

Green Mountain Care Board (GMCB)

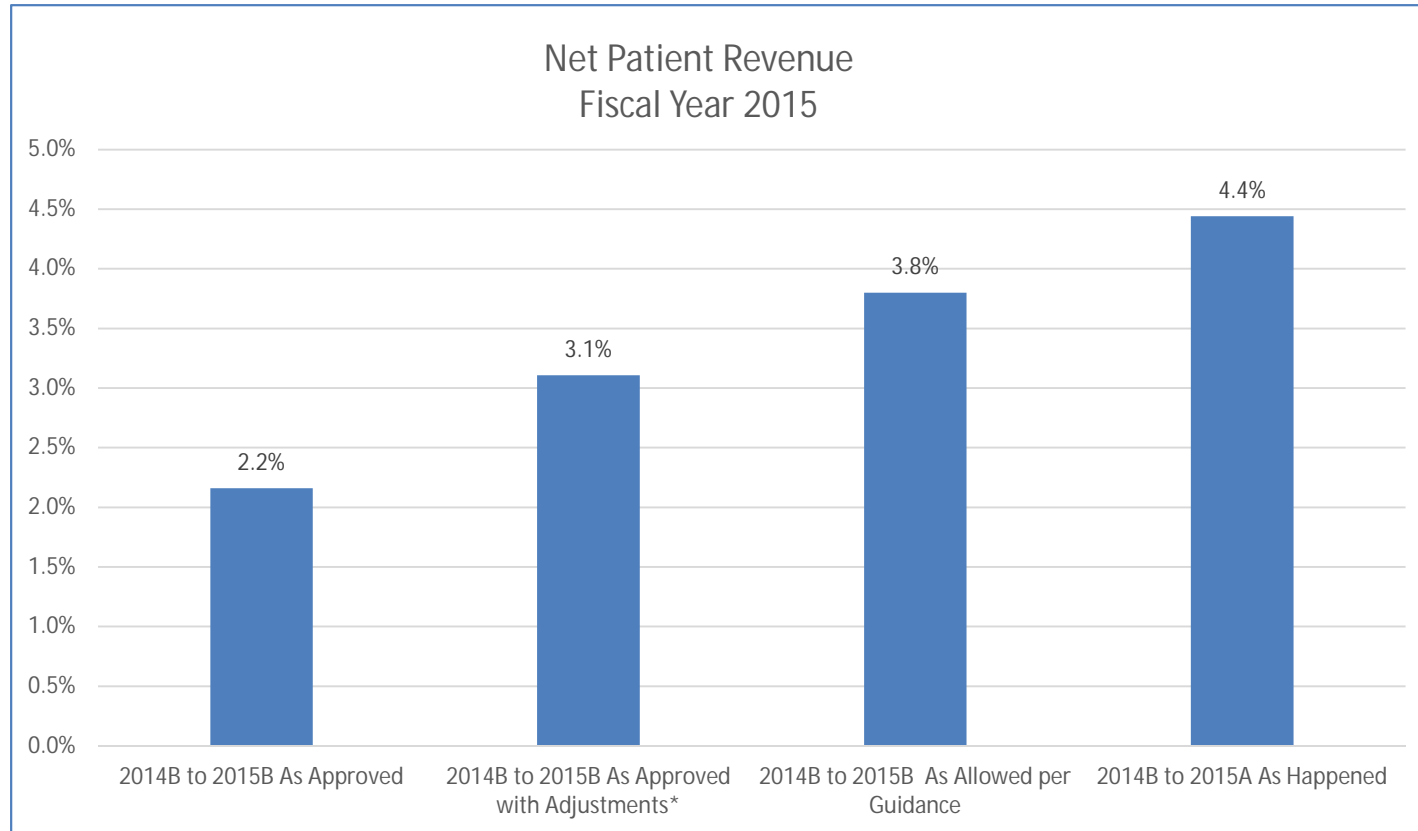
Vermont Hospital Enforcement Analysis

FY 2015 Actuals

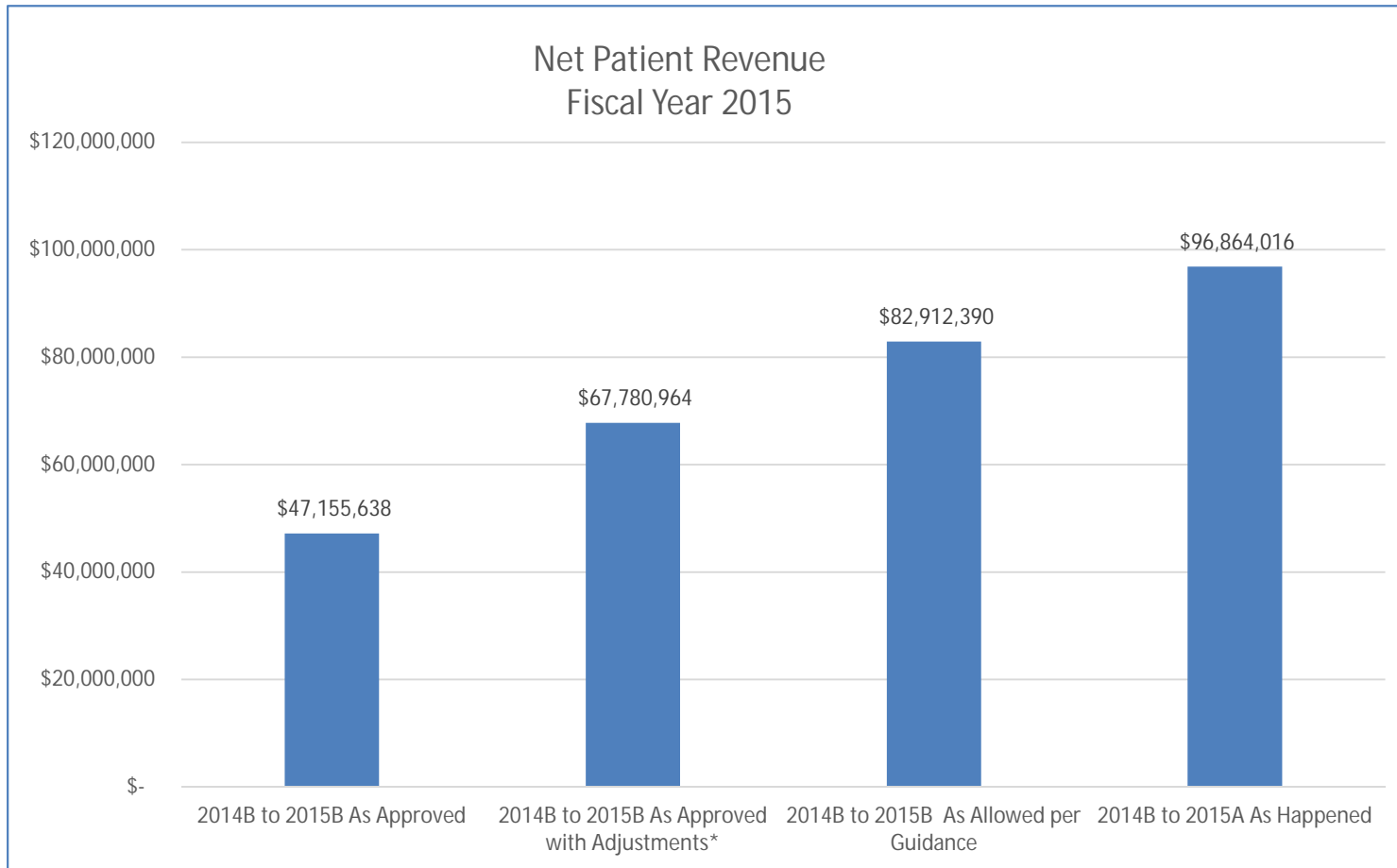
Al Gobeille, Chair, GMCB

Thursday, February 25, 2016

