

Income Statement	FY-2016B	Physician Transfer during FY 2016	Approved FY 2016B w/Physician Transfer	FY-2016A	\$ Change FY-2016B w/Phys Transfer -FY-2016A higher/lower	% Change FY-2016B-FY-2016A higher/lower
Revenues						
Gross Patient Care Revenue	141,089,000		141,089,000	146,066,754	4,977,754	3.5%
Disproportionate Share Payments	1,460,700		1,460,700	1,528,180	67,480	4.6%
Bad Debt	(3,030,000)		(3,030,000)	(3,443,155)	(413,155)	13.6%
Free Care	(2,900,000)		(2,900,000)	(2,675,006)	224,994	-7.8%
Deductions from Revenue	(68,524,400)		(68,524,400)	(69,890,222)	(1,365,822)	2.0%
Net Patient Care Revenue	68,095,300		68,095,300	71,586,551	3,491,251	5.1%
Other Operating Revenue	1,648,676		1,648,676	1,727,715	79,039	4.8%
Total Operating Revenue	69,743,976		69,743,976	73,314,266	3,570,290	5.1%
Expenses						
Salaries Non MD	22,978,900		22,978,900	24,242,683	1,263,783	5.5%
Fringe Benefits Non MD	7,799,600		7,799,600	8,331,196	531,596	6.8%
Physician Fees Salaries Contracts & Fr	8,504,500		8,504,500	8,461,060	(43,440)	-0.5%
All Other Expenses	27,038,300		27,038,300	28,808,901	1,770,601	6.5%
Total Operating Expense	68,696,400		68,696,400	71,826,326	3,129,926	4.6%
Net Operating Income (Loss)	1,047,576		1,047,576	1,487,940	440,364	42.0%
Non-Operating Revenue	0		0	906,415	906,415	#DIV/0!
Excess (Deficit) of Revenue Over Expe	1,047,576		1,047,576	2,394,355	1,346,779	128.6%

Payer Schedule - Net Payer Revenue	FY-2016B	Physician Transfer during FY 2016	Approved FY 2016B w/Physician Transfer	FY-2016A	\$ Change FY-2016B - FY-2016A higher/lower	% Change FY-2016B-FY-2016A higher/lower
Commercial NPR	34,889,000		34,889,000	35,471,866	582,866	1.7%
Medicaid NPR	10,829,400		10,829,400	11,956,099	1,126,699	10.4%
Medicare NPR	22,376,900		22,376,900	24,158,586	1,781,686	8.0%
Total NPR	68,095,300		68,095,300	71,586,551	3,491,251	5.1%

Income Statement	Approved FY 2016B w/Physician Transfer	FY-2016A	\$ Change FY-2016B w/Phys Transfer -FY-2016A higher/lower	% Change FY-2016B w/Phys Transfer -FY-2016A higher/lower	Over/Under Explained					Total of Explained Variance
					Utilization (change in services)	Changes in Bad Debt/Free Care	Pharmacy	Changes in DSH	Other	
Revenues										
Gross Patient Care Revenue	141,089,000	146,066,754	4,977,754							
Disproportionate Share Payments	1,460,700	1,528,180	67,480							
Bad Debt	(3,030,000)	(3,443,155)	(413,155)							
Free Care	(2,900,000)	(2,675,006)	224,994							
Deductions from Revenue	(68,524,400)	(69,890,222)	(1,365,822)							
Net Patient Care Revenue	68,095,300	71,586,551	3,491,251	5.1%	3,611,932	(188,161)		67,480		3,491,251
Other Operating Revenue	1,648,676	1,727,715	79,039							79,039
Total Operating Revenue	69,743,976	73,314,266	3,570,290							3,570,290
Expenses										
Salaries Non MD	22,978,900	24,242,683	1,263,783							
Fringe Benefits Non MD	7,799,600	8,331,196	531,596							
Physician Fees Salaries Contracts &	8,504,500	8,461,060	(43,440)							
All Other Expenses	27,038,300	28,808,901	1,770,601							
Total Operating Expense	68,696,400	71,826,326	3,129,926	4.6%	1,395,000		580,000	155,000	999,926	3,129,926
Net Operating Income (Loss)	1,047,576	1,487,940	440,364							440,364
Non-Operating Revenue	0	906,415	906,415							906,415
Excess (Deficit) of Revenue Over Exp	1,047,576	2,394,355	1,346,779							1,346,779

