

October 1, 2018

The Honorable Steve Yarborough, President
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Dear President Yarborough:

Pursuant to A.R.S. § 36-2903.08, please find the enclosed AHCCCS Report on Uncompensated Care and Hospital Profitability. Please feel free to contact Shelli Silver, Assistant Director, at (602) 417-4647 or shelli.silver@azahcccs.gov if you have any questions about this report.

Sincerely,



Thomas J. Betlach
Director

cc: The Honorable Speaker J.D. Mesnard, Arizona House of Representatives
Richard Stavneak, Director, Joint Legislative Budget Committee
Matt Gress, Director, Governor's Office of Strategic Planning and Budgeting
Christina Corieri, Governor's Office, Senior Policy Advisor



**Report on Uncompensated Hospital Costs and
Hospital Profitability**

October 2018

Director, Tom Betlach

EXECUTIVE SUMMARY

From Hospital Fiscal Year (HFY) 2011 to HFY 2013, hospital uncompensated care grew from \$500 million to almost \$900 million. This increase was followed by a sharp decline from HFY 2013 to HFY 2015. By HFY 2015, uncompensated care fell below its HFY 2011 levels and has continued at this lower rate. These fluctuations were due in part to state budgetary changes implemented during this time period. Of particular importance was the imposition of a freeze on childless adult enrollment effective July 2011, and its restoration and Medicaid expansion in January 2014.

Despite large increases in uncompensated care, total net operating profit remained relatively stable, fluctuating between \$554 million and \$765 million from HFY 2011 to HFY 2016. This was achieved with the help of the AHCCCS Safety Net Care Pool program, a temporary program designed to help mitigate the increase in uncompensated care associated with the enrollment freeze. In HFY 2017, net operating profit increased to \$919 million, the highest level observed since AHCCCS began writing these reports.

Operating profitability continues to vary considerably by hospital type. Both net operating margin and total margins for rehabilitation, short-term specialty, and psychiatric hospitals exceeded 12% in HFY 2017, but margins were negative for long term acute care hospitals. In HFY 2017, net operating and total margins for critical access and general acute care hospitals were between 3.6% and 6.5%.

It is important to note that there are a number of factors that influence hospital profitability and uncompensated care, including long-term and short-term business decisions made by hospitals, occupancy rates (which average approximately 60% statewide), the economy, federal and state policies, and changes in the healthcare industry as a whole.

