

**Southwestern Vermont Medical Center
Health Care Advocate FY 2021 Hospital Budget Guidance Questions**

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 FY 2020 and budgeted for FY 2021.
- b. The budgeted FY2021 net patient revenue (NPR) and proposed NPR change from FY 2020.
- c. The average ratio of the payer's reimbursement rate to Medicare's reimbursement

Table 1. Commercial 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	2.80%	3.5%	\$16,571,734	\$15,430,895	-6.9%	BC 87.2% of charge \$ Medicare 32% of charge \$
TVHP						
MVP	2.80%	3.5%	7,244,614	8,742,355	20.7%	MVP 79.9% of charge \$ Medicare 32% of charge \$
CIGNA	2.80%	3.5%	7,383,348	7,090,883	-4.0%	Cigna 87.6% of charge \$ Medicare 32% of charge \$
Other	2.80%	3.5%	53,302,991	50,008,530	-6.2%	Other 61.7% of charge \$ Medicare 32% of charge \$

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?

Although SVMC has not updated our policies or eligibility guidelines during COVID-19, we have made efforts to ensure that patients are aware of the program and encouraged patients who have been affected by COVID-19 to apply. We have extended time frames for completed applications when needed and have accepted year end W-2s when 2019 taxes have not been completed. We have identified patients who have lost insurance during the last few months and our financial counselor has worked with those patients to apply for health insurance. We have added an additional letter to our collection process that asks patients that have been affected by COVID-19 to reach out to us for options and are including a copy of the financial assistance application. This includes patients that are on payment plans who have missed a payment.

b. How have you handled patient collections during COVID-19?

SVMC made the decision in March to hold collection agency activity. SVMC reached out to the agencies that we work with and asked that they place all accounts on hold and not engage in collection activities on SVMC patient accounts. The collections agencies held activity on previously placed accounts from 3/23/20 – 7/1/20. SVMC held new accounts from being sent to collection from 3/15/20 – 7/20/20. SVMC is resuming placing accounts in collection as of 7/20/20. Prior to sending to collections, all patients are being sent a letter to please contact us if they are unable to make payment for alternate payment options or financial assistance (application included with letter). Any patient that contacts us indicating that they are unable to make payment, will not be sent to a collection agency at this time.

i. How many patients had bills sent to collection agencies during each of the first three quarters of FY 2020?

Q1 (Oct19-Dec19) = 5,758

Q2 (Jan20-Mar20) = 4,518

Q3 (Apr20-Jun20) = 0

ii. How many patients currently have bills in collections? How does this number compare to normal year for your hospital?

As of June 30, 2020 SVMC had 4,655 accounts in collection. We do anticipate an increase but will work with patients to provide free care and insurance counseling.

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?

The hospital advertises through recruiting venues that we accept J-1 visa waiver applicants. SVMC currently employs two physicians with J-1 visa waivers.

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If there are any questions or comments please do not hesitate to contact Stephen D. Majetich, Chief Financial Officer at 802.447.5011 or Stephen.majetich@svhealthcare.org.