Financial Performance of Specialty Hospitals versus General Hospitals

A study by:

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Summary

The recent growth of specialty hospitals has created concerns about their impact on neighboring full-service hospitals. This study was conducted to investigate the financial performance of specializing hospitals versus general, acute care hospitals. The study examines hospitals with high degrees of specialization irrespective of physician ownership.

Specialty hospitals typically concentrate on cardiovascular services, orthopedic services, or other clinical specialties. A hospital's degree of specialization may range from a comparatively small proportion of its overall admissions to virtually all of its admissions. Specialty hospitals are thought to achieve more favorable results through economies of scale and efficiencies of specialization. This study, however, finds that most specializing hospitals are not more profitable than their peers and that a hospital's financial performance does not necessarily improve with the degree of specialization.

Please refer to Attachments B and C for a detailed summary of the data reported in this study.

Background

Due to the recent growth in specialty hospitals, especially physician-owned specialty hospitals, there have been growing concerns about the impact such hospitals may have on neighboring full-service hospitals. The chief concern is that physician-owned specialty hospitals may be able to attract only the most desirable patients while leaving medically complicated and uninsured patients to be treated by general hospitals in the community. If such skimming occurred it could disrupt community care and even create conflicts of interest for referring physicians. Specialty hospitals counter that they are creating more physician-centric and efficient operations in order to achieve optimal quality and clinical outcomes.

Responding to concerns, Congress imposed an 18-month moratorium on any new physician-owned specialty hospitals and directed MedPAC to study these hospitals and report its recommendations. MedPAC issued its report in March, 2005 with several findings and recommendations:

- Physician-owned specialty hospitals do not have lower costs for Medicare patients even though their patients have shorter lengths of stay;
- They treat patients who are less severe and concentrate on particular DRGs, both of which are expected to result in higher than average profit margins;
- They tend to have lower shares of Medicaid patients;
- Their financial impact on competitor hospitals has been limited thus far; and
- Many of the differences in profitability across and within DRGs can easily be addressed with regulatory changes in the DRG system.

MedPAC's findings were based on a small number of physician-owned specialty hospitals that have not been in operation long enough to enable a complete evaluation of their impact on other hospitals. MedPAC therefore recommended that Congress continue the moratorium, until January 1, 2007, and make the changes to the DRG system to ensure that Medicare payments are more reflective of a patient's severity of illness.

Hospital industry groups have also expressed their concerns about the effects of specialty hospitals. The Federation of American Hospitals has encouraged an extension of the moratorium and the American Hospital Association has recommended that Congress permanently ban physicians from referring patients to new limited-service hospitals they own. Conversely, the American Medical Association has expressed strong support for competition as a means of promoting high-quality, cost-effective health care.

The Data

This study is based on the most recently available public data obtained from the Centers for Medicare and Medicaid Studies (CMS). The Medicare Provider Analysis and Review (MedPAR) Limited Data Set (LDS) contains billing records for all Medicare beneficiaries using hospital inpatient services. The MedPAR LDS file for federal fiscal year 2003 was used in the study to identify and compare hospitals specializing in cardiovascular and orthopedic services. Medicare claims data can be used to approximate overall utilization patterns because Medicare generally represents more than one-third of total admissions in the specialties being studied.

In addition to claims data, hospitals that participate in Medicare are required to submit annual financial reports that detail their operations. These cost reports are subsequently made available in electronic form by the Centers for Medicare and Medicaid Services (CMS). The Healthcare Cost Report Information System (HCRIS) dataset contains data elements from the most recent version (i.e. as submitted, settled, or reopened) of each cost report filed.

This study uses each hospital's most recent Medicare cost report in order to profile financial operations. For most hospitals the most recently available cost reporting period is fiscal year 2003. Table 1 summarizes the most recent reporting periods for all hospitals studied.

Table 1 – Most recently available Medicare cost report data by hospital fiscal year

	Number of Cardiovascular Hospitals	Number of Orthopedic Hospitals
FY 2004	521	665
FY 2003	1250	1639
FY 2002	74	101
TOTAL	1845	2405

For purposes of the study, only short-term, acute care hospitals in urban areas were analyzed. Other types of hospitals such as hospitals in rural areas, Critical Access hospitals, children's hospitals, rehabilitation hospitals, and psychiatric hospitals were excluded. Hospitals outside the

United States that participate in Medicare (i.e. those in Puerto Rico and Guam) were also excluded.

Urban hospitals were identified on the basis of metropolitan and micropolitan statistical areas adopted by the Office of Management and Budget in 2003. Metropolitan statistical areas have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration. Micropolitan statistical areas are a new set of statistical areas that have at least one urban cluster of at least 10,000 but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration. Metropolitan and micropolitan statistical areas are defined in terms of whole counties or county equivalents. Social and economic integration is defined in terms of commuting ties.[1] Among the 387 statistical areas defined, there were hospitals providing cardiovascular services in 359 and hospitals providing orthopedic services in 362. Rural hospitals were excluded from the study because they typically would not influence utilization patterns for the specialty services being analyzed.

Though hospitals that participate in Medicare are legally required to submit accurate and timely cost reports, data are sometimes incorrect or incomplete. Twenty-two hospitals were omitted from the cardiovascular study group and fifty-three hospitals were omitted from the orthopedic study group because their cost reports did not include total revenue, total expenses, Medicare DRG payments information, and/or Medicare discharges and days of care.

Some hospitals that generally do not provide Medicare fee-for-service care do not file complete cost reports. Examples include HMO facilities such as those operated by Kaiser Health Foundation. Such hospitals were consequently omitted from the study groups.

Limitations of Data

There were other constraints related to the timeliness and availability of data. Though most industry concern is focused on physician-owned specialty hospitals, it was not possible to identify such hospitals. It was possible, however, to distinguish among for-profit, not-for-profit, and governmental hospitals. Comparisons between for-profit and not-for-profit hospitals should reveal any operational differences related to type of ownership.

Because many specialty hospitals are new, their financial information may not yet be publicly available. The study is based on the most currently available cost report data but may not include these newer hospitals.

Though cost report data can be used to measure profit margins for Medicare business and for overall business, further breakdowns are not possible. For purposes of this study, however, gross measures of profitability should be meaningful.

[1] U.S. Census Bureau, Housing and Household Economic Statistics Division, *Core-Based Statistical Areas*, www.census.gov, December 06, 2004

Determination of Specialty Hospitals

Two study groups were chosen based on predominant industry interests and the availability of public data. One group included only hospitals that provide cardiovascular services. The other group included only hospitals that provide orthopedic services.

Medicare claims data for each hospital were analyzed in order to determine whether the services were provided. Attachment A details the specific diagnosis related groups (DRGs) that were used to identify cardiovascular and orthopedic services. Hospitals with ten or fewer specialty admissions were assumed to not provide the service on a regular basis.

Based on Medicare billing data for the twelve months ending September 30, 2003, there are 1,845 hospitals in the US that provide cardiovascular services. Their proportions of Medicare cardiovascular admissions range from less than 1% to nearly 65% of total Medicare admissions, with an average of 8.1%. Of these there are 161 hospitals with 15% or more of their Medicare admissions for cardiovascular services. While only 13% of the nation's total Medicare admissions are to these hospitals, more than 30% of national cardiovascular admissions are admitted to them.

Table 2 – Characteristics of hospitals that provide cardiovascular services.

Cardiovascular Percentage	Number Facilities	Beds	Average Bedsize	Medicare Cases	Total Cases
% Range: 0.0 - 9.9	1,403	330,777	236	5,851,112	16,834,410
% Range: 10.0 - 14.9	281	101,613	362	1,905,124	5,348,336
% Range: 15.0 - 19.9	99	37,514	379	768,857	2,047,612
% Range: 20.0 - 24.9	28	10,073	360	228,672	584,494
% Range: 25.0 - 29.9	12	3,304	275	62,899	153,600
% Range: 30.0+	22	2,335	106	67,136	120,696
Totals	1,845	485,616	263	8,883,800	25,089,148

Similarly, there are 2,405 hospitals that provide orthopedic services. Their proportions of orthopedic admissions range from less than 1% to 100% of total Medicare admissions, with an average of 11.0%. Of these there are 112 hospitals with 20% or more of their Medicare admissions for orthopedic services. While only 2% of the nation's total Medicare admissions are to these hospitals, more than 5.5% of national orthopedic admissions are admitted to them.

Table 3 – Characteristics of hospitals that provide orthopedic services.

Orthopedic Percentage	Number Facilities	Beds	Average Bedsize	Medicare Cases	Total Cases
% Range: 0.0 - 9.9	1,146	240,146	210	3,951,608	11,622,335
% Range: 10.0 - 14.9	914	226,429	248	4,340,840	11,916,002
% Range: 15.0 - 19.9	233	51,454	221	936,846	2,715,621
% Range: 20.0 - 24.9	39	6,811	175	123,466	359,859
% Range: 25.0 - 29.9	15	1,828	122	25,265	73,141
% Range: 30.0+	58	2,781	48	39,796	119,393
Totals	2,405	529,449	220	9,417,821	26,806,351

Determination of Hospital Characteristics and Financial Statistics

The most recently available Medicare cost report data were used to determine utilization statistics and profitability.