BACKGROUND

A. R. S. § 36-2903.08 mandates that AHCCCS provide a report on hospital finances, specifically:

AHCCCS uncompensated care; hospital assessment; reports

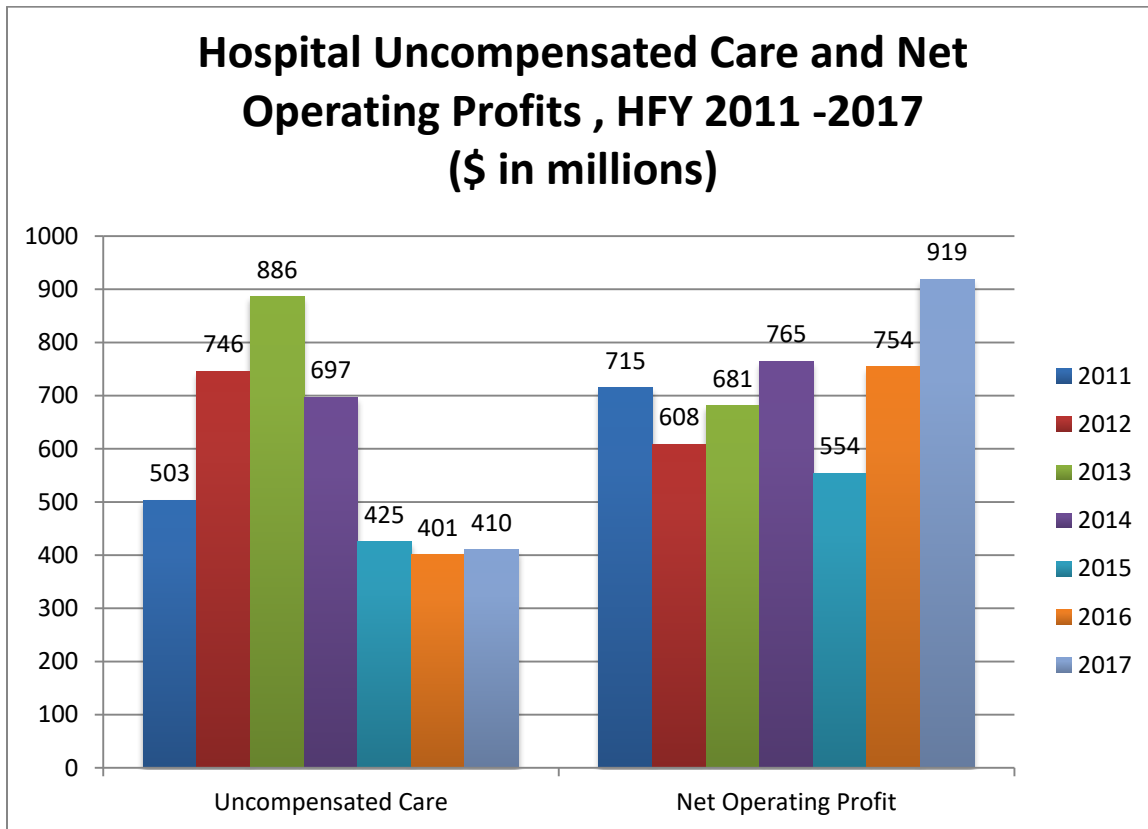
A. On or before October 1, 2014, and annually thereafter, the Arizona health care cost containment system administration shall report to the speaker of the house of representatives, the president of the senate and the directors of the joint legislative budget committee and governor's office of strategic planning and budgeting on the change in uncompensated hospital costs experienced by Arizona hospitals and hospital profitability during the previous fiscal year.

Hospital-reported data shows that total uncompensated care was relatively flat from Hospital Fiscal Year (HFY) 2016 to HFY 2017 and total net hospital profitability grew by 22%. During that time frame, average net operating profit, as well as average total profit, also increased. The table below displays summary figures for Arizona hospitals going back to HFY 2011.

Hospital Profitability and Uncompensated Care, HFY 2011-2017								
(\$ in Millions)								
	<u>2011</u> ¹	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	2016-2017 Change
Total Uncompensated Care	\$503.3	\$745.7	\$885.9	\$697.4	\$425.3	\$401.5	\$410.1	\$8.6
Average Uncompensated Care Costs	\$5.8	\$8.0	\$8.9	\$7.0	\$4.1	\$3.8	\$3.9	\$0.1
Uncompensated Care Costs as a % of Total Expenses	3.8%	5.8%	6.7%	4.7%	2.9%	2.6%	2.5%	(0.1)%
Total Net Operating Profitability	\$714.6	\$607.6	\$681.1	\$765.2	\$554.0	\$753.6	\$919.0	\$165.4
Average Operating Profitability	\$8.1	\$6.8	\$6.9	\$7.7	\$5.4	\$7.0	\$8.7	\$1.6
Average Operating Margin	5.1%	4.5%	4.9%	4.9%	3.6%	4.6%	5.3%	0.7%
Hospitals with a Positive Operating Margin	79.5%	73.3%	64.6%	64.0%	63.1%	59.8%	68.9%	9.1%
Average Total Income Margin	5.1%	5.1%	6.0%	5.5%	3.9%	5.3%	6.8%	1.5%
Average Occupancy Rate	62.0%	60.0%	59.0%	59.6%	60.8%	60.0%	60.2%	0.2%

¹ 2011 figures taken from the 2013 Hospital Uncompensated Costs and Hospital Profitability Report. These numbers were not audited by AHCCCS.

