

The University of Vermont Medical Center

Fiscal Year 2020 Budget Analysis

Report Date: 7/31/2019

QUESTIONS

QUESTIONS:

1. Have the hospital's projections for FY2019 changed?
2. What is the total ACO reserve on the balance sheet for Projected FY19 and Budget FY20? If you have a pending settlement, please report the estimated amount of the settlement and which fiscal year it will effect. Are Other Reform Payments recorded in deduction from NPR, if not, where are they recorded?
3. UVMHC's FY19 Budget Order states the "Hospital shall consult with Vermont Information Technology Leaders (VITL) to facilitate patients' ability to electronically consent to adding their clinical data to the Vermont Health Information Exchange (VHIE)." What kind of headway has UVMHC made to facilitate this?
4. What is the value of 1 day of Days Cash on Hand?
5. Is the commercial rate the effective commercial rate increase? Please provide a worksheet with your calculations as to how the change in charge (rate) affects gross revenue by payer and net patient revenue by payer. Please provide this worksheet for FY16, FY17, FY18, FY19 and FY20.
6. Please explain the variance between your calculation of 1% charge and the GMCB calculation.
7. Please provide the amount of FY20 operating expenses attributable to the Miller Building and Epic Implementation.
8. Please further explain the \$8.4 million accounting adjustment-does this change impact FY19?
9. Are Medicare reimbursement assumptions still valid? Are your Disproportionate Share Payments valid?
10. Please describe the UVMHC self-funded program, including how the program works, the risk, and the flow of dollars between the hospital, any involved payers, and OneCare Vermont.
11. In Appendix VI-Bridges, Table 2, UVMHC listed funds under "Other Expense". Please describe what these funds are.
12. Please explain the growth in Bad Debt for FY19 projection.
13. Please explain assumption for budgeting 0 travelers in FY20.
14. Please describe the UVMHC self-funded program, including how the program works, the risk, and the flow of dollars between the hospital, any involved payers, and OneCare Vermont.
15. Please describe the "Other" OneCare program category. If applicable, please describe the program, how it works, the risk, and the flow of dollars between the hospital, any involved payers, and OneCare Vermont.

BOARD MEMBER QUESTIONS:

16. For FY19 projections what departments are expenses exceeding revenues?
17. Please suggest a statistic the GMCB can monitor to better understand the trends in the total number of staffed beds in the hospital versus the number of beds available for use, and how full or empty those beds are from month to month?
18. What is the impact of the now known Medicaid reimbursement increases? Any update on inpatient Medicaid reimbursement changes?
19. How can the DSR funds referred to in page 4 be tapped into?
20. Quantify EPIC duplicative costs across the Network in FY20.
21. What are future offsets with the sun setting of legacy systems in the network?
- 22 How does the 44 FTEs for EPIC and 35 for Miller compare to your CON submission?
23. How much of unique patient CMI change is in FY19 forecast from budget? What is table on page 6 based on, forecast?
24. Any impact of Ambulatory Surgery Center in numbers for FY20?
25. If you assumed Medicare increases, what is the value and what would a reduction in commercial be to maintain your NPR?

