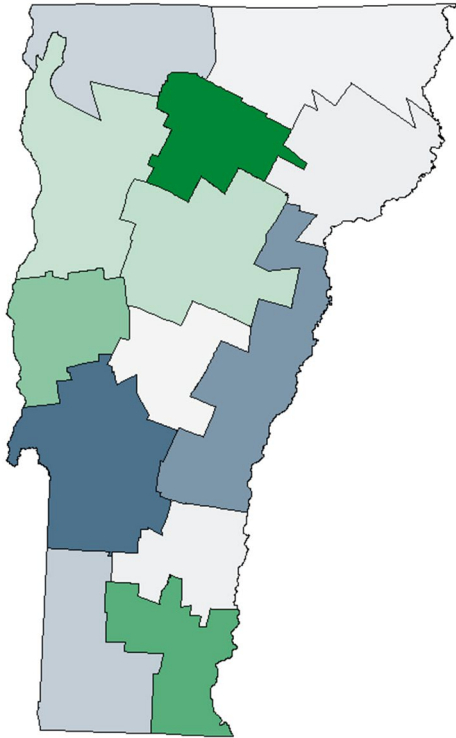


Fiscal Year 2019 Vermont Hospital Budgets

Year-to-Date Reporting
(October-September 2019)

Report Date: January 9, 2019



FY2019 Year-to-Date through September 2019

1. Overview and Observations
2. Net Patient Revenue (NPR)/Fixed Prospective Payments (FPP)
3. Operating Expenses
4. Financial Indicators
5. Utilization

Year-to-Date Hospital Budget Report: FY19 through September 2019

Vermont hospitals are required to report their year-to-date (YTD) operating performance on a monthly basis as part of the Green Mountain Care Board's Fiscal Year 2019 budget orders.

This report includes actual Net Patient Revenue (NPR) and Fixed Prospective Payment (FPP) revenue, which are combined, as well as expenses and key utilization indicators, through September 2019.

This report is considered a "soft close" for year-end FY19 results. The data in this report has been submitted to the Green Mountain Care Board as part of the required monthly reporting, however, it has not been audited for year-end closeout purposes. Hospitals are required to submit their official year-end results on January 31, 2020.



GMCB has asked the hospitals to explain variances greater than 3.0% for NPR/FPP, Expenses and Utilization. Explanations are provided in the hospitals' own words on the narrative slides of each section.

Actual-to-actual analysis is based on FY18 audited year-end results and the FY19 "soft close" submissions.

Net Patient Revenue and Fixed Prospective Payments Approved FY19 Budgets

Medicare Designation	Contract with OneCare VT*	Hospital	FY2019 Approved Budget***	FY19 % of System Total
PPS**	✓	Brattleboro Memorial Hospital	\$83,947,707	3.2%
PPS	✓	Central Vermont Medical Center	\$211,387,021	8.1%
CAH		Copley Hospital	\$70,201,316	2.7%
CAH	✓	Gifford Medical Center	\$55,894,654	2.1%
CAH		Grace Cottage Hospital	\$19,292,581	0.7%
CAH	✓	Mount Ascutney Hospital	\$51,951,770	2.0%
CAH	✓	North Country Hospital	\$81,523,350	3.1%
CAH	✓	Northeastern Vermont Regional Hospital	\$81,568,705	3.1%
PPS	✓	Northwestern Medical Center	\$112,773,980	4.3%
CAH	✓	Porter Medical Center	\$84,530,515	3.2%
PPS	✓	Rutland Regional Medical Center	\$258,720,325	9.9%
PPS	✓	Southwestern Vermont Medical Center	\$165,201,376	6.3%
CAH	✓	Springfield Hospital	\$60,485,878	2.3%
PPS	✓	University of Vermont Medical Center	\$1,273,460,046	48.8%
		SYSTEM	\$2,610,183,225	100.0%

Critical Access Hospital (CAH), Prospective Payment System (PPS)

*Calendar Year 2019 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.

***Reflects FY2019 amended budget orders for Gifford, Brattleboro, Northeastern and Springfield.

Hospital Year-to-Date Reporting FY19 through September 2019 Systemwide Observations

Operating Expense variances/growth rates exceeded that of NPR/FPP

- NPR/FPP is under budget 0.9% and 2.8% over prior year.
- Operating expenses are 2.5% over budget and 4.6% over prior year.
- 13 of the 14 hospitals experienced operating expense variances that exceeded their NPR/FPP variance from budget and 8 of the 14 hospitals exceeded from prior year.

Operating and Total Margins continue to fall below budget

- All hospitals budgeted a positive operating margin for FY19, however 7 of the 14 hospitals have experienced a negative operating margin year-to-date.
- All hospitals budgeted a positive total margin for FY19, however 6 of the 14 hospitals have experienced a negative total margin year-to-date.

Net Patient Revenue/Fixed Prospective Payment and Operating Expenses

Net Patient Revenue and Fixed Prospective Payments: Budget-to-Actual Variance FY19 YTD (October-September)

	Budget FY19 YTD	Actual FY19 YTD	Budget-to-Actual Variance FY19 YTD
Brattleboro	\$83,947,707	\$83,761,208	-0.2%
Central Vermont	\$211,387,021	\$208,006,995	-1.6%
Copley	\$70,201,316	\$66,993,816	-4.6%
Gifford	\$55,894,654	\$50,052,096	-10.5%
Grace Cottage	\$19,292,581	\$18,734,703	-2.9%
Mount Ascutney	\$51,195,770	\$49,513,779	-3.3%
North Country	\$81,523,350	\$80,134,790	-1.7%
Northeastern	\$81,568,705	\$84,699,426	3.8%
Northwestern	\$112,773,980	\$106,529,464	-5.5%
Porter	\$84,530,515	\$84,961,117	0.5%
Rutland Regional	\$258,720,325	\$256,402,901	-0.9%
Southwestern	\$165,201,376	\$164,157,364	-0.6%
Springfield	\$60,485,878	\$47,392,822	-21.6%
UVMCC	\$1,273,460,046	\$1,285,234,193	0.9%
SYSTEM	\$2,610,183,225	\$2,586,574,673	-0.9%

