UVMHN - UVMMC + CVMC													
Analysis of Fiscal Year 2016	Actuals							Over/Und	ler Explained				
			\$ Change FY-	% Change				Otner					
	Approved FY		3 Change FY- 2016B w/Phys					Physician Revenue		Change in			
	2016B			Transfer -	Utilization		Changes in	Transfers not		Accounting for			Total of
	w/Physician			FY-2016A	(change in	Reimb/Paver	Bad Debt/Free			Employee	Changes in		Explained
Income Statement	Transfer	FY-2016A	higher/lower		services)	Mix	Care	Phys Trans	Pharmacy	Health Plan	DSH	Other	Variance
Revenues			Ŭ,		•				•				
Gross Patient Care Revenue	2,818,450,426	2,905,854,841	87,404,415										
Disproportionate Share Pay	19,838,995	21,404,677	1,565,682										
Bad Debt	(32,680,099)	(27,801,239)	4,878,860										
Free Care	(21,332,060)	(15,983,217)	5,348,842										
Deductions from Revenue	(1,513,506,052)	(1,565,388,461)	(51,882,410)										
Graduate Medical Educatio	30,000,000	30,000,000	0										
Net Patient Care Revenue	1,306,557,671	1,348,086,600	41,528,928	3.2%	28,448,357	6,373,818	8,883,047	3,692,825	2,099,034	(9,533,835)	1,565,682	-	41,528,928
Other Operating Revenue	103,160,138	101,785,582	(1,374,556)	-1.3%	-	-	-	-	-	-	-	(1,374,556)	<mark>(1,374,556)</mark>
Total Operating Revenue	1,409,717,810	1,449,872,182	40,154,372	2.8%	28,448,357	6,373,818	8,883,047	3,692,825	2,099,034	(9,533,835)	1,565,682	(1,374,556)	40,154,372
Expenses													
Salaries Non MD	456,269,996	464,746,107	8,476,111										
Fringe Benefits Non MD	150,230,541	137,767,733	(12,462,808)										
Fringe Benefits MD	29,498,172	29,613,456	115,284										
Physician Fees Salaries Cont	163,891,132	176,693,990	12,802,858										
All Other Expenses	552,601,281	564,950,793	12,349,512										
Total Operating Expense	1,356,725,125	1,373,772,079	17,046,954	1.3%	17,335,757	-	-	1,153,198	2,000,367	(9,533,835)	-	6,091,467	17,046,954
Net Operating Income (Loss	52,992,685	76,100,103	23,107,418	43.6%	11,112,600	6,373,818	8,883,047	2,539,627	98,667	-	1,565,682	(7,466,023)	23,107,418
Non-Operating Revenue	15,595,738	12,825,054	(2,770,684)	-17.8%	-	-	-	-	-	-	-	(2,770,684)	<mark>(2,770,684)</mark>
Excess (Deficit) of Revenue	68,588,422	88,925,156	20,336,734	29.7%	11,112,600	6,373,818	8,883,047	2,539,627	98,667	-	1,565,682	(10,236,707)	20,336,734

