

Mt. Ascutney Hospital & Health Ctr

Fiscal Year 2021 Budget Analysis

Report Date: 8/5/2020

Mt. Ascutney Hospital & Health Ctr
Fiscal Year 2021 Budget Analysis
QUESTIONS

TECHNICAL QUESTIONS:

Please be prepared to explain how COVID-19 has affected your staffing. For Non-MD FTEs and MD FTEs.

Please discuss the reductions in force and the plans to return staffing to pre-COVID-19 levels. We did not lay-off or furlough employees due to COVID-19. As the situation progressed, we implemented call-off, utilized various low-census strategies, and froze open positions. We were aggressive in re-deploying staff to different jobs to address COVID-related needs (door-screeners, establishing a respiratory clinic, telemedicine, call schedules, moving services, replacing contracted labor, etc.). As effective accommodations for patient and employee safety were established, we were able to begin recovery efforts and move towards “normal” volumes and service offerings with minimal delay.

Mt. Ascutney Hospital & Health Ctr												
Dave Sanville												
Fiscal Year 2021 Budget Analysis		GMCB Data Entry				Hospital Data Entry						
INCOME STATEMENT	2019 A	2020 B	1st Qtr FY20	2nd Qtr FY20	3rd Qtr FY20	4th Qtr FY20 Projected	2020 PROJ	2021 B	2019A-2020P	2020B-2020P	2020B-2021B	2020P-2021B
Revenues												
Gross Patient Care Revenue	\$103,318,495	\$105,068,060	\$25,908,356	\$26,455,380	\$21,018,825	\$27,149,587	\$100,532,148	\$108,211,328	-2.7%	-4.3%	3.0%	7.6%
Disproportionate Share Payments	\$340,539	\$340,000	\$111,515	\$111,515	\$111,515	\$111,516	\$446,063	\$340,000	31.0%	31.2%	0.0%	-23.8%
Graduate Medical Education (UW/MC only)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Bad Debt	-\$2,056,707	-\$1,838,694	-\$566,008	-\$719,349	-\$372,150	-\$650,000	-\$2,307,507	-\$1,893,698	12.2%	25.5%	3.0%	-17.9%
Free Care	-\$818,147	-\$1,050,682	-\$190,680	-\$222,164	-\$160,000	-\$772,844	-\$1,082,113	-\$572,844	-5.5%	-26.4%	3.0%	40.0%
Deductions from Revenue	-\$55,633,002	-\$56,909,778	-\$14,860,195	-\$14,036,595	-\$11,185,414	-\$13,100,000	-\$5,182,204	-\$49,848,909	-4.4%	-6.5%	-12.4%	-6.3%
Net Patient Care Revenue	\$45,151,178	\$45,608,906	\$10,402,989	\$11,588,787	\$9,412,776	\$13,311,103	\$44,715,655	\$55,726,608	-1.0%	-2.0%	22.2%	24.6%
Fixed Prospective Payments, Reserves & Other												
Fixed Prospective Payments	\$5,698,208	\$8,146,653	\$2,448,171	\$191,733	\$256,806	\$256,806	\$3,153,516	\$1,200,000	-44.7%	-61.3%	-85.3%	-61.9%
