

THE
University of Vermont
MEDICAL CENTER

By Electronic Mail & U.S. Mail

July 29, 2022

Ms. Donna Jerry
Senior Health Policy Analyst
Green Mountain Care Board
144 State Street
Montpelier, VT 05602
Donna.Jerry@vermont.gov

Re: Docket No. GMCB-003-22con, Relocation of UVMMC's Existing Outpatient Dermatology and Ophthalmology Practices to 350 Tilley Drive. Project Cost: \$35,426,100.

Dear Ms. Jerry:

The University of Vermont Medical Center Inc. ("UVM Medical Center") hereby responds in part to the Green Mountain Care Board's ("Board") Requests for Additional Information Q.003, dated April 12, 2022, regarding the above-referenced project.

- 1. The proposed year 2023 is left out of all tables. Explain whether there are expected expenses and cash flow in 2023. If so, revise and resubmit all financial tables.**

Response: Because this project is planned to commence in 2024 (Year One) rather than 2023, we have included all project costs beginning with 2024. In addition, we have expanded the template to include five years' project data (the original template only asks for three). Otherwise, the tables would have shown one year (2023) with essentially no information and only two additional years of the project.

- 2. The proposed years 2024-2028 are the same values as the FY22 budget in Section A of Tables 3, 4, and 7. Revise and resubmit with projections.**

Response:

Table 3: Please see the attached revised Table 3 (Income Statement). As the Board has requested relative to this project, we are submitting a revised Table 3 that includes growth projections for the next several fiscal years. To arrive at the base for future projections, we began with UVMMC's FY22 budget, and adjusted it by the approved 2022 mid-year budget

adjustment, and the FY23 budget request (Year One of the project is 2024). We then applied an estimate for future years cost inflation at a rate of 3.5%. This methodology was applied to all non-project-related expense categories uniformly, and to project-related expense categories that are variable. It does not apply to categories that do not change in the project pro-forma such as depreciation.

For revenue modeling, we assumed that cost inflation will determine rate changes, which will be approved as necessary to cover cost inflation. The model uniformly applied the same rate adjustment factor to all payer and other revenue categories.

While the methodology used to arrive at these projections produces a reasonable proxy for expected future growth under normal economic circumstances, the projections are inherently inexact and speculative because actual outcomes in FY24-28 depend upon factors that are unknowable at this time and/or partially or fully outside of our control. These factors include but are not limited to patient volumes, investment performance, cost inflation, payer mix, Board budget approval, payer negotiations, workforce dynamics, and Medicare and Medicaid rate increases. As a result, the projections contained in Table 3 likely will not correspond to information contained in similar tables submitted as part of future budget or other submissions, which will be based on the best information available to us at the time of those submissions.

Table 7: We have not submitted a revised Table 7 (Utilization). The Table 7 that UVMMC previously submitted as part of its CON application projects only the anticipated changes in utilization that will result from the proposed project, and holds other utilization constant. As the Board is aware, UVMMC currently faces significant capacity constraints that can only be lifted through new initiatives and projects, such as the proposed project. We will continue to update our utilization projections via the CON and/or budget filings that incorporate the volume projections associated with each, thereby providing the Board with our best and most current projections of volume and therefore revenue. But it would be extraordinarily burdensome and speculative to attempt to calculate and consolidate all of those projections of volumes for several years into the future in each individual CON filing.

Table 4: We will submit a revised Table 4 next week.

- 3. Table 3, Income Statement, reports a Lease Expense Savings of \$251,919 through 2024-2028, totaling \$1,259,595. Explain whether these savings are normally reflected in the financials or whether these amounts are being used as a cost benefit analysis. The operating loss or gain from the project would be offset by these amounts if UVMMC does not normally record these in its financials.**

Response: Savings due to the project are typically reflected in the financial pro forma as a separate line item.

- 4. For FY24, the total Cash Disbursement is \$34,137,862, which is a difference of \$1,108,237 in the total project cost. Explain and identify what comprises the difference between these two amounts.**

Response: The cash disbursement excludes capitalized interest and depreciation since those are non-cash expenses and therefore not included in cash flow.

5. Provide Tables 6 A, B and C, Revenue Source Projections by Payer.

Response: Please see the attached revised tables 6A, B, and C.

6. Table 7 for the Project Only and the Project Pro Forma worksheet on page 13 of the application indicate an increased utilization volume for physician office visits, but there is no increased volume in Other Ancillary services on the tables including Operating Room Procedures or Cases. Explain in detail why this volume is not included.

Response: To project volumes for a specific project, we typically focus on core services and changes to those services as a result of the project. For this project, we focused on clinic visit volume (volumes for smaller procedures performed within the clinic are included in projected volumes) and did not project changes to other ancillary services (labs, radiology, primary care, or surgery, for example) that would potentially be triggered as a result of this project. This prevents double counting of the same volumes, costs and revenues in different capital projects. For example, if a new MRI was proposed for UVM Medical Center, we would not account for growth in surgeries that may result from incremental MRI scans.

7. In Table 8 (Staffing) it states that in years 2027-2028 UVMMC is expected to hire an additional doctor but does not show any additional non-MD to support the additional doctor. Explain why this is the case.

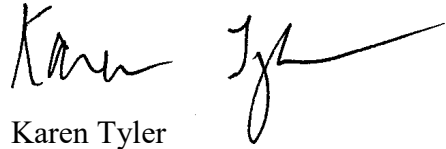
Response: We added one provider in 2027-2028 based on the projected growth in visit volumes for the Ophthalmology clinic. When we evaluated the staffing model for the future clinic, however, we determined that combining two practices into one should create increased efficiencies and as a result, additional support staff would not be needed.

8. UVMMC's FY22 hospital budget submission for CON projects and the relocation of the Dermatology and Ophthalmology departments shows \$20,957,236 and the total project cost is now \$35,246,100, which is a 68% increase. Explain this variance.

Response: The lower projected cost in the FY22 budget assumed that the property would be leased, and that the lease would be treated as an operating expense. As explained in the applicant's Conceptual Certificate of Need and Request for Relief from Sanctions, however, the Financial Accounting Standards Board ("FASB") lease classification rules were changed approximately two years after project planning began. When the project cost was reevaluated under the new FASB rules, UVMMC determined it was most advantageous to purchase the 350 Tilley Drive building, rather than enter into a lease agreement. (Note that given the FASB change, the capital costs would exceed \$30 million whether UVM Medical Center buys or leases the building.) In addition to this change, recent inflationary pressures and the need for a higher contingency have increased the final cost of the project.

Thank you for your attention to UVM Medical Center's application. Please let us know if you have any further questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen Tyler", with a long horizontal flourish extending to the right.

