

FY2021 Hospital Budgets Submitted

(Preliminary data)

August 14, 2020



Considerations

- Report is preliminary and based on hospital submissions, review with caution. Some hospitals suggested adjustments to base NPR & FPP; if Board approves, the adjustments may affect NPR & FPP growth rates.
- Hospital budget hearings are scheduled for August 18th, 20th, 24th, 26th and 28th. Board deliberation starts September 2nd.
- This Report is intended to provide information for hospital budget review and to facilitate Board discussion at public meetings.

INCOME STATEMENT	2019 A	2020 B	2020 PROJ	2021 B	2019A-2020P	2020B-2020P	2020B-2021B	2020P-2021B
Revenues								
Gross Patient Care Revenue	\$5,620,723,474	\$5,807,875,120	\$5,293,056,972	\$6,305,428,888	-5.8%	-8.9%	8.6%	19.1%
Disproportionate Share Payments	\$22,721,686	\$22,782,671	\$23,670,522	\$22,609,651	4.2%	3.9%	-0.8%	-4.5%
Graduate Medical Education (UVMC only)	\$30,000,000	\$30,000,000	\$32,293,753	\$30,000,000	7.6%	7.6%	0.0%	-7.1%
Bad Debt	-\$85,112,035	-\$83,253,454	-\$79,447,505	-\$93,469,791	-6.7%	-4.6%	12.3%	17.6%
Free Care	-\$45,031,467	-\$46,571,630	-\$44,731,755	-\$53,372,211	-0.7%	-4.0%	14.6%	19.3%
Deductions from Revenue	-\$3,218,774,923	-\$3,408,434,395	-\$3,126,173,238	-\$3,793,430,483	-2.9%	-8.3%	11.3%	21.3%
Net Patient Care Revenue	\$2,324,526,736	\$2,322,398,313	\$2,098,668,749	\$2,417,766,054	-9.7%	-9.6%	4.1%	15.2%
Fixed Prospective Payments, Reserves & Other								
Fixed Prospective Payments	\$274,411,758	\$395,414,708	\$330,036,574	\$408,082,319	20.3%	-16.5%	3.2%	23.6%
Reserves	-\$9,864,870	-\$1,000,000	-\$6,383,695	-\$8,614,548	-35.3%	538.4%	761.5%	34.9%
Other Reform Payments	\$470,602	\$518,620	\$4,765,049	-\$10,354,593	912.5%	818.8%	-2096.6%	-317.3%
Fixed Prospective Payments, Reserves & Other	\$265,017,490	\$394,933,328	\$328,417,928	\$389,113,179	23.9%	-16.8%	-1.5%	18.5%
Total NPR & FPP	\$2,589,544,226	\$2,717,331,641	\$2,427,086,677	\$2,806,879,233	-6.3%	-10.7%	3.3%	15.6%
COVID-19 Stimulus and Other Grant Funding	\$0	\$0	\$152,622,019	\$1,479,796				
Other	\$227,399,213	\$217,904,611	\$257,858,436	\$268,743,625	13.4%	18.3%	23.3%	4.2%
Other Operating Revenue	\$227,399,213	\$217,904,611	\$410,480,455	\$270,223,421	80.5%	88.4%	24.0%	-34.2%
Total Operating Revenue	\$2,816,943,439	\$2,935,236,252	\$2,837,567,132	\$3,077,102,654	0.7%	-3.3%	4.8%	8.4%
Expenses								
Salaries, Fringe Benefits, Physician Fees, Contracts	\$1,623,801,115	\$1,681,734,837	\$1,678,638,442	\$1,774,697,396	3.4%	-0.2%	5.5%	5.7%
Medical/Surgical Drugs and Supplies	\$267,859,914	\$268,955,512	\$318,833,453	\$366,782,598	19.0%	18.5%	36.4%	15.0%
Health Care Provider Tax	\$145,702,680	\$155,700,026	\$148,288,743	\$157,758,139	1.8%	-4.8%	1.3%	6.4%
Depreciation/Amortization	\$110,186,941	\$127,838,573	\$124,625,037	\$122,589,838	13.1%	-2.5%	-4.1%	-1.6%
Interest - Short and Long Term	\$20,900,737	\$24,042,162	\$24,023,211	\$24,097,568	14.9%	-0.1%	0.2%	0.3%
Other Operating Expenses (includes ACO Participation Fees)	\$627,390,964	\$610,451,941	\$545,905,137	\$574,371,765	-13.0%	-10.6%	-5.9%	5.2%
Operating Expense	\$2,795,842,352	\$2,868,723,052	\$2,840,314,022	\$3,020,297,305	1.6%	-1.0%	5.3%	6.3%
Net Operating Income	\$21,101,087	\$66,513,200	-\$2,746,890	\$56,805,349	-113.0%	-104.1%	-14.6%	-2168.0%
Non Operating Revenue	\$32,615,840	\$36,386,396	-\$13,183,862	\$35,862,106	-140.4%	-136.2%	-1.4%	-372.0%
Excess (Deficit) of Rev over Exp	\$53,716,927	\$102,899,596	-\$15,930,752	\$92,667,455	-129.7%	-115.5%	-9.9%	-681.7%
Income Statement Metrics								
Operating Margin %	0.7%	2.3%	-0.1%	1.8%				
Total Margin %	1.9%	3.5%	-0.6%	3.0%				

