

# Northwestern Medical Center

## Fiscal Year 2023 YTD Summary

**Year to Date Submission #2 (March 2023 through June 2023)**

Northwestern Medical Center								
Fiscal Year 2023 YTD Summary								
BALANCE SHEET	FY2021 A	FY2022 B	FY2022 A	FY2023 B	2023 Projection	2023 B-2023 P	2022 A-2023 P	
Cash & Investments	\$86,682,871	\$75,704,121	\$76,381,074	\$75,292,621	\$75,292,621	0.0%	-1.4%	
Net Patient Accounts Receivable	\$9,042,305	\$10,000,000	\$10,010,921	\$7,225,000	\$7,225,000	0.0%	-27.8%	
Due From Third Parties	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	
Risk Reserve Receivable	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	
Other Current Assets	\$4,776,054	\$13,250,000	\$4,391,777	\$6,250,000	\$6,250,000	0.0%	42.3%	
<b>Current Assets</b>	<b>\$100,501,230</b>	<b>\$98,954,121</b>	<b>\$90,783,772</b>	<b>\$88,767,621</b>	<b>\$88,767,621</b>	<b>0.0%</b>		
Board Designated Assets	\$9,218,423	\$24,800,000	\$7,368,816	\$8,250,000	\$8,250,000	0.0%	12.0%	
Net, Property, Plant And Equipment	\$68,978,337	\$69,569,776	\$67,554,197	\$78,232,696	\$78,232,696	0.0%	15.8%	
Other Long-Term Assets	\$1,501,808	\$1,500,000	\$1,280,975	\$1,501,808	\$1,501,808	0.0%	17.2%	
<b>Assets</b>	<b>\$180,199,798</b>	<b>\$194,823,897</b>	<b>\$166,987,760</b>	<b>\$176,752,125</b>	<b>\$176,752,125</b>	<b>0.0%</b>	<b>5.8%</b>	
Accounts Payable	\$4,365,460	\$3,250,000	\$5,726,094	\$3,950,000	\$3,950,000	0.0%	-31.0%	
Current Liabilities COVID-19	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	
Salaries, Wages And Payroll Taxes Payable	\$4,684,427	\$4,500,000	\$3,635,829	\$4,500,000	\$4,500,000	0.0%	23.8%	
Other Third Party Settlements	\$2,141,174	\$5,500,000	\$2,180,105	\$2,000,000	\$2,000,000	0.0%	-8.3%	
ACO Risk Reserve	\$0	\$1,600,000	\$1,985,742	\$3,000,000	\$3,000,000	0.0%	51.1%	
Other Current Liabilities	\$3,695,436	\$13,066,415	\$3,979,276	\$2,973,867	\$2,973,867	0.0%	-25.3%	
<b>Current Liabilities</b>	<b>\$14,886,497</b>	<b>\$27,916,415</b>	<b>\$17,507,046</b>	<b>\$16,423,867</b>	<b>\$16,423,867</b>	<b>0.0%</b>	<b>-6.2%</b>	
Long Term Liabilities COVID-19	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	
Long Term Liabilities	\$26,569,347	\$27,734,879	\$24,934,283	\$23,861,898	\$23,861,898	0.0%	-4.3%	
Other Noncurrent Liabilities	\$6,004,415	\$4,000,000	\$3,863,293	\$4,500,000	\$4,500,000	0.0%	16.5%	
<b>Long Term Liabilities</b>	<b>\$32,573,762</b>	<b>\$31,734,879</b>	<b>\$28,797,576</b>	<b>\$28,361,898</b>	<b>\$28,361,898</b>	<b>0.0%</b>	<b>-1.5%</b>	
<b>Total Liabilities</b>	<b>\$47,460,259</b>	<b>\$59,651,294</b>	<b>\$46,304,622</b>	<b>\$44,785,765</b>	<b>\$44,785,765</b>	<b>0.0%</b>		
Net Assets	\$116,584,930	\$131,174,220	\$132,412,289	\$129,161,102	\$129,161,102	0.0%	-2.5%	
YTD Change In Net Assets	\$16,154,609	\$3,998,383	-\$11,729,151	\$2,805,258	\$2,805,258	0.0%	-123.9%	
<b>Fund Balance</b>	<b>\$132,739,539</b>	<b>\$135,172,603</b>	<b>\$120,683,138</b>	<b>\$131,966,360</b>	<b>\$131,966,360</b>	<b>0.0%</b>	<b>9.3%</b>	
<b>Liabilities and Equities</b>	<b>\$180,199,798</b>	<b>\$194,823,897</b>	<b>\$166,987,760</b>	<b>\$176,752,125</b>	<b>\$176,752,125</b>	<b>0.0%</b>	<b>5.8%</b>	
<b>Balance Sheet Metrics</b>								Change in Points
Days Cash on Hand	297.9	321.9	251.9	255.0	255.0	0.0	3.1	
Debt Service Coverage Ratio	5.6	3.6	0.8	3.5	3.5	0.0	2.7	
Long Term Debt to Capitalization	0.2	0.2	0.2	0.2	0.2	0.0	-0.0	
Days Payable	46.2	89.4	52.7	50.1	50.1	0.0	-2.5	
Days Receivable	35.0	39.1	39.4	25.7	25.7	0.0	-13.7	

