THE
University of Vermont
MEDICAL CENTER

By Electronic Mail

September 13, 2022

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

Re: Letter of intent and Certificate of Need Application

Dear Donna:

Please find enclosed the following documents pertaining to The University of Vermont Medical Center Inc.'s Certificate of Need Application for the purchase of a da Vinci Xi Robotic Surgical System:

1. Letter of Intent, requesting expedited review;
2. Verification under Oath, signed by Stephen Leffler, M.D.;
3. Certificate of Need Application.

Since we are requesting expedited review, we understand that your office will provide public notice in accordance with 18 V.S.A. §§ 9440(c)(2)(B) and 9440(c)(5)(A).

We look forward to working with you during the review process. Please contact me if you have any questions concerning our application materials.

Sincerely,

Amanda S. Angell
Assistant General Counsel

cc: Stephen Leffler, M.D.

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University of Vermont
MEDICAL CENTER

By Electronic Mail

September 13, 2022

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

Re: Certificate of Need Application and Request for Expedited Review for Purchase of a da Vinci Xi Robotic Surgical System

Dear Donna:

The University of Vermont Medical Center Inc. ("UVMMC") files this Certificate of Need application seeking expedited approval without a hearing and with such other abbreviated process as the Green Mountain Care Board ("GMCB") finds appropriate, for the purchase of a da Vinci Xi Robotic Surgical System ("da Vinci") with two consoles ("the project").

A request for expedited review may be granted if the project is likely to be uncontested and does not substantially alter services. 18 V.S.A. § 9440(c)(5); GMCB Rule 4.00, *Certificate of Need* ("Rule 4"). UVMMC's application, attached, meets these requirements.

This project is not expected to be contested, and the project does not introduce a health care service not already available at UVMMC. The GMCB last approved the purchase of a da Vinci system by UVMMC in 2016, *see* docket no. GMCB-010-16con, and, over the several years since, robotic-assisted surgery has become, or is becoming, the established treatment modality for an increasing number of procedures across a broad spectrum of surgical subspecialties. The increase in demand for robotic-assisted procedures cannot be met by UVMMC's single device, which already operates beyond its volume benchmark.

Further, the project does not substantially alter services offered by the applicant. Pursuant to Rule 4, § 4.304(2), a project does not substantially alter services if:

(a) the project raises no significant health care policy or planning concerns; and

(b) (i) the expenditures associated with the proposed project or action do not have a significant impact on the services provided, the cost of health care, or the financial strength of the applicant; or

(ii) the project consists of the routine replacement of existing equipment that is depreciated, out-of-date or obsolete, or consists of the routine renovation, repair or maintenance of existing buildings and facilities.

Here, the project raises no significant health care policy or planning concerns. UVMMC established its robotic surgical program in 2008 and in 2016, the GMCB approved a CON for the applicant's purchase of its first da Vinci, recognizing its widespread use for certain gynecological and urological procedures as well as its value to residents and fellows as a component of their surgical training. As the da Vinci has increasingly become the standard of care for procedures across a spectrum of surgical subspecialties (Thoracic, Bariatric, ENT, Colorectal, and Hernia), demand for UVMMC's sole device has exceeded its capacity. Consequently, some surgeries that would be optimally performed robotically are performed open or laparoscopically. While in other instances, patients must travel outside the state for their time-sensitive care. Because much of the volume on the new da Vinci will be cases converted from open or laparoscopic, UVMMC does not project a significant increase in volume due to the project; projected incremental volume will largely consist of Cardiothoracic procedures now performed out-of-state.

The project's capital cost of $2.46M, relative to the applicant's overall budget, will not have a significant impact on existing services, the cost of health care, or the applicant's financial health. The Project will be completed without debt financing. As such, we believe the GMCB may declare this application uncontested and issue written notice granting a Certificate of Need without any further process, and we respectfully ask the Board to do so.

In accordance with 18 V.S.A. § 9440(c)(2) and Rule 4,[1] we provide the following information about the Project, which we further discuss in the enclosed application:

Project Scope and Expenditures: The project is for the purchase and installation of a second da Vinci Xi in OR 19 on the UVMMC Main Campus. The additional da Vinci will enable the conversion of certain surgical procedures from open or laparoscopic to robotic when appropriate, and allow patients needing time-sensitive surgical procedures to receive them at UVMMC.

The cost of the project is $2.46M which includes $40k for facilities costs on the Main Campus. The project is expected to be fully implemented three to six months following CON approval.

Project Rationale: Robotic-assisted surgery is the standard of care for a growing number of surgical procedures. UVMMC currently has a single da Vinci device, which is operating above

[1] Rule 4 provides that an applicant seeking expedited review may submit a "simplified" application that explains 1) project costs in detail, 2) why the project qualifies for expedited review, and 3) the need for the project and why the applicant is the appropriate entity to address the need. Rule 4, § 4304.3. Notwithstanding the Rule's reduced filing requirement, the attached application provides a complete and comprehensive justification for the project and fully addresses all relevant criteria.

benchmark and cannot absorb the demands for its use. Adding a second device will address growing demand for robotic-assisted procedures and increase access to high quality care in the applicant's catchment area. In addition, increased availability of the robotic platform will assist with the recruitment of providers trained in, and expecting to use, the robotic platform, and is an important component of surgical residency.

Need to be Addressed: The existing da Vinci cannot accommodate current and future demand for its use. As a result, many procedures that optimally would be performed using the da Vinci are performed open or laparoscopically, and patients needing time-sensitive procedures are traveling out-of-state for their care. The purchase of a second da Vinci would enable the conversion of many procedures to the robotic platform, and patients who would otherwise travel out-of-state to receive their care in Vermont.

Cost, Access, Quality: The project will improve access to quality health care. For patients choosing robotic-assisted surgery, benefits include decreased blood loss, less scarring, fewer post-operative complications, and shorter lengths of stay. Currently, UVMMC's sole da Vinci operates above its volume benchmark, and more providers are seeking time on the device. Because current capacity is limited, many procedures that would otherwise be performed use the da Vinci are performed open or laparoscopically, and patients needing time-sensitive procedures are referred to out-of-state facilities. Adding a second da Vinci will provide greater access to high-quality care for these patients. And, as noted, expanded availability of the robotic platform will assist the applicant in its efforts to recruit highly skilled professionals trained in this surgical modality.

Capital for the da Vinci was included in UVMMC's FY22 and FY23 budgets.

Location: UVMMC Main Campus

Service Area: The service area includes Vermont and Northern New York.

We look forward to working with you in the review process for this application.

Sincerely,

Amanda S. Angell
Assistant General Counsel

cc: Stephen Leffler, M.D.

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re:	The University of Vermont Medical Center Inc.	)
	Application for Certificate of Need for Purchase of	)
	da Vinci Xi Robotic Surgical System	)
	Expenditure $2.46M	)

STEPHEN M. LEFFLER, M.D., being duly sworn, states on oath as follows:

1. My name is Stephen M. Leffler, M.D. I am the President and Chief Operating Officer of The University of Vermont Medical Center Inc. I have reviewed the foregoing Certificate of Need Application.

2. Based on my personal knowledge, after diligent inquiry, the information contained in the Application is true, accurate and complete, does not contain any untrue statement of a material fact, and does not omit to state a material fact necessary to make the statement made therein not misleading, except as specifically noted herein.

3. My personal knowledge of the truth, accuracy and completeness of the information contained in the Application is based upon either my actual knowledge of the subject information or, where identified below, upon information reasonably believed by me to be reliable and provided to me by the individuals identified below who have certified that the information they have provided is true, accurate and complete, does not contain any untrue statement of a material fact, and does not omit to state a material fact necessary to make the statement made therein not misleading.

4. I have evaluated, within the 12 months preceding the date of this affidavit, the policies and procedures by which information has been provided by the certifying individuals identified below, and I have determined that such policies and procedures are effective in ensuring that all information submitted or used by The University of Vermont Medical Center Inc. in connection with the Certificate of Need program is true, accurate, and complete. I have disclosed to the Board of Trustees all significant deficiencies, of which I have personal knowledge after diligent inquiry, in such policies and procedures, and I have disclosed to the Board of Trustees any misrepresentation of facts, whether or not material, that involves management or any other employee participating in providing information submitted or used by The University of Vermont Medical Center Inc. in connection with the Certificate of Need program.

5. The following certifying individuals have provided information or documents to me in connection with the Application, and each such individual has certified, based on his actual knowledge of the subject information or, where specifically identified in such certification, based on information reasonable believed by the certifying individual to be reliable, that the information or documents they have provided are true, accurate and

complete, do not contain any untrue statement of a material fact, and do not omit to state a material fact necessary to make the statement made therein not misleading:

(a) Joanna Lemieux, Network Strategic Planning Consultant. This individual certified to the accuracy of all financial information submitted with the Application.

(b) Kevin Lavery, Network Manager of Capital and Business Planning. This individual certified to the accuracy of all project information submitted with the Application.

6. In the event that the information contained in the Application becomes untrue, inaccurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board, and to supplement the Application, as soon as I know, or reasonably should know, that the information or document has become untrue, inaccurate or incomplete in any material respect.

STEPHEN M. LEFFLER, M.D.

On September 13 2022, STEPHEN M. LEFFLER, M.D. appeared before me and swore to the truth, accuracy and completeness of the foregoing.

Marie McHenry

Notary Public
My commission expires 1-31-2023

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

CERTIFICATE OF NEED APPLICATION

by

THE UNIVERSITY OF VERMONT MEDICAL CENTER, INC.

for the

PURCHASE OF A DA VINCI Xi ROBOTIC SURGICAL SYSTEM

September 13, 2022

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SECTION I: PROJECT OVERVIEW

A. PROJECT SUMMARY

The University of Vermont Medical Center Inc. ("UVMMC" or "the applicant") submits this Certificate of Need ("CON") application to the Green Mountain Care Board ("GMCB") pursuant to 18 V.S.A. § 9434(b)(2) and GMCB Rule 4.000. The applicant is seeking expedited review and approval of a CON to purchase a da Vinci Xi robotic surgical system ("da Vinci") with two consoles. The da Vinci will be located on the Main Campus in OR 19, and will bring the total number of da Vinci systems at UVMMC to two.

UVMMC has had a robotic-assisted surgery program since 2008. In 2016, UVMMC purchased a new da Vinci Xi surgical robot to replace its robotic system that had become obsolete. *See In re: Application of the University of Vermont Medical Center, Replacement of da Vinci Robotic Surgical System*, docket no. GMCB-010-16con. At that time, robotic-assisted surgery had already become the standard of care for certain urologic and gynecologic procedures and an important component of surgical training.

Now, more than five years later, minimally invasive surgery using robotics has become the optimal treatment modality for an increasing number of procedures across additional programs including Thoracic, Bariatric, ENT, Colorectal and Hernia. For patients, robotic-assisted surgery can reduce blood loss and result in fewer post-operative complications, less scarring, shorter lengths of stay, and better surgical outcomes. For providers, it offers superior visualization, precision, dexterity and instrument range of motion. Robotic-assisted surgery is an essential training component of surgical residency programs and, as Vermont's only teaching hospital, availability of a surgical robot is critical to recruit and train the next generation of Vermont surgeons. With its sole da Vinci already operating above the single device utilization benchmark, however, UVMMC lacks sufficient capacity to absorb the growth in demand for the service.

There is a need for the project. This project will promote access to high quality, timely health care in UVMMC's catchment area. Now, many patients needing time-sensitive surgical procedures must travel out-of-state for their care; the addition of a second da Vinci will allow these patients to receive their treatments closer to their homes, families, and communities. Increasing capacity at UVMMC will also enhance provider recruitment and retention as more surgeons are trained in, and expect to have available, a robotic-assisted surgical option.

This project will not significantly increase UVMMC surgical volumes. Instead, many surgeries now performed open or laparoscopically will convert to the robotic platform. The project will, however, deliver modest incremental volume for robotic-assisted surgical procedures for which UVMMC patients must currently travel out-of-state. The project requires no additional FTEs, and training of existing staff (estimated at 50 hours) will take place prior to the device becoming fully operational.

The total project cost is $2,460,000, including approximately $2.42M in equipment cost and $40k in facilities costs. The applicant expects the new da Vinci will be operational three to six months following approval of this CON.

B. PROJECT NEED

1. Historical and Projected Volumes

When the current da Vinci system was approved in 2016, UVMMC performed approximately 375 urological and gynecological surgeries annually using the robotic platform. Volumes have since risen to approximately 480 robotic-assisted surgeries annually, and provider demand for access to the device has grown significantly. In addition to Gynecology and Urology—which alone could support the need for a second da Vinci—demand has grown across a wide range of subspecialties where robotic-assisted surgery has become the standard treatment modality for certain procedures. UVMMC's current and projected da Vinci utilization, broken down by service line, is outlined below:

- **Women's Health – Gynecological Cancer and Benign GYN Surgery**: Robotic-assisted surgery has been utilized for both oncologic and benign surgical procedures from the inception of UVMMC's robotic surgery program. Gynecologic conditions treated with the platform include life-threatening diseases such as cervical, uterine, and ovarian cancer, as well as benign conditions such as uterine fibroids, endometriosis, and pelvic organ prolapse. The limited access to a single robotic device has led to triaging patients to open procedures and referring them outside of their home communities for robotic surgery when wait times would compromise patient outcome.

- **Urologic Surgery**: The urology program is a primary user of the da Vinci, with procedures such as prostatectomies and nephrectomies having not been performed "open" in over a decade. The program seeks to expand the use of the robotic platform for muscle invasive bladder cancer in a population of patients who are at high risk of complications from major surgery.

- **Thoracic Surgery**: UVMMC has been a leader in lung cancer detection and treatment with expanded computed tomography (CT) chest screening efforts, multi-disciplinary lung cancer biopsy program (interventional radiology and pulmonary), including a robotic biopsy platform and the development of advanced radiation therapy techniques to identify and treat early lung cancers. These efforts often end in a referral to other institutions that offer minimally invasive robotic surgical approaches. Access to an additional da Vinci system would allow these patients to receive their treatment at UVMMC.

- **Colorectal Surgery**: UVMMC already offers significant minimally invasive colorectal surgical services, but its ability to offer these services across the complexity of cases achievable with a robotics platform has been limited by available expertise and robotics resources. With the addition of a second robotically-trained colorectal surgeon and approval and implementation of this project, the volume of patients who could receive the

benefits of these more complex, minimally invasive procedures could be markedly expanded.

- **ENT Surgery**: The expansion of the robotics platform for ENT oncologic surgeries can help cancer patients avoid high dose ionizing radiation therapy or chemotherapy to the throat and neck, as well as disfiguring surgeries to the face (*e.g.*, splitting of the jaw), particularly for treatment of tumors of the base of the tongue and tonsil.

- **Bariatric Surgery**: As a population health issue, class III obesity (morbid obesity) and its complications remain associated with this country's leading causes of morbidity and mortality. The addition of a robotics program in this arena will allow for continued and expanded services to this population and can help prevent complications resulting from obesity through life-changing surgery.

- **Surgical Simulation**: The benefits of surgical simulation as a training tool are becoming increasingly evident with the development of more sophisticated platforms that closely mimic live surgery. The use of these platforms for training and credentialing is ubiquitous and, in many cases, required of surgical trainees. The addition of a second da Vinci will allow the applicant to remain current and compliant in its provider training efforts.

With its sole da Vinci operating at approximately 137% of the single device benchmark,[1] UVMMC lacks sufficient robotic capacity to meet current and future surgical demand. As a result, a substantial number of surgical procedures that would optimally be performed using the robotic platform are being performed as open surgeries or laparoscopically. Additionally, UVMMC is losing volume to Boston, Albany, and Dartmouth because of its inability to afford practitioners adequate time on the device. As Vermont's only academic medical center and tertiary care hospital, UVMMC must be able to offer its patients advanced, quality healthcare services comparable to those that can be obtained outside of the region, and UVMMC surgeons must have available the most appropriate surgical options for their patients. To this end, UVMMC has recently recruited two Cardiothoracic surgeons to fill the regional need in that specialty, both of whom will require robotic capacity.

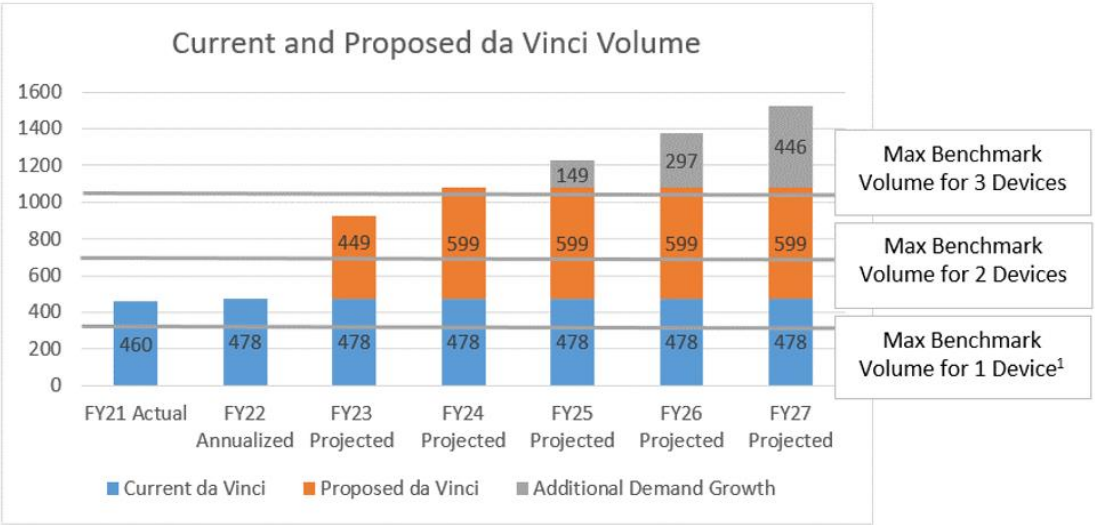
The following table and graph show actual FY21 and annualized FY22 da Vinci volume (blue bars) and future projected device volume (orange bars). Note that much of the proposed second device's volume is not incremental, but is instead current volume converted to da Vinci.[2] The projected growth in surgical volumes by service line (grey bars) is in addition to the current surgical volume expected to be converted to robot-assisted and will primarily be Cardiothoracic in the form of captured procedures that were previously performed out-of-state due to UVMMC's lack of da Vinci availability. The project's financial model assumes 10% of proposed

[1] A benchmark of 350 procedures per device annually is based on vendor data for academic medical center usage rates.

