

CREATING URGENCY

DATA FOUNDATIONAL TO VERMONT HEALTH REFORM

PRESENTED TO GREEN MOUNTAIN CARE BOARD

PRESENTED BY THOMAS REES
REES PARTNERS, LLC



AGENDA

Profile of Market Dominance

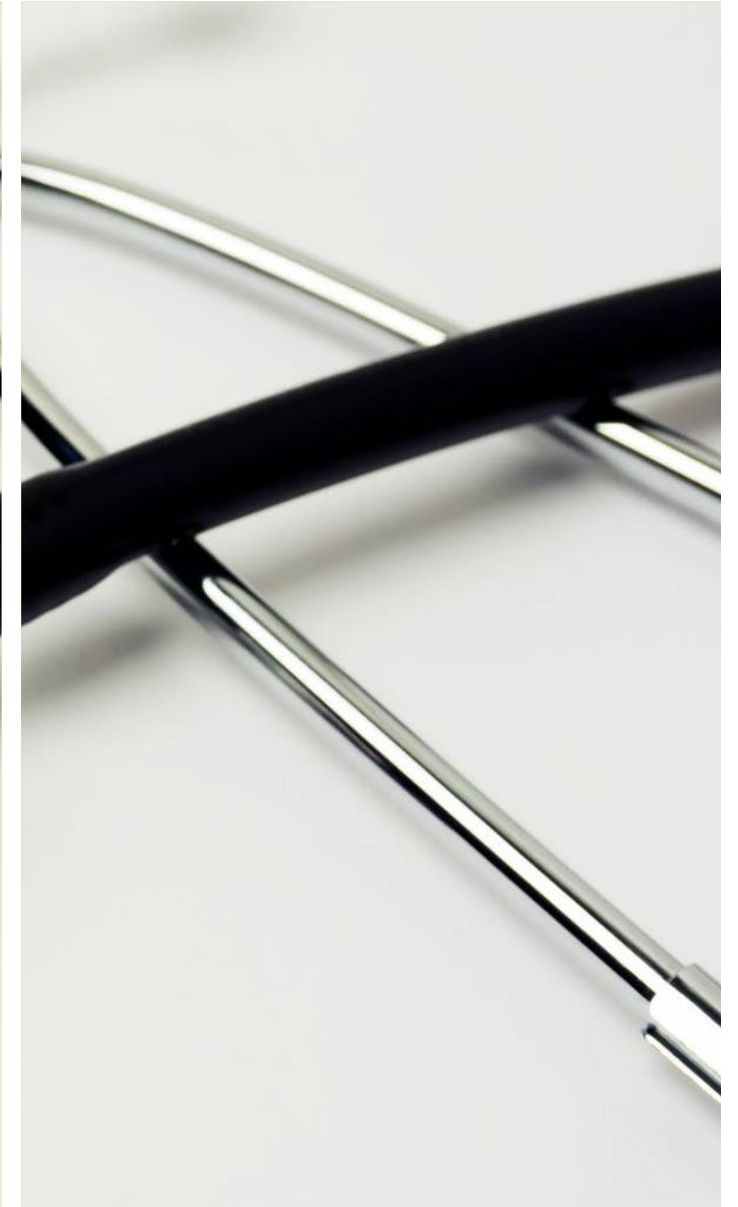
Comparisons of Similar Academic Medical Centers and UVMHC

Justification for Managing Medicare

Hospital Profiles-

What is wrong with this picture?

