

Springfield Hospital

Fiscal Year 2023 Submitted Budget

Springfield Hospital

Questions:

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

Springfield Hospital							
Robert Adcock Kayda Wescot							
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	\$93,130,531	\$104,813,001	\$120,057,960	\$115,620,918	\$132,901,357	-3.7%	10.7%
Disproportionate Share Payments	\$883,307	\$808,333	\$823,884	\$755,314	\$750,000	-8.3%	-9.0%
Graduate Medical Education (UVMC only)	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Bad Debt	-\$4,046,159	-\$3,464,190	-\$3,602,000	-\$2,554,631	-\$2,936,440	-29.1%	-18.5%
Free Care	-\$918,533	-\$742,182	-\$900,000	-\$812,050	-\$933,417	-9.8%	3.7%
Deductions from Revenue	-\$49,259,043	-\$50,826,273	-\$61,689,931	-\$61,288,603	-\$71,002,861	-0.7%	15.1%
Net Patient Care Revenue	\$39,790,103	\$50,588,689	\$54,689,913	\$51,720,948	\$58,778,639	-5.4%	7.5%
Fixed Prospective Payments	\$5,778,825	\$3,656,826	\$3,000,000	\$3,000,000	\$3,360,000	0.0%	12.0%
Reserves	-\$5,778,825	-\$3,656,826	-\$3,000,000	-\$3,000,000	-\$3,360,000	0.0%	12.0%
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Fixed Prospective Payments and Reserves	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Net Patient Care Rev & Fixed Payments & Reserves	\$39,790,103	\$50,588,689	\$54,689,913	\$51,720,948	\$58,778,639	-5.4%	7.5%
340B Retail Pharmacy Programs	\$0	\$29,803	\$29,000	\$18,177	\$25,000	-37.3%	-13.8%
COVID-19 Stimulus and Other Grant Funding	\$0	\$0	\$200,000	\$3,830,056	\$300,000	1815.0%	50.0%
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	\$98,604	\$92,033	\$100,000	\$93,665	\$90,000	-6.3%	-10.0%
Grant Income	\$6,606,218	\$2,553,488	\$0	\$107,422	\$500,000	#DIV/0!	#DIV/0!
Reference Lab Revenue	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Meaningful Use	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other	\$786,225	\$1,350,773	\$2,065,000	\$1,869,424	\$1,931,000	-9.5%	-6.5%
Other Operating Revenue	\$7,491,047	\$4,026,097	\$2,394,000	\$5,918,744	\$2,846,000	147.2%	18.9%
Total Operating Revenue	\$47,281,150	\$54,614,786	\$57,083,913	\$57,639,692	\$61,624,639	1.0%	8.0%
Operating Expenses							
Salaries Non MD, Fringe Benefits Non MD, Physician							
Fees & Salaries, Fringe Benefits MD	\$30,029,367	\$31,376,084	\$29,548,328	\$28,297,217	\$30,866,687	-4.2%	4.5%
Health Care Provider Tax	\$3,508,015	\$2,788,491	\$2,832,000	\$3,254,731	\$3,526,718	14.9%	24.5%
Depreciation Amortization	\$1,625,098	\$1,540,685	\$1,225,000	\$1,232,159	\$1,264,750	0.6%	3.2%
Interest - Short Term, Interest - Long Term	\$408,785	\$178,456	\$120,000	\$115,282	\$140,000	-3.9%	16.7%
ACO Dues	\$230,104	\$62,593	\$100,000	\$97,124	\$108,000	-2.9%	8.0%
Medical/Surgical Drugs and Supplies	\$1,644,755	\$2,301,368	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Pharmaceuticals	\$1,341,900	\$1,398,988	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Purchased Services - Consulting	\$6,031,026	\$5,712,642	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Purchased Services -Travelers	\$656,846	\$1,916,323	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Operating Expenses	\$7,119,524	\$6,699,147	\$21,218,601	\$24,330,736	\$23,981,073	14.7%	13.0%
Total Operating Expenses	\$52,595,420	\$53,974,777	\$55,043,929	\$57,327,249	\$59,887,228	4.1%	8.8%