[2] The future volume projection is based on surveys in which UVMMC surgeons identified the procedure volume that they would likely convert from laparoscopic or open to da Vinci robot-assisted, once a second device is available. Importantly, this converted volume will generate increased patient access, as patients using the robotic platform will experience shorter lengths of stay. *See* Section D. 3, below.

future Cardiothoracic volume is incremental. These projections are based on Sg2 analytics[3] plus projected population growth, and are ten-year forecasts (FY20 – FY30). A straight-line growth method was used to calculate annual volume growth and then applied to FY25, FY26, and FY27.

	FY21 Actual	FY22 Annualized	FY23 Projected	FY24 Projected	FY25 Projected	FY26 Projected	FY27 Projected
Bariatric	0	0	120	160	160	160	160
Colorectal	0	0	56	75	75	75	75
ENT	10	13	25	29	29	29	29
Gynecology	270	270	327	346	346	346	346
Pediatric Urology	0	4	16	20	20	20	20
Thoracic	2	7	85	111	111	111	111
Urology	174	172	214	228	228	228	228
GEN/HPB	4	11	83	107	107	107	107
Sub Total Current Volume	***460***	***478***	***478***	***478***	***478***	***478***	***478***
Sub Total Converted Future Volume	***0***	***0***	***449***	***599***	***599***	***599***	***599***
Sub Total Service Line Growth	***0***	***0***	***0***	***0***	***149***	***297***	***446***
TOTAL	**460**	**478**	**927**	**1077**	**1226**	**1374**	**1523**



[1] Benchmark of 350 procedures per device based on vendor data for academic medical center usage rates

As is evident in these graphics, demand could drive the need for a third da Vinci.

2. <u>Clinical Benefits</u>

For many procedures, open surgery is becoming, or has already become, an obsolete treatment modality. Robotic-assisted surgery is increasingly the preferred surgical alternative that offers

[3] UVMMC subscribes to national consultancy group Sg2's database and analytics tool to generate demand projections for business planning and CON applications.

patients less scarring and blood loss, shortened lengths of stay, fewer post-procedure complications, and reduced reliance on pain management.[4]

Importantly, UVMMC has experienced a rise in volumes and demand for minimally invasive oncologic procedures, largely as a result of its success in expanding prevention, screening and early detection initiatives for lung, colorectal, cervical, and prostate cancers. When treatable cancers are detected, providers want to ensure that the highest value treatment option will be available to realize the full impact on improved patient care. In many cases, that option is robotic-assisted surgery. Perhaps the most dramatic improvements in the care of cancer patients using a robotics platform have been for the treatment of head and neck cancers where the robotic platform has led to the elimination of some high-dose radiation protocols and disfiguring surgery. More, the use of robotic surgery for benign conditions is well established, and nationwide, the incorporation of robotics has led to the expansion of minimally invasive complex urological reconstructive, bariatrics, hernia and pelvic reconstructive procedure offerings.

Details about specific uses and benefits of robotic-assisted surgery, including references to supporting material, are included in the attached Appendix.

C. PROJECT DESCRIPTION

1. Equipment

The applicant plans to purchase a second da Vinci Xi dual console system from Intuitive Surgical. The da Vinci Xi system includes three components: a patient cart with robotic arms that are operated by the user, an ergonomic surgical console, and a vision cart. The da Vinci allows the user to replicate an open surgical environment while performing an operation through tiny incisions. As the system's camera relays a live, highly magnified and high-definition 3-D visualization of the operative area, the surgeon, seated at a console a few feet from the patient, controls the surgical instruments that can be maneuvered in ways that are beyond the normal dexterity and range of motion of the human hand.

2. Facilities Plan

The applicant plans to locate the new da Vinci in OR 19 on the Main Campus. Once installed, most of the surgeries performed in OR 19 will be using the da Vinci. OR 19 will remain available for non-robotic cases when necessary, and the applicant will work to ensure that there is no reduction in overall surgical volume resulting from the project. The room will be modified by moving the scrub sink door to optimize space to locate the robot when not in use, relocating two EPIC monitors, modifying a workstation, and adding five dedicated 20 amp circuits, per manufacturer installation requirements.

[4] While not all patients are good candidates for this surgical modality, UVMMC has processes in place to ensure that surgical patients are carefully vetted to assess the clinical benefit of using the da Vinci, versus traditional laparoscopic or open surgery, and that patients are fully informed of potential benefits and risks prior to their procedures.

3. Training and Credentialing

UVMMC's Medical Staff Credentials Committee ensures that every surgeon who intends to perform robotic assisted surgery receives appropriate training and proctoring. A practitioner must meet minimum threshold criteria to be eligible to request clinical privileges to perform robotic assisted procedures that include:

- Completion of a residency training program at an Accreditation Council for Graduate Medical Education (ACGME) or American Osteopathic Association (AOA) accredited institution (all training must have taken place in an accredited ACGME or AOA training program);
- All experience must be current and from an institution with formal performance monitoring requirements;
- Successful completion of a hands-on training program in the use of the da Vinci surgical platform, including personal experience on the system during the course using an animate model or cadaver;
- Observation of two live cases using the da Vinci surgical system in the operating room;
- Privilege to perform open procedures;
- Privilege to perform laparoscopic procedures; and
- Documentation of at least two proctored cases at UVMMC.

In addition to the Credentials Committee, the UVMMC Robotics Committee acts as a working group to research and provide credentialing recommendations, address operational issues, and to monthly review any reported complications. UVMMC surgeons each must perform 15 procedures in an 18-month period to maintain clinical privileges for robotic surgery, and all patient outcomes are reviewed. UVMMC has established specialty-specific robotic support teams and has a surgical robotics coordinator. Staffing support for robotics is also available on the evening shift, if needed.

Providing surgical robot training is also an essential component of surgical resident and fellow education. For example, the UVM Medical Center Urology Computer-Assisted Robotic Surgery Program offers complete Urology Resident and Advanced Urologic Attending training, and includes both simulated and complete patient care.

4. Staffing

This project includes no additional FTEs. The project will require approximately 50 hours of staff training, costing approximately $10k in wages and backfill. This unbudgeted expense is not included in the pro forma and will be incurred prior to the da Vinci becoming operational.

5. Information Technology

This project will add no additional IT staffing or costs associated with its implementation. There will be modest time required for IT training and documentation updates, which are not considered incremental operating costs.

D. PROJECT FINANCES

A financial analysis including a capital and depreciation schedule, 5-year incremental pro forma P&L, cash flow, and net present value calculation was performed. The findings are as follows:

1. Capital Expense for this project is $2.46M. A service contract will begin after 12 months at a cost of $179k annually. In addition, the project includes $40k in facilities costs. The equipment cost will be depreciated over seven years.
2. The Incremental Pro Forma Statement of Operations, below, reflects:

Capital Costs	
Facilities	$ 40,000
Equipment	$ 2,350,000
IT	$ -
Other	$ 70,000
Total	**$ 2,460,000**

Depreciation Schedule	FY22	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
Facilities	$ 5,714	$ 5,714	$ 5,714	$ 5,714	$ 5,714	$ 5,714	$ 5,714	**$ 40,000**
Equipment	$ 335,714	$ 335,714	$ 335,714	$ 335,714	$ 335,714	$ 335,714	$ 335,714	**$ 2,350,000**
IT								$ -
Other	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 70,000
Total	***$ 351,429***	***$ 351,429***	***$ 351,429***	***$ 351,429***	***$ 351,429***	***$ 351,429***	***$ 351,429***	**$ 2,460,000**

a. Minimal incremental volume producing $235k in net revenue in year one.
b. The new service contract starts in Y2.
c. Depreciation costs of approximately $351.4k annually.
d. Cost avoidance related to shortened length of stay for cases converted to da Vinci.

	Y1	Y2	Y3	Y4	Y5	*5Yr. Total*
Volume						
# Cased Converted from Open/Laparoscopic	441	589	589	589	589	***2,796***
# Incremental Cases	8	10	10	10	10	***48***
Net Revenue						
Net Revenue Related to Incremental Cases[1]						
Total Revenue	$ 234,520	$ 302,625	$ 312,431	$ 322,581	$ 333,086	***$ 1,505,242***
Expenses						
Direct Costs related to Incremental Cases[2]	$ 212,204	$ 274,539	$ 284,148	$ 294,093	$ 304,386	$ 1,369,369
Salaries/Wages	$ -	$ -	$ -	$ -	$ -	$ -
Physicians	$ -	$ -	$ -	$ -	$ -	$ -
Staff	$ -	$ -	$ -	$ -	$ -	$ -
Benefits	$ -	$ -	$ -	$ -	$ -	$ -
Depreciation & Amortization	$ 351,429	$ 351,429	$ 351,429	$ 351,429	$ 351,429	***$ 1,757,143***
System Service Fee	$ -	$ 179,000	$ 179,000	$ 179,000	$ 179,000	***$ 716,000***
Provider Tax	$ 14,071	$ 31,875	$ 32,463	$ 33,072	$ 33,703	***$ 145,185***
Disposable Procedure Supplies	$ 4,364	$ 5,646	$ 5,844	$ 6,048	$ 6,260	***$ 28,161***
Total Expenses	**$ 582,068**	**$ 842,488**	**$ 852,883**	**$ 863,642**	**$ 874,777**	**$ 4,015,858**
Contribution Margin						
Total Contribution Margin	$ (347,548)	$ (539,864)	$ (540,452)	$ (541,061)	$ (541,691)	$ (2,510,616)
Potential Cost Avoidance[3]						
Cost Avoidance Related to Lower LOS for Cases Converted to da Vinci	$ 396,917	$ 529,892	$ 529,892	$ 529,892	$ 529,892	*$ 2,516,487*
Total Cost Avoidance	***$ 396,917***	***$ 529,892***	***$ 529,892***	***$ 529,892***	***$ 529,892***	***$ 2,516,487***
Total Incremental Contribution plus Potential Cost Avoidance	**$ 49,370**	**$ (9,971)**	**$ (10,560)**	**$ (11,169)**	**$ (11,799)**	**$ 5,871**

[1] Net revenue related to only the incremental cases that we expect to recapture with a second device

[2] This represents the cost related to the incremental Cardiothoracic cases that we expect to recapture once we have a second da Vinci device operational

[3] See narrative above for an overview of potential cost avoidance

The modest incremental revenue reflects the anticipated capture of cardiothoracic volume that is currently performed out-of-state due to lack of device availability at UVMMC. Although there may be reduced length of stay (LOS) savings for procedures that are converted from open to robotic, savings are not included in the incremental contribution margin and net present value due to lack of verifiable data or research.

Instead, an estimate of possible cost savings related to a shorter length of stay is included in the financial assessment, below, to demonstrate a potential offset to the loss created by the expense of purchasing the device. An average savings of .75 days per procedure, reflecting the decreased post-operative recovery time for procedures currently performed on the da Vinci, was used to estimate the potential cost offsets. This savings equates with approximately 331 additional bed days annually, assuming 441 procedures transfer from open or laparoscopic to robotic.

3. The Incremental Cash Flow and Net Present Value Summary shows an NPV of ($801K) over five years.

PURCHASE	Y1	Y2	Y3	Y4	Y5	5 Yr. Total
Contribution Margin	$ 49,370	$ (9,971)	$ (10,560)	$ (11,169)	$ (11,799)	$ 5,871
Depreciation	$ 351,429	$ 351,429	$ 351,429	$ 351,429	$ 351,429	$ 1,757,143
Capital Expense	$ (2,460,000)	$ -	$ -	$ -	$ -	$ (2,460,000)
Cash Flow	**$ (2,059,202)**	**$ 341,457**	**$ 340,869**	**$ 340,260**	**$ 339,630**	**$ (696,986)**

Net Present Value (5Yrs @ 4.5%)	($801,278.30)

SECTION II: CONSISTENCY WITH 18 V.S.A. § 9437

The project satisfies each of the statutory criterion, shown below in bold type, and applicable HRAP standards:

1. **The proposed project aligns with statewide health care reform goals and principles because the project:**
   - **(A) takes into consideration health care payment and delivery system reform initiatives;**
   - **(B) addresses current and future community needs in a manner that balances statewide needs, if applicable; and**
   - **(C) is consistent with appropriate allocation of health care resources, including appropriate utilization of services, as identified in the HRAP pursuant to section 9405 of this title.**

The project aligns with statewide health care reform goals and principles, including the Triple Aim.[5] Minimally invasive surgery using robotics has become the standard of care for a growing number of surgical procedures and for others, a preferred treatment option. As the state's only

[5] The Triple Aim of the Institute of Healthcare Improvement (IHI) framework includes:
- Improving the patient experience of care;
- Improving the health of populations; and
- Reducing the per capita cost of health care.

tertiary care hospital and academic medical center, UVMMC is the appropriate venue to offer this leading-edge technology, as it has done since 2008. With above-benchmark utilization of its single da Vinci and increasing demand across a broad range of subspecialties, UVMMC simply cannot meet current and future demand and community needs without additional robotic capacity. The current lack of robotic capacity creates barriers to health care for many UVMMC surgical patients who must be triaged using open or laparoscopic surgical techniques (though less than optimal), or travel out-of-state for their surgeries, generating additional patient expense and inconvenience. Consistent with Vermont's healthcare reform goals, this project will help patients access high quality care in the most appropriate venue, produce better patient experience and outcomes, which in turn improves population health.

The project meets each of the relevant HRAP standards, as explained below:

CON Standard 1.1: Applicants shall include published GMCB quality measures for services related to a specific application, for the applicant and other hospitals that report on that quality measure. The applicant shall demonstrate how the project will improve or assist in the improvement of the relevant quality measures if the applicant's score is not above the national or Vermont average.

UVMMC is not aware of any specific GMCB quality measures for robotic-assisted surgery. However, this project will not impact the applicant's ongoing reporting of appropriate quality measures relating to robotic surgery or specific surgical procedures. Quality outcomes are reported out and reviewed as a standing agenda item by the UVMMC Robotics Committee.

CON Standard 1.2: Applicants seeking to expand or introduce a specific health care service shall show that such services have been shown to improve health. To the extent such services have been the subject of comparative effectiveness research, an applicant shall show that the results of this research support the proposed project.

The Appendix to this application provides information, with accompanying citations, about the effectiveness of robotic-assisted surgery compared to other surgical techniques. *See* Appendix. In general, the clinical benefits of robotic-assisted surgeries include decreased risk of surgical site infection, decreased blood loss and need for transfusions, and reduced length of stay. While not all patients are good candidates for robotic-assisted surgery, patients are carefully assessed for each robotic-assisted procedure to ensure that potential risks are minimized and the modality is the right choice for that patient.

CON Standard 1.3: To the extent neighboring health care facilities provide the services proposed by a new health care project, an applicant shall demonstrate that a collaborative approach to delivering the service has been taken or is not feasible or appropriate.

No other healthcare facility in Vermont offers robotic-assisted surgery. As the state's sole tertiary care hospital and academic medical center, UVMMC is the appropriate site for locating, and fully resourcing, a robotic-assisted surgery program. The project will enable UVMMC providers to maintain their credentials and proficiency in the use of the device, and to offer the most appropriate, up-to-date, high-quality care to their patients. Additionally, the project will support medical training of surgical residents and fellows, consistent with offerings at other academic medical centers.

CON Standard 1.6: Applicants seeking to develop a new health care project shall explain how the applicant will collect and monitor data relating to health care quality and outcomes related to the proposed new health care project. To the extent practicable, such data collection and monitoring shall be aligned with related data collection and monitoring efforts, whether within the applicant's organization, other organizations or the government.

The collection and monitoring of data relating to healthcare quality and robotic-assisted surgical outcomes will remain unchanged. UVMMC follows quality assurance/quality improvement programs consistent with Joint Commission standards, including Performance Improvement (PI) Standards PI.01.01.01 (requires hospitals to collect data to monitor their performance), and LD.03.02.01 (requires hospitals to use data and information to guide decisions and to understand variation in the performance of processes supporting safety and quality). Each respective department utilizing the da Vinci collects, analyzes and reports data in order to investigate and evaluate risks and potential risks to patient safety and to develop action plans to reduce any risks that are identified.

CON Standard 1.7: Applicants seeking to develop a new health care project shall explain how such project is consistent with evidence-based practice. Such explanation may include a description of how practitioners will be made aware of evidence based practice guidelines and how such guidelines will be incorporated into ongoing decision making.

UVMMC, along with The University of Vermont College of Medicine and College of Nursing and Health Services, is the only academic medical center in Vermont. UVMMC provides medical education based on a philosophy of evidence-based practice, with a commitment to delivering high quality patient care using evidence-based protocols. Most of UVMMC's staff physicians both practice and teach healthcare. With an already robust robotic surgical program, expanding the program through the purchase of a second device will not impact established protocols and adherence to evidence-based practices. UVMMC surgeons seeking to use the da Vinci must be credentialed and proficient in its use, and will make decisions regarding the appropriate and effective use of the device with consideration of relevant guidance and recommendations of professional organizations such as the American Urological Association, the American College of Obstetricians and Gynecologists, and the American Association of Gynecologic Laparoscopists.

CON Standard 1.8: Applicants seeking to develop a new health care project shall demonstrate as appropriate, that the applicant has a comprehensive evidence-based system for controlling infectious disease.

This project does not introduce a new health care service to UVMMC. The addition of a second da Vinci system will not impact the applicant's compliance with applicable standards and requirements relating to infectious disease control, including The Joint Commission requirements on Infection Prevention and Surveillance.

CON Standard 3.4: Applicants subject to budget review shall demonstrate that a proposed project has been included in hospital budget submissions or explain why inclusion was not feasible.

Capital for the da Vinci was identified as an FY23 capital project in UVMMC's FY22 and FY23 budgets.

CON Standard 3.19: An applicant seeking to purchase a piece of diagnostic or therapeutic equipment shall include an analysis of whether other health care system costs may be reduced through more effective interventions through the use of the equipment. As appropriate, hospitals shall provide scientific evidence supporting the migration of such equipment and technology outside of tertiary care facilities.

