

Central Vermont Medical Center

Fiscal Year 2023 Submitted Budget

Central Vermont Medical Center

Questions:

1. Is your Projection still valid? If not, please explain.

Central Vermont Medical Center

John Brumsted Anna Noonan Kimberly Patnaude

Fiscal Year 2023 Submitted Budget

INCOME STATEMENT	2020 A	2021 A	2022 B	2022 P	2023 B	2022 B - 2022 P	2022 B - 2023 B
Revenues							
Gross Patient Care Revenue	\$395,992,628	\$465,268,488	\$532,049,268	\$516,050,376	\$579,156,151	-3.0%	8.9%
Disproportionate Share Payments	\$1,282,934	\$1,147,601	\$1,304,048	\$1,527,763	\$1,535,239	17.2%	17.7%
Graduate Medical Education (UVMCMC only)	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Bad Debt	-\$5,852,538	-\$6,229,486	-\$5,324,389	-\$6,580,602	-\$5,790,634	23.6%	8.8%
Free Care	-\$2,630,153	-\$2,393,660	-\$5,323,564	-\$2,263,459	-\$2,903,501	-57.5%	-45.5%
Deductions from Revenue	-\$240,429,458	-\$277,667,176	-\$317,420,053	-\$324,174,677	-\$361,197,013	2.1%	13.8%
Net Patient Care Revenue	\$148,363,413	\$180,125,768	\$205,285,311	\$184,559,400	\$210,800,242	-10.1%	2.7%
Fixed Prospective Payments	\$48,027,737	\$44,478,044	\$44,053,087	\$56,179,733	\$56,209,033	27.5%	27.6%
Reserves	-\$4,460,466	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Reform Payments	\$1,889,720	\$2,741,750	\$1,616,330	\$2,543,507	\$2,222,115	57.4%	37.5%
Fixed Prospective Payments and Reserves	\$45,456,991	\$47,219,794	\$45,669,416	\$58,723,240	\$58,431,148	28.6%	27.9%
Net Patient Care Rev & Fixed Payments & Reserves	\$193,820,404	\$227,345,562	\$250,954,727	\$243,282,641	\$269,231,389	-3.1%	7.3%
340B Retail Pharmacy Programs	\$10,116,962	\$11,990,715	\$10,349,239	\$8,936,453	\$10,453,677	-13.7%	1.0%
COVID-19 Stimulus and Other Grant Funding	\$25,301,050	\$1,766,241	\$0	\$5,383,719	\$0	#DIV/0!	#DIV/0!
Specialty Pharmacy	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Outpatient Pharmacy Revenue	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Cafeteria & Parking	\$902,143	\$683,131	\$971,869	\$832,289	\$921,382	-14.4%	-5.2%
Grant Income	\$777,614	\$1,080,725	\$975,827	\$936,342	\$914,952	-4.0%	-6.2%
Reference Lab Revenue	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Meaningful Use	\$11,461	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other	\$3,598,800	\$5,873,586	\$5,124,015	\$8,841,250	\$6,314,850	72.5%	23.2%
Other Operating Revenue	\$40,708,030	\$21,394,398	\$17,420,950	\$24,930,053	\$18,604,860	43.1%	6.8%
Total Operating Revenue	\$234,528,434	\$248,739,960	\$268,375,677	\$268,212,694	\$287,836,250	-0.1%	7.3%
Operating Expenses							
Salaries Non MD, Fringe Benefits Non MD, Physician Fees & Salaries, Fringe Benefits MD	\$148,172,405	\$158,726,333	\$162,654,867	\$183,384,183	\$176,117,457	12.7%	8.3%
Health Care Provider Tax	\$11,356,599	\$13,250,731	\$14,534,621	\$13,291,064	\$15,772,324	-8.6%	8.5%
Depreciation Amortization	\$8,082,083	\$7,789,208	\$8,046,630	\$7,459,997	\$8,046,011	-7.3%	-0.0%
Interest - Short Term, Interest - Long Term	\$610,691	\$574,542	\$432,063	\$464,847	\$374,281	7.6%	-13.4%
ACO Dues	\$665,894	\$438,037	\$823,138	\$1,070,266	\$881,628	30.0%	7.1%
Medical/Surgical Drugs and Supplies	\$29,515,206	\$11,097,959	\$12,377,074	\$13,357,720	\$14,255,592	7.9%	15.2%
Pharmaceuticals	\$0	\$21,841,850	\$24,994,784	\$23,516,796	\$25,633,463	-5.9%	2.6%
Other Purchased Services - Consulting	\$0	\$592,822	\$583,100	\$542,711	\$989,256	-6.9%	69.7%
Other Purchased Services -Travelers	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Operating Expenses	\$37,444,901	\$36,967,632	\$39,869,895	\$38,625,111	\$42,892,267	-3.1%	7.6%
Total Operating Expenses	\$235,847,778	\$251,279,114	\$264,316,173	\$281,712,694	\$284,962,279	6.6%	7.8%
Net Operating Income	-\$1,319,345	-\$2,539,154	\$4,059,504	-\$13,500,000	\$2,873,971	-432.6%	-29.2%
Non Operating Revenue	\$12,492,025	\$29,676,109	\$7,997,546	-\$4,224,131	\$5,476,010	-152.8%	-31.5%
Excess (Deficit) of Rev over Exp	\$11,172,680	\$27,136,955	\$12,057,050	-\$17,724,131	\$8,349,981	-247.0%	-30.7%
Income Statement Metrics							
Operating Margin %	-0.6%	-1.0%	1.5%	-5.0%	1.0%		
Total Margin %	4.5%	9.7%	4.4%	-6.7%	2.8%		

