

Northeastern VT Regional Hospital

Fiscal Year 2020 Budget Analysis

Report Date: 8/1/2019

Northeastern VT Regional Hospital

Fiscal Year 2020 Budget Analysis

QUESTIONS

QUESTIONS:

1. Have the hospital's projections for FY2019 changed?
2. What is the total ACO reserve on the balance sheet for Projected FY19 and Budget FY20? If you have a pending settlement, please report the estimated amount of the settlement and which fiscal year it will effect. Are Other Reform Payments recorded in deduction from NPR, if not, where are they recorded?
3. NVRH's FY19 Budget Order states the "Hospital shall consult with Vermont Information Technology Leaders (VITL) to facilitate patients' ability to electronically consent to adding their clinical data to the Vermont Health Information Exchange (VHIE)." What kind of headway has NVRH made to facilitate this?
4. What is the value of 1 day of Days Cash on Hand?
5. What is the value of 1% of NVRH's change in charge request? If there is a variance between NVRH's calculation and the calculation provided by GMCB staff above, please include the steps to your calculation.
6. Are Medicaid and Medicare reimbursement assumptions still valid including Disproportionate Share Payments?
7. What are the hospitals assumptions for the ER visits and exams?
8. What are the hospitals assumptions for increasing from 438 Non MD FTEs & MLPs (FY19P) to 463 (FY20B)?

BOARD MEMBER QUESTIONS:

9. For FY19 projections what departments are expenses exceeding revenues?
10. Please suggest a statistic the GMCB can monitor to better understand the trends in the total number of staffed beds in the hospital versus the number of beds available for use, and how full or empty those beds are from month to month?
11. What is the impact of the now known Medicaid reimbursement increases? Any update on inpatient Medicaid reimbursement changes?
12. If you assumed Medicare increases, what is the value and what would a reduction in commercial be to maintain your NPR?
13. Discuss new ACO attribution pilot.
14. For 2019 projection where were the loan repayments shifted from and how much are they?
15. For 2019 projection what are the corresponding expenses to the reference lab work that was understated?
16. Itemize Year Over Year cost savings.

