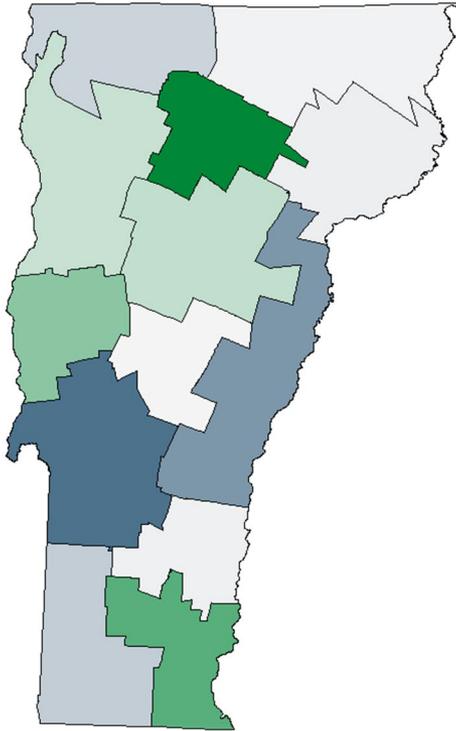


Fiscal Year 2019 Vermont Hospital Budgets

Year-to-Date Reporting
(October-June 2019)

Report Date: August 9, 2019



FY2019 Year-to-Date through June 2019

1. Overview and Observations
2. Financial Indicators
3. Net Patient Revenue (NPR)/Fixed Prospective Payments (FPP) and Operating Expenses
4. Utilization

Year-to-Date Hospital Budget Report: FY19 through June 2019

Vermont hospitals are required to report their year-to-date (YTD) operating performance on a monthly basis as part of the Green Mountain Care Board's Fiscal Year 2019 budget orders.

This report includes actual Net Patient Revenue (NPR) and Fixed Prospective Payment (FPP) revenue, which are combined, as well as expenses and key utilization indicators, through June 2019.



GMCCB has asked the hospitals to explain variances greater than 3.0% for NPR/FPP, Expenses and Utilization. Explanations are provided in the hospitals' own words on the narrative slides of each section.

This report includes FY2019 projections for NPR/FPP, operating expenses, operating margin and total margin. Projections are based on a full year and represented in the report as year-end (YE) figures.

At the time of this report, Springfield Hospital did not submit June year-to-date information. As a result, systemwide analysis for certain financial indicators are not available.

As of June, the UVM Health Network implemented accounting changes related to payment reform investments and bad debt collection fees. The accounting adjustments impact year-to-date operating performance for University of Vermont Medical Center, Central Vermont Medical Center and Porter Medical Center. These adjustments are factored into the UVM Health Network's projections.

Net Patient Revenue and Fixed Prospective Payments Approved FY19 Budgets

Medicare Designation	Contract with OneCare VT*	Hospital	FY2019 Approved Budget NPR & FPP Revenue	% of System Total
PPS**	✓	Brattleboro Memorial Hospital***	\$83,947,707	3.2%
PPS	✓	Central Vermont Medical Center	\$211,387,021	8.1%
CAH		Copley Hospital	\$70,201,316	2.7%
CAH	✓	Gifford Medical Center***	\$55,894,654	2.1%
CAH		Grace Cottage Hospital	\$19,292,581	0.7%
CAH	✓	Mount Ascutney Hospital	\$51,951,770	2.0%
CAH	✓	North Country Hospital	\$81,523,350	3.1%
CAH	✓	Northeastern Vermont Regional Hospital***	\$81,568,705	3.1%
PPS	✓	Northwestern Medical Center	\$112,773,980	4.3%
CAH	✓	Porter Medical Center	\$84,530,515	3.2%
PPS	✓	Rutland Regional Medical Center	\$258,720,325	9.9%
PPS	✓	Southwestern Vermont Medical Center	\$165,201,376	6.3%
CAH	✓	Springfield Hospital***	\$60,485,878	2.3%
PPS	✓	University of Vermont Medical Center	\$1,273,460,046	48.8%
SYSTEM			\$2,610,183,225	100.0%

Critical Access Hospital (CAH), Prospective Payment System (PPS)

*Calendar Year 2019 Contract with OneCare VT.