Fiscal Year 2020 Budget Analysis **The University of Vermont Medical Center**

INCOME STATEMENT	FY2018B	FY2018A	FY2019B	FY2019P	FY2020B	2018B - 2018A	2019B - 2019P	2018A - 2019P	2019B - 2020B	2019P - 2020B
						% Chg	% Chg	% Chg	% Chg	% Chg
Revenues										
Gross Patient Care Revenue	2,630,800,332	2,703,898,960	2,785,724,814	2,890,835,979	2,965,263,597	2.8%	3.8%	6.9%	6.4%	2.6%
Disproportionate Share Payments	13,724,391	13,016,392	10,592,241	10,892,395	11,352,235	-5.2%	2.8%	-16.3%	7.2%	4.2%
Bad Debt	(23,521,029)	(29,309,366)	(28,834,737)	(32,005,260)	(28,504,203)	24.6%	11.0%	9.2%	-1.1%	-10.9%
Free Care	(15,623,425)	(18,396,010)	(20,131,012)	(18,424,632)	(18,769,732)	17.7%	-8.5%	0.2%	-6.8%	1.9%
Deductions from Revenue	(1,588,572,821)	(1,563,660,475)	(1,696,738,531)	(1,719,410,690)	(1,839,473,479)	-1.6%	1.3%	10.0%	8.4%	7.0%
Graduate Medical Education	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	0.0%	0.0%	0.0%	0.0%	0.0%
Net Patient Care Revenue	1,046,807,448	1,135,549,501	1,080,612,775	1,161,887,792	1,119,868,418	8.5%	7.5%	2.3%	3.6%	-3.6%
Fixed Prospective Payments	159,653,217	116,287,643	189,023,262	133,209,080	227,523,151	-27.2%	-29.5%	14.6%	20.4%	70.8%
Reserves	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Other Reform Payments	3,194,097	2,199,365	3,824,010	2,361,425	3,810,134	-31.1%	-38.2%	7.4%	-0.4%	61.3%
Fixed Prospective Payments and Reserves	162,847,314	118,487,009	192,847,272	135,570,505	231,333,286	-27.2%	-29.7%	14.4%	20.0%	70.6%
Net Patient Care Revenue & Fixed Payments & Reserves	1,209,654,762	1,254,036,509	1,273,460,046	1,297,458,297	1,351,201,703	3.7%	1.9%	3.5%	6.1%	4.1%
Other Operating Revenue	105,924,587	109,480,250	105,693,036	135,251,437	143,711,911	3.4%	28.0%	23.5%	36.0%	6.3%
Total Operating Revenue	1,315,579,349	1,363,516,759	1,379,153,082	1,432,709,734	1,494,913,614	3.6%	3.9%	5.1%	8.4%	4.3%
Expenses										
Salaries Non MD	426,939,307	428,584,103	441,769,904	452,340,815	490,036,135	0.4%	2.4%	5.5%	10.9%	8.3%
Fringe Benefits Non MD	117,633,655	119,584,248	125,471,878	122,599,665	124,896,308	1.7%	-2.3%	2.5%	-0.5%	1.9%
Physician Fees, Salaries, Contracts	158,478,264	179,329,483	172,174,147	186,728,368	182,305,429	13.2%	8.5%	4.1%	5.9%	-2.4%
Fringe Benefits MD	27,455,233	29,740,096	31,449,290	30,743,158	33,721,665	8.3%	-2.2%	3.4%	7.2%	9.7%
Health Care Provider Tax	68,997,375	69,819,963	72,734,280	73,235,788	77,264,586	1.2%	0.7%	4.9%	6.2%	5.5%
Depreciation & Amortization	52,007,581	48,958,761	52,791,794	53,240,351	65,321,341	-5.9%	0.8%	8.7%	23.7%	22.7%
Interest - Long Term & Short Term	17,001,620	13,668,325	16,796,030	14,965,971	17,362,231	-19.6%	-10.9%	9.5%	3.4%	16.0%
Other Operating Expense	396,669,781	427,704,337	426,721,734	459,464,464	457,630,892	7.8%	7.7%	7.4%	7.2%	-0.4%
Total Operating Expense	1,265,182,817	1,317,389,315	1,339,909,058	1,393,318,580	1,448,538,587	4.1%	4.0%	5.8%	8.1%	4.0%
Net Operating Income (Loss)	50,396,532	46,127,444	39,244,024	39,391,154	46,375,027	-8.5%	0.4%	-14.6%	18.2%	17.7%
Non-Operating Revenue	17,990,319	25,154,357	32,931,772	17,416,629	18,218,325	39.8%	-47.1%	-30.8%	-44.7%	4.6%
Excess (Deficit) of Rev Over Exp	68,386,852	71,281,801	72,175,796	56,807,783	64,593,352	4.2%	-21.3%	-20.3%	-10.5%	13.7%

