

The Big Picture



Michelle LeBeau
President & Chief Operating Officer

The basic rule to maintaining any budget, whether it's your family budget or the ledger of an organization like ours, is that you need to have more money coming in than you have going out. When that balance is disrupted, changes must be made. To meet your household's immediate needs and sustain the family going forward, you adjust by reducing spending and finding ways to increase your cash flow. The same actions are required here, today.

It's no secret that we have been struggling financially for several years and that before March of 2020 – before COVID – our struggle continued. Despite our great work, our average loss per month was about \$1 million. It was clear then that our future depended on our commitment to think and work differently. When COVID arrived it demanded that we change in every aspect of our lives but it also presented us with an opportunity to paint a new picture – a new future for our hospital.

For three months, with all non-essential surgeries and procedures on pause, our revenue stream significantly reduced. That decision, while necessary, decimated our already shaky budget and through May, resulted in a \$31.7 million loss in patient revenue. Federal and state funding to the tune of about \$30 million has certainly helped. Our 700 folks participating in the New York State Workshare Program have contributed greatly too. But neither the stimulus payments nor shared work program are permanent solutions. We must recognize that these are temporary solutions and help only in the short term. These efforts, combined with the pay and benefit cuts taken by leadership and physicians, won't sustain us as we move into an uncertain future. Our uncertainty lies in the wake of continued challenges with no indication that services will return to the levels they were at before COVID. Our surgery volume in May, for example, was just 17% of what was budgeted. Organizationally, we ended May at 66% of our pre-COVID revenues. So while our revenue is slowly on the rise, we're not meeting our budgeted projections.

All of this leaves us with a choice. We can continue on this path and slowly lose the very essence of our organization or we can commit today to embrace the massive change necessary to paint a new picture of our future. In this new picture, we're providing the care our patients need at the right time and in the right place. It's done with the great compassion and expertise our team is known for. We're working together to provide care that is patient and family focused, efficient, cost effective and laced with first class customer service.

The work needed to brighten our future won't be easy or comfortable. It will require each of us to share the load – to help each other. We are rock stars in a crisis and this is a crisis like no other. Our community is counting on us. Our patients are counting on us. And we are counting on each other. Relying on our Cultural Beliefs and with a commitment to designing a new CVPH, we'll get through this and we will be better for it. Even in the uncertainty of our COVID world, I am sure of that.

As always, feel free to reach out to me any time at (518) 562-7055.

The Financial Impact of COVID-19

\$15 Million: The loss by the end of FY2020 if we had continued on the path we were on before COVID.

\$47 Million: The lost revenues due to COVID.

\$13 Million: The projected loss in FY2020 with federal and state assistance.

\$30 Million: The amount of federal and state stimulus money received by CVPH to date.

\$35 Million: Year-to-date Net Patient Revenue variance from budget through May.

\$31.7 Million: The amount of Net Patient Revenue that can be attributed to COVID-19.

COVID Positives

33 Total of COVID (+)
patients have been
inpatients

1 Current inpatient

COVID Discharges

28 Successful discharges