**Brattleboro Memorial Hospital (BMH) is categorized as a PPS hospital for the purposes of this report; however, BMH is officially designated as a Medicare Dependent Hospital.

***Reflects FY2019 amended budget orders for Gifford, Brattleboro, Northeastern and Springfield.

Hospital Year-to-Date Reporting FY19 through June 2019 Systemwide Observations

Operating Expense variances/growth rates exceeded that of NPR/FPP

- NPR/FPP is under budget -0.5%.
- Operating Expenses are 2.4% over budget.
- 11 of the 13 hospitals experienced operating expense variances that exceed their NPR/FPP variance from budget.
- FYE19 projections continue to reflect the NPR/FPP and operating expenses imbalance and, when other operating income is considered, challenge the ability to produce positive operating income.

Operating and Total Margins continue to fall below budget

- All hospitals budgeted a positive operating margin for FY19, however 6 of the 13 hospitals have experienced a negative operating margin year-to-date.
- All hospitals budgeted a positive total margin for FY19, however 6 of the 13 hospitals have experienced a negative total margin year-to-date.

Financial Indicators

Financial Indicators as of June 30, 2019 FY19 YTD (October-June)

	Operating Margin			Total Margin		
		↑			↑	
	FY19 Budget	FY19 YTD	FY19 YE Projection	FY19 Budget	FY19 YTD	FY19 YE Projection
Brattleboro	0.0%	0.8%	0.8%	0.9%	1.4%	1.4%
Central Vermont	1.4%	-2.0%	-1.9%	3.3%	-0.6%	-0.8%
Copley	0.3%	-1.8%	-1.8%	0.8%	-1.1%	-1.2%
Gifford	2.5%	-2.1%	-1.8%	3.9%	4.4%	3.5%
Grace Cottage	0.7%	-10.0%	-4.7%	4.2%	-4.1%	0.7%
Mount Ascutney	0.0%	-1.8%	-0.7%	1.6%	-0.4%	1.1%
North Country	1.1%	1.1%	1.2%	2.8%	2.3%	2.4%
Northeastern	1.8%	2.0%	1.8%	1.8%	1.9%	1.8%
Northwestern	2.3%	-5.4%	-6.0%	3.2%	-5.3%	-5.9%
Porter	3.7%	3.7%	3.7%	4.1%	4.1%	4.2%
Rutland Regional	2.3%	0.7%	1.5%	4.3%	-0.6%	3.6%
Southwestern	3.6%	3.5%	3.3%	4.0%	3.6%	3.6%
Springfield	-	-	-	-	-	-
UVMCC	2.8%	2.3%	2.7%	5.1%	4.8%	3.9%

↑ increasing values are favorable; ↓ decreasing values are favorable

Financial Indicators as of June 30, 2019 FY19 YTD (October-June)

	Days Cash on Hand			Debt Service Coverage Ratio		
	FY19 Budget	FY19 YTD	FY19 YE Projection	FY19 Budget	FY19 YTD	FY19 YE Projection
Brattleboro	196.2	181.5	191.7	3.3	5.0	2.9
Central Vermont	112.7	96.5	96.3	3.8	1.1	2.8
Copley	64.9	67.6	67.1	5.3	2.5	3.2
Gifford	187.1	241.0	235.0	3.3	3.6	3.5
Grace Cottage	92.5	88.5	91.8	0.5	-1.6	-0.2
Mount Ascutney	120.4	122.0	128.0	6.1	3.5	4.0
North Country	196.3	208.6	196.3	3.5	4.4	3.5
Northeastern	121.5	107.0	108.1	2.2	5.3	5.3
Northwestern	306.5	283.2	274.9	5.5	0.3	0.0
Porter	134.9	138.5	138.5	6.1	4.2	4.2
Rutland Regional	205.7	188.0	203.0	5.9	6.6	6.0
Southwestern*	46.3	17.2	34.8	13.7	14.0	14.0
Springfield	-	-	-	-	-	-
UVMCMC	192.4	184.1	197.9	3.2	2.8	6.4

↑ increasing values are favorable; ↓ decreasing values are favorable

*Southwestern's Days Cash on Hand does not consider the hospital's parent company. As of June 30, 2019, Days Cash on Hand for the parent company was 160.05. SVMC's projected DCOH for year-end for the parent company is 160.5.

