



Summary of Key Findings

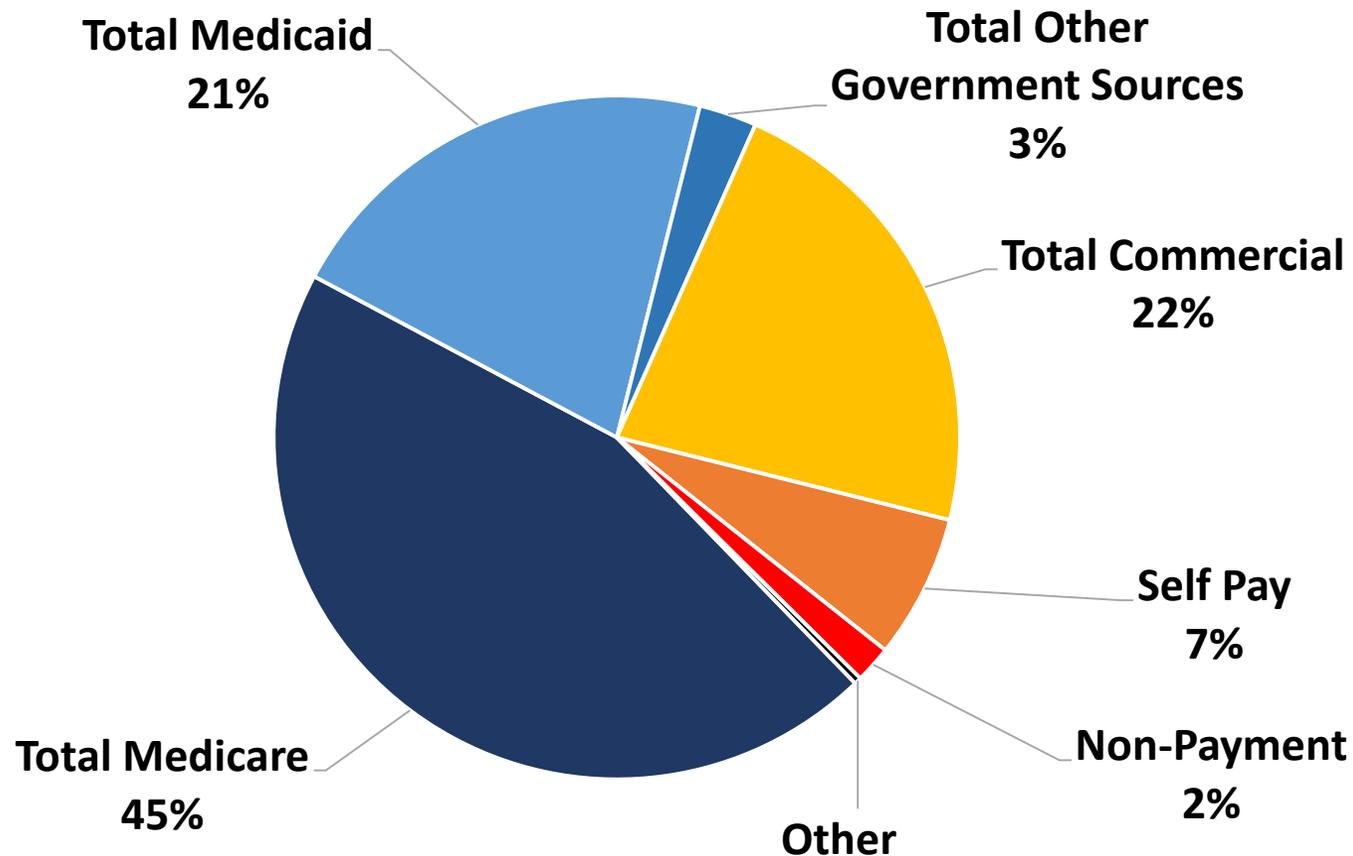
Meetings 1 and 2

Through 5/26/2015

1. Nearly 70 percent of all inpatient stays (by volume) in hospitals in Florida during CY2013 were covered from known government resources.* (*Medicare, Medicaid, KidCare, VA, etc.*)

