

Mt. Ascutney Hospital & Health Ctr

FY 2019 Actual Audited Financial Results Analysis

Report Date: 2/18/2020

FY 2019 Actual Audited Financial Results Analysis **Mt. Ascutney Hospital & Health Ctr**

INCOME STATEMENT	FY2018A	FY2019B	FY2019A	FY2020B	2019B -	2019B - 2019A	2018A - 2019A	2019B - 2020B	2019A - 2020B
					2020B \$ Chg	% Chg	% Chg	% Chg	% Chg
Revenues									
Gross Patient Care Revenue	97,368,608	101,585,837	103,318,495	105,068,060	3,482,223	1.7%	6.1%	3.4%	1.7%
Disproportionate Share Payments	683,877	300,000	340,539	340,000	40,000	13.5%	-50.2%	13.3%	-0.2%
Bad Debt	(1,541,879)	(1,777,742)	(2,056,707)	(1,838,694)	(60,952)	15.7%	33.4%	3.4%	-10.6%
Free Care	(949,742)	(1,015,853)	(818,147)	(1,050,682)	(34,829)	-19.5%	-13.9%	3.4%	28.4%
Deductions from Revenue	(45,484,924)	(48,652,472)	(55,633,002)	(56,909,778)	(8,257,306)	14.3%	22.3%	17.0%	2.3%
Graduate Medical Education	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Net Patient Care Revenue	50,075,941	50,439,770	45,151,178	45,608,906	(4,830,864)	-10.5%	-9.8%	-9.6%	1.0%
Fixed Prospective Payments	732,703	756,000	6,423,632	9,600,961	8,844,961	749.7%	776.7%	1170.0%	49.5%
Reserves	0	0	(929,316)	(1,975,000)		#DIV/0!	#DIV/0!	#DIV/0!	112.5%
Other Reform Payments	0	0	203,892	520,692		#DIV/0!	#DIV/0!	#DIV/0!	155.4%
Fixed Prospective Payments and Reserves	732,703	756,000	5,698,208	8,146,653		653.7%	677.7%	977.6%	43.0%
Net Patient Care Revenue & Fixed Payments & Reserves	50,808,643	51,195,770	50,849,386	53,755,559	2,559,789	-0.7%	0.1%	5.0%	5.7%
Other Operating Revenue	3,694,902	3,659,789	3,674,430	3,301,477	(358,312)	0.4%	-0.6%	-9.8%	-10.1%
Total Operating Revenue	54,503,546	54,855,559	54,523,816	57,057,036	2,201,477	-0.6%	0.0%	4.0%	4.6%
Expenses									
Salaries Non MD	20,332,089	21,475,959	21,812,079	22,742,927	1,266,968	1.6%	7.3%	5.9%	4.3%
Fringe Benefits Non MD	7,097,429	7,197,995	6,638,927	7,590,424	392,429	-7.8%	-6.5%	5.5%	14.3%
Physician Fees, Salaries, Contracts	6,312,966	4,779,482	6,384,772	5,414,439	634,957	33.6%	1.1%	13.3%	-15.2%
Fringe Benefits MD	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Health Care Provider Tax	1,762,965	1,750,000	1,783,347	1,950,000	200,000	1.9%	1.2%	11.4%	9.3%
Depreciation & Amortization	2,076,659	2,223,622	2,390,246	2,460,450	236,828	7.5%	15.1%	10.7%	2.9%
Interest - Long Term & Short Term	226,535	256,000	227,353	233,000	(23,000)	-11.2%	0.4%	-9.0%	2.5%
Other Operating Expense	15,642,648	17,154,917	15,329,977	16,665,796	(489,121)	-10.6%	-2.0%	-2.9%	8.7%
Total Operating Expense	53,451,291	54,837,975	54,566,701	57,057,036	2,219,061	-0.5%	2.1%	4.0%	4.6%
Net Operating Income (Loss)	1,052,255	17,584	(42,885)	(0)	(17,584)	-343.9%	-104.1%	-100.0%	-100.0%
Non-Operating Revenue	1,934,494	861,000	(2,046,081)	792,000	(69,000)	-337.6%	-205.8%	-8.0%	-138.7%
Excess (Deficit) of Rev Over Exp	2,986,749	878,584	(2,088,966)	792,000	(86,584)	-337.8%	-169.9%	-9.9%	-137.9%

