

Central Vermont Medical Center

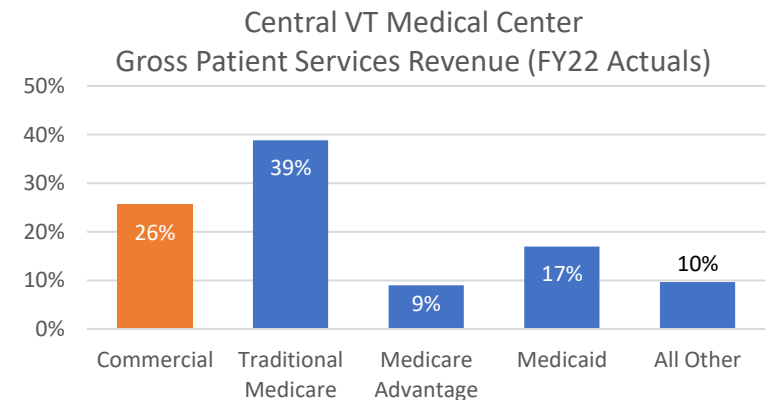
FY24 Hospital Budget Review – Central Vermont Medical Center

Summary for GMCB Deliberations

Budgets								
Year		FY18	FY19	FY20	FY21	FY22	FY23	FY22-24
Net Patient Revenue (NPR)	Guidance	3.0%	2.8%	3.5%	3.5%	3.5%	8.6%	
	Submitted	3.6%	6.4%	3.1%	8.7%	6.5%	7.9%	21.4%
	Δ Approved	0.0%	0.0%	0.0%	-0.4%	-0.8%	0.0%	
Commercial NPR	Submitted	9.4%	3.5%	13.2%	1.8%	12.0%	9.3%	29.7%
	Δ Approved	-0.7%	1.5%	-1.6%	-0.8%	-1.7%	-4.0%	
Operating Expenses	Submitted	4.6%	6.6%	5.4%	8.2%	5.5%	7.8%	8.3%
	Δ Approved	-0.2%	0.0%	0.0%	-0.4%	-0.8%	0.0%	
Change in Charge	Submitted	0.7%	2.8%	5.9%	8.5%	7.4%	14.5%	20.0%* CER: 23.45%*
	Δ Approved	0.0%	-0.5%	0.0%	-1.5%	1.3%	-2.0%	
	Commercial weight of approved increase	0.3%	0.9%	2.2%	2.6%	3.3%	4.4%	8.2%*

\*As submitted; CER = Commercial Effective Rate

Actuals							
Year		FY18	FY19	FY20	FY21	FY22	FY23
NPR	%	-0.3%	6.9%	-6.8%	17.3%	5.7%	5.5%
	\$ in M	-0.7	13.4	-14.2	33.5	13.0	13.2
Commercial NPR	%	4.2%	5.2%	-6.6%	16.3%	4.0%	3.6%
	\$ in M	3.9	5.0	-6.7	15.4	4.3	4.1
Operating Expenses	%	2.8%	5.7%	3.3%	6.5%	11.5%	1.1%
	\$ in M	6.0	12.4	7.4	15.4	28.9	3.2



Central Vermont Medical Center  
Expense Growth Factors

	Central Vermont Medical Center		Vermont Hospitals	Benchmark Data		
	FY22-24	VT Hospital Rank	Median	Lo	Benchmark	Hi
Labor	4.1%	8	4.0%	0.8%	5.2%	9.7%
Utilization	8.0%	9	7.0%	-5.5%	-0.4%	4.2%
Pharm Ex	7.6%	4	7.6%	2.3%	12%	21.6%
Cost Inflation	3.7%	5	3.7%	1.1%	5.8%	10.5%

Financial Indicators

	Central Vermont Medical Center				Vermont Hospitals
	FY22 Actual	FY23 Approved	FY23 YTD	FY24 Submitted	FY24 Median
Op Margin	-6.5%	1.0%	-2.6%	1.5%	1.2%
Op-EBIDA Margin	-4%	4%	0%	4%	5.6%
Total Margin	-11.1%	2.8%	-0.1%	2.9%	3.8%
DCOH	68.7	80.9	42.1	40.2	109.64
Debt Service Coverage Ratio	-1.3	1.3	0.1	6.0	4.56
LT Debt to Capitalization Ratio	11.4%	9.5%	9.7%	8.3%	0.17
Age of Plant	16.4	16.3	18.5	19.6	16.02

## Central Vermont Medical Center

### Ratio of Administrative & General Salaries to Clinical Salaries (Mid-sized Rural Hospitals)

Hospital	VT Hospital Rank	Hospital Percent Rank <sup>1</sup>	Comparator 25 <sup>th</sup> Percentile	Comparator 75 <sup>th</sup> Percentile
30.9%	12	96 <sup>th</sup>	9%	21%

\*Adjusted from 20.8% per [letter received Sept 5, 2023](#)

### CMI-Adjusted Average Cost per Medicare Discharge (Mid-sized Rural Hospitals)

Hospital	VT Hospital Rank	Hospital Percent Rank <sup>2</sup>	Comparator 25 <sup>th</sup> Percentile	Comparator 75 <sup>th</sup> Percentile
\$12,066	6	83 <sup>rd</sup>	\$8,855	\$11,633

<sup>1</sup> Lower rank means more investment in clinical salaries (a lower ratio of administrative & general salaries to clinical salaries).

<sup>2</sup> Lower rank means lower costs per discharge (lower CMI-adjusted average cost per Medicare Discharge)

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Inpatient – Relative Cost and Price (PPS, Not major teaching)						
Year		FY18	FY19	FY20	FY21	FY22
Commercial Cost per Discharge	Hospital	\$11,546	\$12,248	\$13,506	\$12,658	\$13,860
	25 <sup>th</sup> percentile	\$11,546	\$10,692	\$11,931	\$11,680	\$11,817
	75 <sup>th</sup> percentile	\$13,864	\$12,248	\$13,506	\$14,812	\$15,461
Commercial Cost Coverage	Hospital	103%	87%	75%	90%	86%
	25 <sup>th</sup> percentile	97%	87%	75%	90%	86%
	75 <sup>th</sup> percentile	105%	106%	104%	111%	133%
Standardized Price	Hospital	\$17,892				
	25 <sup>th</sup> percentile	\$15,461				
	75 <sup>th</sup> percentile	\$25,573				

Outpatient – Relative Cost and Price (PPS, Not major teaching)						
Year		FY18	FY19	FY20	FY21	FY22
Commercial Cost per Discharge	Hospital	\$379	\$346	\$367	\$369	\$422
	25 <sup>th</sup> percentile	\$341	\$344	\$382	\$382	\$388
	75 <sup>th</sup> percentile	\$379	\$358	\$383	\$436	\$467
Commercial Cost Coverage	Hospital	233%	180%	173%	196%	185%
	25 <sup>th</sup> percentile	233%	180%	173%	196%	196%
	75 <sup>th</sup> percentile	273%	225%	209%	223%	233%
Standardized Price	Hospital	\$302				
	25 <sup>th</sup> percentile	\$214				
	75 <sup>th</sup> percentile	\$365				