Benchmarks-Hospital										
Operating Margin%	3.8%	3.4%	2.8%	2.7%	3.1%					
Total Margin %	5.1%	5.1%	5.1%	3.9%	4.3%					
EBIDA %	9.1%	8.0%	7.9%	7.5%	8.6%					
Cost per Adjusted Admission	19,523	20,036	21,044	21,217	22,195					

OBSERVATIONS : UVMMC's FY20 budget for NPR/FPP is an increase of \$77.7 million (6.1%) over FY19 budget, and 4.1% over projection. The hospital is making an accounting change of \$8.4 million from expenses to contractual allowances for FY19 which increases NPR percentage change to 6.8%. The hospital's narrative makes note of unique patients (patient county) and case mix index (CMI) as justified adjustments to NPR/FPP for \$44 million which would change the budget growth to 2.6%. UVMMC attributes the increase in CMI to an aging population. The budget is 4.1% higher than FY19 projections, we also observe that the hospital's FY19 projections are 1.9% higher than their FY19 budget.

UVMMC's FY20 budget for Operating Expenses is an increase of \$108.6 million (8.1%) over FY19 budget, and 4.0% over projection. Narrative states expenses have a full year of the Miller Building and Epic implementation. Salaries are increasing due to the movement to \$14/hr market adjustments for FY20 and \$15/hour for FY21. UVMMC's maximum upside and downside risk is \$15.5 million and the hospital did not budget reserves or receivable for this risk.