Net Operating Income	-\$5,314,270	\$640,009	\$2,039,984	\$312,443	\$1,737,411	-84.7%	-14.8%
Non Operating Revenue	-\$180,913	\$19,226,968	-\$689,475	\$204,474	\$5,000	-129.7%	-100.7%
Excess (Deficit) of Rev over Exp	-\$5,495,183	\$19,866,977	\$1,350,509	\$516,917	\$1,742,411	-61.7%	29.0%
Income Statement Metrics							
Operating Margin %	-11.2%	1.2%	3.6%	0.5%	2.8%		
Total Margin %	-11.7%	26.9%	2.4%	0.9%	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	\$6,299,641	\$6,067,491	\$3,000,000	\$7,500,000	\$6,800,000	150.0%	126.7%		-9.3%
Net Patient Accounts Receivable	\$5,032,928	\$8,086,792	\$5,884,000	\$9,000,000	\$8,500,000	53.0%	44.5%		-5.6%
Due From Third Parties	\$1,581,071	\$884,273	\$0	\$0	\$0	#DIV/0!	#DIV/0!		#DIV/0!
Risk Reserve Receivable	\$0	\$588,932	\$0	\$0	\$0	#DIV/0!	#DIV/0!		#DIV/0!
Other Current Assets	\$3,433,639	\$3,342,011	\$2,900,000	\$2,950,000	\$3,550,000	1.7%	22.4%		20.3%
Current Assets	\$16,347,279	\$18,969,499	\$11,784,000	\$19,450,000	\$18,850,000	65.1%	60.0%		-3.1%
Board Designated Assets	\$359,297	\$49	\$0	\$0	\$0	#DIV/0!	#DIV/0!		#DIV/0!
Net, Property, Plant And Equipment	\$10,954,632	\$9,959,647	\$11,073,000	\$9,500,000	\$9,735,250	-14.2%	-12.1%		2.5%
Other Long-Term Assets	\$328,219	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!		#DIV/0!
Assets	\$27,989,427	\$28,929,195	\$22,857,000	\$28,950,000	\$28,585,250	26.7%	25.1%		-1.3%
Accounts Payable	\$15,453,657	\$4,662,438	\$2,300,000	\$4,991,677	\$3,966,625	117.0%	72.5%		-20.5%
Current Liabilities COVID-19	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!		#DIV/0!
Salaries, Wages And Payroll Taxes Payable	\$2,223,614	\$2,287,451	\$2,360,000	\$2,500,000	\$2,500,000	5.9%	5.9%		0.0%
Other Third Party Settlements	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!		#DIV/0!
ACO Risk Reserve	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!		#DIV/0!
Other Current Liabilities	\$17,103,529	\$5,212,156	\$3,359,752	\$5,550,000	\$5,100,000	65.2%	51.8%		-8.1%
Current Liabilities	\$34,780,800	\$12,162,045	\$8,019,752	\$13,041,677	\$11,566,625	62.6%	44.2%		-11.3%
Long Term Liabilities COVID-19	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!		#DIV/0!
Long Term Liabilities	\$5,693,596	\$11,113,174	\$11,772,000	\$9,850,000	\$9,300,000	-16.3%	-21.0%		-5.6%
Other Noncurrent Liabilities	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!		#DIV/0!
Long Term Liabilities	\$5,693,596	\$11,113,174	\$11,772,000	\$9,850,000	\$9,300,000	-16.3%	-21.0%		-5.6%
Total Liabilities	\$40,474,396	\$23,275,219	\$19,791,752	\$22,891,677	\$20,866,625	15.7%	5.4%		-8.8%
Net Assets	-\$6,989,782	-\$14,213,001	\$1,714,739	\$5,541,406	\$5,976,214	223.2%	248.5%		7.8%
YTD Change In Net Assets	-\$5,495,183	\$19,866,977	\$1,350,509	\$516,917	\$1,742,411	-61.7%	29.0%		237.1%
Fund Balance	-\$12,484,965	\$5,653,976	\$3,065,248	\$6,058,323	\$7,718,625	97.6%	151.8%		27.4%
Liabilities and Equities	\$27,989,431	\$28,929,195	\$22,857,000	\$28,950,000	\$28,585,250	26.7%	25.1%		-1.3%
Balance Sheet Metrics									Change in Points
Days Cash on Hand	47.7	42.2	20.3	48.8	42.3	28.5	22.0		-6.5
Debt Service Coverage Ratio to 1	(0.5)	1.9	2.6	1.4	3.3	-1.1	0.8		1.9
Long Term Debt to Capitalization	(1.0)	0.7	0.8	0.6	0.5	-0.2	-0.2		-0.1
Days Payable	249.1	84.7	54.4	84.9	72.0	30.5	17.6		-12.8
Days Receivable	46.2	58.3	39.3	63.5	52.8	24.2	13.5		-10.7