Reserves							\$0	-\$726,667	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Other Reform Payments							\$0	-\$94,331	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Fixed Prospective Payments, Reserves & Other	\$5,698,208	\$8,146,653	\$2,448,171	\$191,733	\$256,806	\$256,806	\$3,153,516	\$567,664	-44.7%	-61.3%	-93.0%	-82.0%
Total NPR & FPP	\$50,849,386	\$53,755,559	\$12,851,160	\$11,780,520	\$9,669,582	\$13,567,909	\$47,869,172	\$56,294,272	-5.9%	-11.0%	4.7%	17.6%
COVID-19 Stimulus and Other Grant Funding												
Other	\$3,674,430	\$3,301,477	\$0	\$0	\$3,217,783	\$2,038,362	\$5,256,145	\$0	#DIV/0!	#DIV/0!	#DIV/0!	-7.1%
Other Operating Revenue	\$3,674,430	\$3,301,477	\$998,883	\$987,655	\$4,321,190	\$3,028,506	\$9,336,235	\$3,789,781	154.1%	182.8%	14.8%	-59.4%
Total Operating Revenue	\$54,523,816	\$57,057,036	\$13,850,043	\$12,768,176	\$13,990,772	\$16,596,415	\$57,205,406	\$60,084,053	4.9%	0.3%	5.3%	5.0%
Expenses												
Salaries, Fringe Benefits, Physician Fees, Contracts	\$34,835,778	\$35,747,790	\$10,038,418	\$10,528,454	\$9,386,377	\$10,758,371	\$40,711,620	\$41,553,801	16.9%	13.9%	16.2%	2.1%
Medical/Surgical Drugs and Supplies	\$3,058,477	\$3,063,112	\$906,746	\$994,269	\$798,506	\$960,335	\$3,659,856	\$3,844,571	19.7%	19.5%	25.5%	5.0%
Health Care Provider Tax	\$1,783,347	\$1,950,000	\$436,845	\$436,845	\$436,845	\$436,845	\$1,747,380	\$1,914,053	-2.0%	-10.4%	-1.8%	9.5%
Depreciation/Amortization	\$2,390,246	\$2,460,450	\$613,739	\$622,221	\$642,258	\$620,034	\$2,498,252	\$2,799,516	4.5%	1.5%	13.8%	12.1%
Interest - Short and Long Term	\$227,353	\$233,000	\$57,615	\$55,715	\$82,548	\$138,224	\$334,102	\$539,938	47.0%	43.4%	131.7%	61.6%
Other Operating Expenses (includes ACO Participation Fees)	\$12,271,500	\$13,602,684	\$1,892,321	\$1,556,607	\$1,897,484	\$1,992,512	\$7,338,924	\$9,080,667	-40.2%	-46.0%	-33.2%	23.7%
Operating Expense	\$54,566,701	\$57,057,036	\$13,945,684	\$14,194,111	\$13,244,018	\$14,906,321	\$56,290,134	\$59,732,546	3.2%	-1.3%	4.7%	6.1%
Net Operating Income	-\$42,885	\$0	-\$95,641	-\$1,425,935	\$746,754	\$1,690,094	\$915,272	\$351,507	-2234.2%	#####	-76414667.5%	-61.6%
Non Operating Revenue	-\$2,046,081	\$792,000	\$731,379	-\$1,525,522	\$5,447,409	\$0	\$4,653,266	\$995,000	-327.4%	487.5%	25.6%	-78.6%
Excess (Deficit) of Rev over Exp	-\$2,088,966	\$792,000	\$635,738	-\$2,951,457	\$6,194,163	\$1,690,094	\$5,568,538	\$1,346,507	-366.6%	603.1%	70.0%	-75.8%
Income Statement Metrics												
Operating Margin %	-0.1%	0.0%	-0.7%	-11.2%	5.3%	10.2%	1.6%	0.6%				
Total Margin %	-4.0%	1.4%	4.4%	-26.3%	31.9%	10.2%	9.0%	2.2%				