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NET PAYER REVENUE CHANGES - PAYERS		FY2018B	FY2018A	FY2019B	FY2019P	FY2020B	2018A - 2019P % Chg	2019B - 2019P % Chg	2019B - 2020B % Chg	2019P - 2020B % Chg
All Payers	Gross Patient Care Revenue	2,704,900,976	2,703,898,960	2,785,724,813	2,890,835,979	2,965,263,597	6.9%	3.8%	6.4%	2.6%
	Contractual Allowances	-1,568,511,822	-1,563,660,475	-1,696,738,531	-1,719,410,690	-1,839,473,479	10.0%	1.3%	8.4%	7.0%
	Bad Debt	-28,905,304	-29,309,366	-28,834,737	-32,005,260	-28,504,203	9.2%	11.0%	-1.1%	-10.9%
	Free Care	-18,273,758	-18,396,010	-20,131,012	-18,424,632	-18,769,732	0.2%	-8.5%	-6.8%	1.9%
	Graduate Medical Education Payments	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	0.0%	0.0%	0.0%	0.0%
	Disproportionate Share Payments	13,252,392	13,016,392	10,592,241	10,892,395	11,352,235	-16.3%	2.8%	7.2%	4.2%
	Net Payer Revenue	1,132,462,483	1,135,549,501	1,080,612,774	1,161,887,792	1,119,868,418	2.3%	7.5%	3.6%	-3.6%
	Fixed Prospective Payments	118,784,552	116,287,643	189,023,262	133,209,080	227,523,151	14.6%	-29.5%	20.4%	70.8%
	Reserves - Risk Portion	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Other Reform Payments	2,309,333	2,199,365	3,824,010	2,361,425	3,810,134	7.4%	-38.2%	-0.4%	61.3%
	Fixed Prospective Payment & Reserves	121,093,885	118,487,009	192,847,272	135,570,505	231,333,286	14.4%	-29.7%	20.0%	70.6%
	Net Payer Revenue & Fixed Prospective Payments	1,253,556,368	1,254,036,509	1,273,460,046	1,297,458,297	1,351,201,704	3.5%	1.9%	6.1%	4.1%
Commercial	Gross Patient Care Revenue	1,119,401,878	1,110,326,585	1,156,098,184	1,181,316,081	1,212,306,947	6.4%	2.2%	4.9%	2.6%
	Contractual Allowances	-356,722,928	-345,918,445	-410,392,671	-360,470,269	-396,986,669	4.2%	-12.2%	-3.3%	10.1%
	Bad Debt	-28,905,304	-29,309,366	-25,878,324	-28,014,508	-24,968,708	-4.4%	8.3%	-3.5%	-10.9%
	Free Care	-18,273,758	-18,396,010	-16,349,945	-14,230,376	-14,506,577	-22.6%	-13.0%	-11.3%	1.9%
	Graduate Medical Education Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Net Payer Revenue	715,499,888	716,702,764	703,477,244	778,600,927	775,844,993	8.6%	10.7%	10.3%	-0.4%
	Fixed Prospective Payments	4,893,011	0	45,457,685	123,279	30,888,429	#DIV/0!	-99.7%	-32.1%	24955.7%
	Reserves - Risk Portion	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Other Reform Payments	281,988	258,784	390,868	207,858	589,318	-19.7%	-46.8%	50.8%	183.5%
	Fixed Prospective Payment & Reserves	5,174,998	258,784	45,848,553	331,137	31,477,746	28.0%	-99.3%	-31.3%	9406.0%
	Net Payer Revenue & Fixed Prospective Payments	720,674,886	716,961,548	749,325,797	789,824,459	807,322,739	10.2%	5.4%	7.7%	2.2%
Percentage of total		57%	57%	59%	61%	60%				
Medicaid	Gross Patient Care Revenue	431,103,117	430,534,416	434,782,765	434,607,726	450,418,240	0.9%	0.0%	3.6%	3.6%
	Contractual Allowances	-354,557,849	-353,861,734	-356,004,027	-370,613,654	-398,446,238	4.7%	4.1%	11.9%	7.5%
	Bad Debt	0	0	-86,000	-296,188	-257,937	#DIV/0!	244.4%	199.9%	-12.9%
	Free Care	0	0	-338,736	-441,094	-464,245	#DIV/0!	30.2%	37.1%	5.2%
	Graduate Medical Education Payments	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	0.0%	0.0%	0.0%	0.0%
	Net Payer Revenue	106,545,268	106,672,682	108,354,002	93,256,790	81,249,821	-12.6%	-13.9%	-25.0%	-12.9%
	Fixed Prospective Payments	28,781,287	31,482,463	27,911,857	36,524,245	52,138,338	16.0%	30.9%	86.8%	42.7%
	Reserves - Risk Portion	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Other Reform Payments	666,580	635,084	791,637	518,041	944,950	-18.4%	-34.6%	19.4%	82.4%
	Fixed Prospective Payment & Reserves	29,447,867	32,117,548	28,703,494	37,042,286	53,083,288	15.3%	29.1%	84.9%	43.3%
	Net Payer Revenue & Fixed Prospective Payments	135,993,135	138,790,230	137,057,496	130,299,075	134,333,109	-6.1%	-4.9%	-2.0%	3.1%
Percentage of total		11%	11%	11%	10%	10%				
Medicare	Gross Patient Care Revenue	1,154,395,981	1,163,037,959	1,194,843,865	1,274,912,173	1,302,538,410	9.6%	6.7%	9.0%	2.2%
	Contractual Allowances	-857,231,046	-863,880,296	-930,341,832	-988,326,767	-1,044,040,572	14.4%	6.2%	12.2%	5.6%
	Bad Debt	0	0	-2,870,413	-3,694,564	-3,277,558	#DIV/0!	28.7%	14.2%	-11.3%
	Free Care	0	0	-3,442,331	-3,753,162	-3,798,910	#DIV/0!	9.0%	10.4%	1.2%
	Graduate Medical Education Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Net Payer Revenue	297,164,936	299,157,663	258,189,288	279,137,680	251,421,370	-6.7%	8.1%	-2.6%	-9.9%
	Fixed Prospective Payments	85,110,255	84,805,180	115,653,720	96,561,555	144,496,384	13.9%	-16.5%	24.9%	49.6%
	Reserves - Risk Portion	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Other Reform Payments	1,360,765	1,305,498	2,641,505	1,635,527	2,275,866	25.3%	-38.1%	-13.8%	39.2%
	Fixed Prospective Payment & Reserves	86,471,020	86,110,678	118,295,224	98,197,082	146,772,251	14.0%	-17.0%	24.1%	49.5%
	Net Payer Revenue & Fixed Prospective Payments	383,635,955	385,268,340	376,484,512	377,334,762	398,193,621	-2.1%	0.2%	5.8%	5.5%
Percentage of total		31%	31%	30%	29%	29%				
Percentage of total	Disproportionate Share Payments	13,252,392	13,016,392	10,592,241	10,892,395	11,352,235	-16.3%	2.8%	7.2%	4.2%
	NPR & FPP to Gross Commercial (no dsh)	64%	65%	65%	67%	67%				
	NPR & FPP to Gross Medicaid (no dsh)	32%	32%	32%	30%	30%				
	NPR & FPP to Gross Medicare (no dsh)	33%	33%	32%	30%	31%				
	NPR & FPP to Gross All (no dsh)	46%	46%	45%	45%	45%				