Income Statement FY-2016B Physician Transfer Approved FY 2016B Schange FY- 2016B Sc	Central vermont inedical Center						Page 1 01 5
Approved FY 2016B Approved FY 2016B 2016B w/Phys Transfer X change FY- 2016B Income Statement FY-2016B higher/lower X change FY- 2016B X cha	Analysis of Fiscal Year 2016 Actuals						
Income Statement FY-2016B Physician Transfer during FY 2016 Z016B w/Physician Transfer restar Transfer 2016B-FY-2016A Migher/lower Revenues 349,042,779 349,042,779 376,366,499 27,323,720 7.89 Disproportionate Share Payments 3,113,501 3,113,501 2,680,286 (433,215) -13.99 Bad Debt (6,270,000) (5,270,000) (2,552,818) 1,078,3892 -17.29 Free Care (3,883,000) (2,552,818) 1,30,182 -34.39 Deductions from Revenue 11,630,699 (1168,006,994) (117,97,62,913) (11,755,919) 7.09 Net Patient Care Revenue 13,50,695 1,402,035 187,538,321 191,539,466 16,141,625 9.29 Other Operating Revenue 185,626,985 1,402,035 187,039,937 16,990,807 9.19 Fringe Benefits Non MD 69,625,339 77,876,535 8,251,196 11.99 Physician Transfer 22,597,526 25,798,463 3,200,937 14.29 All Other Expenses 62,945,178 62,945,178						-	
Income Statement PHysician Transfer during FV 2016 w/Physician Transfer during FV 2016 W/Physician Transfer				••		• •	
Income Statement FY-2016B during FY 2016 Transfer FY-2016A higher/lower Revenues 349,042,779 349,042,779 376,366,499 27,323,720 7.89 Disproportionate Share Payments 3,113,501 3,113,501 2,680,286 (433,215) -13.99 Bad Debt (6,270,000) (5,191,108) 1,078,892 -17.29 Free Care (3,883,000) (2,552,818) 1,330,182 -34.39 Deductions from Revenue 116,30,699 (168,006,994) (179,762,913) (11,755,919) 7.09 Net Patient Care Revenue 11,630,699 1,402,035 187,029,020 204,019,827 16,909,807 9.19 Expenses 69,625,339 1,402,035 187,029,020 204,019,827 16,909,807 11.99 Fringe Benefits Non MD 69,625,339 1,402,035 187,029,020 204,019,827 3,162,990 10.43 Physician Fees Salaries Contracts & Fr 22,597,526 25,798,463 3,200,937 14.429 All Other Expenses 62,945,178 69,453,481 6,508,30							-
Revenues Gross Patient Care Revenue 349,042,779 349,042,779 376,366,499 27,323,720 7.89 Disproportionate Share Payments 3,113,501 3,113,501 3,113,501 2,680,286 (433,215) -13.99 Bad Debt (6,270,000) (6,270,000) (5,191,108) 1,078,892 -17.29 Pree Care (3,883,000) (2,552,818) 1,330,182 -34.39 Deductions from Revenue (168,006,994) (168,006,994) (17,79,762,913) (11,755,919) 7.09 Net Patient Care Revenue 173,996,286 1,402,035 187,039,8321 191,539,946 16,141,625 9.29 Other Operating Revenue 11,630,699 11,630,699 12,479,881 849,182 7.39 Stairies Non MD 69,625,339 69,625,339 77,876,535 8,251,196 11.99 Fringe Benefits Non MD 21,640,607 21,640,607 24,603,597 3,162,990 14.69 Not Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.29 Not Operating Expense </td <td></td> <td></td> <td>-</td> <td></td> <td></td> <td></td> <td></td>			-				
Gross Patient Care Revenue 349,042,779 349,042,779 376,366,499 27,323,720 7.89 Disproportionate Share Payments 3,113,501 2,680,286 (433,215) -13.99 Bad Debt (6,270,000) (5,191,108) 1,078,892 -17.29 Free Care (3,883,000) (2,552,818) 1,330,182 -34.39 Deductions from Revenue (168,006,994) (168,006,994) (179,762,913) (11,755,919) 7.09 Net Patient Care Revenue 11,630,699 1,402,035 175,398,321 191,539,946 16,141,625 9.29 Other Operating Revenue 185,626,985 1,402,035 187,029,020 204,019,827 16,990,807 9.19 Expenses - - 22,597,526 22,597,526 22,597,526 32,09,937 14.69 Physician Fees Salaries Contracts & Fr 22,597,526 22,597,526 22,598,463 3,200,937 14.69 All Other Expenses 62,945,178 62,945,178 69,453,481 6,508,303 10.39 Total Operating Income (Loss) 5,295,446 <td< td=""><td>Income Statement</td><td>FY-2016B</td><td>during FY 2016</td><td>Transfer</td><td>FY-2016A</td><td>higher/lower</td><td>higher/lower</td></td<>	Income Statement	FY-2016B	during FY 2016	Transfer	FY-2016A	higher/lower	higher/lower
Disproportionate Share Payments 3,113,501 3,113,501 2,680,286 (433,215) -13.99 Bad Debt (6,270,000) (6,270,000) (5,191,108) 1,078,892 -17.29 Free Care (3,883,000) (2,552,818) 1,330,182 -34.39 Deductions from Revenue (168,006,994) (168,006,994) (179,762,913) (11,755,919) 7.09 Net Patient Care Revenue 173,996,286 1,402,035 175,398,321 191,539,946 16,141,625 9.29 Other Operating Revenue 11,630,699 11,630,699 12,479,881 849,182 7.39 Total Operating Revenue 1185,626,985 1,402,035 187,029,020 204,019,827 16,990,807 9.19 Fringe Benefits Non MD 69,625,339 77,876,535 8,251,196 11.99 Physician Fees Salaries Contracts & Fr 22,597,526 22,597,526 25,798,463 3,200,937 14.29 Net Operating Expense 62,945,178 62,945,178 69,453,481 6,508,303 10.33 Total Operating Revenue 1,850,334 1,767	Revenues						
