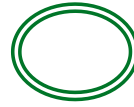




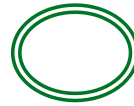
A Look at Vermont Hospitals with NASHP's Hospital Cost Tool

NASHP Hospital Cost Tool



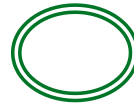
- Developed by the National Academy for State Health Policy (NASHP) with support from Arnold Ventures:
 - Help purchasers and regulators better understand hospital *costs*
 - Can be used as a complement to recent findings reported in RAND Corp.'s *Nationwide Evaluation of Health Care Prices Paid by Private Health Plans*
- Officials from several states have reviewed the tool and expressed interest in leveraging its analysis of their hospitals in different ways:
 - Pursuing a more robust insurance rate review;
 - Including results in analysis of hospital mergers;
 - Further informing hospital global budget parameters; and
 - Negotiating hospital reimbursement as a reference to Medicare rates.

Vermont Hospitals



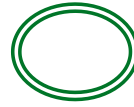
CCN #	Hospital	# Beds	Net Patient Revenue	Net Income	Reserves	Profit Margin (as Reported)
470011	Brattleboro Memorial Hospital	47	\$ 72,910,229	\$ 1,452,930	\$ 60,835,675	2%
470001	Central Vermont Hospital	76	\$ 166,757,133	\$ (2,035,343)	\$ 81,999,289	-1%
471305	Copley Hospital	25	\$ 66,993,812	\$ (1,765,506)	\$ 37,861,277	-3%
471301	Gifford Medical Center	25	\$ 50,052,097	\$ 1,594,214	\$ 59,807,769	3%
471300	Grace Cottage Hospital	19	\$ 18,712,877	\$ (323,854)	\$ 9,910,288	-2%
471302	Mt Ascutny	25	\$ 50,075,938	\$ 2,202,005	\$ 28,552,894	4%
471304	North Country Hospital & Health Ctr	25	\$ 73,534,421	\$ 2,384,991	\$ 55,826,035	3%
471303	Northeastern VT Regional Hospital	25	\$ 87,969,584	\$ 1,589,626	\$ 42,355,119	2%
470024	Northwestern Medical Center	53	\$ 88,058,343	\$ (8,493,362)	\$ 118,914	-10%
471307	Porter Hospital	25	\$ 68,634,964	\$ 5,403,285	\$ 39,728,115	8%
470005	Rutland Regional Medical Center	124	\$ 248,889,859	\$ 1,172,131	\$ 213,192,301	0.5%
470012	Southwestern VT Medical Center	78	\$ 140,176,228	\$ 5,995,993	\$ 35,856,214	4%
471306	Springfield Hospital	25	\$ 44,622,379	\$ (5,920,215)	\$ 8,552,715	-13%
470003	University of Vermont Medical Center	422	\$ 1,141,749,949	\$ 58,085,185	\$ 1,032,391,000	5%
	TOTAL	994	\$ 2,319,137,813	\$ 61,342,080	\$ 1,706,987,605	
	AVERAGE					3%

Charity Care, Uninsured, and Bad Debt



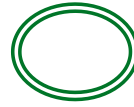
<i>Hospital</i>		<i>Charity Care, Uninsured, Bad Debt</i>	
CCN #	Hospital	Cost	% of Operating Expenses
470011	Brattleboro Memorial Hospital	\$ 2,657,046	3.1%
470001	Central Vermont Hospital	\$ 2,877,898	1.3%
471305	Copley Hospital	\$ 958,192	1.4%
471301	Gifford Medical Center	\$ 1,011,453	3.0%
471300	Grace Cottage Hospital	\$ 348,837	1.4%
471302	Mt Ascutny	\$ 895,527	1.6%
471304	North Country Hospital & Health Ctr	\$ 2,408,388	2.8%
471303	Northeastern VT Regional Hospital	\$ 2,822,376	3.1%
470024	Northwestern Medical Center	\$ 4,259,338	3.6%
471307	Porter Hospital	\$ 4,160,049	4.8%
470005	Rutland Regional Medical Center	\$ 5,250,641	1.9%
470012	Southwestern VT Medical Center	\$ 2,439,406	1.4%
471306	Springfield Hospital	\$ 1,881,898	3.0%
470003	University of Vermont Medical Center	\$14,122,945	1.0%
	TOTAL	\$46,093,994	
	AVERAGE		2%