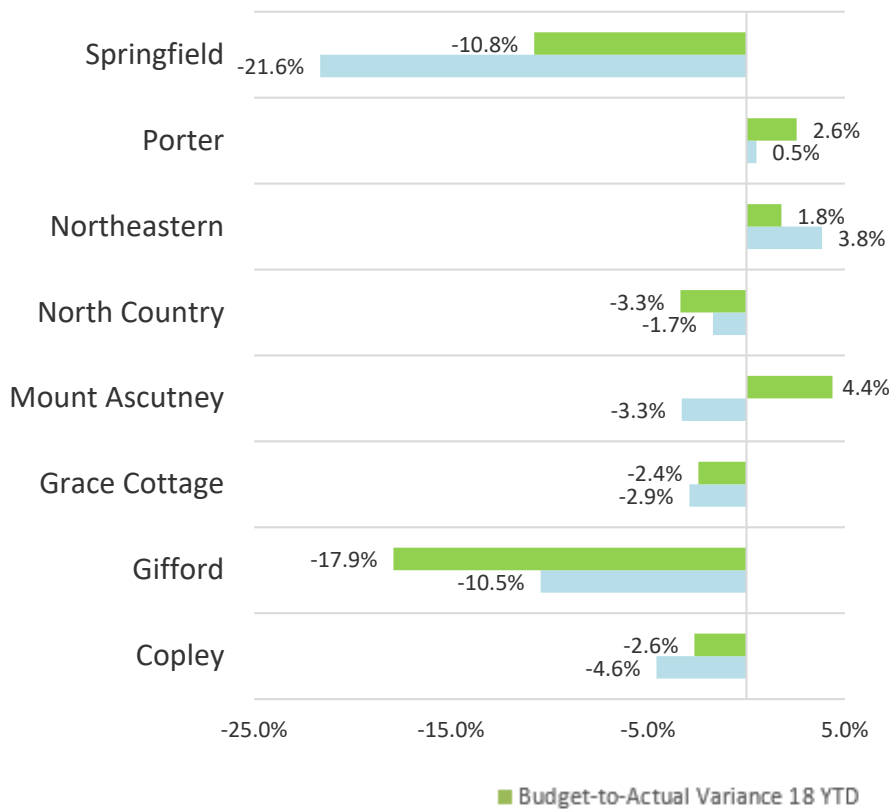
Net Patient Revenue and Fixed Prospective Payments: Actual-to-Actual % Change FY19 YTD Comparison to FY18 YTD (October-September)

	Audited Actual FY18 YTD	Actual FY19 YTD	Actual-to-Actual % Change
Brattleboro	\$77,601,735	\$83,761,208	7.9%
Central Vermont	\$194,586,135	\$208,006,995	6.9%
Copley	\$66,226,448	\$66,993,816	1.2%
Gifford	\$48,844,171	\$50,052,096	2.5%
Grace Cottage	\$18,193,737	\$18,734,703	3.0%
Mount Ascutney	\$50,808,643	\$49,513,779	-2.5%
North Country	\$76,427,164	\$80,134,790	4.9%
Northeastern	\$78,445,072	\$84,699,426	8.0%
Northwestern	\$103,317,768	\$106,529,464	3.1%
Porter	\$80,346,401	\$84,961,117	5.7%
Rutland Regional	\$254,235,029	\$256,402,901	0.9%
Southwestern	\$161,115,765	\$164,157,364	1.9%
Springfield	\$52,978,810	\$47,392,822	-10.5%
UVMCC	\$1,254,036,509	\$1,285,234,193	2.5%
SYSTEM	\$2,517,163,387	\$2,586,574,673	2.8%

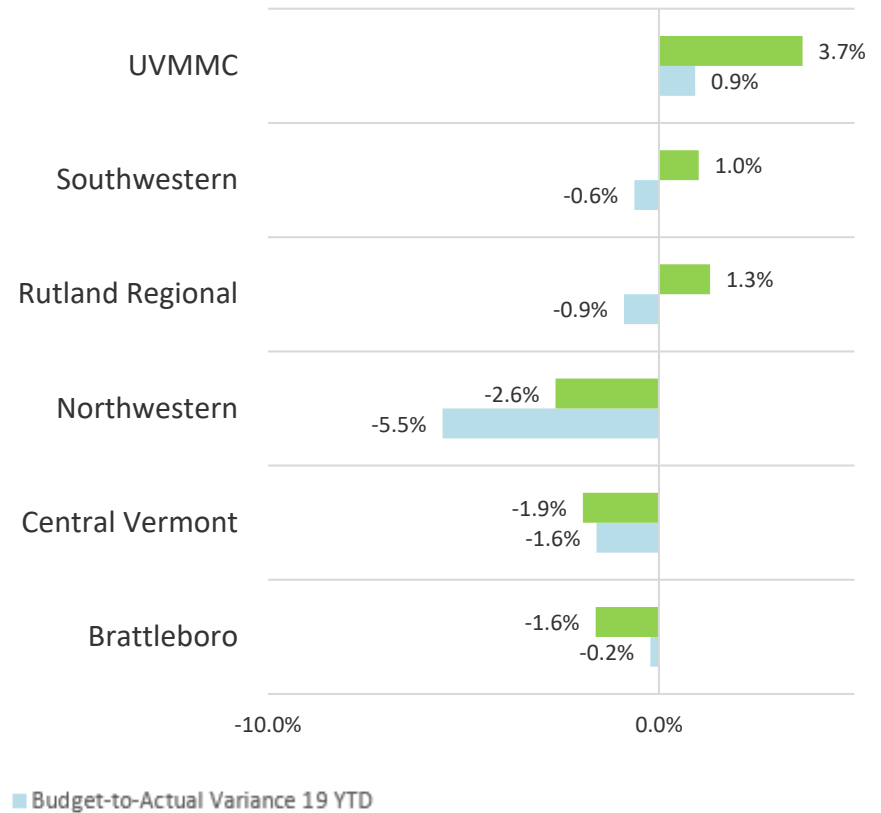
Net Patient Revenue and Fixed Prospective Payments: Budget-to-Actual Variance

FY19 YTD Comparison to FY18 YTD (October-September)

Critical Access Hospitals



Prospective Payment Hospitals



Net Patient Revenue and Fixed Prospective Payments: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-September)

Hospital	NPR/FPP Variance Explanation
Brattleboro	<p>Gross Revenue variance 4.8% over budget</p> <ul style="list-style-type: none"> • Net Patient Revenue was 1.4% under budget • FPP variance 8.2% over budget. • Total Net Patient Revenue & FPP was 0.2% under budget
Copley	<p>NPR is below budget by 4.6% due to an unfavorable payer mix shift from Commercial to Medicare, higher than budgeted bad debt and charity care, and lower than budgeted utilization.</p>
Gifford	<p>IP, OP ancillary and Clinical revenue and volumes were below budgeted expectations.</p>
Mount Ascutney	<p>Inpatient: Inpatient, Swing and Rehab were within variance guidelines. Outpatient: Steady volumes in established specialty provider practices are driving higher utilization of ancillary services. Therapies are experiencing high demand and are steadily outperforming budgeted figures. Strong outpatient revenues are a result of imaging, laboratory, and ER volumes. Physician: Revenues within variance guidelines.</p>