From HFY 2011 to 2013, total uncompensated care grew from approximately \$500 million to almost \$900 million and then started a sharp decline, falling to just over \$400 million by HFYs 2015-2017. Meanwhile, total net operating profits have fluctuated during this period between \$554 million and \$919 million, with the lowest point in HFY 2015 and the highest in HFY 2017.



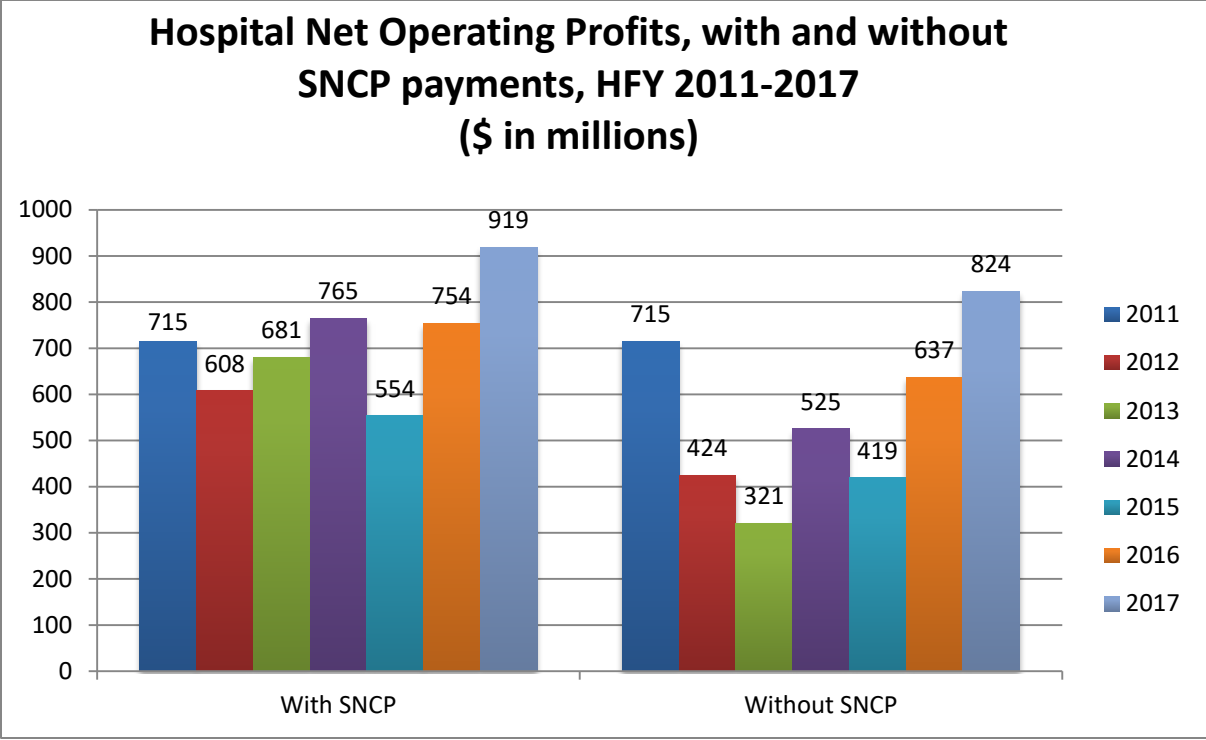
Among other factors, these figures incorporate the impact of a number of different budgetary changes which have occurred since 2011:

- The sustained 5 percent hospital payment rate decrease, effective April 1, 2011
- The sustained 5 percent hospital rate decrease, effective October 1, 2011
- The establishment of a 25-day inpatient day limit, effective October 1, 2011 - this policy ended on September 30, 2014, but the funding reduction continued
- The imposition of a freeze on the spend-down program population effective May 1, 2011, and the subsequent elimination of the program effective October 1, 2011
- The implementation and expansion of several short-term funding mechanisms, such as the Safety Net Care Pool (SNCP) program designed to help mitigate the increase in uncompensated care associated with the enrollment freeze
- The imposition of a freeze on childless adult enrollment, effective July 8, 2011 and its restoration on January 1, 2014