- Utilization Statistics
  Utilization statistics were taken from worksheet S-3, Part I. This worksheet provides a hospital's bedsize, its number of Medicare discharges and patient days, and its number of total discharges and patient days for the cost reporting period.

- Medicare Operating Margins
  Medicare operating margins were developed from two worksheets:

  1. Medicare Net Revenue -
     Worksheet E, Part A, was used to determine Medicare net revenue. This worksheet calculates the Medicare Reimbursement Settlement for Inpatient Hospital Services under the Prospective Payment System (i.e., DRGs). Line 16 represents the total Medicare reimbursement amount due from all sources (i.e., the Medicare "net revenue" amount) for each hospital.

  2. Medicare Costs -
     Worksheet D-1, Part II was used to determine Medicare costs. This worksheet calculates Medicare Inpatient Operating Costs, including capital costs. Line 49 represents the total Medicare inpatient operating costs for each hospital.

  The Medicare Operating Costs were subtracted from the Medicare Net Revenues to determine the Medicare Margins for each hospital. This represents the amount hospitals made or lost from treating Medicare patients during the cost reporting period. It is sometimes referred to as the hospital's "bottom line" from Medicare.

- Total Operating Margins
  Total operating margins were taken from worksheet G-3. Line 3 represents Total Patient Revenues from all sources including Medicare. Line 4 represents Total Operating Expenses, including capital costs, for all patients, including Medicare. Line 5 represents the difference between Lines 3 and 4, or Net Income From Service To Patients. This is sometimes referred to as the "total margin" for each hospital, or the "bottom line" from treating all patients for the cost reporting period.

The study's chief purpose was to determine whether economies of scale, efficiencies of specialization, advantageous patient selection, or other factors are reflected in a specialty hospital's financial performance. The study considered a hospital's Medicare and total "bottom lines" to be the most important measures of its operations. Other studies have focused on individual diagnoses, market shares within small areas, and subtle differences in patient characteristics. While these perspectives can be valuable, this study focuses strictly on whether hospitals with higher levels of specialization realize more favorable bottom lines.

Relationship between Specialization and Profitability

There appears to be no consistent relationship between a hospital's degree of specialization and its overall profitability. This is somewhat surprising since specialty hospitals are expected to benefit from economies of scale and efficiencies of specialization. Few hospitals with high levels of cardiovascular specialization were more profitable than their peers. Only about half of the hospitals with high levels of orthopedic specialization were more profitable than their peers. These findings indicate that levels of specialization alone are not predictors of profitability.

Table 4 – Hospital Profitability versus Degree of Cardiovascular Specialization ($000).

Cardiovascular Percentage	Number Facilities	Medicare Cases	Medicare Margin/Case	Total Cases	Total Margin/Case
0.0 - 9.9	1,403	5,851,112	353	16,834,410	(312)
10.0 - 14.9	281	1,905,124	844	5,348,336	(62)
15.0 - 19.9	99	768,857	542	2,047,612	(15)
20.0 - 24.9	28	228,672	1,075	584,494	(289)
25.0 - 29.9	12	62,899	426	153,600	(49)
30.0+	22	67,136	529	120,696	1,030
Totals	1,845	8,883,800	495	25,089,148	(226)

Table 5 – Hospital Profitability versus Degree of Orthopedic Specialization ($000).

Orthopedic Percentage	Number Facilities	Medicare Cases	Medicare Margin/Case	Total Cases	Total Margin/Case
0.0 - 9.9	1,146	3,951,608	1,021	11,622,335	(664)
10.0 - 14.9	914	4,340,840	173	11,916,002	(50)
15.0 - 19.9	233	936,846	(223)	2,715,621	141
20.0 - 24.9	39	123,466	(589)	359,859	999
25.0 - 29.9	15	25,265	(285)	73,141	236
30.0+	58	39,796	(913)	119,393	1,430
Totals	2,405	9,417,821	474	26,806,351	(275)

Data also indicate remarkably different margins for Medicare versus total. This was especially true for higher levels of orthopedic specialization. Hospitals with levels of orthopedic specialization of more than 30% averaged a loss of $913 per case for Medicare versus a profit of $1,430 per case overall. The reasons for such a discrepancy are beyond the scope of this study but could include such possibilities as:

- All hospitals are paid under the same prospective payment system for Medicare patients but may be able to charge commercial patients more.
- There may be systemic underpayment by Medicare for some orthopedic services.
- As suggested by MedPAC, there may be a need for DRG refinement to pay hospitals more equitably based on patient severity.

Relationship between Type of Ownership and Profitability

There are concerns in the industry that physician-owned specialty hospitals may be able to attract only the most desirable patients while leaving medically complicated and uninsured patients to be treated by general hospitals in the community. It was not possible to test the effects of physician ownership because specific ownership information was not readily available. It was, however, possible to compare for-profit and not-for-profit hospitals.

Data do not reveal any significant difference in margins for specialty services between for-profit and not-for-profit hospitals. Data is detailed in Attachment B for cardiovascular services and in Attachment C for orthopedic services.

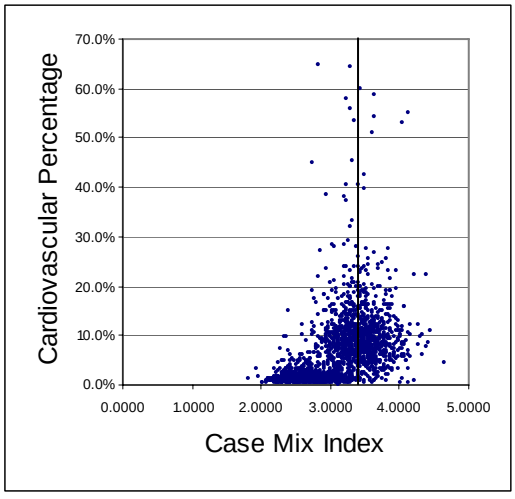
Other Measures

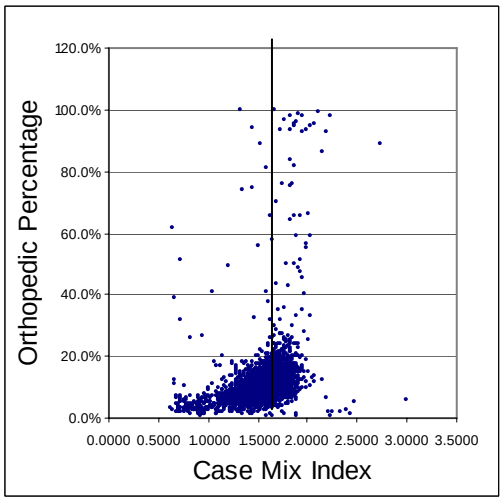
Other factors were also examined to determine whether they might influence financial performance within a medical specialty.

- Location
  Hospitals were organized both by state and by CMS region in order to analyze any relationships between a hospital's location and the profitability of specialty care. No discernable relationships were identified. Summaries of the data are included in Attachments D, E, and F.

- Case Mix Index
  Medicare billing data were used to calculate the case mix index for each hospital's specialty care. Some criticism of specialty hospitals has contended that specialty hospitals attract a less intense mix of patients. There was no measurable relationship, however, between the case mix index and the degree of specialization.

Table 6 – Case Mix Index versus Degree of Cardiovascular and Orthopedic Specialization





- Bedsize
  There appeared to be direct relationships between hospital bedsize and profitability.

Larger hospitals tended to have higher Medicare margins in both cardiovascular and orthopedic specialties. The relationship was less pronounced for total margins, with largest hospitals actually showing lower margins for orthopedic services.

The relationship between bedsize and profitability is most likely due to general economies of scale. Since physician owned specialty hospitals tend to be smaller, they would not be expected to be more profitable as their opponents contend.