Staffing Analysis



**PROFILE of VERMONT HOSPITAL MARKET
TOTAL OPERATING EXPENSE
DEFINING UVMHC MARKET DOMINANCE
2023 AHD DATA**

HOSPITAL	TOTAL EXPENSE	% SHARE
Brattleboro	\$113,462,582	3.0%
Central Vermont	\$290,884,614	7.7%
Copley	\$99,802,638	2.6%
Gifford	\$74,005,770	2.0%
Mt. Ascutney	\$68,441,823	1.8%
North Country	\$108,024,458	2.9%
Northeastern	\$121,014,445	3.2%
Northwest	\$131,464,735	3.5%
Porter	\$110,724,361	2.9%
Rutland	\$339,150,236	9.0%
Southwest	\$204,148,886	5.4%
Springfield	\$60,065,256	1.6%
UVMHC	\$2,058,745,014	54.5%
VERMONT	\$3,779,934,818	100.0%

REES PARTNERS,LLC
COMPARATIVE ANALYSIS OF PERFORMANCE
UVMHC with 46 ACADEMIC MEDICAL CENTERS
FY 2022 NASHP* DATA

		REVENUE GENERATION						
		ADJUSTED	MEDICAID	MEDICARE	MEDICARE	COMMERCIAL	COMMERCIAL	TOTAL
		PATIENT	OPERATING	OPERATING	ADVANTAGE	OPERATING	PROFIT	PROFIT
BEDS	DISCHARGES	PROFIT	PROFIT	PROFIT	PROFIT	PROFIT	ADJ DISCHARGE	ADJ DISCHARGE
Average of 46 Similar Academic Medical Centers	67,877	\$ (2,632,603)	\$ (9,976,017)	\$ 21,620,040	\$ 340,766,692	\$ 4,885	\$ 4,565	
University of Vermont Medical Center	50,159	\$ (100,996,922)	\$ (88,610,985)	\$ (30,806,255)	\$ 357,450,722	\$ 7,126	\$ 2,044	
% DIFFERENCE	-26%	3736%	788%	-242%	5%	46%	-55%	
		COST PERFORMANCE						
		COST PER	DIRECT	DIRECT	TOTAL	MANAGEMENT	CMI	
		ADJUSTED	Pat. Care	Pat. Care	OPERATING	& ADMIN	ADJUSTED	
		DISCHARGE	FTE per 1,000	LABOR	LABOR	LABOR	MEDICARE	
			ADJ DISCHARGE	COST BY ADJ #	HRS BY ADJ#	COST PER ADJ#	COST PER ADJ#	CASE COST
Average of 46 Similar Academic Medical Centers	\$ 23,076	59	\$ 6,938	124	\$ 10,879	\$ 1,757	\$ 10,930	
University of Vermont Medical Center	\$ 26,591	69	\$ 8,691	142	\$ 14,882	\$ 3,712	\$ 14,464	
% DIFFERENCE	15%	15%	20%	12%	27%	53%	24%	
		PERFORMANCE QUALITY				REDUCTION OPPORTUNITY		
		MEDICARE	MEDICARE	MEDICARE	MEDICARE	MANAGE	MANAGE	MANAGE
		TOTAL	STAR	CASE	PERCENT	TO	TO GROUP	TO
		PERFORM	RATING	MIX	DEATHS	MEDICARE	MEAN	GOLD
		SCORE		INDEX				
Average of 46 Similar Academic Medical Centers	17.60	3.93	2.3002	3.00%				
University of Vermont Medical Center	19.41	3.00	2.0647	2.90%				
% DIFFERENCE	9%	-31%	-11%	-3%	\$ 194,370,095	\$ 200,786,477	\$ 271,460,508	