Change in Charge % FY2019-2021



	2019	2020				2021		2021 COVID-19	
	Approved	Submitted	Commercial Effective Rate	Approved	Commercial Effective Rate	Submitted	Commercial Effective Rate	Submitted	Commercial Effective Rate
Brattleboro Memorial Hospital	3.9%	3.4%		3.4%		2.9%	2.9%	2.0%	2.0%
Central Vermont Medical Center	2.3%	3.0%	5.9%	3.0%	5.9%	6.0%	8.5%		
Copley Hospital	4.5%	9.8%		9.8%		8.0%			
Gifford Medical Center	4.0%	5.0%		5.0%		4.0%			
Grace Cottage Hospital	3.2%	3.2%		3.2%		3.2%			
Mt. Ascutney Hospital & Health Center	2.9%	3.2%		3.2%		2.1%		2.2%	
North Country Hospital	3.6%	4.2%		4.2%		3.6%			
Northeastern VT Regional Hospital	3.0%	3.5%		3.0%		2.1%		1.8%	
Northwestern Medical Center	2.0%	5.9%		5.9%		19.9%		1.2%	
Porter Medical Center	2.8%	0.0%	2.6%	0.0%	2.6%	0.0%	5.8%		
Rutland Regional Medical Center	2.6%	2.65%		2.65%		6.0%			
Southwestern VT Medical Center	3.0%	2.8%		2.8%		3.5%			
Springfield Hospital	10.0%	0.0%		0.0%		4.0%			
The University of Vermont Medical Center	2.5%	3.0%	4.0%	3.0%	3.5%	8.0%	8.0%		
Estimated Weighted Average For All Hospitals**	2.9%	3.2%	n/a	3.1%	n/a	6.8%	n/a	0.2%	n/a

**Estimated Weighted Average for All Hospitals is calculated by factoring in each hospital's proportion of gross revenue to the change in charges (rate).