Table 7 – Hospital Bedsize versus Profitability for Cardiovascular Hospitals

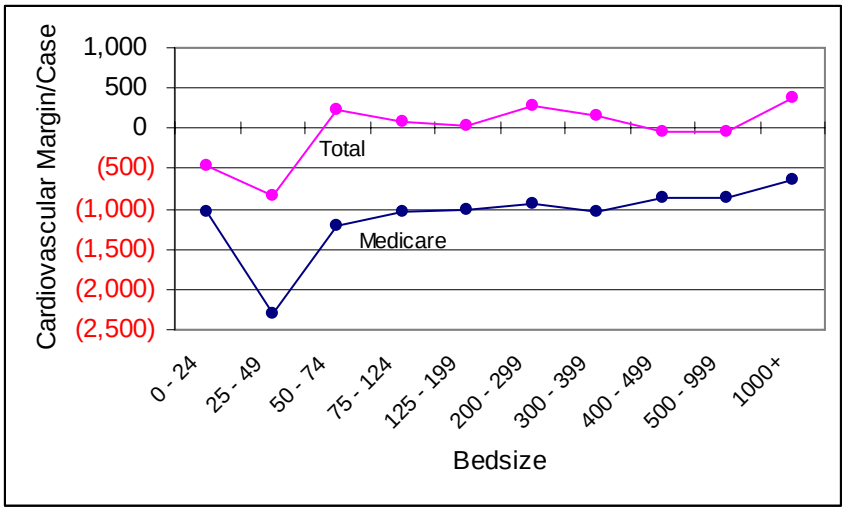
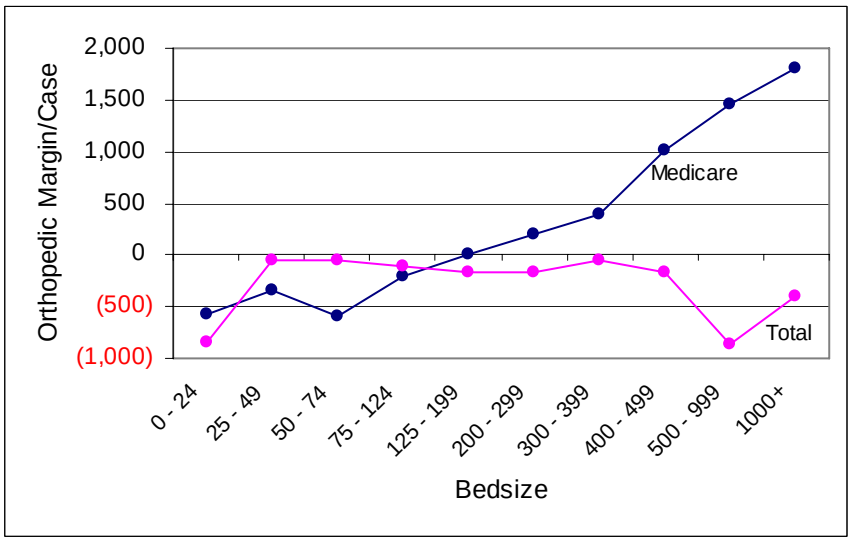


Table 8 - Hospital Bedsize versus Profitability for Orthopedic Hospitals



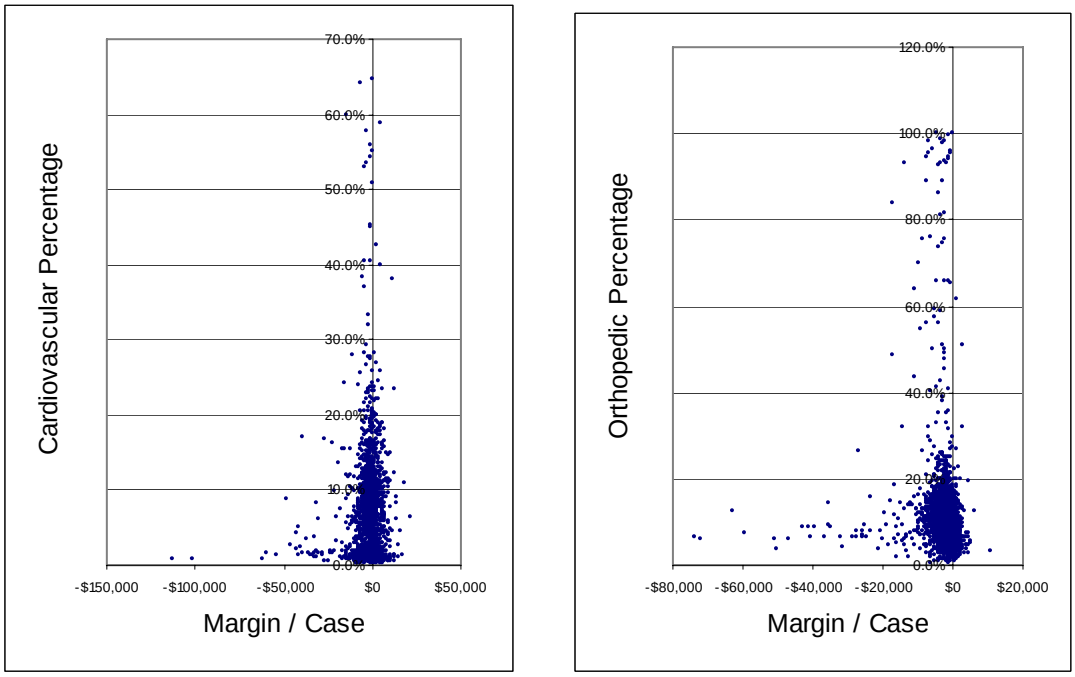
- Estimate of Profitability for Specialty Services Only

  Financial performance within a medical specialty might be obscured in measures based solely on a hospital's overall bottom line. To test this possibility, the profitability of each specialty was tested using Medicare claims data. The amount of DRG reimbursement for patients within a specialty represented net revenue. Costs within a specialty were

allocated using a hospital's departmental ratios of costs to charges (RCCs) from its corresponding cost report. The departmental charges on each patient's claim were multiplied by corresponding RCCs in order to allocate costs to each claim. The "profitability" of a patient was the difference between DRG reimbursement and the allocated costs.

The profitability of Medicare patients in a specialty did not appear to change in relation to a hospital's degree of specialization. In other words, profit did not improve as a hospital's degree of specialization increased. The scatter diagrams in Table 4 illustrate the observation.

Table 9 – Medicare Margin/Case for Cardiovascular and Orthopedic Specialties vs Level of Specialization



Conclusion

The desirability of physician-owned specialty hospitals will continue to be examined within the industry. There are legitimate questions about their competitive effects, their efficiency in relation to community hospitals, the appropriateness of self-referrals, etc. This study, however, was unable to identify a relationship between higher levels of specialization and profitability.

Attachment A

Specialty Services as defined by Medicare DRGs

Cardiovascular Services

DRG	DESCRIPTION
103	HEART TRANSPLANT
104	CARDIAC VALVE & OTH MAJOR CARDIOTHORACIC PROC W CARD CATH
105	CARDIAC VALVE & OTH MAJOR CARDIOTHORACIC PROC W/O CARD CATH
106	CORONARY BYPASS W PTCA
107	CORONARY BYPASS W CARDIAC CATH
108	OTHER CARDIOTHORACIC PROCEDURES
109	CORONARY BYPASS W/O PTCA OR CARDIAC CATH
110	MAJOR CARDIOVASCULAR PROCEDURES W CC
111	MAJOR CARDIOVASCULAR PROCEDURES W/O CC
115	PRM CARD PACEM IMPL W AMI,HRT FAIL OR SHK,OR AICD LEAD OR GN
116	OTHER PERMANENT CARDIAC PACEMAKER IMPLANT
117	CARDIAC PACEMAKER REVISION EXCEPT DEVICE REPLACEMENT
118	CARDIAC PACEMAKER DEVICE REPLACEMENT
514	CARDIAC DEFIBRILLATOR IMPLANT W CARDIAC CATH
515	CARDIAC DEFIBRILLATOR IMPLANT W/O CARDIAC CATH
516	PERCUTANEOUS CARDIOVASC PROC W AMI
517	PERC CARDIO PROC W NON-DRUG ELUTING STENT W/O AMI
518	PERC CARDIO PROC W/O CORONARY ARTERY STENT OR AMI
525	HEART ASSIST SYSTEM IMPLANT
526	PERCUTNEOUS CARDIOVASULAR PROC W DRUG ELUTING STENT W AMI
527	PERCUTNEOUS CARDIOVASULAR PROC W DRUG ELUTING STENT W/O AMI

Orthopedic Services

DRG	DESCRIPTION
113	AMPUTATION FOR CIRC SYSTEM DISORDERS EXCEPT UPPER LIMB & TOE
114	UPPER LIMB & TOE AMPUTATION FOR CIRC SYSTEM DISORDERS
209	MAJOR JOINT & LIMB REATTACHMENT PROCEDURES OF LOWER EXTREMITY
210	HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE >17 W CC
211	HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE >17 W/O CC
212	HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE 0-17
213	AMPUTATION FOR MUSCULOSKELETAL SYSTEM & CONN TISSUE DISORDERS
216	BIOPSIES OF MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE
218	LOWER EXTREM & HUMER PROC EXCEPT HIP,FOOT,FEMUR AGE >17 W CC
219	LOWER EXTREM & HUMER PROC EXCEPT HIP,FOOT,FEMUR AGE >17 W/O CC
220	LOWER EXTREM & HUMER PROC EXCEPT HIP,FOOT,FEMUR AGE 0-17
223	MAJOR SHOULDER/ELBOW PROC, OR OTHER UPPER EXTREMITY PROC W CC
224	SHOULDER,ELBOW OR FOREARM PROC,EXC MAJOR JOINT PROC, W/O CC
225	FOOT PROCEDURES
226	SOFT TISSUE PROCEDURES W CC
227	SOFT TISSUE PROCEDURES W/O CC
228	MAJOR THUMB OR JOINT PROC,OR OTH HAND OR WRIST PROC W CC
229	HAND OR WRIST PROC, EXCEPT MAJOR JOINT PROC, W/O CC
230	LOCAL EXCISION & REMOVAL OF INT FIX DEVICES OF HIP & FEMUR

