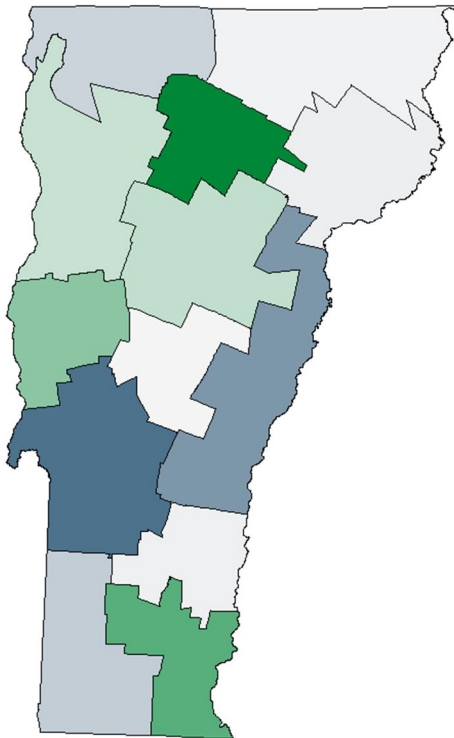


Fiscal Year 2020 Vermont Hospital Budget

Budget Hearing Recap and Deliberation Process

August 28, 2019

GMCB Health System Finance Team



NPR & FPP % Growth With Requested Adjustments

Red text indicates request exceeds budget guidance maximum
Blue highlighted cells indicate data updated due to resubmission

	Budget-to-Projection % Variance		Budget-to-Budget % Change		
	Original Submission	Re-submission	Original Submission	Re-submission	Re-submission Provider Transfer & Accounting Adjustments
Brattleboro Memorial Hospital	-0.7%		7.2%		7.2%
Central Vermont Medical Center	-0.8%	-2.7%	5.0%		3.8%
Copley Hospital	-2.6%		3.5%		3.5%
Gifford Medical Center	-8.3%		-6.3%		-6.3%
Grace Cottage Hospital	-3.3%		8.7%		8.7%
Mt. Ascutney Hospital & Health Ctr	0.9%		7.4%		7.4%
North Country Hospital	-0.2%	0.6%	1.8%	2.6%	3.4%
Northeastern VT Regional Hospital	3.6%		7.2%		7.2%
Northwestern Medical Center	-2.1%	-4.0%	3.7%		3.5%
Porter Medical Center	-0.8%		3.5%		3.4%
Rutland Regional Medical Center	0.1%		3.5%		3.5%
Southwestern VT Medical Center	-0.2%		4.3%		3.5%
Springfield Hospital	-19.7%		-19.2%		-19.2%
The University of Vermont Medical Center	1.9%		6.1%		6.6%
System Total	0.1%	-0.1%	4.5%	4.5%	4.7%

	Provider Transfers	Accounting	ACO Accounting
Central Vermont Medical Center	\$3,430,066	\$821,520	-1,806,998
Northwestern Medical Center*	\$230,331		
Porter Medical Center	\$1,110,958		-\$1,067,391
Southwestern VT Medical Center	\$1,301,000		
The University of Vermont Medical Center			-\$6,369,722

Accounting: bad debt collection fees moved to expenses; ACO Accounting: payment reform investments moved to deductions

FY20 Budget Resubmissions and Updates

Updating analysis to reflect resubmitted budget information from the following hospitals:

- North Country Hospital
- Northwestern Medical Center
- Central Vermont Medical Center
- The University of Vermont Medical Center

Follow-up from budget hearings

- Hospital-specific questions sent as follow-up to budget hearings
- Case Mix Index report
- Reimbursement ratio summary
- Staff analysis, deliberation tools and recommendations

FY20 Themes

Several themes were discussed during the FY20 budget hearings including, but not limited to:

- Hospital financial health and operating margin
- Acuity of care
- Service line optimization
- Shared services, affiliations and community partnerships
- Cost shift & change in charge request methodology
- Intra-state, inter-state and service line utilization patterns
- Impact of electronic health record projects on revenue and expenses
- Proposed and finalized CMS rules
- Reimbursement ratios by payer
- Rising drug costs
- 340B prescription drug program
- Bad debt, free care & affordability
- ACO reserves & accounting adjustments
- Population health
- Workforce recruitment, retention, training and burn out
- Access to care & telemedicine
- Integration of regulatory processes
- Alternative metrics to measure growth

Deliberation Process

Deliberation Dates

- Wednesday, September 4th at 1:00 PM
- Monday, September 9th at 9:00 AM
- Wednesday, September 11th at 9:00 AM
- Friday, September 13th at 9:00 AM, tentative

Categorize hospital requests

- Compliant
- Provider Transfer and Accounting Adjustments
- Non-Compliant
- The University of Vermont Health Network

Decision and order

- Decision: Friday, September 13th
- Orders: Monday, September 30th