

# Southwestern Vermont Medical Center

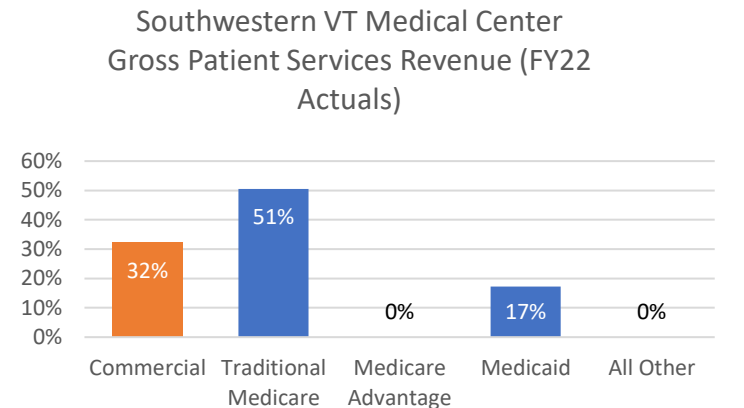
## FY24 Hospital Budget Review – Southwestern Vermont Medical Center

### 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	4.7%	3.6%	4.3%	-3.0%	6.3%	6.4%	16.4%
	Δ Approved	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Commercial NPR	Submitted	4.7%	1.4%	4.3%	-3.6%	10.2%	8.4%	19.4%
	Δ Approved	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Operating Expenses	Submitted	4.4%	4.5%	4.7%	1.4%	3.6%	8.5%	13.8%
	Δ Approved	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	
Change in Charge	Submitted	2.9%	3.2%	2.8%	3.5%	4.8%	9.5%	16.1%*
	Δ Approved	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	Commercial weight of approved increase	0.9%	1.0%	0.9%	1.1%	1.5%	3.1%	2.0%*

\* As submitted

Actuals							
Year		FY18	FY19	FY20	FY21	FY22	FY23
NPR	%	5.6%	1.8%	-6.0%	14.5%	5.9%	1.6%
	\$ in M	8.5	2.9	-9.9	22.3	10.4	3
Commercial NPR	%	5.9%	0.2%	-2.8%	14.0%	4.6%	11.2%
	\$ in M	4.4	0.2	-2.2	10.7	4.1	10.2
Operating Expenses	%	4.7%	4.6%	1.5%	7.7%	8.1%	4.7%
	\$ in M	7.2	7.2	2.4	12.9	14.7	9.2



## Southwestern Vermont Medical Center

### Expense Growth Factors

	Southwestern Vermont Medical Center		Vermont Hospitals	Benchmark Data		
	FY22-24	VT Hospital Rank	Median	Lo	Benchmark	Hi
Labor	6.8%	4	4.0%	0.8%	5.2%	9.7%
Utilization	1.6%	12	7.0%	-5.5%	-0.4%	4.2%
Pharm Ex	missing		7.6%	2.3%	12%	21.6%
Cost Inflation	5.0%	3	3.7%	1.1%	5.8%	10.5%

### Financial Indicators

	Southwestern Vermont Medical Center				Vermont Hospitals
	FY22 Actual	FY23 Approved	FY23 YTD	FY24 Submitted	FY24 Median
Op Margin	-0.2%	0.5%	-2.5%	1.0%	1.2%
Op-EBIDA Margin	3%	4%	2%	5%	5.6%
Total Margin	3.8%	0.8%	8.1%	5.8%	3.8%
DCOH	37.5	38.3	58.8	60.7	109.64
Debt Service Coverage Ratio	0.5	2.2	0.9	2.5	4.56
LT Debt to Capitalization Ratio	42.7%	38.1%	33.4%	27.1%	0.17
Age of Plant	19.7	20.6	18.3	17.4	16.02

## Southwestern Vermont Medical Center

### Ratio of Administrative & General Salaries to Clinical Salaries (Small Rural Hospitals)

Hospital	VT Hospital Rank	Hospital Percent Rank <sup>1</sup>	Comparator 25 <sup>th</sup> Percentile	Comparator 75 <sup>th</sup> Percentile
36%	13	38 <sup>th</sup>	37%	53%

### CMI-Adjusted Average Cost per Medicare Discharge (Small Rural Hospitals)

Hospital	VT Hospital Rank	Hospital Percent Rank <sup>2</sup>	Comparator 25 <sup>th</sup> Percentile	Comparator 75 <sup>th</sup> Percentile
\$8,451	1	1 <sup>st</sup>	\$8,817	\$12,730

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<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)

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Inpatient – Relative Cost and Price (PPS, Not major teaching)						
Year		FY18	FY19	FY20	FY21	FY22
Commercial Cost per Discharge	Hospital	\$10,626	\$10,692	\$10,897	\$10,778	\$9,360
	25 <sup>th</sup> percentile	\$11,546	\$10,692	\$11,931	\$11,680	\$11,817
	75 <sup>th</sup> percentile	\$13,864	\$12,248	\$13,506	\$14,812	\$15,461
Commercial Cost Coverage	Hospital	105%	104%	104%	111%	145%
	25 <sup>th</sup> percentile	97%	87%	75%	90%	86%
	75 <sup>th</sup> percentile	105%	106%	104%	111%	133%
Standardized Price	Hospital	\$20,397				
	25 <sup>th</sup> percentile	\$15,461				
	75 <sup>th</sup> percentile	\$25,573				

Outpatient – Relative Cost and Price (PPS, Not major teaching)						
Year		FY18	FY19	FY20	FY21	FY22
Commercial Cost per Discharge	Hospital	\$341	\$340	\$382	\$382	\$382
	25 <sup>th</sup> percentile	\$341	\$344	\$382	\$382	\$388
	75 <sup>th</sup> percentile	\$379	\$358	\$383	\$436	\$467
Commercial Cost Coverage	Hospital	273%	225%	209%	223%	233%
	25 <sup>th</sup> percentile	233%	180%	173%	196%	196%
	75 <sup>th</sup> percentile	273%	225%	209%	223%	233%
Standardized Price	Hospital	\$331				
	25 <sup>th</sup> percentile	\$214				
	75 <sup>th</sup> percentile	\$365				