Net Patient Revenue and Fixed Prospective Payments for FY2019-2021



Hospital	FY2019 Actuals	FY2020 Approved Budget	FY2020 Projections	FY2021 Budget
Brattleboro Memorial Hospital	\$ 83,994,257	\$ 88,145,092	\$ 78,270,953	\$ 92,802,428
Central Vermont Medical Center	\$ 208,006,996	\$ 218,043,247	\$ 199,719,050	\$ 237,013,421
Copley Hospital	\$ 66,993,816	\$ 72,658,362	\$ 67,611,608	\$ 77,070,621
Gifford Medical Center	\$ 50,052,096	\$ 52,382,984	\$ 46,426,301	\$ 52,083,148
Grace Cottage Hospital	\$ 18,734,702	\$ 19,967,821	\$ 18,124,746	\$ 21,029,541
Mt. Ascutney Hospital & Health Ctr	\$ 50,849,386	\$ 53,755,559	\$ 47,869,172	\$ 56,294,272
North Country Hospital	\$ 80,634,917	\$ 83,623,249	\$ 74,050,203	\$ 82,736,965
Northeastern VT Regional Hospital	\$ 84,684,742	\$ 87,253,844	\$ 78,839,600	\$ 90,525,300
Northwestern Medical Center	\$ 106,529,464	\$ 116,926,579	\$ 97,389,133	\$ 116,693,229
Porter Medical Center	\$ 84,961,115	\$ 87,487,539	\$ 77,155,098	\$ 89,810,556
Rutland Regional Medical Center	\$ 257,189,661	\$ 267,787,827	\$ 233,920,097	\$ 247,487,684
Southwestern VT Medical Center	\$ 163,952,570	\$ 172,284,645	\$ 149,647,911	\$ 167,089,128
Springfield Hospital	\$ 47,392,824	\$ 48,889,189	\$ 42,669,914	\$ 51,268,608
University of Vermont Medical Center	\$ 1,285,234,193	\$ 1,348,125,703	\$ 1,215,392,893	\$ 1,424,974,332
All Vermont Community Hospitals	\$ 2,589,210,739	\$ 2,717,331,641	\$ 2,427,086,677	\$ 2,806,879,233

Net Patient Revenue and Fixed Prospective Payments for FY2019-2021 percentage changes



Hospital	FY19 Actual-to-FY20 Projection	FY20 Projection-to-FY20 Budget	FY20 Budget-to-FY21 Budget	FY20 Projection -to-FY21 Budget
Brattleboro Memorial Hospital	-6.8%	-11.2%	5.3%	18.6%
Central Vermont Medical Center	-4.0%	-8.4%	8.7%	18.7%
Copley Hospital	0.9%	-6.9%	6.1%	14.0%
Gifford Medical Center	-7.2%	-11.4%	-0.6%	12.2%
Grace Cottage Hospital	-3.3%	-9.2%	5.3%	16.0%
Mt. Ascutney Hospital & Health Ctr	-5.9%	-11.0%	4.7%	17.6%
North Country Hospital	-8.2%	-11.4%	-1.1%	11.7%
Northeastern VT Regional Hospital	-6.9%	-9.6%	3.7%	14.8%
Northwestern Medical Center	-8.6%	-16.7%	-0.2%	19.8%
Porter Medical Center	-9.2%	-11.8%	2.7%	16.4%
Rutland Regional Medical Center	-9.0%	-12.6%	-7.6%	5.8%
Southwestern VT Medical Center	-8.7%	-13.1%	-3.0%	11.7%
Springfield Hospital	-10.0%	-12.7%	4.9%	20.2%
University of Vermont Medical Center	<u>-5.4%</u>	<u>-9.8%</u>	<u>5.7%</u>	<u>17.2%</u>
All Vermont Community Hospitals	-6.3%	-10.7%	3.3%	15.6%

FY2021 Fixed Prospective Payments



Hospital	FY2021 Budget	FPP as a % of NPR/FPP
Brattleboro Memorial Hospital	\$ 13,839,826	14.9%
Central Vermont Medical Center	\$ 45,514,084	19.2%
Copley Hospital	\$ 4,820,035	6.3%
Gifford Medical Center	\$ 3,200,000	6.1%
Grace Cottage Hospital	\$ -	0.0%
Mt. Ascutney Hospital & Health Ctr	\$ 1,200,000	2.1%
North Country Hospital	\$ 7,035,060	8.5%
Northeastern VT Regional Hospital	\$ 7,799,000	8.6%
Northwestern Medical Center	\$ 20,376,132	17.5%
Porter Medical Center	\$ 20,661,081	23.0%
Rutland Regional Medical Center	\$ 14,824,780	6.0%
Southwestern VT Medical Center	\$ 37,050,000	22.2%
Springfield Hospital	\$ 5,787,881	11.3%
University of Vermont Medical Center	\$ 225,974,440	15.9%
All Vermont Community Hospitals	\$ 408,082,319	14.5%

