

NVRH

Response to GMCB Staff Budget Questions

Due August 12, 2022

- 1) FEMA recently extended the time period for eligible COVID-related expenses in its public assistance program. Do you anticipate pursuing any of this funding? If so, what is the approximate timing and estimated amount of any potential funding?**

NVRH did not pursue any FEMA funding for eligible COVID-related expenses. The Provider Relief Funds NVRH received covered all COVID-related expenses and lost income. Therefore, NVRH did not need to pursue FEMA funds

- 2) Describe the methods used to estimate the effect of inflation on your expenses. Include how the calculations are applied to expense categories (e.g. wage and salary, pharmaceuticals).**

Salary inflation is based on the actual salary increases NVRH has provided to employees. Fringe benefit inflation was based on feed back from our benefit consultants. Pharmaceutical inflation was based on information provided to NVRH Pharmacy director. Medical supply inflation was based on information provided to our Supply Chain director.

- 3) How does your organization evaluate the affordability of services for patients?**

NVRH is constantly looking to achieve operational efficiencies and reduce cost of services, thereby making the services more affordable. For example, the FY 2023 budget includes \$1.7 million of cost reductions.

When patients are billed for services, NVRH offers them up to six months, interest free to make payments. For patients that make payments immediately, NVRH offers a 25% prompt payment discount. For qualifying patients, NVRH's financial assistance program compares favorably to peer hospitals, offering a minimum of 47% discount up to 400% of the federal poverty guidelines.

- 4) Do you anticipate any changes to your budgeted fixed prospective payments for FY23?**

NVRH does not anticipate any changes to budgeted fixed prospective payments for FY23. NVRH will participate in the Medicare value-based OneCare Vermont program during FY23. However, we will continue to receive fee-for-service-based Medicare payments.