

FY2022 Hospital Budget Guidance

March 10, 2021

FY2022 Hospital Budget Guidance: Board Meetings

March 10th

- Overview
- Review Appendices
- Review Draft Budget Guidance

March 17th

- Review Draft #2 Budget Guidance
- Review Policies
- Potential Vote

March 24th

- Review Draft #3 Budget Guidance
- Vote

FY2022 Hospital Budget Guidance: Overview

Priorities

- Hospital financial health
- Ongoing regulatory alignment
- Data driven analysis and decisions
- Reasonable schedules and turnaround times

Process

- Limited CFO, VAHHS, and Health Care Advocate meetings
- Collaboration with GMCB legal, ACO team
- Public Process

Outcome

- FY2022 Budget Guidance - Draft
- Align narrative and presentation
 - Update appendices to support narrative and presentation

FY2022 Hospital Budget Guidance: Staff Recommendations



Board recognizes the budget challenges created by the COVID-19 pandemic which may continue into FY2022 and directed Staff to develop thoughtful and collaborative recommendations:

- Streamlined FY2022 hospital budget submissions
- Submission date returns to July 1st
- An abbreviated Adaptive budget submission for each hospital:
 - Income Statement, Balance Sheet, Payer Revenue, Utilization, Staff/FTEs, Capital Expenditures. No need to enter Revenue and Expenses by Service Area/Departments.
 - Appendices located in Variance Analysis/Financial Workbook to support narratives and presentations: Reconciliation (Bridges), Charge increases and NPR Detail, Utilization estimates, Inflation, Vaccine Clinics and Testing, Value-Based Participation, COVID-19 Advances, Relief Funds, and Other Grants
- Eliminate: “Non-Financial Reporting” requirement

FY2022 Hospital Budget Guidance and Appendices



Walk through of Hospital Budget Guidance and accompanying appendices

FY2022 Hospital Budget Guidance Policies



Walk through of Hospital Budget Policies

- Policy on Hospital Budget Enforcement
- Exemptions from Public Hearing Policy - no changes
- Budget Amendments and Adjustments Policy - no changes

Discussion Points for Consideration

- Due Date - returns to July 1st
- NPR/FPP growth ceiling
- Charge Request Table
- Inflation Table
- COVID-19 vaccine clinics and testing
- COVID-19 Advances, Relief Funds, and Other Grants

FY2022 Hospital Budget Guidance: Board Meetings

March 17th

- Review Draft #2 Budget Guidance
- Potential Vote

March 24th

- Review Draft #3 Budget Guidance
- Final Vote