

Copley Hospital



GMCB Rate Adjustment Request: 24.03.13

Overview: Highlights



NE-CHN Member



Independent, Non-Profit Critical Access Hospital (1 of 8 in VT)



Service Area Population ~ 30,000 – 50,000 Patients



25 Bed Critical Access Hospital with 1,467 Admissions FY23



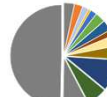
13,901 Emergency Department Visits FY23 (budgeted 11,600)



565 Employee paychecks FY23 (417.28 FTE's)



182 members on Medical Staff representing 26 Specialties



\$96 million Net Revenue (\$177 million gross charges) FY23



120 Volunteers (pre-COVID)



715 Donors > 1,364 gifts

Overview of Services

- Anesthesiology
- Birthing Center, Newborn Hearing Screenings
- Cardiology and Heart Health
- Surgical Services
 - General Surgery
 - Obstetrics/Gynecology
 - Orthopedics (Center of Excellence)
 - Urology
 - Ophthalmology
- Orthopedics and Sports Medicine
- Oncology and Infusion
- Gastroenterology (General Surgery)
- Emergency Medicine
- Hospitalist Program
- Laboratory Services
- Neurology
- The Women's Center
- Pain Management
- Pulmonology & Respiratory Services
- Radiology – Diagnostic Imaging
- Rehabilitation Services: Physical, Speech, Occupational, Cardiac Rehabilitation
- Sleep Medicine
- Chaplaincy Support

Strategic Plan 2022-2024

COPLEY HOSPITAL		Strategic Plan 2022 - 2024	CONFIDENTIAL
Goal	#1 - Financial Sustainability: Improve and maintain the financial health of the organization		
Goal	#2 - Exceptional Quality: Provide safe, respectful, and reliable experience for all patients and caregivers		
Goal	#3 - Workforce & Culture: Develop and maintain a workforce that supports Copley's mission		
Goal	#4 - Keep Care Local: Maintain appropriate patient care in the community		
Objectives	Action Steps		
1. Invest in the financial health of the organization	<ul style="list-style-type: none"> a. Develop a Financial Plan to address growth and investment needs stemming from the 3-year Strategic Plan b. Enhance cash flow, debt capacity, and operating margins to support facility and program investments through improved earnings, fundraising, and borrowed capital c. Establish a Finance Committee policy to ensure support for capital allocation 		
2. Enhance Patient Experience and Outcomes	<ul style="list-style-type: none"> a. Utilize NRC (satisfaction) feedback and patient-reported outcomes across patient touchpoints to improve patient experience b. Improve patient relations through consistent processes and reliable interactions c. Increase efficiency across patient contact by enhancing technology, provider coordination, and standardized communication d. Evaluate the resource need and develop a plan to pursue Orthopedic Center of Excellence certification e. Implement facility upgrades to create a welcoming, professional, and healing environment for patients, staff, and visitors 		
3. Advance IT/Technology/EHR	<ul style="list-style-type: none"> a. Create an Information Technology and Security Plan that identifies specific needs and objectives to develop a robust IT operating model that supports organization's long-term success 		
4. Stabilize and Grow Workforce	<p><u>Stabilize and Develop Existing Workforce</u></p> <ul style="list-style-type: none"> a. Operationalize a new HRIS to improve personnel development, diversity, equity, and inclusion efforts b. Evaluate and invest in additional processes, system improvements, and facility enhancements to support workforce needs c. Employ annual performance evaluation and feedback to encourage personnel development and organization responsiveness d. Cultivate collaboration across teams and individuals to promote the sharing of opinions and ideas e. Invest in specific processes and services to address staff fatigue and burnout in collaboration with UNAP (nursing union) <p><u>Grow Workforce</u></p> <ul style="list-style-type: none"> g. Pursue grants and funding for workforce development h. Partner with schools and Tertiary Care Centers (UVM/Dartmouth) to recruit and develop workforce talent across all disciplines i. Develop a formal onboarding plan, ensuring consistency and exposure to the organization's operations, workforce, and mission 		
5. Leadership Development & Responsibilities	<ul style="list-style-type: none"> a. Complete Board Self-Assessment and create a Board Development Plan based on the results b. Address workforce technical and management gaps, with specific focus on leadership development c. Advocate with unified messages to all stakeholders and state, local, and regional policy-makers (VAHHS, GMCB, etc.) d. Invest and grow social capital throughout the Board, Medical Staff, employees, and community e. Support Board, Leadership, and Medical Staff presence in the community (Rotary, School Boards, Events, Sponsorship, etc.) f. Encourage provider engagement through onboarding, leadership development, and succession planning 		

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Objectives	Action Steps		
6. Build Community Partnerships & Enhance Care Coordination With Providers	<ul style="list-style-type: none"> a. Create a Taskforce focused on growing and improving care coordination efforts with Copley and local/regional providers b. Cultivate relationship with LHP, including Board-to-Board meetings, provider/service line support, and Board collaboration c. Collaborate with area school nurses for health education/events and to promote wellness d. Improve coordination with the Copley Women's Center and local primary care providers e. Enhance referral process to tertiary care centers (UVM/ Dartmouth) and back to Copley f. Identify shared services and joint strategic initiatives for collaboration with independent and network hospitals in the region g. Continue to engage CRT-MV in community health strategies 		
7. Engage Community to Build Awareness of Copley Medical Staff and Services	<ul style="list-style-type: none"> a. Market Copley's quality measurement systems and outcomes both internally & externally (NSQIP, HCAHPS, etc.) b. Develop understanding of current/past patients' and providers' experiences to identify specific areas for improvement c. Increase marketing of services, stories and providers d. Utilize marketing efforts to support specific fundraising needs for the organization e. Engage providers and partners in ongoing community education and marketing efforts 		
8. Improve and Grow Service Offerings	<ul style="list-style-type: none"> a. Stabilize women's health and primary care access through consistent provider coverage, relationships, and follow up care b. Facilitate timely access to surgical services through: <ul style="list-style-type: none"> i. Medical Staff membership growth ii. Expanding OR capacity as outlined in the Master Facility Plan iii. Evaluate feasibility for additional patient care clinics and locations c. Expand service line offerings to meet community needs through investment or partnership with providers 		
9. Master Facility Planning	<ul style="list-style-type: none"> a. Update the Master Facility Plan connecting to specific initiatives in both the Strategic and Financial Plans b. Develop timeline for facility additions or renovations, with focus on: <ul style="list-style-type: none"> i. Clinic and procedural space for new and existing services ii. OR/Surgical support services iii. Routine replacement/repair of common use facilities c. Evaluate feasibility for new construction initiatives and potential partnerships <ul style="list-style-type: none"> i. Additional facility location to enhance access to surgical services ii. Staff housing to support ongoing workforce needs iii. Children's Center to support employee recruitment and retention efforts d. Explore acquisition opportunities to support growth and access needs e. Identify funding sources and/or partnerships to support facility projects 		

Strategic Plan 2022-2024

Financial Sustainability

Exceptional Quality

Workforce & Culture

Keep Care Local

Strategic Plan 2022-2024

Covid-19 Response Teams (CRT)

1. CRT – CH Copley Hospital

2. CRT – MV Morrisville

Hospital: CH **Nursing Home: The Manor**
Primary Care: LHP **Mental Health: LCMHS**
Primary Care: Tamarack **Home Health: LHHH**

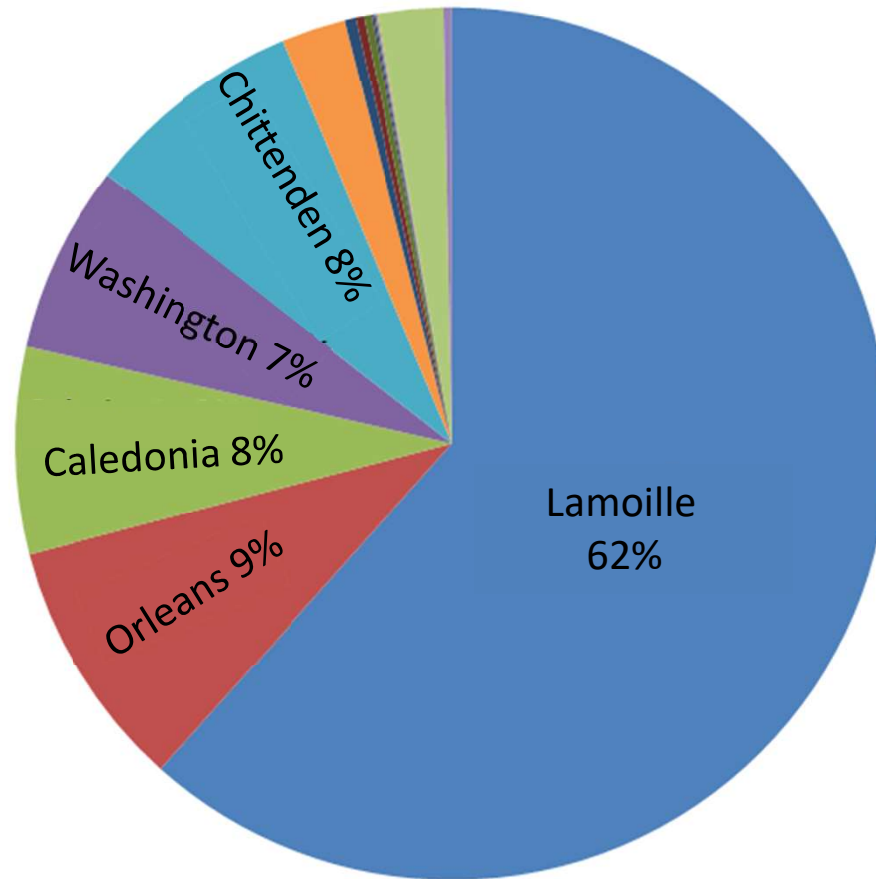
3. CRT – LV Lamoille Valley > LAHHSRCC
~26 Local Agencies (liaisons)



