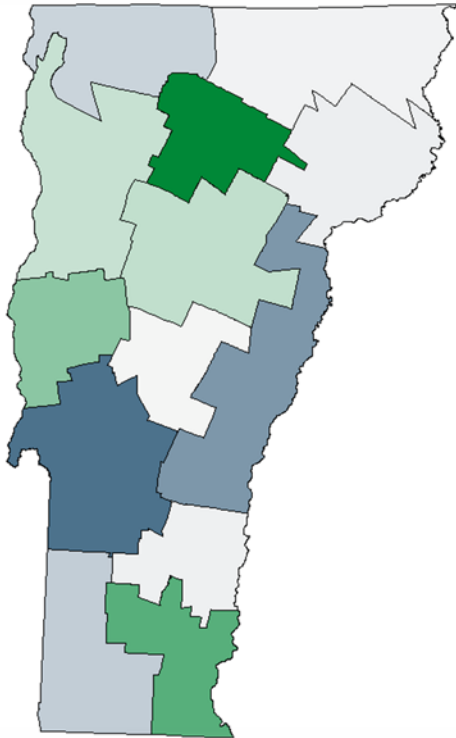


Fiscal Year 2018 Vermont Hospital Budgets

Year-End Actuals Reporting

Report Date: March 13, 2019



Overview

1. Fiscal Year 2018 Year-End Review
2. Actual-to-Actual Results
3. Budget-to-Actual Results
4. Key Financial Indicators
5. 5-Year Results

Fiscal Year 2018 Year-End Review

Vermont hospitals are required to report their Fiscal Year (FY) 2018 actual operating results as part of the Green Mountain Care Board's FY2018 budget orders. Additionally, hospitals are required to submit their FY2018 audited financial statements, as well as the hospital's parent organization's audited consolidated financial statements, if applicable. These documents, and other additional information, are available on the [Green Mountain Care Board website](#).

This report includes Net Patient Revenue and Fixed Prospective Payments (NPR/FPP), which are combined, as well as expenses and utilization. Results are displayed as:

- Actual-to-actual percentage changes from FY2017 to FY2018
- Budget-to-actual variances for FY2018
- 5-year results, including compound annual growth rates (CAGR)

This report also includes key financial indicators such as days cash on hand and total margin.

Note: North Country Hospital data is considered preliminary. Additionally, North Country was unable to submit utilization data. Brattleboro Memorial Hospital's Outpatient data is considered preliminary. GMCB staff members are working with both hospitals to finalize their submissions.

Fiscal Year 2018 Year-End Review

Summary of Results

NPR/FPP and Operating Expenses

In FY2018, hospitals experienced a 3.1% increase over FY2017 net patient revenue/fixed prospective payment (NPR/FPP) systemwide. Hospitals experienced a 5.0% increase over FY2017 operating expenses systemwide.

	FY17 A to FY18A % change	FY18 B to FY18A % variance	5-year CAGR
NPR/FPP	3.1%	1.2%*	3.8%
Operating Expenses	5.0%	2.9%	4.0%

Utilization

In FY2018, hospitals experienced a 1.1% increase in acute admissions and a 3.7% increase in outpatient admissions.

Operating Margin

FY2018 systemwide operating margin, a measure of NPR/FPP over Operating Expenses, decreased to 1.4%.

Operating Margin				
FY2014	FY2015	FY2016	FY2017	FY2018
3.7%	4.6%	3.9%	2.7%	1.4%

*Considering rebased budgets, systemwide budget-to-actual variance is -0.6%.

Fiscal Year 2018 Year-End Review

Medicare Designation	Contract with One Care VT*	Hospital	NPR/FPP Actual FY18	% of Total
PPS**	✓	Brattleboro Memorial Hospital	\$77,601,735	3.1%
PPS	✓	Central Vermont Medical Center	\$194,586,135	7.7%
CAH		Copley Hospital	\$66,226,448	2.6%
CAH		Gifford Medical Center	\$48,844,171	1.9%
CAH		Grace Cottage Hospital	\$18,193,737	0.7%
CAH	✓	Mount Ascutney Hospital & Health Center	\$50,808,643	2.0%
CAH	✓	North Country Hospital	\$81,484,221	3.2%
CAH		Northeastern VT Regional Hospital	\$78,445,072	3.1%
PPS	✓	Northwestern Medical Center	\$103,317,768	4.1%
CAH	✓	Porter Medical Center	\$80,346,401	3.2%
PPS		Rutland Regional Medical Center	\$254,235,029	10.1%
PPS	✓	Southwestern VT Medical Center	\$161,115,765	6.4%
CAH	✓	Springfield Hospital	\$52,978,810	2.1%
PPS	✓	University of Vermont Medical Center	\$1,254,036,509	49.7%
SYSTEM			\$2,522,220,446	100%

*Calendar Year 2018 Contract with OneCare VT.

**Brattleboro Memorial Hospital (BMH) is categorized as a PPS hospital for the purposes of this report; however, BMH is officially designated as a Medicare Dependent Hospital.

Actual-to-Actual FY17 to FY 18 % Change

NPR/FPP: Actual-to-Actual FY17 to FY18 % Change

	Actual FY17	Actual FY18	Actual FY17 to Actual FY18 % Change
Brattleboro Memorial Hospital	\$75,062,532	\$77,601,735	3.4%
Central Vermont Medical Center	\$195,237,530	\$194,586,135	-0.3%
Copley Hospital	\$64,983,966	\$66,226,448	1.9%
Gifford Medical Center	\$54,307,372	\$48,844,171	-10.1%
Grace Cottage Hospital	\$17,261,208	\$18,193,737	5.4%
Mount Ascutney Hospital and Health Center	\$48,253,025	\$50,808,643	5.3%
North Country Hospital	\$76,686,887	\$81,484,221	6.3%
Northeastern VT Regional Hospital	\$76,794,700	\$78,445,072	2.1%
Northwestern Medical Center	\$101,110,424	\$103,317,768	2.2%
Porter Medical Center	\$78,203,218	\$80,346,401	2.7%
Rutland Regional Medical Center	\$242,193,431	\$254,235,029	5.0%
Southwestern VT Medical Center	\$152,602,902	\$161,115,765	5.6%
Springfield Hospital	\$51,999,349	\$52,978,810	1.9%
University of Vermont Medical Center	\$1,211,118,975	\$1,254,036,509	3.5%
SYSTEM	\$2,445,815,519	\$2,522,220,444	3.1%

Operating Expenses: Actual-to-Actual FY17 to FY18 % Change

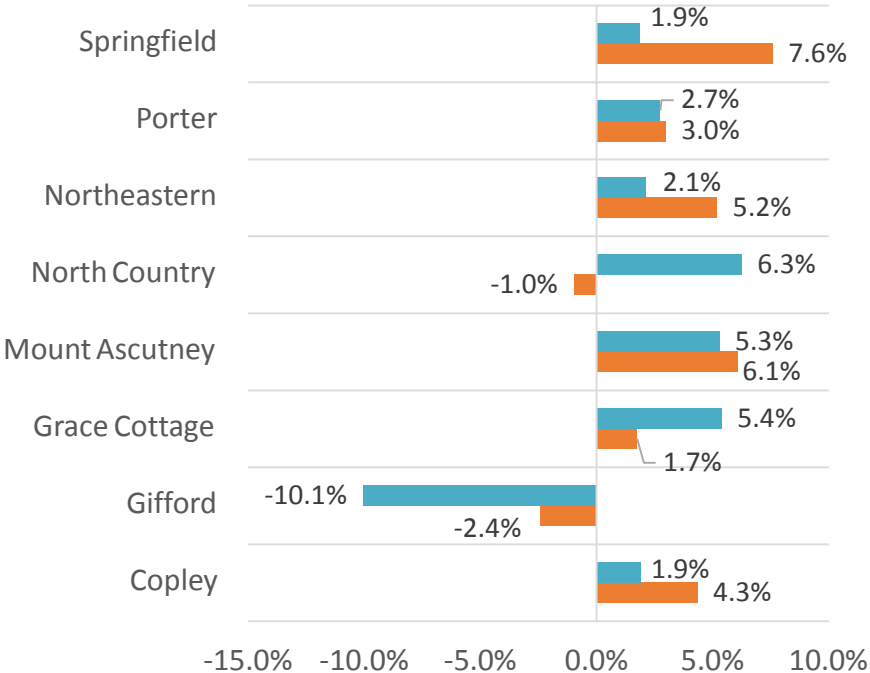
	Actual FY17	Actual FY18	Actual FY17 to Actual FY18 % Change
Brattleboro Memorial Hospital	\$81,302,905	\$83,705,782	3.0%
Central Vermont Medical Center	\$210,065,504	\$216,033,931	2.8%
Copley Hospital	\$66,780,338	\$69,683,657	4.3%
Gifford Medical Center	\$56,698,140	\$55,321,562	-2.4%
Grace Cottage Hospital	\$19,605,633	\$19,947,999	1.7%
Mount Ascutney Hospital and Health Center	\$50,392,970	\$53,451,291	6.1%
North Country Hospital	\$84,179,016	\$83,367,796	-1.0%
Northeastern VT Regional Hospital	\$77,395,413	\$81,424,338	5.2%
Northwestern Medical Center	\$107,683,791	\$113,575,304	5.5%
Porter Medical Center	\$78,874,889	\$81,233,322	3.0%
Rutland Regional Medical Center	\$250,113,413	\$268,120,067	7.2%
Southwestern VT Medical Center	\$151,391,369	\$158,556,275	4.7%
Springfield Hospital	\$57,491,695	\$61,860,030	7.6%
University of Vermont Medical Center	\$1,245,240,122	\$1,317,389,315	5.8%
SYSTEM	\$2,537,215,198	\$2,663,670,670	5.0%