Karen Tyler
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The University of Vermont Health Network
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(802) 847-1502

THE UNIVERSITY OF VERMONT MEDICAL CENTER

350 Tilley Drive - Table 3A

INCOME STATEMENT Table 3A WITHOUT PROJECT																	
	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	Proposed Yr 1 2024	% change	Proposed Yr 2 2025	% change	Proposed Yr 3 2026	% change	Proposed Yr 4 2027	% change	Proposed Yr 5 2028	% change
REVENUES																	
INPATIENT CARE REVENUE	961,991,066	-	-100.0%	987,667,855	#DIV/0!	1,139,480,429	15.4%	1,242,025,073	9.0%	1,272,736,125	2.5%	1,308,667,387	2.8%	1,350,286,855	3.2%	1,389,136,453	2.9%
OUTPATIENT CARE REVENUE	1,199,832,825	3,266,603,970	172.3%	1,473,369,737	-54.9%	1,608,905,587	9.2%	1,753,694,954	9.0%	1,797,057,862	2.5%	1,847,791,517	2.8%	1,906,556,717	3.2%	1,961,410,958	2.9%
OUTPATIENT CARE REVENUE - PHYSICIAN	534,405,279	-	-100.0%	573,834,762	#DIV/0!	701,663,177	22.3%	764,807,570	9.0%	783,718,658	2.5%	805,844,219	2.8%	831,472,433	3.2%	855,395,030	2.9%
CHRONIC/SNF PT CARE REVENUE	22,840,995	-	-100.0%	18,965,000	#DIV/0!	35,633,122	87.9%	38,639,934	9.0%	39,800,211	2.5%	40,923,831	2.8%	42,225,329	3.2%	43,440,210	2.9%
SWING BEDS PT CARE REVENUE	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
GROSS PATIENT CARE REVENUE	2,719,070,165	3,266,603,970	20.1%	3,053,837,444	-6.5%	3,485,682,315	14.1%	3,799,367,431	9.0%	3,893,312,856	2.5%	4,003,226,954	2.8%	4,130,541,334	3.2%	4,249,382,651	2.9%
DISPROPORTIONATE SHARE PAYMENTS	11,260,268	11,214,283	-0.4%	11,223,480	0.1%	11,214,283	0.1%	12,223,484	9.0%	12,525,729	2.5%	12,879,349	2.8%	13,288,950	3.2%	13,671,292	2.9%
BAD DEBT FREE CARE	(46,435,209)	(59,260,462)	27.6%	(44,297,609)	-25.2%	(62,334,502)	40.7%	(67,944,137)	9.0%	(69,624,164)	2.5%	(71,589,759)	2.8%	(73,866,524)	3.2%	(75,991,765)	2.9%
DEDUCTIONS FROM REVENUE	(1,650,456,761)	(2,031,322,732)	23.1%	(1,896,942,492)	-6.6%	(2,118,848,559)	11.7%	(2,309,528,946)	9.0%	(2,366,635,736)	2.5%	(2,433,449,435)	2.8%	(2,510,840,277)	3.2%	(2,583,080,582)	2.9%
NET PATIENT CARE REVENUE	1,033,438,463	1,187,235,059	14.9%	1,123,820,823	-5.3%	1,315,713,538	17.1%	1,434,117,832	9.0%	1,469,578,685	2.5%	1,511,067,109	2.8%	1,559,123,484	3.2%	1,603,981,595	9.1%
FIXED PROSPECTIVE PAYMENTS AND RESERVES	186,289,772	228,421,374	37.4%	171,967,015	-24.7%	184,880,390	7.5%	201,518,230	9.0%	206,501,090	2.5%	212,330,828	2.8%	219,083,675	3.2%	225,387,012	2.9%
NET PATIENT CARE REV & FIXED PAYMENTS & RESERVE	1,199,728,235	1,415,656,433	18.0%	1,295,787,839	-8.5%	1,500,593,928	15.8%	1,635,636,063	9.0%	1,676,079,776	2.5%	1,723,398,037	2.8%	1,778,207,159	3.2%	1,829,368,608	9.1%
OTHER OPERATING REVENUE	258,366,310	186,051,743	-28.0%	281,949,621	51.5%	213,583,061	-24.2%	232,803,925	9.0%	238,560,374	2.5%	245,295,293	2.8%	253,096,404	3.2%	260,378,333	2.9%
TOTAL OPERATING REVENUE	1,458,094,545	1,601,708,176	9.8%	1,577,737,460	-1.5%	1,714,176,988	8.6%	1,868,439,988	9.0%	1,914,640,149	2.5%	1,968,693,330	2.8%	2,031,303,563	3.2%	2,089,746,941	9.1%
OPERATING EXPENSE																	
SALARIES NON MD	490,345,065	889,402,666	81.4%	523,224,792	-41.2%	551,773,862	5.5%	601,429,348	9.0%	616,300,648	2.5%	633,699,746	2.8%	653,853,260	3.2%	672,865,511	2.9%
FRINGE BENEFITS NON MD	120,434,942	-	-100.0%	129,907,527	#DIV/0!	151,565,893	16.7%	165,205,669	9.0%	169,290,643	2.5%	174,069,973	2.8%	179,605,910	3.2%	184,773,417	2.9%
PHYSICIAN FEES & SALARIES	194,141,108	-	-100.0%	190,968,928	#DIV/0!	205,922,158	7.8%	224,453,599	9.0%	230,003,572	2.5%	236,496,920	2.8%	244,018,217	3.2%	251,038,955	2.9%
FRINGE BENEFITS MD	29,930,947	-	-100.0%	40,860,089	#DIV/0!	40,408,673	-1.1%	44,045,148	9.0%	45,134,235	2.5%	46,408,443	2.8%	47,884,367	3.2%	49,262,066	2.9%
HEALTH CARE PROVIDER TAX	68,693,127	80,937,888	17.8%	76,329,409	-5.7%	85,942,735	12.6%	93,676,933	9.0%	95,993,245	2.5%	98,703,279	2.8%	101,842,334	3.2%	104,772,477	2.9%
DEPRECIATION AMORTIZATION	65,902,262	64,112,813	-2.7%	62,586,568	-2.4%	70,212,839	12.2%	70,212,839	0.0%	70,212,839	0.0%	70,212,839	0.0%	70,212,839	0.0%	70,212,839	0.0%
INTEREST - LONG/SHORT TERM	17,501,651	17,109,699	-2.2%	16,343,755	-4.5%	16,569,123	1.4%	16,569,123	0.0%	16,569,123	0.0%	16,569,123	0.0%	16,569,123	0.0%	16,569,123	0.0%
OTHER OPERATING EXPENSE	475,152,716	510,102,604	7.4%	484,645,233	-5.0%	540,356,407	11.5%	588,984,407	9.0%	603,547,987	2.5%	620,587,058	2.8%	640,323,550	3.2%	658,746,533	2.9%
TOTAL OPERATING EXPENSE	1,462,101,819	1,561,665,470	6.8%	1,524,866,301	-2.4%	1,662,751,679	9.0%	1,804,577,066	8.5%	1,847,052,292	2.4%	1,896,747,380	2.7%	1,954,309,599	3.0%	2,008,040,920	8.7%
NET OPERATING INCOME (LOSS)	(4,007,273)	40,042,705	-1099.3%	52,871,159	32.0%	51,425,310	-2.7%	63,862,922	24.2%	67,587,857	5.8%	71,945,950	6.4%	76,993,964	7.0%	81,706,021	20.9%
NON-OPERATING REVENUE	(13,736,029)	13,823,608	-200.6%	74,201,402	436.8%	20,981,262	-71.7%	22,869,417	9.0%	23,434,900	2.5%	24,096,503	2.8%	24,862,842	3.2%	25,578,180	2.9%
EXCESS (DEFICIT) OF REVENUE OVER EXPENSE	(17,743,303)	53,866,313	-403.6%	127,072,561	135.9%	72,406,572	-43.0%	86,732,339	19.8%	91,022,757	4.9%	96,042,452	5.5%	101,656,806	6.1%	107,284,201	17.9%
Operating Margin %	-0.3%	2.5%		3.4%		3.0%		3.4%		3.5%		3.7%		3.8%		3.9%	
Bad Debt & Free Care%	1.7%	1.8%		1.5%		1.8%		1.8%		1.8%		1.8%		1.8%		1.8%	
Compensation Ratio	57.1%	57.0%		58.0%		57.1%		57.4%		57.4%		57.5%		57.6%		57.7%	
Capital Cost % of Total Expenses	5.7%	5.2%		5.2%		5.2%		4.8%		4.7%		4.6%		4.4%		4.3%	