Fiscal Year 2020 Budget Analysis						Northeastern VT Regional Hospital				
INCOME STATEMENT	FY2018B	FY2018A	FY2019B	FY2019P	FY2020B	2018B -2018A	2019B - 2019P	2018A - 2019P	2019B - 2020B	2019P - 2020B
						% Chg	% Chg	% Chg	% Chg	% Chg
Revenues										
Gross Patient Care Revenue	164,561,400	161,098,014	170,991,978	174,898,238	183,229,400	-2.1%	2.3%	8.6%	7.2%	4.8%
Disproportionate Share Payments	1,075,300	1,075,300	953,000	961,534	987,745	0.0%	0.9%	-10.6%	3.6%	2.7%
Bad Debt	(3,535,600)	(3,046,071)	(3,192,800)	(3,400,684)	(3,544,000)	-13.8%	6.5%	11.6%	11.0%	4.2%
Free Care	(2,797,400)	(2,923,433)	(3,072,000)	(3,200,000)	(3,400,000)	4.5%	4.2%	9.5%	10.7%	6.3%
Deductions from Revenue	(82,226,300)	(77,758,738)	(84,111,473)	(88,056,176)	(94,392,751)	-5.4%	4.7%	13.2%	12.2%	7.2%
Graduate Medical Education	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Net Patient Care Revenue	77,077,400	78,445,072	81,568,705	81,202,912	82,880,394	1.8%	-0.4%	3.5%	1.6%	2.1%
Fixed Prospective Payments	0	0	0	3,854,330	5,139,100	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	33.3%
Reserves	0	0	0	(579,000)	(579,000)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0.0%
Other Reform Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Fixed Prospective Payments and Reserves	0	0	0	3,275,330	4,560,100	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	39.2%
Net Patient Care Revenue & Fixed Payments & Reserves	77,077,400	78,445,072	81,568,705	84,478,242	87,440,494	1.8%	3.6%	7.7%	7.2%	3.5%
Other Operating Revenue	2,955,000	4,409,530	3,692,700	4,475,800	4,668,400	49.2%	21.2%	1.5%	26.4%	4.3%
Total Operating Revenue	80,032,400	82,854,602	85,261,405	88,954,042	92,108,894	3.5%				
Expenses										
Salaries Non MD	27,401,163	28,129,106	29,645,050	29,532,921	32,118,861	2.7%	-0.4%	5.0%	8.3%	8.8%
Fringe Benefits Non MD	8,491,670	9,130,544	8,881,546	10,898,454	11,271,845	7.5%	22.7%	19.4%	26.9%	3.4%
Physician Fees, Salaries, Contracts	9,463,870	9,159,003	10,371,950	9,875,313	10,173,083	-3.2%	-4.8%	7.8%	-1.9%	3.0%
Fringe Benefits MD	2,544,630	2,439,169	2,561,347	3,143,938	3,053,164	-4.1%	22.7%	28.9%	19.2%	-2.9%
Health Care Provider Tax	4,582,000	4,581,058	4,600,000	4,703,185	5,065,000	0.0%	2.2%	2.7%	10.1%	7.7%
Depreciation & Amortization	3,019,000	3,149,404	3,450,000	3,514,440	3,965,000	4.3%	1.9%	11.6%	14.9%	12.8%
Interest - Long Term & Short Term	386,000	264,392	350,000	249,350	212,000	-31.5%	-28.8%	-5.7%	-39.4%	-15.0%
Other Operating Expense	22,690,767	24,571,662	23,842,612	25,436,441	24,449,941	8.3%	6.7%	3.5%	2.5%	-3.9%
Total Operating Expense	78,579,100	81,424,338	83,702,505	87,354,042	90,308,894	3.6%	4.4%			
Net Operating Income (Loss)	1,453,300	1,430,264	1,558,900	1,600,000	1,800,000	-1.6%	2.6%	11.9%	15.5%	12.5%
Non-Operating Revenue	0	455,300	0	0	0	#DIV/0!	#DIV/0!	-100.0%	#DIV/0!	#DIV/0!
Excess (Deficit) of Rev Over Exp	1,453,300	1,885,564	1,558,900	1,600,000	1,800,000	29.7%	2.6%	-15.1%	15.5%	12.5%
Benchmarks-Hospital										
Operating Margin%	1.8%	1.7%	1.8%	1.8%	2.0%					
Total Margin %	1.8%	2.3%	1.8%	1.8%	2.0%					
EBIDA %	6.1%	5.8%	6.3%	6.3%	6.5%					
Cost per Adjusted Admission	12,381	12,502	12,843	14,803	14,876					
<p>OBSERVATIONS: NVRH's FY20 NPR/FPP budget requests a \$5.9 million increase (7.2%) over the FY19 budget, and \$3 million increase (3.5%) over projection. This request is approximately \$3 million over the 3.5% NPR/FPP growth target. NVRH attributes this growth to aging population, patient acuity, timely access to services and a renewed sense of confidence in the hospital. NVRH's FY20 Operating Expenses budget requests a \$6.6 million increase (7.9%) over the FY19 budget, and \$3 million (3.4%) over projection. NVRH's FY19 budget was amended to reflect the acquisition of Northern Physical Therapy- a full year operational impact is included in the FY20 budget. The hospital mentions an expense reclass between Non MD and MD fringe benefits which includes loan repayments. NVRH's Operating Margin (2.0%) and Total Margin (2.0%) are consistent with actual performance. NVRH does not budget non-operating revenue given market volatility. NVRH plans to increase operating margin from \$1.6 million to \$2.4 million over the next three years to partially fund expansion of the ED. NVRH records their full downside risk in contractual allowances and as a liability on the balance sheet.</p>										

