



Vermont Hospital Budgets FY 2017 Budget to Actual, and FY 2019 Guidance

GMCB Meeting
March 14, 2018

2017 Actuals: Options for Overages

Reserve UVMCMC's Balance of \$20m. Any overage in 2018 will be added to this balance. This reserve cannot be used without Board approval.

Reduce UVMCMC – 1-3% Commercial Rate effective XX/XX/XX (\$7m per 1%, 180 Days Cash on Hand)

Reduce CVMC – 1% Commercial Rate effective XX/XX/XX (\$900,000 per 1%, 139 Days Cash on Hand)

Porter – No Rate Reduction – 82 Days Cash on Hand

Possible Board Vote

2019 Hospital Budget Guidance

Rebalance FY 2018 Budget for 2017 Actuals setting a new base for FY 2019

Allow for a 2.5% inflation increase* off of adjusted base (for FFS only)

Allow for 0.4% for investments

[See Growth Rate Chart](#)

[Possible Board Vote](#)

*National Healthcare Expenditures Data

Rebalance & NPR – 2019

Rebase all Exceeding 0.5% - Effect on Hospitals

<u>Hospital</u>	FY 2017 Approved Budget	FY 2017 Actuals	<u>Difference</u>	FY 2018 Approved Budget	FY 2018 Approved NPR %	FY 2018 Budget w/ Actual	FY 2018 Change Approved to Actual	Reduce for Commercial Rate 1%	Days COH
Brattleboro Memorial Hospital	76,408,611	75,062,532	-1.76%	78,879,432	3.40%	77,614,658	(1,264,774)		
Central Vermont Medical Center	191,831,143	195,237,530	1.78%	198,695,454	3.40%	201,875,606	3,180,152	900,000	139
Copley Hospital	64,819,405	64,983,966	0.25%	68,024,531	3.05%	68,024,531	-		
Gifford Medical Center	57,762,429	54,307,372	-5.98%	59,514,010	3.40%	56,153,823	(3,360,187)		
Grace Cottage Hospital	19,205,503	16,955,398	-11.72%	18,649,074	3.00%	17,464,060	(1,185,014)		
Mt. Ascutney Hospital & Health Center	47,744,700	48,253,025	1.06%	48,682,309	3.00%	49,700,616	1,018,307		
North Country Hospital	81,189,662	76,686,887	-5.55%	79,074,579	3.40%	79,294,241	219,662		
Northeastern VT Regional Hospital	77,069,500	76,794,700	-0.36%	78,818,099	3.40%	78,818,099	-		
Northwestern Medical Center	101,935,936	101,110,424	-0.81%	104,401,050	3.40%	104,548,178	147,128		
Porter Medical Center	76,094,922	78,203,218	2.77%	79,146,442	3.40%	80,862,127	1,715,685		82
Rutland Regional Medical Center	243,415,448	242,193,431	-0.50%	250,963,330	3.40%	250,963,330	-		
Southwestern VT Medical Center	152,362,260	152,602,902	0.16%	159,497,504	3.40%	159,497,504	-		
Springfield Hospital	59,147,241	51,999,349	-12.08%	59,375,198	3.00%	53,559,329	(5,815,869)		
The University of Vermont Medical Center	<u>1,172,785,845</u>	<u>1,211,118,975</u>	3.27%	<u>1,212,580,571</u>	3.40%	<u>1,252,297,020</u>	<u>39,716,449</u>	<u>7,000,000</u>	180
	2,421,772,605	2,445,509,709		2,496,301,583		2,530,673,123	34,371,540	7,900,000	137

(Rates provided by UVMHN)

Rebalance & NPR – 2019

Rebase all Exceeding 0.5% - NPR Calculation

<u>Net Patient Revenue Calc:</u>					
FY 2018 Approved Budget	2,496,301,583				
FY 2018 Rebased for Actuals	<u>2,530,673,123</u>	<u>2,530,673,123</u>			
	Difference	34,371,540			
	Percentage	1.38%	Increase for Utilization		
Commercial Rate Reduction:					
	UVMHC	(21,000,000)	3%		
	CVMC	(900,000)	1%		
ACO Revenues:					
FY 2018 Approved Budget (9 mos)	246,144,412				
FY 2018 Approved Budget (12 mos)	328,192,549				
	Increase	11,486,739	3.50%		
Non ACO Revenues (FY 2018 Approved Budget):	2,284,528,711				
	Increase for Investments	9,138,115	0.40%		
	Inflation Increase	<u>57,113,218</u>	2.50%	National Healthcare Expenditures Data	
				*Repeat for 2020	
FY 19 NPR		2,586,511,195			
Percentage change over FY 2018 Approved Budget		3.61%			
Percentage change over FY 2018 Rebased Budget		2.21%			
Percentage change over FY 2017 Actuals		5.77%	2.88%		
				Adj for Annual	