- The expansion of AHCCCS to adults from 106-138% of the federal poverty level beginning January 1, 2014
- The implementation of a hospital assessment beginning on January 1, 2014. The hospital assessment is expected to collect \$287 million in SFY 2019.
- Effective January 1, 2016, AHCCCS increased the All Patient Refined Diagnosis Related Groups (APR-DRG) for high-acuity pediatric cases, increasing inpatient reimbursement by a projected \$20 million annually for those cases. A second increase for an additional projected \$20 million annually was made on January 1, 2017.
- Effective October 1, 2016, AHCCCS implemented differential adjusted payments (DAPs) to increase rates for acute care hospital providers who meet established quality performance criteria. The DAP criteria was expanded to include all hospitals on October 1, 2017.
- Beginning with the 2016 Graduate Medical Education (GME) payment, AHCCCS modified the methodology for calculating indirect GME costs resulting in an approximate \$100 million annual increase in indirect GME payments. GME payments have continued to steadily increase post-2016.
- Effective January 1, 2018, AHCCCS rebased the APR-DRG reimbursement system, including a third increase to the policy adjustor for high-acuity pediatric cases and the addition of two new policy adjustors, for a net projected increase of \$35 million annually for inpatient reimbursement.

It is important to note the role that SNCP played over the years. In Federal Fiscal Year (FFY) 2012, SNCP payments were made to four hospitals. The program was then expanded for FFY 2013 to include nine additional hospitals through a City of Phoenix assessment. By the third year of the program, 17 hospitals had received SNCP payments. Total SNCP payments increased from approximately \$185 million for FFY 2012 to \$510 million for FFY 2013, a \$325 million increase. With the exception of payments to Phoenix Children's Hospital (PCH), SNCP payments ended on December 31, 2013. Consequently, SNCP payments fell to \$240 million in FFY 2014, \$135 million in FFY 2015, \$117 million in FFY 2016, \$95 million in FFY 2017, and \$23 million in FFY 2018.

Due to the differences between hospital and federal fiscal years, as described in more detail in the next section, the reporting of SNCP payments on hospitals' Uniform Accounting Reports (UARs) does not always match the FFY in which the payments were made. Additionally, the nine hospitals that received a payment where the state match was provided by the City of Phoenix assessment reduced their net operating revenues by the amount they contributed for the assessment. After adjusting the net operating revenues for net SNCP payments, hospitals report net operating profit falling from \$715 million in HFY 2011 to \$321 million in HFY 2013 and then increasing to \$824 million by HFY 2017. A comparison is displayed in the following chart.



DEFINITIONS, DATA SOURCES, AND LIMITATIONS

Under the authority of Arizona Revised Statutes §§ 36-125.04 and 36-436, Arizona Administrative Code, Title 9, Chapter 11 specifies requirements for hospital financial reporting to the State of Arizona. With the exception of Indian Health Services hospitals and tribally owned or operated hospitals, Arizona hospitals are required to submit annual audited financial statements, the UAR, and hospital charge master rates and changes to the Arizona Department of Health Services (ADHS). AHCCCS used hospital-reported information in the UAR for the analysis conducted for this report. The data was reviewed by AHCCCS, and AHCCCS attempted to follow up with hospitals when hospital-submitted data was incomplete or appeared to contain errors. Any revisions made to the UAR data were reported to ADHS. AHCCCS chose to exclude two hospitals from this report: one tribal hospital, since it was the only tribal hospital to submit a UAR, and one not registered for Medicaid or Medicare. Additionally, one hospital was excluded in HFY 2017 (Curahealth - Phoenix) since they did not submit their UAR by August 15, 2018, the cut-off date established by AHCCCS in order to complete this Report timely. Data for HFY 2016 was updated from last year’s Report to include the additional data for one hospital (The Guidance Center), the correction of data for one hospital (HealthSouth Rehabilitation Institute of Tucson), and an error in the formula pertaining to total hospital margin.