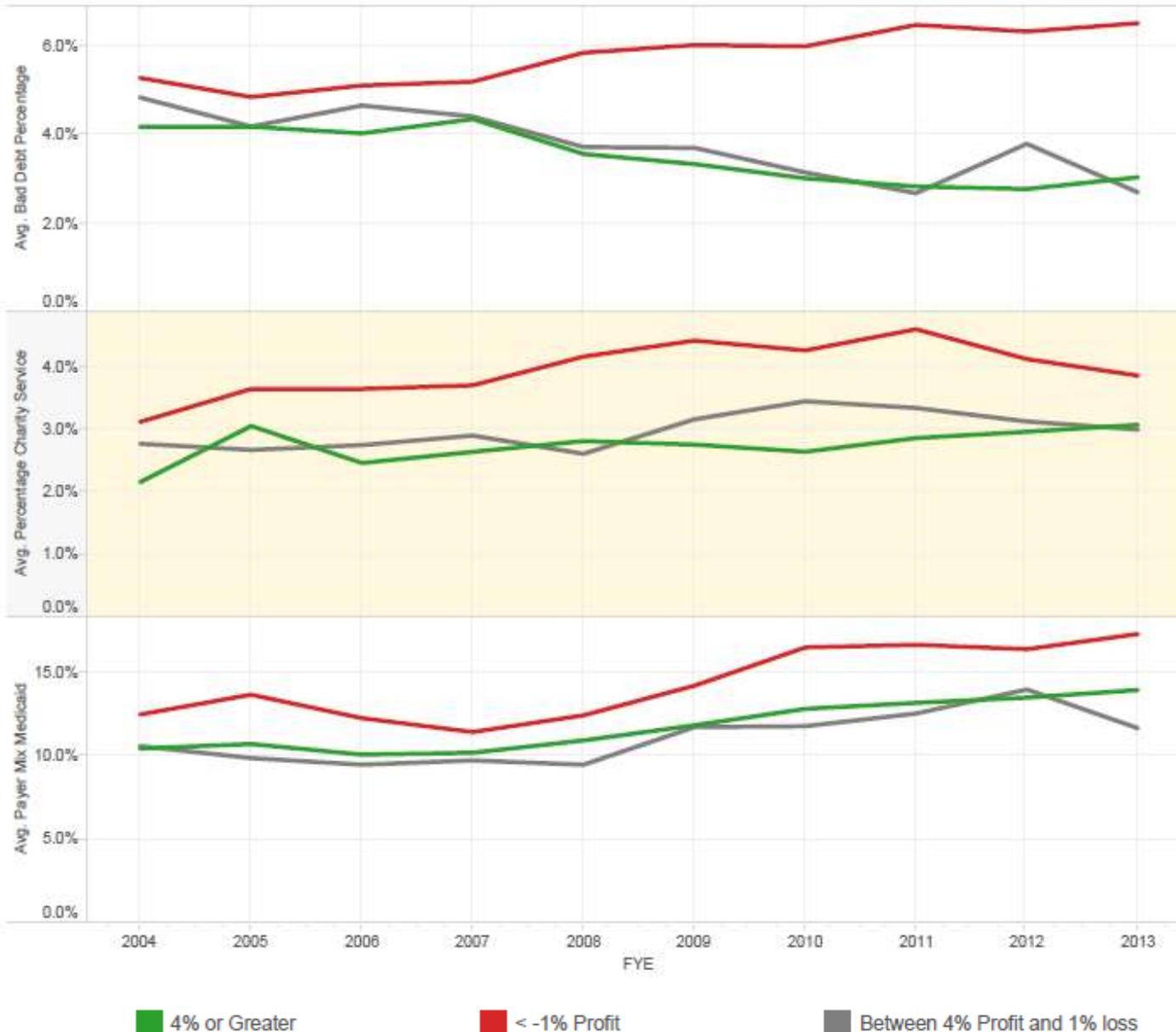
Hospital Utilization by Payer

Number of Inpatient Hospital Discharges during CY2013 by coverage type



**Figure does not include commercial insurance policies for which premiums are subsidized such as through the Federal Health Insurance Marketplace, or premium amounts paid by state and federal government agencies for employee coverage.*

Indigent Payer Mix



Payer Mix and Profit

2. Hospital facilities that earned at least four percent profit tend to provide significantly less charity care services than hospitals that have negative profit margins.