PROFILE of VERMONT HOSPITAL
MARKET

TOTAL OPERATING MARGINS

MEDICAID & MEDICARE PATIENTS

MANAGING to MEDICARE

2021 NASHP DATA

HOSPITAL)	MEDICAID MARGIN	MEDICARE MARGIN	MED AD MARGIN	M to M
UVMHC	\$ (100,996,922)	\$ (88,610,985)	\$ (30,806,255)	\$(220,414,162)
Rutland	\$ (10,623,972)	\$ (25,854,641)	\$ (8,884,909)	\$ (45,363,522)
Central Vermont	\$ (14,151,819)	\$ (16,719,037)	\$ (2,404,984)	\$ (33,275,860)
Brattleboro	\$ (8,806,810)	\$ (11,587,095)	\$ (0)	\$ (20,395,905)
Northwest	\$ (3,732,521)	\$ (8,091,743)	\$ (2,307,612)	\$ (14,131,876)
Southwest	\$ (5,110,174)	\$ (6,632,967)	\$ (1,795,409)	\$ (13,538,550)
FULL SERVICE	\$ (143,422,218)	\$ (157,496,468)	\$ (46,199,170)	\$(347,117,855)
Copley	\$ (690,928)	\$ 112,571	\$ 167,263	
Gifford	\$ (6,906,183)	\$ 84,414	\$ 201,379	
Grace Cottage	\$ (1,712,464)	\$ 157,797	\$ (0)	
Mt. Ascutney	\$ (1,468,172)	\$ 65,909	\$ 35,146	
North Country	\$ (3,202,413)	\$ 206,655	\$ 196,247	
Northeastern	\$ (1,332,124)	\$ 618,078	\$ (0)	
Porter	\$ (5,269,654)	\$ 398,694	\$ 356,398	
Springfield	\$ (341,234)	\$ 169,235	\$ 232,086	
VERMONT CAH	\$ (20,923,172)	\$ 1,813,353	\$ 1,188,519	
VERMONT TOTALS	\$ (164,345,390)	\$ (155,683,115)	\$ (45,010,651)	\$(365,039,156)



VERMONT HAS A \$350M OPPORTUNITY

**UVMHC REPRESENTS \$220M
and UVMHN \$254M of TOTAL**

**72% of ACADEMIC MEDICAL CENTERS HAVE
GENERATED A MARGIN from MEDICARE**

SELECT ACADEMIC MEDICAL CENTER PROFILES

COMPREHENSIVE SUMMARY STATISTICAL OVERVIEW

AMERICAN HOSPITAL DIRECTORY (AHD)

09/30/2023 DATA

HOSPITAL	UVMC	VIDANT ECU	GEISINGER	UPMC PRESBY	EMORY	UHEALTH	AVERAGE	%
CITY	BURLINGTON	GREENVILLE	DANVILLE	PITTSBURG	ATLANTA	MIAMI		
STATE	VT	NC	PA	PA	GA	FL		
TWR RELATIONSHIP		CONSULT	EMPLOYED	COMPETITOR	CONSULT	CONSULT		
DISCHARGES	20,252	37,846	30,594	38,115	27,668	17,848	30,414	13%
CASE MIX INDEX	2.0644	2.0613	2.0921	2.4343	2.3883	2.5174	2.2987	-18%
CMI ADJUSTED MEDICARE COST	\$15,769	\$9,972	\$11,264	\$10,060	\$11,891	\$12,144	\$ 11,066	30%
INPATIENT ROUTINE GROSS SALARIES	\$107,514,298	\$166,357,702	\$102,552,444	\$208,830,289	\$91,447,029	\$95,683,672		
ADJUSTED INPATIENT DAYS	50,159	72,593	83,579	73,568	68,746	63,347	72,367	-21%
TOTAL ADJUSTED INPATIENT COST PER DAY	\$2,173	\$1,682	\$1,861	\$1,675	\$1,495	1,678	\$ 1,678	29%
ADMIN. & GEN. DIRECT SALARIES	\$159,408,483	\$23,047,549	\$22,951,550	\$39,044,888	\$26,587,157	\$34,593,244	\$29,244,878	445%
RATIO INPATIENT TO A & G	1.483	0.139	0.224	0.187	0.291	0.362	0.240	517%
TOTAL PATIENT SERVICE SALARIES	\$508,146,446	\$318,385,724	\$288,852,258	\$452,443,416	\$239,013,104	\$295,812,811		
TOTAL GENERAL SERVICE SALARIES	\$223,736,714	\$115,364,077	\$78,250,368	\$138,989,084	\$75,651,929	\$84,285,045		
RATIO PATIENT CARE TO GENERAL	0.440	0.362	0.271	0.307	0.317	0.285		
INPATIENT SERVICES SQUIRE FEET	278,273	741,680	375,461	803,581	287,688	194,448		
ANCILLARY SERVICES SQUARE FEET	383,880	482,305	671,468	590,269	256,774	278,649		
OUTPATIENT SERVICES SQUARE FEET	327,005	144,208	612,238	149,038	271,350	246,075		
TOTAL PATIENT SERVICE SQUARE FEET	989,159	1,371,546	1,659,197	1,542,888	816,693	719,172		
ADMIN. & GEN. SQUARE FEET	241,306	318,489	122,694	232,694	99,582	379,391		
RATIO ADM/GEN to TOTAL PATIENT	0.244	0.232	0.074	0.151	0.367	0.528		
PLANT OPERATION SQUARE FEET	1,050,888	587,126	470,357	276,589	541,868	378,694		
TOTAL GENERAL SERVICE SQUARE FEET	1,544,998	1,110,064	1,140,407	795,146	753,801	868,928		
RATIO GEN. SERV. TO PAT. SER. SQ. FT.	1.562	0.809	0.687	0.515	0.923	1.208	0.829	88%