Bad Debt (6,270,000) (6,270,000) (5,191,108) 1,078,892 -17.29 Free Care (3,883,000) (2,552,818) 1,330,182 -34.39 Deductions from Revenue (168,006,994) (179,762,913) (11,755,919) 7.09 Net Patient Care Revenue 173,996,286 1,402,035 175,398,321 191,539,946 16,141,625 9.29 Other Operating Revenue 11,630,699 11,630,699 12,479,881 849,182 7.39 Total Operating Revenue 185,626,985 1,402,035 187,029,020 204,019,827 16,990,807 9.19 Salaries Non MD 69,625,339 77,876,535 8,251,196 11.99 Fringe Benefits Non MD 21,640,607 21,640,607 24,803,597 3,162,990 14.69 Physician Fees Salaries Contracts & F 22,597,526 25,798,463 3,200,937 14.29 All Other Expenses 62,945,178 69,453,341 6,508,303 10.39 Total Operating Income (Loss) 5,295,446 176,751 5,472,197 2,049,956 (3,422,241) -62.55 Non-Operating Revenue 1,850,334 1,762,757 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Free Care (3,883,000) (3,883,000) (2,552,818) 1,330,182 -34.39 Deductions from Revenue (168,006,994) (168,006,994) (179,762,913) (11,755,919) 7.09 Net Patient Care Revenue 173,996,286 1,402,035 175,398,321 191,539,946 16,41,625 9.29 Other Operating Revenue 11,630,699 11,630,699 12,479,881 849,182 7.39 Total Operating Revenue 185,626,985 1,402,035 187,029,020 204,019,827 16,990,807 9.12 Expenses 1 69,625,339 69,625,339 77,876,535 8,251,196 11.99 Physician Fees Salaries Contracts & Fr 22,597,526 22,597,526 22,579,8463 3,200,937 14.62 All Other Expenses 62,945,178 62,945,178 69,453,481 6,508,303 10.39 Not Operating Revenue 1,850,334 1,762,7197 2,049,956 (3,422,241) -62.59 Non-Operating Revenue 1,850,334 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Excess (Deficit) of Revenue Over Expe 7,145,780 176,515 7,322,5	Disproportionate Share Payments	3,113,501		3,113,501	2,680,286	(433,215)	-13.9%
Deductions from Revenue (168,006,994) (178,702,913) (11,755,919) 7.0% Net Patient Care Revenue 173,996,286 1,402,035 175,398,321 191,539,946 16,141,625 9.29 Other Operating Revenue 11,630,699 11,630,699 12,479,881 849,182 7.3% Total Operating Revenue 185,626,985 1,402,035 187,029,020 204,019,827 16,990,807 9.19 Expenses 1 69,625,339 69,625,339 77,876,535 8,251,196 11.9% Fringe Benefits Non MD 21,640,607 21,640,607 24,803,597 3,162,990 14.6% Physician Fees Salaries Contracts & Fi 22,597,526 22,597,526 25,798,463 3,200,937 14.2% Not Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.2% Not Operating Revenue 1,850,334 176,751 5,472,197 2,049,956 (3,422,241) -62.5% Non-Operating Revenue 1,850,334 176,751 7,322,531 3,812,713 (3,509,818)	Bad Debt	(6,270,000)		(6,270,000)	(5,191,108)	1,078,892	-17.2%
Net Patient Care Revenue 173,996,226 1,402,035 175,396,321 191,539,946 16,141,625 9.29 Other Operating Revenue 11,630,699 11,630,699 12,479,881 849,182 7.39 Total Operating Revenue 185,626,985 1,402,035 187,029,020 204,019,827 16,990,807 9.19 Expenses 5 69,625,339 77,876,535 8,251,196 11.99 Salaries Non MD 69,625,339 21,640,607 24,803,597 3,162,990 14.69 Physician Fees Salaries Contracts & Fr 22,597,526 22,597,526 25,798,463 3,200,937 14.29 All Other Expenses 62,945,178 62,945,178 69,453,481 6,508,303 10.39 Total Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.29 Net Operating Revenue 1,850,334 176,751 5,472,197 2,049,956 (3,422,241) -62.55 Non-Operating Revenue 1,850,334 176,751 7,322,531 3,812,713 (3,509,818) -47.99	Free Care	(3,883,000)		(3,883,000)	(2,552,818)	1,330,182	-34.3%
Other Operating Revenue 11,630,699 11,630,699 12,479,881 849,182 7.39 Total Operating Revenue 185,626,985 1,402,035 187,029,020 204,019,827 16,990,807 9.19 Expenses 69,625,339 77,876,535 8,251,196 11.99 Salaries Non MD 69,625,339 77,876,535 8,251,196 11.99 Physician Fees Salaries Contracts & Fr 22,597,526 22,597,526 25,798,463 3,200,937 14.29 All Other Expenses 62,945,178 62,945,178 69,625,339 201,969,871 20,413,048 11.29 Total Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.29 Net Operating Income (Loss) 5,295,446 176,751 5,472,197 2,049,956 (3,422,241) -62.59 Non-Operating Revenue 1,850,334 1,762,757 (87,577) -4.79 Excess (Deficit) of Revenue Over Exper 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Payer Schedule - Net Payer R	Deductions from Revenue	(168,006,994)		(168,006,994)	(179,762,913)	(11,755,919)	7.0%
Total Operating Revenue 185,626,985 1,402,035 187,029,020 204,019,827 16,990,807 9.19 Expenses Salaries Non MD 69,625,339 69,625,339 77,876,535 8,251,196 11.99 Fringe Benefits Non MD 21,640,607 21,640,607 24,803,597 3,162,990 14.69 Physician Fees Salaries Contracts & Fr 22,597,526 22,597,526 25,798,463 3,200,937 14.29 All Other Expenses 62,945,178 69,453,481 6,508,303 10.39 Total Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.29 Net Operating Income (Loss) 5,295,446 176,751 5,472,197 2,049,956 (3,422,241) -62.59 Non-Operating Revenue 1,850,334 1,762,757 (87,577) -4.79 Excess (Deficit) of Revenue Over Expe 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Payer Schedule - Net Payer Revenue FY-2016B during FY 2016 Transfer FY-2016A higher/lower Nigher/lower Commercial NPR 82,708,181 666,4	Net Patient Care Revenue	173,996,286	1,402,035	175,398,321	191,539,946	16,141,625	9.2%