Northwestern Medical Center									
Fiscal Year 2023 YTD Summary									
Submission #2 (March 2023 t Submission #2 (March 2023 through June 2023)									
INCOME STATEMENT	2021 A	2022 B	2022 A	2023 B	2023 B YTD	2023 YTD	2023 PROJ	2023 B-2023 A YTD	2022 A-2023 P
<b>Revenues</b>									
Gross Patient Care Revenue	\$246,224,948	\$245,862,206	\$242,831,375	\$262,751,719	\$109,479,883	\$205,981,941	\$274,642,588	88.1%	13.1%
Disproportionate Share Payments	\$1,028,949	\$1,047,564	\$2,270,054	\$1,136,065	\$473,360	\$852,048	\$1,136,064	80.0%	-50.0%
Graduate Medical Education (UVMCC only)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Bad Debt	-\$7,261,575	-\$7,748,625	-\$8,172,703	-\$6,006,361	-\$2,502,650	-\$7,514,190	-\$10,018,920	200.2%	22.6%
Free Care	-\$2,056,881	-\$1,565,780	-\$1,631,268	-\$2,224,435	-\$926,848	-\$1,248,041	-\$1,664,055	34.7%	2.0%
Deductions from Revenue	-\$143,716,808	-\$144,147,404	-\$142,598,546	-\$153,165,832	-\$63,819,097	-\$126,217,167	-\$168,289,556	97.8%	18.0%
<b>Net Patient Care Revenue</b>	<b>\$94,218,633</b>	<b>\$93,447,961</b>	<b>\$92,698,912</b>	<b>\$102,491,156</b>	<b>\$42,704,648</b>	<b>\$71,854,591</b>	<b>\$95,806,121</b>	<b>68.3%</b>	<b>3.4%</b>
Fixed Prospective Payments	\$21,229,344	\$22,477,572	\$23,227,122	\$20,852,517	\$8,688,549	\$16,703,991	\$22,271,988	92.3%	-4.1%
Reserves	\$3,142,163	\$0	-\$336,047	-\$2,250,000	-\$937,500	\$409,326	\$409,326	-143.7%	-221.8%
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
<b>Fixed Prospective Payments and Reserves</b>	<b>\$24,371,507</b>	<b>\$22,477,572</b>	<b>\$22,891,075</b>	<b>\$18,602,517</b>	<b>\$7,751,049</b>	<b>\$17,113,317</b>	<b>\$22,681,314</b>		
<b>Net Patient Care Rev &amp; Fixed Payments &amp; Reserves</b>	<b>\$118,590,140</b>	<b>\$115,925,533</b>	<b>\$115,589,987</b>	<b>\$121,093,673</b>	<b>\$50,455,697</b>	<b>\$88,967,908</b>	<b>\$118,487,435</b>	<b>76.3%</b>	<b>2.5%</b>
340B Retail Pharmacy Programs	\$1,316,668	\$1,456,048	\$1,310,889	\$400,000	\$166,667	\$361,443	\$481,924	116.9%	-63.2%
COVID-19 Stimulus and Other Grant Funding	\$4,251,390	\$0	\$358,201	\$0	\$0	\$0	\$0	#DIV/0!	-100.0%
Specialty Pharmacy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Outpatient Pharmacy Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Cafeteria & Parking	\$511,834	\$521,523	\$499,479	\$662,487	\$276,036	\$445,667	\$594,223	61.5%	19.0%
Grant Income	\$2,331,932	\$2,505,643	\$1,576,451	\$2,017,569	\$840,654	\$1,772,781	\$2,363,708	110.9%	49.9%
Reference Lab Revenue	\$2,137,762	\$744,377	\$2,308,972	\$2,189,594	\$912,331	\$1,399,513	\$1,866,017	53.4%	-19.2%