UVMMC is a tertiary/quaternary hospital serving more than one million people in Vermont and Northern New York. Its use of a robotic-assisted surgical platform is essential to the delivery of high-quality patient care in the region, and is needed to meet current and projected surgical volumes. The introduction of a second da Vinci can help create cost savings because patients receive more timely, high-quality treatment. In addition, minimally invasive robotic procedures can reduce patient complications and lengths of stay, and adding robotic capacity will allow patients to receive their care without incurring significant travel costs and inconveniences.

The project also requires no new FTEs. Training time and costs will be minimal and will occur prior to the project's completion. UVMMC providers will continue to use established professional standards and protocols to ensure appropriate and effective use of the equipment. Additionally, UVMMC has developed a process to identify appropriate candidates for robotic surgery versus open or laparoscopic surgery.

CON Standard 3.22: For applications involving the purchase of diagnostic or therapeutic equipment, applicants shall establish, through the submission of evidence in the form of peer-reviewed or similar articles, the clinical efficacy of the diagnoses or procedures to be performed.

This information is contained in the Appendix, attached.

CON Standard 3.23: In addition to proving need, applicants seeking to add or expand diagnostic or therapeutic equipment shall show that the equipment reduces costs and/or improves quality.

Use of the da Vinci will improve quality of care and the patient experience. The da Vinci is a well-established surgical tool in use at academic medical centers nationwide, and has become the standard of care for certain surgical procedures. Adding a second da Vinci will provide more availability for physicians wishing to utilize this modality, and the additional availability will help with the recruitment and retention of surgical talent trained in this leading-edge technology. Patients will benefit by experiencing reduced scarring, blood loss, post-surgery complications, and length of stay. These benefits, as well as the elimination of unnecessary patient travel to out-of-state facilities, can reduce overall costs of care.

CON Standard 3.24: An applicant shall disclose potential financial conflicts of interest between hospitals and physicians and an equipment purchase.

There are no known or perceived conflicts of interest between the hospitals and physicians, and the vendor or manufacturer of this equipment.

2. The cost of the project is reasonable, because each of the following conditions is met:
- **(A) The applicant's financial condition will sustain any financial burden likely to result from completion of the project.**
- **(B) The project will not result in an undue increase in the costs of medical care or an undue impact on the affordability of medical care for consumers. In making a finding under this subdivision, the Board shall consider and weigh relevant factors, including:**
  - **(i) the financial implications of the project on hospitals and other clinical settings, including the impact on their services, expenditures and charges; and**
  - **(ii) whether the impact on services, expenditures, and charges is outweighed by the benefit of the project to the public.**
- **(C) Less expensive alternatives do not exist, would be unsatisfactory, or are not feasible or appropriate.**
- **(D) If applicable, the applicant has incorporated appropriate energy efficiency measures.**

The project will be paid for without incurring additional debt. Its impact on UVMMC's operating margin will be minimal and will not create an unsustainable financial burden or adversely impact UVMMC's financial health. *See* Section I.D., above, and Exhibit 1 (Financial Tables).

The project will not result in an undue increase in the costs of care or adversely impact affordability for consumers. UVMMC is already offering robotic-assisted surgeries for certain procedures and the number for which it is the standard of care has only risen since UVMMC purchased its existing da Vinci device. *See* Section 1.B. If the applicant does not add robotic capacity, patients will continue to leave the state to receive their procedures elsewhere, adding to the overall costs of care, or will be triaged with other surgical modalities that may result in longer length of stays and higher risk of complications. The lack of capacity also hinders the hospital's ability to recruit highly skilled surgeons to UVMMC, limiting patient access to high-quality care in the region.

There are no less expensive, satisfactory alternatives to purchasing a second da Vinci. Robotic-assisted surgery is now the standard of care and preferred treatment modality for an increasing number of procedures where open surgery—with larger incisions, more blood loss, and a higher chance of complications—is no longer an appropriate option. And as illustrated in Section 1, above, the demand from Urology and Gynecology alone—which now account for most of the da Vinci's utilization—could support the addition of a second machine. There is also no less expensive alternative available; the Intuitive da Vinci system is the technological leader in the

surgical robotics market, and the UVMMC surgeons and residents that have been using or training on the robotics platform have trained using a da Vinci device.

3. **There is an identifiable, existing, or reasonably anticipated need for the proposed project that is appropriate for the applicant to provide.**

As discussed in Section 1.B, above, the da Vinci system is established as an essential tool for surgical practitioners and trainees. UVMMC, as Vermont's sole tertiary care hospital and academic medical center, is the appropriate regional location for hosting the robotic-assisted surgical program. Indeed, academic medical centers nationwide offer robotic-assisted surgery, and no other hospital in Vermont offers the service. *See, e.g.,* CON Standards 1.3, 3.22, and Appendix.

4. **The project will improve the quality of health care in the State or provide greater access to health care for Vermont's residents, or both.**

The project will improve the quality of health care in Vermont. Robotic-assisted surgery is the standard of care for a growing number of procedures. Its benefits for patients include decreased blood loss, less scarring, fewer post-operative complications, and shorter lengths of stay.

It will also provide greater access to care. Currently, the applicant is operating its sole da Vinci above the single device volume benchmark, and demand for its use outpaces its capacity. Patients needing time-sensitive procedures may choose to seek treatment out-of-state, may delay their care, or in the alternative, may decide to undergo open or laparoscopic surgery. Indeed, the expected conversion of open and laparoscopic surgeries to the robotic platform, given its faster recovery time and decreased lengths of stay, will increase the availability of bed space at UVMMC for other patient needs. Accordingly, adding a second da Vinci will provide greater access to high-quality care for these patients.

5. **The project will not have an undue adverse impact on any other existing services provided by the applicant.**

The project will not affect other existing services provided by UVMMC. Although the da Vinci will be located in OR 19 on the Main Campus, it is expected that many surgeries that would otherwise have been performed open or laparoscopically will convert to the robotic platform. Thus, no services will be displaced, and OR 19 will be made available for traditional surgeries as needed.

6. **[Repealed.]**

7. **The applicant has adequately considered the availability of affordable, accessible transportation services to the facility, if applicable.**

This project is appropriately located on the UVMMC Main Campus in Burlington, which can be accessed by private and public transportation.

8. **If the application is for the purchase or lease of new Health Care Information Technology, it conforms with the Health Information Technology Plan established under section 9351 of this title.**

Not applicable to this project.

9. **The project will support equal access to appropriate mental health care that meets standards of quality, access, and affordability equivalent to other components of health care as part of an integrated, holistic system of care, as appropriate.**

Not applicable to this project.

CONCLUSION

Based on the information contained in this application, and for all the foregoing reasons, UVMMC respectfully requests approval of the application and issuance of a CON for the project.

Dated at Burlington, Vermont this 13th day of September, 2022.

THE UNIVERSITY VERMONT MEDICAL CENTER INC.

By: _____
Amanda S. Angell
Assistant General Counsel

INDEX OF EXHIBITS

Exhibit 1: CON Financial Tables
Exhibit 2: Pricing Exhibit

Appendix

Clinical and Service Quality – Robotic Assisted Surgery Benefits

Patient Safety

- Decreased risk of surgical site infection.
- Decreased risk of blood loss.
- Procedure-specific examples:
    - Robotic partial nephrectomy had a lower blood loss (210.5 ml) compared to open partial nephrectomy (368.5 ml). [4]
    - Robotic assisted hysterectomy had less blood loss as compared to open radical hysterectomy (49% to 77%). [5]
    - Robotic assisted thymectomy had reduced blood loss as compared to the open approach. [9]
    - Robotic assisted diaphragmatic plication surgery had less blood loss (20 ml) as compared to open transthoracic surgery (100 ml). [11]

Efficiency

- Decreased blood product utilization.
- Procedure specific examples:
    - Estimated blood loss and the need for transfusions were low for robotic assisted laparoscopic prostatectomy (RALP), moderate for laparoscopic radical prostatectomy (LRP) and high for open retropubic radical prostatectomy (ORP). [1,2,3]

Effectiveness

- Reduced length of stay (LOS).
- Decreased risk of surgical complications.
- Less risk of conversion to open approach.
- Decrease risk of adhesions.
- Procedure specific examples:
    - Robotic surgery for rectal cancer has a lower conversion rate to an open procedure as compared to laparoscopic surgery. [6]
    - Open retropubic radical prostatectomy (ORP) had a significantly higher rate than Robot-assisted radical prostatectomy (RALP) for positive surgical margins [1,2,3]
    - LOS was low for RALP, moderate for laparoscopic radical prostatectomy (LRP) and high for ORP. [1,2,3]
    - Open partial nephrectomy had a longer LOS (5.3 days) compared to robotic partial nephrectomy (3.0 days). [4]
    - Open radical hysterectomy had a higher LOS (2.8 to 5 days) as compared to robotic assisted hysterectomy (1 to 3.7 days). [5]
    - Early studies show a trend towards decreased LOS and post-op complications in robotic ventral mesh rectopexy surgery as compared to laparoscopic surgery. [7]

- Robotic assisted approach for Roux-en-Y gastric bypass (RYGB) and sleeve gastrectomy (SG) is associated with a decreased LOS (2.12 +/- 1.9 days) as compared to laparoscopic surgery (2.30 +/- 3.1 days). [7]
- Robotic assisted RYGB and SG, as compared to laparoscopic surgery, is associated with a decreased risk for anastomotic leak (0.52% vs. 0.92%), venous thromboembolism (0.24% vs. 0.52%), and renal complications (0.16% vs. 0.38%). [8]
- Robotic SG, as compared to laparoscopic surgery, has a lower risk of postoperative bleeding (0.16% vs. 0.43%) and stricture formation (0.19% vs. 0.33%). [8]
- Robotic assisted thymectomy is associated with a reduced LOS and a lower positive margin rate as compared to open approach surgery. [9]
- Robotic assisted thoracotomy has a decrease length of stay (4 days) as compared to open approach surgery (5 days). [10]
- Robotic assisted thoracotomy resulted in greater lymph node assessment (5) as compared to open approach surgery (4). [10]
- Robotic assisted diaphragmatic plication, as compared to open transthoracic approach, is associated with shorter chest-drain duration (1 vs. 3 days) and decreased LOS (3 vs. 7 days). [11]

Patient and Family Experience

- Faster recovery with return to regular activities, including work, in a shorter timeframe.
- Decreased post-operative pain.
- Shorter duration of the need for opioid analgesia.
- Faster return of bowel function.
- Different surgical approaches provide the patient and surgeon with choices to select the surgical option that best meets the patient's needs and provides the best surgical outcomes.
- Timeliness of procedures when related to cancer diagnoses.
- Care for some can be delivered closer to home, reducing patient and family travel time and expenses.
- Procedure specific examples:
  - Rate of erectile dysfunction and incontinence were significantly lower after RALP than LRP. [1,2,3]
  - Faster recovery of urogenital function in robotic surgery for rectal cancer than laparoscopic surgery. [6]

Organizational Health

- Cutting edge technology and a growing market.
- Keeps patients within catchment area to receive surgical services rather than care elsewhere, which results in a loss of revenue.
- Increases recruitment and retention of surgeons who are qualified to perform robotic surgery.
  - A greater number of surgeons are being trained to do robotic surgery.
  - A smaller number of surgeons are currently skilled in performing select laparoscopic procedures, resulting in the need to perform open approach surgery. With access to a robotic platform, more surgeons will be able to perform these technically challenging procedures in a minimally invasive fashion without the need for open surgery.

Surgeon Experience

- Better visualization of the surgical site.
- Improved dexterity of the robotic device enables better access to places that are hard to reach.
- Better ergonomics.
- An additional surgical option that may provide the most benefit and improved surgical outcomes for a patient.
- Optimizes available resources by having surgeons skilled in robotic surgery able to perform procedures they are trained to do.
- Ability to perform more advanced surgical cases; for example, it is easier to perform mesorectal excision procedures in the narrow pelvis for rectal cancer while maintaining advantages of minimally invasive surgery. [6]

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Exhibit 1

CON Financial Tables

The University of Vermont Medical Center
da Vinci Purchase
TABLE 1
PROJECT COSTS

Construction Costs		
1. New Construction	$	-
2. Renovation	$	40,000
3. Site Work	$	-
4. Fixed Equipment	$	-
5. Design/Bidding Contingency	$	-
6. Construction Contingency	$	-
7. Construction Manager Fee	$	-
8. Other (please specify)	$	-
Subtotal	$	40,000
Related Project Costs		
1. Major Moveable Equipment with contingency	$	2,420,000
2. Furnishings, Fixtures & Other Equip.	$	-
3. Architectural/Engineering Fees	$	-
4. Land Acquisition	$	-
5. Purchase of Buildings	$	-
6. Administrative Expenses & Permits	$	-
7. Debt Financing Expenses (see below)	$	-
8. Debt Service Reserve Fund	$	-
9. Working Capital	$	-
10. Other (Capitalized Interest)	$	-
	$	-
	$	-
Subtotal	$	2,420,000
Total Project Costs	**$**	**2,460,000**

Debt Financing Expenses		
1. Capital Interest	$	-
2. Bond Discount or Placement Fee	$	-
3. Misc. Financing Fees & Exp. (issuance costs)	$	-
4. Other	$	-
Subtotal	$	-
Less Interest Earnings on Funds		
1. Debt Service Reserve Funds	$	-
2. Capitalized Interest Account		-
3. Construction Fund		-
4. Other		-
Subtotal	$	-
Total Debt Financing Expenses	**$**	**-**
feeds to line 7 above		

The University of Vermont Medical Center

da Vinci Purchase

TABLE 2

DEBT FINANCING ARRANGEMENT, SOURCES & USES OF FUNDS

Sources of Funds

1. Financing Instrument	Bond			
a. Interest Rate	0.0%			
b. Loan Period		To:		
c. Amount Financed			$	-
2. Equity Contribution				2,460,000
3. Other Sources				
a. Working Capital				-
b. Fundraising				-
c. Grants				-
d. Other				-
Total Required Funds			**$**	**2,460,000**

Uses of Funds

Project Costs (feeds from Table 1)		
1. New Construction	$	-
2. Renovation		40,000
3. Site Work		-
4. Fixed Equipment		-
5. Design/Bidding Contingency		-
6. Construction Contingency		-
7. Construction Manager Fee		-
8. Major Moveable Equipment		2,420,000
9. Furnishings, Fixtures & Other Equip.		-
10. Architectural/Engineering Fees		-
11. Land Acquisition		-
12. Purchase of Buildings		-
13. Administrative Expenses & Permits		-
14. Debt Financing Expenses		-
15. Debt Service Reserve Fund		-
16. Working Capital		-
17. Other (Capitalized Interest)		-
Total Uses of Funds	**$**	**2,460,000**

Total sources should equal total uses of funds.

THE UNIVERSITY OF VERMONT MEDICAL CENTER

da Vinci Purchase - Table 3A

INCOME STATEMENT
Table 3A
WITHOUT PROJECT

	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	Proposed Yr 1 2023	% change	Proposed Yr 2 2024	% change	Proposed Yr 3 2025	% change	Proposed Yr 4 2026	% change	Proposed Yr 5 2027	% change
REVENUES																	
INPATIENT CARE REVENUE	961,991,066	-	-100.0%	987,667,855	#DIV/0!	1,139,480,429	15.4%	1,234,573,286	8.3%	1,274,475,712	3.2%	1,315,774,723	3.2%	1,358,519,199	3.2%	1,402,759,732	3.3%
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%	1,743,173,298	8.3%	1,799,514,096	3.2%	1,857,826,821	3.2%	1,918,180,491	3.2%	1,980,646,541	3.3%
OUTPATIENT CARE REVENUE - PHYSICIAN	534,405,279	-	-100.0%	573,834,762	#DIV/0!	701,663,177	22.3%	760,218,949	8.3%	784,789,851	3.2%	810,220,736	3.2%	836,541,701	3.2%	863,783,900	3.3%
CHRONIC/SNF PT CARE REVENUE	22,840,995	-	-100.0%	18,965,090	#DIV/0!	35,633,122	87.9%	38,606,807	8.3%	39,854,611	3.2%	41,146,087	3.2%	42,482,766	3.2%	43,866,228	3.3%
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%	3,776,572,340	8.3%	3,898,634,269	3.2%	4,024,968,367	3.2%	4,155,724,158	3.2%	4,291,056,401	3.3%
DISPROPORTIONATE SHARE PAYMENTS	11,260,268	11,214,283	-0.4%	11,223,480	0.1%	11,214,283	-0.1%	12,150,147	8.3%	12,542,849	3.2%	12,949,297	3.2%	13,369,970	3.2%	13,805,366	3.3%
BAD DEBT FREE CARE	(46,435,209)	(59,260,462)	27.6%	(44,297,609)	-25.2%	(62,334,502)	40.7%	(67,536,492)	8.3%	(69,719,327)	3.2%	(71,978,561)	3.2%	(74,316,868)	3.2%	(76,737,017)	3.3%
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%	(2,295,672,449)	8.3%	(2,369,870,474)	3.2%	(2,446,665,430)	3.2%	(2,526,148,210)	3.2%	(2,608,412,886)	3.3%
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%	1,425,513,546	8.3%	1,471,587,318	3.2%	1,519,273,672	3.2%	1,568,629,049	3.2%	1,619,711,864	3.3%
FIXED PROSPECTIVE PAYMENTS AND RESERVES	166,289,772	228,421,374	37.4%	171,967,015	-24.7%	184,880,390	7.5%	200,309,180	8.3%	206,783,338	3.2%	213,484,091	3.2%	220,419,371	3.2%	227,597,385	3.3%
NET PATIENT CARE REV & FIXED PAYMENTS & RESERVES	1,199,728,235	1,415,656,433	18.0%	1,295,787,839	-8.5%	1,500,593,928	15.8%	1,625,822,725	8.3%	1,678,370,656	3.2%	1,732,757,763	3.2%	1,789,048,420	3.2%	1,847,309,249	3.3%
OTHER OPERATING REVENUE	258,366,310	186,051,743	-28.0%	281,949,621	51.5%	213,583,061	-24.2%	231,407,170	8.3%	238,886,440	3.2%	246,627,485	3.2%	254,639,466	3.2%	262,931,867	3.3%
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%	1,857,229,895	8.3%	1,917,257,096	3.2%	1,979,385,248	3.2%	2,043,687,886	3.2%	2,110,241,116	3.3%
OPERATING EXPENSE																	
SALARIES NON MD	490,345,065	889,402,666	81.4%	523,224,792	-41.2%	551,773,862	5.5%	597,820,948	8.3%	617,143,013	3.2%	637,141,351	3.2%	657,839,631	3.2%	679,262,350	3.3%
FRINGE BENEFITS NON MD	120,434,942	-	-100.0%	129,907,527	#DIV/0!	151,565,883	16.7%	164,214,483	8.3%	169,522,031	3.2%	175,015,342	3.2%	180,700,920	3.2%	186,585,493	3.3%
PHYSICIAN FEES & SALARIES	194,141,108	-	-100.0%	190,968,928	#DIV/0!	205,922,158	7.8%	223,106,943	8.3%	230,317,943	3.2%	237,781,328	3.2%	245,505,932	3.2%	253,500,897	3.3%
FRINGE BENEFITS MD	29,930,947	-	-100.0%	40,860,089	#DIV/0!	40,408,673	-1.1%	43,780,890	8.3%	45,195,925	3.2%	46,660,485	3.2%	48,176,306	3.2%	49,745,180	3.3%
HEALTH CARE PROVIDER TAX	68,693,127	80,937,888	17.8%	76,329,409	-5.7%	85,942,735	12.6%	93,114,899	8.3%	96,124,449	3.2%	99,239,334	3.2%	102,463,239	3.2%	105,799,982	3.3%
DEPRECIATION AMORTIZATION	65,902,262	64,112,613	-2.7%	62,586,568	-2.4%	70,212,839	12.2%	76,072,299	8.3%	78,531,018	3.2%	81,075,793	3.2%	83,709,634	3.2%	86,435,660	3.3%
INTEREST - LONG/SHORT TERM	17,501,651	17,109,699	-2.2%	16,343,755	-4.5%	16,569,123	1.4%	17,951,863	8.3%	18,532,082	3.2%	19,132,608	3.2%	19,754,153	3.2%	20,397,453	3.3%
OTHER OPERATING EXPENSE	475,152,716	510,102,604	7.4%	484,645,233	-5.0%	540,356,407	11.5%	585,450,673	8.3%	604,372,922	3.2%	623,957,448	3.2%	644,227,434	3.2%	665,206,868	3.3%
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%	1,801,512,998	8.3%	1,859,739,383	3.2%	1,920,003,691	3.2%	1,982,377,249	3.2%	2,046,933,883	3.3%
NET OPERATING INCOME (LOSS)	(4,007,273)	40,042,705	-1099.3%	52,871,159	32.0%	51,425,310	-2.7%	55,716,897	8.3%	57,517,713	3.2%	59,381,557	3.2%	61,310,637	3.2%	63,307,233	3.3%
NON-OPERATING REVENUE	(13,736,029)	13,823,608	-200.6%	74,201,402	436.8%	20,981,262	-71.7%	22,732,207	8.3%	23,466,931	3.2%	24,227,370	3.2%	25,014,425	3.2%	25,829,026	3.3%
EXCESS (DEFICIT) OF REVENUE OVER EXPENSE	(17,743,303)	53,866,313	-403.6%	127,072,561	135.9%	72,406,572	-43.0%	78,449,104	8.3%	80,984,644	3.2%	83,608,928	3.2%	86,325,061	3.2%	89,136,259	3.3%

