

# Southwestern VT Medical Center

## Fiscal Year 2023 YTD Summary

**Year to Date Submission #1 (October 2022 through February 2023)**

Southwestern VT Medical Center

Fiscal Year 2023 YTD Summary

INCOME STATEMENT	Draft			Submission #1 (October 2022 through February 2023)					Submission #1 (October 2022 through February 2023)			
	2022 A	2023 B	2023 B YTD	Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	2023 YTD	2023 PROJ	2023 B-2023 A YTD	2022 A-2023 P
<b>Revenues</b>												
<b>Gross Patient Care Revenue</b>	\$433,654,824	\$455,073,987	\$189,614,161	\$38,528,745	\$37,582,796	\$37,829,535	\$39,048,881	\$35,233,679	\$188,223,636	\$460,829,388	-0.7%	6.3%
Disproportionate Share Payments	\$1,766,096	\$780,264	\$325,110	\$73,589	\$73,589	\$73,589	\$73,589	\$73,589	\$367,945	\$883,067	13.2%	-50.0%
Graduate Medical Education (UVMCM only)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Bad Debt	-\$5,171,384	-\$7,650,000	-\$3,187,500	-\$1,098,835	-\$460,191	-\$950,991	-\$242,382	-\$359,199	-\$3,111,598	-\$7,650,000	-2.4%	47.9%
Free Care	-\$1,774,483	-\$2,500,000	-\$1,041,667	-\$84,270	-\$169,055	-\$89,910	-\$164,551	-\$174,589	-\$682,375	-\$1,637,500	-34.5%	-7.7%
Deductions from Revenue	-\$273,590,999	-\$294,061,400	-\$122,525,583	-\$24,414,547	-\$24,140,175	-\$23,584,022	-\$25,396,276	-\$22,158,676	-\$119,693,696	-\$294,061,400	-2.3%	7.5%
<b>Net Patient Care Revenue</b>	<b>\$154,884,054</b>	<b>\$151,642,851</b>	<b>\$63,184,521</b>	<b>\$13,004,682</b>	<b>\$12,886,964</b>	<b>\$13,278,201</b>	<b>\$13,319,261</b>	<b>\$12,614,804</b>	<b>\$65,103,912</b>	<b>\$158,363,555</b>	<b>3.0%</b>	<b>2.2%</b>
Fixed Prospective Payments	\$31,845,094	\$37,229,358	\$15,512,233	\$2,677,131	\$2,712,064	\$2,975,447	\$2,597,405	\$1,836,356	\$12,798,403	\$32,315,901	-17.5%	1.5%
Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
<b>Fixed Prospective Payments and Reserves</b>	<b>\$31,845,094</b>	<b>\$37,229,358</b>	<b>\$15,512,233</b>	<b>\$2,677,131</b>	<b>\$2,712,064</b>	<b>\$2,975,447</b>	<b>\$2,597,405</b>	<b>\$1,836,356</b>	<b>\$12,798,403</b>	<b>\$32,315,901</b>		
<b>Net Patient Care Rev &amp; Fixed Payments &amp; Reserves</b>	<b>\$186,729,148</b>	<b>\$188,872,209</b>	<b>\$78,696,754</b>	<b>\$15,681,813</b>	<b>\$15,599,028</b>	<b>\$16,253,648</b>	<b>\$15,916,666</b>	<b>\$14,451,160</b>	<b>\$77,902,315</b>	<b>\$190,679,456</b>	<b>-1.0%</b>	<b>2.1%</b>
340B Retail Pharmacy Programs	\$2,389,544	\$3,100,000	\$1,291,667	\$147,010	\$175,904	\$160,588	\$388,506	\$698,545	\$1,570,554	\$3,391,090	21.6%	41.9%
COVID-19 Stimulus and Other Grant Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Specialty Pharmacy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Outpatient Pharmacy Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Cafeteria & Parking	\$251,647	\$282,370	\$117,654	\$219	\$1,262	\$2,201	\$318	\$1,228	\$5,228	\$282,370	-95.6%	12.2%
Grant Income	\$2,575,943	\$1,843,964	\$768,318	\$261,983	\$197,859	\$102,945	\$215,977	\$238,483	\$1,017,247	\$2,017,112	32.4%	-21.7%
Reference Lab Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Meaningful Use	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other	\$3,491,331	\$2,923,123	\$1,217,968	\$297,923	\$266,248	\$264,103	\$246,921	\$241,950	\$1,317,144	\$3,224,395	8.1%	-7.6%