Fiscal Year 2020 Budget Analysis										
Northeastern VT Regional Hospital										
NET PAYER REVENUE CHANGES - PAYERS										
		FY2018B	FY2018A	FY2019B	FY2019P	FY2020B	2018A - 2019P % Chg	2019B - 2019P % Chg	2019B - 2020B % Chg	2019P - 2020B % Chg
All Payers	Gross Patient Care Revenue	161,386,630	161,098,014	170,991,978	174,898,238	183,229,400	8.6%	2.3%	7.2%	4.8%
	Contractual Allowances	-78,131,035	-77,758,738	-84,111,473	-88,056,176	-94,392,751	13.2%	4.7%	12.2%	7.2%
	Bad Debt	-3,086,865	-3,046,071	-3,192,800	-3,400,684	-3,544,000	11.6%	6.5%	11.0%	4.2%
	Free Care	-2,912,930	-2,923,433	-3,072,000	-3,200,000	-3,400,000	9.5%	4.2%	10.7%	6.3%
	Graduate Medical Education Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Disproportionate Share Payments	1,075,300	1,075,300	953,000	961,534	987,745	-10.6%	0.9%	3.6%	2.7%
	Net Payer Revenue	78,331,099	78,445,072	81,568,705	81,202,912	82,880,394	3.5%	-0.4%	1.6%	2.1%
	Fixed Prospective Payments	0	0	0	3,854,330	5,139,100	#DIV/0!	#DIV/0!	#DIV/0!	33.3%
	Reserves - Risk Portion	0	0	0	-579,000	-579,000	#DIV/0!	#DIV/0!	#DIV/0!	0.0%
	Other Reform Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Fixed Prospective Payment & Reserves	0	0	0	3,275,330	4,560,100	#DIV/0!	#DIV/0!	#DIV/0!	39.2%
	Net Payer Revenue & Fixed Prospective Payments	78,331,099	78,445,072	81,568,705	84,478,242	87,440,494	7.7%	3.6%	7.2%	3.5%
Commercial	Gross Patient Care Revenue	59,160,429	59,041,768	63,460,260	61,978,808	65,120,200	5.0%	-2.3%	2.6%	5.1%
	Contractual Allowances	-16,572,443	-16,502,201	-20,324,399	-17,250,151	-19,393,800	4.5%	-15.1%	-4.6%	12.4%
	Bad Debt	-3,086,865	-3,046,071	-3,192,800	-3,400,684	-3,544,000	11.6%	6.5%	11.0%	4.2%
	Free Care	-2,912,930	-2,923,433	-3,072,000	-3,200,000	-3,400,000	9.5%	4.2%	10.7%	6.3%
	Graduate Medical Education Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Net Payer Revenue	36,588,191	36,570,063	36,871,061	38,127,973	38,782,400	4.3%	3.4%	5.2%	1.7%
	Fixed Prospective Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Reserves - Risk Portion	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Other Reform Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Fixed Prospective Payment & Reserves	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Net Payer Revenue & Fixed Prospective Payments	36,588,191	36,570,063	36,871,061	38,127,973	38,782,400	4.3%	3.4%	5.2%	1.7%
	Percentage of total	47%	47%	45%	45%	44%				
Medicaid	Gross Patient Care Revenue	33,547,844	33,464,448	35,502,906	35,931,412	37,668,200	7.4%	1.2%	6.1%	4.8%
	Contractual Allowances	-22,597,649	-22,464,772	-23,514,514	-26,248,765	-30,173,841	16.8%	11.6%	28.3%	15.0%
	Bad Debt	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Free Care	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Graduate Medical Education Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Net Payer Revenue	10,950,195	10,999,676	11,988,392	9,682,647	7,494,359	-12.0%	-19.2%	-37.5%	-22.6%
	Fixed Prospective Payments	0	0	0	3,854,330	5,139,100	#DIV/0!	#DIV/0!	#DIV/0!	33.3%
	Reserves - Risk Portion	0	0	0	-579,000	-579,000	#DIV/0!	#DIV/0!	#DIV/0!	0.0%
	Other Reform Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Fixed Prospective Payment & Reserves	0	0	0	3,275,330	4,560,100	#DIV/0!	#DIV/0!	#DIV/0!	39.2%
	Net Payer Revenue & Fixed Prospective Payments	10,950,195	10,999,676	11,988,392	12,957,977	12,054,459	17.8%	8.1%	0.6%	-7.0%
	Percentage of total	14%	14%	15%	15%	14%				
Medicare	Gross Patient Care Revenue	68,678,357	68,591,798	72,028,812	76,988,018	80,441,000	12.2%	6.9%	11.7%	4.5%
	Contractual Allowances	-38,960,943	-38,791,765	-40,272,560	-44,557,260	-44,825,110	14.9%	10.6%	11.3%	0.6%
	Bad Debt	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Free Care	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Graduate Medical Education Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Net Payer Revenue	29,717,414	29,800,033	31,756,252	32,430,758	35,615,890	8.8%	2.1%	12.2%	9.8%
	Fixed Prospective Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Reserves - Risk Portion	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Other Reform Payments	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Fixed Prospective Payment & Reserves	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Net Payer Revenue & Fixed Prospective Payments	29,717,414	29,800,033	31,756,252	32,430,758	35,615,890	8.8%	2.1%	12.2%	9.8%
	Percentage of total	38%	38%	39%	38%	41%				
	Disproportionate Share Payments	1,075,300	1,075,300	953,000	961,534	987,745	-10.6%	0.9%	3.6%	2.7%
	Percentage of total									
	NPR & FPP to Gross Commercial (no dsh)	62%	62%	58%	62%	60%				
	NPR & FPP to Gross Medicaid (no dsh)	33%	33%	34%	36%	32%				
	NPR & FPP to Gross Medicare (no dsh)	43%	43%	44%	42%	44%				
	NPR & FPP to Gross All (no dsh)	48%	48%	47%	48%	47%				
Observations: The hospital is assuming \$1.3 million NPR increase for Commercial due to their change in charge and \$.6 million from utilization, reimbursement and payer mix. Medicare increased \$3.9 million from FY19, \$3.1 million is from reimbursement and payer mix and \$.7 million from utilization.										