Local

Regional

Patients Served by County



Patients By Zip Code FY 2023

	Inpatient	Outpatient	TOTAL
Morrisville	340	21,826	22,166
Hyde Park (North)*	119	10,096	10,215
Stowe	99	8,990	9,089
Johnson	128	8,584	8,712
Hardwick (East)*	170	7,949	8,119
Wolcott	90	5,884	5,974
Eden (Mills)*	64	3,868	3,932
Craftsbury (Common)*	58	3,225	3,283
Jeffersonville	47	2,682	2,729
Waturbury (Center)*	8	1,997	2,005
Greensboro (Bend)*	36	1,700	1,736
Burlington (South)*	13	1,630	1,643
Waterville	27	1,405	1,432
Montpelier (East, North)*	17	1,364	1,381
Essex (Junction)*	7	1,226	1,233
Lowell	26	1,078	1,104
Barre (East, South)*	3	958	961
Cambridge	7	829	836
Lake Elmore	3	829	832
Belvidere Center	13	586	599
Other VT Town (179)	183	16,056	16,239
Out of State (49)	44	2,267	2,311
Other Country (20)	1	104	105
TOTAL	1,503	105,133	106,636

* - denotes combined similar zip codes

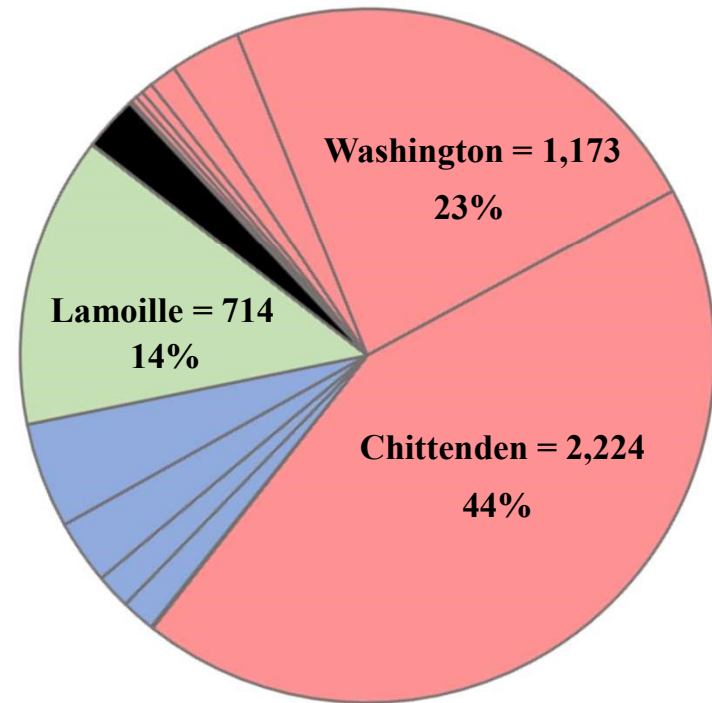
They are driving to get here!



Waterbury Mansfield Orthopedics

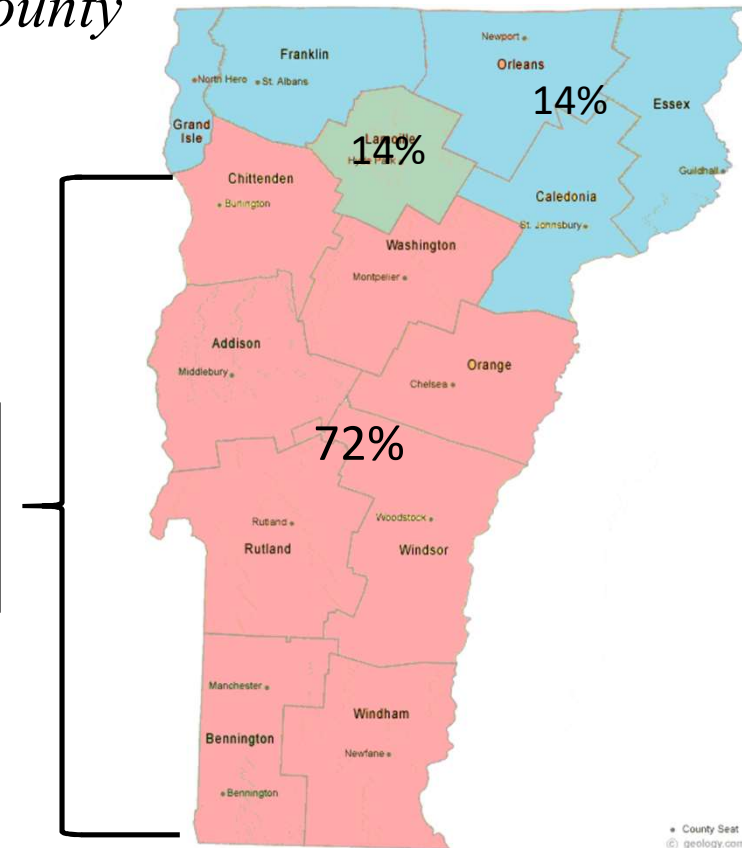


Waterbury Office Visits: by County



Chittenden + Washington & VT Southern Counties

- Fiscal Year 2021
- 72% of Visits

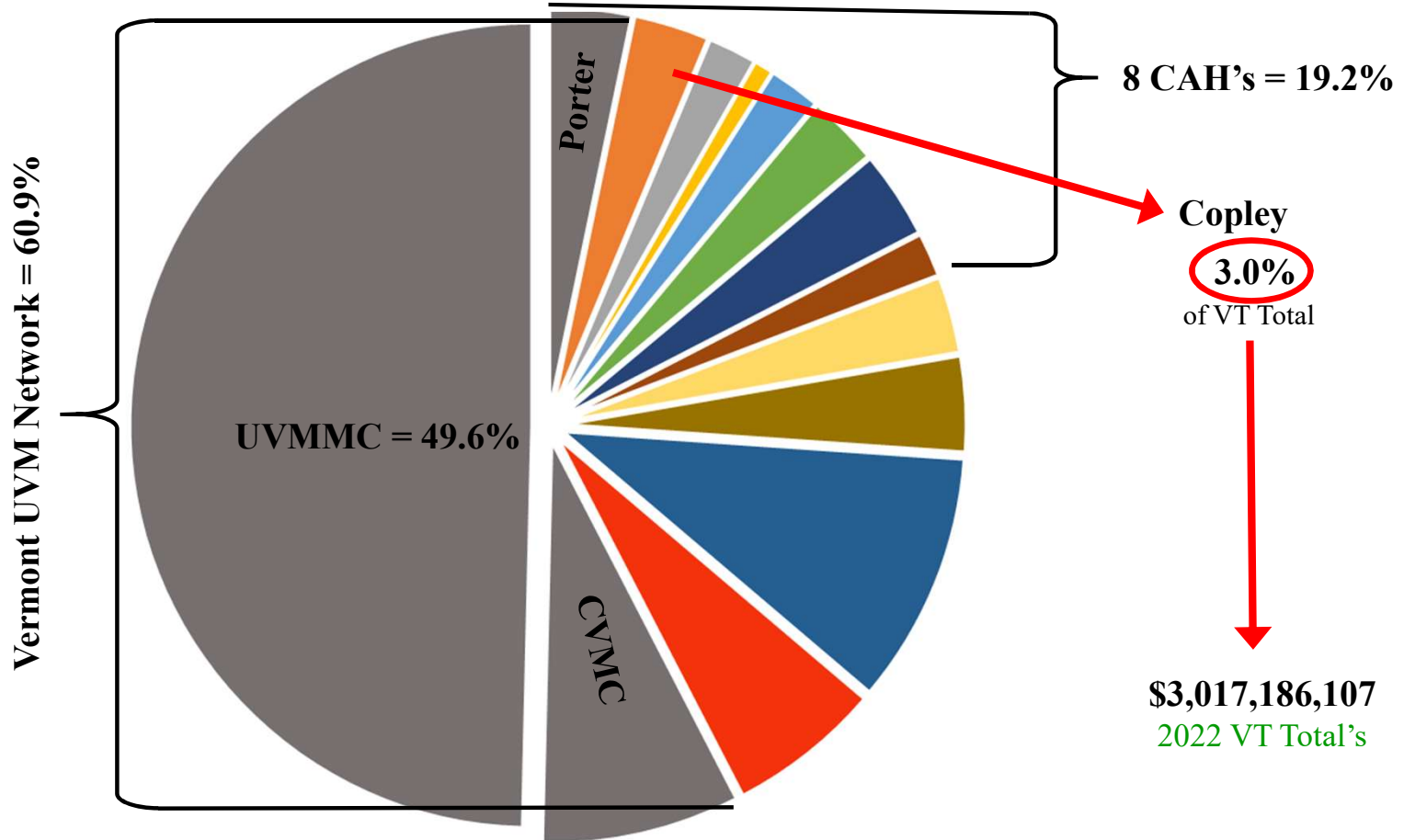


*Note: Black represents non Vermont Counties.