Net Patient Revenue and Fixed Prospective Payments: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-September)

Hospital	NPR/FPP Variance Explanation
Northeastern	<p>Net patient revenue was 3.8% higher than expected. Factors contributing to the higher revenue include: Improved access to services, population in HSA aging faster than VT average, increased revenue from NH residents, higher patient acuity and our community's increased confidence in NVRH's services and providers.</p>
Northwestern	<p>NPR was adversely affected by 4 significant items. The implementation of a new Electronic Health Record in our physician practices has caused challenges in maintaining volumes and with the revenue cycle, which includes revenue capture and the timely processing of charges. It is estimated that this system implementation reduced net patient revenue by approximately \$2.6 million in FY2019. Bad Debt and Free Care combined to be \$1.1 million over budget. The risk reserve associated with the OneCare program was increased by \$1.8 million in FY2019 which increases Contractual Allowances on the income statement. The budget had assumed that we would break even on the risk component of the program but actual results have been unfavorable, precipitating the need to carry a risk reserve. The remainder is primarily due to lower inpatient utilization than was budgeted.</p>
Porter	<p>Net Patient Revenue is within the 3% guideline. However, regarding the overage we experienced as compared to the budget, this is due entirely to changes in our third party settlements. Prior to receiving clarification in early August as it pertains to the treatment of attributed claims for cost report filing, we were carving out those claims from our internal cost report modeling. After we received that clarification, we refiled our 2018 cost report with those claims carved in resulting in a favorable outcome. We also adjusted our estimate for 2019 to include those claims, which also resulted in a favorable outcome.</p>

Net Patient Revenue and Fixed Prospective Payments: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-September)

Hospital	NPR/FPP Variance Explanation
Rutland	<p>Year to date, our Gross Patient Service Revenue (GPSR) is over budget by \$4.9 million. Year to date patient day volume is under budget by 536 or 1.6%, however increases in Intensive Care utilization has resulted in Routine revenue being \$1.0 million over budgeted expectations. Inpatient ancillary revenue is under budget by \$4.2 million or 2.9%. This is somewhat related to decline in patient days and is being driven by a decrease in volume in surgical services and respiratory services. These decreases were offset, to some degree, by increases in pharmaceutical volume. Outpatient volume is over budget \$8.1 million or 2.4% - led by emergency services, pharmaceuticals, diagnostic imaging and surgical services, off set by the declines in radiation therapy and endoscopy utilization. Allowances are over budget by \$6.4M. Our reimbursement assumptions remain consistent with actual reimbursement from the Medicare, Medicaid and commercial programs. The overage in allowances relates to the increase in free care resulting in additional reserves of \$2.5 million. We continue to see an increase in our Level II patient population. Year to date, Level II patient days of 1,904 exceed budgeted expectation by 422 days.</p>
Southwestern	<p>Net patient revenues were 0.6% under plan due to lower than anticipated inpatient and commercial payer volume.</p>
UVMCC	<p>0.9% favorable, within the 3.0% threshold. Favorable NPSR resulted from increased gross charges and higher than budgeted Commercial volumes driven by high Inpatient census, offset by unfavorability in 3rd party reserves for ACO FY18 overpayment/settlements, unfavorability in ACO deductions, and reduced Medicare Fixed prospective payments.</p>

Operating Expenses: Budget-to-Actual Variance FY19 YTD (October-September)

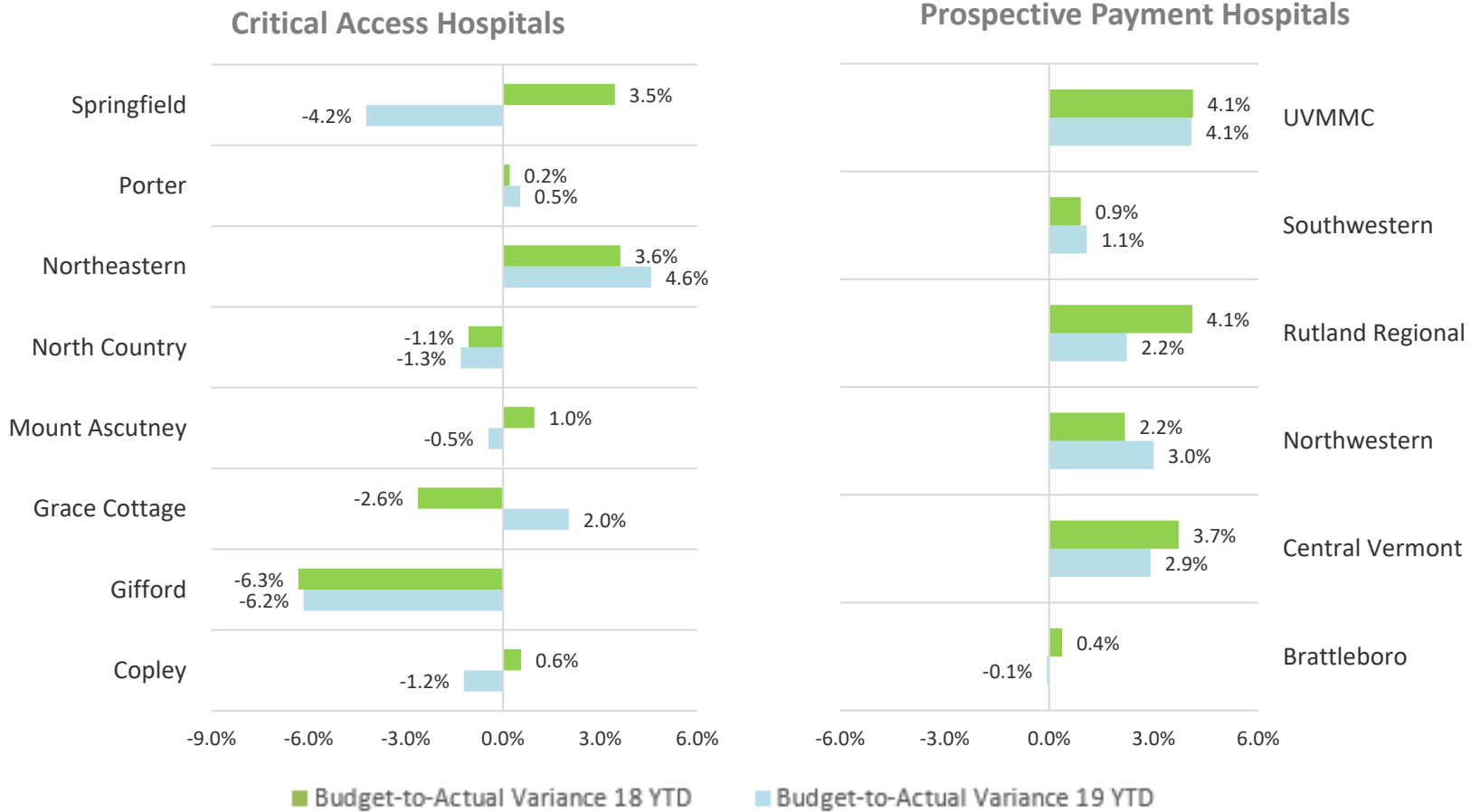
	Budget FY19 YTD	Actual FY19 YTD	Budget-to-Actual Variance FY19 YTD
Brattleboro	\$87,154,734	\$87,095,267	-0.1%
Central Vermont	\$221,962,950	\$228,415,989	2.9%
Copley	\$71,157,535	\$70,299,334	-1.2%
Gifford	\$55,346,116	\$51,938,901	-6.2%
Grace Cottage	\$20,329,626	\$20,742,788	2.0%
Mount Ascutney	\$54,837,975	\$54,588,885	-0.5%
North Country	\$86,648,310	\$85,518,179	-1.3%
Northeastern	\$83,702,505	\$87,529,567	4.6%
Northwestern	\$116,243,347	\$119,729,265	3.0%
Porter	\$86,193,573	\$86,649,174	0.5%
Rutland Regional	\$268,220,795	\$274,194,565	2.2%
Southwestern	\$164,211,565	\$165,983,254	1.1%
Springfield	\$60,641,591	\$58,081,277	-4.2%
UVMMC	\$1,339,909,058	\$1,394,632,119	4.1%
SYSTEM	\$2,716,559,679	\$2,785,398,564	2.5%

