Choosing Health
NORTHEASTERN VERMONT REGIONAL HOSPITAL

Fiscal Year 2023 Budget Narrative

A. EXECUTIVE SUMMARY

The operating and capital budgets for Northeastern Vermont Regional Hospital (NVRH) were developed using guidelines established by the Green Mountain Care Board and the strategic priority framework established by the hospital's board of trustees. The key themes of the NVRH strategic priories are:

- *Sustainability*: NVRH is a thriving organization meeting our community's health care needs in an environment that is constantly changing.
- *Innovation*: Consumer demand, technology advancement, and creative thinking are driving new and different ways to deliver high quality healthcare.
- *Leadership & Workforce*: Our employees are our greatest asset and we are committed to the growth, development, and well-being of everyone on our team.
- *Health Equity & Resilience*: Everyone has a fair and just opportunity to be as healthy as possible. We offer everyone the opportunity to thrive, individually and collectively in the face of adversity.
- *Facilities*: Our facilities are intuitive, safe, modern, efficient, and visually appealing for patients and staff.

Fiscal year 2023 (FY23) will be a transition year for ("NVRH"), as the hospital will see a modest positive operating margin after sustaining a $1.3 million operating loss in fiscal year 2022 (FY22.) Key factors to making the transition from a negative to a positive operating margin include:

- Savings from internal sustainability program
- Reduced utilization of travelers and locum tenens to meet staffing needs
- Modest volume increase
- Rate increase of 10.75%

One new service line has been included in the FY23 budget. The only podiatrist serving the NVRH community retired in 2022. They were unable to recruit a podiatrist to take over the existing practice. In order to meet the community's ongoing need for podiatric services, NVRH transitioned podiatry from a community-based to a hospital-based practice. Revenue and expenses for the new practice are summarized in the Schedule A - Notice of Provider Practice Transfer document.

NVRH has received and recorded as revenue Provider Relief Funds totaling a little over $9 million, including $2.4 million in FY22. We do not anticipate receiving any additional Provider Relief Funds in FY23.

The financial challenges we faced during 2022 presented an opportunity to engage the entire hospital in a Financial Sustainability Project. The goal is to find operating margin improvement opportunities totaling $3.5 million over the FY23-FY24 two year period. The FY23 budget goal was $1.7 million. That goal was achieved. Details will be provided in another section of this narrative. The project includes an independent review of productivity throughout the hospital as salaries and benefits account for over 60% of total operating expenses. In our opinion, every NVRH department is staffed efficiently. However, we have retained an outside consultant,

Applied Management Systems (AMS), to review labor and productivity at NVRH as compared to peer Critical Access Hospitals. We anticipate receiving a preliminary report from AMS in late July.

On May 18, 2022, NVRH received a determination of non-jurisdiction from the GMCB for our Mental Health Support Area (MHSA) addition. The MHSA will help NVRH better serve the needs of patients in mental health crisis who present in our Emergency Department. Construction on the MHSA addition could begin before September 30, 2022. Construction is expected to take a little more than 1 year. Funding for the MHSA will be provided entirely by a Congressionally Designated Spending appropriation secured for NVRH by Senator Leahy.

B. YEAR-OVER-YEAR CHANGES

i. NPR/FPP Overview

APPENDIX 1

NPR	Total	Total Medicare	Total Medicaid	Total Commercial	Total Self-Pay/Other	DSH
FY 2022 Approved Budget	$ 97,368,788	$ 35,337,088.00	$ 15,887,640.00	$ 43,212,420.00	$ 2,005,240.00	$ 926,400.00
Rate Effect	$ 4,688,800	$ -	$ -	$ 4,488,800.00	$ 200,000.00	$ -
Disproportionate Share Payments (DSH)	$ -					$ -
Utilization (not factoring in change in charge request)	$ 4,108,400	$ 1,505,400.00	$ 676,800.00	$ 1,840,800.00	$ 85,400.00	
Fixed Prospective Payments	$ 731,173		$ 731,173.00			
Provider Acquisitions/Transfers	$ 490,900	$ 253,800.00	$ 110,200.00	$ 126,900.00		
Changes in Accounting	$ -					
Reimbursement/Payer Mix	$ 3,462,439	$ 4,454,371.00	$ (833,586.00)	$ 223,346.00	$ (381,692.00)	
Bad Debt/Free Care	$ (792,500)			$ (792,500.00)		
Medicare Replacement from Commercial to Medicare	$ -	$ 3,419,100.00		$ (3,419,100.00)		
Other (specify)	$ -					
Other (specify)	$ -					
FY 2023 Proposed Budget	$ 110,058,000	$ 44,969,759	$ 16,572,227	$ 45,680,666	$ 1,908,948	$ 926,400
$ Change from FY 2022 Approved Budget	$ 12,689,212	$ 9,632,671	$ 684,587	$ 2,468,246	$ (96,292)	$ -
% Change from FY 2022 Approved Budget	13%	27%	4%	6%	-5%	0%