<b>Other Operating Revenue</b>	<b>\$8,708,465</b>	<b>\$8,149,457</b>	<b>\$3,395,607</b>	<b>\$707,135</b>	<b>\$641,273</b>	<b>\$529,837</b>	<b>\$851,722</b>	<b>\$1,180,206</b>	<b>\$3,910,173</b>	<b>\$8,914,967</b>	<b>15.2%</b>	<b>2.4%</b>
<b>Total Operating Revenue</b>	<b>\$195,437,613</b>	<b>\$197,021,666</b>	<b>\$82,092,361</b>	<b>\$16,388,948</b>	<b>\$16,240,301</b>	<b>\$16,783,485</b>	<b>\$16,768,388</b>	<b>\$15,631,366</b>	<b>\$81,812,488</b>	<b>\$199,594,423</b>	<b>-0.3%</b>	<b>2.1%</b>
<b>Operating Expenses</b>												
Salaries Non MD, Fringe Benefits Non MD,												
Physician Fees & Salaries, Fringe Benefits	\$110,379,528	\$114,485,655	\$47,702,356	\$9,856,084	\$9,927,789	\$10,078,795	\$10,079,135	\$9,465,269	\$49,407,072	\$119,308,714	3.6%	8.1%
Health Care Provider Tax	\$10,868,481	\$11,123,170	\$4,634,654	\$939,336	\$939,336	\$939,336	\$939,336	\$939,336	\$4,696,680	\$11,272,032	1.3%	3.7%
Depreciation Amortization	\$6,241,552	\$6,356,989	\$2,648,745	\$516,758	\$525,735	\$522,164	\$508,813	\$505,326	\$2,578,796	\$6,447,662	-2.6%	3.3%
Interest - Short Term, Interest - Long Term	\$767,602	\$599,354	\$249,731	\$50,791	\$100,102	\$121,190	\$139,253	\$133,495	\$544,831	\$1,179,691	118.2%	53.7%
ACO Dues	\$1,229,256	\$1,500,000	\$625,000	\$120,566	\$120,566	\$120,566	\$128,839	\$128,839	\$619,376	\$1,500,000	-0.9%	22.0%
Medical/Surgical Drugs and Supplies	\$0	\$0	\$0	\$1,234,981	\$1,249,191	\$1,323,533	\$1,265,322	\$1,019,700	\$6,092,727	\$14,908,197	#DIV/0!	#DIV/0!
Pharmaceuticals	\$0	\$0	\$0	\$1,536,249	\$1,180,097	\$1,215,016	\$1,211,276	\$1,159,052	\$6,301,690	\$14,763,757	#DIV/0!	#DIV/0!
Other Purchased Services - Consulting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Purchased Services -Travelers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!
Other Operating Expenses	\$66,290,626	\$62,051,970	\$25,854,988	\$2,817,372	\$2,936,092	\$2,967,236	\$2,855,301	\$2,952,281	\$14,528,282	\$34,257,996	-43.8%	-48.3%
<b>Total Operating Expenses</b>	<b>\$195,777,045</b>	<b>\$196,117,138</b>	<b>\$81,715,474</b>	<b>\$17,072,137</b>	<b>\$16,978,908</b>	<b>\$17,287,836</b>	<b>\$17,127,275</b>	<b>\$16,303,298</b>	<b>\$84,769,454</b>	<b>\$203,638,049</b>	<b>3.7%</b>	<b>4.0%</b>
<b>Net Operating Income</b>	<b>-\$339,432</b>	<b>\$904,528</b>	<b>\$376,887</b>	<b>-\$683,189</b>	<b>-\$738,607</b>	<b>-\$504,351</b>	<b>-\$358,887</b>	<b>-\$671,932</b>	<b>-\$2,956,966</b>	<b>-\$4,043,626</b>	<b>-884.6%</b>	<b>1091.3%</b>
<b>Non Operating Revenue</b>	<b>\$8,005,419</b>	<b>\$679,981</b>	<b>\$283,325</b>	<b>\$327,532</b>	<b>\$4,893,327</b>	<b>-\$211,605</b>	<b>\$1,043,760</b>	<b>-\$238,200</b>	<b>\$5,814,814</b>	<b>\$5,814,814</b>	<b>1952.3%</b>	<b>-27.4%</b>
<b>Excess (Deficit) of Rev over Exp</b>	<b>\$7,665,986</b>	<b>\$1,584,509</b>	<b>\$660,212</b>	<b>-\$355,657</b>	<b>\$4,154,720</b>	<b>-\$715,956</b>	<b>\$684,873</b>	<b>-\$910,132</b>	<b>\$2,857,848</b>	<b>\$1,771,188</b>	<b>332.9%</b>	<b>-76.9%</b>
<b>Income Statement Metrics</b>												
Operating Margin %	-0.2%	0.5%	2.3%	-4.2%	-4.5%	-3.0%	-2.1%	-4.3%	-3.6%	-2.0%		
Total Margin %	3.8%	0.8%	4.0%	-2.1%	19.7%	-4.3%	3.8%	-5.9%	3.3%	0.9%		