Financial Indicators as of June 30, 2019 FY19 YTD (October-June)

	Days Payable ↓			Days Receivable ↓		
	FY19 Budget	FY19 YTD	FY19 Projection YE	FY19 Budget	FY19 YTD	FY19 Projection YE
Brattleboro	64.0	59.7	62.6	37.6	47.5	37.8
Central Vermont	48.3	63.7	63.4	47.5	46.4	49.4
Copley	41.0	38.3	42.2	29.0	29.6	29.0
Gifford	52.9	51.9	50.0	48.6	51.1	45.8
Grace Cottage	83.8	97.8	95.3	40.6	43.1	41.2
Mount Ascutney	53.5	71.2	59.9	39.1	36.6	40.2
North Country	60.9	11.7	60.9	40.5	37.2	40.5
Northeastern	55.9	52.4	56.0	41.8	42.0	42.0
Northwestern	40.1	57.4	57.6	40.3	42.0	44.5
Porter	61.2	62.2	62.2	61.8	48.6	48.6
Rutland Regional	41.2	38.3	40.3	28.3	38.9	40.4
Southwestern	58.1	33.7	48.5	35.5	32.1	36.8
Springfield	-	-	-	-	-	-
UVMMC	57.1	57.1	51.7	48.0	49.3	50.7

↑ increasing values are favorable; ↓ decreasing values are favorable

Net Patient Revenue/Fixed Prospective Payment and Operating Expenses

Net Patient Revenue and Fixed Prospective Payments: Budget-to-Actual Variance FY19 YTD (October-June)

	Budget FY19 YTD	Actual FY19 YTD	Budget-to-Actual Variance FY19 YTD	Budget-to-Projection Variance FY19 YE
Brattleboro	\$62,960,780	\$62,813,126	-0.2%	0.0%
Central Vermont	\$157,967,590	\$154,211,431	-2.4%	-2.7%
Copley	\$52,650,987	\$51,157,706	-2.8%	-2.6%
Gifford	\$41,920,990	\$37,368,943	-10.9%	-9.5%
Grace Cottage	\$14,469,436	\$13,568,636	-6.2%	-1.5%
Mount Ascutney	\$38,396,828	\$37,610,510	-2.0%	0.9%
North Country	\$60,621,377	\$59,833,700	-1.3%	-1.8%
Northeastern	\$61,176,529	\$63,111,735	3.2%	3.6%
Northwestern	\$84,580,485	\$81,663,607	-3.4%	-4.0%
Porter	\$63,330,642	\$61,805,023	-2.4%	-0.7%
Rutland Regional	\$194,040,244	\$193,052,845	-0.5%	0.1%
Southwestern	\$123,901,032	\$123,049,793	-0.7%	-0.2%
Springfield	-	-	-	-
UVMCC	\$947,997,007	\$956,176,954	0.9%	1.9%
SYSTEM	\$1,904,013,926	\$1,895,424,010	-0.5%	0.3%

Net Patient Revenue and Fixed Prospective Payments: Actual-to-Actual % Change FY19 YTD (October-June)

	Actual FY18 YTD	Actual FY19 YTD	Actual-to-Actual % Change	Actual FY18 YE -to-FY19 Projection % Change
Brattleboro	\$58,660,758	\$62,813,126	7.1%	8.2%
Central Vermont	\$151,942,871	\$154,211,431	1.5%	5.7%
Copley	\$49,801,716	\$51,157,706	2.7%	3.2%
Gifford	\$36,579,840	\$37,368,943	2.2%	3.6%
Grace Cottage	\$13,649,629	\$13,568,636	-0.6%	4.4%
Mount Ascutney	\$37,533,452	\$37,610,510	0.2%	1.6%
North Country	\$57,681,897	\$59,833,700	3.7%	4.8%
Northeastern	\$58,406,844	\$63,111,735	8.1%	7.7%
Northwestern	\$79,698,358	\$81,663,607	2.5%	4.8%
Porter	\$60,728,266	\$61,805,023	1.8%	4.4%
Rutland Regional	\$191,438,339	\$193,052,845	0.8%	1.9%
Southwestern	\$119,370,225	\$123,049,793	3.1%	2.4%
Springfield	-	-	-	-
UVMCC	\$937,626,189	\$956,176,954	2.0%	3.5%
SYSTEM	\$1,853,118,383	\$1,895,424,010	2.3%	3.8%