Fiscal Year 2020 Budget Analysis

Northeastern VT Regional Hospital

CHANGE IN CHARGE AND NET PATIENT REVENUE INCREASE

Change in charge is the average change in price for services provided.

	FY2017	FY2018	FY2019	FY2020
Weighted Average Approved Rate (all hospitals)	1.8%	2.0%	2.9%	
Weighted Average Submitted Rate (all hospitals)	2.2%	2.3%	3.9%	3.2%
Approved % Change in Charge	3.8%	3.2%	3.0%	n/a
Commercial Approved % Change in Charge	3.8%	3.2%	3.0%	n/a
Submitted % Change in Charge	3.8%	4.3%	4.0%	3.5%
Commercial Submitted % Change in Charge	3.8%	4.3%	4.0%	3.5%

Hospital Inpatient Change in Gross Charges	3.8%
Hospital Outpatient Change in Gross Charges	3.8%
Professional Services Change in Gross Charges	0.0%
Primary Care Change in Gross Charges	0.0%
Specialty Care Change in Gross Charges	0.0%
Skilled Nursing Facility Change in Gross Charges	0.0%
Other (please specify)	
Other (please specify)	

Net Patient Revenue Change Due to Charge Request	
Commercial	\$ 1,317,200
Medicaid	\$ -
Medicare	\$ -
Disproportionate Share	
Total Change Due to Charge Request	\$ 1,317,200
Value of 1% Charge - Calculated by GMCB	\$ 376,343

OBSERVATIONS: NVRH's charge request of 3.5% was based on meeting long term operating margin. It appears NVRH assumed reimbursement increases in Medicare of \$3.1 million and -\$0.2 million in Medicaid in FY20.