Operating Expenses: Actual-to-Actual % Change FY19 YTD Comparison to FY18 YTD (October-September)

	Audited Actual FY18 YTD	Actual FY19 YTD	Actual-to-Actual % Change
Brattleboro	\$83,705,782	\$87,095,267	4.0%
Central Vermont	\$216,033,931	\$228,415,989	5.7%
Copley	\$69,683,657	\$70,299,334	0.9%
Gifford	\$55,321,562	\$51,938,901	-6.1%
Grace Cottage	\$19,947,999	\$20,742,788	4.0%
Mount Ascutney	\$53,451,291	\$54,588,885	2.1%
North Country	\$83,367,796	\$85,518,179	2.6%
Northeastern	\$81,424,338	\$87,529,567	7.5%
Northwestern	\$113,575,304	\$119,729,265	5.4%
Porter	\$81,233,322	\$86,649,174	6.7%
Rutland Regional	\$268,120,067	\$274,194,565	2.3%
Southwestern	\$158,556,275	\$165,983,254	4.7%
Springfield	\$61,860,030	\$58,081,277	-6.1%
UVMCC	\$1,317,389,315	\$1,394,632,119	5.9%
SYSTEM	\$2,663,670,669	\$2,785,398,564	4.6%

Operating Expenses: Budget-to-Actual Variances

FY19 YTD Comparison to FY18 YTD (October-September)



Operating Expenses: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-September)

Hospital	Variance Explanation
Gifford	Expenses are below budgeted expectations due to Gifford's continuing efforts in the area of cost savings.
Northeastern	4.6% higher than expected at year end. Factors contributing to higher expenses include: Locum tenens and temporary staffing costs. These outside staffing expenses exceed budget by \$2.6 million through August.
Northwestern	Expenses began the year significantly over budget requiring the establishment of an operational improvement plan that was focused on expense reduction. We were successful in reducing a number of costs, however, most of this savings was offset by the need to utilize temporary staffing for Nurse, Physician and Management positions. At one point during the year, expenses were 3.7% over budget and they finished 3.0% over budget demonstrating some improvement over the second half of the year, but not as much expense reduction as had been planned.
Porter	Expenditures remain within the 3% guideline; however, our reliance on temporary labor continues to be an area of focus as we assess cost savings strategies.

Operating Expenses: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-September)

Hospital	Variance Explanation
Rutland	Fiscal 2019 year-to-date expenses are running over budget by \$5.7 million or 2.1%. This overage is driven, in large part, by the continued need for temporary staff FTEs and increased physician salaries related to recruitment and ongoing contractual obligations with physicians. In addition, we continue to see increases in pharmaceutical & surgical supplies due to a mix of inflation and utilization.
Southwestern	Overall expenses were 1.1% over plan due to higher than anticipated employee benefit costs, primarily in health insurance and purchased services expense were over budget due to MD Locum, contract labor and 340b contract pharmacy expenses being higher than plan
UVMHC	4.1% unfavorable. Key drivers are labor costs, med/surg supplies, pharmaceuticals, and purchased services driven by high Inpatient census.

Summary: NPR/FPP and Operating Expenses Budget-to-Actual Variance FY19 YTD (October-September)

Budget-to-Actual Variance YTD

	NPR/FPP	Operating Expenses	Operating Margin*
Brattleboro	-0.2%	-0.1%	0.8%
Central Vermont	-1.6%	2.9%	-2.1%
Copley	-4.6%	-1.2%	-3.4%
Gifford	-10.5%	-6.2%	-0.8%
Grace Cottage	-2.9%	2.0%	-6.7%
Mount Ascutney	-3.3%	-0.5%	-2.9%
North Country	-1.7%	-1.3%	1.9%
Northeastern	3.8%	4.6%	1.8%
Northwestern	-5.5%	3.0%	-8.0%
Porter	0.5%	0.5%	5.2%
Rutland Regional	-0.9%	2.2%	0.4%
Southwestern	-0.6%	1.1%	3.3%
Springfield	-21.6%	-4.2%	-18.4%
UVMCC	0.9%	4.1%	2.2%
SYSTEM	-0.9%	2.5%	0.6%

*Operating Margin as of September 30, 2019 (not a budget-to-actual variance)

