



Mt. Ascutney Hospital
and Health Center

Green Mountain Care Board Budget Presentation

August 18th, 2023

- Winfield Brown, Interim Chief Executive Officer
- David Sanville, Chief Financial Officer/V.P. Ancillary Services
- Andrew Garami, Senior Financial Analyst

Agenda

1. Introduction
2. Who we are...
3. Quality
4. Access
5. Cost
6. Request
7. Risk/Opportunities
8. Questions

Who We Are

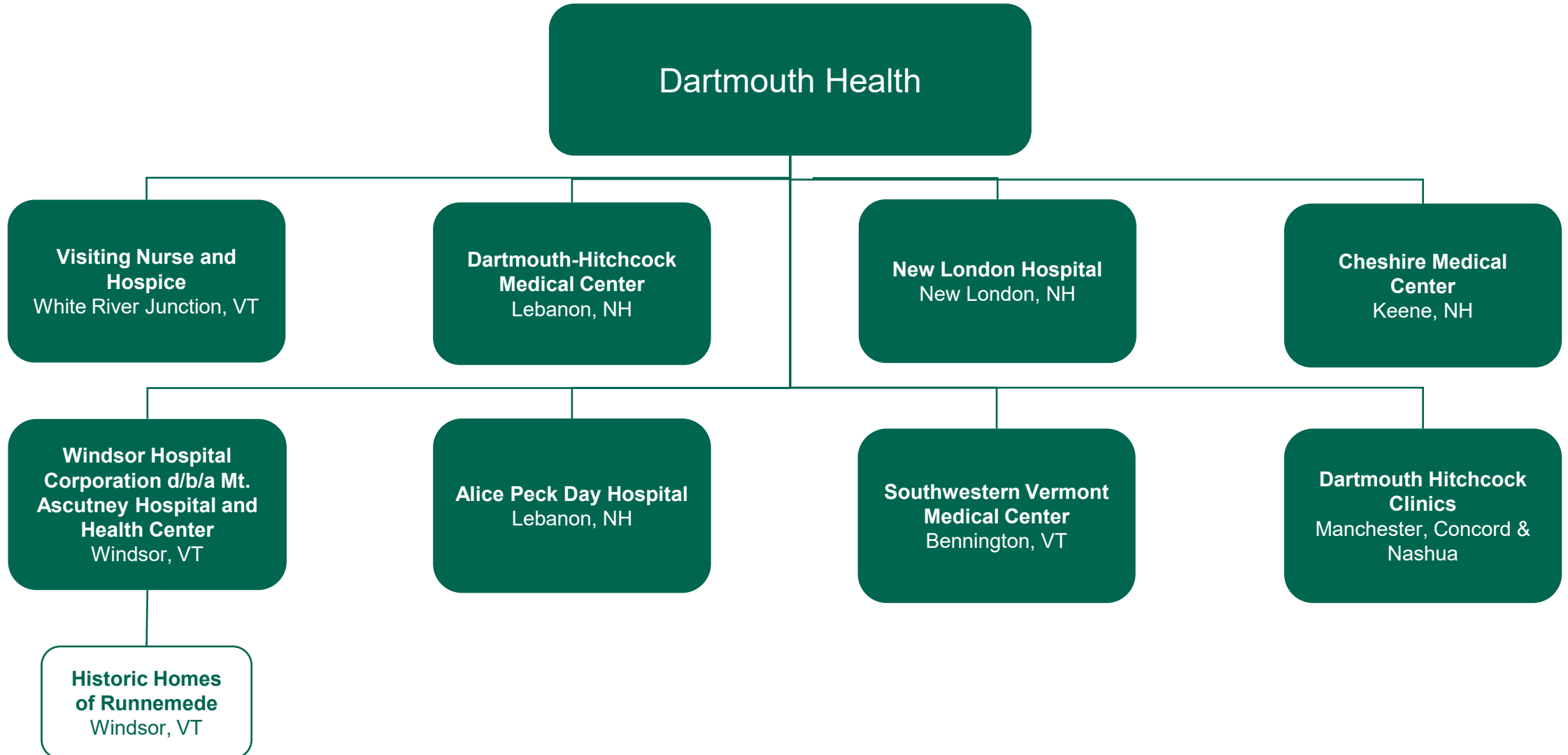


Who We Are

Our mission:
To improve the
lives of those
we serve.