Net Patient Revenue and Fixed Prospective Payments: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-June)

Hospital	NPR/FPP Variance Explanation
Brattleboro	<p>Gross Revenue variance 4.3% over budget Net Patient Revenue was 0.8% under budget FPP variance 3.9% over budget. Total Net Patient Revenue & FPP was 0.2% under budget</p>
Gifford	<p>Length of stay and days of care are below expectations causing below budgeted results in regards to IP. OR volumes were below expectations.</p>
Grace Cottage	<p>NPR continues to be slightly greater (-6.2%) than the threshold, due to Outpatient revenue being slightly under budget and Contractual Allowances being slightly over budget. Projections based on volume being back at full provider staffing, and contractual allowance reductions due to Medicare cost report settlement, continues to show ending the year within allowed variances.</p>
Northeastern	<p>3.2% higher than expected due to higher utilization.</p>
Northwestern	<p>Net patient revenues have been adversely affected by the implementation of a new Electronic Health Record in our outpatient physician practices. The result has been decreased productivity in the practices and the effects have been felt in some ancillary departments. We continue to work closely with our physicians and with the vendor to implement the necessary workflow and system improvements in order to bring volumes and revenue back up to pre-go-live levels. This issue is more fully discussed in a letter to the board dated July 11, 2019.</p>

Net Patient Revenue and Fixed Prospective Payments: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-June)

Hospital	NPR/FPP Variance Explanation
Mount Ascutney	<p>Inpatient: Inpatient acuity has dropped significantly, causing inpatient surgical and ancillary revenues to drop as well. Swing and Rehab were within variance guidelines.</p> <p>Outpatient: Steady volumes in established specialty provider practices are driving higher utilization of ancillary services. Therapies are experiencing high demand and are steadily outperforming budgeted figures. Strong outpatient revenues are a result of pharmaceutical volumes (infusion and chemotherapy), as well as imaging and therapy services.</p>
Rutland	<p>Year to date, our Gross Patient Service Revenue (GPSR) is over budget by \$3.6 million. Year to date patient day volume is under budget by 326 or 1.3%, however increases in Intensive Care utilization has resulted in Routine revenue being \$1.1 million over budgeted expectations.</p> <p>Inpatient ancillary revenue is under budget by \$2.5 million or 2.3%. This is somewhat related to decline in patient days and is being driven by a decrease in volume in surgical services, respiratory services & emergency services.</p> <p>Outpatient volume is over budget \$5.0 million or 2.0% - led by pharmaceuticals, diagnostic imaging and surgical services, off set by the decline in utilization in radiation therapy and endoscopy.</p> <p>Allowances are over budget by \$3.6M. Our reimbursement assumptions remain consistent with actual reimbursement from the Medicare, Medicaid and commercial programs. The overage in allowances relates to the increase in revenue and free care. Additional revenue drove approximately \$1.1 million of contractuals which represents a volume variance not a reimbursement issue. From a true reimbursement perspective, our Free Care provision is over budget \$1.8 million or 59.7%, this represents a true reduction in reimbursement and cash flow. As of June 30th we have processed 1,415 Free Care Applications, of which 91% were approved for some level of free care.</p>

Net Patient Revenue and Fixed Prospective Payments: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-June)

Hospital	NPR/FPP Variance Explanation
UVMHC	<p>0.9% favorable, within the 3.0% threshold. Favorable NPSR resulted from increased gross charges and higher than budgeted Commercial volumes driven by high Inpatient census, unfavorability in Professional Commercial payer mix, 3rd party reserves for possible Medicare ACO overpayment, and increased bad debt expense.</p> <p>Based on guidance from our auditors, population health management payment deductions for payments we expect to come back to us, and those that will be distributed to other OneCare participants are now flowing through NPR deductions instead of purchased services. Only true OneCare admin deductions continue to hit purchased services.</p>

Operating Expenses: Budget-to-Actual Variance FY19 YTD (October-June)