a. On a budget to budget basis NPR/FPP is increasing by 13%. Referencing Appendix 1, shown above, the major factors for the NPR growth include:

- NVRH is requesting a 10.75% rate increase. Rate increases affect only Commercial and Self Pay reimbursement.
- No changes in Medicare reimbursement to Critical Access Hospitals has been assumed. The Medicare reimbursement increase is a result of increased operating costs
- Medicare-eligible patients are leaving traditional Medicare enrollment in favor of replacement products. In prior years, NVRH had incorrectly categorized Medicare replacement revenue as Commercial rather than Medicare. That error was corrected with the FY23 submission. Reimbursement from Medicare replacement insurance is the same as traditional Medicare
- A slight change in payer mix has been budgeted.
- No significant changes to our commercial insurance contracts was budgeted
- As a percentage of gross revenue, a slight increase in Uncompensated Care was budgeted

b. A slight decrease in Medicaid laboratory fee schedule reimbursement was budgeted

ii.NPR/FPP: Utilization

a. Overall utilization is anticipated to increase by an average of 3%, based on the Adjusted Patient Day metric. However, as shown in Appendix 3 below, utilization is increasing significantly in a few departments.

b. Occupancy Rates – Please refer to the table below:

NVRH			
Occupancy Rates			
Licensed Beds	75		
	FY 21	**FY 22**	**FY 23**
Avg. Daily Census (*)	15.8	17.0	17.0
Occupancy %	21.1%	22.7%	22.7%
Staffed Beds	25		
	FY 21	**FY 22**	**FY 23**
Avg. Daily Census	15.8	17.0	17.0
Occupancy %	63%	68%	68%
(*) Excluding Nursery			

c. The services having most significant gross revenue growth are shown in Appendix 3

Appendix 3

Category of Service	Total increase in Gross Revenues (%)	Total increase in Gross Revenues ($)
FY 2022 Approved Budget	203,382,600.00	
Inpatient Routine	18%	$3,379,000
Lab	24%	$4,275,700
Pharmacy	12%	$2,269,600
Diagnostic Imaging Services (Combined)	17%	$4,398,000
FY 2023 Proposed Budget	238,142,300	$14,322,300

$ Change from FY 2022 Approved budget		**$14,322,300**
% Change from FY 2022 Approved budget	**17.1%**	

Additional information pertaining to changes provided in Appendix 3, shown above, include:

- Inpatient days, excluding newborns, will increase by 8.3% due to increased acuity of patients admitted to inpatient services
- The increase in laboratory revenue is based on trends through April 30th. Contributing factors include referrals from busy primary care and specialty practices and higher acuity of inpatients and emergency room patients. Some COVID related testing is still being done as well.
- The increase in pharmacy revenue is a function of higher utilization of costly drugs, more specifically, drugs provided to infusion patients

One final note on utilization: ED volume for FY23 is budgeted at the same level as FY22. However, we continue to see a decline in avoidable ED visits, down to 17% of total visits. Another update will be provided during our budget presentation.

iii. Charge Request

a. Referencing Appendix 2 below: NVRH's budget includes a 12.2% increase for outpatient and inpatient rates and 0% increase for professional service fees. The aggregate commercial rate increase is 10.75%

Appendix 2

Do not Modify, except for cells labeled "Other"
Charge and NPR Detail

The following tables demonstrate the hospital's charges by payer from your requested charge master increase.

Table 1: Please provide the requested charge master increase by area of service without utilization and acuity.