Observations: Payer mix appears to remain steady over time. Budgeted FY20 bad debt amount appears to follow trend with actuals while FY19 projection shows significant growth.

CHANGE IN CHARGE AND NET PATIENT REVENUE INCREASE

Change in charge is the average change in price for services provided.

	FY2017	FY2018	FY2019	FY2020
Weighted Average Approved Rate (all hospitals)	1.8%	2.0%	2.9%	
Weighted Average Submitted Rate (all hospitals)	2.2%	2.3%	3.9%	3.2%
Approved % Change in Charge	0.0%	0.0%	3.0%	0.0%
Commercial Approved % Change in Charge	2.5%	0.7%	2.5%	0.0%
Submitted % Change in Charge	0.0%	0.0%	3.0%	3.0%
Commercial Submitted % Change in Charge	3.0%	0.7%	4.0%	4.0%

Hospital Inpatient Change in Gross Charges	5.0%
Hospital Outpatient Change in Gross Charges	5.0%
Professional Services Change in Gross Charges	-3.9%
Primary Care Change in Gross Charges	
Specialty Care Change in Gross Charges	
Skilled Nursing Facility Change in Gross Charges	0.0%
Other (specify) Change in Gross Charges	
Other (specify) Change in Gross Charges	

Net Patient Revenue Change Due to Rate Request	
Commercial	20,332,096
Medicaid	(63,457)
Medicare	7,154,587
Disproportionate Share	
Total Change Due to Rate Request	27,423,226
Value of 1% Rate - Calculated by GMCB	9,141,075
Value of 1% Rate - Calculated by hospital	6,152,000

OBSERVATIONS: UVMC has submitted 2 change in charges for the last several years and there is some confusion in how these rates affect the hospitals gross revenue and net patient revenue. On page 28 of their narrative they state the value of 1% commercial rate increase to NPR is \$6,152,000.

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UTILIZATION & STAFFING FY2018B FY2018A FY2019B FY2019P FY2020B 2018B-2018A 2018A-2019P 2019B-2019P 2019B-2020B 2019P-2020B

UTILIZATION

Adjusted Admissions	65,791	65,752	63,673	65,671	65,264	-0.1%	-0.1%	3.1%	2.5%	-0.6%
Acute Admissions	19,923	19,763	19,489	20,076	20,032	-0.8%	1.6%	3.0%	2.8%	-0.2%
Acute Average Length Of Stay	5.7	5.7	5.7	5.8	5.7	0.0%	1.4%	1.2%	-0.2%	-1.4%
All Operating Room Procedure	39,632	39,438	40,017	39,288	39,960	-0.5%	-0.4%	-1.8%	-0.1%	1.7%
Tests	2,522,860	2,522,585	2,463,080	2,460,511	2,440,712	0.0%	-2.5%	-0.1%	-0.9%	-0.8%
Emergency Room Visits	59,876	59,820	59,979	58,706	59,555	-0.1%	-1.9%	-2.1%	-0.7%	1.4%
CT Scan, Radiology - Diagnostic	232,106	232,899	231,527	235,613	236,513	0.3%	1.2%	1.8%	2.2%	0.4%
Exams	20,739	20,819	19,762	20,026	20,401	0.4%	-3.8%	1.3%	3.2%	1.9%
Provider Work RVU	2,783,204	2,781,994	2,896,847	2,850,000	2,922,898	0.0%	2.4%	-1.6%	0.9%	2.6%
Physician Office Visits	942,381	737,642	794,950	743,566	771,807	-21.7%	0.8%	-6.5%	-2.9%	3.8%
Clinic Visits	1,325,054	1,320,214	1,341,979	1,248,699	1,358,363	-0.4%	-5.4%	-7.0%	1.2%	8.8%