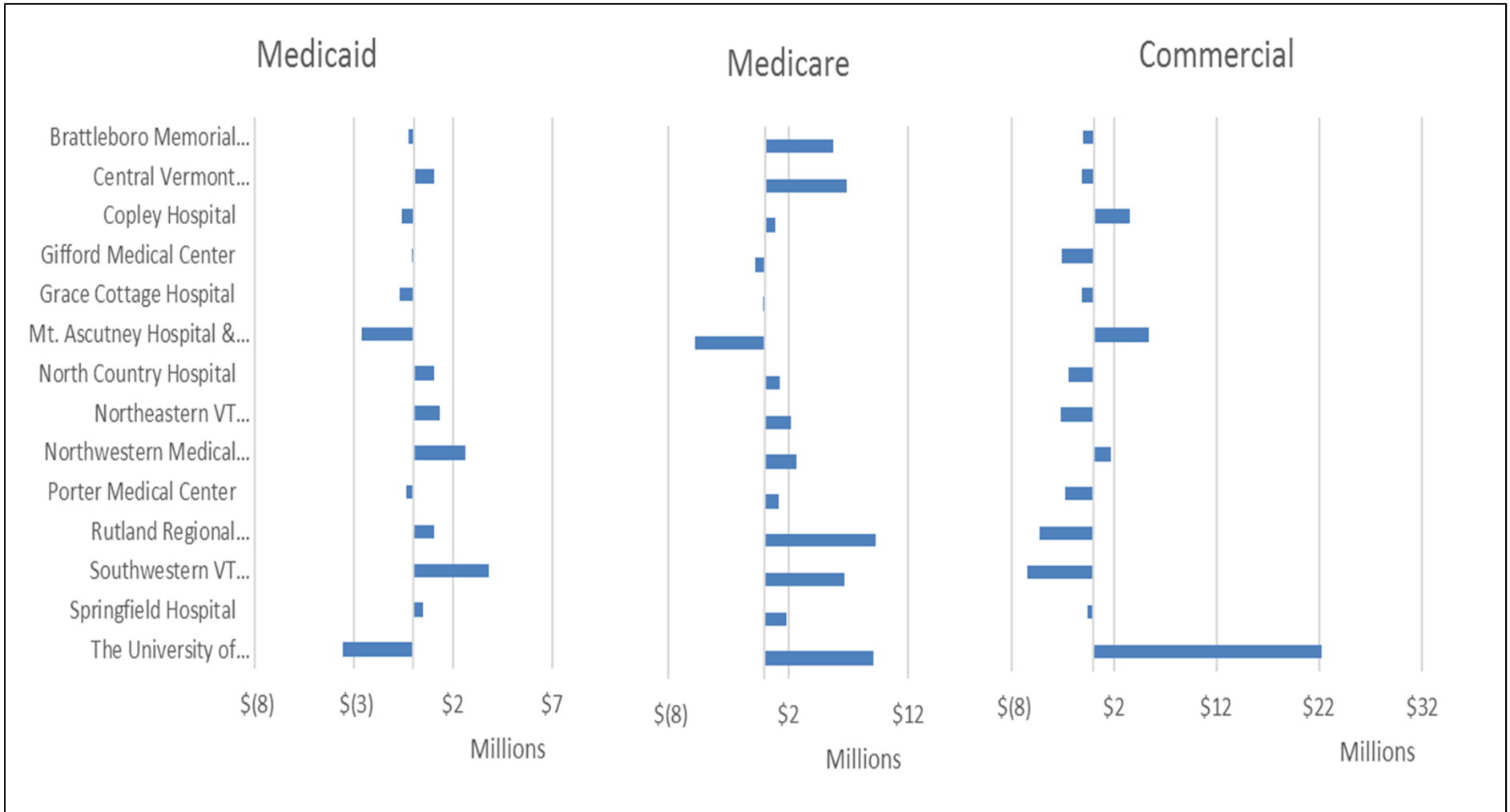
Hospital System Budget Performance



Hospital System Budget Performance



Budget to Actual by Payer



Budget to Actual Operating Results

Individual Hospital Budgets

Net patient revenues (NPR) are those revenues earned for providing services directly related to patients. Nine hospitals were higher than budget and five hospitals had NPRs lower than budget. The overall system NPR was \$49.2 million more than the approved budget.