231 LOCAL EXCISION & REMOVAL OF INT FIX DEVICES EXCEPT HIP & FEMUR
232 ARTHROSCOPY
233 OTHER MUSCULOSKELET SYS & CONN TISS O.R. PROC W CC
234 OTHER MUSCULOSKELET SYS & CONN TISS O.R. PROC W/O CC
235 FRACTURES OF FEMUR
236 FRACTURES OF HIP & PELVIS
237 SPRAINS, STRAINS, & DISLOCATIONS OF HIP, PELVIS & THIGH
238 OSTEOMYELITIS
239 PATHOLOGICAL FRACTURES & MUSCULOSKELETAL & CONN TISS MALIGNANCY
240 CONNECTIVE TISSUE DISORDERS W CC
241 CONNECTIVE TISSUE DISORDERS W/O CC
242 SEPTIC ARTHRITIS
243 MEDICAL BACK PROBLEMS
244 BONE DISEASES & SPECIFIC ARTHROPATHIES W CC
245 BONE DISEASES & SPECIFIC ARTHROPATHIES W/O CC
246 NON-SPECIFIC ARTHROPATHIES
247 SIGNS & SYMPTOMS OF MUSCULOSKELETAL SYSTEM & CONN TISSUE
248 TENDONITIS, MYOSITIS & BURSITIS
249 AFTERCARE, MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE
250 FX, SPRN, STRN & DISL OF FOREARM, HAND, FOOT AGE >17 W CC
251 FX, SPRN, STRN & DISL OF FOREARM, HAND, FOOT AGE >17 W/O CC
252 FX, SPRN, STRN & DISL OF FOREARM, HAND, FOOT AGE 0-17
253 FX, SPRN, STRN & DISL OF UPARM,LOWLEG EX FOOT AGE >17 W CC
254 FX, SPRN, STRN & DISL OF UPARM,LOWLEG EX FOOT AGE >17 W/O CC
255 FX, SPRN, STRN & DISL OF UPARM,LOWLEG EX FOOT AGE 0-17
256 OTHER MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE DIAGNOSES
285 AMPUTAT OF LOWER LIMB FOR ENDOCRINE,NUTRIT,& METABOL DISORDERS
441 HAND PROCEDURES FOR INJURIES
471 BILATERAL OR MULTIPLE MAJOR JOINT PROCS OF LOWER EXTREMITY
485 LIMB REATTACHMENT, HIP AND FEMUR PROC FOR MULTIPLE SIGNIFICANT TRA
491 MAJOR JOINT & LIMB REATTACHMENT PROCEDURES OF UPPER EXTREMITY
496 COMBINED ANTERIOR/POSTERIOR SPINAL FUSION
497 SPINAL FUSION EXCEPT CERVICAL W CC
498 SPINAL FUSION EXCEPT CERVICAL W/O CC
499 BACK & NECK PROCEDURES EXCEPT SPINAL FUSION W CC
500 BACK & NECK PROCEDURES EXCEPT SPINAL FUSION W/O CC
501 KNEE PROCEDURES W PDX OF INFECTION W CC
502 KNEE PROCEDURES W PDX OF INFECTION W/O CC
503 KNEE PROCEDURES W/O PDX OF INFECTION
519 CERVICAL SPINAL FUSION W CC
520 CERVICAL SPINAL FUSION W/O CC

Attachment B

Hospital Statistics Ranked by Level of Cardiovascular Specialization and Type of Control