Charge Master Increase Schedule (Charge Increase)				
Area of Service	FY 22 Budget Total Charge Master Increase ($)	FY 22 Budget Total Charge Master Increase (%)	FY 23 Budget Total Charge Master Increase ($)	FY 23 Budget Total Charge Master Increase (%)
Hospital Inpatient (Incl. SNF & Rehab)	$ 1,236,012	3%	$ 5,296,142	12%
Hospital Outpatient	$ 4,844,905	3%	$ 17,158,666	12%
Professional Services	$ -	0%	$ -	0%
Other (specify)	$ -	0%	$ -	0%
Overall Increase in Gross Revenues Across All Categories	$ 6,080,917	3%	$ 22,454,808	11%

b. The requested rate increase was calculated after NPR was determined based on existing rates, adjusted for utilization changes, and compared to budgeted expenses, after inclusion of cost savings. To achieve a modest operating margin of $500,000 the rate increase needed to generate $4.7 million of additional NPR. Each 1% of rate increase generates $436,200 of additional NPR. Therefore, a 10.75% was required to generate $4.7 million of NPR. The requested increase impacts gross revenue equally for all payers. Net patient revenue assumptions by payer is as follows:

- Medicare reimbursement is not affected by rate increases. As a Critical Access Hospital, Medicare reimbursement is only changed by increases or decreases in operating costs, adjusted for any change in Medicare payer mix.
- Medicaid reimbursement is fixed for all services (e.g. fee schedule, DRG, APC) and therefore, is also not affected by rate increases.
- Commercial and self pay reimbursement is affected by rate increases. However, the increase is subject to contractual provisions with each payer and the self-pay patients ability to pay

c. The FY23 budget assumes a 1% rate increase yields $436,200 of additional NPR

d. The following information is provided in response to a request for updates on the GMCB's approved charge increase for NVRH

i. The hospital received the full amount of the charge increase from all the major commercials insurers

ii. NVRH did increase charges to the full amount approved by the GMCB

iii. Inpatient and outpatient rates were increased by 3.4%. Rates for professional services were not increased

iv. Adjustments

One adjustment is included in the FY23 budget. The only podiatrist serving the NVRH community retired in 2022. They were unable to recruit a podiatrist to take over the existing practice. In order to meet the community's ongoing need for podiatric services, NVRH transitioned podiatry from a community-based to a hospital-based practice. The FY23 budget includes an adjustment of $490,900 for net patient revenue for the new Podiatry Clinic.

v. Other Operating and Non-Operating Revenue

a. On a budget to budget basis Other Operating revenue does not change significantly. On a budget to projected basis, Other Operating revenue will drop by $2.1 million. During FY22 NVRH received an additional, and unbudgeted, PRF payment of $2.4 million. We do not anticipate any additional PRF payments. Non-Operating Revenue includes an estimate of Interest income. However, the majority of actual Non Operating Revenue will comes from market gains or losses on invested funds. NVRH does not budget market gains or losses as those changes can't be predicted accurately.

b. Appendix 6 is provided below. It provides the information on PRFs received to date.

Appendix 6

Do not Modify, except cells labeled "Other"

COVID-19 Advances, Relief Funds, and Other Grants

Please denote the relief funding sources of amounts *received by the hospital* for COVID-19 as of the budget submission under the "Description" column. In addition, please note the amounts recognized in revenues or planned to be recognized in revenues, and/or recorded as a liability or planned to be recorded as a liability as of September 30, 2021, September 30, 2022, and September 30, 2023.

Description	Amounts Received	Amounts Received	Recognized in Revenues	Recorded as a Liability	Amounts Received	Recognized in Revenues	Recorded as a Liability	Recognized in Revenues	Recorded as a Liability
	Grand Total	As of Sept. 30, 2021			As of Sept. 30, 2022			As of Sept. 30, 2023	
Provider Relief Funds	$ 9,007,166	$ 6,607,166	$ 6,607,166	$ -	2,400,000	2,400,000	0	0	0
Medicare Advance - Repayment	$ 13,725,500	$ 13,725,500	$ -	$ 10,809,222			0		
Add Source of Funding	$ -								
Add Source of Funding	$ -								
Add Source of Funding	$ -								
Add Source of Funding	$ -								
Add Source of Funding	$ -								
Add Source of Funding	$ -								
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Add Source of Funding	$ -								
Totals	$ 22,732,666.00	$ 20,332,666.00	$ 6,607,166.00	$ 10,809,222.00	$ 2,400,000.00	$ 2,400,000.00	$ -	$ -	$ -

c. As noted, NVRH does not anticipate additional PRFs in FY23.

d. Maintaining 340B program revenue continues to be a challenge as pharmaceutical companies continue to pull drugs from the program. NVRH has developed a few strategies to minimize the negative financial impact of actions taken by those companies. Gains on invested funds is a source of non-operating revenue. The current volatility and instability in the financial markets may create losses rather than gains on invested funds. We work closely with our investment advisors to produce a well-diversified portfolio to minimize any losses on invested funds.

vi. Operating Expenses

a. Table 2 from the appendices worksheet, shown below, captures the changes in operating expenses between FY23 Budget vs. FY 22 Budget. Additional details describing the budget over budget changes follows Table 2.

