Springfield Hospital
Where People Come First

A. SUPPLEMENTAL DATA MONITORING. (Responses due Aug 5th)

i. Market Share Report: This will be a snapshot which will show the change in market share for "key service lines" over the past 5 fiscal years as reported by the state's hospital discharge database, VUHDDS. Market share will be defined as the percentage of service line charges from local residents (within a hospital's service area) versus non-local residents (outside a hospital's service area). Market share will be disaggregated by primary payer. See Patient Origin dashboard/ "Patient Origin by Hospital" tab for an example.

a. Does this report reflect material changes in your NPR actuals over this time period?

This report demonstrates a decrease in market share since early 2019.
The Childbirth Center closed on May 3, 2019 (approx. 140 discharges annually); and The Windham Center for Psychiatric Care was also closed temporarily for renovations. Both of these events contributed to the decline in discharges, share, and ultimately revenue. From mid-FY20 to mid-FY21, The Windham Center for Psychiatric Care accepted only COVID mental health patients (collaborative effort with the State of VT), which significantly reduced our census (less than 1 day on average).

Springfield Hospital changed Emergency Department providers early in 2019, and stopped billing the associated professional fees which would ultimately impact our NPR. We also experienced a decrease in ED provider costs as a result.

While difficult to measure the impact, Springfield Hospital's announcement of filing for Chapter 11, and the unexpected COVID-19 outbreak, also likely impacted our market share.

b. If not, how does the market share report distort or omit components of NPR?

The market share report includes VT hospital data reflecting services provided by VT hospitals regardless of patient origin. It does not include services provided to VT residents in NH hospitals. While data may be accurate for Vermont hospitals, we do not believe it is providing a complete picture of utilization data for Vermont residents/HSAs since it excludes those seeking care in NH and perhaps other states.

ii. Reimbursement Analysis: This will outline patterns in the cost to deliver care for Vermont residents as reported to the state's all payer claims database, VHCURES. Cost will be assigned at a claim level as specified in Medicare's cost reporting. Service lines

will be reported by Classifications for outpatient services. Note that only services with Medicare costs associated with them will be summarized in hospital-specific comparison tables broken down by primary payer group (Medicare, Medicaid, Commercial). In addition, the report will highlight providers with exceptionally low or high costs, reimbursements, and/or proportion of costs covered.

a. For any service lines in which your hospital is highlighted, comment on any observations about this service line and how it may be reimbursed differently from other service lines you provide.

Springfield Hospital is reimbursed the same as other critical access hospitals. The data used in Exhibit 2 is not verifiable because the hospital Medicare data includes all patients regardless of residency. Also, Springfield Hospital participated in the Medicare ACO in 2019 only. In addition, because the dataset is a small subset of services provided, it is questionable as to what conclusions can be drawn.

Comments regarding specific highlighted service lines:
Imaging with Contrast: Reference range is likely immaterial due to low service volume.
ED Visits: We perform 6.7% of all ED visits in the State. The three-year combined average for 2017-2019 was 39,000 and we had 37,000. At the time, we were the lowest case mix adjusted Medicare allowable cost per service. For Medicare, as well as All Payers, the cost per service is the lowest in the State for the time period analyzed. According to Exhibit 2, our cost ratio for Medicaid is the highest in the State. Significant changes took place in the ED physician group in April 2019. Also, estimated payments reflect ACO reimbursement methodology for a portion of the three-year time period covered by the data, so this would need further analysis.
Urology: We rank number 1 for cost/service for all payers but the hospital performs only 1.5% of the total services performed in the State. This service is rendered out of need by the patient population. For Medicare, we represent 1% of all Medicare urology services. Our physician providers changed in 2020.
Skin Procedures: Our charge per procedure is the lowest in the State and may reflect that we are providing lower intensity services. We ranked third highest in the State for skin procedures but we are still underpaid in terms of cost by 15.5%.
Clinic Visits: Clinic visits have only 142 visits reported. This is a minimal data set.
Neurostimulator Services: This data needs further research. We are not currently performing this procedure.

b. Are there any errors in the data as shown? Cite your own data where possible.

See 2a above.

iii. Demographic Report: This report will summarize demographic data from the 2020 Census. Particular attention will be paid to CDC/ATSDR Social Vulnerability Index measures that relate to age and socioeconomic disadvantage.

a. How does the current makeup of your service area affect your budget assumptions?

During the timeframe 2014 to 2019, the Springfield Hospital HSA reports:
• An aging population, 65+ increasing from 19.8% to 22.7% -- the highest of all HSAs.
• Increasing poverty, increasing from 12.2% to 13.6% -- the highest of all HSAs.

Springfield Hospital has served an elderly and high-poverty population over many years. Our budget is built budget-to-budget so this is incorporated in our planning.

b. Does the makeup of other service areas affect your budget assumptions? Explain.

Charlestown and Claremont, in Sullivan County, NH, are communities served in our primary service area. Sullivan County reports:
• 21.4% 65+ population, compared to 18.1% NH overall.
• 11.2% poverty, compared to 7.4% NH overall.