Payer Mix



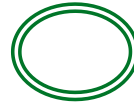
<i>Hospital</i>		<i>Payer Mix</i>			<i>Profit (Loss)</i>		
CCN #	Hospital	Medicare	Medicaid	Commercial	Medicare	Medicaid***	Commercial
470011	Brattleboro Memorial Hospital	38%	14%	44%	-23%	-59%	30%
470001	Central Vermont Hospital	39%	14%	45%	-13%	-147%	29%
471305	Copley Hospital	40%	13%	45%	0%	-22%	36%
471301	Gifford Medical C enter	40%	16%	41%	1%	-112%	51%
471300	Grace Cottage Hospital	39%	10%	49%	17%	-279%	31%
471302	Mt Ascutny	42%	11%	45%	20%	-34%	21%
471304	North Country Hospital & Health Ctr	39%	23%	34%	3%	-125%	68%
471303	Northeastern VT Regional Hospital	41%	23%	33%	2%	-31%	52%
470024	Northwestern Medical Center	34%	0%	62%	-20%	NA	-7%
471307	Porter Hospital	34%	13%	45%	0%	-11%	18%
470005	Rutland Regional Medical Center	45%	15%	38%	-29%	-89%	51%
470012	Southwestern VT Medical Center	39%	14%	45%	-6%	-29%	37%
471306	Springfield Hospital	19%	0%	77%	20%	NA	3%
470003	University of Vermont Medical Center	35%	14%	50%	-17%	-95%	47%
	TOTAL						
	AVERAGE	37%	13%	46%	-3%	-86%	33%

Hospital Prices



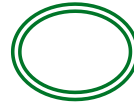
<i>Hospital</i>		<i>Multiple of Medicare (Inpatient & Outpatient)</i>				
CCN #	Hospital	Breakeven Level 1*	Breakeven Level 2*	Breakeven Level 3*	Breakeven Level 4*	RAND 3.0 Report Relative Price**
470011	Brattleboro Memorial Hospital	168%	149%	169%	106%	238%
470001	Central Vermont Hospital	152%	152%	204%	107%	280%
471305	Copley Hospital	109%	104%	123%	117%	
471301	Gifford Medical Center	127%	123%	148%	134%	
471300	Grace Cottage Hospital	85%	125%	188%	117%	
471302	Mt Ascutny	68%	58%	91%	66%	
471304	North Country Hospital & Health Ctr	158%	205%	274%	179%	
471303	Northeastern VT Regional Hospital	126%	151%	193%	167%	190%
470024	Northwestern Medical Center	139%	115%	165%	120%	
471307	Porter Hospital	117%	114%	132%	54%	
470005	Rutland Regional Medical Center	200%	199%	248%	204%	313%
470012	Southwestern VT Medical Center	124%	128%	172%	107%	249%
471306	Springfield Hospital	80%	78%	97%	70%	184%
470003	University of Vermont Medical Center	150%	162%	249%	161%	371%
	TOTAL					
	AVERAGE	129%	133%	175%	122%	