NPR/FPP and Operating Expenses: Actual-to-Actual FY17 to FY18 % Change

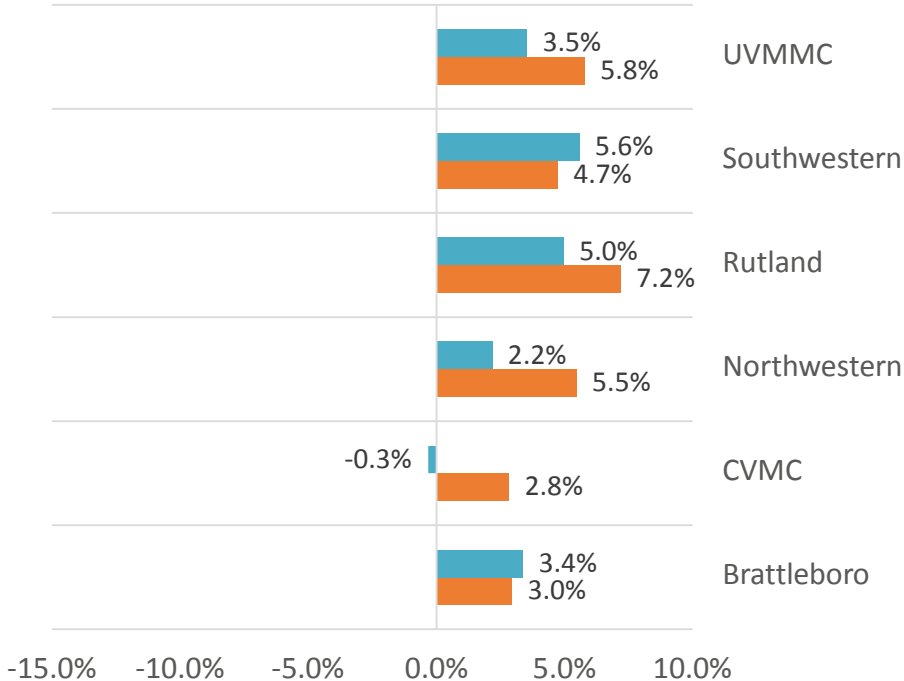
	NPR/FPP	Operating Expenses
Brattleboro Memorial Hospital	3.4%	3.0%
Central Vermont Medical Center	-0.3%	2.8%
Copley Hospital	1.9%	4.3%
Gifford Medical Center	-10.1%	-2.4%
Grace Cottage Hospital	5.4%	1.7%
Mount Ascutney Hospital and Health Center	5.3%	6.1%
North Country Hospital	6.3%	-1.0%
Northeastern VT Regional Hospital	2.1%	5.2%
Northwestern Medical Center	2.2%	5.5%
Porter Medical Center	2.7%	3.0%
Rutland Regional Medical Center	5.0%	7.2%
Southwestern VT Medical Center	5.6%	4.7%
Springfield Hospital	1.9%	7.6%
University of Vermont Medical Center	3.5%	5.8%
SYSTEM	3.1%	5.0%

NPR/FPP and Operating Expenses: Actual-to-Actual FY17 to FY18 % Change

Critical Access Hospitals



Prospective Payment System Hospitals



■ NPR/FPP ■ Operating Expenses

Acute Admissions: Actual-to-Actual FY17 to FY18 % Change

	Actual FY17	Actual FY18	Actual FY17 to Actual FY18 % Change
Brattleboro Memorial Hospital	1,618	1,691	4.5%
Central Vermont Medical Center	4,141	3,949	-4.6%
Copley Hospital	1,788	1,802	0.8%
Gifford Medical Center	1,257	1,175	-6.5%
Grace Cottage Hospital	137	138	0.7%
Mount Ascutney Hospital and Health Center	362	394	8.8%
North Country Hospital	-	-	-
Northeastern VT Regional Hospital	1,259	1,425	13.2%
Northwestern Medical Center	2,557	2,441	-4.5%
Porter Medical Center	1,438	1,433	-0.3%
Rutland Regional Medical Center	6,525	7,152	10%
Southwestern VT Medical Center	3,383	3,419	1.1%
Springfield Hospital	1,906	2,274	19.3%
University of Vermont Medical Center	19,496	19,763	1.4%
SYSTEM	45,867	47,056	2.6%

*North Country did not submit utilization data.

Outpatient Visits: Actual-to-Actual FY17 to FY18 % Change

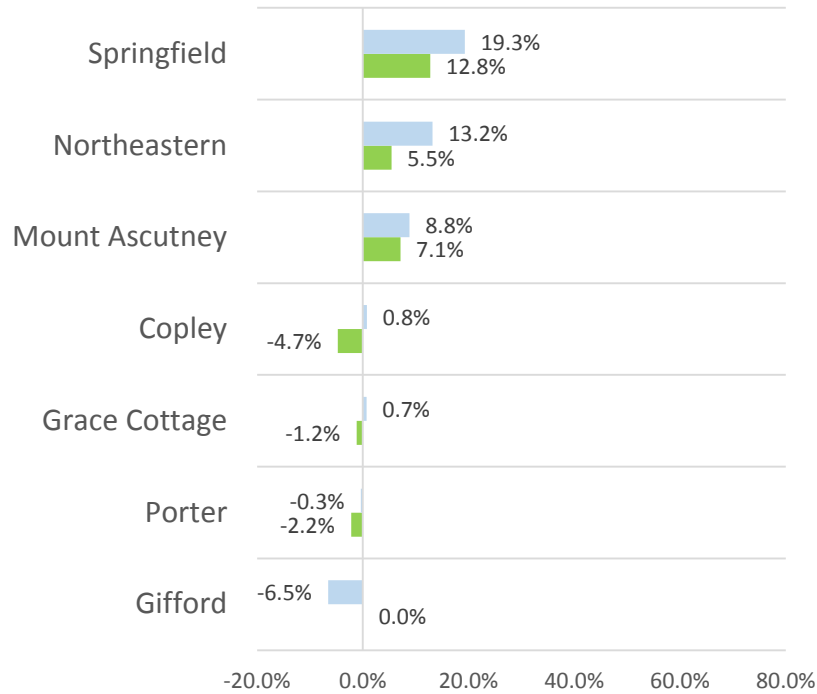
	<u>Actual FY17</u>	<u>Actual FY18</u>	<u>Actual FY17 to Actual FY18 % Change</u>
Brattleboro Memorial Hospital*	94,981	164,221	72.9%
Central Vermont Medical Center	433,317	443,325	2.3%
Copley Hospital	100,493	95,771	-4.7%
Gifford Medical Center	56,177	56,177	0.0%
Grace Cottage Hospital	19,840	19,611	-1.2%
Mount Ascutney Hospital and Health Center	30,991	33,196	7.1%
North Country Hospital**	-	-	-
Northeastern VT Regional Hospital	92,769	97,830	5.5%
Northwestern Medical Center	209,431	239,105	14.2%
Porter Medical Center	64,175	62,767	-2.2%
Rutland Regional Medical Center	247,908	253,659	2.3%
Southwestern VT Medical Center	285,295	286,619	0.5%
Springfield Hospital	76,537	86,315	12.8%
University of Vermont Medical Center	1,687,789	1,688,216	0.0%
SYSTEM	3,399,703	3,526,812	3.7%

*Brattleboro Memorial Hospital FY2018 Outpatient Visits are considered preliminary.