Meaningful Use	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other	\$606,972	\$462,702	\$857,278	\$566,023	\$235,843	\$348,743	\$464,991	47.9%	-45.8%
<b>Other Operating Revenue</b>	<b>\$11,156,557</b>	<b>\$5,690,293</b>	<b>\$6,911,270</b>	<b>\$5,835,673</b>	<b>\$2,431,530</b>	<b>\$4,328,147</b>	<b>\$5,770,863</b>	<b>78.0%</b>	<b>-16.5%</b>
<b>Total Operating Revenue</b>	<b>\$129,746,697</b>	<b>\$121,615,826</b>	<b>\$122,501,257</b>	<b>\$126,929,346</b>	<b>\$52,887,228</b>	<b>\$93,296,055</b>	<b>\$124,258,298</b>	<b>76.4%</b>	<b>1.4%</b>
<b>Operating Expenses</b>									
Salaries Non MD, Fringe Benefits Non MD,									
Physician Fees & Salaries, Fringe Benefits MD	\$70,485,866	\$69,067,024	\$66,786,476	\$68,402,219	\$28,500,925	\$54,081,312	\$72,108,416	89.8%	8.0%
Health Care Provider Tax	\$6,152,743	\$6,696,736	\$6,857,255	\$6,902,027	\$2,875,845	\$5,176,467	\$6,901,956	80.0%	0.7%
Depreciation Amortization	\$6,098,075	\$5,220,065	\$6,351,177	\$6,074,479	\$2,531,033	\$4,772,979	\$6,363,972	88.6%	0.2%
Interest - Short Term, Interest - Long Term	\$721,309	\$761,602	\$617,285	\$721,795	\$300,748	\$397,935	\$530,580	32.3%	-14.0%
ACO Dues	\$796,899	\$969,000	\$892,088	\$812,572	\$338,572	\$644,418	\$859,224	90.3%	-3.7%
Medical/Surgical Drugs and Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Pharmaceuticals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Purchased Services - Consulting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Purchased Services -Travelers	\$4,046,034	\$0	\$10,439,519	\$8,669,354	\$3,612,231	\$6,812,163	\$8,612,163	88.6%	-17.5%
Other Operating Expenses	\$35,311,097	\$36,449,351	\$35,774,020	\$34,087,977	\$14,203,324	\$27,577,054	\$35,977,054	94.2%	0.6%
<b>Total Operating Expenses</b>	<b>\$123,612,022</b>	<b>\$119,163,778</b>	<b>\$127,717,820</b>	<b>\$125,670,423</b>	<b>\$52,362,676</b>	<b>\$99,462,328</b>	<b>\$131,353,365</b>	<b>89.9%</b>	<b>2.8%</b>
<b>Net Operating Income</b>	<b>\$6,134,675</b>	<b>\$2,452,048</b>	<b>-\$5,216,563</b>	<b>\$1,258,923</b>	<b>\$524,551</b>	<b>-\$6,166,273</b>	<b>-\$7,095,067</b>	<b>-1275.5%</b>	<b>36.0%</b>
<b>Non Operating Revenue</b>	<b>\$10,019,934</b>	<b>\$1,546,335</b>	<b>-\$6,512,588</b>	<b>\$1,546,335</b>	<b>\$644,306</b>	<b>\$10,265,188</b>	<b>\$1,546,335</b>	<b>1493.2%</b>	<b>-123.7%</b>
<b>Excess (Deficit) of Rev over Exp</b>	<b>\$16,154,609</b>	<b>\$3,998,383</b>	<b>-\$11,729,151</b>	<b>\$2,805,258</b>	<b>\$1,168,858</b>	<b>\$4,098,915</b>	<b>-\$5,548,732</b>	<b>250.7%</b>	<b>-52.7%</b>
<b>Income Statement Metrics</b>									
Operating Margin %	4.7%	2.0%	-4.3%	1.0%	5.0%	-6.6%	-5.7%		
Total Margin %	11.6%	3.2%	-10.1%	2.2%	10.9%	4.0%	-4.4%		