STAFFING

Non-MD FTEs	5,664	5,666	5,759	5,855	6,068	1.7	188.9	95.7	309.0	213.3
Travelers, Travelers MD	84	92	0	109	0	7.7	17.2	109.3	0.0	(109.3)
Residents & Fellows	340	340	344	335	353	0.5	(5.8)	(9.1)	9.5	18.6
MLPs	213	211	231	221	240	(1.8)	9.2	(10.4)	9.6	20.0
Physician FTEs	611	613	601	611	629	1.3	(1.5)	10.0	27.6	17.6
Total FTEs	6,913	6,922	6,935	7,130	7,290	9.3	208.0	195.6	355.7	160.1

Benchmark-The University of Vermont Medical Center

Salary per FTE - Non-MD	68,872	68,934	69,753	70,573	73,563	0.1%	2.4%	1.2%	5.5%	4.2%
Salary & Benefits per FTE - Non-MD	88,208	88,168	89,565	89,700	92,312	0.0%	1.7%	0.2%	3.1%	2.9%
FTEs Per Adjusted Occupied Bed	6	6	6	6	7	0.1%	1.7%	-3.0%	2.8%	6.0%
FTEs per 100 Adj Discharges	9	9	10	10	10	0.1%	3.2%	-1.9%	2.6%	4.6%

Benchmarks-Vermont System Averages

Salary per FTE - Non-MD	66,011	66,067	67,435	68,152	70,075	0.1%	3.2%	1.1%	3.9%	2.8%
Salary & Benefits per FTE - Non-MD	84,936	84,930	86,796	87,678	89,716	0.0%	3.2%	1.0%	3.4%	2.3%
FTEs Per Adjusted Occupied Bed	6	6	6	6	6	-0.1%	0.5%	-3.5%	1.5%	5.1%
FTEs per 100 Adj Discharges	7	7	8	8	8	-0.2%	2.9%	-1.1%	2.3%	3.4%

OBSERVATIONS: Utilization measured by adjusted admissions is increasing budget-to-budget. Provider, Physician and Clinic utilization are budgeted higher than projections. Non FTEs are budgeted to increase 309 over FY19 budget and 213 over FY19 projection due in part to the increase in volume and complexity of care and also to the Miller building and Epic implementation. The hospital is not budgeting for travelers through they project 109 in FY19.