Summary: NPR/FPP and Operating Expenses

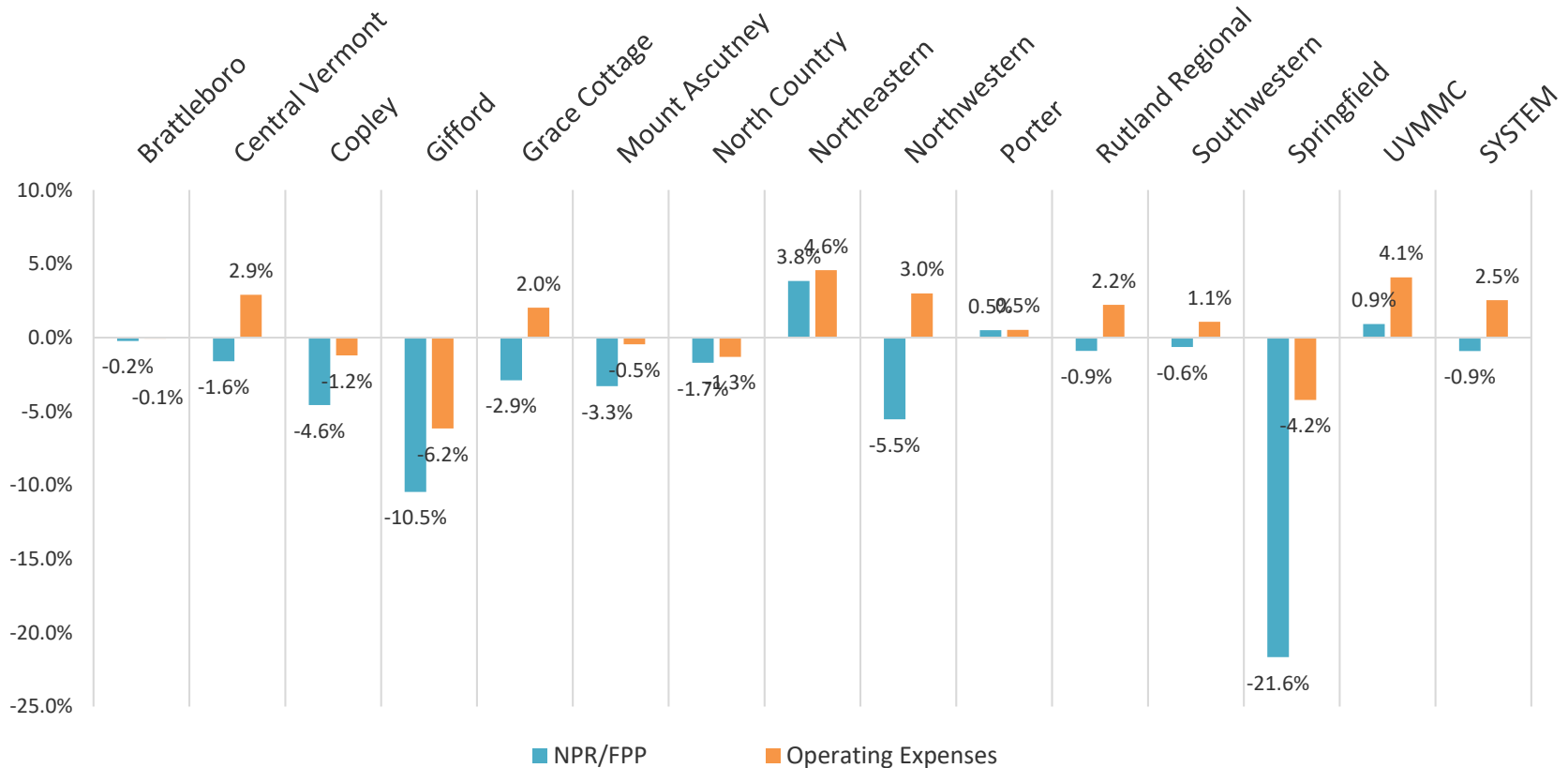
Actual-to-Actual % Change

FY19 YTD (October-September)

	Actual-to-Actual % Change YTD		
	NPR/FPP	Operating Expenses	Operating Margin*
Brattleboro	7.9%	4.0%	0.8%
Central Vermont	6.9%	5.7%	-2.1%
Copley	1.2%	0.9%	-3.4%
Gifford	2.5%	-6.1%	-0.8%
Grace Cottage	3.0%	4.0%	-6.7%
Mount Ascutney	-2.5%	2.1%	-2.9%
North Country	4.9%	2.6%	1.9%
Northeastern	8.0%	7.5%	1.8%
Northwestern	3.1%	5.4%	-8.0%
Porter	5.7%	6.7%	5.2%
Rutland Regional	0.9%	2.3%	0.4%
Southwestern	1.9%	4.7%	3.3%
Springfield	-10.5%	-6.1%	-18.4%
UVMCC	2.5%	5.9%	2.2%
SYSTEM	2.8%	4.6%	0.6%

*Operating Margin as of September 30, 2019 (not a budget-to-actual variance)