Overview: Size based on NPR



- Porter
- Copley
- Gifford
- Grace Cottage
- Mount Ascutney
- North Country
- Northeastern
- Springfield
- Brattleboro
- Northwestern
- Rutland
- Southwestern
- CVMC
- UVMCC





Overview: Payment Methodologies

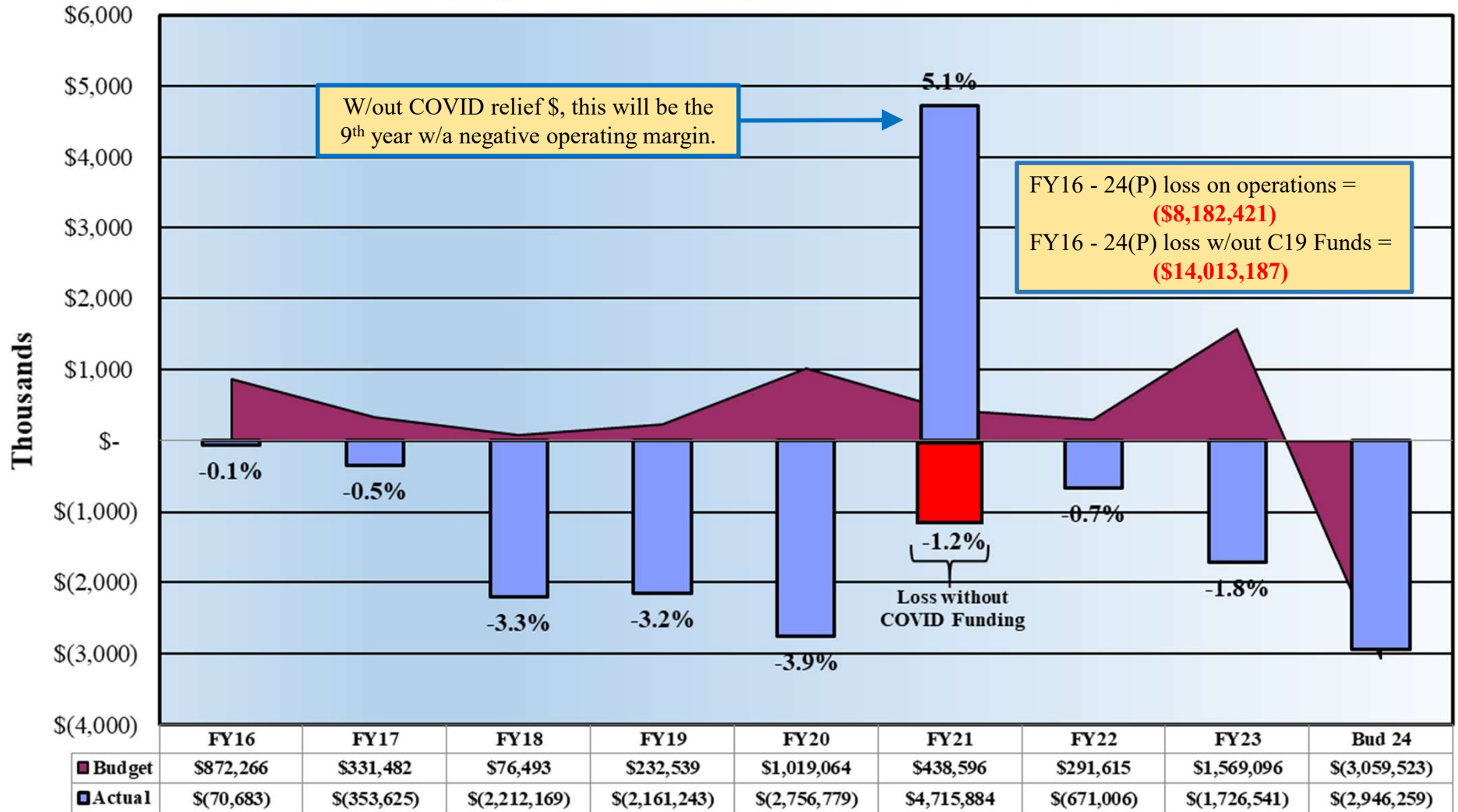
50%	The University of Vermont Medical Center	Tertiary PPS
	Brattleboro Memorial Hospital	PPS
	Central Vermont Medical Center	PPS
30%	Northwestern Medical Center	PPS
	Rutland Regional Medical Center	PPS
	Southwestern VT Medical Center	PPS
	Copley Hospital	CAH
	Gifford Medical Center	CAH
	Grace Cottage Hospital	CAH
20%	Mt. Ascutney Hospital & Health Ctr	CAH
	North Country Hospital	CAH
	Northeastern VT Regional Hospital	CAH
	Porter Medical Center	CAH
	Springfield Hospital	CAH

PPS: A healthcare payment system used by the Feds since 1983 for reimbursing healthcare providers for Medicare/Medicaid care provided. Payment is fixed and based on est. costs of the pts diagnosis.

CAH: Medicare pays CAHs 99% (was 101%) percent of their allowable costs for most services.

Our Performance thus far...

Copley Hospital Operating Gain (Loss)



★ Indicates Copley's price for this service is the lowest compared to all Vermont Hospitals.

CPT	Description	Copley	Vermont Hospitals													
			VT Avg	*A	B	*C	D	E	F	G	H	I	J	K	L	M
FY 2023 Semi Private Rooms																
	Semi Private Medical Surgical Room & Bed Rate	★ \$ 1,500	\$ 2,361	\$ 2,708	\$ 2,477					\$ 2,660		\$ 1,641	\$ 2,940	\$ 1,916		\$ 3,043
FY 2023 Emergency Room Levels of Care																
99281	EMERGENCY VISIT LEVEL 1	\$ 271	\$ 345	\$ 350	\$ 269		\$ 277	\$ 341	\$ 648	\$ 449	\$ 235	\$ 190	\$ 405	\$ 253	\$ 358	\$ 437
99282	EMERGENCY VISIT LEVEL 2	\$ 392	\$ 502	\$ 613	\$ 474		\$ 428	\$ 381	\$ 1,020	\$ 449	\$ 403	\$ 243	\$ 599	\$ 316	\$ 400	\$ 814
99283	EMERGENCY VISIT LEVEL 3													\$ 674	\$ 747	\$ 1,178
99284	EMERGENCY VISIT LEVEL 4													\$ 944	\$ 902	\$ 1,854
99285	EMERGENCY VISIT LEVEL 5													\$ 1,158	\$ 932	\$ 3,340
FY 2023 Laboratory																
80053	COMPREHENSIVE METABOLIC PANEL		\$ 123	\$ 95	\$ 108											
80061	LIPID PANEL		\$ 123	\$ 116	\$ 90											
84443	ASSAY THYROID STIM HORMONE		\$ 224	\$ 116	\$ 116											
85025	COMPLETE CECUM CULTURE OTHER SPECIMEN AEROBIC		\$ 117	\$ 110	\$ 47											
80048	METABOLIC PANEL		\$ 96	\$ 114	\$ 92											
87088	URINE BACTERIA CULTURE			\$ 63	\$ 110											
85027	COMPLETE CECUM CULTURE OTHER SPECIMEN AEROBIC		\$ 66	\$ 90	\$ 44											
87070	CULTURE OTHER SPECIMEN AEROBIC		\$ 185	\$ 80	\$ 111											
FY 2023 Diagnostic Imaging																
73030	X-RAY EXAM OF CHEST 2 VIEWS		\$ 743	\$ 646	\$ 745											
73630	X-RAY EXAM OF CHEST 1 VIEW		\$ 555	\$ 746	\$ 689											
77067	SCR MAMMO BILAT		\$ 681	\$ 307	\$ 706											
73610	X-RAY EXAM OF ANKLE 2 VIEWS		\$ 555	\$ 491	\$ 700											
70450	CT HEAD/BRAIN W/O DYE	★ \$ 1,253	\$ 1,921	\$ 1,667	\$ 1,885		\$ 2,312	\$ 2,265	\$ 2,100	\$ 533	\$ 1,940	\$ 1,699	\$ 1,912	\$ 2,199	\$ 1,736	\$ 3,478
73110	X-RAY EXAM OF WRIST 2 VIEWS	★ \$ 343	\$ 686	\$ 510	\$ 546		\$ 353	\$ 759	\$ 2,282	\$ 630	\$ 520	\$ 414	\$ 493	\$ 647	\$ 717	\$ 708
73562	X-RAY EXAM OF KNEE 3 VIEWS	★ \$ 471	\$ 697	\$ 510	\$ 546		\$ 488	\$ 729	\$ 2,304	\$ 643	\$ 855	\$ 462	\$ 252	\$ 530	\$ 525	\$ 741
73560	X-RAY EXAM OF KNEE 1 OR 2 VIEWS	★ \$ 244	\$ 542	\$ 510	\$ 510		\$ 336	\$ 582	\$ 1,901	\$ 369	\$ 366	\$ 414	\$ 297	\$ 473	\$ 429	\$ 612
73130	X-RAY EXAM OF HAND 2 VIEWS	★ \$ 270	\$ 629	\$ 510	\$ 546		\$ 378	\$ 648	\$ 1,956	\$ 651	\$ 474	\$ 362	\$ 542	\$ 530	\$ 635	\$ 677
74176	CT ABD & PELVIS W/O CONTRAST	★ \$ 1,571	\$ 3,503	\$ 3,416	\$ 3,661		\$ 3,778	\$ 4,638	\$ 3,330	\$ 1,056	\$ 3,808	\$ 2,842	\$ 4,209	\$ 3,465	\$ 3,897	\$ 5,871
73721	MRI JNT OF LWR EXTRE W/O DYE	★ \$ 2,222	\$ 3,597	\$ 3,272	\$ 3,243		\$ 4,603	\$ 6,905	\$ 3,319	\$ 2,723	\$ 3,085	\$ 3,537	\$ 3,593	\$ 1,916	\$ 4,745	

Examples where Copley's price is extremely low as compared to another Vermont hospital include:

- CPT 87070 Culture Other Specimen Aerobic
 - Copley's price is \$44 compared to \$440 or 900% higher.
- CPT 87088 Urine Bacteria Culture
 - Copley's price is \$27 compared to \$222 or 722% higher.
- CPT 74176 CT Abd & Pelvis W/O Contrast
 - Copley's price is \$1,571 compared to \$5,871 or 274% higher.
- CPT 84443 Assay Thyroid Stim Hormone
 - Copley's price is \$104 compared to \$307 or 195% higher.