Operating Margin %	-0.3%	2.5%	3.4%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
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%	57.1%	57.1%	57.1%	57.1%	57.1%
Capital Cost % of Total Expenses	5.7%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%

da Vinci Purchase

INCOME STATEMENT

Table 3B

PROJECT ONLY

	2020	2021		2021		2022		Proposed Yr 1		Proposed Yr 2		Proposed Yr 3		Proposed Yr 4		Proposed Yr 5	
	Actual	Budget	% change	Projection	% change	Budget	% change	2023	% change	2024	% change	2025	% change	2026	% change	2027	% change
REVENUES																	
INPATIENT CARE REVENUE			#DIV/0!		#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!		#DIV/0!
OUTPATIENT CARE REVENUE - PHYSICIAN			#DIV/0!		#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!		#DIV/0!
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	-	-	#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!
BAD DEBT FREE CARE			#DIV/0!		#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!		#DIV/0!
			#DIV/0!		#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!	-	#DIV/0!
FIXED PROSPECTIVE PAYMENTS AND RESERVES	#VALUE!	#VALUE!	#VALUE!		#VALUE!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
NET PATIENT CARE REV & FIXED PAYMENTS & RESERVES			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Incremental Volume - Net Patient Revenue								234,520	#DIV/0!	302,625	29.0%	312,431	3.2%	322,581	3.2%	333,086	3.3%
Reimb. Adjustment for Medicare Population 11								0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Adjusted: NET PATIENT CARE REV & FIXED PAYMENTS & RESERVES								234,520	#DIV/0!	302,625	29.0%	312,431	3.2%	322,581	3.2%	333,086	3.3%
OTHER OPERATING REVENUE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Additional Volume: OP Pharmacy Revenue after Expenses								0		0	#DIV/0!	0		0		0	
TOTAL OPERATING REVENUE	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	234,520	#DIV/0!	302,625	29.0%	312,431	3.2%	322,581	3.2%	333,086	3.3%
OPERATING EXPENSE																	
SALARIES NON MD			#DIV/0!		#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!	-	#DIV/0!
PHYSICIAN FEES & SALARIES			#DIV/0!		#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!	-	#DIV/0!
HEALTH CARE PROVIDER TAX			#DIV/0!		#DIV/0!		#DIV/0!	14,071	#DIV/0!	31,875	126.5%	32,463	1.8%	33,072	1.9%	33,703	1.9%
DEPRECIATION AMORTIZATION			#DIV/0!		#DIV/0!		#DIV/0!	351,429	#DIV/0!	351,429	0.0%	351,429	0.0%	351,429	0.0%	351,429	0.0%
INTEREST - LONG/SHORT TERM			#DIV/0!		#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!	179,000	#DIV/0!	179,000	0.0%	179,000	0.0%	179,000	0.0%
Facility Operating Expense			#DIV/0!		#DIV/0!		#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Med/Surg/Pharmaceutical Supplies			#DIV/0!		#DIV/0!		#DIV/0!	216,568	#DIV/0!	280,185	29.4%	289,991	3.5%	300,141	3.5%	310,646	3.5%
Lease Expense Savings			#DIV/0!		#DIV/0!		#DIV/0!	(396,917)	#DIV/0!	(529,892)	33.5%	(529,892)	0.0%	(529,892)	0.0%	(529,892)	0.0%
TOTAL OPERATING EXPENSE	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	185,150	#DIV/0!	312,596	68.8%	322,991	3.3%	333,750	3.3%	344,885	3.3%
NET OPERATING INCOME (LOSS)	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	49,370	#DIV/0!	(9,971)	-120.2%	(10,560)	5.9%	(11,169)	5.8%	(11,799)	5.6%
NON-OPERATING REVENUE			#DIV/0!		#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!	49,370	#DIV/0!	(9,971)	-120.2%	(10,560)	5.9%	(11,169)	5.8%	(11,799)	18.3%

da Vinci Purchase - Table 3A

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

INCOME STATEMENT

Table 3C

WITH PROJECT

	2020	2021		2021		2022		Proposed Yr 1		Proposed Yr 2		Proposed Yr 3		Proposed Yr 4		Proposed Yr 5	
	Actual	Budget	% change	Projection	% change	Budget	% change	2023	% change	2024	% change	2025	% change	2026	% change	2027	% change
REVENUES																	
INPATIENT CARE REVENUE	961,991,066	-	-100.0%	987,667,855	#DIV/0!	1,139,480,429	15.4%	1,234,573,286	8.3%	1,274,475,712	3.2%	1,315,774,723	3.2%	1,358,519,199	3.2%	1,402,759,732	3.3%
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%	1,743,173,298	8.3%	1,799,514,096	3.2%	1,857,826,821	3.2%	1,918,180,491	3.2%	1,980,646,541	3.3%
OUTPATIENT CARE REVENUE - PHYSICIAN	534,405,279	-	-100.0%	573,834,762	#DIV/0!	701,663,177	22.3%	760,218,949	8.3%	784,789,851	3.2%	810,220,736	3.2%	836,541,701	3.2%	863,783,900	3.3%
CHRONIC/SNF PT CARE REVENUE	22,840,995	-	-100.0%	18,965,090	#DIV/0!	35,633,122	87.9%	38,606,807	8.3%	39,854,611	3.2%	41,146,087	3.2%	42,482,766	3.2%	43,866,228	3.3%
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%	3,776,572,340	8.3%	3,898,634,269	3.2%	4,024,968,367	3.2%	4,155,724,158	3.2%	4,291,056,401	3.3%
DISPROPORTIONATE SHARE PAYMENTS	11,260,268	11,214,283	-0.4%	11,223,480	0.1%	11,214,283	-0.1%	12,150,147	8.3%	12,542,849	3.2%	12,949,297	3.2%	13,369,970	3.2%	13,805,366	3.3%
BAD DEBT FREE CARE	(46,435,209)	(59,260,462)	27.6%	(44,297,609)	-25.2%	(62,334,502)	40.7%	(67,536,492)	8.3%	(69,719,327)	3.2%	(71,978,561)	3.2%	(74,316,868)	3.2%	(76,737,017)	3.3%
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%	(2,295,672,449)	8.3%	(2,369,870,474)	3.2%	(2,446,665,430)	3.2%	(2,526,148,210)	3.2%	(2,608,412,886)	3.3%
	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
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%	1,425,513,546	8.3%	1,471,587,318	3.2%	1,519,273,672	3.2%	1,568,629,049	3.2%	1,619,711,864	3.3%
FIXED PROSPECTIVE PAYMENTS AND RESERVES	#VALUE!	#VALUE!	#VALUE!	171,967,015	#VALUE!	184,880,390	7.5%	200,309,180	8.3%	206,783,338	3.2%	213,484,091	3.2%	220,419,371	3.2%	227,597,385	3.3%
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%	1,625,822,725	8.3%	1,678,370,656	3.2%	1,732,757,763	3.2%	1,789,048,420	3.2%	1,847,309,249	3.3%
Incremental Volume - Net Patient Revenue								234,520	#DIV/0!	302,625	29.0%	312,431	3.2%	322,581	3.2%	333,086	3.3%
Reimb. Adjustment for Medicare Population 11								0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Adjusted: NET PATIENT CARE REV & FIXED PAYMENTS & RESERVES								1,626,057,245	#DIV/0!	1,678,673,280	3.2%	1,733,070,194	3.2%	1,789,371,001	3.2%	1,847,642,335	3.3%
OTHER OPERATING REVENUE	258,366,310	186,051,743	-28.0%	281,949,621	51.5%	213,583,061	-24.2%	231,407,170	8.3%	238,886,440	3.2%	246,627,485	3.2%	254,639,466	3.2%	262,931,867	3.3%
Additional Volume: OP Pharmacy Revenue after Expenses								0		0		0		0		0	
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%	1,857,464,415	8.4%	1,917,559,720	3.2%	1,979,697,679	3.2%	2,044,010,467	3.2%	2,110,574,202	3.3%
OPERATING EXPENSE																	
SALARIES NON MD	490,345,065	889,402,666	81.4%	523,224,792	-41.2%	551,773,862	5.5%	597,820,948	8.3%	617,143,013	3.2%	637,141,351	3.2%	657,839,631	3.2%	679,262,350	3.3%
FRINGE BENEFITS NON MD	120,434,942	-	-100.0%	129,907,527	#DIV/0!	151,565,883	16.7%	164,214,483	8.3%	169,522,031	3.2%	175,015,342	3.2%	180,700,920	3.2%	186,585,493	3.3%
FRINGE BENEFITS MD	194,141,108	-	-100.0%	190,968,928	#DIV/0!	205,922,158	7.8%	223,106,943	8.3%	230,317,943	3.2%	237,781,328	3.2%	245,505,932	3.2%	253,500,897	3.3%
PHYSICIAN FEES & SALARIES	29,930,947	-	-100.0%	40,860,089	#DIV/0!	40,408,673	-1.1%	43,780,890	8.3%	45,195,925	3.2%	46,660,485	3.2%	48,176,306	3.2%	49,745,180	3.3%
HEALTH CARE PROVIDER TAX	68,693,127	80,937,888	17.8%	76,329,409	-5.7%	85,942,735	12.6%	93,128,970	8.4%	96,156,324	3.3%	99,271,797	3.2%	102,496,312	3.2%	105,833,684	3.3%
DEPRECIATION AMORTIZATION	65,902,262	64,112,613	-2.7%	62,586,568	-2.4%	70,212,839	12.2%	76,423,727	8.8%	78,882,447	3.2%	81,427,221	3.2%	84,061,063	3.2%	86,787,089	3.2%
INTEREST - LONG/SHORT TERM	17,501,651	17,109,699	-2.2%	16,343,755	-4.5%	16,569,123	1.4%	17,951,863	8.3%	18,532,082	3.2%	19,132,608	3.2%	19,754,153	3.2%	20,397,453	3.3%
OTHER OPERATING EXPENSE	475,152,716	510,102,604	7.4%	484,645,233	-5.0%	540,356,407	11.5%	585,450,673	8.3%	604,551,922	3.3%	624,136,448	3.2%	644,406,434	3.2%	665,385,868	3.3%
Facility Operating Expense			#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Med/Surg/Pharmaceutical Supplies			#DIV/0!		#DIV/0!		#DIV/0!	216,568	#DIV/0!	280,185	29.4%	289,991	3.5%	300,141	3.5%	310,646	3.5%
Lease Expense Savings			#DIV/0!		#DIV/0!		#DIV/0!	-396,917	#DIV/0!	-529,892	33.5%	-529,892	0.0%	-529,892	0.0%	-529,892	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%	1,801,698,149	8.4%	1,860,051,979	3.2%	1,920,326,682	3.2%	1,982,710,999	3.2%	2,047,278,767	3.3%
NET OPERATING INCOME (LOSS)	(4,007,273)	40,042,705	-1099.3%	52,871,159	32.0%	51,425,310	-2.7%	55,766,266	8.4%	57,507,742	3.1%	59,370,998	3.2%	61,299,468	3.2%	63,295,434	3.3%
NON-OPERATING REVENUE	(13,736,029)	13,823,608	-200.6%	74,201,402	436.8%	20,981,262	-71.7%	22,732,207	8.3%	23,466,931	3.2%	24,227,370	3.2%	25,014,425	3.2%	25,829,026	3.3%
EXCESS (DEFICIT) OF REVENUE OVER EXPENSE	(17,743,303)	53,866,313	-403.6%	127,072,561	135.9%	72,406,572	-43.0%	78,498,474	8.4%	80,974,673	3.2%	83,598,368	3.2%	86,313,892	3.2%	89,124,460	3.3%

Operating Margin %	-0.3%	2.5%	3.4%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
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%	57.1%	57.1%	57.1%	57.1%	57.1%
Capital Cost % of Total Expenses	5.7%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%

