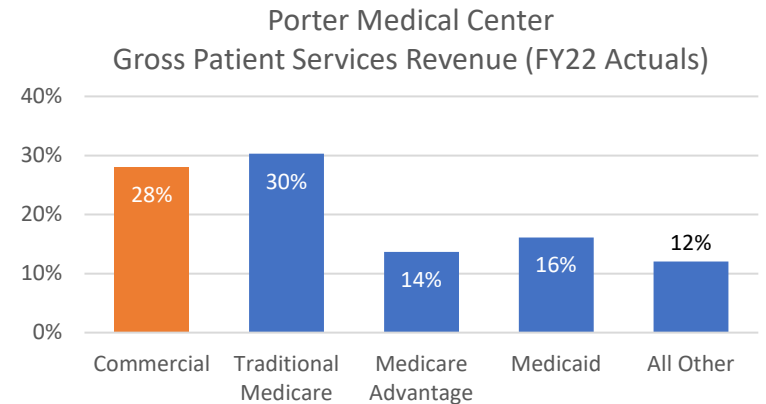


FY24 Hospital Budget Review – Porter Medical Center  
Summary for GMCB Deliberations

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	3.4%	6.8%	3.5%	2.7%	4.9%	10.9%	28.4%
	Δ Approved	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	
Commercial NPR	Submitted	1.7%	8.5%	1.3%	1.0%	0.0%	4.5%	25.8%
	Δ Approved	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	
Operating Expenses	Submitted	4.8%	6.3%	4.7%	2.3%	3.1%	7.9%	17.8%
	Δ Approved	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Change in Charge	Submitted	3.0%	2.8%	2.6%	5.8%	5.9%	11.5%	5.0% CER: 6.9%*
	Δ Approved	0.0%	0.0%	0.0%	-1.8%	-1.9%	0.0%	
	Commercial weight of approved increase	1.3%	1.2%	1.1%	1.6%	1.6%	4.6%	2.0%*

\*As submitted; CER = Commercial Effective Rate

Actuals							
Year		FY18	FY19	FY20	FY21	FY22	FY23
NPR	%	3.0%	2.8%	2.6%	5.8%	5.9%	18.6%
	\$ in M	2.1	4.6	-7.5	14.0	7.2	18.3
Commercial NPR	%	0.0%	0.0%	0.0%	-1.8%	-1.9%	23.2%
	\$ in M	-0.5	2.1	-5.4	5.6	0.5	10.0
Operating Expenses	%	1.3%	1.2%	1.1%	1.6%	1.6%	8.3%
	\$ in M	2.4	5.4	-0.5	5.4	10.4	8.5



Porter Medical Center  
Expense Growth Factors

	Porter Medical Center		Vermont Hospitals	Benchmark Data		
	FY22-24	VT Hospital Rank	Median	Lo	Benchmark	Hi
Labor	1.2%	5	4.0%	0.8%	5.2%	9.7%
Utilization	5.8%	6	7.0%	-5.5%	-0.4%	4.2%
Pharm Ex	missing		7.6%	2.3%	12%	21.6%
Cost Inflation	3.7%	5	3.7%	1.1%	5.8%	10.5%

Financial Indicators

	Porter Medical Center				Vermont Hospitals
	FY22 Actual	FY23 Approved	FY23 YTD	FY24 Submitted	FY24 Median
Op Margin	3.1%	5.7%	8.8%	7.9%	1.2%
Op-EBIDA Margin	6%	8%	11%	10%	5.6%
Total Margin	-1.6%	6.1%	11.4%	9.0%	3.8%
DCOH	120.0	169.9	101.5	117.8	109.64
Debt Service Coverage Ratio	7.5	10.8	15.8	15.4	4.56
LT Debt to Capitalization Ratio	14.3%	13.9%	15.4%	11.1%	0.17
Age of Plant	15.8	19.3	4.3	5.9	16.02

Porter Medical Center

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

Hospital	VT Hospital Rank	Hospital Percent Rank <sup>1</sup>	Comparator 25 <sup>th</sup> Percentile	Comparator 75 <sup>th</sup> Percentile
29.25%*	10	8 <sup>th</sup>	11%	22%

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

Hospital	VT Hospital Rank	Hospital Percent Rank <sup>2</sup>	Comparator 25 <sup>th</sup> Percentile	Comparator 75 <sup>th</sup> Percentile
\$12,075	7	42 <sup>nd</sup>	\$9,745	\$13,647

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

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

Porter Medical Center

Inpatient – Relative Cost and Price (Critical Access Hospital, not major teaching hospital)						
Year		FY18	FY19	FY20	FY21	FY22
Commercial Cost per Discharge	Hospital	\$11,624	\$11,189	\$13,074	\$9,799	\$12,248
	25 <sup>th</sup> percentile	\$11,349	\$11,030	\$12,737	\$11,914	\$11,865
	75 <sup>th</sup> percentile	\$16,115	\$19,154	\$20,538	\$17,412	\$16,365
Commercial Cost Coverage	Hospital	102%	93%	80%	106%	92%
	25 <sup>th</sup> percentile	94%	80%	74%	72%	84%
	75 <sup>th</sup> percentile	111%	100%	92%	97%	112%
Standardized Price	Hospital	\$18,609				
	25 <sup>th</sup> percentile	\$13,391				
	75 <sup>th</sup> 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	\$431	\$440	\$520	\$520	\$616
	25 <sup>th</sup> percentile	\$426	\$423	\$470	\$471	\$498
	75 <sup>th</sup> percentile	\$495	\$472	\$601	\$616	\$628
Commercial Cost Coverage	Hospital	203%	175%	155%	163%	150%
	25 <sup>th</sup> percentile	200%	171%	150%	163%	170%
	75 <sup>th</sup> percentile	226%	202%	191%	193%	202%
Standardized Price	Hospital	\$314				
	25 <sup>th</sup> percentile	\$259				
	75 <sup>th</sup> percentile	\$420				