 Copley Price is Lower
 Copley Price is Higher

CPT	Description	Copley	Vermont Hospitals												
			VT Avg	*A	B	*C	D	E	F	G	H	I	J	K	L

Estimated FY 2024 Semi Private Rooms

Semi Private Medical Surgical Room & Bed Rate ★	\$ 1,620	\$2,483	\$2,749	\$2,608					\$2,891		\$1,694	\$3,115	\$2,051		\$3,140
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Estimated FY 2024 Emergency Room Levels of Care

99281	EMERGENCY VISIT LEVEL 1	\$ 293	\$ 362	\$ 356	\$ 282		\$ 288	\$ 358	\$ 674	\$ 485	\$ 249	\$ 196	\$ 428	\$ 270	\$ 379	\$ 451
99282	EMERGENCY VISIT LEVEL 2	\$ 423	\$ 527	\$ 622	\$ 498		\$ 445	\$ 400	\$1,061	\$ 485	\$ 427	\$ 251	\$ 633	\$ 337	\$ 424	\$ 839
99283	EMERGENCY VISIT LEVEL 3	\$ 700	\$ 868	\$1,065	\$ 740		\$ 824	\$ 593	\$1,958	\$ 868	\$ 644	\$ 420	\$ 1,195	\$ 718	\$ 792	\$1,215
99284	EMERGENCY VISIT LEVEL 4	\$ 1,064	\$1,318	\$1,775	\$1,281		\$1,265	\$ 947	\$2,322	\$1,305	\$1,147	\$ 831	\$1,195	\$1,006	\$ 956	\$1,911
99285	EMERGENCY VISIT LEVEL 5	\$ 1,537	\$1,845	\$2,663	\$1,656		\$1,769	\$1,204	\$3,096	\$1,305	\$1,845	\$ 831	\$1,937	\$1,234	\$ 988	\$3,444

Estimated FY 2024 Laboratory Services:

80053	COMPREHEN METABOLIC PANEL	\$ 103	\$ 143	\$ 136	\$ 135		\$ 185	\$ 205	\$ 218	\$ 66	\$ 179	\$ 53	\$ 131	\$ 101	\$ 111	
80061	LIPID PANEL	\$ 94	\$ 132	\$ 188	\$ 123		\$ 155	\$ 150	\$ 225	\$ 66	\$ 135	\$ 67	\$ 131	\$ 123	\$ 93	
84443	A ASSAY THYROID STIM HORMONE	\$ 112	\$ 195	\$ 212	\$ 213		\$ 212	\$ 212	\$ 281	\$ 332	\$ 100	\$ 207	\$ 97	\$ 239	\$ 123	\$ 120
85025	COMPLETE CBC W/AUTO DIFF WBC	\$ 53	\$ 97	\$ 100	\$ 65		\$ 88	\$ 143	\$ 139	\$ 166	\$ 78	\$ 96	\$ 42	\$ 125	\$ 117	\$ 48
80048	METABOLIC PANEL TOTAL CA	\$ 77	\$ 114	\$ 108	\$ 89		\$ 112	\$ 174	\$ 141	\$ 177	\$ 66	\$ 118	\$ 49	\$ 102	\$ 121	\$ 95
87088	URINE BACTERIA CULTURE	\$ 29	\$ 94	\$ 49	\$ 29		\$ 78	\$ 231	\$ 86	\$ 28	\$ 70	\$ 190		\$ 67	\$ 113	
85027	COMPLETE CBC AUTOMATED	\$ 50	\$ 76	\$ 76	\$ 50		\$ 87	\$ 117	\$ 99	\$ 137	\$ 46	\$ 67	\$ 39	\$ 70	\$ 95	\$ 45
87070	CULTURE OTHR SPECIMN AEROBIC ★	\$ 48	\$ 168	\$ 168	\$ 211		\$ 144	\$ 180	\$ 458	\$ 183	\$ 131	\$ 119	\$ 203	\$ 197	\$ 85	\$ 114

Estimated FY 2024 Diagnostic Imaging:

73030	X-RAY EXAM OF SHOULDER	\$ 388	\$ 661	\$ 518	\$ 573		\$ 393	\$ 599	\$1,931	\$ 526	\$ 665	\$ 427	\$ 326	\$ 792	\$ 685	\$ 768
73630	X-RAY EXAM OF FOOT	\$ 388	\$ 625	\$ 518	\$ 530		\$ 393	\$ 671	\$1,441	\$ 680	\$ 579	\$ 427	\$ 410	\$ 592	\$ 791	\$ 710
77067	SCR MAMMO BI INCL CAD	\$ 646	\$ 674	\$ 538	\$ 749			\$ 747	\$ 603	\$1,239	\$ 437	\$ 735	\$ 612	\$ 726	\$ 325	\$ 728
73610	X-RAY EXAM OF ANKLE	\$ 365	\$ 661	\$ 518	\$ 534		\$ 393	\$ 691	\$2,101	\$ 719	\$ 579	\$ 427	\$ 436	\$ 592	\$ 520	\$ 722
70450	CT HEAD/BRAIN W/O DYE	\$ 1,353	\$2,013	\$1,692	\$1,979		\$2,404	\$2,381	\$2,184	\$ 576	\$2,056	\$1,752	\$2,019	\$2,344	\$1,840	\$3,586
73110	X-RAY EXAM OF WRIST	\$ 370	\$ 720	\$ 518	\$ 573		\$ 367	\$ 798	\$2,373	\$ 680	\$ 551	\$ 427	\$ 521	\$ 690	\$ 760	\$ 730
73562	X-RAY EXAM OF KNEE 3	\$ 509	\$ 731	\$ 518	\$ 573		\$ 508	\$ 766	\$2,396	\$ 694	\$ 906	\$ 476	\$ 266	\$ 565	\$ 557	\$ 764
73560	X-RAY EXAM OF KNEE 1 OR 2	\$ 264	\$ 567	\$ 518	\$ 536		\$ 349	\$ 612	\$1,977	\$ 399	\$ 388	\$ 427	\$ 314	\$ 504	\$ 455	\$ 631
73130	X-RAY EXAM OF HAND	\$ 292	\$ 660	\$ 518	\$ 573		\$ 393	\$ 681	\$2,034	\$ 703	\$ 502	\$ 373	\$ 572	\$ 565	\$ 673	\$ 698
74176	CT ABD & PELVIS W/O CONTRAST	\$ 1,697	\$3,670	\$3,468	\$3,844		\$3,929	\$4,875	\$3,463	\$1,140	\$4,036	\$2,930	\$4,446	\$3,694	\$4,131	\$6,053
73721	MRI JNT OF LWR EXTRE W/O DYE	\$ 2,400	\$3,774	\$3,321	\$3,405			\$4,838	\$7,181	\$3,585	\$2,886	\$3,181	\$3,736	\$3,830	\$2,031	\$4,892

 Copley Price is Lower
 Copley Price is Higher

Estimated update for 2024

Rate Request: Price Comparisons



FY 2022 Pricing Comparison for Laboratory Services:

CPT	CPT Description	Copley Price	Quest* Price	Other VT Hospital Comparisons				
				VT Avg	A	B	C	D
80053	COMPREHEN METABOLIC PANEL	\$ 88	\$ 88	\$ 130	\$ 119	\$ 180	\$ 198	\$ 102
80061	LIPID PANEL	\$ 81	\$ 155	\$ 121	\$ 108	\$ 185	\$ 110	\$ 85
84443	ASSAY THYROID STIM HORMONE	\$ 97	\$ 130	\$ 175	\$ 187	\$ 273	\$ 237	\$ 110
85025	COMPLETE CBC W/AUTO DIFF WBC	\$ 45	\$ 46	\$ 87	\$ 55	\$ 137	\$ 117	\$ 42
80178	ASSAY OF LITHIUM	\$ 44	\$ 63		\$ 94	\$ 133	\$ 297	\$ 49
80048	BASIC METABOLIC PANEL	\$ 66	\$ 70	\$ 100	\$ 78	\$ 121	\$ 120	\$ 86
87088	CULTURE URINE	\$ 25	\$ 36	\$ 75		\$ 71	\$ 195	\$ 64
85652	SEDIMENTATION RATE	\$ 11	\$ 37		\$ 52	\$ 50		\$ 35
85027	HEMOGRAM & PLATELET W/O DIFF	\$ 43	\$ 34	\$ 70	\$ 51	\$ 113	\$ 83	\$ 40
87070	CULTURE BACTERIAL	\$ 41	\$ 75	\$ 131	\$ 186	\$ 150	\$ 123	\$ 62

Notes:

- *Quest Pricing updated as of 08/01/22, pricing verified through Quest automated phone system, as well as Quest customer support.
3. Copley Pricing updated as of 10/01/21
4. Other VT Hospital Comparison as of 10/01/21

In this study – Copley is below the average in 10 out of 10 charges.