Southwestern VT Medical Center													
Fiscal Year 2023 YTD Summary													
Draft Submission #1 (October 2022 through February 2023)													
BALANCE SHEET	FY2021 A	FY2022 B	FY2022 A	FY2023 B	Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	2023 Projection	2023 B-2023 P	2022 A-2023 P	
Cash & Investments	\$15,954,569	\$11,020,348	\$10,785,155	\$10,020,348	\$2,871,986	\$8,024,842	\$6,315,143	\$7,795,469	\$11,304,043	\$9,520,348	-5.0%	-11.7%	
Net Patient Accounts Receivable	\$14,392,159	\$12,653,016	\$14,574,201	\$15,441,551	\$15,851,632	\$15,795,256	\$15,532,050	\$16,485,587	\$16,540,842	\$15,441,551	0.0%	6.0%	
Due From Third Parties	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	
Risk Reserve Receivable	\$537,552	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	
Other Current Assets	\$8,028,602	\$6,021,211	\$7,755,405	\$8,736,335	\$10,647,077	\$9,583,431	\$9,976,951	\$10,295,378	\$10,720,854	\$8,736,335	0.0%	12.6%	
<b>Current Assets</b>	<b>\$38,912,882</b>	<b>\$29,694,575</b>	<b>\$33,114,761</b>	<b>\$34,198,234</b>	<b>\$29,370,695</b>	<b>\$33,403,529</b>	<b>\$31,824,144</b>	<b>\$34,576,434</b>	<b>\$38,565,739</b>	<b>\$33,698,234</b>	<b>-1.5%</b>		
Board Designated Assets	\$9,322,354	\$9,549,237	\$26,831,849	\$9,879,506	\$27,153,063	\$27,655,689	\$25,852,183	\$22,982,083	\$19,394,328	\$9,879,506	0.0%	-63.2%	
Net, Property, Plant And Equipment	\$38,231,055	\$43,622,338	\$48,230,366	\$58,767,891	\$48,515,209	\$50,353,275	\$51,346,795	\$51,964,397	\$53,469,378	\$58,677,891	-0.2%	21.7%	
Other Long-Term Assets	\$12,686,801	\$11,971,381	\$16,000,945	\$16,697,418	\$16,290,329	\$16,393,807	\$16,586,506	\$14,832,000	\$15,333,819	\$16,697,418	0.0%	4.4%	
<b>Assets</b>	<b>\$99,153,092</b>	<b>\$94,837,531</b>	<b>\$124,177,921</b>	<b>\$119,543,049</b>	<b>\$121,329,296</b>	<b>\$127,806,300</b>	<b>\$125,609,628</b>	<b>\$124,354,914</b>	<b>\$126,763,264</b>	<b>\$118,953,049</b>	<b>-0.5%</b>	<b>-4.2%</b>	
Accounts Payable	\$6,409,906	\$6,719,179	\$12,703,595	\$6,640,510	\$11,176,973	\$7,531,074	\$5,785,563	\$5,855,163	\$7,634,624	\$6,990,345	5.3%	-45.0%	
Current Liabilities COVID-19	\$6,898,211	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	
Salaries, Wages And Payroll Taxes Payable	\$9,443,980	\$4,411,891	\$4,213,297	\$6,519,763	\$4,805,258	\$5,292,756	\$5,811,825	\$6,478,862	\$6,633,649	\$6,780,554	4.0%	60.9%	
Other Third Party Settlements	\$2,715,427	\$8,801,493	\$1,537,638	\$6,500,000	\$298,791	\$693,741	\$353,558	\$362,278	\$917,361	\$6,500,000	0.0%	322.7%	
ACO Risk Reserve	\$3,170,625	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	
Other Current Liabilities	\$18,015,230	\$11,061,022	\$26,286,480	\$18,698,394	\$26,237,627	\$31,359,210	\$31,627,424	\$29,336,632	\$29,973,430	\$19,198,394	2.7%	-27.0%	
<b>Current Liabilities</b>	<b>\$46,653,379</b>	<b>\$30,993,585</b>	<b>\$44,741,010</b>	<b>\$38,358,667</b>	<b>\$42,518,649</b>	<b>\$44,876,781</b>	<b>\$43,578,370</b>	<b>\$42,032,935</b>	<b>\$45,159,064</b>	<b>\$39,469,293</b>	<b>2.9%</b>	<b>-11.8%</b>	
Long Term Liabilities COVID-19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	#DIV/0!	
Long Term Liabilities	\$8,821,909	\$8,407,629	\$31,039,202	\$27,961,000	\$30,910,728	\$30,772,950	\$30,600,281	\$30,448,536	\$30,317,576	\$27,961,000	0.0%	-9.9%	
Other Noncurrent Liabilities	\$5,347,484	\$5,333,134	\$2,401,399	\$3,255,258	\$2,259,266	\$2,361,196	\$2,351,560	\$2,109,153	\$2,432,466	\$3,755,258	15.4%	56.4%	
<b>Long Term Liabilities</b>	<b>\$14,169,393</b>	<b>\$13,740,763</b>	<b>\$33,440,601</b>	<b>\$31,216,258</b>	<b>\$33,169,994</b>	<b>\$33,134,146</b>	<b>\$32,951,841</b>	<b>\$32,557,689</b>	<b>\$32,750,042</b>	<b>\$31,716,258</b>	<b>1.6%</b>	<b>-5.2%</b>	
<b>Total Liabilities</b>	<b>\$60,822,772</b>	<b>\$44,734,348</b>	<b>\$78,181,611</b>	<b>\$69,574,925</b>	<b>\$75,688,643</b>	<b>\$78,010,927</b>	<b>\$76,530,211</b>	<b>\$74,590,624</b>	<b>\$77,909,106</b>	<b>\$71,185,551</b>	<b>2.3%</b>		
Net Assets	\$29,946,561	\$95,709,658	\$38,330,899	\$48,383,615	\$45,996,310	\$45,996,310	\$45,996,310	\$45,996,310	\$45,996,310	\$45,996,310	-4.9%	20.0%	
YTD Change in Net Assets	\$8,383,759	-\$45,606,475	\$7,665,986	\$1,584,509	-\$355,657	\$3,799,063	\$3,083,107	\$3,767,980	\$2,857,848	\$1,771,188	11.8%	-76.9%	
<b>Fund Balance</b>	<b>\$38,330,320</b>	<b>\$50,103,183</b>	<b>\$45,996,885</b>	<b>\$49,968,124</b>	<b>\$45,640,653</b>	<b>\$49,795,373</b>	<b>\$49,079,417</b>	<b>\$49,764,290</b>	<b>\$48,854,158</b>	<b>\$47,767,498</b>	<b>-4.4%</b>	<b>3.8%</b>	
<b>Liabilities and Equities</b>	<b>\$99,153,092</b>	<b>\$94,837,531</b>	<b>\$124,178,496</b>	<b>\$119,543,049</b>	<b>\$121,329,296</b>	<b>\$127,806,300</b>	<b>\$125,609,628</b>	<b>\$124,354,914</b>	<b>\$126,763,264</b>	<b>\$118,953,049</b>	<b>-0.5%</b>	<b>-4.2%</b>	
<b>Balance Sheet Metrics</b>												Change in Points	
Days Cash on Hand	52.5	42.9	37.5	38.3	5.4	14.8	11.7	14.4	20.8	38.3	0.0	0.8	
Debt Service Coverage Ratio	10.9	9.3	0.5	2.2	5.6	5.6	5.1	5.1	5.1	2.2	0.0	1.8	
Long Term Debt to Capitalization	0.2	0.1	0.4	0.4	0.2	0.4	0.4	0.2	0.2	0.4	0.0	-0.0	
Days Payable	97.4	64.7	86.2	73.8	60.7	32.3	23.2	23.0	28.9	73.8	0.0	-12.4	
Days Receivable	36.1	34.1	34.3	37.2	37.8	37.2	36.5	38.6	37.7	37.2	0.0	2.8	

