

August 27, 2020

Follow up question from 08/26/20 GMCB budget hearing

1. Please provide analysis on why NPR/FPP are not realizing any of the increases in gross revenue. The "Change in charge and net revenue increase" schedule shows that we are expecting \$2,236,943 in additional net revenue from the actual.

Please see the chart below, for both budget 20 and budget 21 we are expecting the same percentage of reimbursement.

	BUDGET 20	BUDGET 21
GROSS REVENUE	199,661,481	202,715,312
TOTAL NPR & FPP		
LESS DSH	82,716,529	82,736,965
% REIMB	41%	41%

Also, if you look at July 2020 net revenue of \$6,650,570 annualized equals \$79,806,840. If you add the charge increase on it of 3.60% it equals \$82,679,886 which is almost the same amount as budget 2021 illustrating our budget 2021 is based on actual.

2. Please provide updated analysis of the Payer Mix, include bad debt and free care and FPP payments but do not include DSH. And if you did or did not include the DVHA Medicaid reimbursement assumptions.

Please see the attached updated file with the corrections to the payer mix tab , and we did not include the DVHA Medicaid reimbursement assumptions.

3. Please quantify both the budgeted ACO risk/reserves and ACO dues for FY21.

ACO risks/reserves = \$463,448

ACO dues for FY 21 = \$824,845

4. Please provide your inflation assumption for large expense categories.

Inflation assumptions:

SALARIES	2.00%
BENEFITS	4.00%
INSURANCE	2.00%
MEDICAL SUPPLIES	3.00%
UTILITIES	1.00%
OVERALL	2.00%