Expenses 69,625,339 69,625,339 77,876,535 8,251,196 11.9% Fringe Benefits Non MD 21,640,607 21,640,607 24,803,597 3,162,990 14.69 Physician Fees Salaries Contracts & Fr 22,597,526 22,597,526 25,798,463 3,200,937 14.29 All Other Expenses 62,945,178 62,945,178 69,453,481 6,508,303 10.39 Total Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.29 Net Operating Income (Loss) 5,295,446 176,751 5,472,197 2,049,956 (3,422,241) -62.59 Non-Operating Revenue 1,850,334 1,762,757 (87,577) -4.79 Excess (Deficit) of Revenue Over Expet 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Payer Schedule - Net Payer Revenue FY-2016B Physician Transfer W/Physician 2016B FY- 2016B Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.19	Other Operating Revenue	11,630,699		11,630,699	12,479,881	849,182	7.3%
Salaries Non MD 69,625,339 69,625,339 77,876,535 8,251,196 11.99 Fringe Benefits Non MD 21,640,607 21,640,607 24,803,597 3,162,990 14.69 Physician Fees Salaries Contracts & Fr 22,597,526 22,597,526 25,798,463 3,200,937 14.29 All Other Expenses 62,945,178 62,945,178 69,453,481 6,508,303 10.39 Total Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.29 Non-Operating Revenue 1,850,334 1,762,757 (87,577) -4.79 Excess (Deficit) of Revenue Over Expe 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Payer Schedule - Net Payer Revenue FY-2016B NPhysician Transfer w/Physician Y Conde FY-2016B 2016B Non-9 2016A Nigher/Lower 2016A Nigher/Lower 2016A Nigher/Lower 2016A 10.19 2016A 10.19 2016A 10.19 2016A 10.19 2016A 10.19 <	Total Operating Revenue	185,626,985	1,402,035	187,029,020	204,019,827	16,990,807	9.1%
Fringe Benefits Non MD 21,640,607 21,640,607 24,803,597 3,162,990 14.69 Physician Fees Salaries Contracts & Fr 22,597,526 22,597,526 25,798,463 3,200,937 14.29 All Other Expenses 62,945,178 62,945,178 69,453,481 6,508,303 10.39 Total Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.29 Net Operating Income (Loss) 5,295,446 176,751 5,472,197 2,049,956 (3,422,241) -62.59 Non-Operating Revenue 1,850,334 1,762,757 (87,577) -4.79 Excess (Deficit) of Revenue Over Expe 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Payer Schedule - Net Payer Revenue FY-2016B Physician Transfer Yu/Physician FY-2016A higher/lower 2016A Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.19 Medicaid NPR 31,526,665 254,037 31,780,702 33,924,367 2,143,665 7.69 Medicare NPR 59,761,440 <td< td=""><td>Expenses</td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	Expenses						
Physician Fees Salaries Contracts & Fr 22,597,526 22,597,526 25,798,463 3,200,937 14.29 All Other Expenses 62,945,178 62,945,178 69,453,481 6,508,303 10.39 Total Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.29 Net Operating Income (Loss) 5,295,446 176,751 5,472,197 2,049,956 (3,422,241) -62.59 Non-Operating Revenue 1,850,334 1,762,757 (87,577) -4.79 Excess (Deficit) of Revenue Over Expe 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Payer Schedule - Net Payer Revenue FY-2016B huring FY 2016 Transfer FY-2016A higher/lower Nigher/lower Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.19 Medicaid NPR 31,526,665 254,037 31,780,702 33,924,367 2,143,665 7.69 Medicare NPR 59,761,440 481,548 60,242,988 66,571,000 <td>Salaries Non MD</td> <td>69,625,339</td> <td></td> <td>69,625,339</td> <td>77,876,535</td> <td>8,251,196</td> <td>11.9%</td>	Salaries Non MD	69,625,339		69,625,339	77,876,535	8,251,196	11.9%
All Other Expenses 62,945,178 62,945,178 69,453,481 6,508,303 10.39 Total Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.29 Net Operating Income (Loss) 5,295,446 176,751 5,472,197 2,049,956 (3,422,241) -62.59 Non-Operating Revenue 1,850,334 1,762,757 (87,577) -4.79 Excess (Deficit) of Revenue Over Expe 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Payer Schedule - Net Payer Revenue FY-2016B Physician Transfer W/Physician FY-2016A higher/lower 2016A 2016A Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.19 Medicaid NPR 31,526,665 254,037 31,780,702 33,924,367 2,143,665 7.69 Medicaid NPR 59,761,440 481,548 60,242,988 66,571,000 6,328,012 11.49	Fringe Benefits Non MD	21,640,607		21,640,607	24,803,597	3,162,990	14.6%