Total Operating Revenue for FY2019-2021



Hospital	FY2019 Actuals	FY2020 Approved Budget	FY2020 Projections	FY2021 Budget
Brattleboro Memorial Hospital	\$ 87,765,845	\$ 91,855,725	\$ 93,691,805	\$ 96,497,282
Central Vermont Medical Center	\$ 223,738,002	\$ 234,243,239	\$ 231,136,856	\$ 254,472,362
Copley Hospital	\$ 68,138,092	\$ 73,472,043	\$ 73,813,871	\$ 77,899,302
Gifford Medical Center	\$ 51,525,194	\$ 53,203,802	\$ 52,742,022	\$ 53,570,950
Grace Cottage Hospital	\$ 19,441,546	\$ 20,902,981	\$ 21,329,133	\$ 22,751,577
Mt. Ascutney Hospital & Health Ctr	\$ 54,523,816	\$ 57,057,036	\$ 57,205,406	\$ 60,084,053
North Country Hospital	\$ 87,674,697	\$ 90,100,422	\$ 85,690,840	\$ 90,386,885
Northeastern VT Regional Hospital	\$ 88,816,877	\$ 91,922,244	\$ 89,867,135	\$ 95,432,700
Northwestern Medical Center	\$ 110,824,117	\$ 122,139,925	\$ 114,552,767	\$ 122,167,101
Porter Medical Center	\$ 91,354,445	\$ 93,867,865	\$ 90,460,524	\$ 96,718,336
Rutland Regional Medical Center	\$ 275,975,449	\$ 286,193,703	\$ 272,528,021	\$ 268,471,649
Southwestern VT Medical Center	\$ 171,361,145	\$ 178,006,790	\$ 165,997,161	\$ 174,594,302
Springfield Hospital	\$ 49,059,327	\$ 50,432,863	\$ 49,539,144	\$ 53,030,080
University of Vermont Medical Center	\$ 1,436,350,203	\$ 1,491,837,614	\$ 1,439,012,448	\$ 1,611,026,075
All Vermont Community Hospitals	\$ 2,816,548,756	\$ 2,935,236,252	\$ 2,837,567,132	\$ 3,077,102,654

COVID-19 Funds Reported in Other Operating Revenue for FY2020-2021



Hospital	FY2020 Projections	FY2021 Budget
Brattleboro Memorial Hospital	\$ 11,761,507	\$ -
Central Vermont Medical Center	\$ 17,294,746	\$ -
Copley Hospital	\$ 5,210,421	\$ -
Gifford Medical Center	\$ 5,148,081	\$ -
Grace Cottage Hospital	\$ 2,476,766	\$ 882,396
Mt. Ascutney Hospital & Health Ctr	\$ 5,256,145	\$ -
North Country Hospital	\$ 4,328,238	\$ -
Northeastern VT Regional Hospital	\$ 7,192,000	\$ 597,400
Northwestern Medical Center	\$ 12,616,067	\$ -
Porter Medical Center	\$ 6,814,738	\$ -
Rutland Regional Medical Center	\$ 19,909,383	\$ -
Southwestern VT Medical Center	\$ 10,221,192	\$ -
Springfield Hospital	\$ 5,790,543	\$ -
University of Vermont Medical Center	\$ 38,602,192	\$ -
All Vermont Community Hospitals	\$ 152,622,019	\$ 1,479,796