	Budget FY19 YTD	Actual FY19 YTD	Budget-to-Actual Variance FY19 YTD	Budget-to-Projection Variance FY19 YE
Brattleboro	\$65,366,051	\$65,142,911	-0.3%	-0.1%
Central Vermont	\$166,253,986	\$169,636,321	2.0%	1.6%
Copley	\$53,368,151	\$52,901,651	-0.9%	-0.8%
Gifford	\$41,509,587	\$38,960,283	-6.1%	-5.1%
Grace Cottage	\$15,247,220	\$15,553,105	2.0%	2.2%
Mount Ascutney	\$41,128,481	\$41,237,555	0.3%	2.0%
North Country	\$64,919,633	\$63,909,704	-1.6%	-1.3%
Northeastern	\$62,776,879	\$65,146,362	3.8%	4.4%
Northwestern	\$87,182,510	\$89,839,542	3.0%	3.0%
Porter	\$64,575,378	\$63,872,906	-1.1%	0.3%
Rutland Regional	\$201,165,596	\$205,920,390	2.4%	2.0%
Southwestern	\$123,158,674	\$123,605,668	0.4%	0.6%
Springfield	-	-	-	-
UVMMC	\$996,849,385	\$1,035,454,693	3.9%	4.0%
SYSTEM	\$1,983,501,530	\$2,031,181,091	2.4%	2.5%

Operating Expenses: Actual-to-Actual % Change FY19 YTD (October-June)

	Actual FY18 YTD	Actual FY19 YTD	Actual-to-Actual % Change	Actual FY18 YE -to-FY19 Projection % Change
Brattleboro	\$62,918,393	\$65,142,911	3.5%	4.0%
Central Vermont	\$162,202,883	\$169,636,321	4.6%	4.3%
Copley	\$52,517,494	\$52,901,651	0.7%	1.3%
Gifford	\$42,952,167	\$38,960,283	-9.3%	-5.0%
Grace Cottage	\$14,700,676	\$15,553,105	5.8%	4.1%
Mount Ascutney	\$39,863,017	\$41,237,555	3.4%	4.6%
North Country	\$62,126,263	\$63,909,704	2.9%	2.6%
Northeastern	\$59,410,590	\$65,146,362	9.7%	7.3%
Northwestern	\$84,095,794	\$89,839,542	6.8%	5.5%
Porter	\$60,472,391	\$63,872,906	5.6%	6.4%
Rutland Regional	\$200,468,520	\$205,920,390	2.7%	2.0%
Southwestern	\$118,629,305	\$123,605,668	4.2%	4.2%
Springfield	-	-	-	-
UVMCC	\$980,005,911	\$1,035,454,693	5.7%	5.8%
SYSTEM	\$1,940,363,404	\$2,031,181,091	4.7%	4.7%

Operating Expenses: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-June)

Hospital	Variance Explanation
Gifford	Expenses are below budgeted expectations and projections due to Gifford's continuing efforts in the area of cost savings.
Northeastern	3.8% higher than expected due to temporary staffing and locum tenens costs.
Northwestern	Operating expenses are running 3% over budget and remain a focus of the organization even while we work through the necessary process to address the revenue shortfall that we are currently experiencing.
Porter	Expenditures remain within the 3% guideline; however, we continue to focus on reducing our reliance on temporary labor.
Rutland	Fiscal 2019 year-to-date expenses are running over budget by \$5.0 million or 2.5%. This overage is driven, in large part, by the continued need for temporary staff FTEs and increased physician salaries related to recruitment and ongoing contractual obligations with physicians. In addition, we continue to see increases in pharmaceutical & surgical supplies due to a mix of inflation and utilization. Operating Margin: Please note our 2019 Projected Net Operating Margin is forecasted to be \$2.7 million less than budget. Although the RRMC Management Team continues to put in place efficiency plans and cost reductions the deficit in the operating margin will not be fully mitigated.
Southwestern	Expenditures are approximately 0.4% over budget with the most significant variances in contract labor expense.
UVMHC	3.9% unfavorable. Key drivers are labor costs, med/surg supplies, pharmaceuticals, and purchased services driven by high Inpatient census.