Table 2: FY 2022 Approved Expenses to FY 2023 Proposed Budget

Expenses	Amount	% over/under
FY 2022 Approved Budget	$ 99,768,850	
New Positions		0
Inflation Increases (from Appendix 4. Inflation Price Effect Only)	6,529,838	6.5%
Salaries	1,379,464	1.4%
Fringe		0.0%
Travelers (nurses)	1,760,000	1.8%
Locum tenans (MDs)		0.0%
Drugs	1,550,000	1.6%
Health Care Provider Tax	529,000	0.5%
Cost Savings	(1,659,100)	-1.7%
Supplies	400,000	0.4%
Physician Transfer	441,200	0.4%
Equipment / Software / Other Maintenance	394,000	0.4%
Purchased Services	677,700	0.7%
Depreciation/Amortization	575,900	
Volume	1,400,000	
Other (specify, add additional rows as necessary)	426,148	0.4%
FY 2023 Proposed Budget	$ 114,173,000	12.5%

$ Change from FY 2022 Approved Budget	$ 14,404,150
% Change from FY 2022 Approved Budget	14%

b. Significant variances between FY23 budget and FY22 projected expenses include:

- Salaries increased by $5.5 million. Market driven increase for categories of employees, increased shift differential premiums, implementation of a $15 minimum wage program were primary factors for the salary increase
- Traveler expenses increased by $1.8 million due to need to staff vacancies and higher hourly rates.
- Increased use of high cost drugs for infusion patients
- Costs associated with 3% volume increase

c. Categories of inflation

Appendix 4

Do not Modify, except for cells labeled "Other"					
Inflation					
Identify key categories of operating expense inflation and provide the estimated inflation factor. This is not an assessment of overall growth of the category (i.e.-does not need to tie to the P&L). It should **focus on price effects only (not utilization growth or new hires)**. Please follow the prompted categories below. Use the 'Other' lines to capture line items not listed that cover 5% or more of the budget, and then one as a "catch all" category so the entire operating expense budget is covered (i.e. Category % of Operating Expense Budget is 100%). Please explain inflation assumptions in the comment column. **TOTAL of D16 ($ Increase) will populate C33 of Table 2 on the Reconciliation tab with inflation expenses.**					
Expense Category	**Estimated Inflation**				**Comment**
	% Increase	$ Increase	Category % of Total Operating Expense Budget	Weighted Average (Column C * Column E)	
Example: Wages/Compensation- Medical Staff	*2%*	*$ 500,000.00*	*60%*	*1.2%*	*This is inflation price effect only, does not account for new hires (volume).*
Wages/Compensation - Medical Staff	4%	$ 468,554.00	12%	0.5%	
Wages/Compensation - Non-Medical Staff	10%	$ 3,686,881.79	48%	4.7%	
Drugs	3%	$ 140,000.00	4%	0.1%	
Medical Supplies	3%	$ 216,775.16	7%	0.2%	
Fringe Benefits	9%	$ 1,691,700.00	17%	1.5%	
Other (Please Specify): Utilities				0.0%	
Catch All	3%	$ 325,927.26	12%	0.4%	
Total	%	$ 6,529,838.21	100%	7.5%	

As shown in Appendix 4 above, inflation related to wages and fringe benefits contribute 6.2% of the 7.5% inflation built into the FY23 budget. As a percent of total expenses, utility costs are fairly minor. However, a 40% inflation allowance on utilities was assumed for FY23.

d. Cost savings from our Financial Sustainability Program, totaling almost $1.7 million, are built into the FY23 budget. These savings include $950,000 from improving staff efficiency, all achieved through attrition. Pharmacy formulary changes generated an additional $450,000. Several savings of lesser amounts make up the additional amount.

e. Increased operating expenses had a significant impact on the requested NPR/FPP growth and the requested rate increase.