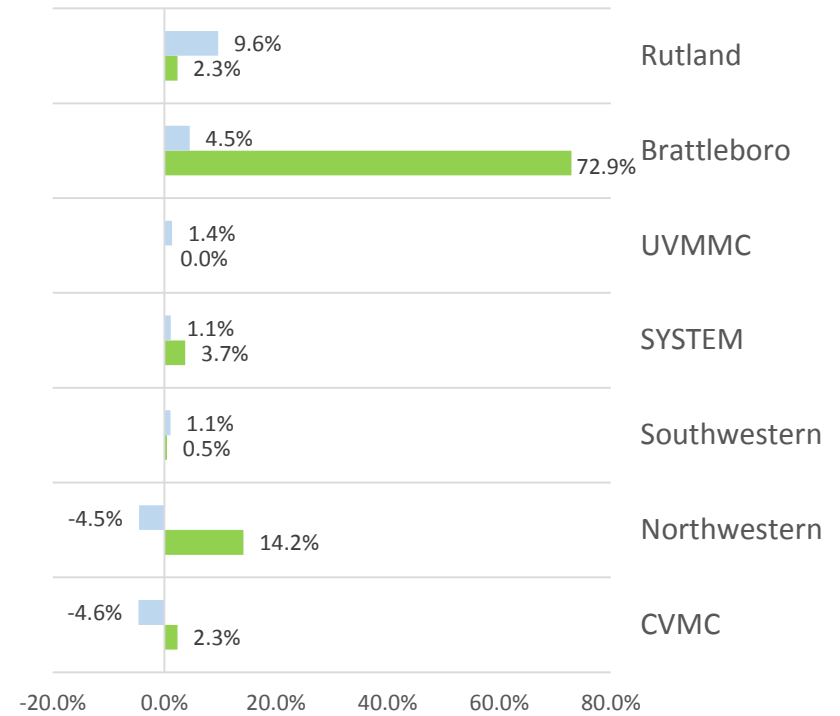
**North Country did not submit utilization data.

Acute Admissions and Outpatient Visits: Actual-to-Actual FY17 to FY18 % Change

Critical Access Hospitals



Prospective Payment Hospitals



■ Acute Admissions ■ Outpatient Visits

*Brattleboro Memorial Hospital FY2018 Outpatient Visits are considered preliminary.

**North Country did not submit utilization data.

Budget-to-Actual % Variance

Net Patient Revenue and Fixed Prospective Payments: Budget-to-Actual % Variance

Rebased Budgets

In March of 2018, the Green Mountain Care Board adjusted the FY2018 Budget NPR/FPP base for two hospitals – Porter Medical Center and the University of Vermont Medical Center (UVMMMC). These “Rebased Budgets” are more closely aligned with the hospitals’ FY2017 Actual NPR/FPP results; they served as the base from which to calculate NPR/FPP growth in the two hospitals’ FY2019 budgets.

	FY18 Approved NPR/FPP	FY18 Rebased NPR/FPP
Porter	\$78,348,499	\$80,862,127
UVMMMC	\$1,209,654,762	\$1,252,297,020

Budget-to-actual results are displayed by both original approval and rebased adjustment.

Net Patient Revenue and Fixed Prospective Payments: Budget-to-Actual % Variance

Approved Budget Results

	Approved FY18	Actual FY18	Budget-to-Actual Variance FY18
Brattleboro Memorial Hospital	\$78,879,433	\$77,601,735	-1.6%
Central Vermont Medical Center	\$198,452,560	\$194,586,135	-1.9%
Copley Hospital	\$68,024,531	\$66,226,448	-2.6%
Gifford Medical Center	\$59,514,010	\$48,844,171	-17.9%
Grace Cottage Hospital	\$18,649,074	\$18,193,737	-2.4%
Mount Ascutney Hospital and Health Center	\$48,682,309	\$50,808,643	4.4%
North Country Hospital	\$79,074,579	\$81,484,221	3.0%
Northeastern VT Regional Hospital	\$77,077,400	\$78,445,072	1.8%
Northwestern Medical Center	\$106,128,223	\$103,317,768	-2.6%
Porter Medical Center*	\$78,348,499	\$80,346,401	2.6%
Rutland Regional Medical Center	\$250,963,330	\$254,235,029	1.3%
Southwestern VT Medical Center	\$159,497,504	\$161,115,765	1.0%
Springfield Hospital	\$59,375,198	\$52,978,812	-10.8%
University of Vermont Medical Center*	\$1,209,654,762	\$1,254,036,509	3.7%
SYSTEM	\$2,492,321,412	\$2,522,220,446	1.2%

*Rebased Budget Results

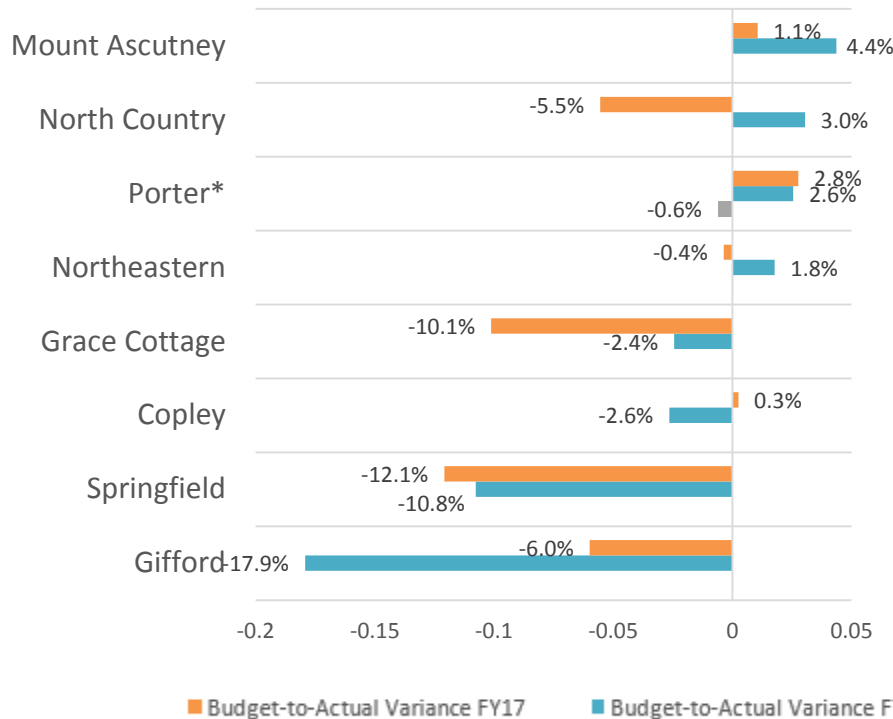
	Rebased FY18	Actual FY18	Budget-to-Actual Variance FY18
Porter Medical Center	\$80,862,127	\$80,346,401	-0.6%
University of Vermont Medical Center	\$1,252,297,020	\$1,254,036,509	0.1%
SYSTEM	\$2,537,477,298	\$2,522,220,446	-0.6%

System variance FY17 for NPR/FPP: 1.0%

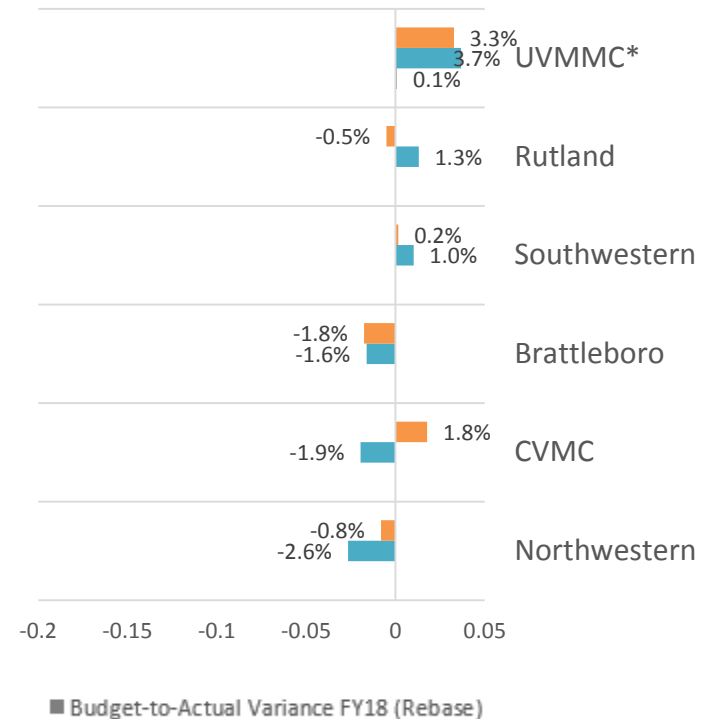
Net Patient Revenue and Fixed Prospective Payments: Budget-to-Actual % Variance

Multi-year look: FY2017 B:A variance and FY2018 B:A variance

Critical Access Hospitals



Prospective Payment Hospitals



*Porter and UVMHC variance displayed as original approval and rebase adjustment.