Operating Expenses for FY2019-2021



Hospital	FY2019 Actuals	FY2020 Approved Budget	FY2020 Projections	FY2021 Budget
Brattleboro Memorial Hospital	\$ 87,095,267	\$ 91,380,159	\$ 91,298,308	\$ 96,055,096
Central Vermont Medical Center	\$ 228,415,989	\$ 234,056,135	\$ 235,679,408	\$ 253,272,192
Copley Hospital	\$ 70,299,334	\$ 72,467,424	\$ 72,794,807	\$ 77,460,709
Gifford Medical Center	\$ 51,938,902	\$ 51,663,036	\$ 51,415,445	\$ 52,584,178
Grace Cottage Hospital	\$ 20,743,344	\$ 22,166,811	\$ 21,329,060	\$ 22,751,505
Mt. Ascutney Hospital & Health Ctr	\$ 54,566,701	\$ 57,057,036	\$ 56,290,134	\$ 59,732,546
North Country Hospital	\$ 85,997,751	\$ 88,628,481	\$ 83,876,743	\$ 88,834,100
Northeastern VT Regional Hospital	\$ 87,189,684	\$ 90,308,894	\$ 91,051,635	\$ 93,488,000
Northwestern Medical Center	\$ 119,729,265	\$ 122,388,212	\$ 119,259,134	\$ 119,362,165
Porter Medical Center	\$ 86,649,174	\$ 90,277,341	\$ 87,629,707	\$ 92,343,473
Rutland Regional Medical Center	\$ 274,016,566	\$ 279,494,600	\$ 271,204,487	\$ 266,770,899
Southwestern VT Medical Center	\$ 165,778,101	\$ 171,954,316	\$ 164,525,410	\$ 174,402,372
Springfield Hospital	\$ 58,081,280	\$ 51,418,019	\$ 50,784,883	\$ 52,489,647
University of Vermont Medical Center	\$ 1,404,942,642	\$ 1,445,462,587	\$ 1,443,174,861	\$ 1,570,750,423
All Vermont Community Hospitals	\$ 2,795,444,000	\$ 2,868,723,052	\$ 2,840,314,022	\$ 3,020,297,305

Operating Expense Growth for FY2019-2021



Hospital	FY19 Actual-to-FY20 Projection	FY20 Projection-to-FY20 Budget	FY20 Budget-to-FY21 Budget	FY20 Projection -to-FY21 Budget
Brattleboro Memorial Hospital	4.8%	-0.1%	5.1%	5.2%
Central Vermont Medical Center	3.2%	0.7%	8.2%	7.5%
Copley Hospital	3.5%	0.5%	6.9%	6.4%
Gifford Medical Center	-1.0%	-0.5%	1.8%	2.3%
Grace Cottage Hospital	2.8%	-3.8%	2.6%	6.7%
Mt. Ascutney Hospital & Health Ctr	3.2%	-1.3%	4.7%	6.1%
North Country Hospital	-2.5%	-5.4%	0.2%	5.9%
Northeastern VT Regional Hospital	4.4%	0.8%	3.5%	2.7%
Northwestern Medical Center	-0.4%	-2.6%	-2.5%	0.1%
Porter Medical Center	1.1%	-2.9%	2.3%	5.4%
Rutland Regional Medical Center	-1.0%	-3.0%	-4.6%	-1.6%
Southwestern VT Medical Center	-0.8%	-4.3%	1.4%	6.0%
Springfield Hospital	-12.6%	-1.2%	2.1%	3.4%
University of Vermont Medical Center	<u>2.7%</u>	<u>-0.2%</u>	<u>8.7%</u>	<u>8.8%</u>
All Vermont Community Hospitals	1.6%	-1.0%	5.3%	6.3%