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Fiscal Year 2023 Submitted Budget									
BALANCE SHEET	2020 A	2021 A	2022 B	2022 Projection	2023 B	2022 B - 2022 P	2022 B - 2023 B	2022 P - 2023 B	
Cash & Investments	\$27,956,469	\$10,498,749	\$13,939,153	\$7,445,210	\$4,849,182	-46.6%	-65.2%	-34.9%	
Net Patient Accounts Receivable	\$22,380,078	\$34,132,725	\$21,953,311	\$37,304,476	\$38,539,509	69.9%	75.6%	3.3%	
Due From Third Parties	\$0	\$0	-\$22,000	\$0	\$0	-100.0%	-100.0%	#DIV/0!	
Risk Reserve Receivable	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!	
Other Current Assets	\$11,089,886	\$6,845,319	\$8,295,853	\$8,810,179	\$8,810,179	6.2%	6.2%	0.0%	
Current Assets	\$61,426,433	\$51,476,793	\$44,166,317	\$53,559,865	\$52,198,870	21.3%	18.2%	-2.5%	
Board Designated Assets	\$62,132,859	\$74,523,197	\$75,084,306	\$62,040,959	\$64,678,936	-17.4%	-13.9%	4.3%	
Net, Property, Plant And Equipment	\$68,099,435	\$63,790,315	\$70,227,171	\$58,184,142	\$56,576,797	-17.1%	-19.4%	-2.8%	
Other Long-Term Assets	\$10,442,199	\$10,368,326	\$9,260,946	\$12,662,098	\$12,662,098	36.7%	36.7%	0.0%	
Assets	\$202,100,926	\$200,158,631	\$198,738,740	\$186,447,064	\$186,116,702	-6.2%	-6.4%	-0.2%	
Accounts Payable	\$3,732,157	\$7,086,532	\$2,723,153	\$11,632,849	\$11,745,829	327.2%	331.3%	1.0%	
Current Liabilities COVID-19	\$9,611,433	\$6,464,782	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!	
Salaries, Wages And Payroll Taxes Payable	\$19,482,958	\$20,750,816	\$20,412,973	\$20,864,390	\$19,406,486	2.2%	-4.9%	-7.0%	
Other Third Party Settlements	\$3,748,886	\$1,665,232	\$1,506,233	\$2,042,159	\$2,042,159	35.6%	35.6%	0.0%	
ACO Risk Reserve	\$8,350,760	\$2,842,526	\$5,000,000	\$3,315,067	\$3,315,067	-33.7%	-33.7%	0.0%	
Other Current Liabilities	\$15,351,500	\$17,355,130	\$14,601,972	\$20,386,829	\$18,637,049	39.6%	27.6%	-8.6%	
Current Liabilities	\$60,277,694	\$56,165,019	\$44,244,331	\$58,241,295	\$55,146,590	31.6%	24.6%	-5.3%	
Long Term Liabilities COVID-19	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!	
Long Term Liabilities	\$19,744,553	\$15,413,751	\$11,730,265	\$15,462,506	\$11,730,265	31.8%	0.0%	-24.1%	
Other Noncurrent Liabilities	\$28,969,421	\$7,647,609	\$23,772,800	\$6,862,785	\$6,862,785	-71.1%	-71.1%	0.0%	
Long Term Liabilities	\$48,713,974	\$23,061,361	\$35,503,064	\$22,325,291	\$18,593,050	-37.1%	-47.6%	-16.7%	
Total Liabilities	\$108,991,668	\$79,226,379	\$79,747,396	\$80,566,586	\$73,739,640	1.0%	-7.5%	-8.5%	
Net Assets	\$81,936,578	\$93,795,297	\$106,934,295	\$123,604,609	\$104,027,081	15.6%	-2.7%	-15.8%	
YTD Change In Net Assets	\$11,172,680	\$27,136,955	\$12,057,050	-\$17,724,131	\$8,349,981	-247.0%	-30.7%	-147.1%	
Fund Balance	\$93,109,258	\$120,932,251	\$118,991,345	\$105,880,478	\$112,377,062	-11.0%	-5.6%	6.1%	
Liabilities and Equities	\$202,100,926	\$200,158,631	\$198,738,740	\$186,447,064	\$186,116,702	-6.2%	-6.4%	-0.2%	
Balance Sheet Metrics									Change in Points
Days Cash on Hand	131.6	114.1	113.3	81.6	80.9	-31.6	-32.4	-0.7	
Debt Service Coverage Ratio to 1	1.4	0.7	2.7	(0.5)	1.3	-3.2	-1.3	1.9	
Long Term Debt to Capitalization	0.2	0.1	0.1	0.1	0.1	0.0	0.0	-0.0	
Days Payable	96.6	84.2	63.0	77.5	72.7	14.5	9.7	-4.8	
Days Receivable	55.1	69.2	39.0	73.8	66.7	34.7	27.7	-7.0	