THE UNIVERSITY OF VERMONT MEDICAL CENTER

da Vinci Purchase

Balance Sheet

WITHOUT PROJECT

	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
ASSETS																	
CURRENT ASSETS																	
CASH & INVESTMENTS	194,792,429	244,783,431	25.7%	224,688,488	-8.2%	172,991,275	-23.0%	177,282,863	2.5%	183,375,266	3.4%	191,331,514	4.3%	201,216,841	5.2%	213,098,765	16.2%
PATIENT ACCOUNTS RECEIVABLE, GROSS	204,170,809	160,188,263	-21.5%	214,224,870	33.7%	214,224,870	0.0%	214,224,870	0.0%	214,224,870	0.0%	214,224,870	0.0%	214,224,870	0.0%	214,224,870	0.0%
LESS: ALLOWANCE FOR UNCOLLECTIBLE ACCTS	(42,065,964)	-	-100.0%	(37,057,939)	#DIV/0!	(37,057,939)	0.0%	(37,057,939)	0.0%	(37,057,939)	0.0%	(37,057,939)	0.0%	(37,057,939)	0.0%	(37,057,939)	0.0%
DUE FROM THIRD PARTIES	32,009,063	-	-100.0%	37,425,396	#DIV/0!	37,425,396	0.0%	37,425,396	0.0%	37,425,396	0.0%	37,425,396	0.0%	37,425,396	0.0%	37,425,396	0.0%
ACO RISK RESERVE/SETTLEMENT RECEIVABLE	6,442,700	-	-100.0%	3,798,677	#DIV/0!	5,000,000	31.6%	5,000,000	0.0%	5,000,000	0.0%	5,000,000	0.0%	5,000,000	0.0%	5,000,000	0.0%
OTHER CURRENT ASSETS	109,419,193	116,307,813	6.3%	106,016,163	-8.8%	106,016,163	0.0%	106,016,163	0.0%	106,016,163	0.0%	106,016,163	0.0%	106,016,163	0.0%	106,016,163	0.0%
TOTAL CURRENT ASSETS	504,768,230	521,279,507	3.3%	549,095,655	5.3%	498,599,766	-9.2%	502,891,353	0.9%	508,983,756	1.2%	516,940,004	1.6%	526,825,331	1.9%	538,707,255	5.8%
BOARD DESIGNATED ASSETS					#DIV/0!		#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
FUNDED DEPRECIATION	544,279,307	516,577,841	-5.1%	612,315,947	18.5%	633,297,209	3.4%	633,297,209	0.0%	633,297,209	0.0%	633,297,209	0.0%	633,297,209	0.0%	633,297,209	0.0%
ESCROWED BOND FUNDS	72,243,481	-	-100.0%	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
OTHER	-	-	#DIV/0!	87,880,000	#DIV/0!	87,880,000	0.0%	87,880,000	0.0%	87,880,000	0.0%	87,880,000	0.0%	87,880,000	0.0%	87,880,000	0.0%
TOTAL BOARD DESIGNATED ASSETS	616,522,788	516,577,841	-16.2%	700,195,946	35.5%	721,177,208	3.0%	721,177,208	0.0%	721,177,208	0.0%	721,177,208	0.0%	721,177,208	0.0%	721,177,208	0.0%
PROPERTY, PLANT, AND EQUIPMENT																	
LAND, BUILDINGS & IMPROVEMENTS	913,207,548	646,684,466	-29.2%	923,177,459	42.8%	957,180,476	3.7%	957,180,476	0.0%	957,180,476	0.0%	957,180,476	0.0%	957,180,476	0.0%	957,180,476	0.0%
CONSTRUCTION IN PROGRESS	25,321,642	-	-100.0%	36,289,707	#DIV/0!	36,289,707	0.0%	36,289,707	0.0%	36,289,707	0.0%	36,289,707	0.0%	36,289,707	0.0%	36,289,707	0.0%
MAJOR MOVABLE EQUIPMENT	485,492,437	-	-100.0%	491,436,173	#DIV/0!	525,773,537	7.0%	525,773,537	0.0%	525,773,537	0.0%	525,773,537	0.0%	525,773,537	0.0%	525,773,537	0.0%
FIXED EQUIPMENT	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
TOTAL PROPERTY, PLANT AND EQUIPMENT	1,424,021,627	646,684,466	-54.6%	1,450,903,339	124.4%	1,519,243,720	4.7%	1,519,243,720	0.0%	1,519,243,720	0.0%	1,519,243,720	0.0%	1,519,243,720	0.0%	1,519,243,720	0.0%
LESS: ACCUMULATED DEPRECIATION																	
LAND, BUILDINGS & IMPROVEMENTS	(422,526,056)	-	-100.0%	(455,118,426)	#DIV/0!	(492,874,419)	8.3%	(492,874,419)	0.0%	(492,874,419)	0.0%	(492,874,419)	0.0%	(492,874,419)	0.0%	(492,874,419)	0.0%
EQUIPMENT - FIXED	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
EQUIPMENT - MAJOR MOVEABLE	(361,372,990)	-	-100.0%	(391,241,433)	#DIV/0!	(423,698,279)	8.3%	(423,698,279)	0.0%	(423,698,279)	0.0%	(423,698,279)	0.0%	(423,698,279)	0.0%	(423,698,279)	0.0%
TOTAL ACCUMULATED DEPRECIATION	(783,899,046)	-	-100.0%	(846,359,859)	#DIV/0!	(916,572,698)	8.3%	(916,572,698)	0.0%	(916,572,698)	0.0%	(916,572,698)	0.0%	(916,572,698)	0.0%	(916,572,698)	0.0%
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	640,122,581	646,684,466	1.0%	604,543,480	-6.5%	602,671,022	-0.3%	602,671,022	0.0%	602,671,022	0.0%	602,671,022	0.0%	602,671,022	0.0%	602,671,022	0.0%
OTHER LONG-TERM ASSETS	65,559,813	142,233,196	117.0%	65,947,792	-53.6%	65,947,792	0.0%	65,947,792	0.0%	65,947,792	0.0%	65,947,792	0.0%	65,947,792	0.0%	65,947,792	0.0%
TOTAL ASSETS	**1,826,973,412**	**1,826,775,010**	0.0%	**1,919,782,873**	5.1%	**1,888,395,787**	-1.6%	**1,892,687,375**	0.2%	**1,898,779,778**	0.3%	**1,906,736,026**	0.4%	**1,916,621,353**	0.5%	**1,928,503,277**	1.6%
LIABILITIES AND FUND BALANCE																	
CURRENT LIABILITIES																	
ACCOUNTS PAYABLE	27,779,653	35,717,005	28.6%	42,892,632	20.1%	42,892,632	0.0%	42,892,632	0.0%	42,892,632	0.0%	42,892,632	0.0%	42,892,632	0.0%	42,892,632	0.0%
CURRENT LIABILITIES COVID-19	76,060,696	21,500,000	-71.7%	60,190,837	180.0%	-	-100.0%	-	-100.0%	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
SALARIES, WAGES AND PAYROLL TAXES PAYABLE	97,282,786	88,103,110	-9.4%	83,759,092	-4.9%	83,759,092	0.0%	83,759,092	0.0%	83,759,092	0.0%	83,759,092	0.0%	83,759,092	0.0%	83,759,092	0.0%
ESTIMATED THIRD-PARTY SETTLEMENTS	19,230,660	-	-100.0%	23,462,235	#DIV/0!	3,165,681	-86.5%	3,165,681	-86.5%	3,165,681	0.0%	3,165,681	0.0%	3,165,681	0.0%	3,165,681	0.0%
OTHER CURRENT LIABILITIES	53,997,052	67,936,249	25.8%	54,494,848	-19.8%	54,494,848	0.0%	54,494,848	0.0%	54,494,848	0.0%	54,494,848	0.0%	54,494,848	0.0%	54,494,848	0.0%
CURRENT PORTION OF LONG-TERM DEBT	19,783,625	-	-100.0%	19,833,768	#DIV/0!	22,322,022	12.5%	22,322,022	12.5%	22,322,022	0.0%	22,322,022	0.0%	22,322,022	0.0%	22,322,022	0.0%
TOTAL CURRENT LIABILITIES	294,134,472	213,256,364	-27.5%	284,633,412	33.5%	206,634,275	-27.4%	206,634,275	-27.4%	206,634,275	0.0%	206,634,275	0.0%	206,634,275	0.0%	206,634,275	0.0%
LONG-TERM DEBT																	
LONG TERM LIABILITIES COVID-19	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
BONDS & MORTGAGES PAYABLE	438,669,100	418,647,828	-4.6%	418,831,254	0.0%	394,909,193	-5.7%	394,909,193	-5.7%	394,909,193	0.0%	394,909,193	0.0%	394,909,193	0.0%	394,909,193	0.0%
CAPITAL LEASE OBLIGATIONS	-	-	#DIV/0!	1,162,611	#DIV/0!	1,162,611	0.0%	1,162,611	0.0%	1,162,611	0.0%	1,162,611	0.0%	1,162,611	0.0%	1,162,611	0.0%
OTHER LONG-TERM DEBT	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
TOTAL LONG-TERM DEBT	438,669,100	418,647,828	-4.6%	419,993,865	0.3%	396,071,804	-5.7%	396,071,804	-5.7%	396,071,804	0.0%	396,071,804	0.0%	396,071,804	0.0%	396,071,804	0.0%
OTHER NONCURRENT LIABILITIES	71,693,432	69,469,463	-3.1%	67,303,398	-3.1%	67,303,398	0.0%	67,303,398	0.0%	67,303,398	0.0%	67,303,398	0.0%	67,303,398	0.0%	67,303,398	0.0%
TOTAL LIABILITIES	**804,497,004**	**701,373,655**	-12.8%	**771,930,676**	10.1%	**670,009,478**	-13.2%	**670,009,478**	-13.2%	**670,009,478**	0.0%	**670,009,478**	0.0%	**670,009,478**	0.0%	**670,009,478**	0.0%
FUND BALANCE	1,022,476,409	1,125,401,355	10.1%	1,147,852,197	2.0%	1,218,386,310	6.1%	1,222,677,897	6.5%	1,228,770,300	0.5%	1,236,726,548	1.1%	1,246,611,875	0.8%	1,258,493,799	2.4%
TOTAL LIABILITIES AND FUND BALANCE	**1,826,973,413**	**1,826,775,010**	0.0%	**1,919,782,873**	5.1%	**1,888,395,787**	-1.6%	**1,892,687,374**	-1.4%	**1,898,779,778**	0.3%	**1,906,736,026**	0.7%	**1,916,621,353**	0.5%	**1,928,503,276**	1.6%

THE UNIVERSITY OF VERMONT MEDICAL CENTER

da Vinci Purchase

Balance Sheet
PROJECT ONLY

	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
ASSETS																	
CURRENT ASSETS																	
CASH & INVESTMENTS			#DIV/0!		#DIV/0!		#DIV/0!	(2,059,202)	#DIV/0!	(1,717,745)	-16.6%	(1,376,876)	-19.8%	(1,036,616)	-24.7%	(696,986)	-59.4%
PATIENT ACCOUNTS RECEIVABLE, GROSS			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
LESS: ALLOWANCE FOR UNCOLLECTIBLE ACCTS			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
DUE FROM THIRD PARTIES			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
ACO RISK RESERVE/SETTLEMENT RECEIVABLE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
OTHER CURRENT ASSETS			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
TOTAL CURRENT ASSETS	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	(2,059,202)	#DIV/0!	(1,717,745)	-16.6%	(1,376,876)	-19.8%	(1,036,616)	-24.7%	(696,986)	-59.4%
BOARD DESIGNATED ASSETS					#DIV/0!		#DIV/0!		#DIV/0!				#DIV/0!				
FUNDED DEPRECIATION			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
ESCROWED BOND FUNDS			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
OTHER			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
TOTAL BOARD DESIGNATED ASSETS	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
PROPERTY, PLANT, AND EQUIPMENT																	
LAND, BUILDINGS & IMPROVEMENTS			#DIV/0!		#DIV/0!		#DIV/0!	40,000	#DIV/0!	40,000	0.0%	40,000	0.0%	40,000	0.0%	40,000	0.0%
CONSTRUCTION IN PROGRESS			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
MAJOR MOVABLE EQUIPMENT			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
FIXED EQUIPMENT			#DIV/0!		#DIV/0!		#DIV/0!	2,420,000	#DIV/0!	2,420,000	0.0%	2,420,000	0.0%	2,420,000	0.0%	2,420,000	0.0%
TOTAL PROPERTY, PLANT AND EQUIPMENT	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	2,460,000	#DIV/0!	2,460,000	0.0%	2,460,000	0.0%	2,460,000	0.0%	2,460,000	0.0%
LESS: ACCUMULATED DEPRECIATION																	
LAND, BUILDINGS & IMPROVEMENTS			#DIV/0!		#DIV/0!		#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
EQUIPMENT - FIXED			#DIV/0!		#DIV/0!		#DIV/0!	(351,429)	#DIV/0!	(702,857)	100.0%	(1,054,286)	50.0%	(1,405,714)	33.3%	(1,757,143)	150.0%
EQUIPMENT - MAJOR MOVEABLE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
TOTAL ACCUMULATED DEPRECIATION	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	(351,429)	#DIV/0!	(702,857)	100.0%	(1,054,286)	50.0%	(1,405,714)	33.3%	(1,757,143)	150.0%
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	2,108,571	#DIV/0!	1,757,143	-16.7%	1,405,714	-20.0%	1,054,286	-25.0%	702,857	-60.0%
OTHER LONG-TERM ASSETS			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
TOTAL ASSETS	**-**	**-**	#DIV/0!	**-**	#DIV/0!	**-**	#DIV/0!	**49,370**	#DIV/0!	**39,398**	-20.2%	**28,839**	-26.8%	**17,670**	-38.7%	**5,871**	-85.1%
LIABILITIES AND FUND BALANCE																	
CURRENT LIABILITIES																	
ACCOUNTS PAYABLE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
CURRENT LIABILITIES COVID-19			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
SALARIES, WAGES AND PAYROLL TAXES PAYABLE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
ESTIMATED THIRD-PARTY SETTLEMENTS			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
OTHER CURRENT LIABILITIES			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
CURRENT PORTION OF LONG-TERM DEBT			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
TOTAL CURRENT LIABILITIES	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
LONG-TERM DEBT																	
LONG TERM LIABILITIES COVID-19			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
BONDS & MORTGAGES PAYABLE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
CAPITAL LEASE OBLIGATIONS			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
OTHER LONG-TERM DEBT			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
TOTAL LONG-TERM DEBT	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
OTHER NONCURRENT LIABILITIES			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
TOTAL LIABILITIES	**-**	**-**	#DIV/0!	**-**	#DIV/0!	**-**	#DIV/0!	**-**	#DIV/0!	**-**	#DIV/0!	**-**	#DIV/0!	**-**	#DIV/0!	**-**	#DIV/0!
FUND BALANCE			#DIV/0!		#DIV/0!		#DIV/0!	49,370	#DIV/0!	39,398	-20.2%	28,839	-41.6%	17,670	-38.7%	5,871	-85.1%
TOTAL LIABILITIES AND FUND BALANCE	**-**	**-**	#DIV/0!	**-**	#DIV/0!	**-**	#DIV/0!	**49,370**	#DIV/0!	**39,398**	-20.2%	**28,839**	-41.6%	**17,670**	-38.7%	**5,871**	-85.1%

THE UNIVERSITY OF VERMONT MEDICAL CENTER

da Vinci Purchase

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

Balance Sheet

WITH PROJECT

	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	2,024 Proposed Year 1	% change	2,025 Proposed Year 2	% change	2,026 Proposed Year 3	% change	2,027 Proposed Year 4	% change	2,028 Proposed Year 5	% change
ASSETS																	
CURRENT ASSETS																	
CASH & INVESTMENTS	194,792,429	244,783,431	25.7%	224,688,488	-8.2%	172,991,275	-23.0%	175,223,661	1.3%	181,657,521	3.7%	189,954,638	4.6%	200,180,225	5.4%	212,401,778	16.9%
PATIENT ACCOUNTS RECEIVABLE, GROSS	204,170,809	160,188,263	-21.5%	214,224,870	33.7%	214,224,870	0.0%	214,224,870	0.0%	214,224,870	0.0%	214,224,870	0.0%	214,224,870	0.0%	214,224,870	0.0%
LESS: ALLOWANCE FOR UNCOLLECTIBLE ACCTS	(42,065,964)	-	-100.0%	(37,057,939)	#DIV/0!	(37,057,939)	0.0%	(37,057,939)	0.0%	(37,057,939)	0.0%	(37,057,939)	0.0%	(37,057,939)	0.0%	(37,057,939)	0.0%
DUE FROM THIRD PARTIES	32,009,063	-	-100.0%	37,425,396	#DIV/0!	37,425,396	0.0%	37,425,396	0.0%	37,425,396	0.0%	37,425,396	0.0%	37,425,396	0.0%	37,425,396	0.0%
ACO RISK RESERVE/SETTLEMENT RECEIVABLE	6,442,700	-	-100.0%	3,798,677	#DIV/0!	5,000,000	31.6%	5,000,000	0.0%	5,000,000	0.0%	5,000,000	0.0%	5,000,000	0.0%	5,000,000	0.0%
OTHER CURRENT ASSETS	109,419,193	116,307,813	6.3%	106,016,163	-8.8%	106,016,163	0.0%	106,016,163	0.0%	106,016,163	0.0%	106,016,163	0.0%	106,016,163	0.0%	106,016,163	0.0%
TOTAL CURRENT ASSETS	504,768,230	521,279,507	3.3%	549,095,655	5.3%	498,599,766	-9.2%	500,832,151	0.4%	507,266,011	1.3%	515,563,128	1.6%	525,788,715	2.0%	538,010,269	6.1%
BOARD DESIGNATED ASSETS					#DIV/0!		#DIV/0!		#DIV/0!				#DIV/0!				
FUNDED DEPRECIATION	544,279,307	516,577,841	-5.1%	612,315,947	18.5%	633,297,209	3.4%	633,297,209	0.0%	633,297,209	0.0%	633,297,209	0.0%	633,297,209	0.0%	633,297,209	0.0%
ESCROWED BOND FUNDS	72,243,481	-	-100.0%	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
OTHER	-	-	#DIV/0!	87,880,000	#DIV/0!	87,880,000	0.0%	87,880,000	0.0%	87,880,000	0.0%	87,880,000	0.0%	87,880,000	0.0%	87,880,000	0.0%
TOTAL BOARD DESIGNATED ASSETS	616,522,788	516,577,841	-16.2%	700,195,946	35.5%	721,177,208	3.0%	721,177,208	0.0%	721,177,208	0.0%	721,177,208	0.0%	721,177,208	0.0%	721,177,208	0.0%
PROPERTY, PLANT, AND EQUIPMENT																	
LAND, BUILDINGS & IMPROVEMENTS	913,207,548	646,684,466	-29.2%	923,177,459	42.8%	957,180,476	3.7%	957,220,476	0.0%	957,220,476	0.0%	957,220,476	0.0%	957,220,476	0.0%	957,220,476	0.0%
CONSTRUCTION IN PROGRESS	25,321,642	-	-100.0%	36,289,707	#DIV/0!	36,289,707	0.0%	36,289,707	0.0%	36,289,707	0.0%	36,289,707	0.0%	36,289,707	0.0%	36,289,707	0.0%
MAJOR MOVABLE EQUIPMENT	485,492,437	-	-100.0%	491,436,173	#DIV/0!	525,773,537	7.0%	525,773,537	0.0%	525,773,537	0.0%	525,773,537	0.0%	525,773,537	0.0%	525,773,537	0.0%
FIXED EQUIPMENT	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	2,420,000	#DIV/0!	2,420,000	0.0%	2,420,000	0.0%	2,420,000	0.0%	2,420,000	0.0%
TOTAL PROPERTY, PLANT AND EQUIPMENT	1,424,021,627	646,684,466	-54.6%	1,450,903,339	124.4%	1,519,243,720	4.7%	1,521,703,720	0.2%	1,521,703,720	0.0%	1,521,703,720	0.0%	1,521,703,720	0.0%	1,521,703,720	0.0%
LESS: ACCUMULATED DEPRECIATION																	
LAND, BUILDINGS & IMPROVEMENTS	(422,526,056)	-	-100.0%	(455,118,426)	#DIV/0!	(492,874,419)	8.3%	(492,874,419)	0.0%	(492,874,419)	0.0%	(492,874,419)	0.0%	(492,874,419)	0.0%	(492,874,419)	0.0%
EQUIPMENT - FIXED	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	(351,429)	#DIV/0!	(702,857)	100.0%	(1,054,286)	50.0%	(1,405,714)	33.3%	(1,757,143)	150.0%
EQUIPMENT - MAJOR MOVEABLE	(361,372,990)	-	-100.0%	(391,241,433)	#DIV/0!	(423,698,279)	8.3%	(423,698,279)	0.0%	(423,698,279)	0.0%	(423,698,279)	0.0%	(423,698,279)	0.0%	(423,698,279)	0.0%
TOTAL ACCUMULATED DEPRECIATION	(783,899,046)	-	-100.0%	(846,359,859)	#DIV/0!	(916,572,698)	8.3%	(916,924,127)	0.0%	(917,275,555)	0.0%	(917,626,984)	0.0%	(917,978,413)	0.0%	(918,329,841)	0.1%
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	640,122,581	646,684,466	1.0%	604,543,480	-6.5%	602,671,022	-0.3%	604,779,593	0.3%	604,428,165	-0.1%	604,076,736	-0.1%	603,725,307	-0.1%	603,373,879	-0.2%
OTHER LONG-TERM ASSETS	65,559,813	142,233,196	117.0%	65,947,792	-53.6%	65,947,792	0.0%	65,947,792	0.0%	65,947,792	0.0%	65,947,792	0.0%	65,947,792	0.0%	65,947,792	0.0%
TOTAL ASSETS	**1,826,973,412**	**1,826,775,010**	0.0%	**1,919,782,873**	5.1%	**1,888,395,787**	-1.6%	**1,892,736,744**	0.2%	**1,898,819,176**	0.3%	**1,906,764,864**	0.4%	**1,916,639,023**	0.5%	**1,928,509,148**	1.6%
CURRENT LIABILITIES																	
ACCOUNTS PAYABLE	27,779,653	35,717,005	28.6%	42,892,632	20.1%	42,892,632	0.0%	42,892,632	0.0%	42,892,632	0.0%	42,892,632	0.0%	42,892,632	0.0%	42,892,632	0.0%
CURRENT LIABILITIES COVID-19	76,060,696	21,500,000	-71.7%	60,190,837	180.0%	-	-100.0%	-	-100.0%	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
SALARIES, WAGES AND PAYROLL TAXES PAYABLE	97,282,786	88,103,110	-9.4%	83,759,092	-4.9%	83,759,092	0.0%	83,759,092	0.0%	83,759,092	0.0%	83,759,092	0.0%	83,759,092	0.0%	83,759,092	0.0%
ESTIMATED THIRD-PARTY SETTLEMENTS	19,230,660	-	-100.0%	23,462,235	#DIV/0!	3,165,681	-86.5%	3,165,681	-86.5%	3,165,681	0.0%	3,165,681	0.0%	3,165,681	0.0%	3,165,681	0.0%
OTHER CURRENT LIABILITIES	53,997,052	67,936,249	25.8%	54,494,848	-19.8%	54,494,848	0.0%	54,494,848	0.0%	54,494,848	0.0%	54,494,848	0.0%	54,494,848	0.0%	54,494,848	0.0%
CURRENT PORTION OF LONG-TERM DEBT	19,783,625	-	-100.0%	19,833,768	#DIV/0!	22,322,022	12.5%	22,322,022	12.5%	22,322,022	0.0%	22,322,022	0.0%	22,322,022	0.0%	22,322,022	0.0%
TOTAL CURRENT LIABILITIES	294,134,472	213,256,364	-27.5%	284,633,412	33.5%	206,634,275	-27.4%	206,634,275	-27.4%	206,634,275	0.0%	206,634,275	0.0%	206,634,275	0.0%	206,634,275	0.0%
LONG-TERM DEBT																	
LONG TERM LIABILITIES COVID-19	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
BONDS & MORTGAGES PAYABLE	438,669,100	418,647,828	-4.6%	418,831,254	0.0%	394,909,193	-5.7%	394,909,193	-5.7%	394,909,193	0.0%	394,909,193	0.0%	394,909,193	0.0%	394,909,193	0.0%
CAPITAL LEASE OBLIGATIONS	-	-	#DIV/0!	1,162,611	#DIV/0!	1,162,611	0.0%	1,162,611	0.0%	1,162,611	0.0%	1,162,611	0.0%	1,162,611	0.0%	1,162,611	0.0%
OTHER LONG-TERM DEBT	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
TOTAL LONG-TERM DEBT	438,669,100	418,647,828	-4.6%	419,993,865	0.3%	396,071,804	-5.7%	396,071,804	-5.7%	396,071,804	0.0%	396,071,804	0.0%	396,071,804	0.0%	396,071,804	0.0%
OTHER NONCURRENT LIABILITIES	71,693,432	69,469,463	-3.1%	67,303,398	-3.1%	67,303,398	0.0%	67,303,398	0.0%	67,303,398	0.0%	67,303,398	0.0%	67,303,398	0.0%	67,303,398	0.0%
TOTAL LIABILITIES	**804,497,004**	**701,373,655**	-12.8%	**771,930,676**	10.1%	**670,009,478**	-13.2%	**670,009,478**	-13.2%	**670,009,478**	0.0%	**670,009,478**	0.0%	**670,009,478**	0.0%	**670,009,478**	0.0%
FUND BALANCE	1,022,476,409	1,125,401,355	10.1%	1,147,852,197	2.0%	1,218,386,310	6.1%	1,222,727,266	6.5%	1,228,809,698	0.5%	1,236,755,386	1.1%	1,246,629,545	0.8%	1,258,499,670	2.4%
TOTAL LIABILITIES AND FUND BALANCE	**1,826,973,413**	**1,826,775,010**	0.0%	**1,919,782,873**	5.1%	**1,888,395,787**	-1.6%	**1,892,736,744**	-1.4%	**1,898,819,176**	0.3%	**1,906,764,864**	0.7%	**1,916,639,022**	0.5%	**1,928,509,147**	1.6%