Net Patient Care Revenue					Amount Over	PERCENT	Approved
	2014A	2015B	2015A	2015B-2015A	(Under) Budget	CHANGE Over (Under) Budget	
						2015B-2015A	2016B
Brattleboro Memorial Hospital	71,512,773	\$ 71,284,572	\$ 75,742,920	\$ 4,458,348		6.3%	\$ 73,896,151
Central Vermont Medical Center	161,353,760	\$ 166,221,844	\$ 173,990,659	\$ 7,768,815		4.7%	\$ 173,996,286
Copley Hospital	59,947,666	\$ 59,600,484	\$ 63,464,436	\$ 3,863,952		6.5%	\$ 60,987,719
Gifford Medical Center	58,282,092	\$ 57,753,248	\$ 53,896,728	\$ (3,856,520)		-6.7%	\$ 56,201,733
Grace Cottage Hospital	15,543,287	\$ 17,980,282	\$ 16,038,766	\$ (1,941,516)		-10.8%	\$ 18,375,041
Mt. Ascutney Hospital & Health Ctr	45,789,349	\$ 48,508,891	\$ 45,514,515	\$ (2,994,376)		-6.2%	\$ 48,060,871
North Country Hospital	71,631,396	\$ 73,586,146	\$ 73,297,094	\$ (289,052)		-0.4%	\$ 76,604,320
Northeastern VT Regional Hospital	61,868,757	\$ 65,324,117	\$ 65,548,594	\$ 224,477		0.3%	\$ 68,095,300
Northwestern Medical Center	91,165,412	\$ 90,795,885	\$ 97,798,763	\$ 7,002,878		7.7%	\$ 95,697,390
Porter Medical Center	66,716,573	\$ 72,696,910	\$ 70,596,270	\$ (2,100,640)		-2.9%	\$ 75,581,081
Rutland Regional Medical Center	220,829,447	\$ 224,138,940	\$ 228,328,637	\$ 4,189,697		1.9%	\$ 233,248,162
Southwestern VT Medical Center	139,410,223	\$ 139,041,542	\$ 142,769,168	\$ 3,727,626		2.7%	\$ 144,025,568
Springfield Hospital	49,727,116	\$ 54,360,014	\$ 55,926,090	\$ 1,566,076		2.9%	\$ 55,936,500
The University of Vermont Medical Center	1,055,675,894	\$ 1,087,767,762	\$ 1,115,357,666	\$ 27,589,904		2.5%	\$ 1,126,774,924
Total All Vermont Community Hospitals	2,169,453,746	\$ 2,229,060,637	\$ 2,278,270,306	\$ 49,209,669		2.2%	\$ 2,307,481,046

Bad Debt

Bad debt is defined as revenues lost because a patient (or payer) that had the ability to pay, did not. Bad debt is reported as a contra (negative) revenue. **A positive difference reflects a favorable amount compared to budget** – meaning there is a lower amount of bad debt than was budgeted.

	2014A	2015B	2015A	Amount Over (Under) Budget 2015B-2015A	2016B
Brattleboro Memorial Hospital	(4,333,162)	(4,545,944)	(4,437,076)	108,868	(5,026,252)
Central Vermont Medical Center	(6,081,997)	(6,572,279)	(4,271,792)	2,300,487	(6,270,000)
Copley Hospital	(2,320,138)	(3,136,362)	(1,891,472)	1,244,890	(2,305,795)
Gifford Medical Center	(3,265,073)	(3,607,086)	(2,213,420)	1,393,666	(3,533,898)
Grace Cottage Hospital	(623,521)	(572,312)	(525,606)	46,706	(623,933)
Mt. Ascutney Hospital & Health Ctr	(770,772)	(1,943,472)	(1,498,927)	444,545	(2,684,903)
North Country Hospital	(3,599,471)	(4,248,919)	(3,626,966)	621,953	(3,299,360)
Northeastern VT Regional Hospital	(2,924,757)	(2,777,200)	(3,154,200)	(377,000)	(3,030,000)
Northwestern Medical Center	(5,218,540)	(5,762,816)	(4,119,971)	1,642,845	(5,045,412)
Porter Medical Center	(2,006,853)	(2,740,946)	(3,256,656)	(515,710)	(3,429,666)
Rutland Regional Medical Center	(4,791,443)	(9,856,365)	(5,520,297)	4,336,068	(8,337,141)
Southwestern VT Medical Center	(5,706,387)	(5,850,000)	(5,112,025)	737,975	(5,200,000)
Springfield Hospital	(3,948,148)	(4,906,400)	(4,129,553)	776,847	(4,559,200)
The University of Vermont Medical Center	(26,717,639)	(30,107,607)	(19,610,271)	10,497,336	(26,410,099)
Total All Vermont Community Hospitals	(72,307,900)	(86,627,708)	(63,368,233)	23,259,476	(79,755,659)