Fiscal Year 2020 Budget Analysis		The University of Vermont Medical Center						
BALANCE SHEET	FY2018A	FY2019B	FY2019P	FY2020B	2018A-2019P	2019B-2019P	2019P-2020B	2018A-2020B
Cash & Investments	144,114,453	173,729,640	149,463,900	167,164,576	3.7%	-14.0%	11.8%	16.0%
Risk Reserve for Fixed Reform Payments	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Other Current Assets	251,444,242	241,090,903	251,558,840	246,087,547	0.0%	4.3%	-2.2%	-2.1%
Current Assets	395,558,695	414,820,543	401,022,740	413,252,122	1.4%	-3.3%	3.0%	4.5%
Board Designated Assets	626,030,442	571,933,692	614,418,229	632,636,553	-1.9%	7.4%	3.0%	1.1%
Net, Property, Plant And Equipment	583,951,817	634,350,883	621,803,331	645,678,156	6.5%	-2.0%	3.8%	10.6%
Other Long-Term Assets	70,184,983	69,283,898	70,490,772	70,490,772	0.4%	1.7%	0.0%	0.4%
Assets	1,675,725,937	1,690,389,016	1,707,735,071	1,762,057,603	1.9%	1.0%	3.2%	5.2%
Current Liabilities	218,962,743	201,254,016	179,884,273	191,063,735	-17.8%	-10.6%	6.2%	-12.7%
Long Term Liabilities	472,646,118	430,754,926	462,907,595	441,458,405	-2.1%	7.5%	-4.6%	-6.6%
Other Noncurrent Liabilities	14,121,247	13,453,348	39,033,461	39,033,461	176.4%	190.1%	0.0%	176.4%
Fund Balance	969,995,829	1,044,926,726	1,025,909,742	1,090,502,003	5.8%	-1.8%	6.3%	12.4%
Liabilities and Equities	1,675,725,937	1,690,389,016	1,707,735,071	1,762,057,603	1.9%	1.0%	3.2%	5.2%
Benchmarks-Hospital					Change in Points			
Days Cash on Hand	201.65	192.36	189.00	192.24	(12.65)	(3.36)	3.25	(9.40)
Days Receivable	46.00	48.04	50.79	50.65	4.79	2.75	(0.14)	4.65
Long Term Debt to Capitalization	33%	29%	31%	29%	-2%	2%	-2%	-4%
Days Payable	63.01	57.07	49.00	50.42	(14.01)	(8.08)	1.42	(12.59)
Debt Service Coverage Ratio	3.4	3.2	3.2	3.5	(0.2)	(0.0)	0.3	0.1
Benchmarks-Vermont System Averages					Change in Points			
Days Cash on Hand	176	172	167	166	(9)	(5)	(1)	(10)
Days Receivable	43	44	47	46	4	3	(0)	4
Long Term Debt to Capitalization	27%	25%	26%	24%	-1%	1%	-2%	-3%
Days Payable	63	54	54	55	(9)	(0)	1	(9)
Debt Service Coverage Ratio	2.4	3.6	3.0	3.5	0.6	(0.7)	0.6	1.1
OBSERVATIONS: The hospital has a very healthy days cash on hand, their days receivable is higher than the system but average days payable has been decreasing.								

Fiscal Year 2020 Budget Analysis		The University of Vermont Medical Center					
CAPITAL BUDGET	FY2018A	FY2019B	FY2019P	FY2020B	2021 Plan	2022 Plan	2023 Plan
Non-Certificate of Need Capital Plans Total	33,540,950	50,513,304	47,179,818	31,758,800	31,123,718	6,819,469	(461,793)
Certificate of Need Capital Plans	119,440,731	102,060,196	70,723,110	52,137,167	58,269,876	71,414,713	60,308,148
Total Capital Purchases	152,981,681	152,573,500	117,902,928	83,895,967	89,393,594	78,234,182	59,846,355
The University of Vermont Medical Center							
Age of Plant	13.2	13.3	13.2	11.8	0.0	0.0	0.0
Capital Expenditures to Depreciation	69%	96%	89%	49%	0%	0%	0%
Capital Cost % of Total Expense	4.8%	5.2%	4.9%	5.7%	0.0%	0.0%	0.0%
Benchmarks-Vermont System Averages							
Age of Plant	13.1	13.5	13.4	12.8	0.0	0.0	0.0
Capital Expenditures to Depreciation	79%	111%	105%	77%	0%	0%	0%
Capital Cost % of Total Expense	4.8%	5.0%	4.8%	5.3%	0.0%	0.0%	0.0%
<p>OBSERVATIONS: The hospital's planned CONs for FY20 are a NICU renovation for \$16.3 million, ED renovation for \$15.8 million, Rutland Dialysis Replacement \$14.3 million, Berlin Dialysis Replacement \$8.4 million, and Pharmacy Compounding & Home Service \$3 million.</p>							