Southwestern VT Medical Center												
Fiscal Year 2023 YTD Summary												
Draft					Submission #1 (October 2022 through February 2023)							
Utilization & Staffing	2021 A	2022 B	2022 A	2023B	2023 B YTD	Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	2023 YTD	2023 PROJ
Utilization Monthly					Utilization Monthly							
Total Average Daily Census												
Total Admissions	3,388	3,504	3,556	3,560	1,483	267	255	299	263	226	1,310	3,144
Total Patient Days	12,110	11,935	13,275	12,166	5,069	1,086	1,085	1,237	1,283	949	5,640	13,536
Magnetic Resonance Image Procedures, Exams	3,832	3,591	4,174	4,065	1,694	398	367	368	385	362	1,880	4,512
Cat Scan Procedures	13,623	12,724	14,730	14,499	6,041	1,299	1,093	1,246	1,323	1,163	6,124	14,499
Radiology - Diagnostic Procedures	34,660	29,002	33,773	44,912	18,713	4,258	3,900	3,953	3,995	3,708	19,814	44,912
Emergency Room Visits	21,696	20,763	22,641	25,695	10,706	1,699	1,724	1,689	2,057	2,295	9,464	22,714
Operating Room Procedure	3,035	3,034	3,003	3,010	1,254	268	278	269	265	233	1,313	3,010
Operating Room Cases	-	-	-	-	-	-	-	-	-	-	-	-
Physician Office Visits	124,545	130,714	144,284	132,306	55,128	9,766	9,634	8,623	9,754	9,272	47,049	112,918
Primary Care Visits					-						-	
Specialty Visits					-						-	
					0.00%							
Staffing Year to Date					0 Staffing Year to Date							
Non MD FTEs	799.2	795.4	820.2	813.8	4,069.0	832.5	836.4	823.6	836.0	834.6		834.6
MLPs	-	-	-	-	-	-	-	-	-	-	-	-
Residents & Fellows	-	-	-	-	-	-	-	-	-	-	-	-
Physician FTEs	102.4	101.2	99.9	97.3	486.5	100	101	98	101	100		99.5
Travelers, Travelers MD	-	-	-	-	-	-	-	-	-	-	-	-

