CVMC follow-up questions from GMCB hearing August 30, 2024
Submitted to GMCB September 6, 2024

1. **Can you explain why the productivity of your psychiatric department is so low given the high demand?**

   Psychiatry productivity is driven by services provided in CVMC's Inpatient Psychiatry Unit, the ED, and inpatient Med-Surg consultation services. The CVMC Inpatient Psychiatry unit has a maximum capacity of 14 beds. Two of these beds are private and twelve of these beds are in double occupancy rooms, making it difficult to maximize utilization based on patient characteristics. A minimum of 4.38 clinical FTEs (daytime coverage and overnight call coverage) is required to cover the inpatient psychiatry unit, Emergency Department, and inpatient medical-surgical consultations. The location of the services and variable patient volumes impacts physician wRVU productivity. We have a physician available regardless of the number of patients in occupied beds or volume of patients in the ED. In an effort to improve the utilization of this unit, we have put forward a plan to increase the number of single rooms to eight. This change was approved in concept by GMCB.

2. **What is the net income expected from Woodridge for FY24?**

   As noted in the follow up questions posed from the GMCB staff and responded to by CVMC on August 16, 2024, the projected net loss for FY2024 is $1,485,168.

3. **What was the investment to Woodridge in FY24, and what is projected for FY25?**

   The projected investment for FY2024 is $1,485,168 and the projected investment for FY2025 is $2,919,000.

4. **Can you provide a historical record of provider productivity since moving to the Epic system?**

   (Spreadsheet attached)

5. **According to the consolidated balance sheet of the UVMMC Obligated Group, CVMC owed about $32 million to the UVM Medical Group (and other UVM-affiliated groups). The sheet was dated September 30, 2023. How much does CVMC currently owe? Please provide data for the most recent date possible.**

   As of July 31, 2024, CVMC current balance is $28M that is owed to the UVM Medical Center and is noted in the Adaptive Balance Sheet monthly submission under Other Current Liabilities at $40.1M.

6. **On the consolidated statement of operations for the UVMMC Obligated Group, can you please define the "transfers" category and explain the meaning of the $1.2 million figure. In the hearing, Rick Vincent stated that he believed the figure might denote pension-related transfers from CVMC to Porter.**

   As part of the CVMC and PMC Pension Plan Termination, the PMC plan was merged into the CVMC plan during FY23. This resulted in the pension liability being held on the CVMC

balance sheet at 9/30/23. Accounting entries to adjust the pension liabilities at both PMC and CVMC were made in FY23 to reflect the anticipated liability of the pension at full termination. This resulted in movement of a liability from PMC's balance sheet to CVMC's via the transfers and other adjustments line ($1.2M) as shown within the UVMHN consolidating balance sheet within the FY23 audit. The Pension Plain Termination will be complete by September 30, 2024.

7. **Has CVMC previously been penalized by Medicare for quality reasons? If so, when?**

    - CVMC received unfavorable Hospital Readmission adjustments in FY 2022, 2023, 2024.
    - CVMC received an unfavorable Hospital Acquired Condition (HAC) adjustment in FY 24.
    - In FY 2022 and 2023 we did not receive an adjustment for the Hospital Value-Based Purchasing (VBP) program, we did receive a favorable VBP adjustment in FY 24.

8. **For any quality metrics that formed the basis of a Medicare penalty, can you please provide detail of your current performance? Has your quality performance improved over time?**

    CVMC continues to monitor our performance in these areas. As part of quality program, actions are implemented to address identified improvement areas.

9. **The UVMHN published a press release stating that "the UVM Medical Center is in the lowest-cost 25% of academic medical center nationwide." Is this claimed based on the hospital's cost to Medicare? Otherwise, what is the basis for this claim?**

    Please refer to the UVMMC response to follow-up question 15. b.

10. **Please provide the financial impacts budgeted for FY25 of increasing access to primary care, including increased expenses and increased net patient revenue.**

	NPSR (incl FPP)	Personnel	Non-salary expense	Investment
FY24 Budget	13,144,722	19,431,111	1,412,558	(7,698,947)
FY25 Budget	14,670,337	20,276,782	1,752,855	(7,359,300)
	1,525,615	845,671	340,297	339,647