



Entering COVID-19 Pandemic with Fragile Hospital System

Source:	Operating Margin (%)				
	Actuals FY17	Actuals FY18	Projection FY19	Budget FY20	5-Year Average
Green Mountain Care Board					
Brattleboro Memorial Hospital	-3.1%	-2.4%	0.8%	1.3%	-0.7%
Central Vermont Medical Center	-0.9%	-3.8%	-2.1%	0.1%	-0.3%
Copley Hospital	-0.6%	-3.3%	-3.4%	1.4%	-0.9%
Gifford Medical Center	-1.6%	-10.7%	-0.8%	2.9%	-1.3%
Grace Cottage Hospital	-6.9%	-2.9%	-6.7%	-1.2%	-5.0%
Mt. Ascutney Hospital & Health Ctr	2.7%	1.9%	-2.9%	1.0%	1.0%
North Country Hospital	-2.3%	-2.3%	1.9%	1.6%	-0.2%
Northeastern VT Regional Hospital	1.9%	1.7%	1.8%	2.0%	1.9%
Northwestern Medical Center	-1.2%	-3.4%	-8.0%	-0.2%	-1.5%
Porter Medical Center	2.7%	1.8%	5.2%	3.8%	2.8%
Rutland Regional Medical Center	1.6%	0.5%	0.4%	2.3%	2.0%
Southwestern VT Medical Center	3.7%	4.6%	3.3%	3.4%	3.7%
Springfield Hospital	-7.1%	-12.8%	-18.4%	-2.0%	-6.9%
The University of Vermont Medical Center	5.2%	3.4%	2.2%	3.1%	4.1%
System Total	2.7%	1.1%	0.6%	1.3%	2.3%

Hospital Response to COVID-19

- Partnering with National Guard on alternative care sites, including incident command, physician oversight, clinical staff, PPE, linen services, environmental services, pharmaceuticals, and supply chain support
- Planning, securing PPE, linen services, and environmental services for sites serving housing insecure individuals
- Assisting state with supply chain for PPE and testing materials
- Construction and other building modifications, such as negative pressure rooms and COVID-positive areas
- Added testing capacity to laboratories
- Setting up acute respiratory clinics
- Surge staff
- Staff housing
- Groceries for staff
- Personal protective equipment
- Sterilizing and reprocessing PPE
- Drive-up testing sites



- Staffing nursing homes
- Consultation and advice for infection control to community providers and dentists
- Screening for visitors
- Suspending non-urgent care, leading to 30%-70% loss of revenue

Financial Status of Vermont's Hospitals

- Net revenue losses are approximately \$100 million monthly, with approximately 2 months of shortfall, hospitals have experienced a loss of \$200 million
- Expense decreases related to furloughs, lay-offs and benefit changes for a one-time savings of approximately \$25 million
 - These benefits and employees will be restored, eliminating most if not all of these savings
- Stimulus money of \$116 million in grants to be used for health care related expenses or lost revenues that are attributable to COVID-19.
 - \$34 million from the first tranche
 - \$14.7 million from second tranche
 - \$0 for hot spot allocation
 - \$68 million for rural allocation
- Medicare Advance money is \$159 million. This is a loan and will be recouped by Medicare at a dollar-for-dollar rate on future payments starting 120 days after receipt of money with a 10.2% interest rate after either 210 days or 365 days.
- This is the current financial picture, it is likely to change

Strengthen Vermont's Health Care System for Future

Current financial picture is fluid and continuously changing:

- COVID-19 hot spots and next wave of cases
- Impact of resuming nonurgent care is unclear
- Federal funding-- \$105 billion remains in federal provider fund
 - Hospitals unlikely to see federal funding in near future