The most recent complete year for which UAR data was available was HFY 2017. Reporting periods in each year vary by hospital based on each hospital’s fiscal year date span; HFYs ended

in June, July, August, September, or December. In a few cases, hospitals had less than twelve months of data due to the hospital changing its fiscal year. In cases where the hospital was open both prior to and after a fiscal year which contained greater than or less than 12 months' worth of data, AHCCCS annualized the data for a more accurate year-over-year comparison and to approximate a 12 month period for each hospital. For new hospitals and hospitals which closed, AHCCCS did not annualize the data.

Various data points may provide a picture of hospital uncompensated care. Common definitions of uncompensated care include bad debt and charity care; other figures may specifically delineate the difference between Medicare and Medicaid payments and hospital "costs" (known as Medicare and Medicaid shortfall amounts). AHCCCS has defined uncompensated care costs to include bad debt and charity care data.

Bad debt consists of services for which the hospital anticipated but did not receive payments. Charity care, in contrast, consists of services which the hospital voluntarily provided free of charge or at a reduced charge due to the patient's inability to pay. Uncompensated care, charity care, and bad debt in this report are stated in terms of costs as opposed to charges. Costs are determined by multiplying the charges by the hospital specific cost-to-charge ratio computed by AHCCCS. The cost to charge ratio was calculated as follows:

$$\frac{\text{Total expenses exclusive of bad debt}}{\text{Gross patient revenue + other operating revenue}}$$

The cost-to-charge ratio averaged 22% in HFY 2016 and 21% in HFY 2017. That is, for every one dollar of hospital charges, hospital costs averaged slightly more than twenty cents.

As with uncompensated care, there are several ways to examine profit levels. Total net operating profit is the amount of remaining operating revenue after all operating expenses are paid. A hospital's operating expenses include items such as salaries, employee benefits, supplies, purchased services and rentals. Total net profit includes total operating profit as well as revenues and expenses related to non-operating revenues and expenses. Non-operating revenues and expenses include items such as investments, endowments, donations, cafeteria and gift shop sales, and federal taxes paid by for-profit hospitals. Total net operating margin represents the percent of operating revenues left after operating expenses have been paid. Similarly, total income margin represents the total income available after operating and non-operating expenses are paid. AHCCCS has included both net operating margin and total income margin in this report.

SUMMARY OF FINDINGS

Statistics provided in this Summary of Findings are compiled based on individual and summary data for hospitals included in Appendix C.

1. Uncompensated Care Costs

AHCCCS found a wide range of uncompensated care costs reported by hospitals, with such costs across all hospitals reaching slightly above \$400 million in both HFY 2016 and HFY 2017. Uncompensated care costs for the two most recent reporting years are noted in Table 1 (in total dollars):

Table 1—Uncompensated Care Costs, All Hospitals

	<u>2016</u>	<u>2017</u>	<u>Percentage Change</u>
Total Uncompensated Care Costs	\$401.5 Million	\$410.1 Million	2.1%
Statewide Average Uncompensated Care Costs Per Hospital	\$3.8 Million	\$3.9 Million	3.1%
Lowest Uncompensated Care Costs *	\$5,119	\$12,479	
Highest Uncompensated Care Costs	\$58.9 Million	\$52.0 Million	

* Excludes hospitals which do not provide uncompensated care or reported negative uncompensated care.

2. Percentage of Uncompensated Care

Uncompensated care costs were also examined as a percentage of total expenses. Statewide average percentage uncompensated care costs fell slightly during this period, declining to 2.5% as shown in Table 2. At its peak, uncompensated care costs were 6.7% in HFY 2013.

Table 2—Percent of Uncompensated Care, All Hospitals

	<u>2016</u>	<u>2017</u>	<u>Percentage Change</u>
Average % of Uncompensated Care	2.6%	2.5%	(3.5)%
Lowest % of Uncompensated Care Costs	0.03%	0.06%	
Highest % of Uncompensated Care	11.6%	18.7%	

3. Operating Profitability

Operating profitability continues to range greatly, from significant losses to significant gains. In total, Arizona hospitals included in this analysis had operating profits increase by about \$165 million and hospitals with a profit increased by 9.1 percentage points during this period.