Operating Expenses: Budget-to-Actual % Variance

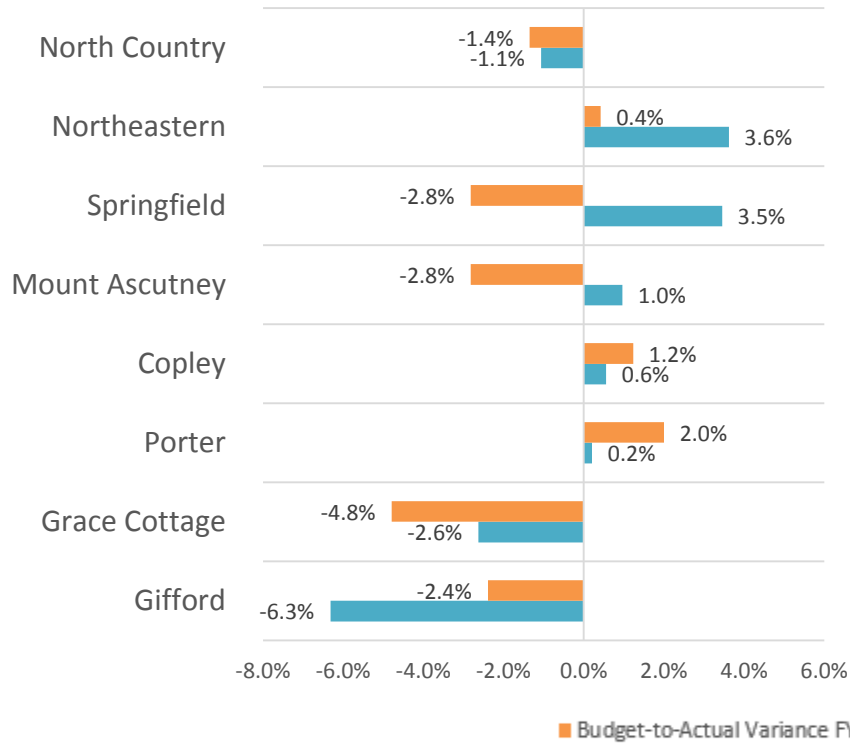
	Budget FY18	Actual FY18	Budget-to-Actual Variance FY18
Brattleboro Memorial Hospital	\$83,398,416	\$83,705,782	0.4%
Central Vermont Medical Center	\$208,298,707	\$216,033,931	3.7%
Copley Hospital	\$69,296,653	\$69,683,657	0.6%
Gifford Medical Center	\$59,053,344	\$55,321,562	-6.3%
Grace Cottage Hospital	\$20,486,232	\$19,947,999	-2.6%
Mount Ascutney Hospital and Health Center	\$52,939,112	\$53,451,291	1.0%
North Country Hospital	\$84,265,462	\$83,367,796	-1.1%
Northeastern VT Regional Hospital	\$78,579,100	\$81,424,338	3.6%
Northwestern Medical Center	\$111,157,876	\$113,575,304	2.2%
Porter Medical Center	\$81,062,878	\$81,233,322	0.2%
Rutland Regional Medical Center	\$257,549,323	\$268,120,067	4.1%
Southwestern VT Medical Center	\$157,132,913	\$158,556,275	0.9%
Springfield Hospital	\$59,796,044	\$61,860,030	3.5%
University of Vermont Medical Center	\$1,265,182,817	\$1,317,389,315	4.1%
SYSTEM	\$2,588,198,877	\$2,663,670,670	2.9%

System variance FY17 for Operating Expenses: 1.7%

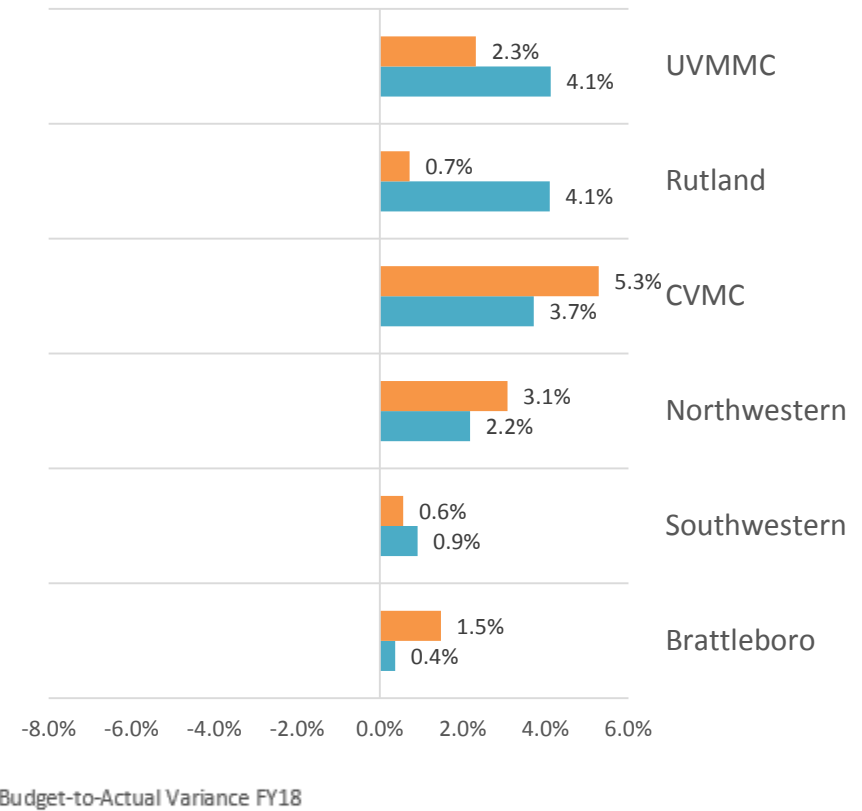
Operating Expenses: Budget-to-Actual % Variance

Multi-year look: FY2017 B:A variance and FY2018 B:A variance

Critical Access Hospitals



Prospective Payment Hospitals



NPR/FPP and Operating Expenses: Budget-to-Actual % Variance

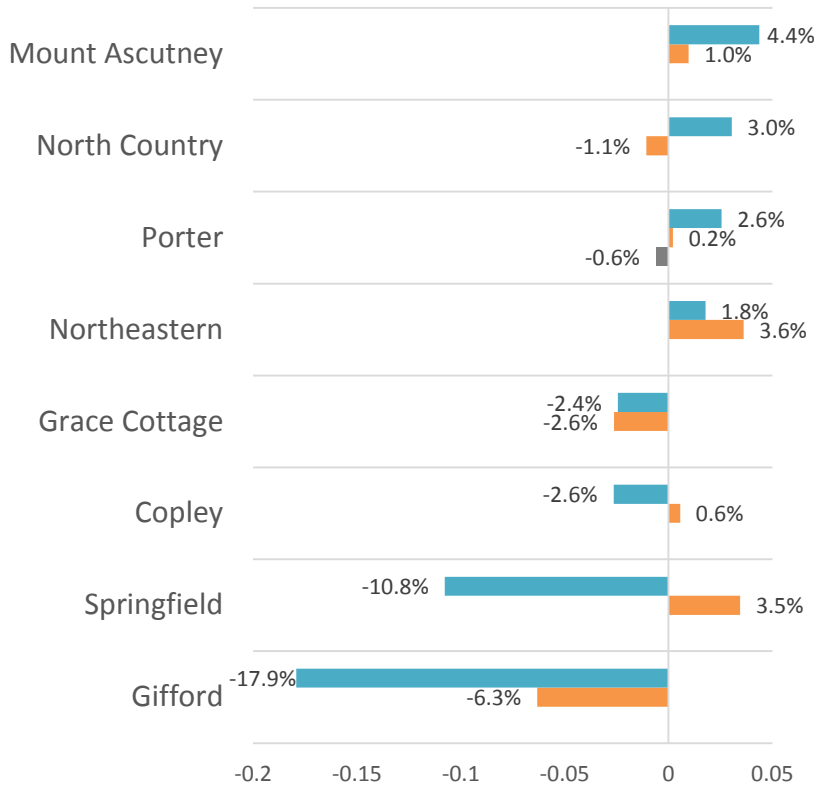
	NPR/FPP	Operating Expenses
Brattleboro	-1.6%	0.4%
CVMC	-1.9%	3.7%
Copley	-2.6%	0.6%
Gifford	-17.9%	-6.3%
Grace Cottage	-2.4%	-2.6%
Mount Ascutney	4.4%	1.0%
North Country	3.0%	-1.1%
Northeastern	1.8%	3.6%
Northwestern	-2.6%	2.2%
Porter*	2.6%	0.2%
Rutland	1.3%	4.1%
Southwestern	1.0%	0.9%
Springfield	-10.8%	3.5%
UVMCMC*	3.7%	4.1%
SYSTEM	1.2%	2.9%