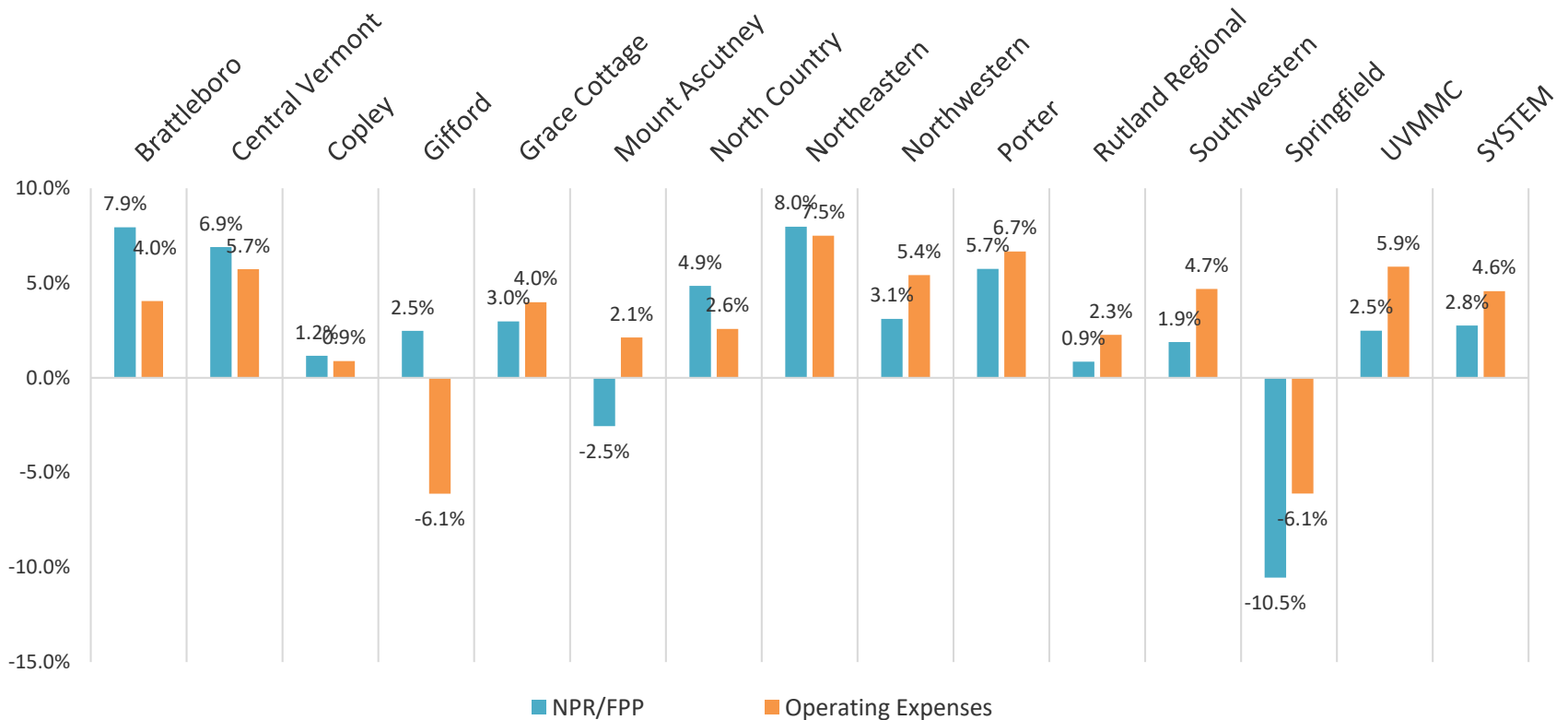
Summary: NPR/FPP and Operating Expenses Budget-to-Actual Variances FY19 YTD (October-September)



Summary: NPR/FPP and Operating Expenses

Actual-to-Actual % Change

FY19 YTD (October-September)



Financial Indicators

Financial Indicators as of September 31, 2019 FY19 YTD (October-September)

	Operating Margin		Total Margin	
	↑ FY19 Budget	FY19 YTD	↑ FY19 Budget	FY19 YTD
Brattleboro	0.0%	0.8%	0.9%	1.6%
Central Vermont	1.4%	-2.1%	3.3%	-4.0%
Copley	0.3%	-3.4%	0.8%	-2.6%
Gifford	2.5%	-0.8%	3.9%	4.8%
Grace Cottage	0.7%	-6.7%	4.2%	-0.3%
Mount Ascutney	0.0%	-2.9%	1.6%	-1.1%
North Country	1.1%	1.9%	2.8%	2.9%
Northeastern	1.8%	1.8%	1.8%	1.8%
Northwestern	2.3%	-8.0%	3.2%	-7.6%
Porter	3.7%	5.2%	4.1%	5.9%
Rutland Regional	2.3%	0.4%	4.3%	2.1%
Southwestern	3.6%	3.3%	4.0%	3.5%
Springfield	2.1%	-18.4%	3.4%	-38.9%
UVMCMC	2.8%	2.2%	5.1%	4.5%

↑ increasing values are favorable; ↓ decreasing values are favorable

Financial Indicators as of September 31, 2019 FY19 YTD (October-September)

	Days Cash on Hand		Debt Service Coverage Ratio	
	↑		↑	
	FY19 Budget	FY19 YTD	FY19 Budget	FY19 YTD
Brattleboro	196.2	172.0	3.3	3.7
Central Vermont	112.7	90.5	3.8	1.3
Copley	64.9	62.1	5.3	1.0
Gifford	187.1	241.0	3.3	3.5
Grace Cottage	92.5	92.6	0.5	-1.1
Mount Ascutney	120.4	143.0	6.1	2.3
North Country	196.3	195.9	3.5	6.5
Northeastern	121.5	105.0	2.2	5.1
Northwestern	306.5	245.5	5.5	-0.9
Porter	134.9	131.1	6.1	1.7
Rutland Regional	205.7	201.0	5.9	6.3
Southwestern*	46.3	23.6	13.7	16.0
Springfield	106.8	16.7	2.6	-1.5
UVMCC	192.4	171.1	3.2	3.0

↑ 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 31, 2019, Days Cash on Hand for the parent company was 154.7.

Financial Indicators as of September 31, 2019 FY19 YTD (October-September)

	Days Payable ↓		Days Receivable ↓	
	FY19 Budget	FY19 YTD	FY19 Budget	FY19 YTD
Brattleboro	64.0	58.0	37.6	60.7
Central Vermont	48.3	70.6	47.5	48.9
Copley	41.0	36.7	29.0	29.2
Gifford	52.9	51.8	48.6	52.8
Grace Cottage	83.8	98.1	40.6	35.0
Mount Ascutney	53.5	86.9	39.1	42.8
North Country	60.9	11.8	40.5	29.8
Northeastern	55.9	47.5	41.8	41.0
Northwestern	40.1	39.9	40.3	42.4
Porter	61.2	64.2	61.8	53.6
Rutland Regional	41.2	51.0	28.3	40.5
Southwestern	58.1	50.3	35.5	35.6
Springfield	65.2	178.3	59.9	44.8
UVMCMC	57.1	56.9	48.0	44.6

