



## FY 2023 Supplemental Data Monitoring

### 1. Market Share Report

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

As this report is at a very high level for any data reported in dollars, Grace Cottage's change from year-to-year is not well defined, and in most cases, not identifiable or noticeable.

For instance, the Payer Mix breakdown shows Medicare rounded to \$1m for all five years reported, and to zero for all other payers for all five years.

For Top Outpatient Services by Hospital, almost all reporting is rounded to zero, or reported as <6.

Hospital Market Share by HSA shows Grace Cottage's overall market share for all HSAs and Services as essentially the same for all five years. Looking at only our primary HSA, Brattleboro, which also includes Brattleboro Memorial as a provider, we are relatively consistent from year-to-year for the five years reported.

2. If not, explain how Exhibit 1 distorts or omits components of NPR? As explained in question 1, the reporting is very distorted due to our small size. The resulting large rounding and/or omission due to small volume numbers does not represent the overall picture of the services Grace Cottage provides.

### 2. Reimbursement Analysis

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.

Inpatient: Grace Cottage appears outside of the statewide reference range in the Medicare category for both Case-mix Adjusted Payment per Service and Case-mix Adjusted Medicare-Allowance Cost per Service, both overall and for a small number of the individual service lines. Both Commercial and Medicaid, however, are within the statewide reference range.

As a Critical Access Hospital (CAH), we are paid based on cost for the Medicare portion of business, calculated using cost allocations of the Medicare cost report. Affecting this calculation is the fact that our 24/7 Emergency Department is not a distinctly separate unit from the Inpatient Nursing Floor with completely separate staffing. Both Nursing and Support Staff cross-cover and float between both areas during a shift, and all staffing/benefits costs for both areas are in the Nursing Inpatient line, with some allocation to the Emergency Department done by the cost report.

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

As discussed in Question 1, while there are not any errors that we are aware of, there are inconsistencies when comparing to other hospitals; however an accurate breakdown of the true cost between those two departments is not possible.

### 3. Demographic Report

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

Grace Cottage is included in the Brattleboro service area, however the overall demographics for Grace Cottage's patients are quite different from those of the larger hospital in the service area, Brattleboro Memorial. Our overall demographic is much less transient and relatively consistent from year-to-year. Our budget assumptions and planning are based on current volumes of service in the current year projected out and presumed for the coming year.

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

No, the makeup of other service areas does not affect our budget assumptions, because our main focus is the provision of top-notch Primary Care. With the exception of some Swing Bed patients that may be transferred here from other service areas, the bulk of our services are provided to individuals within our service area.