

## **HSF QUESTIONS FOR HOSPITALS**



# HOSPITAL 2: CENTRAL VERMONT MEDICAL CENTER

## (CVMC)

### **Follow-Up Questions and Requests Related to Your Budget Submission**

On your executive summary

1. You write "we continue to partner with UVM Medical Center to expand our surgical capacity to reduce wait times for surgical procedures." To the best of your ability, please provide an estimate of how much surgical wait times have decreased as a result of this partnership.

On service-line changes

2. What evidence is there that the closure of the mental health practice site and utilizing a collaborative care model will better serve your patients? What is the financial impact of this shift?
3. How much money have you devoted to the primary care investments you describe in response to narrative response B.d (pages 9 –10)?

On labor expenses

4. How many new staff and clinical positions have you created since last year's budget submission? What are the labor expenses associated with these new positions? Please differentiate by the type of position.
5. The table in response to narrative question c.c.a is somewhat unclear. Where have you reduced spending and staffing of travelers? Where have you increased such spending and staffing? And do you foresee that the new union agreement (or any other developments) will reduce your total dollar reliance on travelers in the future?

On utilization

6. Your projected NPR for FY2024 is 4.8% above budgeted NPR. In the narrative you attribute this to increased volume:

"The favorable and unfavorable impact to FY24 projection versus FY24 approved budget are noted below...increased volumes (access) to Medical Group services, imaging, lab services and pharmaceutical services." (page 11)

Can you provide a more specific assessment of where volume has increased above FY2024 budgeted expectations. How have you recalibrated your expectations as to not underpredict your NPR for FY2025?

On pharmaceuticals

7. Could you provide more detail on your planned pharmaceutical expenses? Why do you foresee that such expenses will increase by 23%?

8. Does the 340B program reduce pharmaceutical prices for patients as well as the hospital? Can you please provide a sense of how much of the 340B discounts you're passing onto patients?
9. Do you make a profit off your pharmaceutical operations? If so, can you please specify how much. Please specify any profits made from the 340B program specifically.

On investments in mental health, SUD, LTC, and primary care

10. What is the patient capacity at Woodridge and what is the average number of beds available on any given day?

On your network

11. To what extent does your organization share physicians and other clinical staff with other hospitals in your network? Have you taken these partnerships into account in your budget?

On your workbook submission

12. In Table 1 of the workbook, it suggests referral wait times are often longer than 3 days. Do you have any indication or estimate of how much longer it takes to process a referral?
13. In Table 7, for those departments operating at a very low productivity compared to peers, is your organization evaluating or undertaking any initiatives to increase productivity? If so, please explain.
14. Please review the rate decomposition details you submitted as well as the "summary" tab and explain the following (where available, show supporting calculations):
  - a. How did you arrive at the assumed rates of growth for price, volume, and payer mix shifts by payer?
  - b. For non-zero values in the "other" column, how did you derive these estimates?

Other

15. Do you think Medicaid is underfunding the cost of delivering care to your Medicaid patients? If so, please quantify this amount based on 2023 actuals. Please explain your calculation.
16. Do you think Medicare is underfunding the cost of delivering care to your Medicare patients? If so, please quantify this amount based on 2023 actuals. Please explain your calculation.
17. In the attached spreadsheet, please review the measures of financial health that we have calculated for your hospital. We have included the measure definitions. Confirm that these calculated values reflect your understanding. If your financial measures differ from our calculations, please review our formulas, provide your calculation, and explain why you believe your calculation is a better measure for your organization.
18. Related to your nursing home, please provide the following (2023 actuals, 2024 projected, and 2025 budgeted):
  - a. Avg Cost per day
  - b. Avg Reimbursement per day, by payer
  - c. Avg Occupancy Rate
  - d. Operating margin
  - e. Hospital subsidy to nursing home (if any)