Who We Are



Quality

The top recommended hospitals in Vermont Monday, August 7th, 2023

“Would you recommend this hospital to your friends and family?”

Top Vermont hospitals for patient experience Thursday, August 3rd, 2023

“...including nurse & physician communication, care transitions, and cleanliness...”

Top Vermont hospitals for patient experience Thursday, August 3rd, 2023

“...how quickly patients felt they received help after pressing the call button...”

BECKER'S
HOSPITAL REVIEW



2022 recipients of the Human Experience Guardian of Excellence Award® April 17th, 2023

Hospital in the 95th percentile for patient experience, awarded annually based on survey data.

Quality

- Patient Experience
 - Maintained CMS 5 star rating for patient experience
 - Top 15% in country for overall hospital rating
- Culture of Quality and Safety:
 - 91% of staff recognize safe, error free care as top priority @ MAH in EE Press Ganey survey
 - Hand Hygiene compliance above 90%
 - Zero surgical site, central line, catheter associated urinary tract infection in 18 months
- Continuous Improvement Initiatives
 - Patient Safety Organization through Press Ganey along with DH health system
 - Implementing controlled substance management best practices



Quality

- Commission on Accreditation of Rehabilitative Facilities (CARF)
 - We achieved our 3 year re-accreditation for our Acute Rehab with a Stroke specialty designation
 - First time 3 year accreditation for our Outpatient Therapies program.
 - CMS satisfaction survey score of 99.4% of patients were satisfied with stay
 - 96% overall assessment of the facility.
 - 90.5 % of all our patients from Acute Rehab return to the community/home
 - 87.9% of our stroke population returned home.
 - 97.3 % of our patients felt prepared for Discharge.

Quality

- Successful CMS Recertification Survey
 - Surveyors complimentary about maintaining an aging plant so well
 - Requires effort and retrofitting to stay in compliance
 - UV treatment in HVAC protects patients and staff: 90% of air is sanitized
 - Staff confident/competent in speaking with surveyors
 - Share what they are best at: caring for patients
 - Continuously ready = no scrambling around
 - 1 policy wording change in a policy
 - Rule change made in Feb. 2020
 - Constant readiness, for the next patient



Quality

- Strong results
 - DH System Quality Measures
 - NCQA, CAP, ACR-Mammo, ACR-CT, MQSA, MBQIP
 - Comes with a price
 - Management
 - Data and Analytics
 - Mock Audits
 - Software
 - Direct correlation to:
 - Employee engagement, retention, recruitment
 - Safety and Risk
 - Patient satisfaction and customer service effectiveness



Access

- Cardiology
- Community Health
- Gastroenterology
- General Surgery
- Hospital Medicine
- Neurology
- Oncology
- Ophthalmology
- Pain Management
- Pathology/Laboratory
- Pediatrics
- Physical Medicine and Rehabilitation
- Podiatry
- Primary Care
- Psychiatry
- Radiology
- Rheumatology
- Telehealth in Emergency Medicine, Neurology, and Psychiatry
- Urology

DH Employed
DH & MAH Employed
MAH Employed

Access

Visit Lag					
	<u>2 Weeks</u>	<u>1 Month</u>	<u>3 Month</u>	<u>> 3 Months</u>	<u>Total</u>
FY22 MAY	25%	44%	6%	25%	100%
FY23 MAY	61%	37%	2%	0%	100%

Access

- Ongoing monitoring of clinic and ancillary productivity
- Periodic monitoring of wait times
- Periodic review of regional need
- Coordination with DH system partners
- Identify barriers and remove/minimize
 - Staffing
 - Provider compliment
 - Hours/Schedules
 - S.L.A.M.
- Walk-in services
- ROI – what's the cost?

