

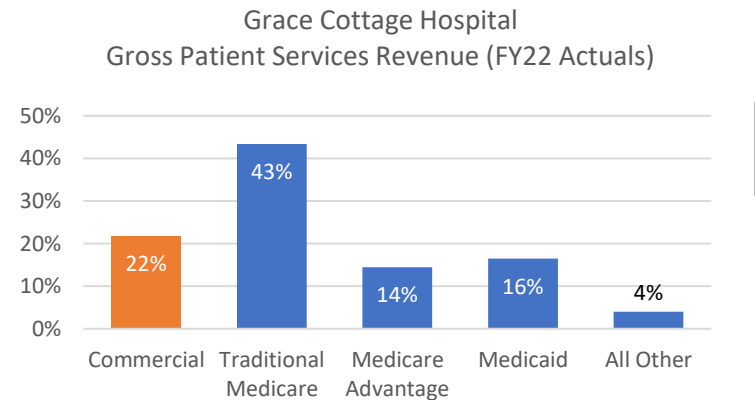
Grace Cottage Hospital

FY24 Hospital Budget Review – Grace Cottage Hospital Summary for GMCB Deliberations

Budgets								
Year		FY18	FY19	FY20	FY21	FY22	FY23	FY22-24
Net Patient Revenue (NPR)	Guidance	3.0%	2.8%	3.5%	3.5%	3.5%	8.6%	
	Submitted	-2.9%	3.5%	8.7%	5.3%	8.2%	15.0%	16.4%
	Δ Approved	0.0%	0.0%	-5.2%	-1.8%	-1.4%	0.0%	
Commercial NPR	Submitted	-5.2%	11.2%	4.6%	27.2%	3.0%	29.6%	25.7%
	Δ Approved	0.0%	0.0%	-5.0%	-1.9%	0.0%	0.0%	
Operating Expenses	Submitted	-0.5%	-0.8%	9.0%	2.6%	9.5%	11.9%	13.8%
	Δ Approved	0.0%	0.0%	0.0%	-1.6%	0.0%	0.0%	
Change in Charge	Submitted	5.0%	3.2%	3.2%	3.2%	5.0%	5.0%	4.0%*
	Δ Approved	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Commercial weight of approved increase	1.5%	1.0%	1.0%	1.1%	1.9%	2.0%	1.7%*

* As submitted

Actuals							
Year		FY18	FY19	FY20	FY21	FY22	FY23
NPR	%	5.4%	3.0%	3.7%	6.0%	15.1%	11.5
	\$ in M	0.9	0.5	0.7	1.2	3.1	2.7
Commercial NPR	%	20.6%	-3.1%	10.9%	26.6%	24.6%	18.2
	\$ in M	0.9	-0.2	0.6	1.5	1.8	1.6
Operating Expenses	%	1.7%	4.0%	5.9%	5.6%	14.0%	7.2%
	\$ in M	0.3	0.8	1.2	1.2	3.2	1.9



Grace Cottage Hospital
Expense Growth Factors

	Grace Cottage Hospital		Vermont Hospitals	Benchmark Data		
	FY22-24	VT Hospital Rank	Median	Lo	Benchmark	Hi
Labor	5.6%	5	4.0%	0.8%	5.2%	9.7%
Utilization	6.7%	8	7.0%	-5.5%	-0.4%	4.2%
Pharm Ex	missing		7.6%	2.3%	12%	21.6%
Cost Inflation	3.0%	9	3.7%	1.1%	5.8%	10.5%

Financial Indicators

	Grace Cottage Hospital				Vermont Hospitals
	FY22 Actual	FY23 Approved	FY23 YTD	FY24 Submitted	FY24 Median
Op Margin	-6.8%	-3.7%	-2.3%	-3.4%	1.2%
Op-EBIDA Margin	-3%	0%	1%	0%	5.6%
Total Margin	-7.6%	0.7%	6.2%	12.9%	3.8%
DCOH	99.1	108.9	99.4	101.5	109.64
Debt Service Coverage Ratio	-1.6	0.2	0.8	0.2	4.56
LT Debt to Capitalization Ratio	12.0%	6.1%	6.2%	10.1%	0.17
Age of Plant	14.4	14.8	14.2	14.7	16.02

Grace Cottage Hospital

Ratio of Administrative & General Salaries to Clinical Salaries (Critical Access Hospitals)

Hospital	VT Hospital Rank	Hospital Percent Rank ¹	Comparator 25 th Percentile	Comparator 75 th Percentile
36%	14	100 th	11%	22%

CMI-Adjusted Average Cost per Medicare Discharge (Critical Access Hospitals)

Hospital	VT Hospital Rank	Hospital Percent Rank ²	Comparator 25 th Percentile	Comparator 75 th Percentile
\$14,135	11	83 rd	\$9,745	\$13,647

¹ Lower rank means more investment in clinical salaries (a lower ratio of administrative & general salaries to clinical salaries).

² Lower rank means lower costs per discharge (lower CMI-adjusted average cost per Medicare Discharge)

Grace Cottage Hospital

Inpatient – Relative Cost and Price (Critical Access Hospital, not major teaching hospital)						
Year		FY18	FY19	FY20	FY21	FY22
Commercial Cost per Discharge	Hospital	\$20,365	\$28,454	\$31,242	\$27,692	\$21,456
	25 th percentile	\$11,349	\$11,030	\$12,737	\$11,914	\$11,865
	75 th percentile	\$16,115	\$19,154	\$20,538	\$17,412	\$16,365
Commercial Cost Coverage	Hospital	84%	62%	57%	58%	80%
	25 th percentile	94%	80%	74%	72%	84%
	75 th percentile	111%	100%	92%	97%	112%
Standardized Price	Hospital	n/a				
	25 th percentile	\$13,391				
	75 th percentile	\$22,644				

Outpatient – Relative Cost and Price (Critical Access Hospital, not major teaching hospital)						
Year		FY18	FY19	FY20	FY21	FY22
Commercial Cost per Discharge	Hospital	\$442	\$449	\$386	\$363	\$369
	25 th percentile	\$426	\$423	\$470	\$471	\$498
	75 th percentile	\$495	\$472	\$601	\$616	\$628
Commercial Cost Coverage	Hospital	105%	103%	135%	150%	167%
	25 th percentile	200%	171%	150%	163%	170%
	75 th percentile	226%	202%	191%	193%	202%
Standardized Price	Hospital	\$366				
	25 th percentile	\$259				
	75 th percentile	\$420				