Fiscal Year 2020 Budget Analysis **Northeastern VT Regional Hospital**

UTILIZATION & STAFFING **FY2018B** **FY2018A** **FY2019B** **FY2019P** **FY2020B** 2018B-2018A 2018A-2019P 2019B-2019P 2019B-2020B 2019P-2020B

UTILIZATION

Adjusted Admissions	6,500	6,513	6,518	5,901	6,071	0.2%	-9.4%	-9.5%	-6.9%	2.9%
Acute Admissions	1,418	1,425	1,395	1,465	1,495	0.5%	2.8%	5.0%	7.2%	2.0%
Acute Average Length Of Stay	3.2	3.2	3.2	3.8	3.3	-0.1%	19.5%	18.3%	2.2%	-13.6%
All Operating Room Procedure	3,167	3,146	3,400	3,100	3,400	-0.7%	-1.5%	-8.8%	0.0%	9.7%
Tests	130,060	130,654	128,223	137,500	139,465	0.5%	5.2%	7.2%	8.8%	1.4%
Emergency Room Visits	14,743	14,783	14,500	15,200	16,200	0.3%	2.8%	4.8%	11.7%	6.6%
CT Scan, Radiology - Diagnostic	27,176	27,244	26,339	27,792	28,151	0.3%	2.0%	5.5%	6.9%	1.3%
Exams	1,264	1,252	1,400	1,308	1,410	-1.0%	4.5%	-6.6%	0.7%	7.8%
Provider Work RVU	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Physician Office Visits	69,455	68,779	71,850	69,700	78,100	-1.0%	1.3%	-3.0%	8.7%	12.1%
Clinic Visits	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

STAFFING

Non-MD FTEs	435	438	417	409	431	3.0	(29.2)	(8.5)	13.2	21.7
Travelers, Travelers MD	0	0	0	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	0.0	0.0
MLPs	2	0	29	29	33	(2.4)	29.3	0.6	3.9	3.3
Physician FTEs	33	33	34	32	33	0.0	(0.6)	(2.4)	(1.5)	0.9
Total FTEs	470	471	480	470	496	0.5	(0.5)	(10.3)	15.6	26.0

Benchmark-Northeastern VT Regional Hospital

Salary per FTE - Non-MD	64,159	64,222	66,469	67,411	69,356	0.1%	5.0%	1.4%	4.3%	2.9%
Salary & Benefits per FTE - Non-MD	84,908	85,068	86,383	92,288	93,696	0.2%	8.5%	6.8%	8.5%	1.5%
FTEs Per Adjusted Occupied Bed	7	7	8	7	8	-0.3%	-4.7%	-8.3%	9.1%	18.9%
FTEs per 100 Adj Discharges	7	7	7	7	8	-0.1%	10.4%	8.5%	11.5%	2.7%

Benchmarks-Vermont System Averages

Salary per FTE - Non-MD	66,011	66,067	67,435	68,152	70,075	0.1%	3.2%	1.1%	3.9%	2.8%
Salary & Benefits per FTE - Non-MD	84,936	84,930	86,796	87,678	89,716	0.0%	3.2%	1.0%	3.4%	2.3%
FTEs Per Adjusted Occupied Bed	6	6	6	6	6	0.1%	-1.7%	-3.5%	1.5%	5.1%
FTEs per 100 Adj Discharges	8	8	8	8	8	0.1%	-0.9%	-1.1%	2.3%	3.4%

OBSERVATIONS: The hospital has stated that volumes have increased and possible causes are mentioned on the P&L. ER visits are 12% over budget and 7% over projections. Exams are expected to be at FY19 budget levels but are 8% over FY19 projection. Physician office visits are 12% over projection. The hospital is budgeting 431 Non-MD FTEs and 33 MLPs for FY20 , the hospital is projecting 409 Non-MD FTEs for FY19.