History of Rate Requests and Approval: 2004 - 2023



	2004	2004	2005	2005	2006	2006	2007	2007	2008	2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	2014	2015	2015	2016	2016	2017	2017	2018	2018	2019	2019	2020	2020	2021	2021	2022	2022	2023	2023		
	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase	Submitted	Revised Rate Increase
Brattleboro	4.7%	4.7%	6.6%	6.60%	8.70%	8.70%	5.10%	5.10%	6.80%	6.30%	7.90%	7.50%	8.80%	7.10%	6.30%	6.00%	7.40%	7.40%	7.50%	7.50%	6.20%	5.80%	2.7%	2.70%	-1.20%	-1.40%	3.50%	3.50%	8.90%	5.70%	4.90%	3.90%	3.40%	3.40%	4.92%	4.92%	5.10%	4.60%	14.90%	14.61%		
Central Vermont	6.7%	6.7%	7.0%	5.50%	6.35%	6.35%	4.75%	4.30%	8.00%	8.00%	10.00%	9.60%	8.00%	6.80%	5.50%	6.20%	6.00%	6.00%	5.00%	5.00%	7.91%	6.90%	5.9%	5.90%	4.70%	4.70%	3.00%	2.45%	0.70%	0.70%	2.80%	2.30%	5.90%	3.00%	8.50%	7.00%	16.00%	8.70%	14.50%	12.50%		
Copley	8.0%	8.0%	8.0%	8.00%	0.00%	0.00%	4.90%	4.90%	4.50%	4.50%	6.00%	6.00%	6.00%	6.00%	5.50%	5.50%	6.00%	6.00%	3.00%	3.00%	6.00%	6.00%	0.0%	0.00%	-3.00%	-4.00%	0.00%	-5.70%	0.00%	-3.40%	7.90%	4.50%	9.80%	9.80%	8.00%	6.00%	5.00%	4.00%	12.00%	12.00%		
Fletcher Allen	8.0%	8.0%	10.0%	8.50%	8.00%	8.00%	8.00%	7.50%	6.50%	5.50%	10.00%	10.00%	6.50%	6.00%	6.00%	5.70%	5.90%	5.90%	9.40%	9.40%	4.49%	4.50%	0.0%	7.80%	6.00%	6.00%	3.00%	2.45%	0.70%	0.70%	4.00%	2.50%	3.50%	3.00%	8.00%	6.00%	16.10%	8.60%	19.90%	14.77%		
Gifford	8.8%	8.8%	5.3%	5.32%	3.60%	3.60%	5.79%	4.80%	7.20%	6.37%	8.60%	7.90%	5.80%	5.80%	5.80%	5.80%	7.00%	7.00%	6.10%	6.10%	7.60%	7.60%	5.6%	5.60%	5.80%	5.80%	3.90%	3.90%	4.00%	4.00%	4.00%	4.00%	5.00%	5.00%	4.00%	4.00%	3.50%	3.50%	12.50%	3.65%		
Grace Cottage	3.5%	3.5%	3.6%	3.60%	11.00%	11.00%	4.40%	4.40%	8.70%	8.70%	5.00%	5.00%	5.00%	5.00%	5.50%	5.50%	12.00%	10.60%	6.50%	6.50%	6.00%	6.00%	5.0%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	3.20%	3.20%	3.20%	3.20%	3.20%	3.20%	5.00%	5.00%	5.00%	5.00%		
Mount Ascutney	10.7%	10.7%	6.5%	6.50%	5.30%	5.30%	6.50%	5.50%	5.30%	5.30%	10.90%	10.50%	6.10%	6.10%	6.50%	6.50%	3.50%	3.50%	7.00%	7.00%	4.60%	4.60%	3.2%	3.20%	5.70%	5.70%	4.90%	4.90%	4.90%	4.90%	2.90%	2.90%	3.20%	3.20%	4.60%	4.60%	2.20%	2.20%	4.70%	4.70%		
North Country	9.3%	9.3%	7.1%	7.13%	4.77%	4.77%	5.61%	4.60%	7.00%	6.50%	7.00%	7.00%	4.00%	4.00%	4.70%	4.40%	5.10%	5.10%	4.60%	4.60%	8.00%	8.00%	8.3%	8.30%	4.80%	4.80%	3.50%	3.50%	5.00%	5.00%	3.60%	3.60%	4.25%	4.25%	3.60%	3.60%	4.90%	3.30%	12.50%	12.50%		
Northeastern	8.0%	8.0%	0.0%	0.00%	8.50%	8.50%	6.50%	6.50%	7.00%	6.50%	10.00%	9.20%	6.00%	6.00%	4.80%	4.80%	7.50%	7.50%	7.50%	7.50%	5.80%	5.60%	5.0%	5.00%	5.20%	5.20%	3.80%	3.80%	4.30%	3.20%	4.00%	3.00%	3.50%	3.00%	3.90%	3.90%	3.00%	3.00%	10.80%	10.80%		
Northwestern	2.6%	2.6%	2.9%	2.50%	4.48%	4.48%	7.00%	7.00%	14.00%	10.55%	11.40%	7.00%	6.50%	5.20%	3.70%	4.75%	6.27%	6.27%	0.00%	0.00%	4.64%	3.90%	6.4%	6.40%	-8.00%	-8.00%	2.90%	0.00%	6.00%	3.50%	2.00%	2.00%	5.90%	5.90%	21.10%	13.00%	3.00%	3.00%	9.00%	9.00%		
Porter	7.0%	7.0%	6.5%	6.50%	5.00%	5.00%	6.00%	6.00%	9.20%	7.40%	11.20%	8.70%	7.00%	6.70%	6.50%	6.50%	10.30%	10.30%	5.00%	5.00%	6.00%	6.00%	5.0%	5.00%	5.30%	5.30%	3.70%	5.30%	3.00%	3.00%	2.80%	2.80%	2.60%	0.00%	5.75%	4.00%	5.90%	4.00%	11.50%	11.50%		
Rutland	8.0%	8.0%	2.4%	2.00%	9.00%	8.00%	6.00%	5.25%	10.50%	8.50%	10.90%	9.60%	6.50%	5.50%	5.50%	5.50%	9.80%	9.80%	10.30%	10.30%	4.75%	4.75%	8.4%	8.40%	3.70%	3.70%	-5.10%	-5.10%	4.90%	4.90%	3.00%	2.60%	2.65%	2.65%	6.00%	6.00%	12.60%	3.60%	17.80%	17.40%		
Southwestern	7.9%	4.9%	7.5%	6.00%	12.80%	11.15%	8.50%	7.00%	9.50%	7.05%	11.80%	10.70%	N/A	5.00%	6.00%	6.00%	5.50%	5.50%	9.90%	9.90%	9.00%	7.17%	4.5%	4.50%	3.80%	3.80%	3.90%	3.36%	2.90%	2.90%	3.20%	3.00%	2.80%	2.80%	3.50%	3.50%	4.80%	4.80%	9.50%	9.50%		
Springfield	8.8%	8.8%	4.8%	4.80%	8.00%	8.00%	4.10%	4.10%	4.30%	4.30%	3.80%	3.80%	6.70%	6.10%	3.80%	3.80%	5.80%	5.80%	6.00%	6.00%	6.00%	4.60%	4.5%	5.45%	2.80%	2.80%	0.00%	0.00%	6.50%	6.50%	10.00%	10.00%	0.00%	0.00%	4.00%	4.00%	8.30%	8.30%	10.00%	10.00%		
System Average	7.80%	7.70%	6.80%	7.50%	7.33%	7.10%	6.54%	7.07%	6.31%	9.80%	9.50%	7.20%	5.72%	5.44%	6.50%	6.50%	8.10%	8.10%	5.50%	5.20%	6.8%	6.80%	4.40%	4.40%	2.20%	1.80%	2.30%	2.00%	3.90%	2.90%	3.20%	3.10%	3.20%	3.10%	3.20%	3.10%	4.76%	11.13%	10.57%			
Median	8.00%	8.00%	6.50%	5.75%	7.18%	7.18%	5.90%	5.18%	7.10%	6.50%	10.00%	8.30%	6.80%	6.00%	5.50%	5.50%	6.14%	6.14%	6.30%	6.30%	6.00%	5.90%	5.0%	5.23%	4.75%	4.75%	3.50%	3.43%	4.60%	3.75%	3.40%	3.00%	3.45%	3.10%	4.76%	4.30%	5.00%	4.00%	11.15%	11.15%		

- Reduced Rate Increase
- Reduced Rate Increase to an already submitted negative increase or to a negative increase

➤ From 2004 – 2015 (12 years), the GMCB didn't adjust Copley's requested increase. Longest run of any Vermont hospital during that time period.

➤ From 2016 – 2023 (8 years), the GMCB has adjusted Copley's requested increase down 6 times, the most of any Vermont hospital during that time period.

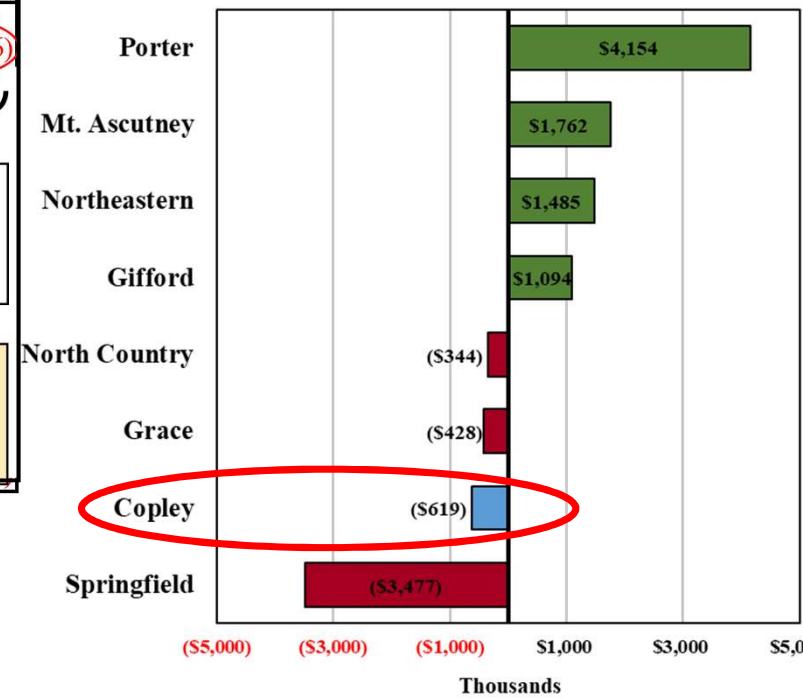


Operating Margin/Rate Request Results

CAH 5 Year Operating Margins

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	5 Year Avg
Copley	(\$84,921)	(\$377,946)	(\$2,222,433)	(\$2,161,242)	(\$2,756,792)	\$4,715,884	(\$670,999)	(\$619,116)
			Requested Rate Increases					
	-3.0%	0.0%	0.0%	7.9%	9.8%	8.0%	5.0%	6.1%
			Approved Rate Increases					
	-4.0%	-3.7%	-3.4%	4.5%	9.8%	6.0%	4.0%	4.2%

CAH 5 Year Average Operating Margins (2018 – 2022):



The GMCB has a statutory obligation to ensure that hospital budgets “promote efficient and economic operation of the hospital” and “reflect budget performances for prior years”. 18 VSA 9456 (3) & (4). In its 2020 hospital budget review, the Board ordered 6 of the 14 hospitals to complete sustainability plans to address concerns about consistent operating losses.