Hospitals with an operating loss of one percent or more had higher levels of bad debt, charity and Medicaid utilization than hospitals that had a profit of four percent or more.

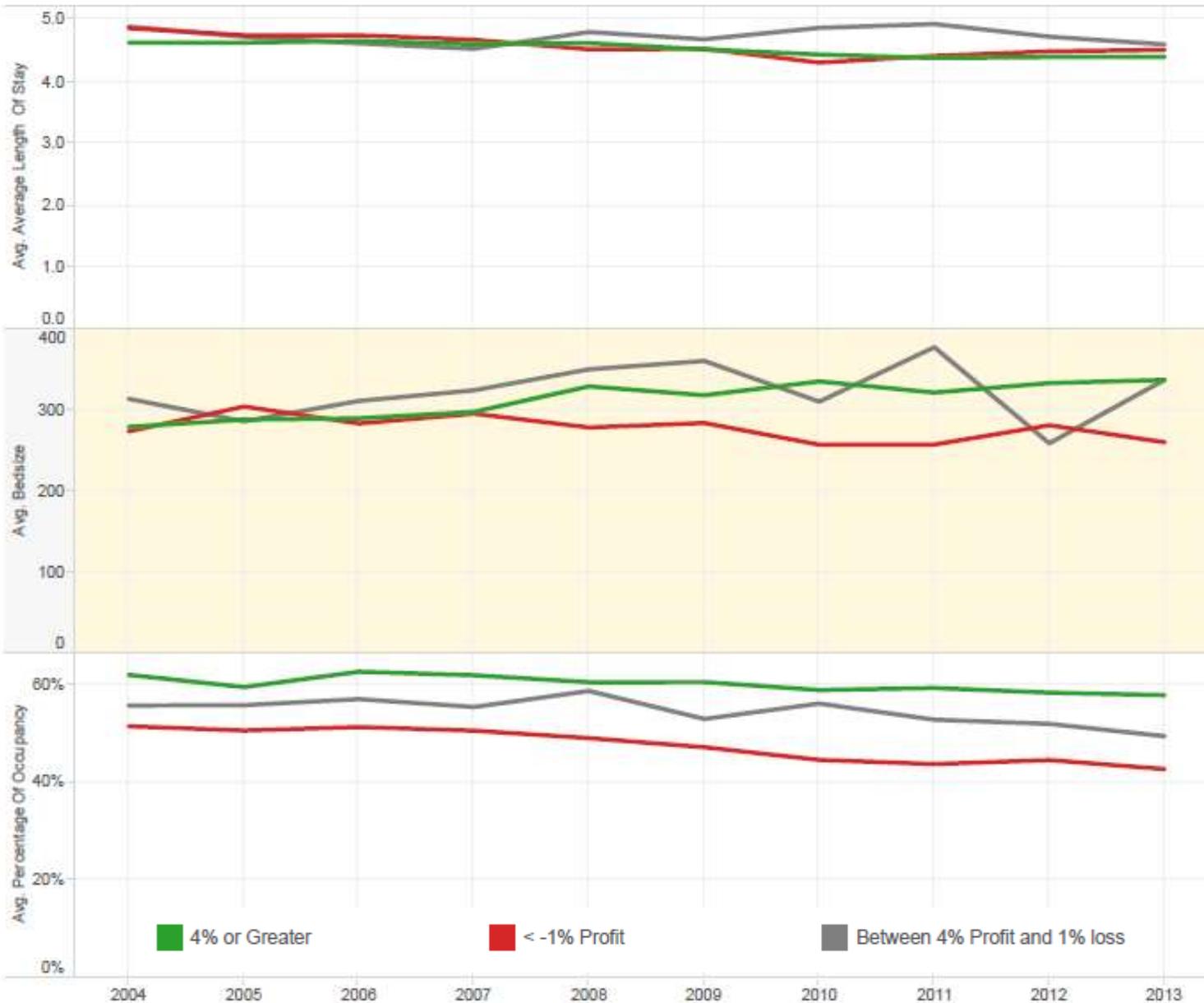
Case Mix and Cost

3. Facilities with the least acuity had some of the highest expenses as well as being the least profitable.*

**If rural hospital facilities are excluded from the analysis, there are no significant differences in cost between profitable hospitals and those that are not profitable.*