THE UNIVERSITY OF VERMONT MEDICAL CENTER

da Vinci Purchase

PAYER REVENUE REPORT

WITHOUT PROJECT

	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	2023 Proposed Year 1	% change	2024 Proposed Year 2	% change	2025 Proposed Year 3	% change	2026 Proposed Year 4	% change	2027 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%	1,111,442,742	8.3%	1,147,365,487	3.2%	1,184,545,528	3.2%	1,223,026,871	3.2%	1,262,855,061	3.3%
Physician	258,809,132	0	-100.0%	272,777,028	#DIV/0!	337,221,067	23.6%	365,363,116	8.3%	377,171,953	3.2%	389,394,100	3.2%	402,044,021	3.2%	415,136,690	3.3%
Total Revenue	1,066,725,747	1,357,195,307	27.2%	1,230,788,265	-9.3%	1,363,055,067	10.7%	1,476,805,858	8.3%	1,524,537,440	3.2%	1,573,939,628	3.2%	1,625,070,892	3.2%	1,677,991,751	3.3%
Allowances - Hospital	-219,527,510	-436,714,915	98.9%	-290,765,317	-33.4%	-283,429,475	-2.5%	-307,082,465	8.3%	-317,007,623	3.2%	-327,280,162	3.2%	-337,912,239	3.2%	-348,916,440	3.3%
Allowances - Physicians	-111,495,294	0	-100.0%	-120,886,689	#DIV/0!	-149,807,547	23.9%	-162,309,410	8.3%	-167,555,384	3.2%	-172,984,967	3.2%	-178,604,585	3.2%	-184,420,890	3.3%
Free Care	-15,524,709	-23,305,652	50.1%	-9,818,612	-57.9%	-15,046,387	53.2%	-16,302,051	8.3%	-16,828,946	3.2%	-17,374,283	3.2%	-17,938,707	3.2%	-18,522,886	3.3%
Bad Debt	-23,221,147	-35,954,810	54.8%	-22,264,080	-38.1%	-27,274,649	22.5%	-29,550,796	8.3%	-30,505,902	3.2%	-31,494,437	3.2%	-32,517,570	3.2%	-33,576,513	3.3%
Net Payer Revenue	696,957,086	861,219,930	23.6%	787,053,567	-8.6%	887,587,865	12.8%	961,561,137	8.3%	992,639,586	3.2%	1,024,805,779	3.2%	1,058,097,790	3.2%	1,092,555,021	3.3%
Fixed Prospective Payment & Reserves	181,765	-673,285	-470.4%	1,161,499	-272.5%	308,452	-73.4%	334,193	8.3%	344,995	3.2%	356,174	3.2%	367,745	3.2%	379,720	3.3%
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%	961,895,330	8.3%	992,984,580	3.2%	1,025,161,954	3.2%	1,058,465,535	3.2%	1,092,934,742	3.3%
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%	465,721,773	8.3%	480,774,285	3.2%	496,353,634	3.2%	512,478,261	3.2%	529,167,249	3.3%
Physician	89,352,927	0	-100.0%	101,363,673	#DIV/0!	117,341,351	15.8%	127,133,818	8.3%	131,242,888	3.2%	135,495,775	3.2%	139,897,514	3.2%	144,453,313	3.3%
Total Revenue	426,211,384	467,710,875	9.7%	460,416,168	-1.6%	547,190,962	18.8%	592,855,592	8.3%	612,017,173	3.2%	631,849,409	3.2%	652,375,774	3.2%	673,620,562	3.3%
Allowances - Hospital	-294,289,774	-410,529,274	39.5%	-321,193,998	-21.8%	-361,987,428	12.7%	-392,196,300	8.3%	-404,872,407	3.2%	-417,992,179	3.2%	-431,571,142	3.2%	-445,625,369	3.3%
Allowances - Physicians	-80,217,242	0	-100.0%	-91,639,827	#DIV/0!	-100,689,368	9.9%	-109,092,180	8.3%	-112,618,129	3.2%	-116,267,486	3.2%	-120,044,571	3.2%	-123,953,854	3.3%
Free Care	-183,570	0	-100.0%	-1,025,006	#DIV/0!	-2,902,042	183.1%	-3,144,225	8.3%	-3,245,849	3.2%	-3,351,030	3.2%	-3,459,892	3.2%	-3,572,565	3.3%
Bad Debt	-572,251	0	-100.0%	-485,846	#DIV/0!	-946,718	94.9%	-1,025,725	8.3%	-1,058,877	3.2%	-1,093,190	3.2%	-1,128,703	3.2%	-1,165,460	3.3%
Graduate Medical Education Payments-Phys.	19,658,830	30,000,000	52.6%	16,705,857	-44.3%	18,920,388	13.3%	20,499,348	8.3%	21,161,904	3.2%	21,847,649	3.2%	22,557,395	3.2%	23,291,983	3.3%
Graduate Medical Education Payments-Hosp	10,341,170	0	-100.0%	13,294,143	#DIV/0!	11,079,612	-16.7%	12,004,237	8.3%	12,392,224	3.2%	12,793,790	3.2%	13,209,411	3.2%	13,639,579	3.3%
Net Payer Revenue	80,948,547	87,181,601	7.7%	76,071,491	-12.7%	110,630,539	45.4%	119,900,746	8.4%	123,776,037	3.2%	127,786,963	3.2%	131,938,272	3.2%	136,234,876	3.3%
Fixed Prospective Payment & Reserves	55,792,403	42,930,283	-23.1%	59,634,430	38.9%	52,597,549	-11.8%	56,986,963	8.3%	58,828,828	3.2%	60,735,159	3.2%	62,708,212	3.2%	64,750,321	3.3%
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%	176,887,709	8.4%	182,604,865	3.2%	188,522,122	3.2%	194,646,483	3.2%	200,985,197	3.3%
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%	1,439,188,876	8.3%	1,485,704,646	3.2%	1,533,848,469	3.2%	1,583,677,325	3.2%	1,635,250,191	3.3%
Physician	186,243,220	0	-100.0%	199,694,061	#DIV/0!	247,100,758	23.7%	267,722,014	8.3%	276,375,010	3.2%	285,330,861	3.2%	294,600,167	3.2%	304,193,898	3.3%
Total Revenue	1,226,133,034	1,441,697,788	17.6%	1,362,633,011	-5.5%	1,575,436,286	15.6%	1,706,910,890	8.3%	1,762,079,656	3.2%	1,819,179,329	3.2%	1,878,277,491	3.2%	1,939,444,089	3.3%
Allowances - Hospital	-823,951,564	-1,214,078,544	47.3%	-941,411,159	-22.5%	-1,049,792,429	11.5%	-1,137,400,570	8.3%	-1,174,162,293	3.2%	-1,212,210,677	3.2%	-1,251,590,754	3.2%	-1,292,349,134	3.3%
Allowances - Physicians	-150,975,376	0	-100.0%	-161,045,502	#DIV/0!	-203,142,311	26.1%	-220,095,110	8.3%	-227,208,765	3.2%	-234,571,398	3.2%	-242,191,724	3.2%	-250,078,760	3.3%
Free Care	-2,494,169	0	-100.0%	-3,594,779	#DIV/0!	-5,854,927	62.9%	-6,343,537	8.3%	-6,548,565	3.2%	-6,760,770	3.2%	-6,980,401	3.2%	-7,207,720	3.3%
Bad Debt	-4,439,363	0	-100.0%	-7,109,285	#DIV/0!	-10,309,778	45.0%	-11,170,158	8.3%	-11,531,187	3.2%	-11,904,851	3.2%	-12,291,594	3.2%	-12,691,873	3.3%
Net Payer Revenue	244,272,561	227,619,244	-6.8%	249,472,286	9.6%	306,336,842	22.8%	331,901,516	8.3%	342,628,846	3.2%	353,731,633	3.2%	365,223,018	3.2%	377,116,601	3.3%
Fixed Prospective Payment & Reserves	110,315,604	186,164,376	68.8%	111,171,086	-40.3%	131,974,389	18.7%	142,988,024	8.3%	147,609,515	3.2%	152,392,758	3.2%	157,343,414	3.2%	162,467,343	3.3%
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%	474,889,539	8.3%	490,238,361	3.2%	506,124,391	3.2%	522,566,432	3.2%	539,583,944	3.3%
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%	12,150,147	8.3%	12,542,849	3.2%	12,949,297	3.2%	13,369,970	3.2%	13,805,366	3.3%
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%	3,016,353,391	8.3%	3,113,844,418	3.2%	3,214,747,631	3.2%	3,319,182,456	3.2%	3,427,272,501	3.3%
Physician	534,405,279	0	-100.0%	573,834,762	#DIV/0!	701,663,177	22.3%	760,218,949	8.3%	784,789,851	3.2%	810,220,736	3.2%	836,541,701	3.2%	863,783,900	3.3%
Total Revenue	2,719,070,165	3,266,603,970	20.1%	3,053,837,444	-6.5%	3,485,682,315	14.1%	3,776,572,340	8.3%	3,898,634,269	3.2%	4,024,968,367	3.2%	4,155,724,158	3.2%	4,291,056,401	3.3%
Allowances - Hospital	-1,337,768,848	-2,061,322,732	54.1%	-1,553,370,474	-24.6%	-1,695,209,332	9.1%	-1,836,679,334	8.3%	-1,896,042,324	3.2%	-1,957,483,018	3.2%	-2,021,074,136	3.2%	-2,086,890,943	3.3%
Allowances - Physicians	-342,687,912	0	-100.0%	-373,572,018	#DIV/0!	-453,639,226	21.4%	-491,496,700	8.3%	-507,382,278	3.2%	-523,823,852	3.2%	-540,840,880	3.2%	-558,453,505	3.3%
Free Care	-18,202,448	-23,305,652	28.0%	-14,438,397	-38.0%	-23,803,356	64.9%	-25,789,813	8.3%	-26,623,361	3.2%	-27,486,083	3.2%	-28,379,001	3.2%	-29,303,170	3.3%
Bad Debt	-28,232,761	-35,954,810	27.4%	-29,859,212	-17.0%	-38,531,146	29.0%	-41,746,679	8.3%	-43,095,966	3.2%	-44,492,478	3.2%	-45,937,868	3.2%	-47,433,846	3.3%
Disproportionate Share Payments	11,260,268	11,214,283	-0.4%	11,223,480	0.1%	11,214,283	-0.1%	12,150,147	8.3%	12,542,849	3.2%	12,949,297	3.2%	13,369,970	3.2%	13,805,366	3.3%
Graduate Medical Education Payments_Phys.	19,658,830	30,000,000	52.6%	16,705,857	-44.3%	18,920,388	13.3%	20,499,348	8.3%	21,161,904	3.2%	21,847,649	3.2%	22,557,395	3.2%	23,291,983	3.3%
Graduate Medical Education Payments-Hosp	10,341,170	0	-100.0%	13,294,143	#DIV/0!	11,079,612	-16.7%	12,004,237	8.3%	12,392,224	3.2%	12,793,790	3.2%	13,209,411	3.2%	13,639,579	3.3%
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%	1,425,513,546	8.3%	1,471,587,318	3.2%	1,519,273,672	3.2%	1,568,629,049	3.2%	1,619,711,864	3.3%
Fixed Prospective Payment & Reserves	166,289,772	228,421,374		171,967,015		184,880,390		200,309,180		206,783,338		213,484,091		220,419,371		227,597,385	
Total Net Payer Revenue & Fixed Prospective Payment	1,199,728,235	1,415,656,433		1,295,787,839		1,500,593,928		1,625,822,725		1,678,370,656		1,732,757,763		1,789,048,420		1,847,309,249	
Reimbursement Rate - All Payers	44%	43%		42%		43%		43%		43%		43%		43%		43%	