Table 3—Operating Profitability, All Hospitals

	<u>2016</u>	<u>2017</u>	<u>Percentage Change</u>
Total Profitability	\$753.6 Million	\$919.0 Million	21.9%
Statewide Average Profitability	\$7.0 Million	\$8.7 Million	23.1%
Lowest Profitability/(Highest Loss)*	(\$77.6) Million	(\$72.7) Million	
Highest Profitability *	\$87.7 Million	\$126.4 Million	
Percent of Hospitals with a Profit	59.8%	68.9%	

* Excludes hospitals which have been open less than 3 years at the end of the reporting period.

4. Net Operating Margin

Net operating margin, defined as profit/loss as a percentage of total revenue, averaged 4.6% across all hospitals in HFY 2016 and 5.3% in HFY 2017 as shown in Table 4. For the purpose of this analysis, net operating margin equals the statewide total profit(loss)/statewide total revenue. Overall, 58.7% of hospitals in HFY 2016 and 68.9% in HFY 2017 had a positive operating margin.

Table 4—Net Operating Margin, All Hospitals

	<u>2016</u>	<u>2017</u>	<u>Percentage Change</u>
Average Net Operating Margin	4.6%	5.3%	14.4%
Lowest Net Operating Margin *	(31.8)%	(135.5)%	
Highest Net Operating Margin *	58.7%	43.2%	
Hospitals with Positive Margin	59.8%	68.9%	

* Excludes hospitals which have been open less than 3 years at the end of the reporting period.

5. Total Margin

As discussed earlier, total margin provides another way to evaluate the financial status of hospitals, as it includes non-operating revenues and expenses in addition to operating revenues and expenses. Total margin, defined as statewide operating and non-operating profit/loss as a percentage of total operating and non-operating revenue, increased more than 27% and at a greater rate than average net operating margin. Average total margin was 5.3% across all hospitals in HFY 2016, increasing to 6.8% in HFY 2017, as shown in Table 5.

Table 5—Total Margin, All Hospitals

	<u>2016</u>	<u>2017</u>	<u>Percentage Change</u>
Average Total Margin	5.3%	6.8%	27.5%
Lowest Total Margin*	(31.8)%	(135.5)%	
Highest Total Margin*	52.8%	52.8%	
Hospitals with Positive Margin	61.7%	69.8%	

* Excludes hospitals which have been open less than 3 years at the end of the reporting period.

6. Occupancy Rates

In addition to the items specifically requested in legislation, hospital occupancy rates may also be of interest in helping provide context to these figures. Table 6 shows a slight increase from HFY 2016 to HFY 2017, with occupancy rates increasing from 60.0% to 60.2%.

Table 6—Occupancy Rates, All Hospitals

	<u>2016</u>	<u>2017</u>	<u>Percentage Change</u>
Average Occupancy Rate	60.0%	60.2%	0.3%
Lowest Occupancy Rate	6.2%	2.1%	
Highest Occupancy Rate	100.6%	99.1%	

7. Days in Accounts Receivable

Days in accounts receivable may also be of interest as an additional variable to provide context to the financial status of Arizona hospitals. Days in accounts receivable, or the average number of days that a hospital takes to collect payments, is one factor that is used to measure the liquidity of businesses. A high number of days in accounts receivable can indicate that a hospital is having trouble collecting payments and can have significant impacts on cash flow. As shown in Table 7, average days in accounts receivable were 64 in HFY 2016 and 66 in HFY 2017.

Moody's Investors Service reports an average accounts receivable of 48.4 days for not-for-profit hospitals in 2015.²

Table 7—Days in Accounts Receivable, All Hospitals

	<u>2016</u>	<u>2017</u>	<u>Percentage Change</u>
Average Days in Accounts Receivable	64	66	3.1%
Fewest Days *	12	17	
Most Days **	143	148	

* Excludes one hospital which reported negative days
 ** Excludes hospitals which have been open less than 3 years at the end of the reporting period.