**Southwestern VT Medical Center**

**Fiscal Year 2023 YTD Summary**

Draft

Payer Mix	2021 A	2022 A	2023 B	Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	2023 YTD	2023 PROJ
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<b>Total Revenue</b>	<b>\$403,028,513</b>	<b>\$433,654,824</b>	<b>\$455,073,987</b>	<b>\$38,528,745</b>	<b>\$37,582,796</b>	<b>\$37,829,535</b>	<b>\$39,048,881</b>	<b>\$35,233,679</b>	<b>\$188,223,636</b>	<b>\$460,829,388</b>
Disproportionate Share Payments	759,902	1,766,096	780,264	73,589	73,589	73,589	73,589	73,589	367,945	883,067
Graduate Medical Education	-	-	-	-	-	-	-	-	-	-
Bad Debt	(5,282,457)	(5,171,384)	(7,650,000)	(1,098,835)	(460,191)	(950,991)	(242,382)	(359,199)	(3,111,598)	(7,650,000)
Free Care	(2,252,809)	(1,774,483)	(2,500,000)	(84,270)	(169,055)	(89,910)	(164,551)	(174,589)	(682,375)	(1,637,500)
Deductions from Revenue	(250,933,621)	(273,590,999)	(294,061,400)	(24,414,547)	(24,140,175)	(23,584,022)	(25,396,276)	(22,158,676)	(119,693,696)	(294,061,400)
<b>Net Payer Revenue</b>	<b>145,319,528</b>	<b>154,884,054</b>	<b>151,642,851</b>	<b>13,004,682</b>	<b>12,886,964</b>	<b>13,278,201</b>	<b>13,319,261</b>	<b>12,614,804</b>	<b>65,103,912</b>	<b>158,363,555</b>
Fixed Prospective Payments	31,018,104	31,845,094	37,229,358	2,677,131	2,712,064	2,975,447	2,597,405	1,836,356	12,798,403	32,315,901
Reserves	-	-	-	-	-	-	-	-	-	-
Other Reform Payments	-	-	-	-	-	-	-	-	-	-
<b>Fixed Prospective Payments and Reserves</b>	<b>31,018,104</b>	<b>31,845,094</b>	<b>37,229,358</b>	<b>2,677,131</b>	<b>2,712,064</b>	<b>2,975,447</b>	<b>2,597,405</b>	<b>1,836,356</b>	<b>12,798,403</b>	<b>32,315,901</b>
<b>Total Net Payer Revenue &amp; Fixed Prospective Payment</b>	<b>176,337,632</b>	<b>186,729,148</b>	<b>188,872,209</b>	<b>15,681,813</b>	<b>15,599,028</b>	<b>16,253,648</b>	<b>15,916,666</b>	<b>14,451,160</b>	<b>77,902,315</b>	<b>190,679,456</b>

