

Northwestern Medical Center, Inc.

FY2021 Budget Submission

Health Care Advocate Questions & Responses

1. Commercial Rate

In the table provided below, please provide by commercial payer (BCBSVT, TVHP, MVP, Cigna, and Other):

- a) The rate change you implemented in FY2020 and budgeted for FY2021.
- b) The budgeted FY2021 net patient revenue (NPR) and proposed NPR change from FY2020.
- c) The average ratio of the payer's reimbursement rate to Medicare's reimbursement rate.

	Rate Change		Net Patient Revenue			Medicare Reference
	FY2020 (Implemented)	FY2021 (Budget)	FY2020 (Budget)	FY2021 (Budget)	% Change from FY20B to FY21B	Average Ratio of Reimbursement Rate to Medicare Reimbursement Rate (FY2020)
BCBSVT	5.9%	19.9%	33,846,104	\$36,014,137	6.4%	1.3:1
TVHP	5.9%	19.9%	N/A	N/A	N/A	N/A
MVP	5.9%	19.9%	\$5,561,936	\$6,911,583	24.3%	1.3:1
Cigna	5.9%	19.9%	\$7,084,579	\$8,254,540	16.5%	1.4:1
Other	5.9%	19.9%	\$8,819,551	\$9,649,467	9.4%	0.3:1

TVHP does not account for a high enough level of net patient revenue to be modeled separately and is included in "Other". Workers Comp and Self-Pay are excluded.

2. Hospital Financial Assistance during COVID-19

- a) How have you changed your official or unofficial patient financial assistance policies and/or procedures during COVID-19?
- b) How have you handled patient collections during COVID-19?
 - i. How many patients had bills sent to collection agencies during each of the first three quarters of FY2020?
 - ii. How many patients currently have bills in collections? How does this number compare to a normal year for your hospital?

NMC collaborated with the HCA after the FY2020 budget presentation to update its patient financial assistance policy and plain language summary. NMC expanded the criteria to allow more individuals to qualify, by increasing the eligible income levels and by removing the Franklin and Grand Isle residency requirement. These changes proved timely as COVID-19 began to impact Vermonters shortly after. No additional formal or informal changes to the policy or our procedures have been made. NMC continues

to make every effort to qualify individuals for financial assistance and to provide personal help and guidance through the process.

Patient collections have followed the normal process during COVID-19. The following number of patients had bills sent to collections during the first three quarters of FY2020:

10/1/19 to 12/31/19 – 7,306

1/1/20 to 3/31/20 – 7,428

4/1/20 to 6/30/20 – 7,136

There are approximately 32,000 patients with bills currently in collections. This is a decrease from approximately 38,000 a year ago.

3. Provider Recruitment

- a) How (if at all) have you leveraged the federal J-1 visa waiver program in your recruitment of health care providers?

NMC has leveraged the federal J-1 visa waiver program in the recruitment of one physician. NMC has also leveraged the federal H-1B program for the recruitment of 5 physicians.