**SELECT ACADEMIC
MEDICAL CENTER PROFILES**

**AMERICAN HOSPITAL
DIRECTORY (AHD)
STAFFING ANALYSIS
09/30/2023 DATA**

HOSPITAL CITY	UVMC BURLINGTON	VIDANT ECU GREENVILLE	GEISINGER DANVILLE	UPMC PRESB PITTSBURG	EMORY ATLANTA	UHEALTH MIAMI		
STATE	VT	NC	PA	PA	GA	FL		
TWR RELATIONSHIP		CONSULT	EMPLOYED	COMPETITOR	CONSULT	CONSULT	AVERAGE	UVMC %
COMPENSATION PROFILE								
DIRECT PATIENT CARE LABOR COST PER FTE	\$ 127,721	\$ 103,573	\$ 112,468	\$ 88,444	\$ 146,107	\$ 194,358	\$ 128,990	-1%
ADMIN. & MANAGEMENT LABOR COST PER FTE	\$ 109,686	\$ 95,681	\$ 100,202	\$ 113,414	\$ 104,698	\$ 130,264	\$ 108,852	1%
OVERHEAD LABOR COST PER FTE	\$ 77,046	\$ 71,582	\$ 71,928	\$ 71,137	\$ 74,111	\$ 80,097	\$ 73,771	4%
HOSPITAL OPERATING LABOR COST PER FTE	\$ 117,390	\$ 96,542	\$ 102,597	\$ 89,554	\$ 132,554	\$ 160,437	\$ 116,337	1%
STAFFING ANALYSIS								
ADMIN. & GEN. DIRECT SALARIES	\$159,408,483	\$23,047,549	\$22,951,550	\$39,044,888	\$26,587,157	\$34,593,244	\$29,244,878	445%
ADMIN. & GENERAL DIRECT FTEs	1,453	241	229	344	254	266	267	445%
TOTAL PATIENT SERVICE SALARIES	\$508,146,446	\$318,385,724	\$288,852,258	\$452,443,416	\$239,013,104	\$295,812,811	\$318,901,463	59%
TOTAL PATIENT SERVICE FTEs	3,979	3,074	2,568	5,116	1,636	1,522	2,783	43%
TOTAL GENERAL SERVICE SALARIES	\$223,736,714	\$115,364,077	\$78,250,368	\$138,989,084	\$75,651,929	\$84,285,045	\$98,508,101	127%
TOTAL GENERAL SERVICE FTEs	2,040	1,206	781	1,226	723	647	916	123%