**Northwestern Medical Center**

**Fiscal Year 2023 YTD Summary**

Payer Mix	2021 A	2022 B	2022 A	2023 B	2023 YTD	2023 PROJ
<b>Total Revenue</b>	<b>\$246,224,948</b>	<b>\$245,862,206</b>	<b>\$242,831,375</b>	<b>\$262,751,719</b>	<b>\$205,981,941</b>	<b>\$274,642,588</b>
Disproportionate Share Payments	1,028,949	1,047,564	2,270,054	1,136,065	852,048	1,136,064
Graduate Medical Education	-	-	-	-	-	-
Bad Debt	(7,261,575)	(7,748,625)	(8,172,703)	(6,006,361)	(7,514,190)	(10,018,920)
Free Care	(2,056,881)	(1,565,780)	(1,631,268)	(2,224,435)	(1,248,041)	(1,664,055)
Deductions from Revenue	(143,716,808)	(144,147,404)	(142,598,546)	(153,165,832)	(126,217,167)	(168,289,556)
<b>Net Payer Revenue</b>	<b>94,218,633</b>	<b>93,447,961</b>	<b>92,698,912</b>	<b>102,491,156</b>	<b>71,854,591</b>	<b>95,806,121</b>
Fixed Prospective Payments	21,229,344	22,477,572	23,227,122	20,852,517	16,703,991	22,271,988
Reserves	3,142,163	-	(336,047)	(2,250,000)	409,326	409,326
Other Reform Payments	-	-	-	-	-	-
<b>Fixed Prospective Payments and Reserves</b>	<b>24,371,507</b>	<b>22,477,572</b>	<b>22,891,075</b>	<b>18,602,517</b>	<b>17,113,317</b>	<b>22,681,314</b>
<b>Total Net Payer Revenue &amp; Fixed Prospective Payment</b>	<b>118,590,140</b>	<b>115,925,533</b>	<b>115,589,987</b>	<b>121,093,673</b>	<b>88,967,908</b>	<b>118,487,435</b>

**Above From the Income Statement**

<b>Medicare</b>						
<b>Gross Revenue</b>	<b>\$78,363,784</b>	<b>\$81,552,915</b>	<b>\$73,328,558</b>	<b>\$76,460,332</b>	<b>\$58,943,014</b>	<b>\$78,590,685</b>
Disproportionate Share Payments						
Graduate Medical Education	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debt	\$0	\$0	\$0	\$0	\$0	\$0
Free Care	\$0	\$0	\$0	\$0	\$0	\$0
Deductions from Revenue	-\$53,451,304	-\$58,148,615	-\$50,809,145	-\$53,765,904	-\$42,685,284	-\$56,913,713
<b>Net Payer Revenue</b>	<b>\$24,912,480</b>	<b>\$23,404,300</b>	<b>\$22,519,413</b>	<b>\$22,694,428</b>	<b>\$16,257,729</b>	<b>\$21,676,972</b>
Fixed Prospective Payments	\$10,700,198	\$10,482,933	\$12,066,087	\$9,102,427	\$7,413,455	\$9,884,607
Reserves - Risk Portion	-\$564,072	\$0	\$0	-\$1,125,000	\$0	\$0
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Net Payer Revenue &amp; Fixed Prospective Payment</b>	<b>\$35,048,606</b>	<b>\$33,887,233</b>	<b>\$34,585,500</b>	<b>\$30,671,855</b>	<b>\$23,671,184</b>	<b>\$31,561,579</b>

<b>Medicaid</b>						
<b>Gross Revenue</b>	<b>\$52,083,816</b>	<b>\$48,420,356</b>	<b>\$51,090,454</b>	<b>\$55,643,569</b>	<b>\$43,106,664</b>	<b>\$57,475,552</b>
Disproportionate Share Payments						
Graduate Medical Education	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debt	\$0	\$0	\$0	\$0	\$0	\$0
Free Care	\$0	\$0	\$0	\$0	\$0	\$0
Deductions from Revenue	-\$47,104,150	-\$44,893,440	-\$46,807,250	-\$50,514,042	-\$40,426,260	-\$53,901,680
<b>Net Payer Revenue</b>	<b>\$4,979,666</b>	<b>\$3,526,916</b>	<b>\$4,283,204</b>	<b>\$5,129,527</b>	<b>\$2,680,404</b>	<b>\$3,573,872</b>
Fixed Prospective Payments	\$10,220,152	\$11,736,917	\$11,014,068	\$11,750,090	\$9,290,536	\$12,387,381
Reserves - Risk Portion	\$3,706,235	\$0	-\$336,054	-\$1,125,000	\$409,326	\$409,326
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Net Payer Revenue &amp; Fixed Prospective Payment</b>	<b>\$18,906,053</b>	<b>\$15,263,833</b>	<b>\$14,961,218</b>	<b>\$15,754,617</b>	<b>\$12,380,266</b>	<b>\$16,370,579</b>