Total Operating Expense 180,331,539 1,225,284 181,556,823 201,969,871 20,413,048 11.29 Net Operating Income (Loss) 5,295,446 176,751 5,472,197 2,049,956 (3,422,241) -62.59 Non-Operating Revenue 1,850,334 1,850,334 1,762,757 (87,577) -4.79 Excess (Deficit) of Revenue Over Expe 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Payer Schedule - Net Payer Revenue FY-2016B Physician Transfer w/Physician FY-2016A higher/lower higher/lower Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.19 Medicaid NPR 31,526,665 254,037 31,780,702 33,924,367 2,143,665 7.69 Medicare NPR 59,761,440 481,548 60,242,988 66,571,000 6,328,012 11.49	Physician Fees Salaries Contracts & Fr	22,597,526		22,597,526	25,798,463	3,200,937	14.2%
Net Operating Income (Loss) 5,295,446 176,751 5,472,197 2,049,956 (3,422,241) -62.59 Non-Operating Revenue 1,850,334 1,850,334 1,762,757 (87,577) -4.79 Excess (Deficit) of Revenue Over Expe 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Approved FY 2016B FY- 2016B - FY- 2016B - FY- 2016B - FY- 2016A higher/lower 2016A higher/lower 10.19 Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.19 Medicaid NPR 31,526,665 254,037 31,780,702 33,924,367 2,143,665 7.69 Medicare NPR 59,761,440 481,548 60,242,988 66,571,000 6,328,012 11.49	All Other Expenses	62,945,178		62,945,178	69,453,481	6,508,303	10.3%
Non-Operating Revenue 1,850,334 1,850,334 1,850,334 1,762,757 (87,577) -4.7% Excess (Deficit) of Revenue Over Expe 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.9% Approved FY 2016B % Change FY- 2016B - FY- 2016B - FY- 2016A 2016A 2016A 2016A higher/lower Payer Schedule - Net Payer Revenue FY-2016B during FY 2016 Transfer FY-2016A higher/lower higher/lower 10.1% Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.1% Medicaid NPR 31,526,665 254,037 31,780,702 33,924,367 2,143,665 7.6% Medicare NPR 59,761,440 481,548 60,242,988 66,571,000 6,328,012 11.4%	Total Operating Expense	180,331,539	1,225,284	181,556,823	201,969,871	20,413,048	11.2%
Excess (Deficit) of Revenue Over Experied 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Excess (Deficit) of Revenue Over Experied 7,145,780 176,751 7,322,531 3,812,713 (3,509,818) -47.99 Excess (Deficit) of Revenue Over Experied Approved FY 2016B \$\$ Change FY- 2016B-FY- 2016B-FY- 2016A 10.19 2016A 10.19 2016A 10.19 2016A 10.19 10	Net Operating Income (Loss)	5,295,446	176,751	5,472,197	2,049,956	(3,422,241)	-62.5%
Approved FY 2016B S Change FY- 2016B - FY- % Change FY- 2016B - FY- Payer Schedule - Net Payer Revenue FY-2016B w/Physician Transfer FY-2016A higher/lower higher/lower Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.1% Medicaid NPR 31,526,665 254,037 31,780,702 33,924,367 2,143,665 7.6% Medicare NPR 59,761,440 481,548 60,242,988 66,571,000 6,328,012 11.4%	Non-Operating Revenue	1,850,334		1,850,334	1,762,757	(87,577)	-4.7%
Approved P1 2016B 2016B - FY- 2016B - FY- 2016 Physician Transfer w/Physician 2016A 2016A Payer Schedule - Net Payer Revenue FY-2016B during FY 2016 Transfer FY-2016A higher/lower higher/lower Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.1% Medicaid NPR 31,526,665 254,037 31,780,702 33,924,367 2,143,665 7.6% Medicare NPR 59,761,440 481,548 60,242,988 66,571,000 6,328,012 11.4%	Excess (Deficit) of Revenue Over Expe	7,145,780	176,751	7,322,531	3,812,713	(3,509,818)	-47.9%
Approved P1 2016B 2016B - FY- 2016B - FY- 2016 Physician Transfer w/Physician 2016A 2016A Payer Schedule - Net Payer Revenue FY-2016B during FY 2016 Transfer FY-2016A higher/lower higher/lower Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.1% Medicaid NPR 31,526,665 254,037 31,780,702 33,924,367 2,143,665 7.6% Medicare NPR 59,761,440 481,548 60,242,988 66,571,000 6,328,012 11.4%						Ś Chango EV	% Chango EV
Payer Schedule - Net Payer RevenueFY-2016BPhysician Transfer during FY 2016w/Physician TransferFY-2016A2016A2016ACommercial NPR82,708,181666,45083,374,63191,044,5797,669,94810.1%Medicaid NPR31,526,665254,03731,780,70233,924,3672,143,6657.6%Medicare NPR59,761,440481,54860,242,98866,571,0006,328,01211.4%						-	-
Payer Schedule - Net Payer Revenue FY-2016B during FY 2016 Transfer FY-2016A higher/lower higher/lower Commercial NPR 82,708,181 666,450 83,374,631 91,044,579 7,669,948 10.1% Medicaid NPR 31,526,665 254,037 31,780,702 33,924,367 2,143,665 7.6% Medicare NPR 59,761,440 481,548 60,242,988 66,571,000 6,328,012 11.4%							
Commercial NPR82,708,181666,45083,374,63191,044,5797,669,94810.1%Medicaid NPR31,526,665254,03731,780,70233,924,3672,143,6657.6%Medicare NPR59,761,440481,54860,242,98866,571,0006,328,01211.4%			-				
Medicaid NPR31,526,665254,03731,780,70233,924,3672,143,6657.6%Medicare NPR59,761,440481,54860,242,98866,571,0006,328,01211.4%			-			<u> </u>	•
Medicare NPR 59,761,440 481,548 60,242,988 66,571,000 6,328,012 11.4%							
Total NPR 173,996,286 1,402,035 175,398,321 191,539,946 16,141,625 9.2%	Medicare NPR						11.4%
	Total NPR	173,996,286	1,402,035	175,398,321	191,539,946	16,141,625	9.2%