**Above From the Income Statement**

**Above From the Income Statement**

Medicare										
<b>Gross Revenue</b>	<b>\$207,021,083</b>	<b>\$219,202,114</b>	<b>\$230,046,323</b>	<b>\$20,420,349</b>	<b>\$19,389,300</b>	<b>\$19,426,262</b>	<b>\$20,427,793</b>	<b>\$17,718,372</b>	<b>\$97,382,076</b>	<b>\$232,955,799</b>
Disproportionate Share Payments									\$0	
Graduate Medical Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Free Care	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deductions from Revenue	-\$159,861,136	-\$169,759,326	-\$183,401,963	-\$16,237,905	-\$15,280,877	-\$15,436,913	-\$16,723,654	-\$13,562,410	-\$77,241,759	-\$183,401,963
<b>Net Payer Revenue</b>	<b>\$47,159,947</b>	<b>\$49,442,788</b>	<b>\$46,644,360</b>	<b>\$4,182,444</b>	<b>\$4,108,423</b>	<b>\$3,989,349</b>	<b>\$3,704,139</b>	<b>\$4,155,962</b>	<b>\$20,140,317</b>	<b>\$49,553,836</b>
Fixed Prospective Payments	\$20,075,056	\$22,545,800	\$23,297,261	\$1,739,646	\$1,779,608	\$2,045,514	\$1,771,150	\$1,016,585	\$8,352,503	\$23,087,261
Reserves - Risk Portion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Net Payer Revenue &amp; Fixed Prospective Payment</b>	<b>\$67,235,003</b>	<b>\$71,988,588</b>	<b>\$69,941,621</b>	<b>\$5,922,090</b>	<b>\$5,888,031</b>	<b>\$6,034,863</b>	<b>\$5,475,289</b>	<b>\$5,172,547</b>	<b>\$28,492,820</b>	<b>\$72,641,097</b>

Medicaid										
<b>Gross Revenue</b>	<b>\$66,101,712</b>	<b>\$74,873,757</b>	<b>\$76,297,730</b>	<b>\$6,421,762</b>	<b>\$6,497,145</b>	<b>\$6,155,333</b>	<b>\$6,607,708</b>	<b>\$6,366,028</b>	<b>\$32,047,976</b>	<b>\$77,262,667</b>
Disproportionate Share Payments									\$0	
Graduate Medical Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Free Care	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deductions from Revenue	-\$55,854,808	-\$62,297,311	-\$67,389,343	-\$5,293,004	-\$5,576,958	-\$5,049,217	-\$5,631,939	-\$5,607,435	-\$27,158,553	-\$67,389,343
<b>Net Payer Revenue</b>	<b>\$10,246,904</b>	<b>\$12,576,446</b>	<b>\$8,908,387</b>	<b>\$1,128,758</b>	<b>\$920,187</b>	<b>\$1,106,116</b>	<b>\$975,769</b>	<b>\$758,593</b>	<b>\$4,889,423</b>	<b>\$9,873,324</b>
Fixed Prospective Payments	\$10,943,048	\$9,198,829	\$9,432,097	\$937,485	\$932,456	\$929,933	\$826,255	\$819,771	\$4,445,900	\$9,228,640
Reserves - Risk Portion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Net Payer Revenue &amp; Fixed Prospective Payment</b>	<b>\$21,189,952</b>	<b>\$21,775,275</b>	<b>\$18,340,484</b>	<b>\$2,066,243</b>	<b>\$1,852,643</b>	<b>\$2,036,049</b>	<b>\$1,802,024</b>	<b>\$1,578,364</b>	<b>\$9,335,323</b>	<b>\$19,101,964</b>