↑ increasing values are favorable; ↓ decreasing values are favorable

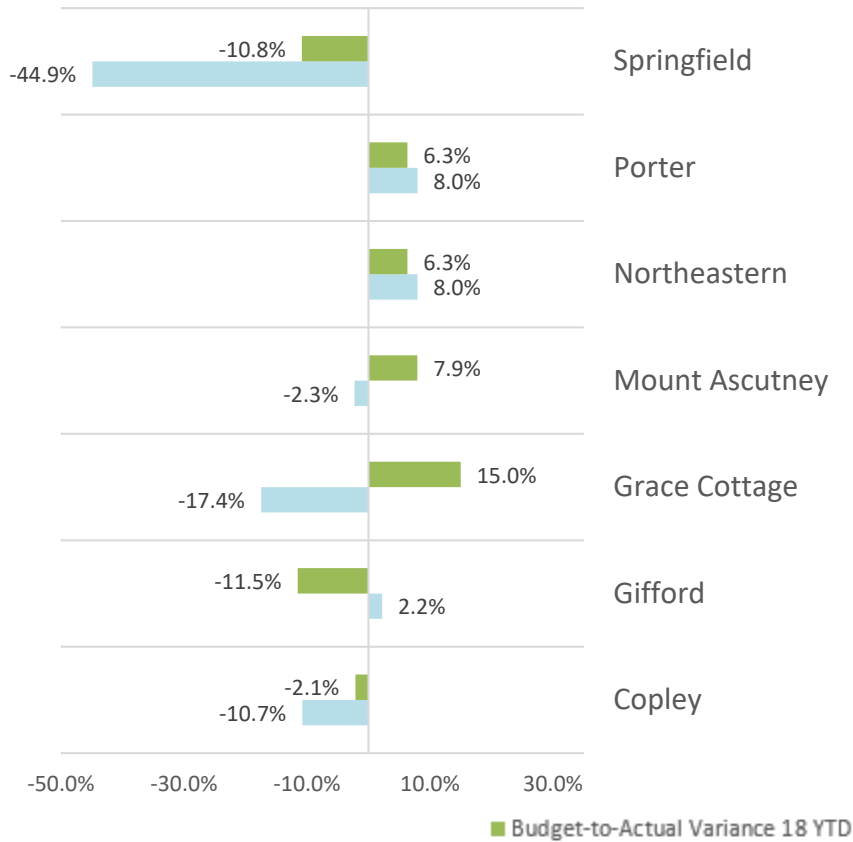
Utilization

Acute Admissions Utilization: Budget-to-Actual/Projection Variance FY19 YTD (October-September)

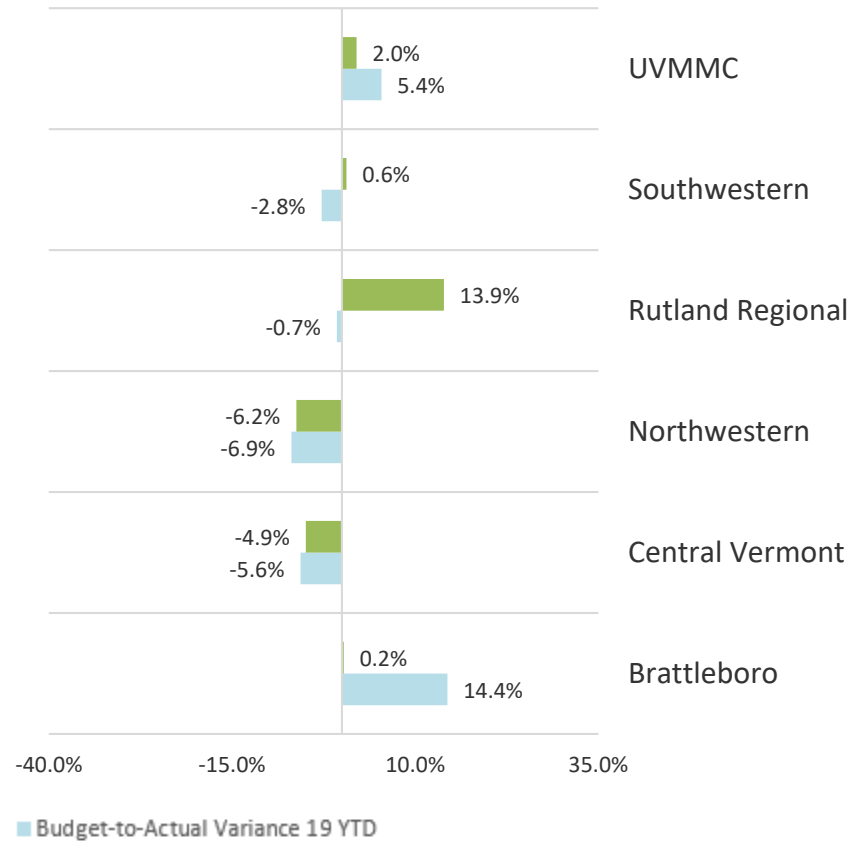
	Budget FY19 YTD	Actual FY19 YTD	Budget-to-Actual Variance FY19 YTD
Brattleboro	1,556	1,780	14.4%
Central Vermont	4,124	3,891	-5.6%
Copley	1,907	1,702	-10.7%
Gifford	1,172	1,198	2.2%
Grace Cottage	149	123	-17.4%
Mount Ascutney	396	387	-2.3%
North Country	1,357	1,386	2.1%
Northeastern	1,395	1,506	8.0%
Northwestern	2,522	2,348	-6.9%
Porter	1,507	1,575	4.5%
Rutland Regional	6,908	6,860	-0.7%
Southwestern	3,498	3,401	-2.8%
Springfield	2,015	1,111	-44.9%
UVMCC	19,489	20,539	5.4%
SYSTEM	47,995	47,807	-0.4%

Acute Admissions Utilization: Budget-to-Actual Variance FY19 YTD Comparison to FY18 YTD (October-September)

Critical Access Hospitals



Prospective Payment System Hospitals



Outpatient Visits Utilization*: Budget-to-Actual Variance FY19 YTD (October-September)

	Budget FY19 YTD	Actual FY19 YTD	Budget-to-Actual Variance FY19 YTD
Brattleboro**	38,065	159,200	318.2%
Central Vermont	501,942	434,835	-13.4%
Copley	94,337	94,884	0.6%
Gifford	56,177	57,862	3.0%
Grace Cottage	20,960	19,255	-8.1%
Mount Ascutney	31,902	34,874	9.3%
North Country	66,552	72,850	9.5%
Northeastern	98,042	138,381	41.1%
Northwestern	223,191	223,689	0.2%
Porter	63,377	61,612	-2.8%
Rutland Regional	255,527	244,443	-4.3%
Southwestern	288,974	289,497	0.2%
Springfield	82,000	81,248	-0.9%
UVMHC	1,791,157	1,655,055	-7.6%
SYSTEM	3,612,203	3,567,685	-1.2%