Cost

- Finance
- Supply Chain
- Pharmacy
- Regional Laboratory Services, Pathologists & Radiologists
- Medical Staff Functions - System Credentials Committee
- Quality/Compliance/Risk Resources
- Regional Healthcare delivery planning
- Specialty Medical & Surgical service line coordination
- System-Wide Strategic Planning
- Operations/Shared Services/Shared Staffing
- Information Technology
- CHNA Support

Cost

- Largely fixed expense ~80%
 - Conditions of participation
 - Staffing ratios
 - Community-based services
- Volume matters...cost per unit
- Monthly Department P&L, FTE's, etc.
 - Monthly meetings with Finance
- Position Control - weekly
 - Just because it was anticipated/justified in budget, doesn't mean we hire for it
- Partnering with other hospital to share staffing
- Leveraging DH system GPO and contracting



Cost

- DH System improvements
 - Health Benefit Platform \$250k/year saved from renewing our current plan (same experience)
 - Improved benefits
 - Budget to Budget increase based on full compliment of FTE's/not Travelers
 - Retirement Benefit Platform
 - Improved plan and \$200k for EE's in reduced fees
 - 340B Mixed use
 - Saving increased \$200k from prior year



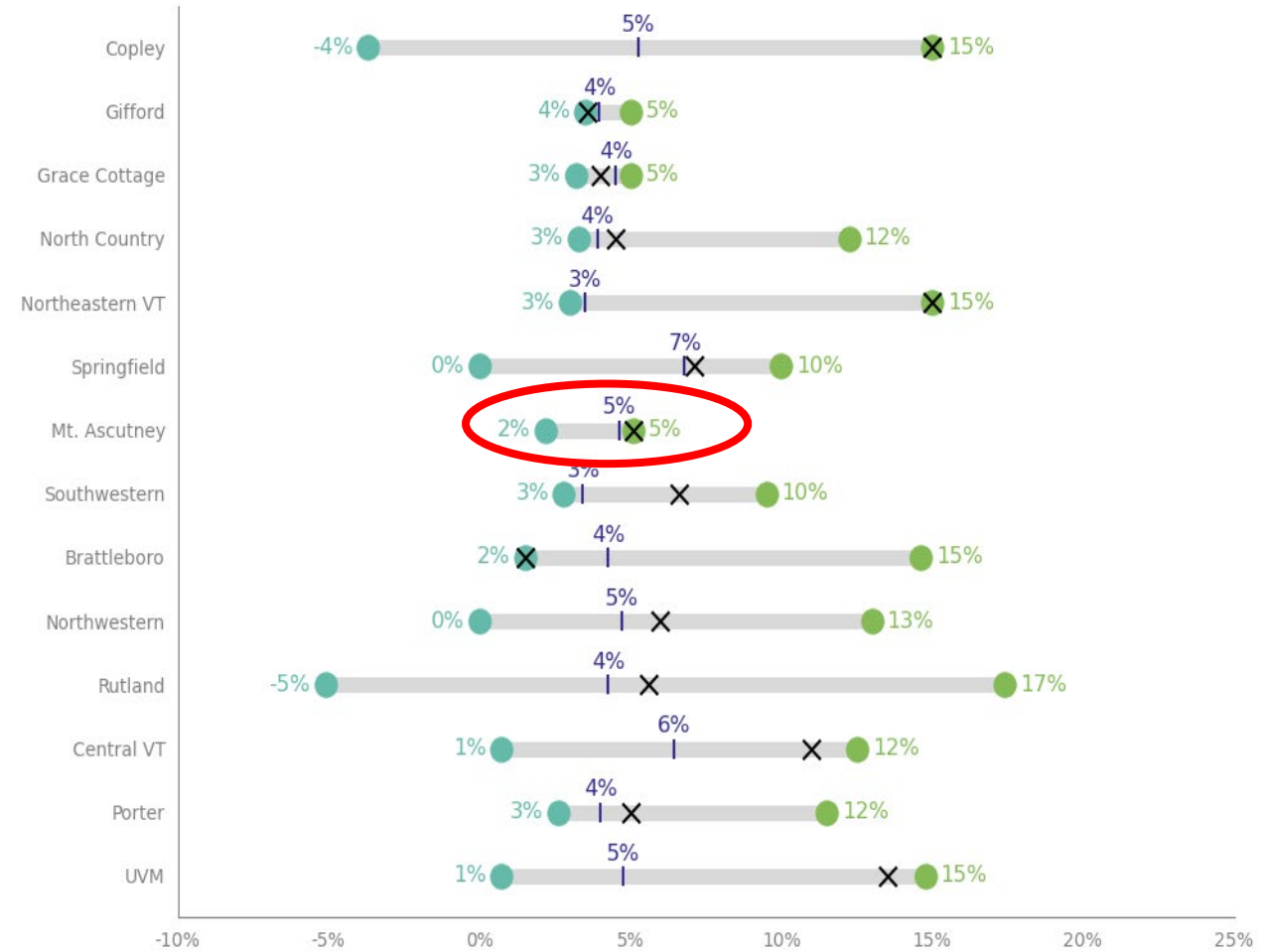
Cost – VRH Affiliation

Average Annual Savings

<u>Inflationary Increase from Study</u>	<u>MAH</u>	<u>VRH</u>	<u>Comments</u>
Staff FTE Reductions	\$ 337,366	\$ 863,573	Salary and Benefits
Management Reductions	\$ 401,551	\$ 401,551	Salary and Benefits
Supply Chain Reductions		\$ 142,182	Move from NEAH to Affiliate
Insurance Reductions		\$ 35,940	Move from NEAH to Affiliate
PSA Reductions	\$ -	\$ 27,034	Move from NEAH to Affiliate
Total	\$ 738,917	\$ 1,470,279	

Request

- 5.1% Rate Increase
 - Medicare realization of 47% (2.4%)
 - Medicaid realization of 27% (1.3%)
 - Commercial realization of 67% (3.4%)
 - Self Pay realization of 1% (0%)
 - Total Insurance realization of 50% (2.6%)
 - Not inclusive of Bad Debt
 - 2.4% w/ bad debt
- NPSR increase of 6.8% (B to B)
 - 4.4% in volume/intensity



Request - Capital

- 2024 budgeted at \$3,250,000