Fiscal Year 2020 Budget Analysis		Northeastern VT Regional Hospital						
BALANCE SHEET	FY2018A	FY2019B	FY2019P	FY2020B	2018A-2019P	2019B-2019P	2019P-2020B	2018A-2020B
Cash & Investments	7,110,877	8,767,256	6,400,000	7,007,300	-10.0%	-27.0%	9.5%	-1.5%
Risk Reserve for Fixed Reform Payments	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Other Current Assets	11,448,624	12,810,974	14,590,700	14,300,000	27.4%	13.9%	-2.0%	24.9%
Current Assets	18,559,501	21,578,230	20,990,700	21,307,300	13.1%	-2.7%	1.5%	14.8%
Board Designated Assets	18,616,311	17,950,000	18,424,000	18,424,000	-1.0%	2.6%	0.0%	-1.0%
Net, Property, Plant And Equipment	23,141,657	26,300,000	24,252,600	26,252,600	4.8%	-7.8%	8.2%	13.4%
Other Long-Term Assets	5,500,557	5,424,425	7,326,600	7,426,600	33.2%	35.1%	1.4%	35.0%
Assets	65,818,026	71,252,655	70,993,900	73,410,500	7.9%	-0.4%	3.4%	11.5%
Current Liabilities	14,040,973	12,290,000	12,860,100	13,744,700	-8.4%	4.6%	6.9%	-2.1%
Long Term Liabilities	10,878,740	16,932,000	15,050,000	14,782,000	38.3%	-11.1%	-1.8%	35.9%
Other Noncurrent Liabilities	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Fund Balance	40,898,313	42,150,355	43,083,800	44,883,800	5.3%	2.2%	4.2%	9.7%
Liabilities and Equities	65,818,026	71,372,355	70,993,900	73,410,500	7.9%	-0.5%	3.4%	11.5%
Benchmarks-Hospital					Change in Points			
Days Cash on Hand	119.97	121.51	108.07	107.51	(11.89)	(13.44)	(0.57)	(12.46)
Days Receivable	38.10	41.80	50.79	49.76	12.70	8.99	(1.03)	11.67
Long Term Debt to Capitalization	21%	29%	26%	25%	5%	-3%	-1%	4%
Days Payable	65.47	55.90	55.99	58.10	(9.49)	0.09	2.12	(7.37)
Debt Service Coverage Ratio	4.8	2.2	5.3	6.2	0.6	3.1	0.8	1.4
Benchmarks-Vermont System Averages					Change in Points			
Days Cash on Hand	176	172	167	166	(9)	(5)	(1)	(10)
Days Receivable	43	44	47	46	4	3	(0)	4
Long Term Debt to Capitalization	27%	25%	26%	24%	-1%	1%	-2%	-3%
Days Payable	63	54	54	55	(9)	(0)	1	(9)
Debt Service Coverage Ratio	2.4	3.6	3.0	3.5	0.6	(0.7)	0.6	1.1
OBSERVATIONS: The hospital's budgeted days cash on hand is less than the average CAH of 122.								

Fiscal Year 2020 Budget Analysis		Northeastern VT Regional Hospital					
CAPITAL BUDGET	FY2018A	FY2019B	FY2019P	FY2020B	2021 Plan	2022 Plan	2023 Plan
Non-Certificate of Need Capital Plans Total	5,176,597	3,791,287	3,791,287	4,981,700	2,278,900	2,018,250	2,781,710
Certificate of Need Capital Plans	0	3,100,000	2,000,000	1,100,000	0	0	6,000,000
Total Capital Purchases	5,176,597	6,891,287	5,791,287	6,081,700	2,278,900	2,018,250	8,781,710
Northeastern VT Regional Hospital							
Age of Plant	13.1	13.1	12.7	12.3	0.0	0.0	0.0
Capital Expenditures to Depreciation	164%	110%	108%	126%	0%	0%	0%
Capital Cost % of Total Expense	4.2%	4.5%	4.3%	4.6%	0.0%	0.0%	0.0%
Benchmarks-Vermont System Averages							
Age of Plant	13.1	13.5	13.4	12.8	0.0	0.0	0.0
Capital Expenditures to Depreciation	79%	111%	105%	77%	0%	0%	0%
Capital Cost % of Total Expense	4.8%	5.0%	4.8%	5.3%	0.0%	0.0%	0.0%
<p>OBSERVATIONS: NVRH's capital budget of \$5 million includes diagnostic imaging equipment and operating room equipment. The CON is for a MRI replacement. In FY23 and FY24 (not shown), NVRH plans to expand their ER from 9 to 14 treatment rooms and construct 4 mental health beds for a CON total of \$16 million. Age of plant is budgeted to decrease in FY20.</p>							