Benchmarks-Hospital									
Operating Margin%	1.9%	0.0%	-0.1%	0.0%					
Total Margin %	5.3%	1.6%	-4.0%	1.4%					
EBIDA %	6.2%	4.6%	4.7%	4.7%					
Cost per Adjusted Admission	8,430	7,692	7,236	7,555					

OBSERVATIONS :

Fiscal Year 2020 Budget Analysis									Mt. Ascutney Hospital & Health Ctr			
NET PAYER REVENUE CHANGES - PAYERS		FY2018A	FY2019B	FY2019A	FY2020B	2018A - 2019A % Chg	2019B - 2019A % Chg	2019B - 2020B % Chg	2019A - 2020B % Chg			
All Payers	Gross Patient Care Revenue	97,368,608	101,585,837	103,318,495	105,068,060	6.1%	1.7%	3.4%	1.7%			
	Contractual Allowances	-45,484,924	-48,652,472	-55,633,002	-56,909,778	22.3%	14.3%	17.0%	2.3%			
	Bad Debt	-1,541,879	-1,777,742	-2,056,707	-1,838,694	33.4%	15.7%	3.4%	-10.6%			
	Free Care	-949,742	-1,015,853	-818,147	-1,050,682	-13.9%	-19.5%	3.4%	28.4%			
	Graduate Medical Education Payments	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			
	Disproportionate Share Payments	683,877	300,000	340,539	340,000	-50.2%	13.5%	13.3%	-0.2%			
	Net Payer Revenue	50,075,941	50,439,770	45,151,178	45,608,906	-9.8%	-10.5%	-9.6%	1.0%			
Fixed Prospective Payments	732,703	756,000	6,423,632	9,600,961	776.7%	749.7%	1170.0%	49.5%				
Reserves - Risk Portion	0	0	-929,316	-1,975,000	#DIV/0!	#DIV/0!	#DIV/0!	112.5%				
Other Reform Payments	0	0	203,892	520,692	#DIV/0!	#DIV/0!	#DIV/0!	155.4%				
Fixed Prospective Payment & Reserves	732,703	756,000	5,698,208	8,146,653	677.7%	653.7%	977.6%	43.0%				
Net Payer Revenue & Fixed Prospective Payments	50,808,643	51,195,770	50,849,386	53,755,559	0.1%	-0.7%	5.0%	5.7%				
Commercial	Gross Patient Care Revenue	30,331,573	33,434,038	32,839,941	32,483,213	8.3%	-1.8%	-2.8%	-1.1%			
	Contractual Allowances	-9,424,439	-10,207,972	-12,036,042	-12,040,591	27.7%	17.9%	18.0%	0.0%			
	Bad Debt	-1,541,879	-1,777,742	-2,056,707	-1,838,694	33.4%	15.7%	3.4%	-10.6%			
	Free Care	-949,742	-1,015,853	-818,147	-1,050,682	-13.9%	-19.5%	3.4%	28.4%			
	Graduate Medical Education Payments	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			
	Net Payer Revenue	18,415,513	20,432,471	17,929,045	17,553,245	-2.6%	-12.3%	-14.1%	-2.1%			
	Fixed Prospective Payments	0	0	-7,293	1,070,971	#DIV/0!	#DIV/0!	#DIV/0!	-14784.9%			
Reserves - Risk Portion	0	0	0	-175,000	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!				
Other Reform Payments	0	0	-40,232	57,560	#DIV/0!	#DIV/0!	#DIV/0!	-243.1%				
Fixed Prospective Payment & Reserves	0	0	-47,525	953,531	#DIV/0!	#DIV/0!	#DIV/0!	-2106.4%				
Net Payer Revenue & Fixed Prospective Payments	18,415,513	20,432,471	17,881,520	18,506,776	-2.9%	-12.5%	-9.4%	3.5%				
Percentage of total	36%	40%	35%	34%								
Medicaid	Gross Patient Care Revenue	11,435,999	11,384,702	10,953,318	10,958,398	-4.2%	-3.8%	-3.7%	0.0%			
	Contractual Allowances	-8,897,010	-10,277,659	-9,800,212	-7,865,559	10.2%	-4.6%	-23.5%	-19.7%			
	Bad Debt	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			
	Free Care	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			
	Graduate Medical Education Payments	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			
	Net Payer Revenue	2,538,989	1,107,043	1,153,106	3,092,839	-54.6%	4.2%	179.4%	168.2%			
	Fixed Prospective Payments	732,703	756,000	712,365	899,512	-2.8%	-5.8%	19.0%	26.3%			
Reserves - Risk Portion	0	0	-120,065	-100,000	#DIV/0!	#DIV/0!	#DIV/0!	-16.7%				
Other Reform Payments	0	0	78,578	208,187	#DIV/0!	#DIV/0!	#DIV/0!	164.9%				
Fixed Prospective Payment & Reserves	732,703	756,000	670,878	1,007,699	-8.4%	-11.3%	33.3%	50.2%				
Net Payer Revenue & Fixed Prospective Payments	3,271,692	1,863,043	1,823,984	4,100,538	-44.2%	-2.1%	120.1%	124.8%				
Percentage of total	6%	4%	4%	8%								
Medicare	Gross Patient Care Revenue	55,601,036	56,767,097	59,525,237	61,626,449	7.1%	4.9%	8.6%	3.5%			
	Contractual Allowances	-27,163,475	-28,166,841	-33,796,748	-37,003,628	24.4%	20.0%	31.4%	9.5%			
	Bad Debt	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			
	Free Care	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			
	Graduate Medical Education Payments	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			
	Net Payer Revenue	28,437,561	28,600,256	25,728,489	24,622,821	-9.5%	-10.0%	-13.9%	-4.3%			
	Fixed Prospective Payments	0	0	5,718,560	7,630,478	#DIV/0!	#DIV/0!	#DIV/0!	33.4%			
Reserves - Risk Portion	0	0	-809,251	-1,700,000	#DIV/0!	#DIV/0!	#DIV/0!	110.1%				
Other Reform Payments	0	0	165,546	254,945	#DIV/0!	#DIV/0!	#DIV/0!	54.0%				
Fixed Prospective Payment & Reserves	0	0	5,074,855	6,185,423	#DIV/0!	#DIV/0!	#DIV/0!	21.9%				
Net Payer Revenue & Fixed Prospective Payments	28,437,561	28,600,256	30,803,344	30,808,244	8.3%	7.7%	7.7%	0.0%				
Percentage of total	56%	56%	61%	57%								
Disproportionate Share Payments	683,877	300,000	340,539	340,000	-50.2%	13.5%	13.3%	-0.2%				
Percentage of total												
NPR & FPP to Gross Commercial (no dsh)	61%	61%	54%	57%								
NPR & FPP to Gross Medicaid (no dsh)	29%	16%	17%	37%								
NPR & FPP to Gross Medicare (no dsh)	51%	50%	52%	50%								
NPR & FPP to Gross All (no dsh)	51%	50%	49%	51%								
Observations:												