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Fiscal Year 2023 Submitted Budget					
Utilization Monthly	2020 A	2021 A	2022 P	2023 B	2022 P - 2023 B
Total Average Daily Census	170	162	182	162	-11%
Total Admissions	4,165	4,343	4,529	4,530	0%
Total Patient Days	62,104	59,112	66,456	58,990	-11%
Magnetic Resonance Image Procedures, Exams	3,429	4,078	3,742	3,671	-2%
Cat Scan Procedures	13,116	15,826	16,433	16,364	0%
Radiology - Diagnostic Procedures	38,008	39,792	42,262	42,865	1%
Emergency Room Visits	22,064	21,595	23,991	25,007	4%
Operating Room Procedure	3,146	3,677	4,347	4,618	6%
Operating Room Cases	-	-	-	-	#DIV/0!
Physician Office Visits	179,448	188,480	206,954	188,404	-9%
Staffing Year to Date	2020 A	2021 A	2022 P	2023 B	2022 P - 2023 B
Non MD FTEs	1,207.0	1,178.9	1,179.9	1,230.5	50.6
MLPs	53.3	53.6	57.7	59.5	1.8
Residents & Fellows	-	-	-	-	-
Physician FTEs	93.2	93.1	93.7	92.8	(0.9)
Travelers, Travelers MD	14.9	26.5	81.5	43.7	(37.8)