Free Care

Free Care is defined as revenues lost because a patient did not have the ability to pay because of their income status. Free care is reported as a contra (negative) revenue. **A positive difference reflects a favorable amount compared to budget** – meaning there is a lower amount of free care than was budgeted.

	Amount Over (Under) Budget				
	2014A	2015B	2015A	2015B-2015A	2016B
Brattleboro Memorial Hospital	(2,634,253)	(2,819,482)	(3,520,013)	(700,531)	(3,113,975)
Central Vermont Medical Center	(2,754,623)	(4,162,040)	(4,179,800)	(17,760)	(3,883,000)
Copley Hospital	(1,196,689)	(1,405,955)	(770,278)	635,677	(1,048,087)
Gifford Medical Center	(608,399)	(1,243,823)	(360,486)	883,337	(1,285,389)
Grace Cottage Hospital	(331,918)	(480,015)	(196,472)	283,543	(261,236)
Mt. Ascutney Hospital & Health Ctr	(1,280,926)	(766,950)	(765,163)	1,787	(894,968)
North Country Hospital	(1,074,525)	(1,310,379)	(1,283,142)	27,237	(1,315,045)
Northeastern VT Regional Hospital	(2,000,119)	(2,709,800)	(2,214,500)	495,300	(2,900,000)
Northwestern Medical Center	(1,302,980)	(1,794,212)	(1,270,121)	524,091	(1,621,948)
Porter Medical Center	(1,647,438)	(1,383,920)	(1,171,520)	212,400	(1,354,675)
Rutland Regional Medical Center	(5,681,211)	(7,391,288)	(4,167,120)	3,224,168	(5,627,667)
Southwestern VT Medical Center	(1,994,336)	(2,360,000)	(1,236,277)	1,123,723	(2,000,000)
Springfield Hospital	(3,430,999)	(3,461,100)	(2,606,086)	855,014	(3,083,706)
The University of Vermont Medical Center	(17,323,263)	(27,363,476)	(11,643,918)	15,719,557	(17,449,060)
Total All Vermont Community Hospitals	(43,261,680)	(58,652,440)	(35,384,897)	23,267,543	(45,838,756)

Net Operating Income (Surplus)

					PERCENT CHANGE	\$ Change
	2014A	2015B	2015A	2016B	2015B-2015A	2015B-2015A
Brattleboro Memorial Hospital	\$ 2,697,579	\$ 200,058	\$ 2,195,878	\$ (16,196)	997.6%	\$ 1,995,819
Central Vermont Medical Center	\$ 4,874,460	\$ 5,185,189	\$ 5,326,172	\$ 5,295,446	2.7%	\$ 140,983
Copley Hospital	\$ 4,237,981	\$ 1,584,102	\$ 4,002,957	\$ 872,266	152.7%	\$ 2,418,855
Gifford Medical Center	\$ 2,185,205	\$ 1,550,419	\$ 1,565,435	\$ 1,661,743	1.0%	\$ 15,016
Grace Cottage Hospital	\$ (1,135,805)	\$ 121,485	\$ (1,655,590)	\$ (409,059)	-1462.8%	\$ (1,777,075)
Mt. Ascutney Hospital & Health Ctr	\$ (463,805)	\$ 758,512	\$ (1,173,573)	\$ 51,671	-254.7%	\$ (1,932,085)
North Country Hospital	\$ 2,283,020	\$ 1,274,450	\$ 2,844,141	\$ 1,220,010	123.2%	\$ 1,569,691
Northeastern VT Regional Hospital	\$ (605,842)	\$ 2,614,900	\$ 1,467,745	\$ 1,047,576	-43.9%	\$ (1,147,155)
Northwestern Medical Center	\$ 7,570,123	\$ 4,607,463	\$ 10,064,415	\$ 2,086,100	118.4%	\$ 5,456,952
Porter Medical Center	\$ (2,155,096)	\$ 831,461	\$ (1,748,578)	\$ 286,284	-310.3%	\$ (2,580,039)
Rutland Regional Medical Center	\$ 11,429,391	\$ 7,844,881	\$ 4,408,033	\$ 5,859,954	-43.8%	\$ (3,436,848)
Southwestern VT Medical Center	\$ 6,106,207	\$ 4,221,556	\$ 5,207,193	\$ 4,382,628	23.3%	\$ 985,637
Springfield Hospital	\$ (3,783,385)	\$ 1,123,000	\$ 2,264,152	\$ 1,157,300	101.6%	\$ 1,141,152
The University of Vermont Medical Center	\$ 51,743,789	\$ 44,373,665	\$ 75,599,510	\$ 46,144,780	70.4%	\$ 31,225,844
Total All Vermont Community Hospitals	\$ 84,983,822	\$ 76,291,142	\$ 110,367,890	\$ 69,640,503	44.7%	\$ 34,076,748