DATA BY HOSPITAL TYPES

In order to provide more meaningful results, AHCCCS has stratified the data in a variety of ways. Below is a comparison of hospitals by peer group, urban and rural locations, for-profit and non-profit, Medicaid volume, and by hospital system.

Hospital Peer Types

Table 8, provided further below, breaks out Arizona hospitals into 6 categories: critical access, long term acute care, rehabilitation, psychiatric, short term specialty, and general acute care. Hospitals were assigned these categories based on their classification in the Arizona Department of Health Services' Provider and Facility Database as of January 1, 2018. For purposes of this report, AHCCCS has categorized hospitals which do not fall into any of the other 5 categories as general acute care hospitals. Slightly more than half of the hospitals are classified as general acute care hospitals, but over 90% of the revenues are from general acute care hospitals.

In HFY 2016 and HFY 2017, hospital uncompensated care as a percentage of total expenses varied by hospital peer type, ranging from 0.0% to 3.4% in HFY 2016 and from 0.5% to 3.7% in HFY 2017. Only one type of hospital experienced uncompensated care rates above 3% in both years (critical access hospitals) and one type experienced rates less than 1% in both years (short term specialty). Despite overall declines in uncompensated care across all types of hospitals, both critical access and long term acute care hospitals had an increase in uncompensated care from HFY 2016 to HFY 2017 (from 3.4% to 3.7% for critical access and 0.0% to 2.8% for long term acute care. The change in uncompensated care for long term acute care hospitals was

² <http://www.beckershospitalreview.com/finance/65-financial-benchmarks-for-hospital-executives-022117.html>

primarily driven by 2 hospitals which had a combined increase of almost \$2.4 million in bad debts from HFY 2016 to HFY 2017.

There continues to be a variance in net operating profit (as well as total profit) between the different peer groups and that variance increased between HFY 2016 and 2017. In HFY 2016, net operating profit ranged from -3.2% (long term acute care) to 13.7% (rehabilitation). In HFY 2017, the variance in net operating profit was from -13.3% (long term acute care) to 18.6% (rehabilitation). From HFY 2016 to HFY 2017, net operating profit and total operating profit increased for all peer type with the exception of critical access hospitals and long term acute care.