Summary: NPR/FPP and Operating Expenses Budget-to-Actual Variance FY19 YTD (October-June)

	Budget-to-Actual Variance YTD			Budget-to-Projection Variance YE		
	NPR/FPP	Operating Expenses	Operating Margin*	NPR/FPP	Operating Expenses	Operating Margin**
Brattleboro	-0.2%	-0.3%	0.8%	0.0%	-0.1%	0.8%
Central Vermont	-2.4%	2.0%	-2.0%	-2.7%	1.6%	-1.9%
Copley	-2.8%	-0.9%	-1.8%	-2.6%	-0.8%	-1.8%
Gifford	-10.9%	-6.1%	-2.1%	-9.5%	-5.1%	-1.8%
Grace Cottage	-6.2%	2.0%	-10.0%	-1.5%	2.2%	-4.7%
Mount Ascutney	-2.0%	0.3%	-1.8%	0.9%	2.0%	-0.7%
North Country	-1.3%	-1.6%	1.1%	-1.8%	-1.3%	1.2%
Northeastern	3.2%	3.8%	2.0%	3.6%	4.4%	1.8%
Northwestern	-3.4%	3.0%	-5.4%	-4.0%	3.0%	-6.0%
Porter	-2.4%	-1.1%	3.7%	-0.7%	0.3%	3.7%
Rutland Regional	-0.5%	2.4%	0.7%	0.1%	2.0%	1.5%
Southwestern	-0.7%	0.4%	3.5%	-0.2%	0.6%	3.3%
Springfield	-	-	-	-	-	-
UVMCC	0.9%	3.9%	2.3%	1.9%	4.0%	2.7%
SYSTEM	-0.5%	2.4%	-	0.3%	2.5%	-

*Operating Margin as of June 31, 2019 (not a budget-to-actual variance)

**Operating Margin projection for September 30, 2019 (not a budget-to-projection variance)

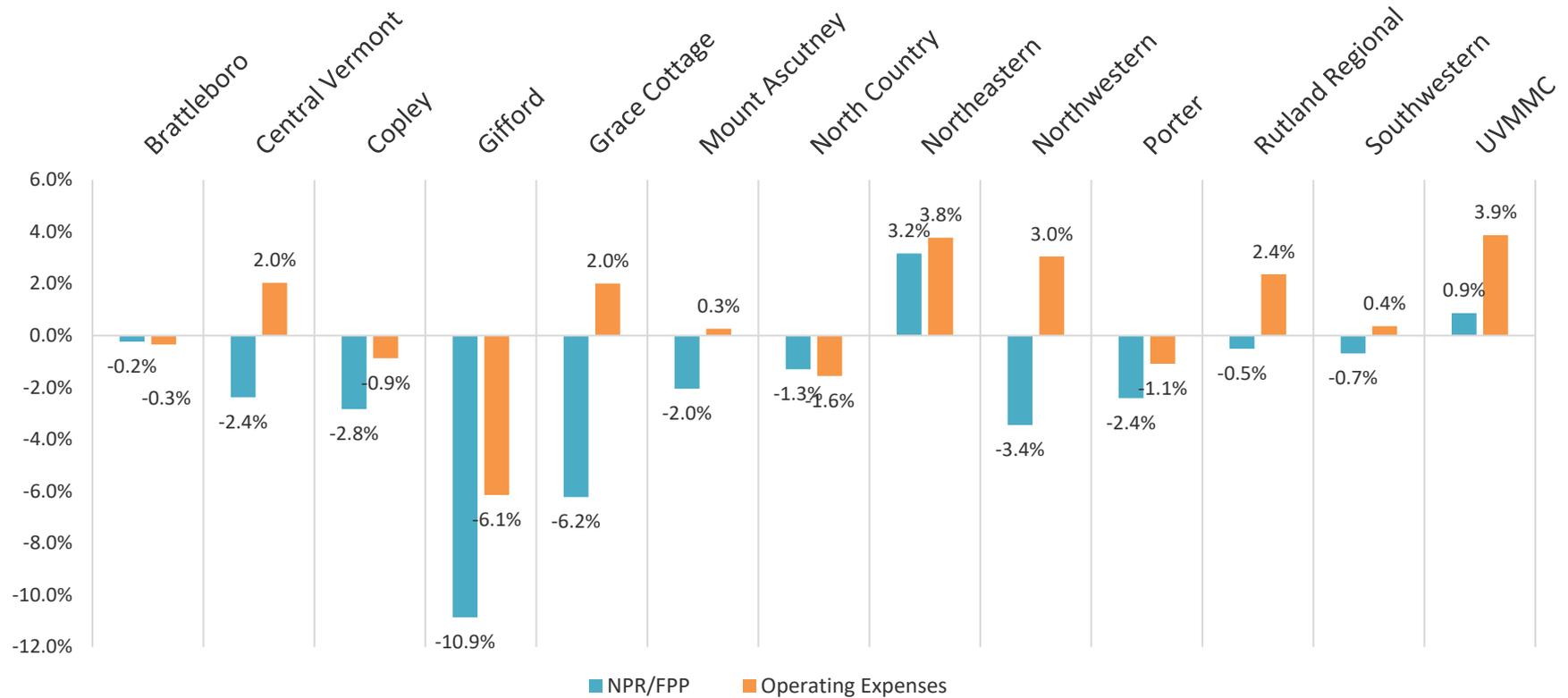
Summary: NPR/FPP and Operating Expenses Actual-to-Actual % Change FY19 YTD (October-June)

