

# **FY2021**

# **Vermont Community Hospital**

# **Budget Guidance**

May 13, 2020

# March 18<sup>th</sup> Board Meeting



- The Board waived the March 31, 2020 deadline
  - The Board does not expect nonfinancial reporting on May 1<sup>st</sup>
  - 3.5% growth target for FY21 target
  - Recognizes hospital budget submission challenges created from the COVID-19 pandemic and these uncertain and ever-changing times.
  - Board directed Staff to recommend Budget Guidance Option or Options.
- Request to Health Care Advocate's Office to similarly streamline questions

# Abbreviate Guidance Staff Recommendations

Recognizing that Budget Guidance is developed as a thoughtful and collaborative initiative, staff recommend the following deletions/additions to the previously discussed Budget Guidance:

- Submission date changed from July 1<sup>st</sup> to July 31<sup>st</sup>
- An Abbreviated Excel budget template for each hospital will be used for the budget submission and the data will later be entered into the Adaptive software.
- Eliminate Part One: “Non-Financial Reporting” requirement
- Limit questions to those of a technical or clarifying nature.
  - Remove questions that may be inconclusive or “kick off” longer-term projects
- Add COVID-19 impact

# Abbreviated Guidance Staff Recommendation



Item	Recommendation
COVID-19 impact	Add to timeline, introduction and narrative prompts
Part One "Non-Financial Reporting"	Remove
Data Input to Adaptive Insights	Remove for a later date, Use Excel file budget submission template
Comparative Financial Metrics	Remove - some included in Excel file template
NPR/FPP Overview	Consolidate
Other Operating and Non-Operating Revenue	Combine
Capital Investment Cycle	Remove borrowing, CON and non-CON questions
Organizational Structure	Remove
Service Line Assessment	Remove
Risks and Opportunities	Remove
Unique Patients	Remove
ACO Participation and Health Care Reform	Postponed Reserve and Settlement Table requirement to late summer early fall
	Remove questions - accounting challenges, hospital employee attribution, mental health and social services
Vermont Health Information Exchange Network	Remove
Appendices	Remove - Bridge Tables
	Remove - Change in Charge
	Remove - Utilization
	Remove - Inflation
	Remove - ACO Participation

# Board Discussion

- Abbreviated Guidance
- Change in Charge Guidance
  - Possible amended Mid-year change in charges
  - Other Board Member Specific Considerations
- NPR growth target for FY21 target
  - Potential re-vote on growth
- Enforcement Policy
  - Reporting/monitoring for ALL hospitals
- Timeline

# Next Steps:



- Public Comment until May 19<sup>th</sup> 10:00am
- Receive Health Care Advocate Questions
- Possible Board Vote May 20<sup>th</sup>
- Distribute to Hospitals and Post to the website