- Mostly facility/facility improvement
- Remainder = Routine Replacement
- ~\$3m in capital under-spending from FY20-FY23
 - Bandwidth, supply chain, etc.
- IT CON for 2025
 - To be filed in FY24

Capital Budget FY24 By Category

Facilities	\$	650,000
IT Technology	\$	125,000
Major Moveable	\$	2,475,000
	\$	3,250,000

Significant Investments:

Rebranding/Wayfinding	\$	335,000
CSR - Regulatory	\$	450,000
Roof Top Unit	\$	300,000
O.R./CSR Reno	\$	300,000
Major Mechanical	\$	250,000
	\$	1,635,000

Request

- 2.4% in realized price increase is lower than inflation rate for most expense categories
 - Salary and Wages 3%
 - Pharmacy 2-8% with highest cost meds >4%
 - Medical supplies 3.4%
 - Non-medical supplies 3%
 - Contracted Labor 5%
 - Contracted Services 5%
 - Food 5%
 - Travelers down budget to budget
 - Benefits flat overall
 - Utilities down



Request

- Increasing quality has a cost
- Increasing access has a cost
- Healthcare reform has a cost
- Necessary margin
 - Board of Trustees
 - DH
 - GMCB
 - Capital
- Incremental and ongoing improvement in quality and access
- One of the lower requests, year to year (not including \$2.5m price decrease in 2020)
- Operating margin over 10 years is less than 1% margin

Risks

- Healthcare workforce
 - Significant regional wage pressures as DHMC competes with Boston for talent.
 - Limited Market
 - New patient tower in 2023 at (requires hundreds of nurses and other staff)
 - Great Resignation/Retirement
 - Aging workforce
 - Housing
 - Competing with NH hospitals and non-hospitals
- Healthcare Reform and ACO participation
- VRH Affiliation
- Dependence on Other Operating Revenues
 - DSH
 - 340B

Opportunities

- Regional Planning
 - VRH
 - Rational distribution of services in region
 - Growth in DH system (leverage, GPO, NEAH, etc.)
 - Continued DH integration
 - Staff sharing
- Stable
- Market share
 - Migration to MAH for quality and customer satisfaction
 - Improving Services Lines/Succession Planning
 - Urology
 - Ophthalmology



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Questions?

Thank you.