Mt. Ascutey Hospital & Health Ctr

Fiscal Year 2021 Budget Analysis								
	GMCB Data Entry		Hospital Data Entry					
BALANCE SHEET	2019 A	2020 B	2020 PROJ	2021 B	2019A-2020P	2020B-2020P	2020B-2021B	2020P-2021B
Cash & Investments	\$8,774,970	\$8,051,191	\$15,370,240	\$10,621,240	75.2%	90.9%	31.9%	-30.9%
Net Patient Accounts Receivable	\$4,967,769	\$4,922,132	\$4,367,215	\$5,500,000	-12.1%	-11.3%	11.7%	25.9%
ACO Risk Reserve/Settlement Receivable	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Other Current Assets	\$2,133,699	\$1,355,003	\$1,714,803	\$1,700,000	-19.6%	26.6%	25.5%	-0.9%
Current Assets	\$15,876,438	\$14,328,326	\$21,452,258	\$17,821,240	35.1%	49.7%	24.4%	-16.9%
		\$0			#DIV/0!	-100.0%	-100.0%	#DIV/0!
Board Designated Assets	\$19,659,423	\$20,231,159	\$20,166,271	\$20,000,000	2.6%	-0.3%	-1.1%	-0.8%
Net, Property, Plant And Equipment	\$18,116,755	\$19,868,896	\$17,854,538	\$20,500,000	-1.4%	-10.1%	3.2%	14.8%
Other Long-Term Assets	\$2,914,091	\$2,718,020	\$2,963,557	\$3,000,000	1.7%	9.0%	10.4%	1.2%
Assets	\$56,566,707	\$57,146,401	\$62,436,624	\$61,321,240	10.4%	9.3%	7.3%	-1.8%
					#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Accounts Payable	\$2,267,990	\$1,879,475	\$2,088,157	\$2,000,000	-7.9%	11.1%	6.4%	-4.2%
Salaries, Wages And Payroll Taxes Payable	\$3,627,187	\$3,662,921	\$3,582,318	\$3,600,000	-1.2%	-2.2%	-1.7%	0.5%
ACO Risk Reserve/Settlement Payable	\$0	\$0	\$560,000	\$626,667	#DIV/0!	#DIV/0!	#DIV/0!	11.9%
COVID-19 Funding Short-Term Liabilities			\$4,068,869	\$0	#DIV/0!	#DIV/0!	#DIV/0!	-100.0%
Other Current Liabilities	\$4,998,744	\$5,138,729	\$6,551,443	\$5,500,000	31.1%	27.5%	7.0%	-16.0%
Current Liabilities	\$10,893,921	\$10,681,125	\$16,850,787	\$11,726,667	54.7%	57.8%	9.8%	-30.4%
					#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Long Term Liabilities	\$11,392,455	\$11,511,334	\$18,335,276	\$18,350,000	60.9%	59.3%	59.4%	0.1%
Other Noncurrent Liabilities	\$7,690,529	\$4,627,163	\$731,043	\$750,000	-90.5%	-84.2%	-83.8%	2.6%
COVID-19 Funding Long-Term Liabilities					#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Fund Balance	\$26,589,802	\$30,326,779	\$26,519,518	\$29,152,747	-0.3%	-12.6%	-3.9%	9.9%
Liabilities and Equities	\$56,566,707	\$57,146,401	\$62,436,624	\$61,321,240	10.4%	9.3%	7.3%	-1.8%
Balance Sheet Metrics							Change in Points	
Days Cash on Hand	120.4	144.4	181.0	150.0	60.6	36.6	5.6	-31.0
Days Cash on Hand-COVID-19			181.0	150.0	181.0	181.0	150.0	-31.0
Debt Service Coverage Ratio	6.1	5.6	6.6	4.8	-0.7	-1.2	-0.8	-0.1
Long Term Debt to Capitalization	0.3	0.3	0.5	0.5	0.2	0.2	0.2	0.0
Days Payable	53.5	76.2	114.3	75.2	32.8	55.5	-1.0	-33.8
Days Receivable	39.1	40.2	33.3	35.7	-1.2	-0.1	-4.5	-3.3

Budget Fiscal Year 2021		
COVID-19 Related Hospital Revenue Replacement Funding Sources FY20		
Total Funding Sources		
Funding Sources	Amount	% of Total
Medicare Advance Funding	\$ 4,068,869	43.6%
State Funding	\$ -	0.0%
Federal Funding	\$ 5,256,145	56.4%
Other (Please Specify)	\$ -	0.0%
Other (Please Specify)	\$ -	0.0%
Other (Please Specify)	\$ -	0.0%
Other (Please Specify)	\$ -	0.0%
TOTAL:	\$ 9,325,014	100%

Budget Fiscal Year 2021		
COVID-19 Related Hospital Revenue Replacement Funding Sources FY20		
Funding Sources to be Paid Back		
Funding Sources	Amount	% of Total
Medicare Advance Funding	\$ 4,068,869	100.0%
State Funding	\$ -	0.0%
Federal Funding	\$ -	0.0%
Other (Please Specify)	\$ -	0.0%
Other (Please Specify)	\$ -	0.0%
Other (Please Specify)	\$ -	0.0%
Other (Please Specify)	\$ -	0.0%
TOTAL:	\$ 4,068,869	100%

