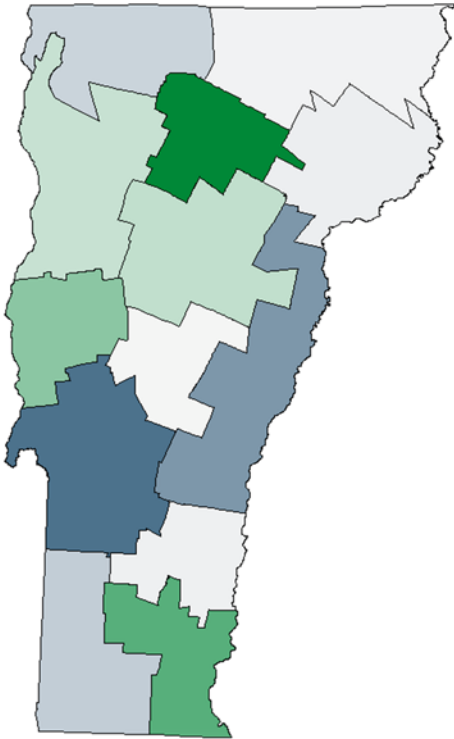


Fiscal Year 2018 North Country Hospital

Enforcement Discussion

April 8, 2019



Overview

1. FY18 Actuals
2. FY19 Year-to-Date (as of February 28, 2019)
3. FY19 Forecast
4. 5-Year Results
5. Discussion with North Country Hospital

North Country Hospital

FY18 and FY19 Budgets Submitted and Approved¹

Net Patient Revenue/Fixed Prospective Payment (NPR/FPP)

FY18			FY19		
Submitted	Approved*	% Change from FY17 Budget	Submitted	Approved	% Change from FY18 Budget
\$79,670,761	\$79,074,579	-2.6%	\$81,523,350	\$81,523,350	3.1%

*Adjusted for DSH

Charge

FY18		FY19	
Submitted	Approved	Submitted	Approved
5.0%	5.0%	3.6%	3.6%

Data Sources:

¹ FY18 & FY19 Budget Orders

North Country Hospital

FY18 Actuals²

Budget-to-Actual FY18 % Variance			FY18 Year-End Results As of September 30, 2018		
NPR/FPP % Variance	Operating Expenses % Variance		Operating Margin	Total Margin	Days Cash on Hand
-3.4%	-1.1%		-2.3%	1.2%	196.0

Actual-to-Actual FY17 to FY18 Comparison					
NPR/FPP % Change	Operating Expenses % Change	Operating Margin % Change (points)	Total Margin % Change (points)		Days Cash on Hand Change (days)
-0.4%	-1.0%	0.0%	-1.1%		11

Operating Margin and Total Margin, when expressed as a percentage (%): comparisons between years are represented as a % change in points, not a % change in value. Results represent the difference in % points between the original value and the comparison value.

Data Sources:

² [FY18 Year-End Actuals Report](#), North Country's FY18 year-end results are considered preliminary.

North Country Hospital

FY19 Year-to-Date as of February 28, 2019³

Budget-to-Actual FY19 YTD February			FY19 YTD February As of February 28, 2019			
NPR/FPP % Variance	Operating Expenses % Variance		Operating Margin	Total Margin	Days Cash on Hand	
-2.6%	-0.2%		-2.3%	-2.2%	183.3	

Actual-to-Actual FY18 to FY19 YTD Comparison			FY18 YTD February As of February 28, 2018			
NPR/FPP % Change	Operating Expenses % Change		Operating Margin	Total Margin	Days Cash on Hand*	
1.5%	5.7%		0.4%	4.5%	NA	

FY19 Projection					
	NPR/FPP	Operating Expenses	Operating Margin	Total Margin	Days Cash on Hand
Projection (full-year)	\$80,144,248	\$86,441,332	0.8%	1.4%	NA
Budget-to-Projection Variance (% , points or days)	-1.7%	-0.2%	-0.3%	-1.4%	NA

*Hospitals did not submit Days Cash on Hand as part of FY2018 year-to-date reporting.

Data Sources:

³ FY18 and FY19 year-to-date February submission from hospital. North Country did not submit Days Cash on Hand data.

North Country Hospital

5-Year Results^{2,4}

NPR/FPP							
	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	5-Year CAGR	Budget FY2019
(\$)	\$71,631,396	\$73,297,094	\$77,791,582	\$76,686,887	\$76,412,596	1.6%	\$81,523,350
(% Change)		2.3%	6.1%	-1.4%	-0.4%		

Operating Expenses							
	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	5-year CAGR	Budget FY2019
(\$)	\$75,707,661	\$77,634,509	\$83,824,785	\$84,179,016	\$83,367,796	2.4%	\$86,648,310
(% Change)		2.5%	8.0%	0.4%	-1.0%		

Data Sources:

² [FY18 Year-End Actuals Report](#), North Country's FY18 year-end results are considered preliminary.

⁴ FY19 Hospital Budget Submissions

North Country Hospital

5-Year Results^{2,4,5}

Operating Margin						
	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	Budget FY2019
(\$)	\$2,283,020	\$2,844,141	\$141,751	-\$1,871,960	-\$1,883,575	\$958,597
(%)	2.9%	3.5%	0.2%	-2.3%	-2.3%	1.1%

Total Margin						
	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	Budget FY2019
(\$)	\$4,715,901	\$1,459,270	\$2,170,151	\$2,014,165	\$1,000,144	\$2,463,121
(%)	5.9%	1.8%	2.5%	2.3%	1.2%	2.8%

Data Sources:

² [FY18 Year-End Actuals Report](#)

⁴ FY19 Hospital Budget Submissions

⁵ Adaptive Insights Planning

North Country Hospital

- Swearing-in and Oath
- Discussion with North Country Hospital
- Follow up with GMCB staff