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Tilley Drive																	
INCOME STATEMENT																	
Table 3B																	
PROJECT ONLY																	
	2020	2021	2021	2022	Proposed Yr 2		Proposed Yr 2		Proposed Yr 2		Proposed Yr 2		Proposed Yr 3		Proposed Yr 3		
					Actual	Budget	% change	Projection	% change	Budget	% change	YYYY	% change	YYYY	% change	YYYY	% change
REVENUES																	
INPATIENT CARE REVENUE			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
OUTPATIENT CARE REVENUE			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
OUTPATIENT CARE REVENUE - PHYSICIAN			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
CHRONIC/SNF PT CARE REVENUE			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
SWING BEDS PT CARE REVENUE			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
GROSS PATIENT CARE REVENUE	-	-	#DIV/0!	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-
DISPROPORTIONATE SHARE PAYMENTS			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
BAD DEBT FREE CARE			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
DEDUCTIONS FROM REVENUE			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
NET PATIENT CARE REVENUE			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
FIXED PROSPECTIVE PAYMENTS AND RESERVES	#VALUE!	#VALUE!	#VALUE!			#VALUE!		#VALUE!		#VALUE!		#VALUE!		#VALUE!		#VALUE!	
NET PATIENT CARE REV & FIXED PAYMENTS & RESERVES			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
Incremental Volume - Net Patient Revenue																	
Reimb. Adjustment for Medicare Population 11																	
Adjusted: NET PATIENT CARE REV & FIXED PAYMENTS & RESERVES																	
OTHER OPERATING REVENUE			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
Additional Volume: OP Pharmacy Revenue after Expenses																	
TOTAL OPERATING REVENUE	-	-	#DIV/0!	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-
OPERATING EXPENSE																	
SALARIES NON MD			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
FRINGE BENEFITS NON MD			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
PHYSICIAN FEES & SALARIES			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
FRINGE BENEFITS MD			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
HEALTH CARE PROVIDER TAX			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
DEPRECIATION AMORTIZATION			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
INTEREST - LONG/SHORT TERM			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
OTHER OPERATING EXPENSE			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
Facility Operating Expense			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
Med/Surg/Pharmaceutical Supplies			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
Lease Expense Savings			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
TOTAL OPERATING EXPENSE	-	-	#DIV/0!	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-
NET OPERATING INCOME (LOSS)	-	-	#DIV/0!	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-
NON-OPERATING REVENUE			#DIV/0!			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	
EXCESS (DEFICIT) OF REVENUE OVER EXPENSE	-	-	#DIV/0!	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-

THE UNIVERSITY OF VERMONT MEDICAL CENTER

350 Tilley Drive - Table 3A

Note: This table requires no "fill-in" as it is populated automatically

INCOME STATEMENT

Table 3C

	2020		2021		2021		2022		WITH PROJECT		Proposed Yr 2		Proposed Yr 2		Proposed Yr 2		Proposed Yr 3	
	Actual	Budget	% change	Projection	% change	Budget	% change	2024	% change	2025	% change	2026	% change	2027	% change	2028	% change	
REVENUES																		
INPATIENT CARE REVENUE	961,991,066	-	-100.0%	987,667,855	#DIV/0!	1,139,480,429	15.4%	1,242,025,073	9.0%	1,272,736,125	2.5%	1,308,667,387	2.8%	1,350,286,855	3.2%	1,389,136,453	9.1%	
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OUTPATIENT CARE REVENUE - PHYSICIAN	534,405,279	-	-100.0%	573,834,762	#DIV/0!	701,663,177	22.3%	764,807,570	9.0%	783,718,658	2.5%	805,844,219	2.8%	831,472,433	3.2%	855,395,030	9.1%	
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SWINGS BEDS PT CARE REVENUE	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	
GROSS PATIENT CARE REVENUE	2,719,070,165	3,266,603,970	20.1%	3,053,837,444	-6.5%	3,485,682,315	14.1%	3,799,367,431	9.0%	3,893,312,856	2.5%	4,003,226,954	2.8%	4,130,541,334	3.2%	4,249,382,651	9.1%	
DISPROPORTIONATE SHARE PAYMENTS	11,260,268	11,214,283	-0.4%	11,223,480	0.1%	11,214,283	-0.1%	12,223,484	9.0%	12,525,729	2.5%	12,879,349	2.8%	13,288,950	3.2%	13,671,292	9.1%	
BAD DEBT FREE CARE	(46,435,209)	(59,260,462)	27.6%	(44,297,609)	-25.2%	(62,334,502)	40.7%	(67,944,137)	9.0%	(69,624,164)	2.5%	(71,589,759)	2.8%	(73,866,524)	3.2%	(75,991,765)	9.1%	
DEDUCTIONS FROM REVENUE	(1,650,456,761)	(2,031,322,732)	23.1%	(1,896,942,492)	-6.6%	(2,118,848,558)	11.7%	(2,309,528,946)	9.0%	(2,366,635,736)	2.5%	(2,433,449,435)	2.8%	(2,510,840,277)	3.2%	(2,583,080,582)	9.1%	
NET PATIENT CARE REVENUE	1,033,438,463	1,187,235,059	14.9%	1,123,820,823	-5.3%	1,315,713,538	17.1%	1,434,117,832	9.0%	1,469,578,685	2.5%	1,511,067,109	2.8%	1,559,123,484	3.2%	1,603,981,586	9.1%	
FIXED PROSPECTIVE PAYMENTS AND RESERVES	#VALUE!	#VALUE!	#VALUE!	171,967,015	#VALUE!	184,880,390	7.5%	201,518,230	9.0%	206,501,090	2.5%	212,330,928	2.8%	219,083,675	3.2%	225,387,012	9.1%	
NET PATIENT CARE REV & FIXED PAYMENTS & RESERVE	1,199,728,235	1,415,856,433	18.0%	1,295,787,839	-8.5%	1,500,593,928	15.8%	1,635,636,063	9.0%	1,676,079,776	2.5%	1,723,398,037	2.8%	1,778,207,159	3.2%	1,829,368,608	9.1%	
Incremental Volume - Net Patient Revenue							8,102,997	#DIV/0!	8,345,882	3.0%	9,089,368	8.9%	9,745,144	7.2%	10,328,808	6.0%		
Reimb. Adjustment for Medicare Population 11							-4,314,016	#DIV/0!	-4,055,704	-6.0%	-4,069,576	0.3%	-4,083,711	0.3%	-4,071,713	-0.3%		
Adjusted: NET PATIENT CARE REV & FIXED PAYMENTS & RESERVES							1,639,425,044	#DIV/0!	1,680,369,953	2.5%	1,729,417,829	2.9%	1,783,868,591	3.2%	1,835,625,703	2.9%		
OTHER OPERATING REVENUE	258,366,310	186,051,743	-28.0%	281,949,621	51.5%	213,583,061	-24.2%	232,803,925	9.0%	238,560,374	2.5%	245,295,293	2.8%	253,096,404	3.2%	260,378,333	9.1%	
Additional Volume: OP Pharmacy Revenue after Expenses							1,436,665		1,449,598		1,552,308		1,641,293		1,719,305			
TOTAL OPERATING REVENUE	1,458,094,545	1,601,708,176	9.8%	1,577,737,460	-1.5%	1,714,176,988	8.6%	1,873,665,634	9.3%	1,920,379,924	2.5%	1,975,265,430	2.9%	2,038,606,289	3.2%	2,097,723,341	9.2%	
OPERATING EXPENSE																		
SALARIES NON MD	490,345,065	889,402,666	81.4%	523,224,792	-41.2%	551,773,862	5.5%	601,519,454	9.0%	616,393,909	2.5%	633,796,270	2.8%	653,953,163	3.2%	672,768,911	9.1%	
FRINGE BENEFITS NON MD	120,434,942	-	-100.0%	129,907,527	#DIV/0!	151,555,893	16.7%	165,234,233	9.0%	169,320,206	2.5%	174,100,572	2.8%	179,637,579	3.2%	184,806,195	9.1%	
FRINGE BENEFITS MD	194,141,108	-	-100.0%	190,968,928	#DIV/0!	205,922,158	7.8%	224,659,987	9.1%	230,217,184	2.5%	236,718,009	2.8%	244,333,473	3.2%	251,365,244	9.2%	
PHYSICIAN FEES & SALARIES	29,930,947	-	-100.0%	40,860,089	#DIV/0!	40,408,673	-1.1%	44,870,702	11.0%	45,988,683	2.5%	47,292,796	2.8%	49,145,390	3.9%	50,567,224	10.0%	
HEALTH CARE PROVIDER TAX	68,693,127	80,937,888	17.8%	76,329,409	-5.7%	85,942,735	12.6%	93,916,157	9.3%	96,291,806	2.5%	99,068,319	2.9%	102,293,432	3.3%	105,284,603	9.3%	
DEPRECIATION AMORTIZATION	65,902,262	64,112,613	-2.7%	62,588,568	-2.4%	70,212,839	12.2%	72,219,206	2.9%	72,219,206	0.0%	72,219,206	0.0%	72,219,206	0.0%	72,219,206	0.0%	
INTEREST - LONG/SHORT TERM	17,501,651	17,109,699	-2.2%	16,343,755	-4.5%	16,569,123	1.4%	16,569,123	0.0%	16,569,123	0.0%	16,569,123	0.0%	16,569,123	0.0%	16,569,123	0.0%	
OTHER OPERATING EXPENSE	475,152,716	510,102,604	7.4%	484,645,233	5.0%	540,356,407	11.5%	589,079,017	9.0%	603,643,717	2.5%	620,700,531	2.8%	640,453,518	3.2%	658,893,370	9.2%	
Facility Operating Expense			#DIV/0!		#DIV/0!		984,957	#DIV/0!	937,079	-8.0%	937,877	3.5%	970,776	3.5%	1,004,825	10.9%		
Med/Surg/Pharmaceutical Supplies			#DIV/0!		#DIV/0!		2,335,500	#DIV/0!	2,651,450	13.5%	2,972,893	12.1%	3,277,555	10.2%	3,588,831	35.4%		
Lease Expense Savings			#DIV/0!		#DIV/0!		-251,919	#DIV/0!	-251,919	0.0%	-251,919	0.0%	-251,919	0.0%	-251,919	0.0%		
TOTAL OPERATING EXPENSE	1,462,101,819	1,561,665,470	6.8%	1,524,866,301	-2.4%	1,662,751,679	9.0%	1,811,136,416	8.9%	1,853,949,444	2.4%	1,904,123,675	2.7%	1,962,601,294	3.1%	2,016,815,612	8.8%	
NET OPERATING INCOME (LOSS)	(4,007,273)	40,042,705	-1099.3%	52,871,159	32.0%	51,425,310	-2.7%	62,529,218	21.6%	66,430,480	6.2%	71,141,755	7.1%	76,004,995	6.8%	80,907,729	21.8%	
NON-OPERATING REVENUE	(13,736,029)	13,823,608	-200.6%	74,201,402	436.8%	20,981,262	-71.7%	22,869,417	9.0%	23,434,900	2.5%	24,096,503	2.8%	24,862,842	3.2%	25,578,180	9.1%	
EXCESS (DEFICIT) OF REVENUE OVER EXPENSE	(17,743,303)	53,866,313	-403.6%	127,072,561	135.9%	72,406,572	-43.0%	85,398,635	17.9%	89,865,380	5.2%	95,238,258	6.0%	100,867,837	5.9%	106,485,909	18.5%	
Operating Margin %	-0.3%	2.5%		3.4%		3.0%		3.3%		3.5%		3.6%		3.7%		3.9%		
Bad Debt & Free Care%		1.8%		1.5%		1.8%		1.8%		1.8%		1.8%		1.8%		1.8%		
Compensation Ratio	57.1%	57.0%		58.0%		57.1%		57.2%		57.3%		57.3%		57.4%		57.5%		
Capital Cost % of Total Expenses	5.7%	5.2%		5.2%		5.2%		4.9%		4.8%		4.7%		4.5%		4.4%		