Non-Operating Income (Surplus)

	2014A	2015B	2015A	2016B	PERCENT CHANGE 2015B-2015A	\$ Change 2015B-2015A
Brattleboro Memorial Hospital	\$ 6,487,437	\$ 687,887	\$ 1,020,455	\$ 733,978	48.3%	\$ 332,568
Central Vermont Medical Center	\$ 3,747,329	\$ 1,523,130	\$ 1,206,103	\$ 1,850,334	-20.8%	\$ (317,027)
Copley Hospital	\$ 202,946	\$ 180,000	\$ 649,315	\$ 175,000	260.7%	\$ 469,315
Gifford Medical Center	\$ 1,986,289	\$ 1,850,000	\$ 3,192,123	\$ 850,000	72.5%	\$ 1,342,123
Grace Cottage Hospital	\$ 670,524	\$ 400,830	\$ 943,756	\$ 564,157	135.5%	\$ 542,926
Mt. Ascutney Hospital & Health Ctr	\$ 679,987	\$ 303,771	\$ (303,003)	\$ 446,000	-199.7%	\$ (606,774)
North Country Hospital	\$ 2,432,880	\$ 616,154	\$ (1,384,871)	\$ 859,688	-324.8%	\$ (2,001,025)
Northeastern VT Regional Hospital	\$ 1,237,641	\$ -	\$ (1,099,487)	\$ -	-100.0%	\$ (1,099,487)
Northwestern Medical Center	\$ 3,456,864	\$ 407,046	\$ (1,865,700)	\$ 542,442	-558.4%	\$ (2,272,746)
Porter Medical Center	\$ 3,941,525	\$ 3,458,858	\$ 3,610,111	\$ 3,355,339	4.4%	\$ 151,253
Rutland Regional Medical Center	\$ 8,151,845	\$ 8,348,861	\$ (492,377)	\$ 5,973,111	-105.9%	\$ (8,841,238)
Southwestern VT Medical Center	\$ 640,960	\$ 575,000	\$ (5,187)	\$ 600,000	-100.9%	\$ (580,187)
Springfield Hospital	\$ (2,238,019)	\$ 1,495,000	\$ (2,699,949)	\$ 1,015,000	-280.6%	\$ (4,194,949)
The University of Vermont Medical Center	\$ 17,312,734	\$ 10,676,855	\$ (23,681,502)	\$ 13,745,404	-321.8%	\$ (34,358,357)
Total All Vermont Community Hospitals	\$ 48,710,942	\$ 30,523,392	\$ (20,910,214)	\$ 30,710,453	-168.5%	\$ (51,433,605)