Physician Costs



<i>Hospital</i>		MCR Disallowed Professional			MCR Allowed Professional
CCN #	Hospital	<i>Physician - Professional Direct Patient Services**</i>	<i>Physician private offices**</i>	<i>Physician - Exceed Reasonable Comp Equiv (RCE)</i>	<i>Physician - Hospital Services</i>
470011	Brattleboro Memorial Hospital	\$ 16,085,303	\$ -	\$ 17,450	\$ 88,450
470001	Central Vermont Hospital	\$ 33,980,901	\$ -	\$ 398,684	\$ 1,120,953
471305	Copley Hospital	\$ 9,394,106	\$ 2,066,238	\$ -	\$ 391,283
471301	Gifford Medical Center	\$ 8,389,379	\$ 400,810	\$ -	\$ 829,955
471300	Grace Cottage Hospital	\$ 481,493	\$ -	\$ -	\$ 510,559
471302	Mt Ascutny	\$ 5,797,424	\$ -	\$ -	\$ 734,995
471304	North Country Hospital & Health Ctr	\$ 7,611,322	\$ 8,979,135	\$ -	\$ 286,364
471303	Northeastern VT Regional Hospital	\$ 6,170,789	\$ 976,250	\$ -	\$ 4,179,162
470024	Northwestern Medical Center	\$ -	\$ 4,315,423	\$ -	\$ -
471307	Porter Hospital	\$ 15,251,102	\$ 1,691	\$ -	\$ 326,747
470005	Rutland Regional Medical Center	\$ 33,570,858	\$ -	\$ 1,747,500	\$ 3,603,617
470012	Southwestern VT Medical Center	\$ 23,844,555	\$ 10,228	\$ 268,706	\$ 677,492
471306	Springfield Hospital	\$ 5,022,669	\$ 6,462,671	\$ -	\$ 764,502
470003	University of Vermont Medical Center	\$ 162,173,969	\$ -	\$ 13,953,967	\$ 31,612,824
	TOTAL	\$ 327,773,870	\$ 23,212,446	\$ 16,386,307	\$ 45,126,903

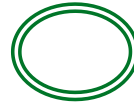
Comparing Academic Hospitals



<i>Hospital</i>		<i>Financial Statement</i>			
CCN #	Hospital	Net Patient Revenue	Net Income	Reserves	Profit Margin (as Reported)
300003	Mary Hitchcock Memorial Hospital	\$ 1,189,522,229	\$ 84,916,461	\$ 682,009,315	7%
330013	Albany Medical Center Hospital	\$ 1,017,269,603	\$ 45,017,957	\$ 446,682,261	4%
471307	University of Vermont Medical Center	\$ 1,141,749,949	\$ 58,085,185	\$ 1,032,391,000	5%

<i>Hospital</i>		<i>Payer Mix</i>			<i>Profit (Loss)</i>		
CCN #	Hospital	Medicare	Medicaid	Commercial	Medicare	Medicaid***	Commercial
300003	Mary Hitchcock Memorial Hospital	37%	14%	47%	-2%	-88%	40%
330013	Albany Medical Center Hospital	23%	21%	54%	3%	-8%	30%
471307	University of Vermont Medical Center	35%	14%	50%	-17%	-95%	47%

Comparing Academic Hospitals



Prices

<i>Hospital</i>		<i>Multiple of Medicare (Inpatient & Outpatient)</i>				
CCN #	Hospital	Breakeven Level 1*	Breakeven Level 2*	Breakeven Level 3*	Breakeven Level 4*	RAND 3.0 Report Relative Price**
300003	Mary Hitchcock Memorial Hospital	122%	118%	199%	150%	248%
330013	Albany Medical Center Hospital	101%	98%	142%	127%	241%
471307	University of Vermont Medical Center	150%	162%	249%	161%	371%

Physician Costs

<i>Hospital</i>		MCR Disallowed Professional			MCR Allowed Professional
CCN #	Hospital	<i>Physician - Professional Direct Patient Services**</i>	<i>Physician private offices**</i>	<i>Physician - Exceed Reasonable Comp Equiv</i>	<i>Physician - Hospital Services</i>
300003	Mary Hitchcock Memorial Hospital	\$ -	\$ 253,238	\$ 8,495,144	\$ 19,086,907
330013	Albany Medical Center Hospital	\$ 11,559,270	\$ -	\$ 1,536,590	\$ 3,811,560
471307	University of Vermont Medical Center	\$ 162,173,969	\$ -	\$ 13,953,967	\$ 31,612,824

Thank You