	FY18 Actual-to-FY19 Actual Change YTD			FY18 Actual-to-FY19 Projection Variance YE		
	NPR/FPP	Operating Expenses	Operating Margin*	NPR/FPP	Operating Expenses	Operating Margin**
Brattleboro	7.1%	3.5%	0.8%	8.2%	4.0%	0.8%
Central Vermont	1.5%	4.6%	-2.0%	5.7%	4.3%	-1.9%
Copley	2.7%	0.7%	-1.8%	3.2%	1.3%	-1.8%
Gifford	2.2%	-9.3%	-2.1%	3.6%	-5.0%	-1.8%
Grace Cottage	-0.6%	5.8%	-10.0%	4.4%	4.1%	-4.7%
Mount Ascutney	0.2%	3.4%	-1.8%	1.6%	4.6%	-0.7%
North Country	3.7%	2.9%	1.1%	4.8%	2.6%	1.2%
Northeastern	8.1%	9.7%	2.0%	7.7%	7.3%	1.8%
Northwestern	2.5%	6.8%	-5.4%	4.8%	5.5%	-6.0%
Porter	1.8%	5.6%	3.7%	4.4%	6.4%	3.7%
Rutland Regional	0.8%	2.7%	0.7%	1.9%	2.0%	1.5%
Southwestern	3.1%	4.2%	3.5%	2.4%	4.2%	3.3%
Springfield	-	-	-	-	-	-
UVMCC	2.0%	5.7%	2.3%	3.5%	5.8%	2.7%
SYSTEM	2.3%	4.7%	-	3.8%	4.7%	-

*Operating Margin as of June 31, 2019 (not a budget-to-actual variance)

**Operating Margin projection for September 30, 2019 (not a budget-to-projection variance)

Summary: NPR/FPP and Operating Expenses Budget-to-Actual Variances FY19 YTD (October-June)



Utilization

Acute Admissions Utilization: Budget-to-Actual/Projection Variance FY19 YTD (October-June)

	<u>Budget FY19 YTD</u>	<u>Actual FY19 YTD</u>	<u>Budget-to-Actual Variance FY19 YTD</u>	<u>Budget-to-Projection Variance FY19 YE</u>
Brattleboro	1,167	1,362	16.7%	17.0%
Central Vermont	3,085	3,175	2.9%	2.2%
Copley	1,430	1,321	-7.6%	-2.9%
Gifford	879	885	0.7%	-0.4%
Grace Cottage	112	95	-15.0%	-14.8%
Mount Ascutney	297	299	0.7%	-3.5%
North Country*	-	-	-	-100.0%
Northeastern	1,046	1,120	7.0%	5.0%
Northwestern	1,892	1,771	-6.4%	-6.4%
Porter	1,136	1,188	4.6%	2.3%
Rutland Regional	5,181	5,158	-0.4%	0.3%
Southwestern	2,624	2,576	-1.8%	-2.6%
Springfield	-	-	-	-
UVMMC	14,484	15,199	4.9%	3.0%
SYSTEM	33,333	34,149	2.4%	1.6%

*North Country did not submit utilization data.