Central Vermont Medical Center

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Central Vermont Medical Center	Central Vermont Medical Center Analysis of Fiscal Year 2016 Actuals Over/Under Explained												Page 2 of 3	
Income Statement		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 w/Phys	Utilization (change in services)	Reimburseme nt/Payer Mix	Changes in Bad Debt/Free Care	Other Physician Revenue Transfers not Captured in	Pharmacy	Changes in DSH	Other	Total of Explained Variance
Revenues					-			-						
Gross Patient Care Revenue	349,042,779		349,042,779	376,366,499	27,323,720									
Disproportionate Share Payments	3,113,501		3,113,501	2,680,286	(433,215)									
Bad Debt	(6,270,000)		(6,270,000)	(5,191,108)	1,078,892									
Free Care	(3,883,000)		(3,883,000)	(2,552,818)	1,330,182									
Deductions from Revenue	(168,006,994)		(168,006,994)	(179,762,913)	(11,755,919)									
Net Patient Care Revenue	173,996,286	1,402,035	175,398,321	191,539,946	16,141,625	9.2%	6,448,065	3,270,498	1,064,418	3,692,825	2,099,034	(433,215)		16,141,625
Other Operating Revenue	11,630,699		11,630,699	12,479,881	849,182								849,182	849,182
Total Operating Revenue	185,626,985	1,402,035	187,029,020	204,019,827	16,990,807		6,448,065	3,270,498	1,064,418	3,692,825	2,099,034	(433,215)	849,182	16,990,807
Expenses														
Salaries Non MD	69,625,339		69,625,339	77,876,535	8,251,196									
Fringe Benefits Non MD	21,640,607		21,640,607	24,803,597	3,162,990									
Physician Fees Salaries Contracts	22,597,526		22,597,526	25,798,463	3,200,937									
All Other Expenses	62,945,178		62,945,178	69,453,481	6,508,303									
Total Operating Expense	180,331,539	1,225,284	181,556,823	201,969,871	20,413,048	11.2%	7,710,414			1,153,198	2,000,367		9,549,069	20,413,048
Net Operating Income (Loss)	5,295,446	176,751	5,472,197	2,049,956	(3,422,241)		(1,262,349)	3,270,498	1,064,418	2,539,627	98,667	(433,215)	(8,699,887)	(3,422,241)
Non-Operating Revenue	1,850,334		1,850,334	1,762,757	(87,577)								(87,577)	(87,577)
Excess (Deficit) of Revenue Over	7,145,780	176,751	7,322,531	3,812,713	(3,509,818)		(1,262,349)	3,270,498	1,064,418	2,539,627	98,667	(433,215)	(8,787,464)	(3,509,818)

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Central Vermont Medical Center	2017 Almanac of Hospital Financial a Operating Indicators (Optum)											
							FY-2016A	FY-2016A	FY-2016A	FY - 2015A	FY - 2015A	FY - 2015A
							Vermont 25th	Vermont 50th	Vermont 75th	Northeast	Teaching	US Not for
	FY-2013A	FY-2014A	FY-2015A	FY-2016B	FY-2016A	FY-2017B	Percentile	Percentile	Percentile	Region	Hospitals	Profit
Net Patient Care Revenue	153,969,087	161,353,760	173,990,659	175,398,321	191,539,946	191,831,143						
Budget to Actual NPR %					9.2%							
Actual to Actual NPR Growth Rate	3.0%	4.8%	7.8%		10.1%	9.4%	1.7%	4.9%	7.6%			
Three Year NPR CAGR (FY14 - FY16)					7.5%	6.2%	2.8%	3.9%	4.8%			
Three Year NPR CAGR (FY13 - FY15)					5.2%	4.1%	1.3%	4.0%	5.1%			
Operating Expense	162,655,005	167,297,972	180,875,428	181,556,823	201,969,871	199,521,392						
Budget to Actual OE %					11.2%							
Actual to Actual OE Growth Rate	5.7%	2.9%	8.1%		11.7%		0.8%	4.8%	8.9%			
Three Year OE CAGR (FY14-FY16)					7.5%		2.5%	3.7%	5.0%			
Three Year OE CAGR (FY13-FY15)					5.5%		1.1%	3.6%	5.4%			5.5%
Operating Margin %	0.5%	2.8%	2.9%	2.9%	1.0%	1.8%	0.2%	1.4%	3.4%	0.5%	3.3%	3.4%
Total Margin %	1.4%	4.9%	3.5%	3.8%	1.9%	2.7%	2.0%	2.9%	6.1%	2.4%	4.2%	6.1%
Long Term Debt to Capitalization	21.2%	18.5%	18.1%	15.5%	17.9%	16.2%	20.5%	25.7%	30.3%	28.2%	35.3%	33.7%
Current Ratio	3.4	3.1	2.9	3.7	2.5	3.3	2.5	3.1	4.1	1.6	1.8	2.0
Debt Service Coverage Ratio	2.0	4.1	4.4	4.6	3.4	4.5	3.4	4.4	6.2	3.0	5.3	4.8
Capital Expenditures to Depreciation	72%	61%	95%	131%	133%	140%	73%	90%	110%			
Cost per Adjusted Admission	10,679	11,085	11,217	10,894	11,405	11,032	8,714	9,948	11,857			
Days Cash on Hand	106	120	110	129	99	124	99	135	199	113	116	212
Days Receivable	37	36	36	34	43	38	34	41	45	42	43	48
Days Payable	47	55	55	47	63	53	47	60	67	70	66	64
Age of Plant	8.4	9.0	9.0	10.4	9.7	10.6	10.6	11.9	13.1	12.3	11.2	11.0
Note: The NPP and OF for EV2016B include	s the physician ac	nuicition which he	como offoctivo du	ring EV2016		0	u		L			J

Note: The NPR and OE for FY2016B includes the physician acquisition which became effective during FY2016.

CVMC has exceeded the enforcement budget trigger of 0.5%. Review of CVMC information finds that increased hospital and physician utilization and higher pharmaceutical costs explains a large portion of the variance. The balance of the NPR variance is explained by improved bad debt and free care levels, a reduction in disproportionate share, and more favorable reimbursement than budgeted. The effect of both NPR and expense variances was an operating surplus that was \$3.4 million lower than budget.