Fiscal Year 2020 Budget Analysis	Northeastern VT Regional Hospital							Flex Monitoring Team 2017 CAH Medians		2019 Flex Monitoring Team FY2017	2019 Almanac of Hospital Indicators (Optum)
	FY2016A	FY2017A	FY2018B	FY2018A	FY2019B	FY2019P	FY2020B	Vermont--8 Hospitals	U.S.--1317 Hospitals	Northeast CAH	Teaching Hospitals
DASHBOARD											
Net Patient Care Rev & Fixed Payments & Reserves	71,586,551	76,794,700	77,077,400	78,445,072	81,568,705	84,478,242	87,440,494				
Budget to Budget % Change NPR & FPP					5.8%		7.2%				
Budget to Actual/Projection % Change NPR & FPP				1.8%		3.6%	3.5%				
Three Year NPR & FPP CAGR* (FY18A - FY20B)							5.6%				
Five Year NPR & FPP CAGR* (FY16A - FY20B)							5.1%				
Operating Expense	71,826,326	77,395,413	78,579,100	81,424,338	83,702,505	87,354,042	90,308,894				
Budget to Budget % Change Oper Exp					6.5%		7.9%				
Budget to Actual/Projection % Change Oper Exp				3.6%		4.4%	3.4%				
Three Year NPR & FPP CAGR* (FY18A - FY20B)							5.3%				
Five Year NPR & FPP CAGR* (FY16A - FY20B)							5.9%				
Profitability											
Operating Margin	1,487,940	1,477,373	1,453,300	1,430,264	1,558,900	1,600,000	1,800,000				
Three Year NPR & FPP CAGR* (FY18A - FY20B)							12.2%				
Five Year NPR & FPP CAGR* (FY16A - FY20B)							4.9%				
EBIDA Margin%	10.7%	6.0%	6.1%	5.8%	6.3%	6.0%	6.5%				
Operating Margin %	2.0%	1.9%	1.8%	1.7%	1.8%	1.8%	2.0%	-1.48%	0.93%	0.8%	0.8%
Total Margin	2,394,355	486,762	1,453,300	1,885,564	1,558,900	1,600,000	1,800,000				
Three Year NPR & FPP CAGR* (FY17A - FY20B)							(0.02)				
Five Year NPR & FPP CAGR* (FY16A - FY20B)							-6.9%				
Total Margin %	3.2%	0.6%	1.8%	2.3%	1.8%	1.8%	2.0%	2.47%	1.79%	3.5%	4.5%
Return On Assets	3.8%	0.8%	2.0%	2.9%	2.2%	2.3%	2.5%				
Costs											
Cost per Adjusted Admission	13,611	14,022	15,254	13,836	14,236	14,194	14,439				
Salary per FTE - Non-MD	60,103	61,194	63,458	64,222	66,469	67,411	69,356	77,782	57,928	65,605	66,657
Five Year Salary per FTE CAGR* (FY16A - FY20B)							3.6%				
Overhead Exp. as a % of Total Operating Exp.**	21.0%	21.4%	21.5%	21.1%	21.3%	21.0%	22.0%				
Liquidity											
Cash & Investments	6,683,538	7,385,232	7,058,000	7,110,877	8,767,256	6,400,000	7,007,300				
Days Cash on Hand	123	124	116	120	122	108	108	133	78	114	137
Current Ratio	3.70	4.52	5.72	5.38	4.88	6.53	7.38	1.57	2.54	0	2
Expense Per Day**	196,784	212,042	215,285	223,080	229,322	239,326	247,422			0	0
Days Receivable**	43	38	43	38	42	51	50	43	51	42	49
Days Payable**	68	65	62	65	56	56	58				
Capital											
Age of Plant**	13	13	14	13	13	13	12	13	11	15	11
Long Term Debt to Capitalization**	23.8%	22.9%	28.9%	21.0%	28.7%	25.9%	24.8%	30.6%	31.3%	31%	31%
Debt Service Coverage Ratio	4.29	4.61	3.60	4.75	2.24	5.34	6.18	8.01	3.74	6.6	2.6
Cash to Long Term Debt	1.94	2.18	1.43	2.36	1.58	1.65	1.72				
*CAGR = Compounded Annual Growth Rate											
**Denotes metric is favorable if lower											