Data not available for 23

Rate Request: Past Comparison & Outcome (cont.)

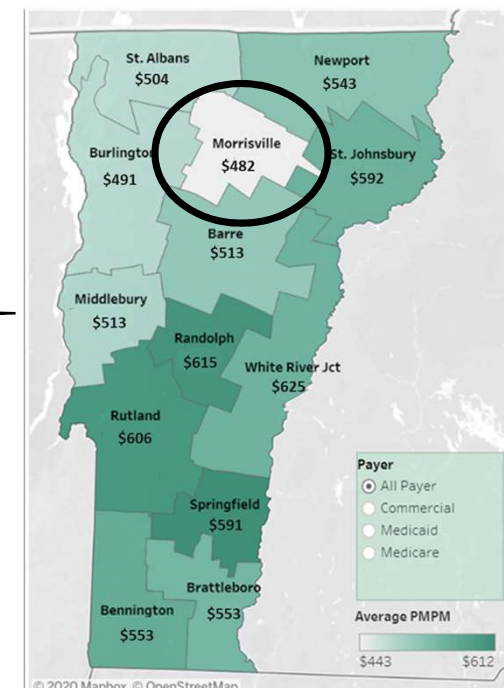


	5 Yr (2018-2022)		10 Yr (2013-2022)		15 Yr (2008-2022)	
	Ave submit	Thru 2020 Average Approved	Ave submit	Thru 2020 Average Approved	Ave submit	Thru 2020 Average Approved
Brattleboro	5.44%	4.50%	4.59%	4.06%	5.54%	4.99%
Central Vermont	6.78%	4.34%	6.04%	4.67%	6.53%	5.48%
Copley	6.14%	4.18%	3.67%	2.22%	4.31%	3.35%
Fletcher Allen	6.46%	4.16%	5.52%	5.10%	6.01%	5.60%
Gifford	4.10%	4.10%	4.95%	4.95%	5.59%	5.49%
Grace Cottage	3.92%	3.92%	4.71%	4.71%	5.55%	5.46%
Mount Ascutney	3.56%	3.56%	4.36%	4.36%	5.06%	5.03%
North Country	4.27%	3.95%	5.06%	4.90%	5.22%	5.06%
Northeastern	3.74%	3.22%	4.60%	4.32%	5.42%	5.15%
Northwestern	7.60%	5.48%	4.39%	2.97%	5.72%	4.03%
Porter	4.01%	2.76%	4.51%	4.04%	5.95%	5.33%
Rutland	5.83%	3.95%	5.12%	4.18%	6.29%	5.38%
Southwestern	3.44%	3.40%	4.83%	4.57%	5.79%	5.33%
Springfield	5.76%	5.76%	4.91%	4.77%	4.90%	4.76%
System Average	5.08%	4.09%	4.80%	4.27%	5.56%	5.03%
Median	4.86%	4.03%	4.77%	4.47%	5.57%	5.24%

 Lowest Increase Highest Increase

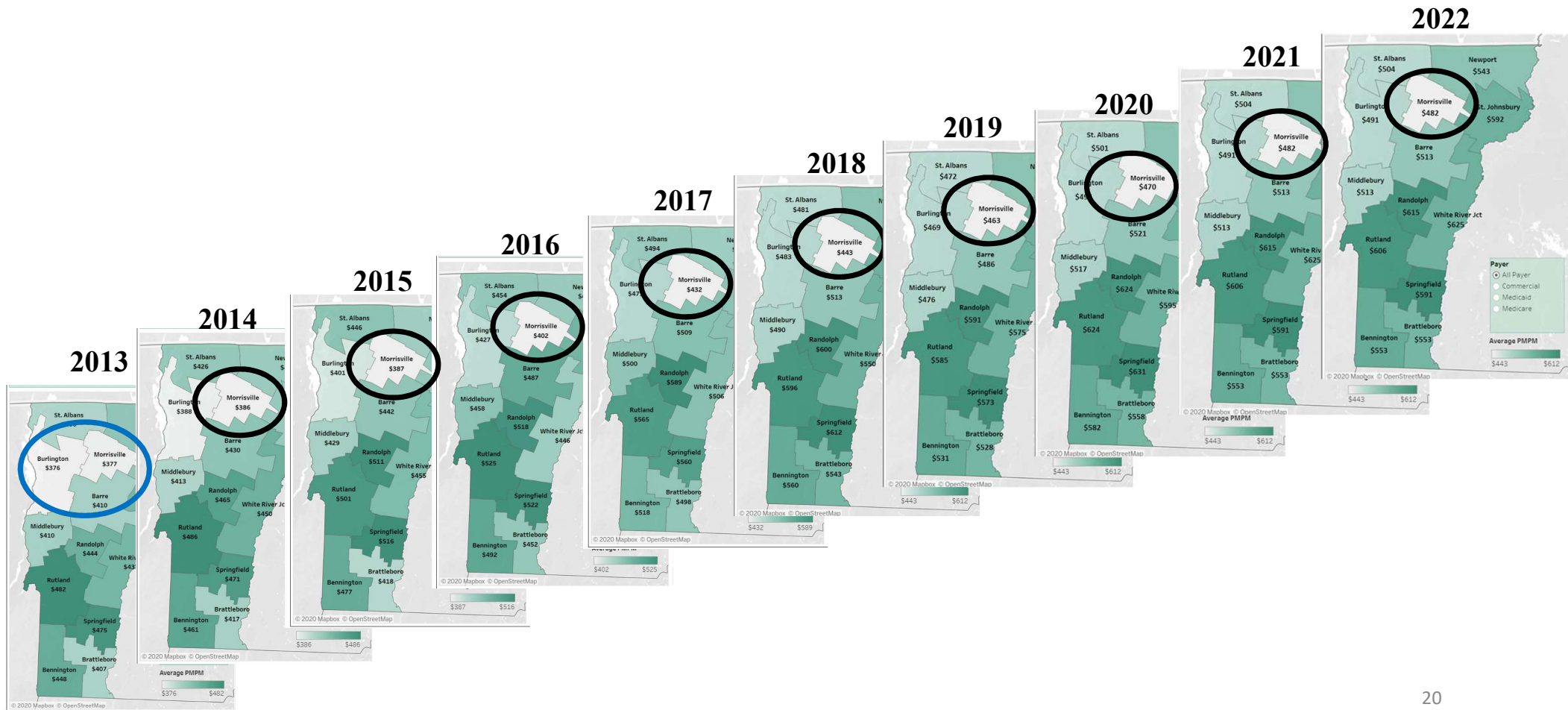
15 Year Average:
 ➤ **Lowest**
 ➤ 1.68% lower than system average