THE UNIVERSITY OF VERMONT MEDICAL CENTER

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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		2023		2024		2025		2026		2027	
	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!	226,336	#DIV/0!	292,065	29.0%	301,529	3.2%	311,325	37.5%	321,463	3.3%
Physician			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Total Revenue			#DIV/0!		#DIV/0!		#DIV/0!	226,336	#DIV/0!	292,065	29.0%	301,529	3.2%	311,325	37.5%	321,463	3.3%
Allowances - Hospital			#DIV/0!		#DIV/0!		#DIV/0!	-74,901	#DIV/0!	-96,652	29.0%	-99,784	3.2%	-103,026	37.5%	-106,381	3.3%
Allowances - Physicians			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Free Care							#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!				
Bad Debt							#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!				
Net Payer Revenue			#DIV/0!		#DIV/0!		#DIV/0!	151,435	#DIV/0!	195,412	9.3%	201,745	8.4%	208,299	26.4%	215,082	6.2%
Fixed Prospective Payment & Reserves																	
Total Net Payer Revenue & Fixed Prospective Payment								151,435		195,412		201,745		208,299		215,082	
Reimbursement Rate - Commercial	#DIV/0!	#DIV/0!		#DIV/0!		#DIV/0!		65%		65%		65%		65%		65%	
Payer Mix - Commercial	#DIV/0!	#DIV/0!		#DIV/0!		#DIV/0!		65%		65%		65%		65%		65%	
Medicaid																	
Hospital			#DIV/0!		#DIV/0!		#DIV/0!	37,695	#DIV/0!	48,642	#DIV/0!	50,218	#DIV/0!	51,850	#DIV/0!	53,538	#DIV/0!
Physician			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		9.2%		8.3%		26.2%		6.1%
Total Revenue			#DIV/0!		#DIV/0!		#DIV/0!	37,695	#DIV/0!	48,642	9.2%	50,218	8.3%	51,850	26.2%	53,538	6.1%
Allowances - Hospital			#DIV/0!		#DIV/0!		#DIV/0!	-25,904	#DIV/0!	-33,427	#DIV/0!	-34,510	#DIV/0!	-35,631	#DIV/0!	-36,792	#DIV/0!
Allowances - Physicians			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		9.2%		8.3%		26.2%		6.1%
Free Care							#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!				
Bad Debt							#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!	11,791	#DIV/0!	15,215	9.2%	15,708	8.3%	16,218	26.2%	16,746	6.1%
Fixed Prospective Payment & Reserves																	
Total Net Payer Revenue & Fixed Prospective Payment								11,791		15,215		15,708		16,218		16,746	
Reimbursement Rate - Medicaid	#DIV/0!	#DIV/0!		#DIV/0!		#DIV/0!		30%		30%		30%		30%		30%	
Payer Mix - Medicaid	#DIV/0!	#DIV/0!		#DIV/0!		#DIV/0!		5%		5%		5%		5%		5%	
Medicare																	
Hospital			#DIV/0!		#DIV/0!		#DIV/0!	267,153	#DIV/0!	344,734	-11.9%	355,905	-13.2%	367,467	-33.7%	379,434	-15.1%
Physician			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		9.2%		8.3%		26.1%		6.1%
Total Revenue			#DIV/0!		#DIV/0!		#DIV/0!	267,153	#DIV/0!	344,734	-89.1%	355,905	-795.8%	367,467	-252.1%	379,434	49.1%
															#DIV/0!		#DIV/0!
Allowances - Hospital			#DIV/0!		#DIV/0!		#DIV/0!	-195,859	#DIV/0!	-252,737	-11.9%	-260,927	-13.2%	-269,403	-33.7%	-278,177	-15.1%
Allowances - Physicians			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		9.2%		8.3%		26.1%		6.1%
Free Care							#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!				
Bad Debt							#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!				
Net Payer Revenue			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		-89.1%		-795.8%		-252.1%		49.1%
Fixed Prospective Payment & Reserves																	
Total Net Payer Revenue & Fixed Prospective Payment								71,294	-	91,997	-	94,979	-	98,064	-	101,257	-
Reimbursement Rate - Medicare	#DIV/0!	#DIV/0!		#DIV/0!		#DIV/0!		28%		28%		28%		28%		28%	
Payer Mix - Medicare	#DIV/0!	#DIV/0!		#DIV/0!		#DIV/0!		30%		30%		30%		30%		30%	
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!	531,184	#DIV/0!	685,441	-11.9%	707,653	-13.2%	730,641	-33.7%	754,435	-15.1%
Physician			#DIV/0!		#DIV/0!		#DIV/0!	-	#DIV/0!	-	9.3%	-	8.3%	-	26.2%	-	6.1%
Total Revenue			#DIV/0!		#DIV/0!		#DIV/0!	531,184	#DIV/0!	685,441	34.9%	707,653	25.3%	730,641	98.9%	754,435	14.7%
Allowances - Hospital			#DIV/0!		#DIV/0!		#DIV/0!	(296,665)	#DIV/0!	(382,816)	-11.9%	(395,221)	-13.2%	(408,061)	-33.7%	(421,349)	-15.1%
Allowances - Physicians			#DIV/0!		#DIV/0!		#DIV/0!	-	#DIV/0!	-	9.3%	-	8.3%	-	26.2%	-	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!	234,520	#DIV/0!	302,625	20.4%	312,431	16.6%	322,581	57.8%	333,086	10.8%
Fixed Prospective Payment & Reserves																	
Total Net Payer Revenue & Fixed Prospective Payment								234,520		302,625		312,431		322,581		333,086	
Reimbursement Rate - All Payers	#DIV/0!	#DIV/0!		#DIV/0!		#DIV/0!		44%		44%		44%		44%		44%	
							check	$ -	$	-	$	-	$	-	$	-	

THE UNIVERSITY OF VERMONT MEDICAL CENTER

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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	2023 Proposed Year 1	% change	2024 Proposed Year 2	% change	2025 Proposed Year 3	% change	2026 Proposed Year 4	% change	2027 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%	1,111,669,078	8.4%	1,147,657,552	3.2%	1,184,847,057	3.2%	1,223,338,196	10.0%	1,263,176,524	3.3%
Physician	258,809,132	0	-100.0%	272,777,028	#DIV/0!	337,221,067	23.6%	365,363,116	8.3%	377,171,953	3.2%	389,394,100	3.2%	402,044,021	10.0%	415,136,690	3.3%
Total Revenue	1,066,725,747	1,357,195,307	27.2%	1,230,788,265	-9.3%	1,363,055,067	10.7%	1,477,032,195	8.4%	1,524,829,505	3.2%	1,574,241,157	3.2%	1,625,382,217	10.0%	1,678,313,213	3.3%
Allowances - Hospital	-219,527,510	-436,714,915	98.9%	-290,765,317	-33.4%	-283,429,475	-2.5%	-307,157,366	8.4%	-317,104,275	3.2%	-327,379,946	3.2%	-338,015,265	10.0%	-349,022,821	3.3%
Allowances - Physicians	-111,495,294	0	-100.0%	-120,886,689	#DIV/0!	-149,807,547	23.9%	-162,309,410	8.3%	-167,555,384	3.2%	-172,984,967	3.2%	-178,604,585	10.0%	-184,420,890	3.3%
Free Care	-15,524,709	-23,305,652	50.1%	-9,818,612	-57.9%	-15,046,387	53.2%	-16,302,051	8.3%	-16,828,946	3.2%	-17,374,283	3.2%	-17,938,707	10.0%	-18,522,886	3.3%
Bad Debt	-23,221,147	-35,954,810	54.8%	-22,264,080	-38.1%	-27,274,649	22.5%	-29,550,796	8.3%	-30,505,902	3.2%	-31,494,437	3.2%	-32,517,570	10.0%	-33,576,513	3.3%
Net Payer Revenue	696,957,086	861,219,930	23.6%	787,053,567	-8.6%	887,497,008	12.8%	961,712,573	8.4%	992,834,998	3.2%	1,025,007,524	3.2%	1,058,306,089	10.0%	1,092,770,103	3.3%
Fixed Prospective Payment & Reserves	181,765	-673,285	-470.4%	1,161,499	-272.5%	308,452	-73.4%	334,193	8.3%	344,995	3.2%	356,174	3.2%	367,745	10.0%	379,720	3.3%
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%	962,046,766	8.4%	993,179,992	3.2%	1,025,363,698	3.2%	1,058,673,833	10.0%	1,093,149,824	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%	465,759,468	8.4%	480,822,927	3.2%	496,403,852	3.2%	512,530,110	10.0%	529,220,787	3.3%
Physician	89,352,927	0	-100.0%	101,363,673	#DIV/0!	117,341,351	15.8%	127,133,818	8.3%	131,242,888	3.2%	135,495,775	3.2%	139,897,514	10.0%	144,453,313	3.3%
Total Revenue	426,211,384	467,710,875	9.7%	460,416,168	-1.6%	547,190,962	18.8%	592,893,287	8.4%	612,065,815	3.2%	631,899,628	3.2%	652,427,624	10.0%	673,674,100	3.3%
Allowances - Hospital	-294,289,774	-410,529,274	39.5%	-321,193,998	-21.8%	-361,987,428	12.7%	-392,222,204	8.4%	-404,905,834	3.2%	-418,026,689	3.2%	-431,606,773	10.0%	-445,662,161	3.3%
Allowances - Physicians	-80,217,242	0	-100.0%	-91,639,827	#DIV/0!	-100,689,368	9.9%	-109,092,180	8.3%	-112,618,129	3.2%	-116,267,486	3.2%	-120,044,571	10.0%	-123,953,854	3.3%
Free Care	-183,570	0	-100.0%	-1,025,006	#DIV/0!	-2,902,042	183.1%	-3,144,225	8.3%	-3,245,849	3.2%	-3,351,030	3.2%	-3,459,892	10.0%	-3,572,565	3.3%
Bad Debt	-572,251	0	-100.0%	-485,846	#DIV/0!	-946,718	94.9%	-1,025,725	8.3%	-1,058,877	3.2%	-1,093,190	3.2%	-1,128,703	10.0%	-1,165,460	3.3%
Graduate Medical Education Payments-Phys.	19,658,830	30,000,000	52.6%	16,705,857	-44.3%	18,920,388	13.3%	20,499,348	8.3%	21,161,904	3.2%	21,847,649	3.2%	22,557,395	10.0%	23,291,983	3.3%
Graduate Medical Education Payments-Hosp	10,341,170	0	-100.0%	13,294,143	#DIV/0!	11,079,612	-16.7%	12,004,237	8.3%	12,392,224	3.2%	12,793,790	3.2%	13,209,411	10.0%	13,639,579	3.3%
Net Payer Revenue	80,948,547	87,181,601	7.7%	76,071,491	-12.7%	110,665,406	45.5%	119,912,537	8.4%	123,791,252	3.2%	127,802,671	3.2%	131,954,490	10.0%	136,251,622	3.3%
Fixed Prospective Payment & Reserves	55,792,403	42,930,283		59,634,430		52,597,549		56,986,963		58,828,828		60,735,159		62,708,212		64,750,321	
Total Net Payer Revenue & Fixed Prospective Payment	136,740,950	130,111,884		135,705,921		163,262,955		176,899,500		182,620,080		188,537,831		194,662,702		201,001,944	
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%	1,439,456,029	8.4%	1,486,049,381	3.2%	1,534,204,374	3.2%	1,584,044,792	10.0%	1,635,629,625	3.3%
Physician	186,243,220	0	-100.0%	199,694,061	#DIV/0!	247,100,758	23.7%	267,722,014	8.3%	276,375,010	3.2%	285,330,861	3.2%	294,600,167	10.0%	304,193,898	3.3%
Total Revenue	1,226,133,034	1,441,697,788	17.6%	1,362,633,011	-5.5%	1,575,436,286	15.6%	1,707,178,043	8.4%	1,762,424,391	3.2%	1,819,535,235	3.2%	1,878,644,959	10.0%	1,939,823,523	3.3%
Allowances - Hospital	-823,951,564	-1,214,078,544	47.3%	-941,411,159	-22.5%	-1,049,792,429	11.5%	-1,137,596,429	8.4%	-1,174,415,030	3.2%	-1,212,471,604	3.2%	-1,251,860,158	10.0%	-1,292,627,311	3.3%
Allowances - Physicians	-150,975,376	0	-100.0%	-161,045,502	#DIV/0!	-203,142,311	26.1%	-220,095,110	8.3%	-227,208,765	3.2%	-234,571,398	3.2%	-242,191,724	10.0%	-250,078,760	3.3%
Free Care	-2,494,169	0	-100.0%	-3,594,779	#DIV/0!	-5,854,927	62.9%	-6,343,537	8.3%	-6,548,565	3.2%	-6,760,770	3.2%	-6,980,401	10.0%	-7,207,720	3.3%
Bad Debt	-4,439,363	0	-100.0%	-7,109,285	#DIV/0!	-10,309,778	45.0%	-11,170,158	8.3%	-11,531,187	3.2%	-11,904,851	3.2%	-12,291,594	10.0%	-12,691,873	3.3%
Net Payer Revenue	244,272,561	227,619,244	-6.8%	249,472,286	9.6%	306,336,842	22.8%	331,972,809	8.4%	342,720,843	3.2%	353,826,612	3.2%	365,321,082	10.0%	377,217,858	3.3%
Fixed Prospective Payment & Reserves	110,315,604	186,164,376		111,171,086		131,974,389		142,988,024		147,609,515		152,392,758		157,343,414		162,467,343	
Total Net Payer Revenue & Fixed Prospective Payment	354,588,166	413,783,620		360,643,371		438,311,230		474,960,833		490,330,358		506,219,369		522,664,496		539,685,202	
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%	12,150,147	8.3%	12,542,849	3.2%	12,949,297	3.2%	13,369,970	10.0%	13,805,366	3.3%
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%	3,016,884,576	8.4%	3,114,529,859	3.2%	3,215,455,283	3.2%	3,319,913,098	10.0%	3,428,026,936	3.3%
Physician	534,405,279	0	-100.0%	573,834,762	#DIV/0!	701,663,177	22.3%	760,218,949	8.3%	784,789,851	3.2%	810,220,736	3.2%	836,541,701	10.0%	863,783,900	3.3%
Total Revenue	2,719,070,165	3,266,603,970	20.1%	3,053,837,444	-6.5%	3,485,682,315	14.1%	3,777,103,524	8.4%	3,899,319,710	3.2%	4,025,676,019	3.2%	4,156,454,799	10.0%	4,291,810,836	3.3%
Allowances - Hospital	-1,337,768,848	-2,061,322,732	54.1%	-1,553,370,474	-24.6%	-1,695,209,332	9.1%	-1,836,975,999	8.4%	-1,896,425,140	3.2%	-1,957,878,239	3.2%	-2,021,482,197	10.0%	-2,087,312,293	3.3%
Allowances - Physicians	-342,687,912	0	-100.0%	-373,572,018	#DIV/0!	-453,639,226	21.4%	-491,496,700	8.3%	-507,382,278	3.2%	-523,823,852	3.2%	-540,840,880	10.0%	-558,453,505	3.3%
Free Care	-18,202,448	-23,305,652	28.0%	-14,438,397	-38.0%	-23,803,356	64.9%	-25,789,813	8.3%	-26,623,361	3.2%	-27,486,083	3.2%	-28,379,001	10.0%	-29,303,170	3.3%
Bad Debt	-28,232,761	-35,954,810	27.4%	-29,859,212	-17.0%	-38,531,146	29.0%	-41,746,679	8.3%	-43,095,966	3.2%	-44,492,478	3.2%	-45,937,868	10.0%	-47,433,846	3.3%
Disproportionate Share Payments	11,260,268	11,214,283	-0.4%	11,223,480	0.1%	11,214,283	-0.1%	12,150,147	8.3%	12,542,849	3.2%	12,949,297	3.2%	13,369,970	10.0%	13,805,366	3.3%
Graduate Medical Education Payments-Phys.	19,658,830	30,000,000	52.6%	16,705,857	-44.3%	18,920,388	13.3%	20,499,348	8.3%	21,161,904	3.2%	21,847,649	3.2%	22,557,395	10.0%	23,291,983	3.3%
Graduate Medical Education Payments-Hosp	10,341,170	0	-100.0%	13,294,143	#DIV/0!	11,079,612	-16.7%	12,004,237	8.3%	12,392,224	3.2%	12,793,790	3.2%	13,209,411	10.0%	13,639,579	3.3%
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%	1,425,748,065	8.4%	1,471,889,943	3.2%	1,519,586,103	3.2%	1,568,951,630	10.0%	1,620,044,950	3.3%
Fixed Prospective Payment & Reserves	166,289,772	228,421,374		171,967,015		184,880,390		200,309,180		206,783,338		213,484,091		220,419,371		227,597,385	
Total Net Payer Revenue & Fixed Prospective Payment	1,199,728,235	1,415,656,433		1,295,787,839		1,500,593,928		1,626,057,245		1,678,673,280		1,733,070,194		1,789,371,000		1,847,642,335	
Reimbursement Rate - All Payers	38%	36%		37%		38%		38%		38%		38%		38%		38%	

The University of Vermont Medical Center

da Vinci Purchase

UTILIZATION PROJECTIONS--TABLE 7

WITHOUT PROJECT

	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	Proposed Yr 1 2023	% change	Proposed Yr 2 2024	% change	Proposed Yr 3 2025	% change	Proposed Yr 4 2026	% change	Proposed Yr 5 2027	% change
Inpatient Utilization																	
Acute Beds (Staffed)	433	-	-100.0%	450	#DIV/0!	450	0.0%	450	0.0%	450	0.0%	450	0.0%	450	0.0%	450	0.0%
Acute Admissions	19,812	-	-100.0%	19,140	#DIV/0!	21,231	10.9%	21,231	0.0%	21,231	0.0%	21,231	0.0%	21,231	0.0%	21,231	0.0%
Acute Patient Days	118,878	-	-100.0%	119,160	#DIV/0!	124,288	4.3%	124,288	0.0%	124,288	0.0%	124,288	0.0%	124,288	0.0%	124,288	0.0%
Acute Average Length Of Stay	6.01	-	-100.0%	6.23	#DIV/0!	5.85	-6.0%	5.85	0.0%	5.85	0.0%	5.85	0.0%	5.85	0.0%	5.85	0.0%
Outpatient																	
All Outpatient Visits	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Physician Office Visits	624,305	-	-100.0%	588,612	#DIV/0!	647,412	10.0%	647,412	0.0%	647,412	0.0%	647,412	0.0%	647,412	0.0%	647,412	0.0%
Ancillary																	
All Operating Room Procedure	37,976	-	-100.0%	42,392	#DIV/0!	47,413	11.8%	47,413	0.0%	47,413	0.0%	47,413	0.0%	47,413	0.0%	47,413	0.0%
All Operating Room Cases	15,758	-	-100.0%	32,220	#DIV/0!	39,616	23.0%	39,616	0.0%	39,616	0.0%	39,616	0.0%	39,616	0.0%	39,616	0.0%
Emergency Room Visits	54,022	-	-100.0%	46,217	#DIV/0!	57,000	23.3%	57,000	0.0%	57,000	0.0%	57,000	0.0%	57,000	0.0%	57,000	0.0%
Cat Scan Procedures	50,744	-	-100.0%	51,439	#DIV/0!	58,869	14.4%	58,869	0.0%	58,869	0.0%	58,869	0.0%	58,869	0.0%	58,869	0.0%
Magnetic Resonance Image Exams	16,967	-	-100.0%	15,991	#DIV/0!	21,174	32.4%	21,174	0.0%	21,174	0.0%	21,174	0.0%	21,174	0.0%	21,174	0.0%
Nuclear Medicine Procedures	6,029	-	-100.0%	5,904	#DIV/0!	7,043	19.3%	7,043	0.0%	7,043	0.0%	7,043	0.0%	7,043	0.0%	7,043	0.0%
Radiology - Diagnostic Procedures	150,785	-	-100.0%	141,516	#DIV/0!	182,671	29.1%	182,671	0.0%	182,671	0.0%	182,671	0.0%	182,671	0.0%	182,671	0.0%
Laboratory Tests	2,207,075	-	-100.0%	2,367,185	#DIV/0!	2,448,931	3.5%	2,448,931	0.0%	2,448,931	0.0%	2,448,931	0.0%	2,448,931	0.0%	2,448,931	0.0%
			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Adjusted Statistics																	
Adjusted Admissions	56,679	-	-100.0%	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Adjusted Days	339,751	-	-100.0%	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!