FY 2019 Actual Audited Financial Results Analysis

Mt. Ascutney Hospital & Health Ctr

UTILIZATION & STAFFING **FY2018A** **FY2019B** **FY2019A** **FY2020B** **2018A-2019A** **2019B-2019A** **2019B-2020B** **2019A-2020B**

UTILIZATION

Adjusted Admissions	6,341	7,129	7,541	7,552	18.9%	5.8%	5.9%	0.2%
Acute Admissions	394	396	422	382	7.1%	6.6%	-3.5%	-9.5%
Acute Average Length Of Stay	3.8	3.5	3.7	3.5	-3.1%	4.4%	0.9%	-3.4%
All Operating Room Procedure	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Tests	60,786	60,020	61,486	59,970	1.2%	2.4%	-0.1%	-2.5%
Emergency Room Visits	4,764	4,600	4,975	4,512	4.4%	8.2%	-1.9%	-9.3%
CT Scan, Radiology - Diagnostic	11,815	11,967	12,358	12,179	4.6%	3.3%	1.8%	-1.4%
Exams	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Provider Work RVU	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Physician Office Visits	41,965	43,650	45,151	48,958	7.6%	3.4%	12.2%	8.4%
Clinic Visits	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

STAFFING

Non-MD FTEs	300	312	307	320	7.1	(4.9)	8.1	12.9
Travelers, Travelers MD	0	0	0	0	0.0	0.0	0.0	0.0
Residents & Fellows	0	0	0	0	0.0	0.0	0.0	0.0
MLPs	11	11	10	10	(0.5)	(0.8)	(1.4)	(0.6)
Physician FTEs	20	20	20	22	0.6	0.7	2.9	2.2
Total FTEs	330	342	337	352	7.2	(5.0)	9.6	14.6

