

**Green Mountain Care Board**  
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*Kevin Mullin, Chair  
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**TO:** Hospital CFOs and Financial Staff

**FROM:** Pat Jones, Interim Director of Health System Finances, GMCB  
Janeen Morrison, Financial Administrator, GMCB  
Lori Perry, Senior Healthcare Financial Systems Analyst, GMCB

**DATE:** April 23, 2019

**RE:** Responses to Questions on 2019 Hospital Budget Guidance and Reporting Requirements

**cc:** Kevin Mullin, Chair, GMCB  
Susan Barrett, Executive Director, GMCB  
Mike DelTrecco, Senior Vice President, Finance and Operations, VAHHS

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Thank you for providing input on the GMCB's "2019 Hospital Budget Guidance and Reporting Requirements" at the April 5<sup>th</sup> meeting at VAHHS. Below are responses to questions that were raised at that meeting:

- Health care reform investments
  - Can HIT investments be considered as health care reform investments? *To be considered as health care reform investments, HIT expenditures would need to be new investments, as opposed to existing or ongoing HIT expenditures. In addition, as noted in the 2019 Guidance, "...the hospital must link the investments to health care reform activities that reduce health care costs and improve quality of care over the long term and 1) support the transition toward value-based purchasing, 2) increase access to primary care, 3) reduce deaths from suicide and/or drug overdose, or 4) reduce the prevalence and/or morbidity of chronic disease."*
  - Some health care reform investments will have a longer time frame before showing measurable improvements. Is this acceptable? *The GMCB recognizes that some health care reform investments will require a longer time frame before showing measurable results. Regardless of the time frame, hospitals are still required to describe how they will measure financial and/or quality results. As noted in the 2019 Guidance, "Each of the financial investments in these activities must be specifically identified in the budget and accompanied by a detailed plan to measure the return on the investment." Measures of return on investment can include financial measures, quality measures, or both.*
  
- Salaries Chart
  - Form 990 is reported on a calendar year, not fiscal year. Please clarify that the salary information submission can match the Form 990 CY2017, and that "other compensation" can be reported as defined in the Form 990. *Hospitals may complete the Salary Information table on page 7 of the 2019 Guidance in accordance with their 2017 Form 990, using 2017 calendar year information and definitions of "other compensation" contained in Form 990.*



- How should hospitals complete the “Bridges” tables as outlined in the Appendix VI if their revenues and expenditures aren’t broken down as outlined in the tables? *Hospitals are expected to complete the tables in Appendix VI to the best of their ability. As noted in the 2019 Guidance, “If the hospital categorizes revenue differently than as indicated in the tables, provide such categories, including labels and amounts, in the ‘Other’ rows.” and “If the hospital categorizes expenses differently than as indicated in the tables, provide such categories, including labels and amounts, in the ‘Other’ rows.”*

We hope this information is helpful. Please feel free to contact us if you have additional questions.