10 Year Average:
 ➤ **Lowest**
 ➤ 2.05% lower than system average



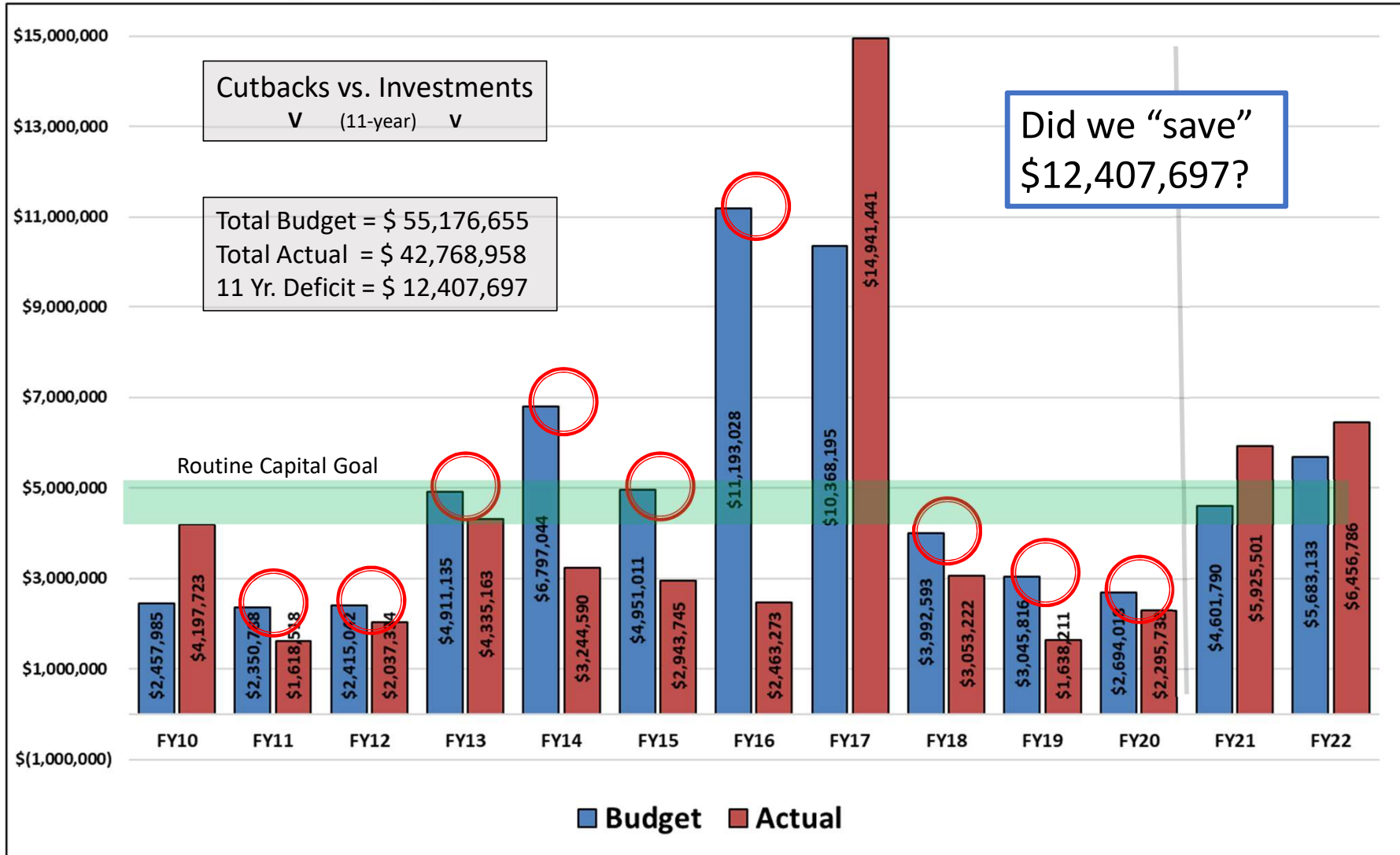
***2022 All Payer Cost of Care**

Prices/Charges



* Source: GMCB Estimates from Expenditure Analysis

Actual versus Budgeted Capital FY 10 - FY 22



GMCB Budget Hearing Quotes- September 15, 2023

- Copley is a hospital that is a bit challenging to evaluate for a couple of reasons.
- *Their commercial prices have been so low for so long, at least it appears that way from the Rand pricing and going back to the 5 years prior to that, with pretty low rate increases. So even with the Rand prices from 2020 and you look at the increases since then, they are still fairly low.*
- But they are also really efficient, and so I think they've been able to be a very efficient operating hospital with high quality in the context of these low prices.
- Other than low prices, they also have very low outpatient prices and low inpatient prices, and I think those prices will take awhile to come back, and I don't think the rate increases they've had over the recent years get them back to their peers.
- Also have the low administrative clinical salaries, and one of the lower adjusted CMI cost per discharge.

GMCB Budget Hearing Quotes- September 15, 2023

- *“I did note in the presentation from Copley they justified their somewhat aggressive raising of prices, due to trying to come inline with local peers.*
- *It reminded me though that there’s great value in being a high reliability organization that can safely deliver outstanding outcomes and high quality at low prices, and a race to match local prices is not sustainable for Vermonters as a whole.*
- *So I hope that they can continue to focus on being a high quality, safe, great outcome, low price organization.”*

Interim Rate Request



Budget Modification Approval:

GMCB FY 2024 Hospital Budget Guidance:

Hospital may request a budget amendment to account for unanticipated changes to its approved budget; including requests for interim changes in charge or unforeseen changes in utilization. Hospitals must obtain approval of the change from its Board of Directors.

Additional Charge Increase:

Request – Seeking approval from GMCB to increase our charges by an additional 12.7% as of 03/01/2024.

1. **Original Request of 15% - additional gross revenue = \$26,970,493 12 months**
2. Approved Increase of 8% - additional gross revenue = **\$14,384,258 12 months**
3. Additional Increase of 7% as of 03/01/24 – additional gross revenue = **\$7,341,970 7 months**
4. Additional Increase of 5% as of 03/01/24 – additional gross revenue = **\$5,244,262 7 months** for Lost Revenue for Oct - Feb
5. Additional Increase of 0.1% as of 03/01/24 – additional gross revenue = **\$125,000 7 months** for Nursing Salaries
6. Additional Increase of 0.6% as of 03/01/24 – additional gross revenue = **\$600,000 7 months** for Aging Accounts Receivable
7. **Approved 8% (\$14.4m 12 months) + Additional Increase of 7% (\$7.3m 7 months) + Additional Increase of 5.7% (\$ 7 months) = \$27,695,490**

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total	
1	2	3	4	5	6	7	8	9	10	11	12		
\$ 1,198,688	\$ 1,198,688	\$ 1,198,688	\$ 1,198,688	\$ 1,198,688	\$ 1,198,688	\$ 1,198,688	\$ 1,198,688	\$ 1,198,688	\$ 1,198,688	\$ 1,198,688	\$ 1,198,688	\$ 14,384,258	8% All 12 months
					\$ 1,048,853	\$ 1,048,853	\$ 1,048,853	\$ 1,048,853	\$ 1,048,853	\$ 1,048,853	\$ 1,048,853	\$ 7,341,970	7% for 7 months
					\$ 749,180	\$ 749,180	\$ 749,180	\$ 749,180	\$ 749,180	\$ 749,180	\$ 749,180	\$ 5,244,262	5.0% 7 mos for Oct-Feb
					\$ 17,857	\$ 17,857	\$ 17,857	\$ 17,857	\$ 17,857	\$ 17,857	\$ 17,857	\$ 125,000	0.1% 7 mos for Nursing
					\$ 85,714	\$ 85,714	\$ 85,714	\$ 85,714	\$ 85,714	\$ 85,714	\$ 85,714	\$ 600,000	0.6% 7 mos for AR Aging
												\$ 27,695,490	

Board Approval:

- **Finance Committee:** On 01/26 recommended to the Board a budget amendment to increase charges on 03/01 (12.3%). Motion was approved.
- **Board Motion:** “Copley hospital is requesting a budget amendment to its approved FY24 budget; an additional 12.7% effective on 03/01/24.
- Breakdown is as follows: 12.7% represents the 7.0% that was cut from the FY24 budget. 5.0% for the lost revenue from Oct – Feb, and the 0.7% represents the unexpected loss in A/R Aging, and a needed increase nursing in salaries.”

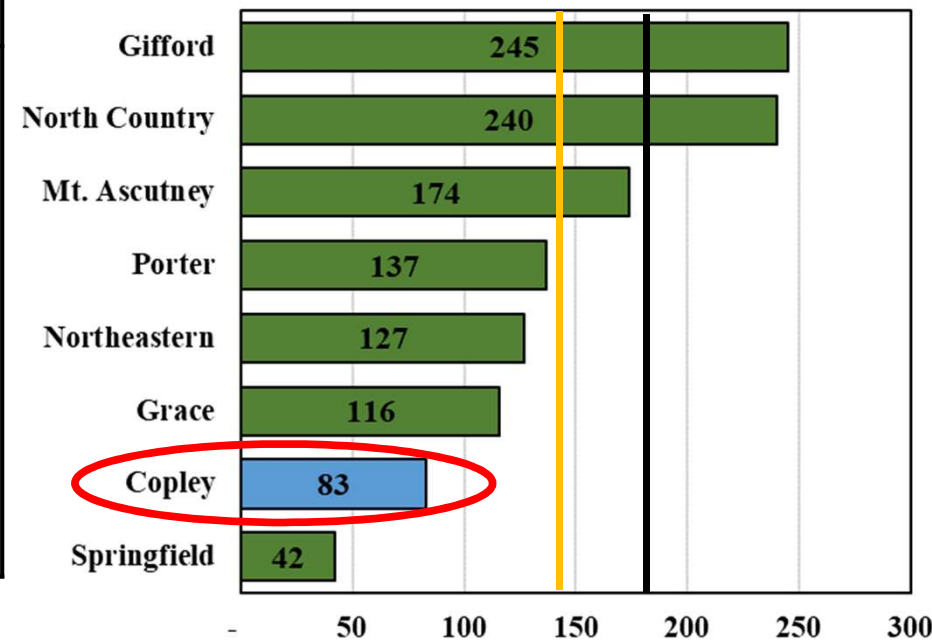
Key Indicators: DCOH (w/o COVID Advance Payments)



CAH 5 Year Days Cash on Hand (without COVID-19 Advance Payments)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	5 Year Average
Copley	64	62	130	93	66	83
Gifford	224	237	270	289	204	245
Grace	92	93	142	157	98	116
Mt. Ascutney	132	144	168	215	208	174
North Country	213	221	270	285	213	240
Northeastern	120	107	147	154	106	127
Porter	128	129	141	165	120	137
Springfield	47	17	38	38	70	42

CAH 5 Year Average Days Cash on Hand (2018 – 2022):