THE UNIVERSITY OF VERMONT MEDICAL CENTER

350 Tilley Drive

PAYER REVENUE REPORT

WITHOUT PROJECT

	2020 Actual	2021 Budget	% change	2021 Projection		2022 Budget	% change	2024 Proposed Year 1		2025 Proposed Year 2		2026 Proposed Year 3		2027 Proposed Year 4		2028 Proposed Year 5	
				% change	% change			% change	% change	% change	% change	% change	% change				
Commercial																	
Hospital	807,916,615	1,357,195,307	68.0%	958,011,237	-29.4%	1,025,834,000	7.1%	1,118,151,322	9.0%	1,145,799,399	2.5%	1,178,147,045	2.8%	1,215,615,583	3.2%	1,250,590,504	2.9%
Physician	258,809,132	0	-100.0%	272,777,028	#DIV/0!	337,221,067	23.6%	367,568,419	9.0%	376,657,135	2.5%	387,290,735	2.8%	399,607,718	3.2%	411,104,978	2.9%
Total Revenue	1,066,725,747	1,357,195,307	27.2%	1,230,788,265	-9.3%	1,363,055,067	10.7%	1,485,719,742	9.0%	1,522,456,534	2.5%	1,565,437,780	2.8%	1,615,223,301	3.2%	1,661,695,482	2.9%
Allowances - Hospital	-219,527,510	-436,714,915	98.9%	-290,765,317	-33.4%	-283,429,475	-2.5%	-308,935,990	9.0%	-316,574,926	2.5%	-325,512,313	2.8%	-335,864,562	3.2%	-345,527,844	2.9%
Allowances - Physicians	-111,495,294	0	-100.0%	-120,886,689	#DIV/0!	-149,807,547	23.9%	-163,289,097	9.0%	-167,326,680	2.5%	-172,050,565	2.8%	-177,522,279	3.2%	-182,629,837	2.9%
Free Care	-15,524,709	-23,305,652	50.1%	-9,818,612	-57.9%	-15,406,387	53.2%	-16,400,449	0.0%	-16,805,976	2.5%	-17,280,434	2.8%	-17,830,003	3.2%	-18,342,996	2.9%
Bad Debt	-23,221,147	-35,954,810	54.8%	-22,294,080	-38.1%	-27,274,649	22.5%	-29,729,162	9.0%	-30,464,253	2.5%	-31,324,315	2.8%	-32,320,520	3.2%	-33,250,426	2.9%
Net Payer Revenue	696,957,086	861,219,930	23.6%	787,053,567	-8.6%	887,587,865	12.8%	967,365,044	9.0%	991,284,689	2.5%	1,019,270,152	2.8%	1,051,685,938	3.2%	1,081,944,379	2.9%
Fixed Prospective Payment & Reserves	181,765	-673,285	-470.4%	1,161,499	-272.5%	308,452	-73.4%	336,210	9.0%	344,524	2.5%	354,250	2.8%	365,516	3.2%	376,033	2.9%
Total Net Payer Revenue & Fixed Prospective Payment	697,138,851	860,546,645	23.4%	788,215,066	-8.4%	887,896,317	12.6%	967,701,255	9.0%	991,629,213	2.5%	1,019,624,402	2.8%	1,052,051,454	3.2%	1,082,320,412	2.9%
Reimbursement Rate - Commercial	65%	63%	64%	64%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
Payer Mix - Commercial	58%	61%	61%	61%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%
Medicaid																	
Hospital	336,858,457	467,710,875	38.8%	359,052,495	-23.2%	429,849,610	19.7%	468,532,833	9.0%	480,118,055	2.5%	493,672,512	2.8%	509,372,749	3.2%	524,028,099	2.9%
Physician	89,352,927	0	-100.0%	101,363,673	#DIV/0!	117,341,351	15.8%	127,901,188	9.0%	131,063,749	2.5%	134,763,877	2.8%	139,049,764	3.2%	143,050,415	2.9%
Total Revenue	426,211,384	467,710,875	9.7%	460,416,168	-1.6%	547,190,962	18.8%	596,434,021	9.0%	611,181,804	2.5%	628,436,389	2.8%	648,422,513	3.2%	667,078,514	2.9%
Allowances - Hospital	-294,289,774	-410,529,274	39.5%	-321,193,998	-21.8%	-361,997,428	12.7%	-394,563,566	9.0%	-404,319,780	2.5%	-415,734,337	2.8%	-428,955,911	3.2%	-442,297,558	2.9%
Allowances - Physicians	-80,217,242	0	-100.0%	-91,639,827	#DIV/0!	-100,689,827	9.9%	-109,750,652	9.0%	-112,464,412	2.5%	-115,639,452	2.8%	-119,317,126	3.2%	-122,750,043	2.9%
Free Care	-163,570	0	-100.0%	-1,025,006	#DIV/0!	-2,902,042	183.1%	-3,163,204	0.0%	-3,241,419	2.5%	-3,332,929	2.8%	-3,438,926	3.2%	-3,537,869	2.9%
Bad Debt	-572,251	0	-100.0%	-485,946	#DIV/0!	-946,718	94.9%	-1,031,916	9.0%	-1,057,432	2.5%	-1,087,285	2.8%	-1,121,863	3.2%	-1,154,141	2.9%
Graduate Medical Education Payments-Phys.	19,658,830	30,000,000	52.6%	16,705,857	-44.3%	18,920,388	13.3%	20,623,080	9.0%	21,133,019	2.5%	21,729,636	2.8%	22,420,702	3.2%	23,065,776	2.9%
Graduate Medical Education Payments-Hosp	10,341,170	0	-100.0%	13,294,143	#DIV/0!	11,079,612	-16.7%	12,076,694	9.0%	12,375,309	2.5%	12,724,683	2.8%	13,129,365	3.2%	13,507,115	2.9%
Net Payer Revenue	80,948,547	87,181,601	7.7%	76,071,491	-12.7%	110,630,539	45.4%	120,624,458	9.0%	123,607,090	2.5%	127,096,705	2.8%	131,138,753	3.2%	134,911,794	2.9%
Fixed Prospective Payment & Reserves	55,792,403	42,930,283	-23.1%	59,634,430	38.9%	52,597,549	-11.8%	57,330,932	9.0%	58,748,530	2.5%	60,407,090	2.8%	62,328,213	3.2%	64,121,481	2.9%
Total Net Payer Revenue & Fixed Prospective Payment	136,740,950	130,111,884	-4.8%	135,705,921	4.3%	163,228,088	20.3%	177,955,390	9.0%	182,355,620	2.5%	187,503,795	2.8%	193,466,966	3.2%	199,033,275	2.9%
Reimbursement Rate - Medicaid	32%	28%	29%	29%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
Payer Mix - Medicaid	11%	9%	10%	10%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%
Medicare																	