System Key Indicator Trends

	Actual 2013	Actual 2014	Budget 2015	Actual 2015	Budget 2016	Y to Y 15B-15A
Income Statement Summary						
Gross Revenue	\$4,386,699,399	\$4,611,188,456	\$4,735,245,480	\$4,823,931,803	\$4,892,291,632	1.9%
Inpatient	\$1,136,996,793	\$1,168,483,958	\$1,254,691,561	\$1,269,134,971	\$1,277,255,058	1.2%
Outpatient	\$2,187,819,655	\$2,363,889,293	\$2,426,250,237	\$2,527,248,297	\$2,542,614,149	4.2%
Physician	\$991,544,706	\$1,004,732,695	\$980,063,298	\$949,902,175	\$995,662,819	-3.1%
Other Rev - Chronic, Swing, SNF	\$70,338,247	\$74,082,516	\$74,240,380	\$77,646,363	\$76,759,608	4.6%
Bad Debt	(\$74,186,355)	(\$72,307,900)	(\$86,627,708)	(\$63,368,233)	(\$79,755,659)	26.8%
Free Care	(\$53,034,419)	(\$43,261,680)	(\$58,652,440)	(\$35,384,897)	(\$45,838,756)	39.7%
All Other Deductions	(\$2,122,993,177)	(\$2,326,165,131)	(\$2,360,904,695)	(\$2,446,908,368)	(\$2,459,216,171)	-3.6%
Net Patient Care Revenue	\$2,136,485,447	\$2,169,453,746	\$2,229,060,637	\$2,278,270,306	\$2,307,481,046	2.2%
Other Operating Revenue	\$99,512,363	\$124,166,687	\$127,360,793	\$141,381,096	\$138,177,577	11.0%
Total Operating Revenue	\$2,235,997,810	\$2,293,620,433	\$2,356,421,429	\$2,419,651,402	\$2,445,658,623	2.7%
Total Operating Expenses	\$2,166,619,102	\$2,208,636,610	\$2,280,130,288	\$2,309,283,512	\$2,376,018,120	1.3%
Operating Surplus	\$69,378,708	\$84,983,822	\$76,291,142	\$110,367,890	\$69,640,503	44.7%
Non-Operating Revenue	\$73,586,215	\$48,710,942	\$30,523,392	(\$20,910,214)	\$30,710,453	-168.5%
Total Surplus	\$142,964,922	\$133,694,764	\$106,814,533	\$89,457,676	\$100,350,956	-16.2%
Utilization Statistics						
Acute Staffed Beds	944	942	930	942	942	1.3%
Acute Admissions	46,785	44,009	44,278	45,414	43,868	2.6%
Physician Office Visits	3,313,459	3,483,812	3,574,959	3,618,263	3,725,605	1.2%
All Outpatient Visits	3,116,603	3,262,925	3,300,062	3,345,762	3,326,790	1.4%
Adjusted Admissions*	182,163	174,866	168,460	173,589	168,935	3.0%
Staffing Information						
Total Non-MD \$/FTE	\$58,711	\$59,466	\$60,804	\$61,326	\$62,427	0.9%
Compensation Ratio	56.6%	56.5%	57.1%	56.0%	57.3%	-1.8%
Total Non-MD FTEs	12,237	12,294	12,453	12,491	12,683	0.3%
Physician FTEs	956	977	1,052	1,006	1,089	-4.4%

*The summary total may differ slightly from the actual sum of individual hospitals because of weighted calculations.