vii. Operating Margin and Total Margin

a. FY23 is a critically important transition year for NVRH. A $1.3 million operating loss is projected for FY22. Our top strategic priority for facilities is expansion of the Emergency Department and renovations to other area in the west wing of the hospital. NVRH will need to issue long-term debt to finance that project. To obtain funding we must demonstrate NVRH is a financial sustainable organization and the project is financially feasible. Achieving a modest .4% operating margin for FY23, with plans to generate margins of 1.5-1.75% thereafter, will ensure the hospital is sustainable and the project is financially feasible.

b. NVRH's budget request does not include any support for subsidiary organizations. The budget does include support for departments of the hospital, for example provider practices, that are located outside the physical hospital

C. EQUITY

i. NVRH conducted its most community health needs assessments (CHNA) during fiscal year 2021. Our leadership team and trustees use the CHNA to assure our strategic planning process addresses the needs of those in our community with health disparities and higher degrees of social risk factors.

NVRH partners with NEK Prosper to work towards the creating a community where everyone is:

- Financially secure

- Mentally healthy
- Physically healthy
- Well housed
- Well nourished

Work to achieve these outcomes is done by NEK Prosper's Collaborative Action Networks (CANs.)

Our Community Connections team works hand-in-hand with Community Health Workers embedded in our medical practices to address needs such as food security, transportation, health insurance coverage, financial assistance and social service needs

NVRH, in collaboration with community partners, will continue our efforts to reduce health and health care disparities in Caledonia and Southern Essex counties.

D. **WAIT TIMES**

NVRH will respond to the requested information by August 5th

E. **RISKS AND OPPORTUNITIES**

i. Risks

a. Workforce related challenges present the greatest risk in FY23. Part of our strategy for returning to positive operating margin status is $2.2 million reduction of traveler and locum expense. To reduce reliance on travelers, NVRH must fill vacant positions and simultaneously, retain existing staff. Strategies included in the FY23 to help achieve these goals include:

- Carryforward of significant wage increase program implemented early in FY22.
- A budgeted wage increase that will help NVRH remain competitive
- Expanded clinical education opportunities for clinical staff
- Minimized impact of increasing health care costs that will be passed on to employees

Our provider recruitment efforts have been very successful.

b. Further erosion of 340B retail program is another risk. NVRH has seen 340B revenue decline by almost $500,000. While we are taking steps to reverse this trend, there is a risk pharmaceutical companies will pull additional drugs from 340B eligibility.

i. Opportunities

a. Continuing momentum of the Financial Sustainability program. There was tremendous hospital-wide response to this initiative. Meeting and exceeding our goal is an opportunity to further reduce costs improve operating margin and enhance NVRH sustainability efforts

b. Opportunities exist to further ***reduce the total cost of care*** while improving population health for the NVRH population in our HSA. Use of ACO quality and utilization data has provided an opportunity to reduce risk levels of attributed population though early intervention and frequent encounters with primary care providers, potentially lowering cost of care.

Another example is encouraging use of the two community express care centers. These low-cost encourage patients to not avoid care altogether or to seek care at higher cost emergency rooms. The decline in avoidable ED visits at NVRH is due in part to the express care centers.

A final example is furthering our efforts with NEK Prospers to help create a physically and mentally health community.

ii . Currently, COVID-19 does not have a material impact on access to care or wait times. NVRH's primary care practices continue to use telehealth and telemedicine when appropriate. On average, these practice will perform 30 such visits per month during FY23.

iii. Three lessons we learned from the evolution of COVID-19 are: Telehealth technology is an effective method to efficiently reach a segment of the community. Patients like drive-thru services such as flu vaccines. And, these services can be provided efficiently. Lastly, the importance of having an adequate number of negative pressure rooms, a need that will be incorporated into the new ED expansion project.