*Rebased Budget Results

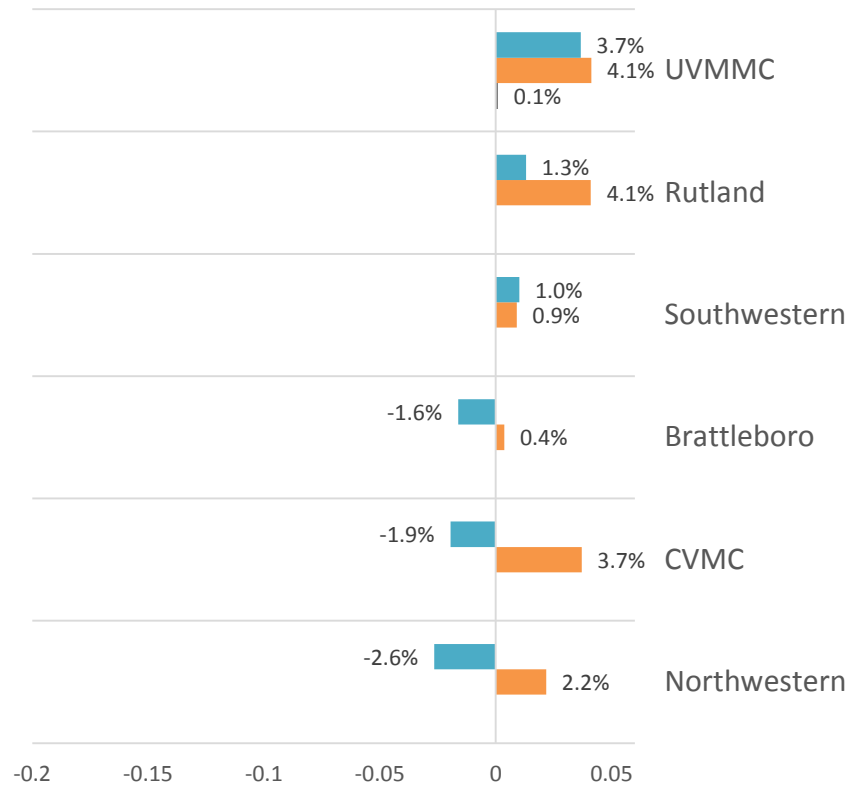
	NPR/FPP	Operating Expenses
Porter	-0.6%	NA
UVMCMC	0.1%	NA
SYSTEM	-0.6%	NA

NPR/FPP and Operating Expenses: Budget-to-Actual % Variance

Critical Access Hospitals



Prospective Payment Hospitals



■ NPR/FPP ■ Operating Expenses ■ NPR/FPP (Rebase)

Acute Admissions: Budget-to-Actual % Variance

	Budget FY18	Actual FY18	Budget-to-Actual Variance FY18
Brattleboro Memorial Hospital	1,687	1,691	0.2%
Central Vermont Medical Center	4,154	3,949	-4.9%
Copley Hospital	1,841	1,802	-2.1%
Gifford Medical Center	1,328	1,175	-11.5%
Grace Cottage Hospital	120	138	15.0%
Mount Ascutney Hospital and Health Center	365	394	7.9%
North Country Hospital	-	-	-
Northeastern VT Regional Hospital	1,340	1,425	6.3%
Northwestern Medical Center	2,603	2,441	-6.2%
Porter Medical Center	1,529	1,433	-6.3%
Rutland Regional Medical Center	6,279	7,152	13.9%
Southwestern VT Medical Center	3,398	3,419	0.6%
Springfield Hospital	1,968	2,274	15.5%
University of Vermont Medical Center	19,378	19,763	2.0%
SYSTEM	45,990	47,056	2.3%

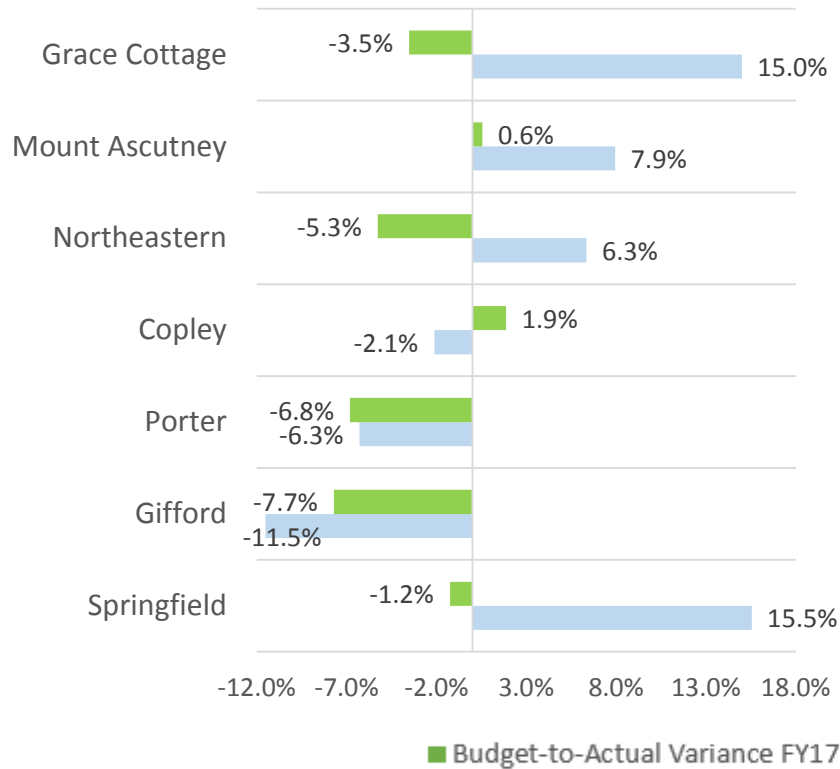
System variance FY17 for Acute Admissions: 1.7%

*North Country did not submit utilization data.

