



COPLEY HOSPITAL, INC.
FY23 BUDGET NARRATIVE, PART: H
TO THE GREEN MOUNTAIN CARE BOARD
August 5, 2022

This document serves to provide the Green Mountain Care Board (GMCB) with an addition to the narrative summary of Copley Hospital's (Copley) Fiscal Year 2023 budget, specifically responding to the Supplemental Data Monitoring (SDM) reports and analysis.

1. MARKET SHARE REPORT

Questions for Response

- 1. Does Exhibit 1 reflect material changes in your Net Patient Revenue (NPR) actuals over this time period?**

There does not appear to be any material difference from our NPR.

- 2. If not, explain how Exhibit 1 distorts or omits components of NPR?**

Not applicable.

2. REIMBURSEMENT ANALYSIS

Questions for Response

- 1. For any service lines in which your hospital is highlighted, comment on any observations about this service line and how it may be reimbursed differently from other service lines you provide.**

The following list identifies the areas of the report where Copley Hospital is highlighted as being above or below the reference range.

Below the reference range for Inpatient Payment per Service:

- All Payer – Deliveries
- All Payer – Digestive System
- Commercial – Circulatory System

Below the reference range for Inpatient Cost per Service:

- Commercial – Circulatory System
- Medicaid – Circulatory System
- Medicaid – Kidney Related
- Medicaid – All Other

Above the reference range for Inpatient Medicare-Allowable Cost Ratio:

- Medicaid – Circulatory System
- Medicaid – Kidney Related
- Medicaid – All Other

Below the reference range for Outpatient Payment per Service:

- Medicaid – Ear, Nose, Throat, Eye

Below the reference range for Outpatient Cost per Service:

- Medicaid – Skin Procedures

Above the reference range for Outpatient Medicare-Allowable Cost Ratio:

- Medicaid – Skin Procedures
- Medicaid – All Other

There is no difference in reimbursement by service line, the difference in reimbursement is solely related to payer.

2. **Are there any errors in the data as shown? Cite your own data where possible.**

3. DEMOGRAPHIC REPORT

Questions for Response

1. **How does the current makeup of your service area affect your budget assumptions and planning?**

The current makeup of our service area is always included in our budgeting process, albeit not explicitly. While we do not analyze disability, age or the poverty of our patients independently when preparing our budget, these shifts in our patient population are nevertheless included in our budget and appropriate payer type. Preparation of our budget includes the analysis of recent experience and historical trends, it is then further refined by specific changes we make in response to the needs of our community. Increased incidence of disability shows up as increased utilization; increase in age shows up as increased utilization and increased shift to Medicare; increases in poverty show up as increased charity care and/or bad debt.

2. **Does the makeup of other service areas affect your budget assumptions and planning? Explain.**

We do not attempt to adjust our budgeting based upon the makeup of other hospital service areas.