Springfield Hospital					
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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	-	-	16	18	12%
Total Admissions	-	-	965	1,069	11%
Total Patient Days	-	-	5,806	6,507	12%
Magnetic Resonance Image Procedures, Exams	-	-	1,262	1,300	3%
Cat Scan Procedures	-	-	4,661	4,650	0%
Radiology - Diagnostic Procedures	-	-	8,681	8,800	1%
Emergency Room Visits	-	-	12,649	12,958	2%
Operating Room Procedure	-	-	-	-	#DIV/0!
Operating Room Cases	-	-	927	1,068	15%
Physician Office Visits	-	-	-	-	#DIV/0!
Staffing Year to Date	2020 A	2021 A	2022 P	2023 B	2022 P - 2023 B
Non MD FTEs	259.0	265.2	261.9	297.6	35.7
MLPs	-	-	-	-	-
Residents & Fellows	-	-	-	-	-
Physician FTEs	9.9	8.3	8.0	10.9	2.9
Travelers, Travelers MD	-	-	-	-	-

Robert Adcock Kayda Wescot								
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	\$93,130,531	\$104,813,002	\$120,057,957	\$113,536,720	\$130,467,194	-5%	9%	15%
Contractual Allowances (includes Bad Debt & Free Care)	-\$54,223,734	-\$55,032,644	-\$66,191,931	-\$64,662,575	-\$74,872,718	-2%	13%	16%
Disproportionate Share Payments	\$883,307	\$808,333	\$823,884	\$755,314	\$750,000	-8%	-9%	-1%
Graduate Medical Education Payments	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Net Payer Revenue	\$39,790,104	\$50,588,691	\$54,689,910	\$49,629,459	\$56,344,476	-9%	3%	14%
Fixed Prospective Payments	\$5,778,825	\$3,656,826	\$3,000,000	\$3,000,000	\$3,360,000	0%	12%	12%
Reserves - Risk Portion	-\$5,778,825	-\$3,656,826	-\$3,000,000	-\$3,000,000	-\$3,360,000	0%	12%	12%
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Total Net Payer Revenue & Fixed Prospective Payment	\$39,790,104	\$50,588,691	\$54,689,910	\$49,629,459	\$56,344,476	-9%	3%	14%

Above From the Income Statement

Medicare								
	2020 A	2021 A	2022 B	2022 P	2023 B	2022 B - 2022 P	2022 B - 2023 B	2022 P - 2023 B
Gross Revenue	\$42,225,675	\$42,973,976	\$44,577,069	\$56,968,622	\$65,865,891	28%	48%	16%
Contractual Allowances (includes Bad Debt & Free Care)	-\$27,525,815	-\$25,427,364	-\$24,687,895	-\$30,560,416	-\$37,350,384	24%	51%	22%
Disproportionate Share Payments	\$0	\$0	\$0	\$0	\$0			
Graduate Medical Education Payments	\$0	\$0	\$0	\$0	\$0			
Net Payer Revenue	\$14,699,860	\$17,546,612	\$19,889,174	\$26,408,206	\$28,515,507	33%	43%	8%
Fixed Prospective Payments	\$1,709,777	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Reserves - Risk Portion	-\$1,709,777	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Total Net Payer Revenue & Fixed Prospective Payment	\$14,699,860	\$17,546,612	\$19,889,174	\$26,408,206	\$28,515,507	33%	43%	8%

