



To: Jessica Holmes, Interim Chair, Green Mountain Care Board  
Robin Lunge, Board Member  
Tom Pelham, Board Member  
Thom Walsh, Board Member  
Susan J. Barrett, Executive Director

cc: Jessica Mendizabal, Data Project Director

From: Beth Anderson, President & CEO, VITL 

Date: August 15, 2022

Re: VITL Quarterly Update

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The VITL team appreciates the opportunity to share our Quarterly Update for your review. The attached presentation offers updates on our work and the quarterly metrics.

First, I want to share the news that Bob Turnau, who has served as VITL's Chief Financial Officer since 2016, has decided to retire from VITL. Bob has been a critical contributor to the stabilization and improvement in VITL's finances and operations, enabling VITL to deliver achievable and balanced budgets, clean audits, and a strong balance sheet. Bob will transition to a reduced work week this month and is committed to ensuring successful completion of our FY22 audit. We have an active search for a new CFO underway.

### **Key Projects & Achievements**

Since the team shared our quarterly update and FY23 budget in early June, work has continued on the projects and deliverables we presented. Highlights include:

- Successful completion of the roll out of the new VITLAccess clinical portal in June, as planned, and transition from the legacy platform. Feedback has been positive about the usability of the new portal, as well as the additional data that is now available for clinicians.
- Completed procurement and executed a contract to allow us to continue offering results delivery and direct messaging services with minimal client impact, as part of our platform transition.
- Continued planning with the team at DVHA to support their interoperability initiative to make claims and clinical data available for Medicaid beneficiaries.
- Performed further research about and planning for delivery of patient data access through application programming interfaces (APIs).
- Continued work to create new interfaces. For the 6 months through June 30, the team completed 62 interfaces, including:
  - 32 public health priority interfaces for laboratory and immunization data
  - 25 replacement interfaces for providers that have transitioned to a new EHR
  - 5 new interfaces
- The demand for new and replacement interfaces continues to outpace our ability and funding to deliver them. The teams at AHS and VITL continue conversations to explore options.

## **Patient Education**

VITL launched a direct-to-patient education campaign in June. The new campaign builds on messaging established during the transition to the opt-out consent model in 2020. Posts on Facebook, Instagram, and YouTube are generating views and building awareness, they link to a website with more information and options to opt-out and/or make a record request. This campaign supplements ongoing education by provider organizations that VITL supports with a toolkit of education resources such as brochures, print and digital fliers, social media content, and more.

## **Strategic Plan**

The team continues our focus on our Strategic Plan, as implemented last September. Having accomplished the work we set out for the first year, we are refining our plans for the next year to ensure they are aligned with the Plan, our contracts, and the HIE Strategic Plan.

## **Business Model**

Work to develop a diversified, sustainable business model for our future is continuing. We continue our conversations with the AHS team to identify what health information exchange services funding is available to support of the Vermont health care community. Our goal remains to develop a model that includes manageable investment by the organizations that use VHIE services, allows VITL to be responsive to client needs, and that ultimately ensures VITL's sustainability to continue to serve Vermont providers and patients. We will continue to update you on this work as we develop the model.

## **Financials**

Financials through May 31 are included in the update. We are just 6 weeks into FY23, therefore do not have financials for the current year. However, we have not seen significant deviations from FY23 budget at this time.

VITL remains on pace to perform at least as well as was projected for FY22 year end when we presented the FY23 budget in June.

- Fiscal year-to-date revenue as of May 31 is \$9,118K, below budget by \$1,660K. The difference is largely due to the deferral of recognizing revenue associated with a portion of payments previously received under our CY21 contract; deferral of the revenues was not included in the approved budget. The deferred revenue recognition continues to be a timing difference and we expect to achieve all deliverables forecasted for fiscal year end. Based on our latest review, we are expecting a decrease in the revenue projection presented in June of \$250K, largely due to timing.
- Fiscal year-to-date expenses as of May 31 are \$8,580K, which is \$1,405K below budget. The majority of the gap consists of Network Expenses (-\$188K), Outside Support (-\$648K), and Software (-\$154K), largely related to project implementation and timing. Based on the current forecast for FY22 year end, we anticipate expenses will remain significantly below budget.
- The Balance Sheet remains in a strong position with \$5,243K cash on hand or 162 days. Accounts payable is \$771K and equates to 24 days of cash. In May, we received approval for the deliverables submitted for January through March and received the \$1.511K payment for this work on June 10th

(receipt was anticipated in the year-end forecast). This will be reflected in the June financial statements.

Finally, VITL has selected a new audit firm, McSoley McCoy & Company. The contract with our previous audit firm expired, and VITL believed it was prudent to consider a new perspective on our work and to ensure that audit fees were competitive.

### **Quarterly Metrics**

We have included our standard Quarterly Metrics, which include information that reflects the roll-out of a new clinician portal.

Thank you for the opportunity to present our work. The team looks forward to hearing any feedback or responding to questions.