Outpatient Visits Utilization*: Budget-to-Actual Variance FY19 YTD (October-June)

	Budget FY19 YTD	Actual FY19 YTD	Budget-to-Actual Variance FY19 YTD	Budget-to-Projection Variance FY19 YE
Brattleboro**	28,549	119,071	317.1%	318.2%
Central Vermont	350,161	326,846	-6.7%	-4.6%
Copley	70,753	70,669	-0.1%	-4.5%
Gifford	42,133	43,397	3.0%	0.0%
Grace Cottage	15,720	14,068	-10.5%	-10.3%
Mount Ascutney	23,927	26,653	11.4%	9.5%
North Country	-	-	-	-
Northeastern	73,532	102,710	39.7%	33.9%
Northwestern	167,393	170,766	2.0%	2.0%
Porter	47,945	45,783	-4.5%	-3.4%
Rutland Regional	191,645	182,944	-4.5%	-17.9%
Southwestern	216,731	216,825	0.0%	0.2%
Springfield	-	-	-	-
UVMCC	1,332,818	1,218,318	-8.6%	-9.8%
SYSTEM	2,532,757	2,418,979	-4.5%	-6.2%
without Brattleboro, Springfield and North Country				

*Hospitals June count outpatient (OP) visits differently. This is in part due to OP visits including many different types of visits such as procedures, tests, exams, etc. GMCB staff is working to develop a more consistent definition for this statistic.

**Brattleboro Memorial Hospital included a broader range of services in their FY19 YTD calculation compared to their FY19 budget. The broadening of included services contributes to the substantially large variance.

Utilization: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-June)

Hospital	Variance Explanation
Brattleboro	<p>Total admissions 14.6% over budget</p> <p>Surgical cases 5.4% under budget - largely due to turnover of Orthopedic and General surgeons.</p> <p>Oncology 37% overbudget</p> <p>Imaging 10.9% overbudget</p> <p>Rehab Services 6.8% overbudget</p>
CVMC	<p>Outpatient Visits are 6.7% under budget due to a decrease in volume at our Physician Practice Clinics.</p>
Grace Cottage	<p>Acute/Swing utilization as a whole are slightly under budget for both patient days/revenue. Outpatient utilization also continues to be slightly under budget, due in part to Physician utilization being under budget as a result of being down one budgeted provider in the first three months.</p>
Northeastern	<p>Admissions are 4.9% and patient days are 24.5% higher than expected through June. There is no discernable reason for higher admission other than an aging population and restored community confidence in NVRH's services. Increased patient acuity and challenges placing patients in appropriated facility when the need to do so is identified has led to an uptick in average length of stay and increase in patients days.</p>

Utilization: Hospital Narrative on Budget-to-Actual Variance FY19 YTD (October-June)

Hospital	Variance Explanation
Northwestern	Volumes across the organization have been impacted by the electronic health record system as discussed. The inpatient stats included in this submission continue to show soft inpatient volumes but the primary driver of reduced volumes is the reduction in physician office visits.
Porter	Acute admissions are higher than anticipated due to utilization of routine inpatient services; we continue to experience lower volumes in All Outpatient Visits driven by the areas of Laboratory and Imaging.
Rutland	Year-to-date patient day volume was under budget 326 days, excluding nursery. The decline in days is a result of efficiency gains related to a decline in length of stay and not patient volume. Admissions (discharges) were 9 over budget and the ALOS was 4.66 days per stay or approximately 2 hours shorter than expected. The result is that year-to-date our average daily census is 88 or 1.0 patient under budgeted expectation.
UVMHC	Acute Admissions 4.9% favorable, Total Admissions 4.5% favorable, Patient Days 5.8% favorable, driven by high Inpatient census; offset by Outpatient Visits 8.6% unfavorable.

Next Steps



- FY19 July YTD reporting due from hospitals on August 20, 2019.
- Hospitals submitted FY20 budgets on July 1, 2019. Information for the submitted budgets is available on the [GMCB website](#).
- Hearings for FY20 Hospital Budgets scheduled for the last 2 weeks in August.