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Fiscal Year 2023 Submitted Budget								
Payer Mix	2020 A	2021 A	2022 B	2022 P	2023 B	2022 B - 2022 P	2022 B - 2023 B	2022 P - 2023 B
Gross Revenue	\$395,992,628	\$465,268,488	\$532,049,268	\$516,050,376	\$579,156,151	-3%	9%	12%
Contractual Allowances (includes Bad Debt & Free Care)	-\$248,912,148	-\$286,290,322	-\$328,068,006	-\$333,018,738	-\$369,891,148	2%	13%	11%
Disproportionate Share Payments	\$1,282,934	\$1,147,601	\$1,304,048	\$1,527,763	\$1,535,239	17%	18%	0%
Graduate Medical Education Payments	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Net Payer Revenue	\$148,363,414	\$180,125,768	\$205,285,311	\$184,559,400	\$210,800,242	-10%	3%	14%
Fixed Prospective Payments	\$48,027,737	\$44,478,044	\$44,053,087	\$56,179,733	\$56,209,033	28%	28%	0%
Reserves - Risk Portion	-\$4,460,466	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Other Reform Payments	\$1,889,720	\$2,741,750	\$1,616,330	\$2,543,507	\$2,222,115	57%	37%	-13%
Total Net Payer Revenue & Fixed Prospective Payment	\$193,820,404	\$227,345,562	\$250,954,727	\$243,282,641	\$269,231,389	-3%	7%	11%
Above From the Income Statement								
Medicare								
Gross Revenue	\$182,506,185	\$213,935,541	\$239,881,250	\$245,314,296	\$277,457,092	2%	16%	13%
Contractual Allowances (includes Bad Debt & Free Care)	-\$145,042,079	-\$159,708,606	-\$182,573,869	-\$193,396,980	-\$218,659,433	6%	20%	13%
Disproportionate Share Payments	\$0	\$0	\$0	\$0	\$0			
Graduate Medical Education Payments	\$0	\$0	\$0	\$0	\$0			
Net Payer Revenue	\$37,464,105	\$54,226,935	\$57,307,381	\$51,917,315	\$58,797,659	-9%	3%	13%
Fixed Prospective Payments	\$36,499,535	\$32,345,869	\$31,821,789	\$43,566,827	\$43,887,300	37%	38%	1%
Reserves - Risk Portion	-\$4,460,466	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Other Reform Payments	\$1,226,084	\$1,066,482	\$1,004,961	\$874,536	\$844,241	-13%	-16%	-3%
Total Net Payer Revenue & Fixed Prospective Payment	\$70,729,259	\$87,639,287	\$90,134,130	\$96,358,678	\$103,529,199	7%	15%	7%
Medicaid								
Gross Revenue	\$65,634,717	\$77,431,051	\$83,283,135	\$87,301,449	\$84,243,824	5%	1%	-4%
Contractual Allowances (includes Bad Debt & Free Care)	-\$50,401,790	-\$61,858,421	-\$64,004,355	-\$71,153,493	-\$71,421,988	11%	12%	0%
Disproportionate Share Payments	\$0	\$0	\$0	\$0	\$0			
Graduate Medical Education Payments	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Net Payer Revenue	\$15,232,927	\$15,572,629	\$19,278,780	\$16,147,956	\$12,821,836	-16%	-33%	-21%
Fixed Prospective Payments	\$11,830,487	\$12,365,171	\$12,466,659	\$12,866,257	\$12,576,967	3%	1%	-2%
Reserves - Risk Portion	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Other Reform Payments	\$357,693	\$848,105	\$261,369	\$702,902	\$836,336	169%	220%	19%
Total Net Payer Revenue & Fixed Prospective Payment	\$27,421,106	\$28,785,905	\$32,006,808	\$29,717,115	\$26,235,139	-7%	-18%	-12%
Commercial								
Gross Revenue	\$147,851,726	\$173,901,897	\$208,884,884	\$183,434,632	\$217,455,235	-12%	4%	19%
Contractual Allowances (includes Bad Debt & Free Care)	-\$53,468,279	-\$64,723,294	-\$81,489,782	-\$68,468,265	-\$79,809,727	-16%	-2%	17%
Disproportionate Share Payments	\$0	\$0	\$0	\$0	\$0			
Graduate Medical Education Payments	\$0	\$0	\$0	\$0	\$0			
Net Payer Revenue	\$94,383,447	\$109,178,602	\$127,395,102	\$114,966,367	\$137,645,508	-10%	8%	20%
Fixed Prospective Payments	-\$302,285	-\$232,996	-\$235,361	-\$253,351	-\$255,234	8%	8%	1%
Reserves - Risk Portion	\$0	\$0	\$0	\$0	\$0			
Other Reform Payments	\$305,943	\$827,162	\$350,000	\$966,070	\$541,538	176%	55%	-44%
Total Net Payer Revenue & Fixed Prospective Payment	\$94,387,105	\$109,772,768	\$127,509,741	\$115,679,085	\$137,931,812	-9%	8%	19%
Disproportionate Share Payments	\$1,282,934	\$1,147,601	\$1,304,048	\$1,527,763	\$1,535,239	17%	18%	0%
Payer Mix								
	2020 A	2021 A	2022 B	2022 P	2023 B			
Gross Revenue Payer Mix%								
Medicare	46%	46%	45%	48%	48%			
Medicaid	17%	17%	16%	17%	15%			
Commercial	37%	37%	39%	36%	38%			
NPR/FPP Payer Mix%								
Medicare	36%	39%	36%	40%	38%			
Medicaid	14%	13%	13%	12%	10%			
Commercial	49%	48%	51%	48%	51%			
DSH	1%	1%	1%	1%	1%			