The three year growth in NPR and expenses are greater than the state median. Through February of FY 2017, NPR is currently 0.3% less than the YTD approved budget. CVMC was not asked to explain this as part of our monthly reporting process.

The operating margin has been consistent but below the 50th percentile as is the non-operating margin. Cash on hand remains steady and is at the 25th percentile. The age of plant is below the state 25th percentile (favorable) as is the long term debt as a % of capitalization. Cost per adjusted admission shows values just below the 75th percentile and close to 2016 budget levels.

The University of Vermont Medical Center Analysis of Fiscal Year 2016 Actuals

			Approved FY 2016B		\$ Change FY- 2016B w/Phys Transfer -FY-	% Change FY-
		Physician Transfer	w/Physician		2016A	2016B-FY-2016A
Income Statement	FY-2016B	during FY 2016	Transfer	FY-2016A	higher/lower	higher/lower
Revenues						
Gross Patient Care Revenue	2,469,407,647		2,469,407,647	2,529,488,342	60,080,695	2.4%
Disproportionate Share Payments	16,725,494		16,725,494	18,724,391	1,998,897	12.0%
Bad Debt	(26,410,099)		(26,410,099)	(22,610,131)	3,799,968	-14.4%
Free Care	(17,449,060)		(17,449,060)	(13,430,399)	4,018,660	-23.0%
Deductions from Revenue	(1,345,499,058)		(1,345,499,058)	(1,385,625,548)	(40,126,491)	3.0%
Graduate Medical Education	30,000,000		30,000,000	30,000,000	0	0.0%
Net Patient Care Revenue	1,126,774,924	4,384,426	1,131,159,350	1,156,546,653	25,387,303	2.2%
Other Operating Revenue	91,529,439		91,529,439	89,305,701	(2,223,738)	-2.4%
Total Operating Revenue	1,218,304,364	4,384,426	1,222,688,790	1,245,852,354	23,163,565	1.9%
Expenses						
Salaries Non MD	386,644,657		386,644,657	386,869,572	224,915	0.1%
Fringe Benefits Non MD	128,589,934		128,589,934	112,964,136	(15,625,798)	-12.2%
Fringe Benefits MD	25,975,283		25,975,283	25,575,661	(399,622)	-1.5%
Physician Fees Salaries Contracts & Fr	141,293,606		141,293,606	150,895,527	9,601,921	6.8%
All Other Expenses	489,656,103		489,656,103	495,497,312	5,841,208	1.2%
Total Operating Expense	1,172,159,584	3,008,718	1,175,168,302	1,171,802,207	(3,366,095)	-0.3%
Net Operating Income (Loss)	46,144,780	1,375,708	47,520,488	74,050,147	26,529,659	55.8%
Non-Operating Revenue	13,745,404		13,745,404	11,062,297	(2,683,107)	-19.5%
Excess (Deficit) of Revenue Over Expe	59,890,183	1,375,708	61,265,891	85,112,444	23,846,552	38.9%

		Physician Transfer	Approved FY 2016B w/Physician		\$ Change FY- 2016B - FY- 2016A	% Change FY- 2016B-FY- 2016A
Payer Schedule - Net Payer Revenue	FY-2016B	during FY 2016	Transfer	FY-2016A	higher/lower	higher/lower
Commercial NPR	680,291,340	2,647,101	682,938,441	683,204,358	265,917	0.4%
Medicaid NPR	138,699,103	539 <i>,</i> 696	139,238,799	144,631,757	5,392,958	4.3%
Medicare NPR	307,784,481	1,197,629	308,982,110	328,710,538	19,728,428	6.8%
Total NPR	1,126,774,924	4,384,426	1,131,159,350	1,156,546,653	25,387,303	2.2%

The University of Vermont Medical Center													Page 2 of 3
Analysis of Fiscal Year 2016 Actua	als					%			Over/Unde	r Explained			
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	70 Change FY-2016B w/Phys Transfer - FY-2016A higher/lo wer	Utilization (change in services)	Reimburseme nt/Payer Mix	Changes in Bad Debt/Free Care	Change in Accounting for Employee Health Plan	Changes in DSH	Other	Total of Explained Variance
Revenues													
Gross Patient Care Revenue	2,469,407,647		2,469,407,647	2,529,488,342	60,080,695								
Disproportionate Share Paymen	16,725,494		16,725,494	18,724,391	1,998,897	'							
Bad Debt	(26,410,099)		(26,410,099)	(22,610,131)	3,799,968								
Free Care	(17,449,060)		(17,449,060)	(13,430,399)	4,018,660								
Deductions from Revenue	(1,345,499,058)		(1,345,499,058)	(1,385,625,548)	(40,126,491)								
Graduate Medical Education	30,000,000		30,000,000	30,000,000	0								
Net Patient Care Revenue	1,126,774,924	4,384,426	1,131,159,350	1,156,546,653	25,387,303	2.2%	22,000,292	3,103,320	7,818,629	(9,533,835)	1,998,897		25,387,303
Other Operating Revenue	91,529,439		91,529,439	89,305,701	(2,223,738)							(2,223,738)	(2,223,738)
Total Operating Revenue	1,218,304,364	4,384,426	1,222,688,790	1,245,852,354	23,163,565		22,000,292	3,103,320	7,818,629	(9,533,835)	1,998,897	(2,223,738)	23,163,565
Expenses													
Salaries Non MD	386,644,657		386,644,657	386,869,572	224,915								
Fringe Benefits Non MD	128,589,934		128,589,934	112,964,136									
Fringe Benefits MD	25,975,283		25,975,283	25,575,661	(399,622)								
Physician Fees Salaries Contracts	141,293,606		141,293,606	150,895,527	9,601,921								
All Other Expenses	489,656,103		489,656,103	495,497,312	5,841,208								
Total Operating Expense	1,172,159,584	3,008,718	1,175,168,302	1,171,802,207	(3,366,095)		9,625,343			(9,533,835)		(3,457,603)	(3,366,095)
Net Operating Income (Loss)	46,144,780	1,375,708	47,520,488	74,050,147	26,529,659		12,374,949	3,103,320	7,818,629		1,998,897	1,233,864	26,529,659
Non-Operating Revenue	13,745,404		13,745,404	11,062,297	(2,683,107)							(2,683,107)	(2,683,107)
Excess (Deficit) of Revenue Over	59,890,183	1,375,708	61,265,891	85,112,444	23,846,552		12,374,949	3,103,320	7,818,629		1,998,897	(1,449,243)	23,846,552