Hospital	1,039,889,814	1,441,697,788	38.6%	1,162,938,950	-19.3%	1,328,335,528	14.2%	1,447,875,706	9.0%	1,483,676,744	2.5%	1,525,563,178	2.8%	1,574,080,570	3.2%	1,619,369,018	2.9%
Physician	185,243,220	0	-100.0%	199,694,061	#DIV/0!	247,100,758	23.7%	289,337,953	9.0%	275,997,774	2.5%	283,789,608	2.8%	292,814,951	3.2%	301,239,537	2.9%
Total Revenue	1,225,133,034	1,441,697,788	17.6%	1,362,633,011	-5.5%	1,575,436,286	15.6%	1,717,213,669	9.0%	1,759,674,518	2.5%	1,809,352,786	2.8%	1,866,895,521	3.2%	1,920,608,555	2.9%
Allowances - Hospital	-823,951,564	-1,214,078,544	47.3%	-941,411,159	-22.5%	-1,049,792,429	11.5%	-1,144,265,829	9.0%	-1,172,559,629	2.5%	-1,205,662,757	2.8%	-1,244,006,375	3.2%	-1,279,798,138	2.9%
Allowances - Physicians	-150,975,376	0	-100.0%	-161,045,502	#DIV/0!	-203,142,311	26.1%	-221,423,586	0.0%	-226,898,638	2.5%	-233,304,329	2.8%	-240,724,092	3.2%	-247,650,053	2.9%
Free Care	-2,494,169	0	-100.0%	-3,594,779	#DIV/0!	-6,854,927	62.9%	-6,854,927	0.0%	-6,539,627	2.5%	-6,724,250	2.8%	-6,938,101	3.2%	-7,137,720	2.9%
Bad Debt	-4,439,363	0	-100.0%	-7,109,285	#DIV/0!	-10,309,778	45.0%	-11,237,580	9.0%	-11,515,447	2.5%	-11,840,546	2.8%	-12,217,110	3.2%	-12,568,613	2.9%
Net Payer Revenue	244,272,561	227,619,244	-6.8%	249,472,286	9.6%	306,336,842	22.8%	333,904,847	9.0%	342,161,177	2.5%	351,820,904	2.8%	363,009,842	3.2%	373,454,131	2.9%
Fixed Prospective Payment & Reserves	110,315,604	186,164,376	68.8%	111,171,086	-40.3%	131,974,389	18.7%	143,851,088	9.0%	147,408,036	2.5%	151,569,587	2.8%	156,389,946	3.2%	160,889,498	2.9%
Total Net Payer Revenue & Fixed Prospective Payment	354,588,166	413,783,620	16.7%	360,643,371	-12.8%	438,311,230	21.5%	477,755,935	9.0%	489,569,213	2.5%	503,390,491	2.8%	519,399,788	3.2%	534,343,629	2.9%
Reimbursement Rate - Medicare	29%	29%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%
Payer Mix - Medicare	30%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%
Disproportionate Share Payments	11,260,268	11,214,283	-0.4%	11,223,480	0.1%	11,214,283	-0.1%	12,223,484	9.0%	12,525,729	2.5%	12,879,349	2.8%	13,288,950	3.2%	13,671,292	2.9%
Total Payer Revenue																	
Hospital	2,184,664,886	3,266,603,970	49.5%	2,480,002,682	-24.1%	2,784,019,138	12.3%	3,034,559,861	9.0%	3,109,594,198	2.5%	3,197,382,736	2.8%	3,299,069,902	3.2%	3,393,987,620	2.9%
Physician	534,405,279	0	-100.0%	573,834,762	#DIV/0!	701,663,177	22.3%	764,807,570	9.0%	783,718,658	2.5%	805,844,219	2.8%	831,472,433	3.2%	855,395,030	2.9%
Total Revenue	2,719,070,165	3,266,603,970	20.1%	3,053,837,444	-6.5%	3,485,682,315	14.1%	3,799,367,431	9.0%	3,893,312,856	2.5%	4,003,226,954	2.8%	4,130,541,334	3.2%	4,249,382,651	2.9%
Allowances - Hospital	-1,337,769,848	-2,061,322,732	54.1%	-1,553,370,474	-24.6%	-1,695,209,322	9.1%	-1,847,765,385	9.0%	-1,893,454,334	2.5%	-1,948,909,408	2.8%	-2,008,826,847	3.2%	-2,066,623,540	2.9%
Allowances - Physicians	-342,687,912	0	-100.0%	-373,572,018	#DIV/0!	-453,639,226	21.4%	-494,463,335	9.0%	-506,689,730	2.5%	-520,994,346	2.8%	-537,563,497	3.2%	-553,029,933	2.9%
Free Care	-18,202,448	-23,305,652	28.0%	-14,438,397	-38.0%	-23,803,356	64.9%	-25,945,478	9.0%	-26,587,122	2.5%	-27,337,614	2.8%	-28,207,030	3.2%	-29,018,585	2.9%
Bad Debt	-28,232,761	-35,954,810	27.4%	-29,859,212	-17.0%	-38,531,146	29.0%	-41,998,658	9.0%	-43,037,142	2.5%	-44,252,146	2.8%	-45,659,494	3.2%	-46,973,180	2.9%
Disproportionate Share Payments	11,260,268	11,214,283	-0.4%	11,223,480	0.1%	11,214,283	-0.1%	12,223,484	9.0%	12,525,729	2.5%	12,879,349	2.8%	13,288,950	3.2%	13,671,292	2.9%
Graduate Medical Education Payments-Phys.	19,658,830	30,000,000	52.6%	16,705,857	-44.3%	18,920,388	13.3%	20,623,080	9.0%	21,133,019	2.5%	21,729,636	2.8%	22,420,702	3.2%	23,065,776	2.9%
Graduate Medical Education Payments-Hosp	10,341,170	0	-100.0%	13,294,143	#DIV/0!	11,079,612	-16.7%	12,076,694	9.0%	12,375,309	2.5%	12,724,683	2.8%	13,129,365	3.2%	13,507,115	2.9%
Net Payer Revenue	1,033,438,463	1,187,235,059	14.9%	1,123,820,823	-5.3%	1,315,713,538	17.1%	1,434,117,832	9.0%	1,469,578,685	2.5%	1,511,067,109	2.8%	1,559,123,484	3.2%	1,603,981,596	2.9%
Fixed Prospective Payment & Reserves	166,289,772	228,421,374	137.4%	171,967,015	-14.8%	184,880,390	7.4%	201,518,230	9.0%	205,501,090	2.0%	212,330,928	3.3%	219,083,675	3.2%	225,387,012	2.9%
Total Net Payer Revenue & Fixed Prospective Payment	1,199,728,235	1,415,656,433	17.1%	1,295,787,838	-7.4%	1,500,593,928	16.7%	1,635,636,062	9.0%	1,675,079,774	2.5%	1,723,398,037	2.8%	1,778,207,159	3.2%	1,829,368,608	2.9%
Reimbursement Rate - All Payers	44%	43%	42%	42%	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%