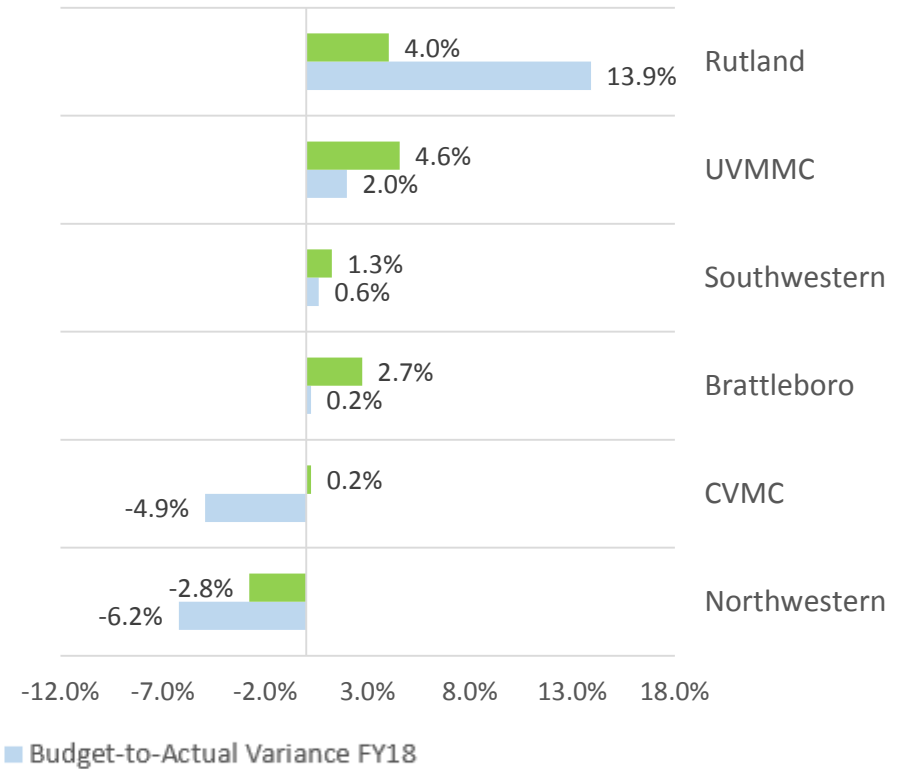
Acute Admissions: Budget-to-Actual % Variance

Multi-year look: FY2017 B:A variance and FY2018 B:A variance

Critical Access Hospitals



Prospective Payment Hospitals



*North Country did not submit utilization data.

Outpatient Visits: Budget-to-Actual % Variance

	Budget FY18	Actual FY18	Budget-to-Actual Variance FY18
Brattleboro Memorial Hospital*	102,518	164,221	60.2%
Central Vermont Medical Center	453,492	443,325	-2.2%
Copley Hospital	101,073	95,771	-5.2%
Gifford Medical Center	56,177	56,177	0.0%
Grace Cottage Hospital	20,368	19,611	-3.7%
Mount Ascutney Hospital and Health Center	21,845	33,196	52.0%
North Country Hospital**	-	-	-
Northeastern VT Regional Hospital	93,830	97,830	4.3%
Northwestern Medical Center	220,447	239,105	8.5%
Porter Medical Center	64,016	62,767	-2.0%
Rutland Regional Medical Center	241,389	253,659	5.1%
Southwestern VT Medical Center	285,514	286,619	0.4%
Springfield Hospital	84,000	86,315	2.8%
University of Vermont Medical Center	1,749,462	1,688,216	-3.5%
SYSTEM	3,494,131	3,526,812	0.9%

System variance FY17 for Outpatient Visits: -0.8%

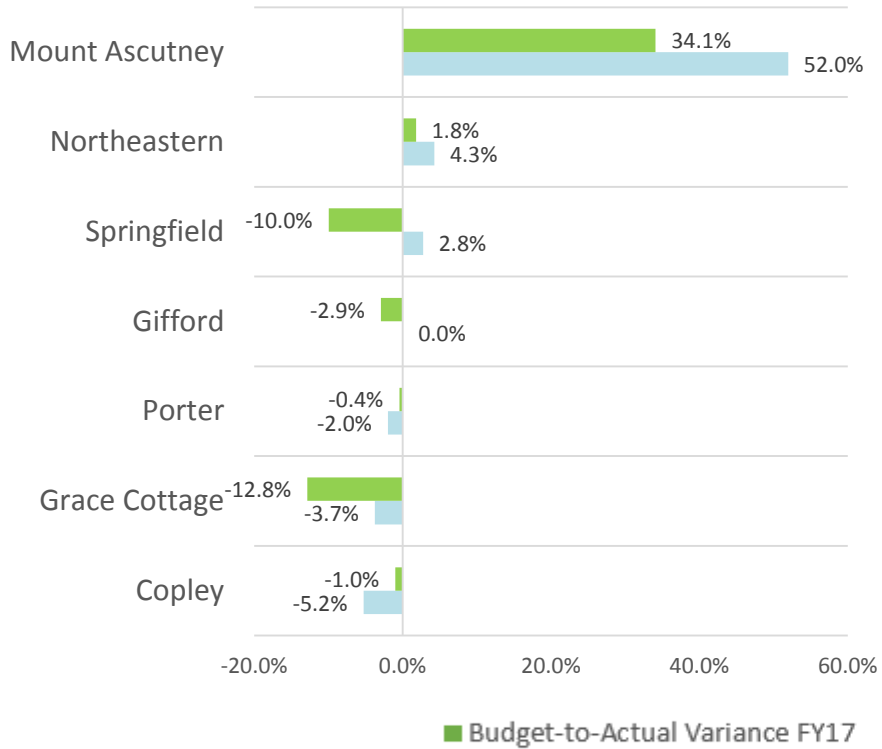
*Brattleboro Memorial Hospital's Outpatient Visits number is preliminary.

**North Country did not submit utilization data.

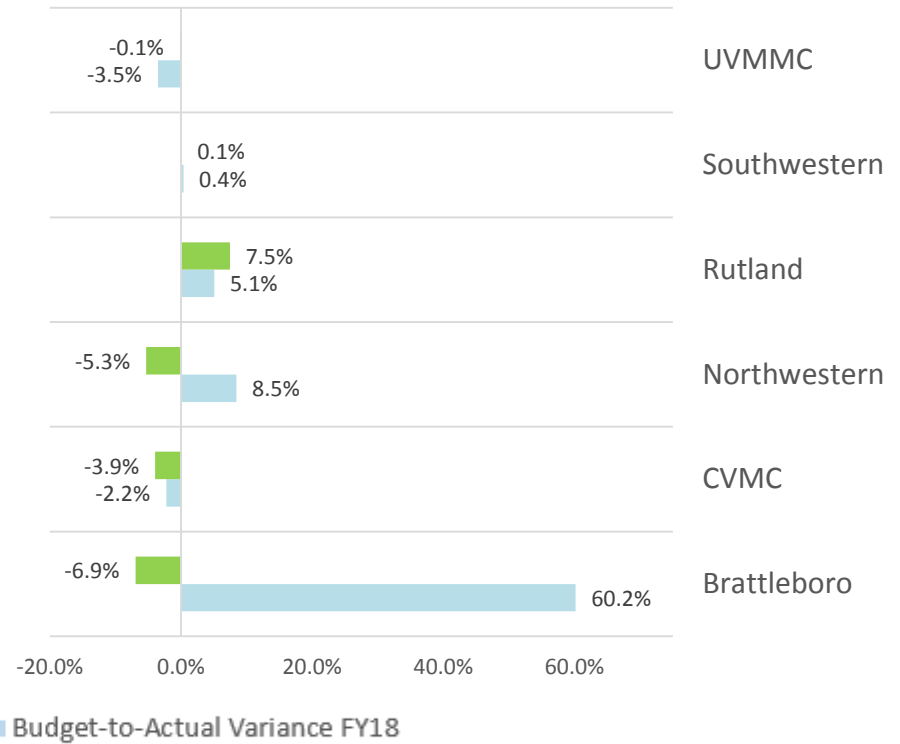
Outpatient Visits: Budget-to-Actual % Variance

Multi-year look: FY2017 B:A variance and FY2018 B:A variance

Critical Access Hospitals



Prospective Payment Hospitals



*North Country did not submit utilization data.

Key Financial Indicators Year-End

Key Financial Indicators: FY2018 Year-End (as of September 30, 2017 and 2018)

	Days Cash on Hand			Operating Margin			Total Margin		
	FY17	FY18	△	FY17	FY18	△	FY17	FY18	△
Brattleboro	195	196	1	-3.1%	-2.4%	0.7%	0.9%	1.1%	0.1%
CVMC	116	110	-6	-0.9%	-3.8%	-2.9%	6.7%	0.9%	-5.8%
Copley	84	64	-20	-0.6%	-3.3%	-2.7%	3.9%	-2.4%	-6.3%
Gifford	209	224	15	-1.6%	-10.7%	-9.2%	0.3%	-6.2%	-6.4%
Grace Cottage	86	92	6	-6.9%	-2.9%	4.1%	1.3%	3.7%	2.4%
Mount Ascutney	177	188	11	2.7%	1.9%	-0.8%	10.5%	5.3%	-5.2%
North Country	185	196	11	-2.3%	-2.3%	0.0%	2.3%	1.2%	-1.1%
Northeastern	124	120	-4	1.9%	1.7%	-0.1%	0.6%	2.3%	1.6%
Northwestern	331	300	-32	-1.2%	-3.4%	-2.2%	6.8%	0.5%	-6.3%
Porter	119	127	8	2.7%	1.8%	-0.9%	7.1%	6.1%	-1.0%
Rutland	216	209	-7	1.6%	0.5%	-1.2%	7.5%	4.2%	-3.3%
Southwestern*	44	38	-6	3.7%	4.6%	0.9%	4.9%	5.8%	0.9%
Springfield	101	47	-55	-7.1%	-12.8%	-5.7%	-3.2%	-12.0%	-8.8%
UVMC	229	202	-27	5.2%	3.4%	-1.8%	6.7%	5.1%	-1.6%

↑ increasing values are favorable; ↓ decreasing values are favorable

*Southwestern's Days Cash on Hand does not consider the hospital's parent company. As of September 30, 2018, Days Cash on Hand for the parent company was 165.2.