Budget Fiscal Year 2021		
COVID-19 Related Hospital Revenue Replacement Funding Sources FY20		
Funding Sources Not to be Paid Back		
Funding Sources	Amount	% of Total
Other (Please Specify)	\$ -	0.0%
State Funding	\$ -	0.0%
Federal Funding	\$ 5,256,145	100.0%
Other (Please Specify)	\$ -	0.0%
Other (Please Specify)	\$ -	0.0%
Other (Please Specify)	\$ -	0.0%
Other (Please Specify)	\$ -	0.0%
TOTAL:	\$ 5,256,145	100%

Fiscal Year 2021 Budget Analysis: Mt. Ascutney Hospital & Health Ctr								
CHANGE IN CHARGE AND NET PATIENT REVENUE INCREASE								
Change in charge is the average change in price for services provided.					Standard Request		COVID-19	
	FY2018	FY2019	FY2020	FY2021				
Approved % Change in Charge	4.9%	2.9%	3.2%	n/a		n/a		
Commercial Approved % Change in Charge				n/a		n/a		
Submitted % Change in Charge	4.9%	2.9%	3.2%	2.1%		2.2%		
Commercial Submitted % Change in Charge								
	Hospital Inpatient Change in Gross Charges			2.9%		3.1%		
	Hospital Outpatient Change in Gross Charges			2.9%		3.1%		
	Professional Services Change in Gross Charges			1.5%		1.5%		
	Primary Care Change in Gross Charges			1.5%		1.5%		
	Specialty Care Change in Gross Charges			1.5%		1.5%		
	Skilled Nursing Facility Change in Gross Charges			2.9%		3.1%		
	Drugs			0.0%		0.0%		
	Other (please specify)							
Net Patient Revenue Change Due to Charge Request				Dollar Value	Value of 1% Charge	Dollar Value	Value of 1% Char	
Medicare				\$ 540,639	\$ 259,923	\$ 571,830	\$ 259,923	
Medicaid				\$ 29,713	\$ 14,285	\$ 31,427	\$ 14,285	
Commercial				\$ 363,403	\$ 174,713	\$ 384,369	\$ 174,713	
Total Change Due to Charge Request				\$ 933,756	\$ 448,921	\$ 987,626	\$ 448,921	

Mt. Ascutney Hospital & Health Ctr

Fiscal Year 2021 Budget Analysis

Payer Mix	2019 A	2020 B	2020 PROJ	2021 B	2019A-2020P	2020B-2020P	2020B-2021B	2020P-2021B
Gross Patient Revenue								
Medicare	\$59,525,237	\$61,626,449	56,415,963	61,532,071	-5.2%	-8.5%	-0.2%	9.1%
Medicaid	\$10,953,318	\$10,958,398	11,257,983	11,169,175	2.8%	2.7%	1.9%	-0.8%
Commercial	\$32,839,941	\$32,483,213	31,084,524	33,666,031	-5.3%	-4.3%	3.6%	8.3%
Self-Pay/Other/WC	\$0	\$0	1,773,679	1,844,051	#DIV/0!	#DIV/0!	#DIV/0!	4.0%
Total Gross Patient Revenue	\$103,318,496	\$105,068,060	\$100,532,148	\$108,211,328	-2.7%	-4.3%	3.0%	7.6%
Net Patient Revenue/Fixed Prospective Payments								
Medicare	\$30,803,344	\$30,808,244	26,806,497	32,910,807	-13.0%	-13.0%	6.8%	22.8%
Medicaid	\$1,823,984	\$4,100,538	2,593,495	3,775,534	42.2%	-36.8%	-7.9%	45.6%
Commercial	\$17,881,520	\$18,506,776	18,469,181	19,607,931	3.3%	-0.2%	6.0%	6.2%
Self-Pay/Other/WC	\$0	\$0	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Total NPR & FPP	\$50,508,848	\$53,415,558	\$47,869,172	\$56,294,272	-5.2%	-10.4%	5.4%	17.6%
Reimbursement Ratio								
Medicare	52%	50%	48%	53%				
Medicaid	17%	37%	23%	34%				
Commercial	54%	57%	59%	58%				
Self-Pay/Other/WC	#DIV/0!	#DIV/0!	0%	0%				
Total Reimbursement Ratio	49%	51%	48%	52%				