THE UNIVERSITY OF VERMONT MEDICAL CENTER

350 Tilley Drive

PAYER REVENUE REPORT

PROJECT ONLY

Note: We have used hospital-wide reimbursement rate for each payer in "Project Only" table.
No "Other" payer category. Allocated Other (self pay, workers comp etc.) in Commercial

	2020	2021	2021	2022	2024		2025		2026		2027		2028				
	Actual	Budget	% change	Projection	% change	Budget	% change	Proposed Year 1	% change	Proposed Year 2	% change	Proposed Year 3	% change	Proposed Year 4	% change	Proposed Year 5	% change
Commercial + Other																	
Hospital			#DIV/0!	#DIV/0!	#DIV/0!			-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Physician			#DIV/0!	#DIV/0!	#DIV/0!			5,653,307	#DIV/0!	5,810,841	2.8%	6,318,041	8.7%	6,764,769	19.7%	7,161,902	5.9%
Total Revenue			#DIV/0!	#DIV/0!	#DIV/0!			5,653,307	#DIV/0!	5,810,841	2.8%	6,318,041	8.7%	6,764,769	19.7%	7,161,902	5.9%
Allowances - Hospital			#DIV/0!	#DIV/0!	#DIV/0!			0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Allowances - Physicians			#DIV/0!	#DIV/0!	#DIV/0!			-1,971,110	#DIV/0!	-2,026,037	2.8%	-2,202,880	8.7%	-2,358,638	19.7%	-2,497,105	5.9%
Free Care			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Bad Debt			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Net Payer Revenue			#DIV/0!	#DIV/0!	#DIV/0!			3,682,196	#DIV/0!	3,784,804	9.3%	4,115,161	8.4%	4,406,130	26.4%	4,664,797	6.2%
Fixed Prospective Payment & Reserves																	
Total Net Payer Revenue & Fixed Prospective Payment								3,682,196		3,784,804		4,115,161		4,406,130		4,664,797	
Reimbursement Rate - Commercial	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			65%		65%		65%		65%		65%	
Payer Mix - Commercial	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			97%		88%		82%		78%		75%	
Medicaid																	
Hospital			#DIV/0!	#DIV/0!	#DIV/0!			-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Physician			#DIV/0!	#DIV/0!	#DIV/0!			1,793,011	#DIV/0!	1,841,488	9.2%	2,000,915	8.3%	2,141,253	26.2%	2,265,951	6.1%
Total Revenue			#DIV/0!	#DIV/0!	#DIV/0!			1,793,011	#DIV/0!	1,841,488	9.2%	2,000,915	8.3%	2,141,253	26.2%	2,265,951	6.1%
Allowances - Hospital			#DIV/0!	#DIV/0!	#DIV/0!			0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Allowances - Physicians			#DIV/0!	#DIV/0!	#DIV/0!			-1,258,038	#DIV/0!	-1,292,051	9.2%	-1,403,911	8.3%	-1,502,377	26.2%	-1,589,869	6.1%
Free Care			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Bad Debt			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Graduate Medical Education Payments-Phys.			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Graduate Medical Education Payments-Hosp			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Net Payer Revenue			#DIV/0!	#DIV/0!	#DIV/0!			534,972.79	#DIV/0!	549,437	9.2%	597,004	8.3%	638,876	26.2%	676,082	6.1%
Fixed Prospective Payment & Reserves																	
Total Net Payer Revenue & Fixed Prospective Payment								534,973		549,437		597,004		638,876		676,082	
Reimbursement Rate - Medicaid	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			30%		30%		30%		30%		30%	
Payer Mix - Medicaid	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			14%		13%		12%		11%		11%	
Medicare																	
Hospital			#DIV/0!	#DIV/0!	#DIV/0!			(7,157,236)	#DIV/0!	(5,927,023)	-11.9%	(5,161,089)	-13.2%	(4,489,591)	-33.7%	(3,801,559)	-15.1%
Physician			#DIV/0!	#DIV/0!	#DIV/0!			5,618,186	#DIV/0!	5,768,644	9.2%	6,266,801	8.3%	6,705,232	26.1%	7,094,743	6.1%
Total Revenue			#DIV/0!	#DIV/0!	#DIV/0!			(1,539,050)	#DIV/0!	(158,379)	-89.1%	1,105,713	-795.8%	2,215,641	-252.1%	3,293,184	49.1%
Allowances - Hospital			#DIV/0!	#DIV/0!	#DIV/0!			5,165,980	#DIV/0!	4,278,032	-11.9%	3,725,193	-13.2%	3,240,516	-33.7%	2,743,906	-15.1%
Allowances - Physicians			#DIV/0!	#DIV/0!	#DIV/0!			-4,055,118	#DIV/0!	(4,163,716)	9.2%	(4,523,278)	8.3%	(4,839,731)	26.1%	(5,120,874)	6.1%
Free Care			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Bad Debt			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Net Payer Revenue			#DIV/0!	#DIV/0!	#DIV/0!			(428,188.08)	#DIV/0!	(44,063.51)	-89.1%	307,627	-795.8%	616,426.23	-252.1%	916,215.75	49.1%
Fixed Prospective Payment & Reserves																	
Total Net Payer Revenue & Fixed Prospective Payment								(428,188)		(44,064)		307,627		616,426		916,216	
Reimbursement Rate - Medicare	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			28%		28%		28%		28%		28%	
Payer Mix - Medicare	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			-11%		-1%		6%		11%		15%	
Disproportionate Share Payments																	
			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Total Payer Revenue																	
Hospital			#DIV/0!	#DIV/0!	#DIV/0!			(7,157,236)	#DIV/0!	(5,927,023)	-11.9%	(5,161,089)	-13.2%	(4,489,591)	-33.7%	(3,801,559)	-15.1%
Physician			#DIV/0!	#DIV/0!	#DIV/0!			13,064,504	#DIV/0!	13,420,973	9.3%	14,585,757	8.3%	15,611,254	26.2%	16,522,596	6.1%
Total Revenue			#DIV/0!	#DIV/0!	#DIV/0!			5,907,267	#DIV/0!	7,493,950	34.9%	9,424,668	25.3%	11,121,662	38.9%	12,721,037	14.7%
Allowances - Hospital			#DIV/0!	#DIV/0!	#DIV/0!			5,165,980	#DIV/0!	4,278,032	-11.9%	3,725,193	-13.2%	3,240,516	-33.7%	2,743,906	-15.1%
Allowances - Physicians			#DIV/0!	#DIV/0!	#DIV/0!			(7,284,266)	#DIV/0!	(7,481,805)	9.3%	(8,130,069)	8.3%	(8,700,746)	26.2%	(9,207,848)	6.1%
Free Care			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Bad Debt			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Disproportionate Share Payments			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Graduate Medical Education Payments-Phys.			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Graduate Medical Education Payments-Hosp			#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Net Payer Revenue			#DIV/0!	#DIV/0!	#DIV/0!			3,788,981	#DIV/0!	4,290,177	20.4%	5,019,792	16.6%	5,661,433	57.8%	6,257,095	10.8%
Fixed Prospective Payment & Reserves																	
Total Net Payer Revenue & Fixed Prospective Payment								3,788,981		4,290,177		5,019,792		5,661,433		6,257,095	
Reimbursement Rate - All Payers	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			64%		57%		53%		51%		49%	