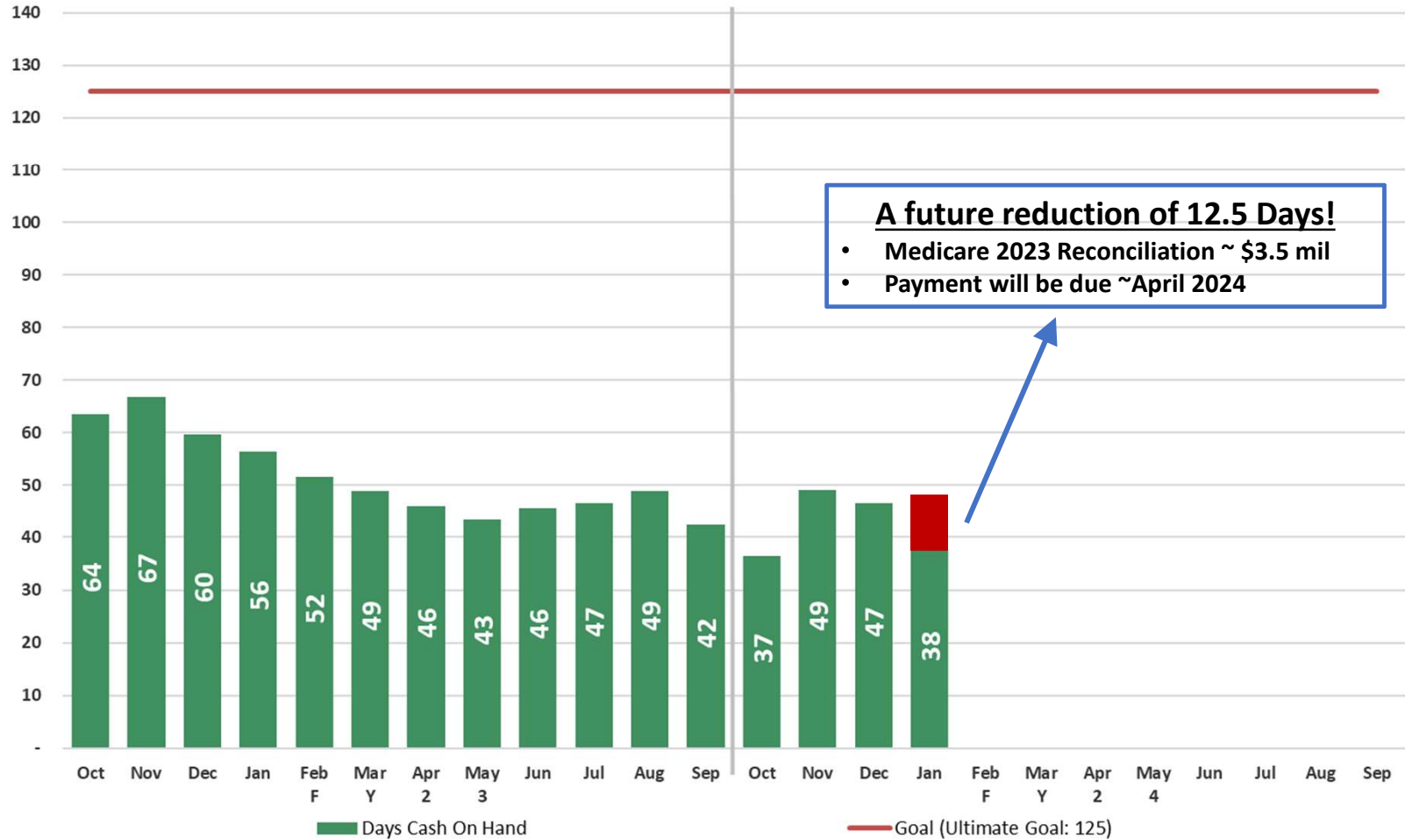


Data not available for 23

— Vermont CAH 5 Year Average
 — Northeast CAH FY2020

Days Cash On Hand

Copley Hospital Operating Cash
(Cash Operating Expenses YTD / Number of YTD Days)



Statement Of Operation

	FY 20	FY 21	FY 22	Ann 23	Bud 23	Bud 24	Using Vt Avg Bud 24
PATIENT CARE REVENUE							
Inpatient	\$ 31,391,456	\$ 31,643,848	\$ 21,409,981	\$ 20,466,598	\$ 27,425,174	\$ 24,045,285	\$ 35,971,746
Outpatient	\$ 65,690,300	\$ 83,548,375	\$ 109,647,487	\$ 128,981,142	\$ 118,284,627	\$ 153,080,219	\$ 229,008,008
Swing Bed	\$ 741,203	\$ 876,226	\$ 1,293,705	\$ 1,598,608	\$ 1,623,238	\$ 1,648,281	\$ 2,465,828
Nursing Home	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clinic	\$ 25,379,331	\$ 29,508,672	\$ 22,289,635	\$ 23,649,046	\$ 22,560,331	\$ 27,999,971	\$ 27,999,971
Total Patient Care Revenue	\$ 123,202,290	\$ 145,577,121	\$ 154,640,808	\$ 174,695,394	\$ 169,893,370	\$ 206,773,756	\$ 295,445,553
ALLOWANCES							
Affordable Care	\$ 923,759	\$ 862,902	\$ 1,466,700	\$ 1,470,770	\$ 1,720,367	\$ 1,860,964	\$ 3,253,006
Contractual Allowances	\$ 53,780,377	\$ 62,167,185	\$ 64,485,420	\$ 75,560,536	\$ 72,034,789	\$ 92,262,450	\$ 161,276,830
Disproportionate Share Payment	\$ (455,209)	\$ (500,596)	\$ (794,826)	\$ (583,644)	\$ (482,004)	\$ (482,000)	\$ (482,000)
Other Write-Offs	\$ 558,461	\$ 693,245	\$ 760,385	\$ 829,674	\$ 681,531	\$ 982,023	\$ 1,716,597
Provision for Bad Debt	\$ 2,949,725	\$ 2,633,717	\$ 4,412,309	\$ 5,267,848	\$ 4,882,228	\$ 6,244,567	\$ 10,915,644
Total Allowances	\$ 57,757,112	\$ 65,856,454	\$ 70,329,988	\$ 82,545,184	\$ 78,836,911	\$ 100,868,004	\$ 176,319,531
Net Patient Revenue	\$ 65,445,178	\$ 79,720,667	\$ 84,310,820	\$ 92,150,210	\$ 91,056,459	\$ 105,905,752	\$ 119,126,022
OTHER REVENUE							
Cafeteria Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous (includes ACO)	\$ 5,532,934	\$ 13,054,202	\$ 10,353,576	\$ 7,769,206	\$ 5,991,108	\$ 6,620,244	\$ 6,620,244
Community Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Revenue	\$ 5,532,934	\$ 13,054,202	\$ 10,353,576	\$ 7,769,206	\$ 5,991,108	\$ 6,620,244	\$ 6,620,244
Net Revenues	\$ 70,978,112	\$ 92,774,869	\$ 94,664,396	\$ 99,919,416	\$ 97,047,567	\$ 112,525,996	\$ 125,746,266
EXPENSES							
General Salaries and Wages	\$ 25,066,013	\$ 28,725,325	\$ 25,691,561	\$ 28,958,650	\$ 32,880,891	\$ 39,218,730	\$ 39,218,730
Physician Salaries and Wages	\$ 6,508,601	\$ 7,493,397	\$ 14,934,126	\$ 14,676,144	\$ 13,673,482	\$ 16,792,354	\$ 16,792,354
Total Salaries	\$ 31,574,614	\$ 36,218,722	\$ 40,625,687	\$ 43,634,794	\$ 46,554,373	\$ 56,011,084	\$ 56,011,084
Total Benefits	\$ 7,190,789	\$ 8,395,253	\$ 9,072,784	\$ 9,623,720	\$ 10,082,375	\$ 11,548,683	\$ 11,548,683
Supplies	\$ 17,432,351	\$ 20,372,068	\$ 20,093,137	\$ 21,250,912	\$ 21,770,676	\$ 22,916,054	\$ 22,916,054
Contract Services	\$ 8,779,451	\$ 12,266,954	\$ 15,295,950	\$ 15,041,350	\$ 5,661,221	\$ 6,500,797	\$ 6,500,797
Utilities	\$ 1,097,623	\$ 1,095,092	\$ 1,222,417	\$ 1,372,150	\$ 1,587,432	\$ 1,592,429	\$ 1,592,429
Insurance and Interest Expense	\$ 837,416	\$ 1,323,006	\$ 1,074,078	\$ 1,101,176	\$ 1,205,041	\$ 1,228,000	\$ 1,228,000
Deprec., Amortization & Leases	\$ 2,789,867	\$ 4,279,650	\$ 2,917,574	\$ 3,043,202	\$ 3,100,813	\$ 3,457,469	\$ 3,457,469
VT Provider Tax	\$ 3,985,329	\$ 4,101,251	\$ 5,033,768	\$ 5,531,760	\$ 5,516,580	\$ 5,913,916	\$ 5,913,916
Community Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ 73,687,440	\$ 88,051,996	\$ 95,335,395	\$ 100,599,064	\$ 95,478,511	\$ 109,168,433	\$ 109,168,433
Net Gain/Loss	\$ (2,709,328)	\$ 4,722,873	\$ (670,999)	\$ (679,648)	\$ 1,569,056	\$ 3,357,564	\$ 16,577,833
NON OPERATING REVENUE							
Unrestricted Gifts & Bequest	\$ 312,315	\$ 5,223,960	\$ 1,310,309	\$ 8,144	\$ 302,184	\$ 302,184	\$ 302,184
Inc. from Endowment & Board Design	\$ 88,260	\$ 91,100	\$ 51,049	\$ 64,652	\$ -	\$ -	\$ -
Capital Assets & Misc. Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Operating Revenue	\$ 400,575	\$ 5,315,060	\$ 1,361,358	\$ 72,796	\$ 302,184	\$ 302,184	\$ 302,184
Excess of Revenues over Expenses	\$ (2,308,754)	\$ 10,037,933	\$ 690,359	\$ (606,852)	\$ 1,871,240	\$ 3,659,748	\$ 16,880,017

Copley Hospital



GMCB Rate Adjustment Request: 24.03.13