Occupancy and Length of Stay

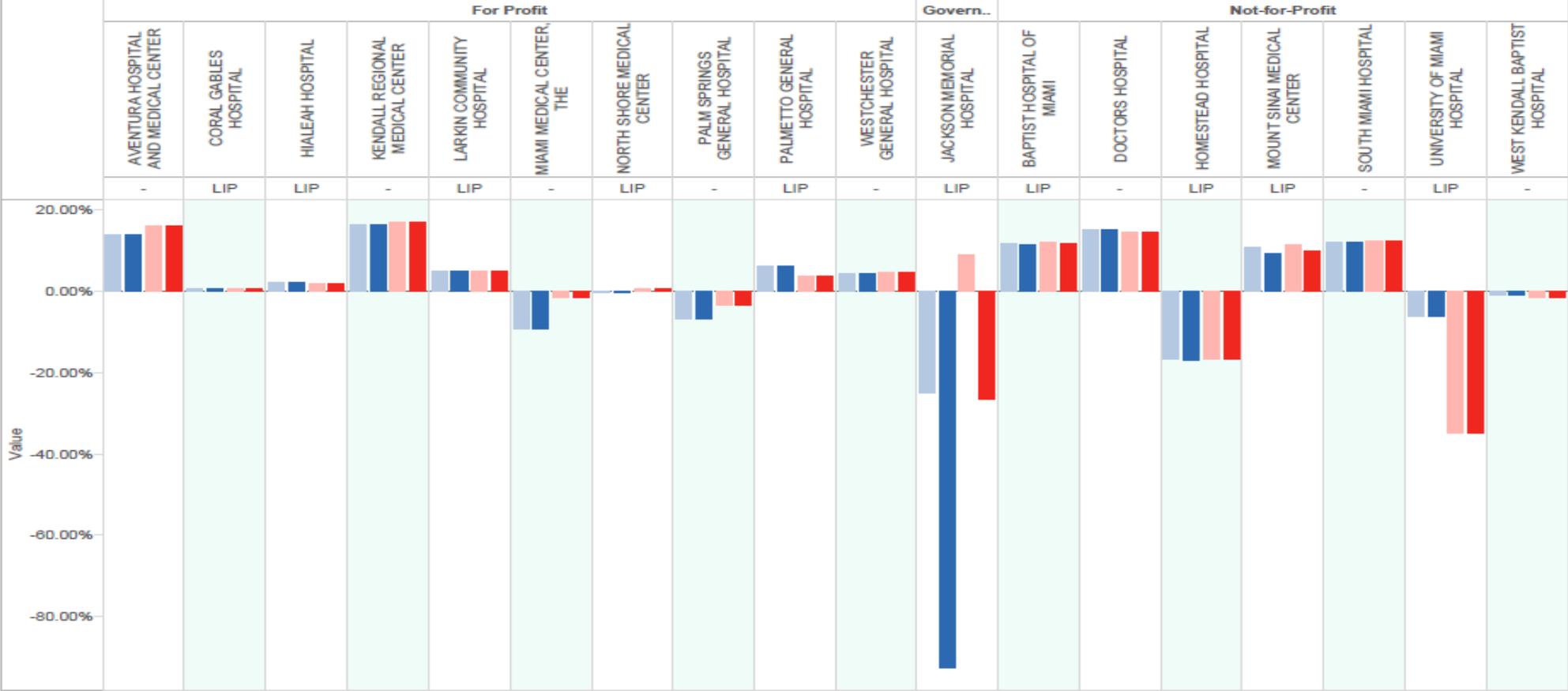


Occupancy and Length of Stay

4. Hospitals with lower occupancy percentages are more likely to be less profitable than hospitals with higher occupancy percentages

5. Facilities that are profitable without LIP funding remain profitable with LIP funds; and facilities that have not been profitable without LIP funding remain unprofitable with LIP funding.