CV Percentage	Cntrl #	Type	Facilities	Beds	Avg Size	MC Discharges	MC margin	MC Margin/Case	Tot Discharges	Net Income	Tot Margin/Case	MC Days	MC LOS	MC Util %	Tot Days	Tot LOS	MC Cost	MC Cost/Case
Range: 0 - 9.9	1	Voluntary Nonprofit, Church	264	66,032	250	1,205,736	331,302,271	275	3,320,315	(106,421,417)	(32)	6,911,475	5.73	43.03%	16,062,288	4.84	9,654,488,376	8,007
Range: 0 - 9.9	2	Voluntary Nonprofit, Other	714	166,318	233	3,185,477	855,962,313	269	8,838,735	(2,381,285,715)	(269)	18,169,515	5.70	42.71%	42,541,624	4.81	26,591,587,997	8,348
Range: 0 - 9.9	3	Proprietary, Individual	1	163	163	4,229	(2,654,805)	(628)	9,080	(9,396,457)	(1,035)	21,724	5.14	58.80%	36,945	4.07	28,252,278	6,681
Range: 0 - 9.9	4	Proprietary, Corporation	254	49,377	194	767,101	228,800,789	298	2,153,968	1,077,036,172	500	4,419,029	5.76	43.30%	10,205,563	4.74	5,968,693,818	7,781
Range: 0 - 9.9	5	Proprietary, Partnership	5	868	174	13,960	30,542,823	2,188	37,260	(16,856,133)	(452)	76,156	5.46	42.67%	178,491	4.79	123,268,564	8,830
Range: 0 - 9.9	6	Proprietary, Other	10	2,029	203	36,677	22,317,539	608	115,051	23,950,676	208	196,721	5.36	37.02%	531,343	4.62	272,479,132	7,429
Range: 0 - 9.9	7	Governmental, Federal	1	109	109	3,595	(3,446,330)	(959)	8,703	6,051,990	695	13,925	3.87	52.75%	26,398	3.03	29,200,249	8,122
Range: 0 - 9.9	8	Governmental, City-County	24	6,011	250	103,906	19,786,190	190	323,743	(407,507,330)	(1,259)	589,255	5.67	38.72%	1,522,013	4.70	774,589,242	7,455
Range: 0 - 9.9	9	Governmental, County	44	13,934	317	192,807	146,085,181	758	697,617	(1,643,970,999)	(2,357)	1,094,044	5.67	30.23%	3,618,624	5.19	1,596,398,768	8,280
Range: 0 - 9.9	10	Governmental, State	22	8,881	404	94,719	323,619,625	3,417	432,217	(821,722,534)	(1,901)	576,630	6.09	22.98%	2,509,256	5.81	1,165,893,832	12,309
Range: 0 - 9.9	11	Governmental, Hospital District	47	11,764	250	169,104	32,850,203	194	636,289	(717,076,769)	(1,127)	964,182	5.70	33.43%	2,884,373	4.53	1,411,795,872	8,349
Range: 0 - 9.9	12	Governmental, City	9	2,677	297	36,336	37,469,514	1,031	142,329	(133,624,969)	(939)	216,064	5.95	28.97%	745,698	5.24	289,263,047	7,961
Range: 0 - 9.9	13	Governmental, Other	8	2,614	327	37,465	41,699,648	1,113	119,103	(119,030,947)	(999)	194,938	5.20	32.81%	594,111	4.99	359,005,587	9,582
Total Range 1			1,403	330,777	236	5,851,112	2,064,334,961	353	16,834,410	(5,249,854,432)	(312)	33,443,658	5.72	41.06%	81,456,727	4.84	48,264,916,762	8,249
Range: 10.0 - 14.9	1	Voluntary Nonprofit, Church	71	24,523	345	506,601	99,005,164	195	1,320,809	215,407,783	163	2,815,802	5.56	43.73%	6,438,504	4.87	4,704,081,773	9,286
Range: 10.0 - 14.9	2	Voluntary Nonprofit, Other	131	52,268	399	984,368	1,329,020,651	1,350	2,826,114	(1,013,965,265)	(359)	5,702,116	5.79	39.85%	14,310,155	5.06	9,701,207,072	9,855
Range: 10.0 - 14.9	4	Proprietary, Corporation	52	14,590	281	236,413	22,920,030	97	668,200	823,275,559	1,232	1,347,833	5.70	40.65%	3,315,841	4.96	2,145,563,775	9,075
Range: 10.0 - 14.9	5	Proprietary, Partnership	2	316	158	6,653	5,468,859	822	16,722	11,366,993	680	37,192	5.59	48.31%	76,984	4.60	48,065,961	7,225
Range: 10.0 - 14.9	6	Proprietary, Other	1	425	425	8,876	1,285,491	145	25,051	(5,255,463)	(210)	49,169	5.54	39.03%	125,968	5.03	81,031,607	9,129
Range: 10.0 - 14.9	8	Governmental, City-County	2	1,107	554	21,102	(8,350,354)	(396)	52,895	(25,075,797)	(474)	126,411	5.99	45.38%	278,549	5.27	183,316,555	8,687
Range: 10.0 - 14.9	9	Governmental, County	5	1,609	322	30,357	9,602,110	316	70,351	(14,306,215)	(203)	168,299	5.54	48.42%	347,602	4.94	225,521,143	7,429
Range: 10.0 - 14.9	10	Governmental, State	6	2,740	457	42,260	99,758,423	2,361	144,289	(227,862,571)	(1,579)	270,283	6.40	32.18%	839,992	5.82	533,161,257	12,616
Range: 10.0 - 14.9	11	Governmental, Hospital District	8	2,905	363	50,184	(14,580,801)	(291)	163,505	(82,660,547)	(506)	297,978	5.94	37.21%	800,721	4.90	562,899,044	11,217
Range: 10.0 - 14.9	13	Governmental, Other	3	1,130	377	18,310	63,642,871	3,476	60,400	(10,715,043)	(177)	104,860	5.73	32.06%	327,102	5.42	233,480,737	12,752
Total Range 2			281	101,613	362	1,905,124	1,607,772,444	844	5,348,336	(329,790,566)	(62)	10,919,943	5.73	40.65%	26,861,418	5.02	18,418,328,924	9,668
Range: 15.0 - 19.9	1	Voluntary Nonprofit, Church	18	7,095	394	152,225	39,929,296	262	362,903	87,316,776	241	904,225	5.94	47.18%	1,916,459	5.28	1,482,021,229	9,736
Range: 15.0 - 19.9	2	Voluntary Nonprofit, Other	62	25,026	404	523,615	259,800,333	496	1,438,764	(34,609,149)	(24)	2,962,670	5.66	42.38%	6,991,074	4.86	5,492,399,572	10,489
Range: 15.0 - 19.9	4	Proprietary, Corporation	14	3,460	247	57,268	118,274,207	2,065	161,995	96,209,009	594	331,238	5.78	39.68%	834,699	5.15	537,227,771	9,381
Range: 15.0 - 19.9	6	Proprietary, Other	2	269	135	4,308	4,870,964	1,131	11,192	(944,509)	(84)	19,201	4.46	37.40%	51,346	4.59	42,874,678	9,952
Range: 15.0 - 19.9	8	Governmental, City-County	1	493	493	10,668	(4,391,794)	(412)	19,759	(8,801,103)	(445)	68,088	6.38	55.79%	122,047	6.18	106,004,690	9,937
Range: 15.0 - 19.9	10	Governmental, State	1	462	462	6,152	8,073,801	1,312	24,925	(111,853,500)	(4,488)	41,939	6.82	27.61%	151,886	6.09	97,666,216	15,876
Range: 15.0 - 19.9	13	Governmental, Other	1	709	709	14,621	(9,767,949)	(668)	28,074	(58,284,083)	(2,076)	69,990	4.79	57.53%	121,649	4.33	138,623,116	9,481
Total Range 3			99	37,514	379	768,857	416,788,858	542	2,047,612	(30,966,559)	(15)	4,397,351	5.72	43.16%	10,189,160	4.98	7,896,817,272	10,271
Range: 20.0 - 24.9	1	Voluntary Nonprofit, Church	9	2,602	289	62,684	39,317,190	627	144,286	33,022,101	229	338,538	5.40	48.62%	696,331	4.83	642,737,251	10,254
Range: 20.0 - 24.9	2	Voluntary Nonprofit, Other	14	6,332	452	118,967	172,832,028	1,453	351,019	(270,935,004)	(772)	760,272	6.39	40.59%	1,872,912	5.34	1,417,017,862	11,911
Range: 20.0 - 24.9	4	Proprietary, Corporation	4	654	164	35,920	12,836,863	357	59,329	58,399,645	984	95,996	2.67	55.06%	174,341	2.94	161,443,672	4,495
Range: 20.0 - 24.9	13	Governmental, Other	1	485	485	11,101	20,838,920	1,877	29,860	10,429,342	349	63,923	5.76	42.23%	151,370	5.07	115,063,718	10,365
Total Range 4			28	10,073	360	228,672	245,825,001	1,075	584,494	(169,083,916)	(289)	1,258,729	5.50	43.48%	2,894,954	4.95	2,336,262,503	10,217
Range: 25.0 - 29.9	1	Voluntary Nonprofit, Church	3	1,094	365	27,926	6,454,253	231	62,455	58,441,627	936	146,600	5.25	49.83%	294,194	4.71	279,106,245	9,994
Range: 25.0 - 29.9	2	Voluntary Nonprofit, Other	4	1,044	261	19,021	12,638,749	664	54,518	(11,983,114)	(220)	100,461	5.28	42.12%	238,486	4.37	189,739,775	9,975
Range: 25.0 - 29.9	4	Proprietary, Corporation	3	666	222	3,063	284,735	93	11,350	(51,769,150)	(4,561)	15,412	5.03	32.90%	46,843	4.13	30,231,857	9,870
Range: 25.0 - 29.9	5	Proprietary, Partnership	1	16	16	304	(1,393,021)	(4,582)	403	(1,316,392)	(3,266)	1,167	3.84	65.30%	1,787	4.43	3,638,682	11,969
Range: 25.0 - 29.9	6	Proprietary, Other	1	484	484	12,585	8,828,690	702	24,874	(973,306)	(39)	69,052	5.49	56.63%	121,939	4.90	132,819,491	10,554
Total Range 5			12	3,304	275	62,899	26,813,406	426	153,600	(7,600,335)	(49)	332,692	5.29	47.31%	703,249	4.58	635,536,050	10,104
Range: 30.0 +	1	Voluntary Nonprofit, Church	3	531	177	15,820	42,447,964	2,683	29,523	83,031,381	2,812	109,606	6.93	61.96%	176,891	5.99	213,451,997	13,493
Range: 30.0 +	2	Voluntary Nonprofit, Other	2	512	256	10,375	1,429,090	138	24,121	(6,853,657)	(284)	60,411	5.82	47.75%	126,511	5.24	137,060,472	13,211
Range: 30.0 +	4	Proprietary, Corporation	15	1,167	78	34,328	(9,429,479)	(275)	57,139	34,564,283	605	143,238	4.17	62.46%	229,321	4.01	384,986,478	11,215
Range: 30.0 +	5	Proprietary, Partnership	2	125	63	6,613	1,058,376	160	9,913	13,584,429	1,370	22,474	3.40	64.87%	34,644	3.49	76,066,082	11,503
Total Range 6			22	2,335	106	67,136	35,505,951	529	120,696	124,326,436	1,030	335,729	5.00	59.17%	567,367	4.70	811,565,029	12,088
Total All			1,845	485,616	263	8,883,800	4,397,040,621	495	25,089,148	(5,662,969,372)	(226)	50,688,102	5.71	41.32%	122,672,875	4.89	78,363,426,540	8,821

Attachment C

Hospital Statistics Ranked by Level of Orthopedic Specialization and Type of Control