iv.a. See Vacancy Rate Table below

NVRH	
Current Vacancy Rate	
Position	**Vacancy Rate**
Primary Care MD	11.11%
Specialty MD	2.33%
RN	14.98%
Nursing Support	17.78%
All Other	5.13%

iv

iv. b. See Turnover Rate Table below

NVRH				
Turnover Rates				
	FY 18	**FY 19**	**FY 20**	**FY 21**
Primary Care MD	**	0.00%	0.00%	26.80%
Specialty MD	**	4.30%	8.30%	15.80%
RN	**	10.20%	15.20%	6.20%
Nursing Support	**	8.20%	28.00%	12.70%
All Other	**	15.80%	18.80%	13.00%
**For 2018 we were not using Paylocity so I do not have this information				

iv. c See (i) above

iv. d. A total of $2.4 million is budgeted for non-MD travelers in FY23, mostly for RN staffing. If the same number of FTES were NVRH employees rather than travelers, the staffing cost would be approximately $1.1 million lower. Putting that information into perspective – 2.5% of the rate increase requested for FY 23 is needed to cover that additional cost

F. **VALUE-BASED CARE PARTICIPATION**

i. NVRH continues to increase our participation in value based-care programs. Our latest strategy is to participate in all Value Based Care plans during FY23, except self-insured plans. Prior to CY23, the level of Medicare risk exposure prohibited NVRH from joining the OCV value-based program. However, for CY23 OneCare plans to significantly reduce the risk exposure for FY23. Based on that information, NVRH has tentatively agreed to participate in the Medicare value-based program. A final decision will be made when contract documents are presented to us in August for final review. We are unaware of any self-funded plan that would be appropriate for NVRH to join.

ii. Participating in the ACO has strengthened collaboration efforts externally and internally. For example, last year, NVRH teamed up with Northern Counties Health Care to open two urgent care centers in our community. Volume at both centers continues to increase, while the number of avoidable ED visits in NVRH's ED continue to decline.

Currently, NVRH is working with Northeast Kingdom Human Services, the designated agency to improve support for patients with mental health needs. Throughout the pandemic, and as it recedes, there has been a significant increase in number of patients in mental health crisis, particularly among children. Reviewing some of the risk and cost data revealed a significant gap in sharing of key clinical data with internal resources and DA resources. This gap created delays in providing support to patients. The gap was identified through internal collaboration among our Community Health and Outreach team, behavioral health specialists, and pediatricians. It was confirmed through communications with the DA staff. The goal is to start support resources while the patient is at NVRH, either in the ED or transition unit, potentially avoiding a stay at another facility, reducing return ED visits and connecting patient to primary care providers post-discharge. The improvement plan also involved our Information System staff, who made improvements in the Electronic Medical Record to better capture relevant clinical data.
iii.
a. As the pandemic recedes NVRH is working on population health priorities identified in the recent CHNA
b. The priorities are shared during meetings of the medical practice leadership, through medical staff committee meetings, weekly communications from the CEO and other internal communications.
c. The success of population health improvement initiatives is measured by achieving reduction in risk level, reduction in overall cost of care and increase in visits to primary care providers, at the individual level. This tool has been used for several years and will be used to measure the success of the mental health patient support project described above.
iv. A member of NVRH's Community Outreach team presents at quarterly meetings of NVRH medical practices and at NCHC quality meetings. Information shared at these meetings includes risk level trending changes and initiatives tied to ACO program, such as the 1815 grant. And, when appropriate engages the providers and practices initiatives to improve outcomes and reduce total cost of care for all patients.
v. For the plan year 2020 NVRH received shared savings totaling $1.4 million. Those savings have been reserved to significantly reduce the NVRH's risk exposure for plan years 2021 to 2023.

G. **CAPITAL INVESTMENT CYCLE**

i. NVRH's capital investment cycle has several components:

- Routine equipment replacement - based on the equipment's useful life or obsolescence
- Routine facility replacement/upgrades - as determined by Facilities Director
- Technology - includes routine replacement as well as technology related upgrades
- Major and CON level Projects, which are tied to senior leadership and board level strategic priorities

The FY23 capital budget includes expenditures for each of the above categories. However, due to the operating loss incurred in FY22 and only modest operating gain budgeted for FY23, capital spending for FY23 is lower than previous levels. The Capital Budget committee meets monthly and will make adjustments throughout the year as priorities change. The FY 2023 capital budget for is $4.4 million. However, $2.4 million is budgeted for the MHSA and only $2.0 million is available for the other components of the capital investment cycle.

In late FY22 or early FY23 NVRH will submit a CON application for the West Wing project. We do not expect any significant expenditures on that project will occur during FY23. Any expenditures that are made will come from a bridge construction loan.
None of the FY23 capital expenditures are related to any regulatory or accreditation requirements

H. SUPPLEMENTAL DATA MONITORING

NVRH will respond to the requested information by August 5th