<b>Commercial</b>						
<b>Gross Revenue</b>	<b>\$115,777,348</b>	<b>\$115,888,935</b>	<b>\$118,412,363</b>	<b>\$130,647,818</b>	<b>\$103,932,263</b>	<b>\$138,576,351</b>
Disproportionate Share Payments						
Graduate Medical Education	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debt	-\$7,261,575	-\$7,748,625	-\$8,172,703	-\$6,006,361	-\$7,514,190	-\$10,018,920
Free Care	-\$2,056,881	-\$1,565,780	-\$1,631,269	-\$2,224,435	-\$1,248,041	-\$1,664,055
Deductions from Revenue	-\$43,161,354	-\$41,105,349	-\$44,982,150	-\$48,885,886	-\$43,105,622	-\$57,474,163
<b>Net Payer Revenue</b>	<b>\$63,297,538</b>	<b>\$65,469,181</b>	<b>\$63,626,241</b>	<b>\$73,531,136</b>	<b>\$52,064,410</b>	<b>\$69,419,213</b>
Fixed Prospective Payments	\$308,994	\$257,722	\$146,974	\$0	\$0	\$0
Reserves - Risk Portion	\$0	\$0	\$0	\$0	\$0	\$0
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Net Payer Revenue &amp; Fixed Prospective Payment</b>	<b>\$63,606,532</b>	<b>\$65,726,903</b>	<b>\$63,773,215</b>	<b>\$73,531,136</b>	<b>\$52,064,410</b>	<b>\$69,419,213</b>

Disproportionate Share Payments	\$1,028,949	\$1,047,564	\$2,270,054	\$1,136,065	\$852,048	\$1,136,064
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Northwestern Medical Center							
Fiscal Year 2023 YTD Summary							
Submission #2 (March 2023 through June 2023)							
Utilization & Staffing	2021 A	2022 B	2022 A	2023B	2023 B YTD	2023 YTD	2023 PROJ
<b>Utilization Monthly</b>							
Total Average Daily Census							
Total Admissions	2,545	2,553	2,596	2,732	2,049	2,168	2,891
Total Patient Days	8,687	8,479	10,787	9,515	7,136	9,141	12,188
Magnetic Resonance Imag	2,648	2,461	3,448	2,634	1,976	5,545	7,393
Cat Scan Procedures	9,129	8,930	9,490	8,798	6,599	12,751	17,001
Radiology - Diagnostic Pro	31,876	31,025	32,671	26,641	19,981	29,905	39,873
Emergency Room Visits	23,572	21,626	24,460	21,906	16,430	32,629	43,505
Operating Room Procedur	2,985	4,071	2,785	3,051	2,288	37,504	50,005
Operating Room Cases	-	-	-	-	-	2,156	2,875
Physician Office Visits	109,406	104,599	97,878	99,473	74,605	59,904	79,872
Primary Care Visits					-	-	-
Specialty Visits					-	59,904	79,872
<b>Staffing Year to Date</b>							
Non MD FTEs	603.1	595.8	523.6	544.8	4,903.5	525.7	525.7
MLPs	-	-	-	-	-		-
Residents & Fellows	-	-	-	-	-		-
Physician FTEs	37.8	31.5	24.5	23.8	214.6	21.0	21.0
Travelers, Travelers MD	-	8.9	28.5	25.0	225.0	24.3	24.3

Question:

Volumes and gross revenue have been strong and remain ahead of budget, however, payer mix has been poor leading to a low collection rate and net patient revenue that is trailing budget. Wages are ahead of budget as a result of market adjustments needed at the end of FY2022 and beginning of FY2023 in certain clinical and clinical support departments. Traveler expenses and utilization have been trending down as expected and this continues to be monitored closely. We will experience a significant loss from operations during FY2023.

Physician Acquisitions or Transfers: <https://gmcboard.vermont.gov/sites/gmcb/files/hospital-budget/Physician%20Transfer%20Schedules%20A%20%26%20B.xls>

FY2020 Budget Guidance: <https://gmcboard.vermont.gov/sites/gmcb/files/FY2020%20Hospital%20Budget%20Guidance%20Final%20as%20of%202019-03-27%20Updated%204%208%2019.pdf>