

HSF QUESTIONS FOR HOSPITALS



HOSPITAL 4: GIFFORD MEDICAL CENTER (GMC)

Follow-Up Questions and Requests Related to Your Budget Submission

On your executive summary

1. We commend you for decreasing your reliance on travelling staff. What lessons would you have to share with other hospitals? In what service areas do you still rely most on travelers, and do you foresee this decreasing in the future?
2. Can you provide more detail on your needed capital repairs and improvements?

On substantive variations from last budget

3. Is your new EHR fully up and running? If not, please provide a timeline for any necessary repairs/updates.
4. Have you made appropriate adjustments to this year's budget that take into account your recent difficulties in replacing contracted labor?

On CMI

5. Do you have reason to believe your case mix would change from previous years?

On capital expenses

6. It seems like the largest increase in your capital expenditures in "Fixed Equipment" and "Major Moveable". Can you specify these investments? Since this is a core justification of your budget request, please detail how you would use a higher NPR to reinvest in your hospital.

On administrative vs. clinical spending

7. You write that you expect administrative costs to decrease in the future (as measured by Worksheet A in your filed cost reports). How do you expect them to decrease and by how much?

On investments in mental health, SUD, LTC, and primary care

8. How long is your waitlist for counseling services? What are the main barriers to reducing these wait times?

On your income statement

9. Your projected operating expenses for FY24 is 8.1% higher than budgeted. It seems like most of this unforeseen expense came from physician salaries (~\$3.8 million), travelers (~\$2.2 million), and miscellaneous purchased services (~\$1.0 million). Can you clarify why these expenses were unforeseen? Have you made appropriate adjustments to your predicted expenses for FY25?

On your workbook submission

10. In Table 7 in the workbook, we asked for the percentile of national benchmarks. We would expect this value to range from 0-100th. Seeing as you have percentiles over 100%, please provide the supporting calculations for these values.
11. Please review the rate decomposition details you submitted as well as the “summary” tab and explain the following (where available, show supporting calculations):
 - a. How did you arrive at the assumed rates of growth for price, volume, and payer mix shifts by payer?
 - b. For non-zero values in the “other” column, how did you derive these estimates?

Other

12. Do you think Medicaid is underfunding the cost of delivering care to your Medicaid patients? If so, please quantify this amount based on 2023 actuals. Please explain your calculation.
13. Do you think Medicare is underfunding the cost of delivering care to your Medicare patients? If so, please quantify this amount based on 2023 actuals. Please explain your calculation.
14. In the attached spreadsheet, please review the measures of financial health that we have calculated for your hospital. We have included the measure definitions. Confirm that these calculated values reflect your understanding. If your financial measures differ from our calculations, please review our formulas, provide your calculation, and explain why you believe your calculation is a better measure for your organization.
15. Related to your nursing home, please provide the following (2023 actuals, 2024 projected, and 2025 budgeted):
 - a. Avg Cost per day
 - b. Avg Reimbursement per day, by payer
 - c. Avg Occupancy Rate
 - d. Operating margin
 - e. Hospital subsidy to nursing home (if any)