Operating Margins for FY2019-2021



Hospital	FY2019 Actuals	FY2020 Approved Budget	FY2020 Projections	FY2021 Budget
Brattleboro Memorial Hospital	\$ 670,579	\$ 475,566	\$ 2,393,497	\$ 442,186
Central Vermont Medical Center	\$ (4,677,987)	\$ 187,103	\$ (4,542,553)	\$ 1,200,170
Copley Hospital	\$ (2,161,242)	\$ 1,004,619	\$ 1,019,064	\$ 438,593
Gifford Medical Center	\$ (413,707)	\$ 1,540,766	\$ 1,326,577	\$ 986,772
Grace Cottage Hospital	\$ (1,301,798)	\$ (1,263,830)	\$ 73	\$ 72
Mt. Ascutney Hospital & Health Ctr	\$ (42,885)	\$ (0)	\$ 915,272	\$ 351,507
North Country Hospital	\$ 1,676,946	\$ 1,471,941	\$ 1,814,097	\$ 1,552,785
Northeastern VT Regional Hospital	\$ 1,627,193	\$ 1,613,350	\$ (1,184,500)	\$ 1,944,700
Northwestern Medical Center	\$ (8,905,148)	\$ (248,287)	\$ (4,706,367)	\$ 2,804,936
Porter Medical Center	\$ 4,705,271	\$ 3,590,524	\$ 2,830,817	\$ 4,374,863
Rutland Regional Medical Center	\$ 1,958,883	\$ 6,699,103	\$ 1,323,534	\$ 1,700,750
Southwestern VT Medical Center	\$ 5,583,044	\$ 6,052,474	\$ 1,471,751	\$ 191,930
Springfield Hospital	\$ (9,021,953)	\$ (985,156)	\$ (1,245,739)	\$ 540,433
University of Vermont Medical Center	\$ 31,407,561	\$ 46,375,027	\$ (4,162,414)	\$ 40,275,652
All Vermont Community Hospitals	\$ 21,104,756	\$ 66,513,200	\$ (2,746,890)	\$ 56,805,349

Operating Margins % for FY2019-2021



Hospital	FY2019 Actuals	FY2020 Approved Budget	FY2020 Projections	FY2021 Budget
Brattleboro Memorial Hospital	0.8%	0.5%	2.6%	0.5%
Central Vermont Medical Center	-2.1%	0.1%	-2.0%	0.5%
Copley Hospital	-3.2%	1.4%	1.4%	0.6%
Gifford Medical Center	-0.8%	2.9%	2.5%	1.8%
Grace Cottage Hospital	-6.7%	-6.0%	0.0%	0.0%
Mt. Ascutney Hospital & Health Ctr	-0.1%	0.0%	1.6%	0.6%
North Country Hospital	1.9%	1.6%	2.1%	1.7%
Northeastern VT Regional Hospital	1.8%	1.8%	-1.3%	2.0%
Northwestern Medical Center	-8.0%	-0.2%	-4.1%	2.3%
Porter Medical Center	5.2%	3.8%	3.1%	4.5%
Rutland Regional Medical Center	0.7%	2.3%	0.5%	0.6%
Southwestern VT Medical Center	3.3%	3.4%	0.9%	0.1%
Springfield Hospital	-18.4%	-2.0%	-2.5%	1.0%
University of Vermont Medical Center	2.2%	3.1%	-0.3%	2.5%
All Vermont Community Hospitals	0.7%	2.3%	-0.1%	1.8%

COVID-19 Related Revenue

as reported by each hospital



Budget Fiscal Year 2021		
COVID-19 Related Hospital Revenue Replacement Funding Sources FY20		
Total Funding Sources		
Funding Sources	Amount	% of Total
Medicare Advance Funding	\$ 148,545,677	46.8%
State Funding	\$ 2,775,708	0.9%
Federal Funding	\$ 120,307,309	37.9%
Other (Please Specify)	\$ 18,819,974	5.9%
Other (Please Specify)	\$ 11,073,806	3.5%
Other (Please Specify)	\$ 15,795,741	5.0%
Other (Please Specify)	\$ 18,300	0.0%
TOTAL:	\$ 317,336,516	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	\$ 157,971,261	81.3%
State Funding	\$ 1,465,550	0.8%
Federal Funding	\$ -	0.0%
Other (Please Specify)	\$ 12,369,031	6.4%
Other (Please Specify)	\$ 7,461,119	3.8%
Other (Please Specify)	\$ 15,000,000	7.7%
Other (Please Specify)	\$ -	0.0%
TOTAL:	\$ 194,266,960	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)	\$ 44,416	0.0%
State Funding	\$ 1,388,608	1.0%
Federal Funding	\$ 120,307,309	89.4%
Other (Please Specify)	\$ 8,350,943	6.2%
Other (Please Specify)	\$ 3,612,688	2.7%
Other (Please Specify)	\$ 795,741	0.6%
Other (Please Specify)	\$ 18,300	0.0%
TOTAL:	\$ 134,518,005	100%

Note: "Other" varies by hospital, see individual hospital budget submissions.