The University of Vermont Medical Center

da Vinci Purchase

UTILIZATION PROJECTIONS--TABLE 7

PROJECT ONLY

	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	Proposed Yr 1 2023	% change	Proposed Yr 2 2024	% change	Proposed Yr 3 2025	% change	Proposed Yr 4 2026	% change	Proposed Yr 5 2027	% change
Inpatient Utilization																	
Acute Beds (Staffed)			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Acute Admissions			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Acute Patient Days			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Acute Average Length Of Stay			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Outpatient																	
All Outpatient Visits			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Physician Office Visits			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Ancillary																	
All Operating Room Procedure			#DIV/0!		#DIV/0!		#DIV/0!	8	#DIV/0!	10	25.0%	10	0.0%	10	25.0%	10	0.0%
All Operating Room Cases			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Emergency Room Visits			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Cat Scan Procedures			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Magnetic Resonance Image Exams			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Nuclear Medicine Procedures			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Radiology - Diagnostic Procedures			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Laboratory Tests			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Adjusted Statistics																	
Adjusted Admissions			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Adjusted Days			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!

The University of Vermont Medical Center

da Vinci Purchase

UTILIZATION PROJECTIONS--TABLE 7

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

WITH PROJECT

	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	Proposed Yr 1 2023	% change	Proposed Yr 2 2024	% change	Proposed Yr 3 2025	% change	Proposed Yr 4 2026	% change	Proposed Yr 5 2027	% change
Inpatient Utilization																	
Acute Beds (Staffed)	433	-	-100.0%	450	#DIV/0!	450	0.0%	450	0.0%	450	0.0%	450	0.0%	450	0.0%	450	0.0%
Acute Admissions	19,812	-	-100.0%	19,140	#DIV/0!	21,231	10.9%	21,231	0.0%	21,231	0.0%	21,231	0.0%	21,231	0.0%	21,231	0.0%
Acute Patient Days	118,878	-	-100.0%	119,160	#DIV/0!	124,288	4.3%	124,288	0.0%	124,288	0.0%	124,288	0.0%	124,288	0.0%	124,288	0.0%
Acute Average Length Of Stay	6	-	-100.0%	6	#DIV/0!	6	-6.0%	6	0.0%	6	0.0%	6	0.0%	6	0.0%	6	0.0%
Outpatient																	
All Outpatient Visits	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Physician Office Visits	624,305	-	-100.0%	588,612	#DIV/0!	647,412	10.0%	647,412	0.0%	647,412	0.0%	647,412	0.0%	647,412	0.0%	647,412	0.0%
Ancillary																	
All Operating Room Procedure	37,976	-	-100.0%	42,392	#DIV/0!	47,413	11.8%	47,421	0.0%	47,423	0.0%	47,423	0.0%	47,423	0.0%	47,423	0.0%
All Operating Room Cases	15,758	-	-100.0%	32,220	#DIV/0!	39,616	23.0%	39,616	0.0%	39,616	0.0%	39,616	0.0%	39,616	0.0%	39,616	0.0%
Emergency Room Visits	54,022	-	-100.0%	46,217	#DIV/0!	57,000	23.3%	57,000	0.0%	57,000	0.0%	57,000	0.0%	57,000	0.0%	57,000	0.0%
Cat Scan Procedures	50,744	-	-100.0%	51,439	#DIV/0!	58,869	14.4%	58,869	0.0%	58,869	0.0%	58,869	0.0%	58,869	0.0%	58,869	0.0%
Magnetic Resonance Image Exams	16,967	-	-100.0%	15,991	#DIV/0!	21,174	32.4%	21,174	0.0%	21,174	0.0%	21,174	0.0%	21,174	0.0%	21,174	0.0%
Nuclear Medicine Procedures	6,029	-	-100.0%	5,904	#DIV/0!	7,043	19.3%	7,043	0.0%	7,043	0.0%	7,043	0.0%	7,043	0.0%	7,043	0.0%
Radiology - Diagnostic Procedures	150,785	-	-100.0%	141,516	#DIV/0!	182,671	29.1%	182,671	0.0%	182,671	0.0%	182,671	0.0%	182,671	0.0%	182,671	0.0%
Laboratory Tests	2,207,075	-	-100.0%	2,367,185	#DIV/0!	2,448,931	3.5%	2,448,931	0.0%	2,448,931	0.0%	2,448,931	0.0%	2,448,931	0.0%	2,448,931	0.0%
	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Adjusted Statistics																	
Adjusted Admissions	56,679	-	-100.0%	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!
Adjusted Days	339,751	-	-100.0%	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!

THE UNIVERSITY OF VERMONT MEDICAL CENTER

da Vinci Purchase

STAFFING REPORT - TABLE 8

WITHOUT PROJECT

	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	Proposed Year 1 2023	% change	Proposed Year 2 2024	% change	Proposed Year 3 2025	% change	Proposed Year 4 2026	% change	Proposed Year 5 2027	% change
PHYSICIAN FTEs	**623.9**	**647.5**	3.8%	**631.6**	-2.5%	**648.3**	2.6%	**648.3**	0.0%	**648.3**	0.0%	**648.3**	0.0%	**648.3**	0.0%	**648.3**	0.0%
TRAVELERS	135.7	-	-100.0%	164.2	#DIV/0!	80.0	-51.3%	**80.0**	0.0%	**80.0**	0.0%	**80.0**	0.0%	**80.0**	0.0%	**80.0**	0.0%
Residents & Fellows	348.3	-	-100.0%	350.9	#DIV/0!	369.2	5.2%	**369.2**	0.0%	**369.2**	0.0%	**369.2**	0.0%	**369.2**	0.0%	**369.2**	0.0%
MLPs	230.9	-	-100.0%	235.7	#DIV/0!	260.1	10.4%	**260.1**	0.0%	**260.1**	0.0%	**260.1**	0.0%	**260.1**	0.0%	**260.1**	0.0%
Non-MD FTEs	5,862.0	6,834.4	16.6%	5,983.0	-12.5%	6,933.1	15.9%	**6,933.1**	0.0%	**6,933.1**	0.0%	**6,933.1**	0.0%	**6,933.1**	0.0%	**6,933.1**	0.0%
TOTAL NON-MD FTEs	**6,441.1**	**6,834.4**	6.1%	**6,569.6**	-3.9%	**7,562.4**	15.1%	**7,562.4**	0.0%	**7,562.4**	0.0%	**7,562.4**	0.0%	**7,562.4**	0.0%	**7,562.4**	0.0%

Note: Mid-Level Providers and Residents are now included in Non-MD Employees, prior to 2013 Actual they were included in Physician FTEs

STAFFING REPORT - TABLE 8

PROJECT ONLY

	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	Proposed Year 1 2023	% change	Proposed Year 2 2024	% change	Proposed Year 3 2025	% change	Proposed Year 4 2026	% change	Proposed Year 5 2027	% change
PHYSICIAN FTEs			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
TRAVELERS			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Residents & Fellows			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
MLPs			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Non-MD FTEs			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
TOTAL NON-MD FTEs	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!

Note: Mid-Level Providers and Residents are now included in Non-MD Employees, prior to 2013 Actual they were included in Physician FTEs

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

STAFFING REPORT - TABLE 8

WITH PROJECT

	2020 Actual	2021 Budget	% change	2021 Projection	% change	2022 Budget	% change	Proposed Year 1 2023	% change	Proposed Year 2 2024	% change	Proposed Year 3 2025	% change	Proposed Year 4 2026	% change	Proposed Year 5 2027	% change
PHYSICIAN FTEs	**623.9**	**647.5**	3.8%	**631.6**	-2.5%	**648.3**	2.6%	**648.3**	0.0%	**648.3**	0.0%	**648.3**	0.0%	**648.3**	0.0%	**648.3**	0.0%
TRAVELERS	135.7	-	-100.0%	164.2	#DIV/0!	80.0	-51.3%	80.0	0.0%	80.0	0.0%	80.0	0.0%	80.0	0.0%	80.0	0.0%
Residents & Fellows	348.3	-	-100.0%	350.9	#DIV/0!	369.2	5.2%	369.2	0.0%	369.2	0.0%	369.2	0.0%	369.2	0.0%	369.2	0.0%
MLPs	230.9	-	-100.0%	235.7	#DIV/0!	260.1	10.4%	260.1	0.0%	260.1	0.0%	260.1	0.0%	260.1	0.0%	260.1	0.0%
Non-MD FTEs	5,862.0	6,834.4	16.6%	5,983.0	-12.5%	6,933.1	15.9%	6,933.1	0.0%	6,933.1	0.0%	6,933.1	0.0%	6,933.1	0.0%	6,933.1	0.0%
TOTAL NON-MD FTEs	**6,441.1**	**6,834.4**	6.1%	**6,569.6**	-3.9%	**7,562.4**	15.1%	**7,562.4**	0.0%	**7,562.4**	0.0%	**7,562.4**	0.0%	**7,562.4**	0.0%	**7,562.4**	0.0%

Note: Mid-Level Providers and Residents are now included in Non-MD Employees, prior to 2013 Actual they were included in Physician FTEs

The University of Vermont Medical Center								
Key Indicators								
Flex Monitoring/Fitch Solutions 2019								
	Northeast CAH	**U.S. CAH**	**Fitch Solutions· Northern NE**	**Fitch Solutions- Northeast**	**2020 Actuals**	**2021 Actuals**	**2022 Projection**	**2022 Budget**
Liquidity								
Days Cash on Hand					193	0	185	185
Operating Margin %					-0.3%	3.4%	3.0%	3.0%
Debt								
Long Term Debt to Capitalization					30.0%	0.0%	24.6%	24.6%
Age of Plant					11.6	0.0	12.8	12.8
Capital Expenditures to Depreciation	N/A	N/A	N/A	N/A	21%	0%	78%	78%
Utilization								
All Outpatient Visits	N/A	N/A	N/A	N/A	0	0	0	0
Physician Office Visits	N/A	N/A	N/A	N/A	624,305	0	647,412	647,412
Clinic Visits	N/A	N/A	N/A	N/A	0	0	0	0
Adjusted Admissions	N/A	N/A	N/A	N/A	56,645	0	0	0
Acute Admissions	N/A	N/A	N/A	N/A	19,812	0	21,231	21,231
Total Admissions	N/A	N/A	N/A	N/A	22,189	0	23,962	23,962
Cost								
Capital Cost % of Total Expense					5.7%	5.1%	5.2%	5.2%
Cost per Adjusted Admission	N/A				$25,812	$0	$0	$0
Cost Per Adjusted Admissions Increase						-100.0%	#DIV/0!	#DIV/0!
Employed								
Non-MD FTEs	N/A	N/A	N/A	N/A	6,441	0	6,933	6,933
Physician FTEs	N/A	N/A	N/A	N/A	624	0	648	648
Productivity								
FTEs per 100 Adj Discharges	N/A	N/A	N/A	N/A	11.4	0.0	0.0	0.0
Overhead Expense w/ fringe, as a % of Total Operating Exp	N/A	N/A	N/A	N/A	40.7%	0.0%	0.0%	0.0%
Bad Debt % of Gross Revenue	N/A	N/A	N/A	N/A	1.0%	0.0%	1.1%	1.1%
Free Care % of Gross Revenue	N/A	N/A	N/A	N/A	0.7%	0.0%	0.7%	0.7%

Exhibit 2

Pricing

EXHIBIT A
Deliverables, Price, and Delivery

1. Intuitive will provide Customer with the following:
da Vinci Xi® Dual Console System (Firefly® Fluorescence Imaging Enabled)

Two (2): da Vinci Xi® System Surgeon Consoles
One (1): da Vinci Xi® System Patient Cart
One (1) da Vinci Xi® System Vision Cart
Warranty period: One (1) year from the Acceptance.

da Vinci Xi® System Documentation including:
User's Manual For System
Warranty period: n/a

User's Manual for Instruments and Accessories
Warranty period: n/a

One (1) da Vinci Xi® Cleaning & Sterilization Kit
Warranty period: 90 days from Acceptance
Two (2) da Vinci Xi® Instrument Release Kit (IRK)
Warranty period: 90 days from Acceptance

da Vinci Xi® System Software
Warranty period: One (1) year from the Acceptance.

Instrument and Accessories including:

Accessory Starter Kit
Two (2): Box of 6: 8 mm Bladeless Obturator
One (1): 8 mm Blunt Obturator
Four (4): Box of 10: 5 mm - 8 mm Universal Seal
Four (4): 8 mm Cannula
Three (3): Monopolar Energy Instrument Cord
Three (3): Bipolar Energy Instrument Cord
One (1): Box of 3: da Vinci Xi® Gage Pin
Three (3): Instrument Introducer
One (1): Box of 10: Tip Cover for Hot Shears (MCS)
One (1): Pmed Cable, Covidien Force Traid ESU
Warranty period: 90 days from Acceptance

Drapes
Two (2): Pack of 20 da Vinci Xi® Arm Drape
One (1): Pack of 20 da Vinci Xi® Column Drape
Warranty period: 90 days from Acceptance

Vision Equipment:
Two (2): da Vinci Xi® Endoscope with Camera, 8 mm 0 degree
Two (2): da Vinci Xi® Endoscope with Camera, 8 mm 30 degree
Four (4): da Vinci Xi® Endoscope Sterilization Tray
Warranty period: One (1) year from the Acceptance.

Training Instrument Starter Kit
One (1): Large Needle Driver
One (1): ProGrasp Forceps
One (1): Maryland Bipolar Forceps
One (1): Hot Shears (Monopolar Curved Scissors)
One (1): Tip-Up Fenestrated Grasper
One (1): Mega SutureCut Needle Driver
Warranty period: 90 days from Acceptance

(all kits subject to change without notice)

EXHIBIT A (con't)

2. **Pricing.** All amounts are shown in US Dollars

Description	Quantity	Delivery Date*	Price	Delivery Charge	Annual Service Fees
da Vinci Xi® Dual Console System	1	June 30, 2022	**$2,250,000.00**	**Waived**	Service plan selection (see Section 5): ☒ dv Complete Care Plan ☐ dv Premium Care Plan First Year of Initial Term: **Included in System purchase price** Subsequent Years (2-5) of the Initial Term: **$179,000.00 per year**
da Vinci Xi® Integrated Table Motion Upgrade**	1	See below**	**$75,000.00**	**Pre-pay and Add**	N/A
E-100 Generator**	1	See below**	**$25,000.00**	**Pre-pay and Add**	Included in System Annual Service fee.

*The Delivery Date is an estimated "on or before" delivery date to Customer's designated location (see "Ship-to" below).

**Subject to availability, any Instruments or Accessories provided to Customer as set forth in Exhibit A, Section 2 are subject to the Terms of the *da Vinci® EndoWrist® Instrument & Accessory Catalog* as if such Terms were contained in this Agreement. Delivery charges will be Pre-Pay & Add. If Exhibit A, Section 2 includes Instruments or Accessories, they will be shipped FCA Intuitive's warehouse. If Single Site Instruments are listed, they will be delivered upon Customer's completion of the advanced instrument training verification.

Intuitive makes no representation with regard to Certificate of Need requirements for this purchase. It is Customer's responsibility to determine whether this purchase complies with Customer's State Certificate of Need law and what Certificate of Need filing, if any, needs to be made with regard to this purchase.

3. **Acceptance.** The System is deemed accepted by Customer upon delivery to Customer's designated location ("Acceptance").

4. **The "Ship-To" information for Customer is:**

University of Vermont Medical Center
111 Colchester Ave
Burlington, VT 05401

5. **The "Bill-To" information for Customer is:**

University of Vermont Medical Center
111 Colchester Ave
Burlington, VT 05401

Customer's Account Payable Department Contact:

Customer's PO Number: _____

6. **Taxes.** Customer will be deemed to be Taxable until such time as customer provides the Intuitive tax department with the appropriate, fully executed tax exemption certificate as directed below: Attn: Tax Department, Intuitive Surgical, Inc., 1020 Kifer Road, Sunnyvale, CA 94086; fax number: 408-523-1390; email at TaxEmail@intusurg.com.

7. **Term.** The initial term of this Agreement will commence as of the Effective Date and will continue until the fifth (5th) anniversary of Acceptance ("Initial Term") unless earlier terminated as provided in this Agreement. Thereafter, this Agreement may be renewed for successive one (1) year terms ("Renewal Term(s)") upon mutual written agreement of the parties.

8. **Training.** As of the Effective Date, the price for training (based on a porcine model) is three thousand dollars ($3,000.00) per surgeon or physician's assistant. The payment terms for training are net thirty (30) days from the date of Intuitive's invoice. This pricing will remain in effect during the first year of the Initial Term. Thereafter, training will be made available to Customer at Intuitive's then current list price for training.

9. **Proctoring.** As of the Effective Date, the rate for Proctor's services is three thousand dollars ($3,000.00) per day. The payment terms for Proctoring are net thirty (30) days from the date of Intuitive's invoice. This pricing will remain in effect during the first year of the Initial Term. Thereafter, Proctoring will be made available to Customer at Intuitive's then current list price for Proctoring.

10. **Instrument and Accessory Credit.** Upon Acceptance, Customer will receive a **$75,000.00** credit to be used for the first purchase of Instruments and Accessories from Intuitive's then current EndoWrist Instrument & Accessories Catalog. Customer agrees that the pricing in this Agreement, including this credit, may be a discount which should be fully and accurately disclosed and reported in accordance with the requirements of the federal healthcare programs anti-kickback law (42 U.S.C. §1320a-7b(b)) and its implementing regulations (42 C.F.R. §1001.952). In addition, Customer will provide access to all information provided by Intuitive regarding this credit/discount upon request by the U.S. Department of Health and Human Services or a State health care program.