System Key Indicator Trends

	Actual 2013	Actual 2014	Budget 2015	Actual 2015	Budget 2016	Y to Y 15B-15A
Uncompensated Care						
Free Care (Gross Revenue)	\$53,034,419	\$43,261,680	\$58,652,440	\$35,384,897	\$45,838,756	-39.7%
Free Care % of Gross Revenue	1.2%	0.9%	1.2%	0.7%	0.9%	-40.8%
Bad Debt (Gross Revenue)	\$74,186,355	\$72,603,879	\$86,627,708	\$62,869,524	\$79,755,659	-27.4%
Bad Debt % of Gross Revenue	1.7%	1.6%	1.8%	1.3%	1.6%	-28.8%
% share of total Gross Revenue						
Medicare	38.8%	41.6%	41.2%	42.1%	41.5%	2.2%
Medicaid	15.8%	16.4%	16.3%	17.6%	17.3%	7.6%
Commercial	45.4%	42.0%	42.5%	40.4%	41.2%	-5.0%
% share of total Net Revenue						
Medicare	31.4%	32.7%	31.6%	32.7%	31.3%	3.6%
Medicaid	13.8%	12.5%	12.4%	12.3%	12.5%	-1.1%
Commercial	54.8%	54.8%	56.0%	55.0%	56.1%	-1.8%
Capital & Assets						
Capital Budget - no unapproved CONs	\$103,089,799	\$115,704,108	\$137,226,456	\$100,225,338	\$105,967,269	-27.0%
Unapproved CONs	n/a	n/a	\$111,980,482	\$37,754,369	\$106,138,550	-66.3%
Major Movable Equipment Budget	\$55,662,713	\$60,919,828	\$70,791,693	\$53,724,642	\$64,383,916	-24.1%
Board Designated Assets	\$633,301,557	\$679,858,975	\$765,248,168	\$750,142,965	\$829,279,565	-2.0%
Net Property, Plant & Equipment	\$788,118,113	\$785,724,257	\$945,557,089	\$818,767,048	\$992,034,203	-13.4%
Net Assets	\$1,144,438,796	\$1,270,702,489	\$1,387,888,631	\$1,326,738,221	\$1,449,299,262	-4.4%
Financial Indicators						
Capital Cost % of Total Expense	6.0%	5.9%	6.0%	5.4%	5.8%	-9.4%
Days Cash on Hand	161	176	181	178	180	-1.1%
Operating Surplus % of Net Rev	3.1%	3.7%	3.2%	4.6%	2.8%	40.9%

Balance Sheet – All Hospitals

	2014A	2015B	2015A	2016B
ASSETS				
CURRENT ASSETS				
CASH & INVESTMENTS	366,065,944	364,034,874	352,316,321	351,537,808
PATIENT ACCOUNTS RECEIVABLE, GROSS	408,160,882	410,325,811	418,318,847	420,707,566
LESS: ALLOWANCE FOR UNCOLLECTIBLE ACCTS DUE FROM THIRD PARTIES	(164,148,964) 31,844,463	(162,467,599) 6,317,621	(171,160,471) 2,150,583	(166,130,504) 2,333,597
OTHER CURRENT ASSETS	106,257,346	97,999,828	106,701,179	127,425,727
TOTAL CURRENT ASSETS	748,179,672	716,210,535	708,326,460	735,874,194
BOARD DESIGNATED ASSETS				
FUNDED DEPRECIATION	536,145,340	658,393,648	602,554,807	662,355,027
ESCROWED BOND FUNDS	30,800,089	56,784,261	23,427,187	66,354,363
OTHER	112,913,546	50,070,259	124,160,971	100,570,175
TOTAL BOARD DESIGNATED ASSETS	679,858,975	765,248,168	750,142,965	829,279,565
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	785,724,257	945,557,089	818,767,048	992,034,203
OTHER LONG-TERM ASSETS	86,334,609	88,664,323	78,514,146	84,385,644
TOTAL ASSETS	2,300,097,513	2,515,680,115	2,355,750,620	2,641,573,606
LIABILITIES AND FUND BALANCE				
TOTAL CURRENT LIABILITIES	375,728,151	350,717,154	390,964,594	400,786,112
LONG-TERM DEBT				
BONDS & MORTGAGES PAYABLE	511,949,989	648,723,300	484,658,044	637,834,333
CAPITAL LEASE OBLIGATIONS	1,226,888	978,313	1,130,613	1,040,092
OTHER LONG-TERM DEBT	21,836,341	13,389,472	18,657,690	20,654,473
TOTAL LONG-TERM DEBT	535,013,218	663,091,085	504,446,347	659,528,898
OTHER NONCURRENT LIABILITIES	118,653,655	113,983,245	133,601,457	131,959,335
TOTAL LIABILITIES	1,029,395,024	1,127,791,484	1,029,012,399	1,192,274,345
FUND BALANCE	1,270,702,489	1,387,888,631	1,326,738,221	1,449,299,262
TOTAL LIABILITIES AND FUND BALANCE	2,300,097,513	2,515,680,115	2,355,750,620	2,641,573,607

QUESTIONS

9/11/2014