Profit Margin % with and without LIP

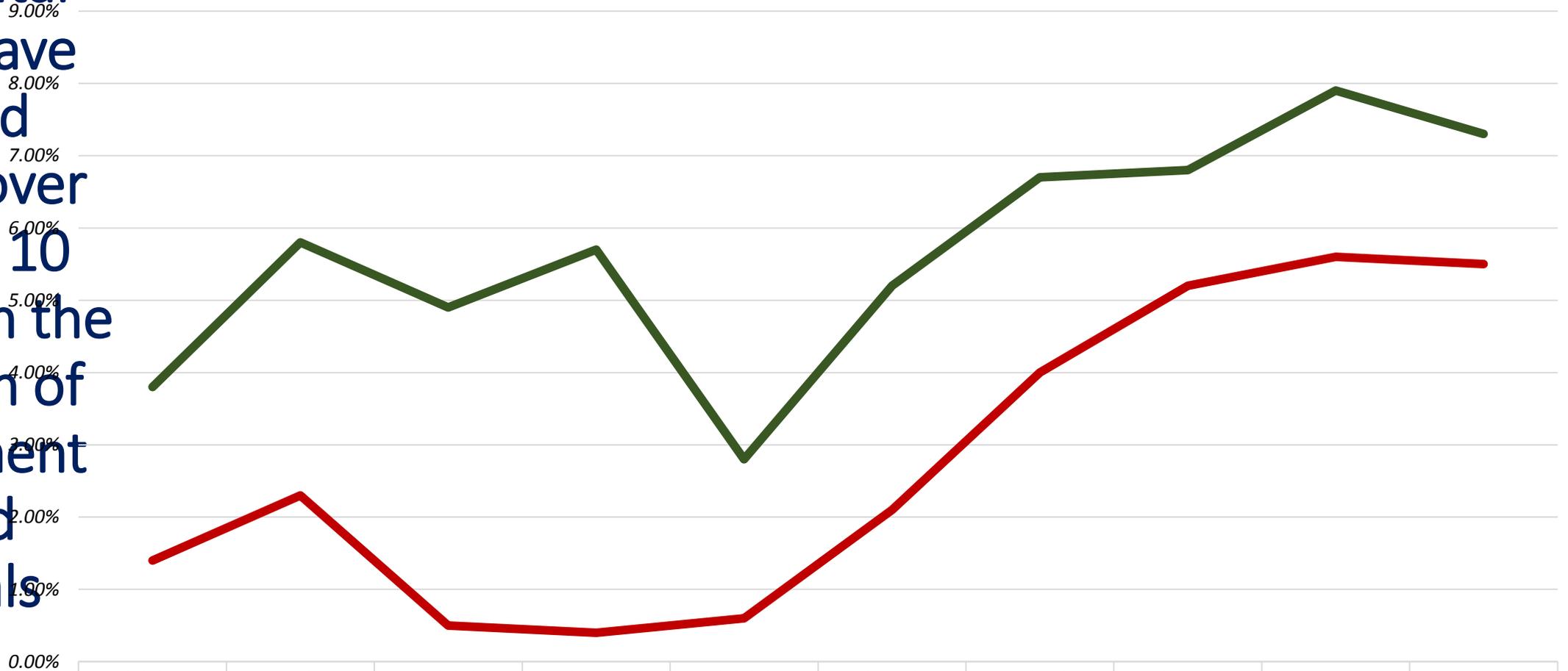


Exceptions include: Bert Fish Medical Center*, Jackson Hospital**, Madison County Memorial Hospital*, Jackson Memorial Hospital*, and Sarasota Memorial Hospital**

*Operating Margin **Total Margin

Hospital Profits

6. Hospital profits have trended upward over the past 10 years, with the exception of Government owned hospitals



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Operating	1.40%	2.30%	0.50%	0.40%	0.60%	2.10%	4.00%	5.20%	5.60%	5.50%
Total	3.80%	5.80%	4.90%	5.70%	2.80%	5.20%	6.70%	6.80%	7.90%	7.30%

7. Case Mix Index (a measure of patient complexity/acuity) is an important factor for analysis purposes as a variable to “level the playing field”

- Reflects diversity, clinical complexity, and resource needs of the hospital’s population served
- Can be used to adjust for average cost per patient (or per day), relative to other hospitals

Hospital CMI >1 = adjusted cost will be lower

Hospital CMI <1 = adjusted cost will be higher