THE UNIVERSITY OF VERMONT MEDICAL CENTER

350 Tilley Drive

350 Tilley Drive

Note: This table requires no "fill-in" as it is populated automatically
PAYER REVENUE REPORT

WITH PROJECT

	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	2024 Proposed Year 1	% change	2025 Proposed Year 2	% change	2026 Proposed Year 3	% change	2027 Proposed Year 4	% change	2028 Proposed Year 5	% change
Commercial																	
Hospital	807,916,615	1,357,195,307	68.0%	958,011,237	-29.4%	1,025,834,000	7.1%	1,118,151,322	9.0%	1,145,799,399	2.5%	1,178,147,045	2.8%	1,215,615,583	8.7%	1,250,590,504	2.9%
Physician	258,809,132	0	-100.0%	272,777,028	#DIV/0!	337,221,067	23.6%	373,221,726	10.7%	382,467,977	2.5%	393,608,775	2.9%	406,372,486	8.9%	418,266,880	2.9%
Total Revenue	1,066,725,747	1,357,195,307	27.2%	1,230,788,265	-9.3%	1,363,055,067	10.7%	1,491,373,048	9.4%	1,528,267,375	2.5%	1,571,755,820	2.8%	1,621,988,069	8.8%	1,668,857,384	2.9%
Allowances - Hospital	-219,527,510	-436,714,915	98.9%	-290,765,317	-33.4%	-283,429,475	-2.5%	-308,935,990	9.0%	-316,574,926	2.5%	-325,512,313	2.8%	-335,864,562	8.7%	-345,527,844	2.9%
Allowances - Physicians	-111,495,294	0	-100.0%	-120,896,689	#DIV/0!	-149,807,547	23.9%	-165,260,207	10.3%	-169,352,717	2.5%	-174,253,445	2.9%	-179,880,917	8.8%	-185,126,942	2.9%
Free Care	-15,524,709	-23,305,652	50.1%	-8,818,612	-57.9%	-15,046,387	53.2%	-15,400,449	9.0%	-16,805,976	2.5%	-17,280,434	2.8%	-17,830,003	8.7%	-18,342,966	2.9%
Bad Debt	-23,221,147	-35,954,810	54.8%	-22,284,080	-38.1%	-27,274,649	22.5%	-29,729,162	9.0%	-30,464,263	2.5%	-31,324,315	2.8%	-32,320,520	8.7%	-33,250,426	2.9%
Net Payer Revenue	696,957,086	861,219,930	23.6%	787,053,567	-8.6%	887,497,008	12.8%	971,047,241	9.4%	995,069,494	2.5%	1,023,385,313	2.8%	1,056,092,068	8.8%	1,086,609,176	2.9%
Fixed Prospective Payment & Reserves	181,765	-673,285	-470.4%	1,161,499	-272.5%	308,452	-73.4%	336,210	9.0%	344,524	2.5%	354,250	2.8%	365,516	8.7%	376,033	2.9%
Total Net Payer Revenue & Fixed Prospective Payment	697,138,851	860,546,645	23.4%	788,215,066	-8.4%	887,805,460	12.6%	971,383,451	9.4%	995,414,017	2.5%	1,023,739,563	2.8%	1,056,457,585	8.8%	1,086,985,209	0
Reimbursement Rate - Commercial	65%	63%		64%		65%		65%		65%		65%		65%		65%	
Payer Mix - Commercial	58%	61%		61%		59%		59%		59%		59%		59%		59%	
Medicaid																	
Hospital	336,858,457	467,710,875	38.8%	359,052,495	-23.2%	429,849,610	19.7%	468,532,833	9.0%	480,118,055	2.5%	493,672,512	2.8%	509,372,749	8.7%	524,028,099	2.9%
Physician	89,352,927	0	-100.0%	101,363,673	#DIV/0!	117,341,351	15.8%	129,694,199	10.5%	132,905,237	2.5%	136,764,791	2.9%	141,191,017	8.9%	145,316,366	2.9%
Total Revenue	426,211,384	467,710,875	9.7%	460,416,168	-1.6%	547,190,962	18.8%	598,227,032	9.3%	613,023,292	2.5%	630,437,304	2.8%	650,563,766	8.7%	669,344,465	2.9%
Allowances - Hospital	-294,289,774	-410,529,274	39.5%	-321,193,998	-21.8%	-361,987,428	12.7%	-394,563,566	9.0%	-404,319,780	2.5%	-415,734,337	2.8%	-428,955,911	8.7%	-441,297,558	2.9%
Allowances - Physicians	-80,217,242	0	-100.0%	-91,639,827	#DIV/0!	-100,689,368	9.9%	-111,008,690	10.2%	-113,756,463	2.5%	-117,043,362	2.9%	-120,819,503	8.8%	-124,339,912	2.9%
Free Care	-163,570	0	-100.0%	-1,025,006	#DIV/0!	-2,902,042	183.1%	-3,163,204	9.0%	-3,332,929	2.8%	-3,438,926	2.8%	-3,537,869	8.7%	-3,637,869	2.9%
Bad Debt	-572,251	0	-100.0%	-485,946	#DIV/0!	-946,718	94.9%	-1,031,916	9.0%	-1,057,432	2.5%	-1,087,285	2.8%	-1,121,863	8.7%	-1,154,141	2.9%
Graduate Medical Education Payments-Phys.	19,658,830	30,000,000	52.6%	16,705,857	-44.3%	18,920,388	13.3%	20,623,080	9.0%	21,133,019	2.5%	21,729,636	2.8%	22,420,702	8.7%	23,065,776	2.9%
Graduate Medical Education Payments-Hosp	10,341,170	0	-100.0%	13,294,143	#DIV/0!	11,079,612	-16.7%	12,076,694	9.0%	12,375,309	2.5%	12,724,683	2.8%	13,129,365	8.7%	13,507,115	2.9%
Net Payer Revenue	80,948,547	87,181,601	7.7%	76,071,491	-12.7%	110,665,406	45.5%	121,159,430	9.5%	124,156,526	2.5%	127,693,790	2.8%	131,777,629	8.8%	135,877,876	2.9%
Fixed Prospective Payment & Reserves	55,792,403	42,930,283	-23.1%	59,634,430	52.57%	52,597,549	-13.4%	57,330,932	9.0%	58,748,530	2.4%	60,407,090	2.8%	62,328,213	64,121,481		
Total Net Payer Revenue & Fixed Prospective Payment	136,740,950	130,111,884	-4.9%	135,705,921	4.7%	163,262,955	20.3%	178,490,362	9.2%	182,905,057	2.5%	188,100,799	2.8%	194,105,842	199,709,357		
Reimbursement Rate - Medicaid	32%	28%		29%		30%		30%		30%		30%		30%		30%	
Payer Mix - Medicaid	11%	9%		10%		11%		11%		11%		11%		11%		11%	