Central Vermont Medical Center							Central Vermont Medical Center							
							MEDIAN BENCHMARKS							
	Actuals FY2019	Actuals FY2020	Actuals FY2021	Budget FY2022	Projection FY2022	Budget FY2023	Vermont CAH FY2022	Vermont PPS FY2023	Vermont PPS FY2022	Vermont PPS FY2023	Northeast CAH FY2020	U.S. CAH FY2020	Northern NE FY2020	Fitch** Northeast FY2020
Net Patient Care Rev & Fixed Payments & Reserves	208,006,996	193,820,404	227,345,562	250,954,727	243,282,641	269,231,389								
NPR/FPP % change					-3.1%	7.3%								
Operating Expense	228,415,989	235,847,778	251,279,114	264,316,173	281,712,694	284,962,279								
Operating Expense % change					6.6%	7.8%								
Operating Margin %	-2.09%	-0.56%	-1.02%	1.51%	-5.03%	1.00%	-0.31%	1.84%	-1.72%	1.00%	4.3%	3.6%	-0.6%	-0.6%
Total Margin %	-4.03%	4.52%	9.75%	4.36%	-6.71%	2.85%	0.36%	2.41%	-4.77%	2.42%	6.7%	5.4%	4.5%	4.5%
Days Cash on Hand	95.5	131.6	114.1	113.3	81.6	80.9	138.1	139.4	146.1	128.7	174.81	192.28	131.6035758	131.6035758
Days Payable	70.4	96.6	84.2	63.0	77.5	72.7	67.9	69.0	52.9	58.6	0	0	96.59645361	96.59645361
Days Receivable	48.9	55.1	69.2	39.0	73.8	66.7	41.4	41.4	45.0	43.6	40.23	47.25	55.0589148	55.0589148
Debt Service Coverage Ratio to 1	1.30	1.35	0.74	2.66	-0.54	1.34	1.89	4.14	1.09	3.32	9.53	4.16	1.354716172	1.354716172
Long Term Debt to Capitalization	10%	17%	11%	9%	13%	9%	19%	17%	17%	16%	33.1%	31.2%	17.5%	17.5%
Age of Plant	12.2	14.0	14.8	16.1	16.5	16.3	15.0	14.8	15.8	16.6	14.06	12.32	14.03201839	14.03201839
Benchmarks														
*Flex Monitoring 2019 CAH														
**Fitch Ratings Research-Not for Profit-Select Northeast and Northern NE (MA, ME, NH)														