Key Financial Indicators (continued): FY2018 Year-End (as of September 30, 2017 and 2018)

	Days Payable ↓			Days Receivable ↓			Debt Service Coverage Ratio ↑		
	FY17	FY18	△	FY17	FY18	△	FY17	FY18	△
Brattleboro	80	72	-9	46	35	-11	1.4	2.0	0.6
CVMC	69	77	8	49	45	-4	2.2	0.4	-1.8
Copley	46	36	-9	28	29	1	7.3	1.6	-5.7
Gifford	54	55	1	47	33	-14	2.2	-1.3	-3.5
Grace Cottage	90	91	1	42	41	-1	-1.1	0.3	1.5
Mount Ascutney	59	72	14	43	42	-1	9.1	8.0	-1.2
North Country	58	-	-	33	53	20	2.0	3.4	1.4
Northeastern	64.8	65.5	1	37.7	38.1	0	4.6	4.8	0.1
Northwestern	41	45	4	38	37	-1	2.5	0.9	-1.6
Porter	58	64	6	50	62	12	4.8	5.2	0.4
Rutland	50	49	-1	39	37	-2	5.5	4.5	-1.0
Southwestern	63	54	-9	33	34	1	12.5	15.1	2.6
Springfield	100	142	41	69	57	-12	-1.4	-0.4	1.0
UVMC	55	63	8	45	46	1	4.2	3.4	-0.8

↑ increasing values are favorable; ↓ decreasing values are favorable

5-Year Results

Net Patient Revenue and Fixed Prospective Payments: 5-Year Results

	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	5-year CAGR
Brattleboro	\$71,512,773	\$75,742,920	\$73,164,810	\$75,062,532	\$77,601,735	2.1%
CVMC	\$161,353,760	\$173,990,659	\$191,539,946	\$195,237,530	\$194,586,135	4.8%
Copley	\$59,947,666	\$63,464,436	\$62,804,324	\$64,983,966	\$66,226,448	2.5%
Gifford	\$58,282,092	\$53,896,728	\$54,787,886	\$54,307,372	\$48,844,171	-4.3%
Grace Cottage	\$15,543,287	\$16,038,766	\$17,241,709	\$17,261,208	\$18,193,737	4.0%
Mount Ascutney	\$45,789,349	\$45,514,515	\$46,402,275	\$48,253,025	\$50,808,643	2.6%
North Country	\$71,631,396	\$73,297,094	\$77,791,582	\$76,686,887	\$81,484,221	3.3%
Northeastern	\$61,868,757	\$65,548,594	\$71,586,551	\$76,794,700	\$78,445,072	6.1%
Northwestern	\$91,165,412	\$97,798,763	\$99,895,760	\$101,110,424	\$103,317,768	3.2%
Porter	\$66,716,573	\$70,596,270	\$75,061,496	\$78,203,218	\$80,346,401	4.8%
Rutland	\$220,829,447	\$228,328,637	\$245,822,952	\$242,193,431	\$254,235,029	3.6%
Southwestern	\$139,410,223	\$142,769,168	\$151,922,754	\$152,602,902	\$161,115,765	3.7%
Springfield	\$49,727,116	\$55,926,090	\$53,638,120	\$51,999,349	\$52,978,812	1.6%
UVMC	\$1,055,675,894	\$1,115,357,666	\$1,156,546,653	\$1,211,118,975	\$1,254,036,509	4.4%
SYSTEM TOTAL	\$2,169,453,746	\$2,278,270,306	\$2,378,206,818	\$2,445,815,519	\$2,522,220,446	3.8%

Net Patient Revenue and Fixed Prospective Payments: 5-Year Results

Results from previous slide expressed as year-to-year % change

	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018
Brattleboro	5.9%	-3.4%	2.6%	3.4%
CVMC	7.8%	10.1%	1.9%	-0.3%
Copley	5.9%	-1.0%	3.5%	1.9%
Gifford	-7.5%	1.7%	-0.9%	-10.1%
Grace Cottage	3.2%	7.5%	0.1%	5.4%
Mount Ascutney	-0.6%	2.0%	4.0%	5.3%
North Country	2.3%	6.1%	-1.4%	6.3%
Northeastern	5.9%	9.2%	7.3%	2.1%
Northwestern	7.3%	2.1%	1.2%	2.2%
Porter	5.8%	6.3%	4.2%	2.7%
Rutland	3.4%	7.7%	-1.5%	5.0%
Southwestern	2.4%	6.4%	0.4%	5.6%
Springfield	12.5%	-4.1%	-3.1%	1.9%
UVMC	5.7%	3.7%	4.7%	3.5%
SYSTEM TOTAL	5.0%	4.4%	2.8%	3.1%

Operating Expenses: 5-Year Results

	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	5-year CAGR
Brattleboro	\$72,612,206	\$76,473,143	\$76,037,368	\$81,302,905	\$83,705,782	3.6%
CVMC	\$167,297,972	\$180,875,428	\$201,969,871	\$210,065,504	\$216,033,931	6.6%
Copley	\$57,514,548	\$60,870,560	\$64,312,384	\$66,780,338	\$69,683,657	4.9%
Gifford	\$59,709,720	\$55,368,184	\$54,812,282	\$56,698,140	\$55,321,562	-1.9%
Grace Cottage	\$17,479,354	\$18,614,414	\$19,560,402	\$19,605,633	\$19,947,999	3.4%
Mount Ascutney	\$49,184,582	\$49,097,805	\$49,577,507	\$50,392,970	\$53,451,291	2.1%
North Country	\$75,707,661	\$77,634,509	\$83,824,785	\$84,179,016	\$83,367,796	2.4%
Northeastern	\$65,007,033	\$65,373,391	\$71,826,326	\$77,395,413	\$81,424,338	5.8%
Northwestern	\$87,861,917	\$93,499,518	\$102,319,706	\$107,683,791	\$113,575,304	6.6%
Porter	\$71,703,894	\$75,017,499	\$75,577,275	\$78,874,889	\$81,233,322	3.2%
Rutland	\$219,326,202	\$233,196,542	\$243,642,860	\$250,113,413	\$268,120,067	5.2%
Southwestern	\$137,481,421	\$140,305,386	\$149,354,747	\$151,391,369	\$158,556,275	3.6%
Springfield	\$55,453,904	\$55,629,486	\$55,187,774	\$57,491,695	\$61,860,030	2.8%
UVMC	\$1,072,296,197	\$1,127,327,647	\$1,171,802,207	\$1,245,240,122	\$1,317,389,315	5.3%
SYSTEM TOTAL	\$2,208,636,610	\$2,309,283,512	\$2,419,805,495	\$2,537,215,198	\$2,580,302,873	4.0%

Operating Expenses: 5-Year Results

Results from previous slide expressed as year-to-year % change

	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018
Brattleboro	5.3%	-0.6%	6.9%	3.0%
CVMC	8.1%	11.7%	4.0%	2.8%
Copley	5.8%	5.7%	3.8%	4.3%
Gifford	-7.3%	-1.0%	3.4%	-2.4%
Grace Cottage	6.5%	5.1%	0.2%	1.7%
Mount Ascutney	-0.2%	1.0%	1.6%	6.1%
North Country	2.5%	8.0%	0.4%	-1.0%
Northeastern	0.6%	9.9%	7.8%	5.2%
Northwestern	6.4%	9.4%	5.2%	5.5%
Porter	4.6%	0.7%	4.4%	3.0%
Rutland	6.3%	4.5%	2.7%	7.2%
Southwestern	2.1%	6.4%	1.4%	4.7%
Springfield	0.3%	-0.8%	4.2%	7.6%
UVMCC	5.1%	3.9%	6.3%	5.8%
SYSTEM TOTAL	4.6%	4.8%	4.9%	1.7%