Fiscal Year 2020 Budget Analysis	The University of Vermont Medical Center							Flex Monitoring Team 2017 CAH Medians		2019 Flex Monitoring Team FY2017	2019 Almanac of Hospital Indicators (Optum)
	FY2016A	FY2017A	FY2018B	FY2018A	FY2019B	FY2019P	FY2020B	Vermont--8 Hospitals	U.S.--1317 Hospitals	Northeast CAH	Teaching Hospitals
DASHBOARD											
Net Patient Care Rev & Fixed Payments & Reserves	1,156,546,653	1,211,118,975	1,209,654,762	1,254,036,509	1,273,460,046	1,297,458,297	1,351,201,703				
Budget to Budget % Change NPR & FPP					5.3%		6.1%				
Budget to Actual/Projection % Change NPR & FPP				3.7%		1.9%	4.1%				
Three Year NPR & FPP CAGR* (FY18A - FY20B)							3.8%				
Five Year NPR & FPP CAGR* (FY16A - FY20B)							4.0%				
Operating Expense	1,171,802,207	1,245,240,122	1,265,182,817	1,317,389,315	1,339,909,058	1,393,318,580	1,448,538,587				
Budget to Budget % Change Oper Exp					5.9%		8.1%				
Budget to Actual/Projection % Change Oper Exp				4.1%		4.0%	4.0%				
Three Year NPR & FPP CAGR* (FY18A - FY20B)							4.9%				
Five Year NPR & FPP CAGR* (FY16A - FY20B)							5.4%				
Profitability											
Operating Margin	74,050,147	68,580,794	50,396,532	46,127,444	39,244,024	39,391,154	46,375,027				
Three Year NPR & FPP CAGR* (FY18A - FY20B)							0.3%				
Five Year NPR & FPP CAGR* (FY16A - FY20B)							-11.0%				
EBIDA Margin%	-1342.0%	9.9%	9.1%	8.0%	7.9%	7.5%	8.6%				
Operating Margin %	5.9%	5.2%	3.8%	3.4%	2.8%	2.7%	3.1%	-1.48%	0.93%	0.8%	0.8%
Total Margin	85,112,444	89,772,052	68,386,852	71,281,801	72,175,796	56,807,783	64,593,352				
Three Year NPR & FPP CAGR* (FY17A - FY20B)							(0.05)				
Five Year NPR & FPP CAGR* (FY16A - FY20B)							-6.7%				
Total Margin %	6.8%	6.7%	5.1%	5.1%	5.1%	3.9%	4.3%	2.47%	1.79%	3.5%	4.5%
Return On Assets	5.8%	5.7%	4.5%	4.3%	4.3%	3.3%	3.7%				
Costs											
Cost per Adjusted Admission	13,611	14,022	15,254	13,836	14,236	14,194	14,439				
Salary per FTE - Non-MD	65,471	69,029	68,705	68,934	69,753	70,573	73,563	77,782	57,928	65,605	66,657
Five Year Salary per FTE CAGR* (FY16A - FY20B)							3.0%				
Overhead Exp. as a % of Total Operating Exp.**	31.4%	33.1%	36.2%	36.6%	36.3%	37.3%	37.8%				
Liquidity											
Cash & Investments	198,208,000	150,422,000	175,034,966	144,114,453	173,729,640	149,463,900	167,164,576				
Days Cash on Hand	214	229	181	202	192	189	192	133	78	114	137
Current Ratio	3.70	4.52	5.72	5.38	4.88	6.53	7.38	1.57	2.54	0	2
Expense Per Day**	3,210,417	3,411,617	3,466,254	3,609,286	3,670,984	3,817,311	3,968,599			0	0
Days Receivable**	46	45	51	46	48	51	51	43	51	42	49
Days Payable**	62	55	64	63	57	49	50				
Capital											
Age of Plant**	12	13	13	13	13	13	12	13	11	15	11
Long Term Debt to Capitalization**	35.8%	34.7%	36.1%	32.8%	29.2%	31.1%	28.8%	30.6%	31.3%	31%	31%
Debt Service Coverage Ratio	5.43	4.22	3.53	3.38	3.21	3.19	3.47	8.01	3.74	6.6	2.6
Cash to Long Term Debt	1.48	1.58	1.30	1.48	1.57	1.50	1.65				
*CAGR = Compounded Annual Growth Rate											
**Denotes metric is favorable if lower											