Benchmark-Central Vermont Medical Center

Salary per FTE - Non-MD	65,461	66,510	68,758	69,004	5.0%	3.4%	3.7%	0.4%
Salary & Benefits per FTE - Non-MD	88,311	88,801	89,686	92,034	1.6%	1.0%	3.6%	2.6%
FTEs Per Adjusted Occupied Bed	5	5	4	5	-11.4%	-11.0%	-4.5%	7.3%
FTEs per 100 Adj Discharges	5	5	4	4	-14.1%	-7.1%	-3.6%	3.7%

Benchmarks-Vermont System Averages

Salary per FTE - Non-MD	66,067	67,435	70,572	70,085	6.8%	4.7%	3.9%	-0.7%
Salary & Benefits per FTE - Non-MD	84,930	86,796	90,767	89,722	6.9%	4.6%	3.4%	-1.2%
FTEs Per Adjusted Occupied Bed	6	6	6	6	-2.7%	-6.5%	1.7%	8.8%
FTEs per 100 Adj Discharges	7	8	7	8	-0.6%	-4.5%	2.1%	7.0%

OBSERVATIONS:

Fiscal Year 2020 Budget Analysis		Mt. Ascutney Hospital & Health Ctr							
BALANCE SHEET	FY2018A	FY2019B	FY2019A	FY2020B	2018A-2019A	2019B-2019A	2019A-2020B	2018A-2020B	
Cash & Investments	7,344,466	6,380,918	8,774,970	8,051,191	19.5%	37.5%	-8.2%	9.6%	
Risk Reserve for Fixed Reform Payments	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Other Current Assets	7,538,992	7,171,691	7,101,468	6,277,135	-5.8%	-1.0%	-11.6%	-16.7%	
Current Assets	14,883,458	13,552,609	15,876,438	14,328,326	6.7%	17.1%	-9.8%	-3.7%	
Board Designated Assets	19,094,654	19,043,644	19,659,423	20,231,159	3.0%	3.2%	2.9%	6.0%	
Net, Property, Plant And Equipment	18,085,244	21,033,829	18,116,755	19,868,896	0.2%	-13.9%	9.7%	9.9%	
Other Long-Term Assets	2,692,351	2,770,913	2,914,091	2,718,020	8.2%	5.2%	-6.7%	1.0%	
Assets	54,755,707	56,400,995	56,566,707	57,146,401	3.3%	0.3%	1.0%	4.4%	
Current Liabilities	10,173,319	7,709,548	10,893,921	10,681,125	7.1%	41.3%	-2.0%	5.0%	
Long Term Liabilities	11,342,994	11,515,170	11,392,455	11,511,334	0.4%	-1.1%	1.0%	1.5%	
Other Noncurrent Liabilities	4,686,501	8,882,254	7,690,529	4,627,163	64.1%	-13.4%	-39.8%	-1.3%	
Fund Balance	28,552,893	28,294,023	26,589,802	30,326,779	-6.9%	-6.0%	14.1%	6.2%	
Liabilities and Equities	54,755,707	56,400,995	56,566,707	57,146,401	3.3%	0.3%	1.0%	4.4%	
Benchmarks-Hospital					Change in Points				
Days Cash on Hand	132.20	120.42	144.36	134.14	12.16	23.94	(10.22)	1.94	
Days Receivable	41.75	39.06	40.16	39.39	(1.59)	1.10	(0.77)	(2.35)	
Days Payable	72.28	53.48	76.21	71.41	3.93	22.73	(4.80)	(0.87)	
Long Term Debt to Capitalization	0.28	0.29	0.30	0.28					
Debt Service Coverage Ratio	8.0	6.1	5.6	5.4	(2.4)	(0.6)	(0.1)	(2.5)	
Benchmarks-Vermont System Averages					Change in Points				
Days Cash on Hand	176	172	158	164	(18)	(14)	6	(12)	
Days Receivable	43	44	46	47	3	2	1	4	
Days Payable	63	54	54	54	(10)	(1)	1	(9)	
Long Term Debt to Capitalization	0	0	0	0					
Debt Service Coverage Ratio	2.4	3.6	3.1	3.4	0.7	(0.5)	0.3	1.0	
OBSERVATIONS:									