Operating Margin: 5-Year Results (\$)

	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018
Brattleboro	\$2,697,579	\$2,195,878	-\$437,372	-\$2,437,207	-\$1,924,959
CVMC	\$4,874,460	\$5,326,172	\$2,049,956	-\$1,902,075	-\$7,868,458
Copley	\$4,237,981	\$4,002,957	-\$84,921	-\$377,946	-\$2,222,433
Gifford	\$2,185,205	\$1,565,435	\$2,209,679	-\$874,293	-\$5,369,446
Grace Cottage	-\$1,135,805	-\$1,655,590	-\$1,447,624	-\$1,270,782	-\$556,530
Mount Ascutney	-\$463,805	-\$1,173,573	\$141,292	\$1,390,379	\$1,052,255
North Country	\$2,283,020	\$2,844,141	\$141,751	-\$1,871,960	\$5,137,841
Northeastern	-\$605,842	\$1,467,745	\$1,487,940	\$1,477,373	\$1,430,264
Northwestern	\$7,570,123	\$10,064,415	\$3,655,142	-\$1,259,824	-\$3,729,620
Porter	-\$2,155,096	-\$1,748,578	\$1,450,905	\$2,196,330	\$1,492,207
Rutland	\$11,429,391	\$4,408,033	\$10,778,375	\$4,163,384	\$1,297,252
Southwestern	\$6,106,207	\$5,207,193	\$5,298,810	\$5,775,890	\$7,618,119
Springfield	-\$3,783,385	\$2,264,152	\$181,122	-\$3,835,857	-
UVMC	\$51,743,789	\$75,599,510	\$74,050,147	\$68,580,794	\$46,127,444
SYSTEM TOTAL	\$84,983,822	\$110,367,890	\$99,475,201	\$69,754,205	\$42,483,935

*Springfield Hospital's FY2018 Operating Margin expressed as a dollar value unavailable.

Operating Margin: 5-Year Results (%)

	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018
Brattleboro	3.6%	2.8%	-0.6%	-3.1%	-2.4%
CVMC	2.8%	2.9%	1.0%	-0.9%	-3.8%
Copley	6.9%	6.2%	-0.1%	-0.6%	-3.3%
Gifford	3.5%	2.7%	3.9%	-1.6%	-10.7%
Grace Cottage	-6.9%	-9.8%	-8.0%	-6.9%	-2.9%
Mount Ascutney	-1.0%	-2.4%	0.3%	2.7%	1.9%
North Country	2.9%	3.5%	0.2%	-2.3%	-
Northeastern	-0.9%	2.2%	2.0%	1.9%	1.7%
Northwestern	7.9%	9.7%	3.4%	-1.2%	-3.4%
Porter	-3.1%	-2.4%	1.9%	2.7%	1.8%
Rutland	5.0%	1.9%	4.2%	1.6%	0.5%
Southwestern	4.3%	3.6%	3.4%	3.7%	4.6%
Springfield	-7.3%	3.9%	0.3%	-7.1%	-12.8%
UVMCC	4.6%	6.3%	5.9%	5.2%	3.4%
SYSTEM TOTAL	3.7%	4.6%	3.9%	2.7%	1.4%

Acute Admissions: 5-Year Results

	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	5-year CAGR
Brattleboro	1,555	1,569	1,611	1,618	1,691	2.1%
CVMC	3,495	3,877	4,220	4,141	3,949	3.1%
Copley	1,523	1,724	1,738	1,788	1,802	4.3%
Gifford	1,178	1,318	1,303	1,257	1,175	-0.1%
Grace Cottage	179	130	131	137	138	-6.3%
Mount Ascutney	350	398	358	362	394	3.0%
North Country*	1,370	1,420	1,394	1,368	-	-
Northeastern	1,199	1,233	1,367	1,259	1,425	4.4%
Northwestern	2,386	2,468	2,581	2,557	2,441	0.6%
Porter	1,580	1,536	1,454	1,438	1,433	-2.4%
Rutland	5,897	5,941	6,495	6,525	7,152	4.9%
Southwestern	3,544	3,411	3,387	3,383	3,419	-0.9%
Springfield	1,933	1,994	1,894	1,906	1,606	-4.5%
UVMCC	17,820	18,395	19,299	19,496	19,763	2.6%
SYSTEM TOTAL	44,009	45,414	47,232	47,235	47,056	1.7%

*North Country did not submit FY2018 utilization data.

Outpatient Visits: 5-Year Results***

	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	5-year CAGR
Brattleboro*	86,658	88,722	-	94,981	164,221	-
CVMC	379,040	395,021	424,134	433,317	443,325	4.0%
Copley	101,521	99,183	104,785	100,493	95,771	-1.4%
Gifford	52,592	54,541	56,177	56,177	56,177	1.7%
Grace Cottage	21,653	19,070	20,822	19,840	19,611	-2.4%
Mount Ascutney	80,503	29,864	29,262	30,991	33,196	-19.9%
North Country**	69,862	69,362	67,973	65,830	-	-
Northeastern	82,905	88,627	91,192	92,769	97,830	4.2%
Northwestern	76,342	83,113	187,904	209,431	239,105	33.0%
Porter	67,784	61,274	63,660	64,175	62,767	-1.9%
Rutland	225,383	233,187	244,330	247,908	253,659	3.0%
Southwestern	238,802	268,563	287,393	285,295	286,619	4.7%
Springfield	76,247	80,139	80,661	76,537	86,315	3.1%
UVMHC	1,629,813	1,702,223	1,653,967	1,687,789	1,688,216	0.9%
SYSTEM TOTAL	3,189,105	3,272,889	3,312,260	3,339,561	3,243,080	0.4%

*Brattleboro Memorial Hospital's FY2016 unavailable, FY2018 is preliminary.

**North Country did not submit FY2018 utilization data.

***Outpatient results are skewed due to how hospitals have historically recorded outpatient visits.

Glossary

Critical Access Hospital: designation given to eligible rural hospitals by the Centers for Medicare and Medicaid Services. CAH designation aims to reduce the financial vulnerability of rural hospitals and improve access to healthcare by keeping essential services in rural areas. To accomplish this goal, CAHs receive certain benefits, such as cost-based reimbursement for Medicare services.

Prospective Payment System: A Prospective Payment System (PPS) is a method of reimbursement in which Medicare payment is made based on a predetermined, fixed amount. The payment amount for a particular service is derived based on the classification system of that service (for example, diagnosis-related groups for inpatient hospital services).

Net Patient Revenue: Revenue a hospital will receive for services rendered. It is the amount resulting after contractual allowances, commercial discounts, and free care are deducted from gross charges.

Fixed Prospective Payment (FPP): fixed payments from the ACO that cover the cost of medical care provided to lives attributed to the ACO, net of value-based incentive program deductions. Participation fees are recorded in Operating Expenses.

Operating Expenses: All input costs required to provide goods and services to patients. This includes salaries, fringes, insurance, professional fees, depreciation, interest, etc.

Acute Admissions: The number of patients admitted to a hospital for care in a given time period.

Outpatient: Individuals who receive services in the hospital but do not stay overnight.

Glossary

Days Cash on Hand: $(\text{Cash} + \text{Investments} + \text{Unrestricted Funded Depreciation (Board Designated Assets)} + \text{Unrestricted Other Board Designated Assets}) * 365$
 $/ (\text{Total expense} - (\text{Depreciation} + \text{Amortization}))$

Operating Margin: $\text{Operating Surplus} / (\text{NPR} + \text{FPP} + \text{Other Operating Revenue})$

Total Margin: $(\text{Operating Surplus} \& \text{non-operating Revenues}) / (\text{NPR} + \text{FPP} + \text{Other Operating Revenue} + \text{Non-Operating Revenue})$

Days Payable: $\text{Current Liabilities} / (\text{Total Expenses} - (\text{Depreciation} + \text{Amortization} + \text{Interest}))$

Days Receivable: $\text{Net Patient Accounts Receivable} / \text{NPR} * 365$

Debt Service Coverage Ratio: $(\text{Net Operating Income} + \text{Depreciation} + \text{Amortization} + \text{Interest}) / (\text{Current Portion of Long Term Debt} + \text{Interest})$



GREEN MOUNTAIN CARE BOARD

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