Ortho Percentage	Cntrl #	Type	Facilities	Beds	Avg Size	MC Discharges	MC margin	MC Margin/Case	Tot Discharges	Net Income	Tot Margin/Case	MC Days	MC LOS	MC Util %	Tot Days	Tot LOS	MC Cost	MC Cost/Case
Range: 0 - 9.9	1	Voluntary Nonprofit, Church	169	40,847	242	783,029	534,011,778	682	2,050,270	97,242,803	47	4,762,092	6.08	45.53%	10,458,806	5.10	6,764,713,929	8,639
Range: 0 - 9.9	2	Voluntary Nonprofit, Other	512	112,435	220	1,990,092	2,374,364,902	1,193	5,687,278	(3,000,218,528)	(528)	12,018,176	6.04	41.64%	28,864,241	5.08	17,448,682,742	8,768
Range: 0 - 9.9	3	Proprietary, Individual	2	279	140	4,768	(2,816,386)	(591)	12,095	(15,933,095)	(1,317)	24,165	5.07	52.86%	45,716	3.78	31,950,801	6,701
Range: 0 - 9.9	4	Proprietary, Corporation	264	45,093	171	663,393	396,922,931	598	1,827,870	698,258,113	382	3,730,177	5.62	42.66%	8,743,694	4.78	5,055,586,740	7,621
Range: 0 - 9.9	5	Proprietary, Partnership	7	862	123	14,265	18,566,980	1,302	40,343	8,210,042	204	80,608	5.65	42.94%	187,739	4.65	119,113,160	8,350
Range: 0 - 9.9	6	Proprietary, Other	10	1,287	129	20,596	13,179,525	640	62,559	(127,820,990)	(2,043)	112,374	5.46	37.91%	296,456	4.74	127,885,060	6,209
Range: 0 - 9.9	7	Governmental, Federal	1	178	178	1,145	(345,920)	(302)	9,209	(19,875,119)	(2,158)	7,828	6.84	16.00%	48,918	5.31	14,316,658	12,504
Range: 0 - 9.9	8	Governmental, City-County	32	6,937	217	104,133	91,966,707	883	351,511	(713,477,957)	(2,030)	604,743	5.81	34.06%	1,775,341	5.05	807,245,555	7,752
Range: 0 - 9.9	9	Governmental, County	66	13,342	202	135,311	181,798,197	1,344	614,625	(2,669,058,204)	(4,343)	781,675	5.78	24.25%	3,223,691	5.24	1,102,485,992	8,148
Range: 0 - 9.9	10	Governmental, State	22	7,182	326	83,593	261,439,352	3,128	358,022	(935,394,329)	(2,613)	502,362	6.01	24.62%	2,040,142	5.70	1,000,565,881	11,969
Range: 0 - 9.9	11	Governmental, Hospital District	40	7,401	185	96,496	31,692,261	328	399,047	(649,769,247)	(1,628)	542,168	5.62	29.84%	1,816,927	4.55	739,974,783	7,668
Range: 0 - 9.9	12	Governmental, City	14	2,336	167	26,118	52,041,672	1,993	110,337	(227,148,070)	(2,059)	162,273	6.21	26.14%	620,891	5.63	202,608,699	7,757
Range: 0 - 9.9	13	Governmental, Other	7	1,967	281	28,669	83,349,535	2,907	99,169	(160,357,931)	(1,617)	160,410	5.60	29.89%	536,731	5.41	335,258,286	11,694
Total Range 1			1,146	240,146	210	3,951,608	4,036,171,534	1,021	11,622,335	(7,715,342,512)	(664)	23,489,051	5.94	40.04%	58,659,293	5.05	33,750,388,286	8,541
Range: 10.0 - 14.9	1	Voluntary Nonprofit, Church	183	50,305	275	961,655	69,546,777	72	2,597,263	(188,988,966)	(73)	5,293,217	5.50	42.70%	12,395,892	4.77	8,203,804,425	8,531
Range: 10.0 - 14.9	2	Voluntary Nonprofit, Other	493	123,917	251	2,492,148	555,302,959	223	6,740,026	(1,272,313,915)	(189)	13,874,377	5.57	43.24%	32,086,357	4.76	21,905,715,754	8,790
Range: 10.0 - 14.9	4	Proprietary, Corporation	127	24,752	195	410,890	(59,099,636)	(144)	1,142,058	1,300,710,101	1,139	2,291,409	5.58	43.01%	5,327,893	4.67	3,392,135,921	8,256
Range: 10.0 - 14.9	5	Proprietary, Partnership	4	461	115	8,073	21,804,311	2,701	22,895	25,086,910	1,096	40,834	5.06	36.69%	111,307	4.86	73,399,420	9,092
Range: 10.0 - 14.9	6	Proprietary, Other	9	1,994	222	44,669	23,645,414	529	115,424	14,859,052	129	232,535	5.21	43.23%	537,931	4.66	404,664,584	9,059
Range: 10.0 - 14.9	7	Governmental, Federal	1	109	109	3,595	(3,446,330)	(959)	8,703	6,051,990	695	13,925	3.87	52.75%	26,398	3.03	29,200,249	8,122
Range: 10.0 - 14.9	8	Governmental, City-County	10	2,317	232	50,778	(32,580,491)	(642)	122,584	(13,505,022)	(110)	281,009	5.53	50.31%	558,599	4.56	387,500,589	7,631
Range: 10.0 - 14.9	9	Governmental, County	28	5,863	209	117,111	(25,357,350)	(217)	308,046	(119,760,192)	(389)	643,622	5.50	44.05%	1,461,059	4.74	921,768,336	7,871
Range: 10.0 - 14.9	10	Governmental, State	12	4,994	416	56,986	161,348,902	2,831	239,869	(196,097,604)	(818)	374,942	6.58	25.99%	1,442,581	6.01	742,666,171	13,032
Range: 10.0 - 14.9	11	Governmental, Hospital District	32	7,966	249	129,448	537,157	4	428,076	(161,224,029)	(377)	747,632	5.78	37.65%	1,985,669	4.64	1,241,506,338	9,591
Range: 10.0 - 14.9	12	Governmental, City	7	1,349	193	22,457	2,154,426	96	75,400	62,561,334	830	116,682	5.20	34.66%	336,631	4.46	162,534,271	7,238
Range: 10.0 - 14.9	13	Governmental, Other	8	2,402	300	43,030	36,705,467	853	115,658	(50,882,826)	(440)	226,480	5.26	40.57%	558,305	4.83	422,698,946	9,823
Total Range 2			914	226,429	248	4,340,840	750,561,606	173	11,916,002	(593,503,167)	(50)	24,136,664	5.56	42.47%	56,828,622	4.77	37,887,595,004	8,728
Range: 15.0 - 19.9	1	Voluntary Nonprofit, Church	54	12,626	234	236,379	(38,900,891)	(165)	633,643	111,363,093	176	1,235,139	5.23	42.75%	2,889,446	4.56	1,971,187,735	8,339
Range: 15.0 - 19.9	2	Voluntary Nonprofit, Other	121	28,105	232	521,664	(245,213,312)	(470)	1,569,827	420,974,941	268	2,683,305	5.14	37.65%	7,127,848	4.54	4,986,959,585	9,560
Range: 15.0 - 19.9	4	Proprietary, Corporation	42	7,774	185	126,751	80,511,335	635	361,917	(111,703,957)	(309)	679,718	5.36	41.00%	1,657,872	4.58	1,066,489,172	8,414
Range: 15.0 - 19.9	6	Proprietary, Other	1	195	195	1,562	2,386,332	1,528	6,796	(4,494,693)	(661)	6,497	4.16	25.94%	25,044	3.69	16,145,329	10,336
Range: 15.0 - 19.9	8	Governmental, City-County	2	163	82	3,737	(5,242,836)	(1,403)	8,161	(2,692,846)	(330)	16,808	4.50	52.60%	31,955	3.92	25,626,090	6,857
Range: 15.0 - 19.9	9	Governmental, County	4	668	167	12,195	(6,760,526)	(554)	26,353	(8,103,583)	(308)	57,700	4.73	50.49%	114,278	4.34	87,059,435	7,139
Range: 15.0 - 19.9	10	Governmental, State	1	322	322	4,380	12,039,403	2,749	21,472	17,089,569	796	24,684	5.64	23.64%	104,428	4.86	53,713,035	12,263
Range: 15.0 - 19.9	11	Governmental, Hospital District	6	811	135	14,270	(10,069,853)	(706)	48,361	(78,927,070)	(1,632)	69,954	4.90	41.13%	170,062	3.52	122,879,142	8,611
Range: 15.0 - 19.9	12	Governmental, City	1	149	149	3,522	(3,821,661)	(1,085)	7,797	3,332,895	427	17,792	5.05	57.44%	30,977	3.97	23,888,829	6,783
Range: 15.0 - 19.9	13	Governmental, Other	1	641	641	12,386	5,762,690	465	31,294	36,684,303	1,172	58,921	4.76	43.32%	136,008	4.35	91,556,807	7,392
Total Range 3			233	51,454	221	936,846	(209,309,319)	(223)	2,715,621	383,522,652	141	4,850,518	5.18	39.47%	12,287,918	4.52	8,445,505,159	9,015
Range: 20.0 - 24.9	1	Voluntary Nonprofit, Church	9	2,005	223	38,579	3,506,372	91	105,172	157,730,865	1,500	187,529	4.86	41.26%	454,551	4.32	345,591,177	8,958
Range: 20.0 - 24.9	2	Voluntary Nonprofit, Other	16	2,758	172	53,320	(69,322,816)	(1,300)	161,058	103,106,176	640	278,011	5.21	39.19%	709,423	4.40	496,920,709	9,320
Range: 20.0 - 24.9	4	Proprietary, Corporation	11	1,533	139	22,325	(3,221,703)	(144)	72,250	127,599,868	1,766	115,670	5.18	35.94%	321,829	4.45	215,334,298	9,645
Range: 20.0 - 24.9	5	Proprietary, Partnership	1	293	293	4,482	(819,365)	(183)	9,828	(17,086,713)	(1,739)	24,406	5.45	50.20%	48,616	4.95	36,840,167	8,220
Range: 20.0 - 24.9	10	Governmental, State	1	179	179	3,725	(3,386,531)	(909)	9,492	(13,030,967)	(1,373)	20,958	5.63	45.92%	45,639	4.81	35,877,405	9,632
Range: 20.0 - 24.9	11	Governmental, Hospital District	1	43	43	1,035	502,034	485	2,059	1,281,082	622	4,354	4.21	48.12%	9,049	4.39	6,843,652	6,612
Total Range 4			39	6,811	175	123,466	(72,742,009)	(589)	359,859	359,600,311	999	630,928	5.11	39.70%	1,589,107	4.42	1,137,407,408	9,212
Range: 25.0 - 29.9	1	Voluntary Nonprofit, Church	4	326	82	4,983	(5,150,638)	(1,034)	12,506	8,187,410	655	24,115	4.84	51.04%	47,248	3.78	40,023,369	8,032
Range: 25.0 - 29.9	2	Voluntary Nonprofit, Other	6	647	108	10,669	2,047,180	192	32,463	15,132,144	466	56,633	5.31	34.35%	164,854	5.08	105,147,467	9,855
Range: 25.0 - 29.9	4	Proprietary, Corporation	4	667	167	7,382	(3,326,952)	(451)	15,032	(7,675,195)	(511)	41,025	5.56	56.08%	73,158	4.87	53,833,805	7,293
Range: 25.0 - 29.9	9	Governmental, County	1	188	188	2,231	(772,804)	(346)	13,140	1,650,586	126	12,643	5.67	20.82%	60,733	4.62	21,236,146	9,519
Total Range 5			15	1,828	122	25,265	(7,203,214)	(285)	73,141	17,294,945	236	134,416	5.32	38.85%	345,993	4.73	220,240,787	8,717
Range: 30.0 +	1	Voluntary Nonprofit, Church	1	186	186	2,440	(5,884,980)	(2,412)	14,515	35,727,772	2,461	12,234	5.01	22.61%	54,120	3.73	25,799,291	10,573
Range: 30.0 +	2	Voluntary Nonprofit, Other	14	1,341	96	22,354	1,166,036	52	60,847	(11,503,493)	(189)	106,130	4.75	40.61%	261,311	4.29	251,955,133	11,271
Range: 30.0 +	3	Proprietary, Individual	1	10	10	102	(82,145)	(805)	466	(12,472)	(27)	231	2.26	21.96%	1,052	2.26	637,763	6,253
Range: 30.0 +	4	Proprietary, Corporation	19	643	34	6,861	(15,265,059)	(2,225)	22,038	44,793,282	2,033	30,405	4.43	41.43%	73,382	3.33	66,386,884	9,676
Range: 30.0 +	5	Proprietary, Partnership	16	342	21	4,690	(6,977,660)	(1,488)	14,145	95,202,825	6,730	13,665	2.91	38.38%	35,608	2.52	46,324,675	9,877
Range: 30.0 +	6	Proprietary, Other	6	104	17	1,693	(2,757,479)	(1,629)	4,113	9,896,463	2,406	5,479	3.24	49.14%	11,150	2.71	13,204,309	7,799
Range: 30.0 +	13	Governmental, Other	1	155	155	1,656	(6,535,862)	(3,947)	3,269	(3,332,889)	(1,020)	9,062	5.47	60.73%	14,921	4.56	18,524,333	11,186
Total Range 6			58	2,781	48	39,796	(36,337,149)	(913)	119,393	170,771,488	1,430	177,206	4.45	39.24%	451,544	3.78	422,832,388	10,625
Total All			2,405	529,449	220	9,417,821	4,461,141,449	474	26,806,351	(7,377,656,283)	(275)	53,418,783	5.67	41.04%	130,162,477	4.86	81,863,969,032	8,692