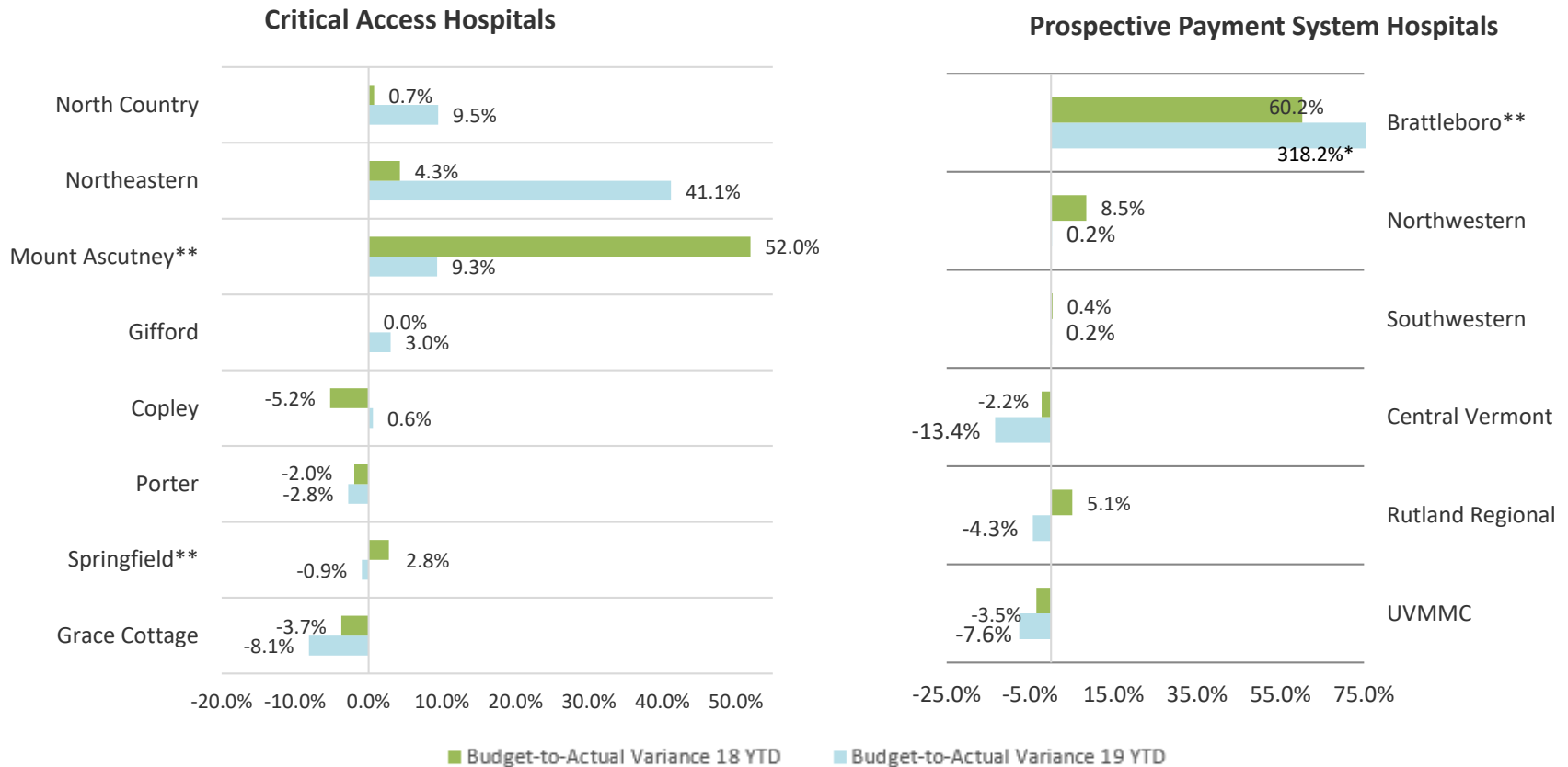
System Total with Brattleboro results removed: -4.6%

*Hospitals may count outpatient (OP) visits differently. This is in part due to OP visits including many different types of visits such as procedures, tests, exams, etc. GMCB staff is working to develop a more consistent definition for this statistic.

**Brattleboro Memorial Hospital included a broader range of services in their FY19 YTD calculation compared to their FY19 budget. The broadening of included services contributes to the substantially large variance.

Outpatient Visits Utilization: Budget-to-Actual Variance

FY19 YTD Comparison to FY18 YTD (October-September)



*Brattleboro Memorial Hospital included a broader range of services in their FY19 YTD calculation compared to their FY19 budget. The broadening of included services contributes to the substantially large variance.

**Data retrieved [from FY18 year-end report](#) (hospital did not submit in Adaptive)

Utilization: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-September)

Hospital	Variance Explanation
Brattleboro	<p>Utilization: Total admissions 14.5% over budget</p> <ul style="list-style-type: none"> • Surgical cases 5.4% under budget - largely due to turnover of Orthopedic and General surgeons. • Oncology 35% overbudget • Imaging 10.7% overbudget • Rehab Services 4.5% overbudget
CVMC	<p>Outpatient Visits are 13% under budget due to a decrease in volume at our Physician Practice Clinics.</p>
Copley	<p>We began the year with medical staff shortages that challenge our ability to meet budgeted utilization. By the end of May, we made up the majority of the gross revenue from that lost utilization and gross revenue remained close to budget thru July. In August, utilization was significantly lower than expected due largely to several medical staff vacations occurring during the month.</p>
Mount Ascutney	<p>IP, Rehab, and Swing utilization fall within variance guidelines. Outpatient utilization outperformance is explained above in OP NPR commentary.</p>

Utilization: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-September)

Hospital	Variance Explanation
Northeastern	Overall, utilization exceeds budget by more than 3%. The same factors contributing to the NPR excess revenue also apply to the utilization growth
North Country	Outpatient visits....our budget was based on the way our old system counted statistics....our new system Athena counts statistics differently....more than likely we will have a variance to stats all year.
Northwestern	Volumes across the organization have been impacted by the electronic health record system as discussed. The inpatient stats included in this submission continue to show soft inpatient volumes but the primary driver of reduced volumes is the reduction in physician office visits.
Porter	Increased utilization of routine inpatient services are driving higher than anticipated acute admissions, though total admissions remain within the 3% guideline.
Rutland	Year-to-date patient day volume was under budget 536 days, excluding nursery. In Fiscal 2019, admissions (discharges) were on budget and the ALOS of 4.66 was .08 days shorter than expected. The result is that year-to-date our average daily census was 88.1 versus a budget of 89.6.

Utilization: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-September)

Hospital	Variance Explanation
Southwestern	Inpatient admissions were 4.2% under plan for the year.
UVMHC	Acute Admissions 5.4% favorable, Total Admissions 4.7% favorable, Patient Days 6.3% favorable, driven by high Inpatient census; offset by Outpatient Visits 7.6% unfavorable.