



## Fiscal Year 2019 Budget Key Questions and Issues

1. Have the hospital's projections for FY2018 changed?

**The projections for FY2018 have not changed. North Country has not had any significant staffing changes that would affect volumes or expenses since the projections were built. The one significant initiative that happened was the implementation of a new EHR system along with a new Accounting system which happened in May and June. It is too early to determine if this will have an impact great enough to change our projections.**

2. Please explain factors in the changes in Bad Debt and Free Care in the FY2019 Budget (including policy changes if any).

**There have not been any policy changes for Bad Debt or Free Care in the FY2019 budget. When the FY2018 budget was created, Bad Debt and Free Care had been running significantly under budget. As a result, the FY2018 budget was created at a much lower amount than where the actual amounts are being realized and where these amounts continue to trend. This has resulted in the necessity to have an increase from FY2018 budget to FY2019 budget for the Bad Debt and Free Care expense lines.**

**When comparing the Bad Debt expense amounts over the years, there has been a continued reduction. The Free Care expense has seen a slight increase, but not an equal increase to the bad debt decrease. Both the Bad Debt and Free Care expense amounts are based on gross charges of which contain fee increases over the years. When these fee increases are taken into consideration the combined Bad Debt and Free Care amounts show a decrease over the years.**

3. Please provide more specificity about what is included in Other Operating Expense for FY2017 Actuals, FY2018 Budget and Projections, and FY2019 Budget, and explain the variation from year to year.

**In May of 2018, North Country converted EMR systems to Athena Health. As a result, we have increased our expenses for the new system. The difference in FY2017 Actuals, FY2018 Budget, and FY2018 Projections to FY2019 Budget is mostly attributable to this change.**

4. Please explain the increase in 21 FTEs from FY2018 Projections to FY2019 Budget.

**The FTEs increase from Budget 2018 to Budget 2019 are 5 FTEs. The increase of 21 FTEs from the FY2018 Projection to FY2019 Budget is because of cumulative vacancies throughout FY2018 over various departments and job classifications. North Country has built in \$1 million of staff savings in the FY2019 Budget as a result of these anticipated vacancies and offsetting expense for locum tenens to backfill some of the patient crucial positions.**

5. Please complete the table that has been provided to clarify accounting of ACO-related revenue and expenses.

**Please see the table in the excel file.**

6. Prevalence of COPD and Controlling High Blood Pressure are two All-Payer Model quality measures where performance for the Newport health service area is below the state average. Please describe any initiatives that the hospital is engaged in that address those two measures.

A. HTN (Controlling High Blood Pressure): The Vermont rate is 25%, the NCH Service Area rate is 27%. Plans for improvement include:

- **Expansion of NCH's HealthCare Shares program which provides locally grown vegetables and education to patients/families of NCH's primary care and pediatric practices in partnership with the Vermont Youth Conservation Corps. In the 2018 program, there are 81 families with 256 individuals participating in the 11 week program. 68.85% of those participating report High Blood Pressure.**
- **NCH is adding a second dietician in September 2018 to expand nutrition services provided to inpatients as well as embedded and provided at no charge to patients in the primary care and pediatric practices in Newport, Barton and Island Pond.**
- **NCH's conversion to one EMR for all service locations ( medical practices, inpatient, emergency room) will increase the capacity for following patients and coordinating care across all programs.**
- **NCH is now recruiting to hire a new Care Coordinator/Panel Manager position which will increase our capacity to focus on High Risk patients, including pts with uncontrolled blood pressure**

B. Prevalence of chronic disease: COPD: The Vermont rate is 6% and the NCH Service Area rate is 10%. Plans for improvement include:

- **NCH's recently expanded the number of nationally certified Tobacco Treatment Specialists (TTSs). We now have 4 and one is located in northern Essex County. This will allow for additional resources to help those individuals with COPD who also use tobacco which can result in Emergency Department visits/Inpatient admissions.**

- **NCH's Inpatient Department has implemented a patient education program for newly diagnosed COPD patients which follow the patient at the PCP follow up visit as well as when he/she is referred to local Visiting Nurses organization, reinforcing self-care learned as an inpatient.**
- **As noted above, NCH's conversion to one EMR for all service locations will increase the capacity for following patients and coordinating care across all programs.**
- **Also, as noted above, NCH is recruiting to hire a new Care Coordinator/Panel Manager position which will increase our capacity to focus on High Risk patients, including those with COPD.**