Medicaid								
	2020 A	2021 A	2022 B	2022 P	2023 B	2022 B - 2022 P	2022 B - 2023 B	2022 P - 2023 B
Gross Revenue	\$16,380,043	\$19,294,411	\$23,703,196	\$17,898,215	\$20,479,672	-24%	-14%	14%
Contractual Allowances (includes Bad Debt & Free Care)	-\$11,287,141	-\$11,086,147	-\$17,045,004	-\$16,122,163	-\$17,554,136	-5%	3%	9%
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	\$5,092,902	\$8,208,264	\$6,658,192	\$1,776,052	\$2,925,536	-73%	-56%	65%
Fixed Prospective Payments	\$4,069,048	\$3,656,826	\$3,000,000	\$3,000,000	\$3,360,000	0%	12%	12%
Reserves - Risk Portion	-\$4,069,048	-\$3,656,826	-\$3,000,000	-\$3,000,000	-\$3,360,000	0%	12%	12%
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Total Net Payer Revenue & Fixed Prospective Payment	\$5,092,902	\$8,208,264	\$6,658,192	\$1,776,052	\$2,925,536	-73%	-56%	65%

Commercial								
	2020 A	2021 A	2022 B	2022 P	2023 B	2022 B - 2022 P	2022 B - 2023 B	2022 P - 2023 B
Gross Revenue	\$34,524,813	\$42,544,615	\$51,777,692	\$38,669,883	\$44,121,631	-25%	-15%	14%
Contractual Allowances (includes Bad Debt & Free Care)	-\$15,410,778	-\$18,519,133	-\$24,459,032	-\$17,979,996	-\$19,968,198	-26%	-18%	11%
Disproportionate Share Payments	\$0	\$0	\$0	\$0	\$0			
Graduate Medical Education Payments	\$0	\$0	\$0	\$0	\$0			
Net Payer Revenue	\$19,114,035	\$24,025,482	\$27,318,660	\$20,689,887	\$24,153,433	-24%	-12%	17%
Fixed Prospective Payments	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Reserves - Risk Portion	\$0	\$0	\$0	\$0	\$0			
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	#DIV/0!
Total Net Payer Revenue & Fixed Prospective Payment	\$19,114,035	\$24,025,482	\$27,318,660	\$20,689,887	\$24,153,433	-24%	-12%	17%

Disproportionate Share Payments	\$883,307	\$808,333	\$823,884	\$755,314	\$750,000	-8%	-9%	-1%
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Payer Mix	2020 A	2021 A	2022 B	2022 P	2023 B
Gross Revenue Payer Mix%					
Medicare	45%	41%	37%	50%	50%
Medicaid	18%	18%	20%	16%	16%
Commercial	37%	41%	43%	34%	34%
NPR/FPP Payer Mix%					
Medicare	37%	35%	36%	53%	51%
Medicaid	13%	16%	12%	4%	5%
Commercial	48%	47%	50%	42%	43%
DSH	2%	2%	2%	2%	1%

Springfield Hospital							Springfield Hospital							
							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	47,392,824	39,790,103	50,588,689	54,689,913	51,720,948	58,778,639								
NPR/FPP % change					-5.4%	7.5%								
Operating Expense	58,081,280	52,595,420	53,974,777	55,043,929	57,327,249	59,887,228								
Operating Expense % change					4.1%	8.8%								
Operating Margin %	-18.39%	-11.24%	1.17%	3.57%	0.54%	2.82%	-0.31%	1.84%	-1.72%	1.00%	4.3%		3.6%	-11.2%
Total Margin %	-38.95%	-11.67%	26.90%	2.39%	0.89%	2.83%	0.36%	2.41%	-4.77%	2.42%	6.7%		5.4%	-11.7%
Days Cash on Hand	16.6	47.7	42.2	20.3	48.8	42.3	138.1	139.4	146.1	128.7	174.81		192.28	47.68485432
Days Payable	176.8	249.1	84.7	54.4	84.9	72.0	67.9	69.0	52.9	58.6	0		0	249.0663498
Days Receivable	44.8	46.2	58.3	39.3	63.5	52.8	41.4	41.4	45.0	43.6	40.23		47.25	46.16772915
Debt Service Coverage Ratio to 1	-0.74	-0.47	1.90	2.56	1.42	3.34	1.89	4.14	1.09	3.32	9.53		4.16	-0.474370101
Long Term Debt to Capitalization	-169%	-99%	67%	80%	62%	55%	19%	17%	17%	16%	33.1%		31.2%	-99.4%
Age of Plant	17.2	19.0	20.9	26.1	26.7	27.0	15.0	14.8	15.8	16.6	14.06		12.32	18.99687692

Benchmarks

*Flex Monitoring 2019 CAH

**Fitch Ratings Research-Not for Profit-Select Northeast and Northern NE (MA, ME, NH)