Attachment D

Cardiovascular Hospital Statistics by State

State	Facilities	Beds	Avg Size	MC Cases	MC Margin	MC/Case	Total Cases	Total Margin	Total/Case
AK	3	643	214	6,081	(21,367,819)	(3,514)	25,371	(5,225,289)	(206)
AL	32	9,473	296	187,595	110,116,017	587	468,283	(195,246,187)	(417)
AR	20	4,223	211	90,403	9,238,649	102	204,552	19,655,116	96
AZ	34	8,321	245	128,436	40,706,907	317	523,569	(288,017,471)	(550)
CA	199	44,465	223	632,568	125,080,641	198	2,270,410	(265,867,427)	(117)
CO	22	5,533	252	83,744	(10,395,458)	(124)	338,083	370,738,842	1,097
CT	25	5,843	234	136,210	161,150,659	1,183	352,538	(199,765,680)	(567)
DC	7	2,329	333	36,773	20,844,043	567	121,459	(67,542,577)	(556)
DE	3	1,150	383	27,019	(9,495,125)	(351)	74,312	(76,737,309)	(1,033)
FL	137	41,537	303	769,838	57,060,448	74	1,984,457	187,377,867	94
GA	47	12,383	263	214,778	71,009,650	331	654,812	(194,847,397)	(298)
HI	7	1,386	198	18,086	(14,381,256)	(795)	52,312	(71,880,759)	(1,374)
IA	17	4,488	264	86,700	8,298,574	96	205,617	81,767,291	398
ID	8	1,754	219	29,023	(23,654,694)	(815)	91,909	42,845,975	466
IL	89	21,899	246	457,109	(45,936,428)	(100)	1,207,542	(783,214,795)	(649)
IN	41	10,261	250	201,813	(88,072,196)	(436)	477,396	276,432,532	579
KS	16	3,618	226	65,537	21,244,727	324	188,563	12,010,187	64
KY	22	6,955	316	134,524	(3,125,652)	(23)	325,083	(87,161,652)	(268)
LA	40	10,094	252	151,975	15,793,257	104	415,352	83,311,415	201
MA	54	12,088	224	252,677	374,609,008	1,483	684,932	(1,586,059,781)	(2,316)
MD	32	8,481	265	197,104	67,904,875	345	530,087	(142,865,772)	(270)
ME	9	1,748	194	39,116	(19,288,978)	(493)	87,218	(3,287,822)	(38)
MI	55	16,346	297	383,595	361,336,088	942	915,695	(682,173,709)	(745)
MN	18	5,931	330	123,176	10,997,682	89	371,088	135,131,714	364
MO	40	11,737	293	212,120	35,879,190	169	554,302	(24,497,996)	(44)
MS	11	3,830	348	60,335	(23,817,723)	(395)	159,399	27,494,070	172
MT	5	998	200	23,288	2,289,228	98	52,813	(8,168,311)	(155)
NC	35	11,748	336	238,852	205,194,411	859	606,841	(74,987,952)	(124)
ND	5	970	194	21,583	17,017,841	788	48,991	(33,052,681)	(675)
NE	8	2,258	282	41,373	(29,004,464)	(701)	113,126	26,725,691	236
NH	9	1,166	130	22,111	(43,405,294)	(1,963)	58,334	77,670,001	1,331
NJ	73	19,990	274	384,726	200,316,832	521	1,055,206	(242,828,383)	(230)
NM	8	1,665	208	26,052	1,372,814	53	102,861	(587,800,549)	(5,715)
NV	12	3,534	295	47,868	(49,242,199)	(1,029)	199,518	68,707,588	344
NY	127	39,881	314	584,245	1,685,329,758	2,885	1,805,360	(2,900,208,396)	(1,606)
OH	77	20,017	260	417,235	293,729,355	704	1,083,587	(107,493,804)	(99)
OK	18	5,183	288	94,211	54,693,616	581	261,765	107,043,259	409
OR	16	3,879	242	56,714	4,506,032	79	214,932	138,051,518	642
PA	110	26,235	239	505,649	655,091,016	1,296	1,407,356	(26,643,319)	(19)
RI	10	2,088	209	36,666	61,544,412	1,679	102,886	(142,930,818)	(1,389)
SC	27	6,947	257	148,211	(33,883,657)	(229)	376,051	166,072,729	442
SD	4	1,049	262	20,528	(5,551,598)	(270)	53,985	(53,034,018)	(982)
TN	38	11,878	313	223,651	114,783,013	513	568,695	540,260,237	950
TX	130	36,842	283	618,347	174,103,908	282	1,935,378	230,187,571	119
UT	14	2,528	181	39,550	18,080,183	457	140,223	112,544,555	803
VA	39	11,014	282	220,377	(48,473,083)	(220)	583,872	357,767,145	613
VT	1	363	363	7,538	24,030,264	3,188	20,816	(15,787,115)	(758)
WA	34	7,342	216	132,981	30,216,575	227	432,809	(79,034,436)	(183)
WI	40	7,740	194	167,431	(146,505,378)	(875)	403,910	251,394,846	622
WV	15	3,469	231	71,494	(11,596,604)	(162)	159,225	(50,710,462)	(318)
WY	2	316	158	6,784	(9,331,446)	(1,376)	16,267	20,912,346	1,286
Totals	**1,845**	**485,616**	**263**	**8,883,800**	**4,397,040,621**	**495**	**25,089,148**	**(5,662,969,372)**	**(226)**