Rebalance & NPR – 2019

Rebase all Exceeding 2.0% - Effect on Hospitals

	FY 2017			FY 2018	FY 2018	FY 2018	FY 2018	Reduce for	
	Approved	FY 2017		Approved	Approved	Budget	Change	Commercial Rate	Days
<u>Hospital</u>	<u>Budget</u>	<u>Actuals</u>	<u>Difference</u>	<u>Budget</u>	<u>NPR %</u>	<u>w/ Actual</u>	<u>Approved to Actual</u>	<u>1%</u>	<u>COH</u>
Brattleboro Memorial Hospital	76,408,611	75,062,532	-1.76%	78,879,432	3.40%	78,879,432	-		
Central Vermont Medical Center	191,831,143	195,237,530	1.78%	198,695,454	3.40%	198,695,454	-	900,000	139
Copley Hospital	64,819,405	64,983,966	0.25%	68,024,531	3.05%	68,024,531	-		
Gifford Medical Center	57,762,429	54,307,372	-5.98%	59,514,010	3.40%	56,153,823	(3,360,187)		
Grace Cottage Hospital	19,205,503	16,955,398	-11.72%	18,649,074	3.00%	17,464,060	(1,185,014)		
Mt. Ascutney Hospital & Health Center	47,744,700	48,253,025	1.06%	48,682,309	3.00%	48,682,309	-		
North Country Hospital	81,189,662	76,686,887	-5.55%	79,074,579	3.40%	79,294,241	219,662		
Northeastern VT Regional Hospital	77,069,500	76,794,700	-0.36%	78,818,099	3.40%	78,818,099	-		
Northwestern Medical Center	101,935,936	101,110,424	-0.81%	104,401,050	3.40%	104,401,050	-		
Porter Medical Center	76,094,922	78,203,218	2.77%	79,146,442	3.40%	80,862,127	1,715,685		82
Rutland Regional Medical Center	243,415,448	242,193,431	-0.50%	250,963,330	3.40%	250,963,330	-		
Southwestern VT Medical Center	152,362,260	152,602,902	0.16%	159,497,504	3.40%	159,497,504	-		
Springfield Hospital	59,147,241	51,999,349	-12.08%	59,375,198	3.00%	53,559,329	(5,815,869)		
The University of Vermont Medical Center	<u>1,172,785,845</u>	<u>1,211,118,975</u>	3.27%	<u>1,212,580,571</u>	3.40%	<u>1,252,297,020</u>	<u>39,716,449</u>	<u>7,000,000</u>	180
	2,421,772,605	2,445,509,709		2,496,301,583		2,527,592,310	31,290,727	7,900,000	137

(Rates provided by UVMHN)

Rebalance & NPR – 2019

Rebase all Exceeding 2.0% - NPR Calculation

<u>Net Patient Revenue Calc:</u>				
FY 2018 Approved Budget	2,496,301,583			
FY 2018 Rebased for Actuals	<u>2,527,592,310</u>	<u>2,527,592,310</u>		
Difference	31,290,727			
Percentage	1.25%	Increase for Utilization		
<u>Commercial Rate Reduction:</u>				
UVMHC		(21,000,000)	3%	
CVMC		(900,000)	1%	
<u>ACO Revenues:</u>				
FY 2018 Approved Budget (9 mos)	246,144,412			
FY 2018 Approved Budget (12 mos)	328,192,549			
Increase		11,486,739	3.50%	
<u>Non ACO Revenues (FY 2018 Approved Budget)</u>				
	2,281,447,898			
Increase for Investments		9,125,792	0.40%	
Inflation Increase		<u>57,036,197</u>	2.50%	National Healthcare Expenditures Data
				*Repeat for 2020
FY 19 NPR		2,583,341,038		
Percentage change over FY 2018 Approved Budget		3.49%		
Percentage change over FY 2018 Rebased Budget		2.21%		
Percentage change over FY 2017 Actuals		5.64%	2.82%	
				Adj for Annual

Hospital Budget Growth Rebased and Proposed