												Page 3 of 3
The University of Vermont Medical												US Not for Profit
Center				Decision Dashl	board					2017 Almanac of Hos Operating Indica		Hospital 2015 Medians (Moody's)
							FY-2016A	FY-2016A	FY-2016A	FY - 2015A	FY - 2015A	
							Vermont 25th	Vermont 50th	Vermont 75th	Northeast	Teaching	FY - 2015A US
	FY-2013A	FY-2014A	FY-2015A	FY-2016B	FY-2016A	FY-2017B	Percentile	Percentile	Percentile	Region	Hospitals	Not for Profit
Net Patient Care Revenue	1,052,541,455	1,055,675,894	1,115,357,666	1,131,159,350	1,156,546,653	1,172,785,845						
Budget to Actual NPR %					2.2%							
Actual to Actual NPR Growth Rate	10.3%	0.3%	5.7%		3.7%		1.7%	4.9%	7.6%			
Three Year NPR CAGR (FY14 - FY16)					3.2%		2.8%	3.9%	4.8%			
Three Year NPR CAGR (FY13 - FY15)					5.3%		1.3%	4.0%	5.1%			
Operating Expense	1,057,293,303	1,072,296,197	1,127,327,647	1,175,168,302	1,171,802,207	1,217,011,600						
Budget to Actual OE %					-0.3%							
Actual to Actual OE Growth Rate	10.4%	1.4%	5.1%		3.9%		0.8%	4.8%	8.9%			
Three Year OE CAGR (FY14-FY16)					3.5%		2.5%	3.7%	5.0%			
Three Year OE CAGR (FY13-FY15)					5.6%		1.1%	3.6%	5.4%			5.5%
Operating Margin %	3.9%	4.6%	6.3%	3.8%	5.9%	3.8%	0.2%	1.4%	3.4%	0.5%	3.3%	3.4%
Total Margin %	6.8%	6.1%	4.4%	4.9%	6.8%	4.9%	2.0%	2.9%	6.1%	2.4%	4.2%	6.1%
Long Term Debt to Capitalization	39.6%	35.9%	32.5%	38.9%	35.8%	34.5%	20.5%	25.7%	30.3%	28.2%	35.3%	33.7%
Current Ratio	3.7	3.9	3.9	3.7	4.5	3.7	2.5	3.1	4.1	1.6	1.8	2.0
Debt Service Coverage Ratio	4.0	4.2	5.2	3.4	5.4	4.4	3.4	4.4	6.2	3.0	5.3	4.8
Capital Expenditures to Depreciation	87%	79%	92%	77%	96%	127%	73%	90%	110%			
Cost per Adjusted Admission	14,294	15,842	17,036	18,188	16,897	18,978	8,714	9,948	11,857			
Days Cash on Hand	183	197	201	197	214	176	99	135	199	113	116	212
Days Receivable	40	43	42	42	46	42	34	41	45	42	43	48
Days Payable	62	64	62	65	62	61	47	60	67	70	66	64
Age of Plant	9.7	10.3	12.0	11.7	11.9	11.8	10.6	11.9	13.1	12.3	11.2	11.0
CACB - Common and Americal Crowth Date												

CAGR = Compounded Annual Growth Rate

Note: The NPR and OE for FY2016B includes the physician acquisition which became effective during FY2016.

UVMMC has exceeded the enforcement budget trigger of 0.5%. Review of UVMMC information finds that increased hospital and physician utilization explains over 85% of the variance. Other changes occurred including improved bad debt and free care levels, an increase in disproportionate share, and more favorable reimbursement than was budgeted. Offsetting much of these variances was an accounting change that has the effect of lowering the NPR increase and expenses. The effect of both NPR and expense variances was an operating surplus that was \$26.5 million higher than budget.

The three year growth in NPR and expenses are close to the state median. Through February of FY 2017, NPR is currently 0.4% higher than the YTD approved budget. UVMMC was not asked to explain this as part of our monthly reporting process.

The operating margin and the non operating margin are both above the 75th percentile. Cash on hand improved in 2016 and is above the 75th percentile for Vermont. The age of plant is right at the median while long term debt as a % of capitalization is above the 75th percentile (unfavorable). Cost per adjusted admission shows values above the 75th percentile as expected since UVMMC is a major teaching hospital.

(Note: Major teaching hospital KPI benchmarks are a better peer comparison for UVMMC - see above.)