
							Utilization (change in services)	Changes in Bad Debt/Free Care	Changes in DSH	Other	
Revenues											
Gross Patient Care Revenue	510,432,125		510,432,125	528,854,315	18,422,190						
Disproportionate Share Payments	4,169,146		4,169,146	4,573,554	404,408						
Bad Debt	(8,337,141)		(8,337,141)	(4,183,690)	4,153,451						
Free Care	(5,627,667)		(5,627,667)	(5,838,729)	(211,062)						
Deductions from Revenue	(267,388,301)		(267,388,301)	(277,582,498)	(10,194,197)						
Net Patient Care Revenue	233,248,162	2,372,983	235,621,145	245,822,952	10,201,807	4.3%	5,855,010	3,942,389	404,408		10,201,807
Other Operating Revenue	9,938,846		9,938,846	8,598,283	(1,340,563)					(1,340,563)	(1,340,563)
Total Operating Revenue	243,187,008	2,372,983	245,559,991	254,421,235	8,861,244						
Expenses											
Salaries Non MD	73,162,616		73,162,616	78,446,783	5,284,167						
Fringe Benefits Non MD	25,651,715		25,651,715	25,172,851	(478,864)						
Fringe Benefits MD	2,008,606		2,008,606	1,375,451	(633,155)						
Physician Fees Salaries Contracts & I	30,114,342		30,114,342	30,000,115	(114,227)						
All Other Expenses	106,389,775		106,389,775	108,647,660	2,257,885						
Total Operating Expense	237,327,054	2,124,257	239,451,311	243,642,860	4,191,549	1.8%	3,658,750		532,799		4,191,549
Net Operating Income (Loss)	5,859,954	248,726	6,108,680	10,778,375	4,669,695						4,669,695
Non-Operating Revenue	5,973,111		5,973,111	11,380,794	5,407,683						5,407,683
Excess (Deficit) of Revenue Over Exp	11,833,065	248,726	12,081,791	22,159,169	10,077,378						10,077,378

Rutland Regional Medical Center

Decision Dashboard

2017 Almanac of Hospital Financial and
Operating Indicators (Optum)US Not for
Profit Hospital
2015 Medians
(Moody's)

	FY-2013A	FY-2014A	FY-2015A	FY-2016B	FY-2016A	FY-2017B	FY-2016A Vermont 25th Percentile	FY-2016A Vermont 50th Percentile	FY-2016A Vermont 75th Percentile	FY - 2015A Northeast Region	FY - 2015A Teaching Hospitals	FY - 2015A US Not for Profit
Net Patient Care Revenue	213,331,119	220,829,447	228,328,637	235,621,145	245,822,952	243,415,448						
Budget to Actual NPR %					4.3%							
Actual to Actual NPR Growth Rate	10.8%	3.5%	3.4%		7.7%		1.7%	4.9%	7.6%			
Three Year NPR CAGR (FY14 - FY16)					4.8%		2.8%	3.9%	4.8%			
Three Year NPR CAGR (FY13 - FY15)					5.9%		1.3%	4.0%	5.1%			
Operating Expense	211,968,878	219,326,202	233,196,542	239,451,311	243,642,860	248,328,292						
Budget to Actual OE %					1.8%							
Actual to Actual OE Growth Rate	7.3%	3.5%	6.3%		4.5%		0.8%	4.8%	8.9%			
Three Year OE CAGR (FY14-FY16)					4.8%		2.5%	3.7%	5.0%			
Three Year OE CAGR (FY13-FY15)					5.7%		1.1%	3.6%	5.4%			5.5%
Operating Margin %	4.4%	5.0%	1.9%	2.4%	4.2%	2.4%	0.2%	1.4%	3.4%	0.5%	3.3%	3.4%
Total Margin %	9.8%	8.2%	1.7%	4.7%	8.3%	5.1%	2.0%	2.9%	6.1%	2.4%	4.2%	6.1%
Long Term Debt to Capitalization	27.2%	24.7%	23.7%	20.4%	20.0%	26.8%	20.5%	25.7%	30.3%	28.2%	35.3%	33.7%
Current Ratio	3.6	4.0	3.2	5.9	3.7	5.7	2.5	3.1	4.1	1.6	1.8	2.0
Debt Service Coverage Ratio	6.1	6.2	4.5	5.6	7.1	5.4	3.4	4.4	6.2	3.0	5.3	4.8
Capital Expenditures to Depreciation	40%	65%	102%	74%	113%	75%	73%	90%	110%			
Cost per Adjusted Admission	11,569	12,391	13,552	14,814	13,611	14,280	8,714	9,948	11,857			
Days Cash on Hand	182	207	195	226	205	246	99	135	199	113	116	212
Days Receivable	40	40	33	38	33	31	34	41	45	42	43	48
Days Payable	52	54	55	49	51	51	47	60	67	70	66	64
Age of Plant	10.0	11.0	11.5	11.7	11.8	12.9	10.6	11.9	13.1	12.3	11.2	11.0
Approved Rate per Latest Order	10.3%	4.8%	8.4%	3.7%	3.7%	-5.1%						

CAGR = Compounded Annual Growth Rate

Note: The NPR and OE for FY2016B includes the physician acquisition which became effective during FY2016.

RRMC has exceeded the enforcement budget trigger of 0.5%. Review of RRMC information finds that increased utilization and significantly lower bad debt and free care were the primary reason for the variance. Increases in acute admissions and specialty clinic services explain over 57% of this NPR variance. The balance of the variance is related to disproportionate share (\$404,000) and a large improvement in bad debt and free care (\$3.9 million). The effect of both NPR and expense variances was an operating surplus that was \$4.7 million higher than budget.

The three year growth in NPR is at 4.8% which is the 75th percentile for Vermont hospitals. Through February of FY 2017, NPR is currently 0.4% higher than the YTD approved budget. RRMC was not asked to explain this as part of our monthly reporting process.

The operating margin has been consistent and is above the 75th percentile as is the non-operating margin. Cash on hand remains steady and above the 75th percentile. The age of plant is right at the state median. Long term debt is also favorable and is at the 25th percentile. Cost per adjusted admission shows values above the 75th percentile, but lower than the 2016 budgeted level.