Northeastern VT Regional Hospital		Decision Dashboard											
	FY-2012A	FY-2013A	FY-2014A	FY-2015A	FY-2016B	FY-2016A	FY-2017B	FY-2016A Vermont 25th	FY-2016A Vermont 50th	FY-2016A Vermont 75th	FY - 2015A Northeast Region	FY - 2015A Teaching Hospitals	FY - 2015A US Not for Profit
Net Patient Care Revenue	58,288,486	61,024,189	61,868,757	65,548,594	68,095,300	71,586,551	71,339,400						
Budget to Actual NPR %						5.1%							
Actual to Actual NPR Growth Rate		4.7%	1.4%	5.9%		9.2%		1.7%	4.9%	7.6%			
Three Year NPR CAGR (FY14 - FY16)						5.5%		2.8%	3.9%	4.8%			
Three Year NPR CAGR (FY13 - FY15)						4.0%		1.3%	4.0%	5.1%			
Operating Expense	57,952,091	61,951,973	65,007,033	65,373,391	68,696,400	71,826,326	71,509,500						
Budget to Actual OE %						4.6%							
Actual to Actual OE Growth Rate		6.9%	4.9%	0.6%		9.9%		0.8%	4.8%	8.9%			
Three Year OE CAGR (FY14-FY16)						5.1%		2.5%	3.7%	5.0%			
Three Year OE CAGR (FY13-FY15)						4.1%		1.1%	3.6%	5.4%			5.5%
Operating Margin %	3.2%	2.2%	-0.9%	2.2%	1.5%	2.0%	1.9%	0.2%	1.4%	3.4%	0.5%	3.3%	3.4%
Total Margin %	5.7%	5.0%	1.0%	0.6%	1.5%	3.2%	1.9%	2.0%	2.9%	6.1%	2.4%	4.2%	6.1%
Long Term Debt to Capitalization	31.0%	29.1%	27.9%	27.0%	26.6%	23.8%	22.6%	20.5%	25.7%	30.3%	28.2%	35.3%	33.7%
Current Ratio	2.8	3.5	3.2	2.9	1.3	2.7	2.8	2.5	3.1	4.1	1.6	1.8	2.0
Debt Service Coverage Ratio	5.4	4.6	2.5	4.9	4.1	4.3	3.8	3.4	4.4	6.2	3.0	5.3	4.8
Capital Expenditures to Depreciation	157%	156%	168%	63%	132%	120%	105%	73%	90%	110%			
Cost per Adjusted Admission	10,273	10,734	11,900	12,263	12,126	10,947	10,903	8,714	9,948	11,857			
Days Cash on Hand	94	97	97	131	96	123	128	99	135	199	113	116	212
Days Receivable	51	55	53	45	48	43	42	34	41	45	42	43	48
Days Payable	66	55	55	68	57	68	65	47	60	67	70	66	64
Age of Plant	13.3	12.2	13.0	13.2	14.5	13.1	14.8	10.6	11.9	13.1	12.3	11.2	11.0
Approved Rate per Latest Order		6.5%	5.6%	5.0%	5.2%	5.2%	3.8%						

CAGR = Compounded Annual Growth Rate

NVRH has exceeded the enforcement budget trigger of 0.5%. Review of NVRH information finds that increased utilization explains the entire increase. During the 2017 Budget submission, NVRH explained that they were uncertain how much utilization recapture may occur. The utilization is presumed to be an increase that was previously occurring in New Hampshire because NVRH did not have enough orthopedic capacity. Once 2016 data is available, the VHCURES data set may be able to show this change. The effect of both NPR and expense variances was an operating surplus that was \$440,364 higher than budget.

The three year growth in NPR and expenses are greater than the 75th percentile for all hospitals. Through February of FY 2017, NPR is currently 4.8% over the YTD approved budget. NVRH explains that the increase is related to improved free care levels and higher acuity of the patients being served.

An increase in both operating margin and non-operating margin have provided increased cash on hand and the ability to fund greater capital spending. This increased capital spending has lowered the age of plant which is still higher than the state median (unfavorable). Cost per adjusted admission is higher than the state median but much lower than the budgeted 2016 level.