Bad Debt & Free Care

	<u>Actual</u> <u>2019</u>		<u>Actual</u> <u>2020</u>		<u>Actual</u> <u>2021</u>		<u>Actual</u> <u>2022</u>		<u>Projected</u> <u>2023</u>		<u>Budget</u> <u>2024</u>	
Rate Increase		2.90%		3.20%		2.82%		2.20%		4.70%		5.10%
Free Care	\$	818,147	\$	797,296	\$	607,209	\$	562,795	\$	418,722	\$	1,474,683
Bad Debt	\$	2,058,532	\$	2,219,969	\$	2,263,564	\$	2,086,077	\$	2,562,276	\$	2,580,695
GPSR	\$	105,209,802	\$	103,562,680	\$	125,844,666	\$	128,016,725	\$	133,318,937	\$	147,468,272
Free Care %		0.8%		0.8%		0.5%		0.4%		0.3%		1.0%
Bad Debt %		2.0%		2.1%		1.8%		1.6%		1.9%		1.8%
Combined %		2.7%		2.9%		2.3%		2.1%		2.2%		2.8%

Healthcare Reform and ACO Participation

Healthcare Reform Activities - FY23 JUL YTD - Just CHT/BP/ACO w. Direct Analyst Support												
	CHT		BP		ACO		ACCT		QUALITY		Total	
Revenue	\$	348,912	\$	133,731	\$	317,623	\$	-	\$	-		
Expenses			\$	80,324	\$	405,671						
Salaries	\$	264,598	\$	41,682			\$	17,708	\$	22,220		
Benefits	\$	79,379	\$	12,505			\$	5,313	\$	6,666		
Total Expense	\$	343,977	\$	134,511	\$	405,671	\$	23,021	\$	28,885		
	\$	4,936	\$	(780)	\$	(88,048)	\$	(23,021)	\$	(28,885)	\$	(135,798)
									Annualized		\$	(162,958)

* Does not include FPP due to net 0 relationship with shadow payments.

Healthcare Reform and ACO Participation

Healthcare Reform Activities - FY23 JUL YTD

	CHT	BP	WCHC	PEP	PC	PHYS SUPP	ACCT	QUALITY	ACO	Total
Revenue	\$ 348,912	\$ 133,731							\$ 317,623	
Expenses	\$ -	\$ 80,324	\$ 33,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 405,671	
Salaries	\$ 264,598	\$ 41,682	\$ 49,069	\$ 13,353	\$ 5,346	\$ 90,523	\$ 17,708	\$ 22,220		
Benefits	\$ 79,379	\$ 12,505	\$ 14,721	\$ 4,006	\$ 1,604	\$ 27,157	\$ 5,313	\$ 6,666		
Total Expense	\$ 343,977	\$ 134,511	\$ 97,390	\$ 17,359	\$ 6,949	\$ 117,680	\$ 23,021	\$ 28,885	\$ 405,671	
	\$ 4,936	\$ (780)	\$ (97,390)	\$ (17,359)	\$ (6,949)	\$ (117,680)	\$ (23,021)	\$ (28,885)	\$ (88,048)	\$ (375,175)
									Annualized	\$ (450,210)

*Does not include grant program related funding/expenses

Other Operating and Non-Operating Revenue

- 340B = decreasing 40% from FY21 (Manufacturers)
- Blueprint Funding – Reduced reimbursement & additional uncertainty
- Rentals, cafeteria, etc. = FY23 + inflation
- Grants change according to contracted revenues/contracted commitments
 - \$125k subsidy
 - No signed agreement, not considered
- “Rented” Staff on par with FY23-ish
- Investment Income:
 - 5.5% return (realized and unrealized) BDF
 - 5.5% return (realized and unrealized) Restricted
- Fundraising: \$250k

Equity

- Health Equity is a focus of our work as a means to overcome preventable differences (health disparities) in the burden of disease, injury, or access to care.
- Many populations experience health disparities including racial and ethnic groups, LGBTQI+ persons, persons living with substance use or mental health conditions, physical or developmental disabilities, and/or persons with limited language proficiency.
- To achieve health equity, we must recognize and acknowledge beliefs previously taken for granted about health, healthcare, and society

