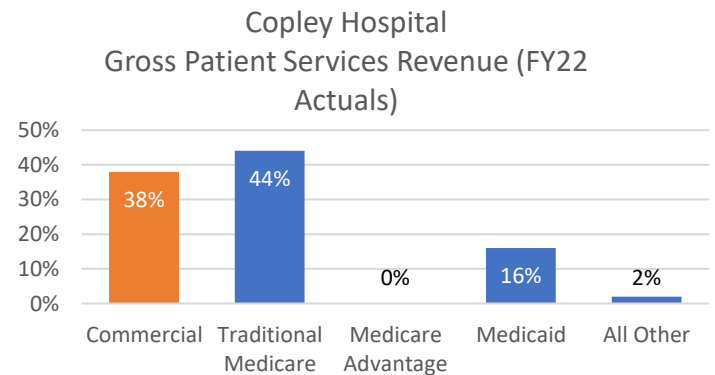


FY24 Hospital Budget Review – Copley Hospital
Summary for GMCB Deliberations

| 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 | 7.5% | 5.9% | 3.5% | 6.1% | 12.6% | 12.1% | 10.8% |
| | Δ Approved | -2.5% | -2.7% | 0.0% | -0.5% | -1.0% | 0.0% | |
| Commercial NPR | Submitted | 3.5% | 12.5% | -0.7% | 3.2% | 35.1% | -8.6% | 22.4% |
| | Δ Approved | -3.8% | -3.4% | 0.0% | -17.7% | -1.4% | 0.0% | |
| Operating Expenses | Submitted | 5.0% | 3.5% | 1.8% | 6.9% | 12.8% | 10.5% | 5.4% |
| | Δ Approved | -1.2% | -0.8% | 0.0% | -1.2% | 0.0% | 0.0% | |
| Change in Charge | Submitted | 0.0% | 7.9% | 9.8% | 8.0% | 5.0% | 12.0% | 27.0%* |
| | Δ Approved | -3.4% | -3.4% | 0.0% | -2.0% | -1.0% | 0.0% | |
| | Commercial weight of approved increase | -1.6% | 2.2% | 4.6% | 2.8% | 2.0% | 4.8% | 10.6%* |

* As submitted

| Actuals | | | | | | | |
|--------------------|---------|-------|------|------|-------|--------|-------|
| Year | | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 |
| NPR | % | 1.9% | 1.2% | 3.2% | 22.7% | 7.8% | 5.8% |
| | \$ in M | 1.2 | 0.8 | 2.1 | 15.7 | 6.6 | 5.3 |
| Commercial NPR | % | -1.1% | 3.9% | 3.4% | 27.8% | -29.4% | 16.3% |
| | \$ in M | -0.4 | 1.5 | 1.3 | 11.4 | -15.4 | 6.1 |
| Operating Expenses | % | 4.3% | 0.9% | 5.0% | 19.5% | 8.1% | 3.7% |
| | \$ in M | 2.9 | 0.6 | 3.5 | 14.4 | 7.1 | 3.6 |



Copley Hospital
Expense Growth Factors

| | Copley Hospital | | Vermont Hospitals | Benchmark Data | | |
|----------------|-----------------|------------------|-------------------|----------------|-----------|-------|
| | FY22-24 | VT Hospital Rank | Median | Lo | Benchmark | Hi |
| Labor | 17.8% | 13 | 4.0% | 0.8% | 5.2% | 9.7% |
| Utilization | 2.4% | 4 | 7.0% | -5.5% | -0.4% | 4.2% |
| Pharm Ex | missing | | 7.6% | 2.3% | 12% | 21.6% |
| Cost Inflation | | | 3.7% | 1.1% | 5.8% | 10.5% |

Financial Indicators

| | Copley Hospital | | | | Vermont Hospitals |
|---------------------------------|-----------------|---------------|----------|----------------|-------------------|
| | FY22 Actual | FY23 Approved | FY23 YTD | FY24 Submitted | FY24 Median |
| Op Margin | -0.7% | 1.6% | -0.7% | 3.0% | 1.2% |
| Op-EBIDA Margin | 3% | 5% | 3% | 6% | 5.6% |
| Total Margin | 0.7% | 1.9% | -0.6% | 3.2% | 3.8% |
| DCOH | 65.8 | 88.1 | 40.1 | 59.6 | 109.64 |
| Debt Service Coverage Ratio | 3.1 | 6.1 | 3.3 | 8.4 | 4.56 |
| LT Debt to Capitalization Ratio | 20.1% | 24.6% | 26.0% | 32.4% | 0.17 |
| Age of Plant | 12.5 | 13.7 | 13.0 | 12.4 | 16.02 |

Copley Hospital

Ratio of Administrative & General Salaries to Clinical Salaries (Critical Access Hospitals)

| Hospital | VT Hospital Rank | Hospital Percent Rank ¹ | Comparator 25 th Percentile | Comparator 75 th Percentile |
|----------|------------------|------------------------------------|--|--|
| 16.4% | 1 | 42 nd | 11% | 22% |

CMI-Adjusted Average Cost per Medicare Discharge (Critical Access Hospitals)

| Hospital | VT Hospital Rank | Hospital Percent Rank ² | Comparator 25 th Percentile | Comparator 75 th Percentile |
|----------|------------------|------------------------------------|--|--|
| \$10,672 | 4 | 42 nd | \$9,745 | \$13,647 |

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

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

Copley Hospital

| Inpatient – Relative Cost and Price (Critical Access Hospital, not major teaching hospital) | | | | | | |
|---|-----------------------------|----------|----------|----------|----------|----------|
| Year | | FY18 | FY19 | FY20 | FY21 | FY22 |
| Commercial Cost per Discharge | Hospital | \$14,699 | \$12,452 | \$13,493 | \$14,692 | \$12,207 |
| | 25 th percentile | \$11,349 | \$11,030 | \$12,737 | \$11,914 | \$11,865 |
| | 75 th percentile | \$16,115 | \$19,154 | \$20,538 | \$17,412 | \$16,365 |
| Commercial Cost Coverage | Hospital | 120% | 116% | 101% | 93% | 70% |
| | 25 th percentile | 94% | 80% | 74% | 72% | 84% |
| | 75 th percentile | 111% | 100% | 92% | 97% | 112% |
| Standardized Price | Hospital | \$18,305 | | | | |
| | 25 th percentile | \$13,391 | | | | |
| | 75 th percentile | \$22,644 | | | | |

| Outpatient – Relative Cost and Price (Critical Access Hospital, not major teaching hospital) | | | | | | |
|--|-----------------------------|-------|-------|-------|-------|-------|
| Year | | FY18 | FY19 | FY20 | FY21 | FY22 |
| Commercial Cost per Discharge | Hospital | \$438 | \$396 | \$484 | \$529 | \$624 |
| | 25 th percentile | \$426 | \$423 | \$470 | \$471 | \$498 |
| | 75 th percentile | \$495 | \$472 | \$601 | \$616 | \$628 |
| Commercial Cost Coverage | Hospital | 199% | 183% | 181% | 177% | 189% |
| | 25 th percentile | 200% | 171% | 150% | 163% | 170% |
| | 75 th percentile | 226% | 202% | 191% | 193% | 202% |
| Standardized Price | Hospital | \$246 | | | | |
| | 25 th percentile | \$259 | | | | |
| | 75 th percentile | \$420 | | | | |