Commercial										
<b>Gross Revenue</b>	<b>\$129,905,718</b>	<b>\$139,578,953</b>	<b>\$148,729,934</b>	<b>\$11,686,635</b>	<b>\$11,696,351</b>	<b>\$12,247,940</b>	<b>\$12,013,380</b>	<b>\$11,149,279</b>	<b>\$58,793,585</b>	<b>\$150,610,921</b>
Disproportionate Share Payments									\$0	
Graduate Medical Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debt	-\$5,282,457	-\$5,171,384	-\$7,650,000	-\$1,098,835	-\$460,191	-\$950,991	-\$242,382	-\$359,199	-\$3,111,598	-\$7,650,000
Free Care	-\$2,252,809	-\$1,774,483	-\$2,500,000	-\$84,270	-\$169,055	-\$89,910	-\$164,551	-\$174,589	-\$682,375	-\$1,637,500
Deductions from Revenue	-\$35,217,677	-\$41,534,362	-\$43,270,094	-\$2,883,638	-\$3,282,341	-\$3,097,892	-\$3,040,683	-\$2,988,831	-\$15,293,385	-\$43,270,094
<b>Net Payer Revenue</b>	<b>\$87,152,775</b>	<b>\$91,098,724</b>	<b>\$95,309,840</b>	<b>\$7,619,892</b>	<b>\$7,784,764</b>	<b>\$8,109,147</b>	<b>\$8,565,764</b>	<b>\$7,626,660</b>	<b>\$39,706,227</b>	<b>\$98,053,327</b>
Fixed Prospective Payments	\$0	\$100,464	\$4,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves - Risk Portion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Reform Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Net Payer Revenue &amp; Fixed Prospective Payment</b>	<b>\$87,152,775</b>	<b>\$91,199,188</b>	<b>\$99,809,840</b>	<b>\$7,619,892</b>	<b>\$7,784,764</b>	<b>\$8,109,147</b>	<b>\$8,565,764</b>	<b>\$7,626,660</b>	<b>\$39,706,227</b>	<b>\$98,053,327</b>

Disproportionate Share Payments	\$759,902	\$1,766,096	\$780,264	\$73,589	\$73,589	\$73,589	\$73,589	\$73,589	\$367,945	\$883,067
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## Question:

Please address the financial performance seen in your quarterly reporting.

SVMC's financial performance over the first five months has been challenging. Increased expenses above budgeted levels have challenged the organization. Labor costs especially related to providers have exceeded all expectations. Locum providers have been put in place until the Hospital can find full time replacements. The costs of these locums are more than two times if not three times the cost of a full time employed provider. Employee Benefits, especially health insurance continue to grow greater than what was in the budget. Higher than expected utilization of high cost services (transplants) has been the biggest single factor in the health insurance increase. Pharmacy and Supply costs due to inflation greater than what was budgeted are increasing costs.

SVMC will be seeing over a 100% increase in natural gas costs as a five year contract is about to expire and increases are higher than management could have foreseen last year or a couple of years ago.

On the revenue side volumes are up in some area's and down in others. The payer mix, SVMC is seeing more Medicare and Medicaid patients. One significant challenge is the actions of the insurance companies which are denying a greater number of claims than in the past. SVMC appeals many of the denials and the insurance company turnaround on the appeals is unpredictable. The insurance company reps have stated at times it will not even be addressed for months. This causes significant delays in payments and significantly increases the cost to collect a claim.

Management has implemented a financial improvement plan with initiatives that will reduce expenses and increase revenue with the goal of getting operations to break-even by the last quarter of the fiscal year.

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>