Attachment E

Orthopedic Hospital Statistics by State

State	Facilities	Beds	Avg Size	MC Cases	MC Margin	MC/Case	Total Cases	Total Margin	Total/Case
AK	4	683	171	6,406	(22,422,039)	(3,500)	26,726	(1,344,608)	(50)
AL	46	10,780	234	204,229	111,587,064	546	512,163	(294,989,096)	(576)
AR	26	4,662	179	96,428	6,002,141	62	217,092	8,095,548	37
AZ	37	8,719	236	130,221	39,682,202	305	536,735	(335,414,894)	(625)
CA	287	53,811	187	713,964	190,985,239	267	2,657,585	(1,306,966,248)	(492)
CO	25	5,715	229	86,123	(11,866,051)	(138)	347,623	382,070,042	1,099
CT	26	5,863	226	136,745	161,636,823	1,182	353,239	(205,518,152)	(582)
DC	7	2,329	333	36,773	20,844,043	567	121,459	(67,542,577)	(556)
DE	3	1,150	383	27,019	(9,495,125)	(351)	74,312	(76,737,309)	(1,033)
FL	147	42,663	290	782,342	65,342,989	84	2,039,364	173,721,740	85
GA	68	13,809	203	234,580	57,430,957	245	697,868	(216,422,402)	(310)
HI	8	1,431	179	18,690	(13,661,397)	(731)	54,151	(74,478,445)	(1,375)
IA	21	4,749	226	88,730	8,769,344	99	211,672	32,146,508	152
ID	10	1,783	178	29,267	(23,953,702)	(818)	92,632	42,222,197	456
IL	115	24,471	213	486,315	(32,907,504)	(68)	1,297,760	(890,698,311)	(686)
IN	63	11,867	188	226,202	(122,644,852)	(542)	538,956	328,019,994	609
KS	24	3,852	161	69,450	12,853,478	185	197,235	5,787,561	29
KY	28	7,334	262	140,215	(3,754,929)	(27)	337,566	(80,410,945)	(238)
LA	54	11,261	209	161,348	17,350,027	108	452,964	117,586,636	260
MA	63	12,535	199	262,155	370,335,899	1,413	706,029	(1,616,648,531)	(2,290)
MD	35	8,731	249	202,454	60,138,077	297	541,990	(150,087,938)	(277)
ME	12	1,892	158	41,721	(22,309,666)	(535)	92,287	(7,322,973)	(79)
MI	71	17,503	247	397,753	352,751,952	887	944,883	(638,324,430)	(676)
MN	38	7,433	196	147,784	(816,781)	(6)	447,076	253,088,441	566
MO	57	12,618	221	226,874	33,060,222	146	586,084	(47,752,594)	(81)
MS	22	4,593	209	74,002	(28,469,070)	(385)	188,065	66,304,270	353
MT	6	1,018	170	23,350	2,070,332	89	53,092	(8,201,799)	(154)
NC	46	12,575	273	255,762	212,911,337	832	649,177	(32,903,119)	(51)
ND	5	970	194	21,583	17,017,841	788	48,991	(33,052,681)	(675)
NE	9	2,289	254	41,692	(29,446,167)	(706)	113,813	25,834,543	227
NH	10	1,215	122	22,946	(44,329,632)	(1,932)	60,226	61,216,588	1,016
NJ	77	20,454	266	388,720	185,490,270	477	1,069,821	(258,415,664)	(242)
NM	11	2,077	189	25,986	(1,015,189)	(39)	105,615	(568,625,258)	(5,384)
NV	14	3,732	267	49,003	(49,994,143)	(1,020)	203,913	59,221,916	290
NY	151	43,669	289	622,758	1,827,348,256	2,934	1,982,607	(3,326,767,897)	(1,678)
OH	100	21,632	216	443,477	277,751,588	626	1,140,351	(129,489,952)	(114)
OK	39	6,048	155	103,065	52,527,186	510	286,382	136,567,995	477
OR	27	4,579	170	64,085	(1,870,803)	(29)	247,949	130,433,167	526
PA	126	27,406	218	518,982	659,744,915	1,271	1,445,971	(82,901,143)	(57)
RI	10	2,088	209	36,666	61,544,412	1,679	102,886	(142,930,818)	(1,389)
SC	34	7,254	213	153,625	(39,259,035)	(256)	386,129	167,673,211	434
SD	6	1,040	173	18,878	(6,165,415)	(327)	52,185	(25,789,938)	(494)
TN	57	13,200	232	242,861	121,426,570	500	613,498	504,017,217	822
TX	194	40,863	211	671,849	169,797,206	253	2,106,832	244,984,509	116
UT	20	2,839	142	44,193	18,132,544	410	160,260	122,187,759	762
VA	48	11,818	246	236,094	(61,185,005)	(259)	622,814	362,187,230	582
VT	2	432	216	8,791	22,106,843	2,515	23,253	(13,753,636)	(591)
WA	43	7,768	181	138,661	30,584,832	221	450,484	(208,648,140)	(463)
WI	54	8,348	155	176,910	(158,924,473)	(898)	427,467	272,733,676	638
WV	17	3,582	211	73,310	(12,260,716)	(167)	162,852	(52,529,879)	(323)
WY	2	316	158	6,784	(9,331,446)	(1,376)	16,267	20,912,346	1,286
Totals	**2,405**	**529,449**	**220**	**9,417,821**	**4,461,141,449**	**474**	**26,806,351**	**(7,377,656,283)**	**(275)**

Attachment F
Hospital Statistics by Region

Cardiovascular Hospitals

Region (1)	Facilities	Beds	Avg Size	MC Cases	MC Margin	MC/Case	Total Cases	Total Margin	Total/Case
New England	108	23,296	216	494,318	558,640,071	1,130	1,306,724	(1,870,161,215)	(1,431)
Middle Atlantic	310	86,106	278	1,474,620	2,540,737,606	1,723	4,267,922	(3,169,680,098)	(743)
East North Central	302	76,263	253	1,627,183	374,551,441	230	4,088,130	(1,045,054,930)	(256)
West North Central	108	30,051	278	571,017	58,881,952	103	1,535,672	145,050,188	94
South Atlantic	342	99,058	290	1,924,446	318,564,958	166	5,091,116	103,526,272	20
East South Central	103	32,136	312	606,105	197,955,655	327	1,521,460	285,346,468	188
West South Central	208	56,342	271	954,936	253,829,430	266	2,817,047	440,197,361	156
Mountain	105	24,649	235	384,745	(30,174,665)	(78)	1,465,243	(268,237,025)	(183)
Pacific	259	57,715	223	846,430	124,054,173	147	2,995,834	(283,956,393)	(95)
Totals	**1,845**	**485,616**	**263**	**8,883,800**	**4,397,040,621**	**495**	**25,089,148**	**(5,662,969,372)**	**(226)**

Orthopedic Hospitals

Region (1)	Facilities	Beds	Avg Size	MC Cases	MC Margin	MC/Case	Total Cases	Total Margin	Total/Case
New England	123	24,025	195	509,024	548,984,679	1,079	1,337,920	(1,924,957,522)	(1,439)
Middle Atlantic	354	91,529	259	1,530,460	2,672,583,441	1,746	4,498,399	(3,668,084,704)	(815)
East North Central	403	83,821	208	1,730,657	316,026,711	183	4,349,417	(1,057,759,023)	(243)
West North Central	160	32,951	206	614,991	35,272,522	57	1,657,056	210,261,840	127
South Atlantic	405	103,911	257	2,001,959	294,467,522	147	5,295,965	107,358,957	20
East South Central	153	35,907	235	661,307	200,789,635	304	1,651,292	194,921,446	118
West South Central	313	62,834	201	1,032,690	245,676,560	238	3,063,270	507,234,688	166
Mountain	125	26,199	210	394,927	(36,275,453)	(92)	1,516,137	(285,627,691)	(188)
Pacific	369	68,272	185	941,806	183,615,832	195	3,436,895	(1,461,004,274)	(425)
Totals	**2,405**	**529,449**	**220**	**9,417,821**	**4,461,141,449**	**474**	**26,806,351**	**(7,377,656,283)**	**(275)**

(1) **States Included In Regions:**

New England	CT, ME, MA, NH, RI, VT
Middle Atlantic	NJ, NY, PA
East North Central	IN, IL, MI, OH, WI
West North Central	IA, KS, MN, MO, NE, ND, SD
South Atlantic	DE, DC, FL, GA, MD, NC, SC, VA, WV
East South Central	AL, KY, MS, TN
West South Central	AK, LA, OK, TX
Mountain	AZ, CO, ID, NM, MT, UT, NV, WY
Pacific	AK, CA, HI, OR, WA

Attachment G

About the Authors and the Company

Thomas M. Schuhmann, CPA, JD
Vice President
Cost Report Data Resources, LLC

Tom Schuhmann, a CPA and attorney, has been in the healthcare field since 1975. He has experience in public accounting, auditing hospitals and nursing homes; in the private practice of law representing doctors, hospitals, nursing homes, and other healthcare companies; and in building and running the reimbursement departments for two of the nation's largest and most diversified healthcare companies (Humana Inc. and Vencor, Inc.).

For almost 30 years, Tom has concentrated his efforts in the areas of Medicare/Medicaid reimbursement and appeals, healthcare finance, compliance, mergers and acquisitions, and lobbying on a federal and state level. Tom has advised numerous legal, accounting and healthcare trade associations including the Federation of American Health Systems, the Healthcare Financial Management Association, and various state accounting and legal associations.

He received his BA from Bellarmine University in 1976 and his JD from the University of Louisville in 1986. He is a frequent public speaker on healthcare issues.

Paul Shoemaker, FACHE
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Mr. Shoemaker is a graduate of the University of Kentucky and a Certified Computing Professional (CCP). He is also a Fellow of the American College of Healthcare Executives and active in numerous professional organizations.

His professional experience includes sixteen years with Humana Inc. where he served as Vice President of Prospective Payment Systems. He was also co-founder and president of MetriCor Inc., a consulting company specializing in patient medical record coding and management. He currently serves as co founder and president of both Cost Report Data Resources and American Hospital Directory, Inc., an online source for comprehensive information about hospitals.

Mr. Shoemaker has authored numerous professional articles related to health information and is a frequent public speaker. His professional career has been centered on the collection, management and analysis of health care information. He has extensive experience in the use of such information for health policy analysis, strategic planning and operational management.

Attachment G

About the Authors and the Company
(continued)

Cost Report Data Resources, LLC

Cost Report Data Resources (www.CostReportData.com) is the industry's first provider of on-line hospital financial information from the Medicare Cost Report. Data are continually updated upon release by CMS. Standard format cost reports are available individually or by subscription.

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