Equity

- This work requires focused efforts and ongoing societal efforts to address injustices, overcome economic, social, and other obstacles to health improvement.
- Strategies that support Diversity, Equity, Inclusion, and Belonging (DEIB) are pathways to achieving health equity.
- Our work to address DEIB emphasizes the importance of addressing all people inclusively and respectfully. Much of this work is grounded in Human-Centered approaches.
- While all of our programs incorporate this foundational concept, some program highlights and progress in 2023 include:

Equity

- MAHHC Operating Room & our Volunteers in Action program began a pilot project to address health equity for underserved populations who miss important preventative procedures due to transportation barriers.
- Established Uber-like transportation pilot project for Windsor residents, utilizing our positive relationships with VT Trans and Southeast VT Transit
- MAHHC is participating in the “We Ask Because We Care” campaign, honoring patients' preferences and establishing more accurate data collection as it relates to social determinants of health data.
- We are in the process of evaluating program intake forms and evaluation tools for inclusive and culturally appropriate language
- Launching 2 media campaigns: [We are Worthwhile](#) and [Stigma-Free Language](#)

Equity

- Trainings on issues such as implicit bias and applying an equity lens to our work will continue as part of our Prevention Lead Organization work
- As a Prevention Lead Organization, our primary goal is to reduce disparities in substance use rates and increase protective factors for youth
 - Regular updating of disparity data
 - [Data dashboards](#) are maintained in order to track indicators in several areas related to youth substance and to highlight comparisons for disparate populations
 - Sub-awards made to numerous organizations over the past 3 years, focused on reducing disparities and promoting equity (restorative justice programs, LGBTQ+ programs, etc.)
 - Sharing data with stakeholders & partners
- Present Youth Risk Behavior Survey data on health disparities in Windsor County schools.

Equity

PROGRAMS

MT. ASCUTNEY PREVENTION PARTNERSHIP

PROGRESS



- MAPP presented data on health disparities to the Windsor Justice, Equity, Diversity, Inclusion group as well as the Mt. Ascutney School District Board. Both presentations led to interest to increase supports for LGBTQI+ and Students of Color.
- Strategically planned communications around recommendations according to the [American Medical Association Language, Narrative, and Concepts guide to Advance Health Equity](#).*
- Made available the Harvard Implicit Bias (implicit.harvard.edu/implicit/takeatest.html) test resource with 100 % of employees.

Equity

FOOD SECURITY WORKGROUP



- Continued to develop non-stigmatizing social media messaging to reduce barriers to accessing important food resources.
- Continued to develop digital display media for the Windsor food shelf television, containing audio content for greater accessibility for low literacy or failing eyesight.

VOLUNTEERS IN ACTION (VIA)



- Invested in mechanized knitting for volunteers unable to knit in traditional ways (allowing for peer interaction and increased volunteerism).
- ViA Program Lead participated in many local and regional equity meetings and conferences; also lent expertise in revamping written content for readability, accommodations, inclusive language as well as advising on image choices for publications.

Equity

WINDSOR COUNTY SUBSTANCE USE DISORDER COLLABORATIVE (WCSUDC)

Our philosophy of care:

"In the work that we do related to SUD, we are guided by making everyone feel like they matter to our community. We meet people where they are in their lives, and we treat them with dignity as human beings, understanding that SUD is a disease, not a moral failure. Our approach to care recognizes that none of us is perfect, and we are committed to expanding this philosophy of SUD care throughout our community."



- Continued the development and expansion of the weareworthwhile.org stories campaign, to overcome self-stigma as a barrier to treatment.
- Partnered with local Physicians hosting an Addiction Summit to discuss the perpetuating impact that stigmatization against substance users has on continued use. We Are Worthwhile physician ambassadors (those who promise to treat persons with substance use with dignity and respect) were recruited.

Equity

- MAH DEIB
 - Developed an Employee Resource Group
 - Meet 2 times per month
 - Increase our inclusiveness of all our employees
 - Focus on increasing education about various cultural, racial, or sexual orientation issues
 - Work with an eye toward how the hospital is approaching DEIB for employees and patients
 - Educate staff on pronouns usage and opportunities
 - Educate on communicating with someone with a disability
 - Dovetailed with DH DEIB programs
 - Dovetailed with Human Resource initiatives for recruiting and retention