Medicare																	
Hospital	1,039,889,814	1,441,697,788	38.6%	1,162,938,950	-19.3%	1,328,335,528	14.2%	1,440,718,470	8.5%	1,477,749,721	2.6%	1,520,402,089	2.9%	1,569,590,978	8.9%	1,615,567,458	2.9%
Physician	186,243,220	0	-100.0%	199,694,061	#DIV/0!	247,100,758	23.7%	274,956,149	11.3%	281,766,418	2.5%	290,056,409	2.9%	299,520,183	8.9%	308,334,381	2.9%
Total Revenue	1,226,133,034	1,441,697,788	17.6%	1,362,633,011	-5.5%	1,575,436,286	15.6%	1,715,674,618	8.9%	1,759,516,139	2.6%	1,810,458,498	2.9%	1,869,111,161	8.9%	1,923,901,839	2.9%
Allowances - Hospital	-823,951,564	-1,214,078,544	47.3%	-941,411,159	-22.5%	-1,049,792,429	11.5%	-1,139,099,849	8.5%	-1,168,281,597	2.6%	-1,201,937,564	2.9%	-1,240,765,859	8.9%	-1,277,054,232	2.9%
Allowances - Physicians	-150,975,376	0	-100.0%	-161,045,502	#DIV/0!	-203,142,311	26.1%	-225,478,704	11.0%	-231,062,394	2.5%	-237,827,607	2.9%	-245,563,823	8.9%	-252,770,927	2.9%
Free Care	-2,494,169	0	-100.0%	-3,594,779	#DIV/0!	-6,854,927	62.9%	-6,381,626	9.0%	-6,539,627	2.5%	-6,724,250	2.8%	-6,938,101	8.7%	-7,137,720	2.9%
Bad Debt	-4,439,363	0	-100.0%	-7,109,285	#DIV/0!	-10,309,778	45.0%	-11,237,580	9.0%	-11,515,447	2.5%	-11,840,546	2.8%	-12,217,110	8.7%	-12,568,613	2.9%
Net Payer Revenue	244,272,561	227,619,244	-6.8%	249,472,286	9.6%	306,336,842	22.8%	333,476,659	8.9%	342,117,114	2.6%	352,128,530	2.9%	363,626,268	9.0%	374,370,347	3.0%
Fixed Prospective Payment & Reserves	110,315,604	186,164,376	69.0%	111,171,086	-0.7%	131,974,389	18.7%	143,851,088	9.0%	147,408,036	2.5%	151,569,587	2.8%	156,389,946	160,889,948		
Total Net Payer Revenue & Fixed Prospective Payment	354,588,166	413,783,620	16.4%	360,643,371	-1.9%	438,311,230	21.3%	477,327,747	9.0%	489,525,150	2.8%	503,696,118	2.8%	520,016,214	535,259,645		
Reimbursement Rate - Medicare	29%	29%		26%		28%		28%		28%		28%		28%		28%	
Payer Mix - Medicare	30%	29%		28%		29%		29%		29%		29%		29%		29%	
Disproportionate Share Payments																	
	11,260,268	11,214,283	-0.4%	11,223,480	0.1%	11,214,283	-0.1%	12,223,484	9.0%	12,525,729	2.5%	12,879,349	2.8%	13,288,950	8.7%	13,671,292	2.9%
Total Payer Revenue																	
Hospital	2,184,664,886	3,266,603,970	49.5%	2,480,002,682	-24.1%	2,784,019,138	12.3%	3,027,402,625	8.7%	3,103,667,175	2.5%	3,192,221,647	2.9%	3,294,579,310	8.8%	3,390,186,061	2.9%
Physician	534,405,279	0	-100.0%	573,834,762	#DIV/0!	701,663,177	22.3%	777,872,074	10.9%	797,139,631	2.5%	820,429,975	2.9%	847,083,886	8.9%	871,917,627	2.9%
Total Revenue	2,719,070,165	3,266,603,970	20.1%	3,053,837,444	-6.5%	3,485,682,315	14.1%	3,805,274,699	9.2%	3,900,806,806	2.5%	4,012,651,622	2.9%	4,141,662,996	8.8%	4,262,103,688	2.9%
Allowances - Hospital	-1,337,768,848	-2,061,322,732	54.1%	-1,553,370,474	-24.6%	-1,695,209,332	9.1%	-1,842,599,405	8.7%	-1,889,176,302	2.5%	-1,943,184,215	2.9%	-2,005,586,331	8.8%	-2,063,879,634	2.9%
Allowances - Physicians	-342,687,912	0	-100.0%	-373,572,018	#DIV/0!	-453,639,226	21.4%	-501,747,601	10.6%	-514,171,535	2.5%	-529,124,415	2.9%	-546,264,243	8.9%	-562,237,781	2.9%
Free Care	-18,202,448	-23,305,652	28.0%	-14,438,397	-38.0%	-23,803,356	64.9%	-25,945,478	9.0%	-26,587,022	2.5%	-27,337,614	2.8%	-28,207,030	8.7%	-29,016,585	2.9%
Bad Debt	-28,232,761	-35,954,810	27.4%	-28,859,212	-17.0%	-38,531,146	29.0%	-41,998,658	9.0%	-43,037,142	2.5%	-44,252,146	2.8%	-45,659,494	8.7%	-46,973,180	2.9%
Disproportionate Share Payments	11,260,268	11,214,283	-0.4%	11,223,480	0.1%	11,214,283	-0.1%	12,223,484	9.0%	12,525,729	2.5%	12,879,349	2.8%	13,288,950	8.7%	13,671,292	2.9%
Graduate Medical Education Payments-Phys.	19,658,830	30,000,000	52.6%	16,705,857	-44.3%	18,920,388	13.3%	20,623,080	9.0%	21,133,019	2.5%	21,729,636	2.8%	22,420,702	8.7%	23,065,776	2.9%
Graduate Medical Education Payments-Hosp	10,341,170	0	-100.0%	13,294,143	#DIV/0!	11,079,612	-16.7%	12,076,694	9.0%	12,375,309	2.5%	12,724,683	2.8%	13,129,365	8.7%	13,507,115	2.9%
Net Payer Revenue	1,033,438,463	1,187,235,059	14.9%	1,123,820,823	-5.3%	1,315,713,538	17.1%	1,437,906,814	9.3%	1,473,868,863	2.5%	1,516,086,901	2.9%	1,564,784,916	8.8%	1,610,238,691	2.9%
Fixed Prospective Payment & Reserves	166,289,772	228,421,374	37.8%	171,967,015	-2.4%	184,880,390	7.5%	201,518,230	9.0%	206,501,990	2.5%	212,330,928	2.8%	219,083,675	225,387,012		
Total Net Payer Revenue & Fixed Prospective Payment	1,199,728,235	1,415,656,433	17.2%	1,295,787,839	-8.5%	1,500,593,928	15.8%	1,639,425,044	9.0%	1,680,369,953	2.5%	1,728,417,829	2.8%	1,783,868,591	1,835,625,703		
Reim																	