Table 8-- Uncompensated Care and Profitability by Hospital Peer Group

	Critical Access	Long Term	Rehabilitation	Psychiatric	Short Term Specialty	General Acute Care
Number of Hospitals (HFY 2017)	10	6	10	15	7	58
2016 Uniform Accounting Report						
Occupancy Rate	30.1%	49.3%	60.9%	70.5%	37.7%	60.3%
Total Gains, Revenues, and Other Support	\$ 249,823,999	\$ 92,014,487	\$ 177,450,453	\$ 264,180,955	\$ 311,952,579	\$ 15,227,794,693
Total Expenses	\$ 238,116,305	\$ 94,918,188	\$ 153,212,123	\$ 246,260,830	\$ 278,864,838	\$ 14,558,034,062
Net Operating Profit(Loss)	\$ 11,707,694	\$ (2,903,701)	\$ 24,238,330	\$ 17,920,125	\$ 33,084,856	\$ 669,537,676
Net Operating Margin	4.7%	-3.2%	13.7%	6.8%	10.6%	4.4%
Total Margin	6.1%	-2.6%	10.212%	5.9%	10.7%	5.2%
Days in Accounts Receivable	69	69	50	52	55	64
Cost to Charge Ratio	33.8%	29.8%	51.8%	38.8%	20.1%	21.6%
Cost of Bad Debts	\$ 6,976,459	\$ 2,713	\$ 1,147,937	\$ 2,578,510	\$ 1,269,121	\$ 203,220,356
Charity Cost	\$ 1,171,793	\$ 12,426	\$ 478,295	\$ 1,498,686	\$ 1,177,457	\$ 180,009,866
Uncompensated Care Cost	\$ 8,148,253	\$ 15,138	\$ 1,626,232	\$ 4,077,196	\$ 2,446,578	\$ 383,230,222
Uncompensated Care Cost as a % of Total Expenses	3.4%	0.0%	1.1%	1.7%	0.9%	2.6%
2017 Uniform Accounting Report						
Occupancy Rate	29.0%	53.9%	67.7%	75.6%	37.8%	59.5%
Total Gains, Revenues, and Other Support	\$ 270,442,746	\$ 80,285,945	\$ 210,856,778	\$ 311,501,812	\$ 367,586,887	\$ 16,152,355,801
Total Expenses	\$ 260,828,881	\$ 91,001,050	\$ 171,610,653	\$ 270,794,029	\$ 304,735,696	\$ 15,375,087,046
Net Operating Profit(Loss)	\$ 9,613,865	\$ (10,715,105)	\$ 39,246,125	\$ 40,707,783	\$ 62,851,191	\$ 777,268,756
Net Operating Margin	3.6%	-13.3%	18.6%	13.1%	17.1%	4.8%
Total Margin	4.2%	-14.0%	16.5%	12.4%	16.8%	6.5%
Days in Accounts Receivable	76	72	51	50	55	67
Cost to Charge Ratio	32.1%	29.0%	48.0%	36.4%	19.7%	20.9%
Cost of Bad Debts	\$ 8,435,337	\$ 2,552,493	\$ 788,632	\$ 3,166,846	\$ 1,088,823	\$ 193,702,523
Charity Cost	\$ 1,274,373	\$ -	\$ 412,083	\$ 1,039,817	\$ 492,497	\$ 195,894,932
Uncompensated Care Cost	\$ 9,709,710	\$ 2,552,493	\$ 1,200,715	\$ 4,206,663	\$ 1,581,320	\$ 389,597,455
Uncompensated Care Cost as a % of Total Expenses	3.7%	2.8%	0.7%	1.6%	0.5%	2.5%
CHANGE: 2016 to 2017						
Average Occupancy Percentage Points	(1.1)	4.6	6.8	5.1	0.0	(0.8)
Total Gains, Revenues, and Other Support	\$ 14,645,761	\$ (11,591,968)	\$ 33,667,527	\$ 47,166,811	\$ 56,188,789	\$ 901,418,606
Total Expenses	\$ 22,712,576	\$ (3,917,138)	\$ 18,398,531	\$ 24,533,198	\$ 25,870,858	\$ 817,052,983
Net Operating Profit(Loss)	\$ (2,093,829)	\$ (7,811,404)	\$ 15,007,795	\$ 22,787,659	\$ 29,766,336	\$ 107,731,080
Net Operating Margin	-1.1%	-10.2%	5.0%	6.3%	6.5%	0.4%
Total Margin	-1.9%	-11.4%	6.3%	6.4%	6.1%	1.3%
Average Days in Accounts Receivable	7	3	1	-2	0	3
Cost to Charge Ratio	-1.7%	-0.8%	-3.8%	-2.4%	-0.4%	-0.7%
Cost of Bad Debts	\$ 1,458,878	\$ 2,549,780	\$ (359,304)	\$ 588,335	\$ (180,298)	\$ (9,517,833)
Charity Cost	\$ 102,579	\$ (12,426)	\$ (66,212)	\$ (458,868)	\$ (684,960)	\$ 15,885,066
Uncompensated Care Cost	\$ 1,561,457	\$ 2,537,354	\$ (425,517)	\$ 129,467	\$ (865,258)	\$ 6,367,233
Uncompensated Care Cost as % of Total Expenses	0.3%	2.8%	-0.4%	-0.1%	-0.4%	-0.1%

In recent years, the majority of Arizona long term acute care hospitals have had a negative operating margin. In HFY 2015, 20% of the hospitals had a positive operating margin, 0% had a positive operating margin in HFY 2016, and 33% had a positive operating margin in HFY 2017.³ The number of long term acute care hospitals has also declined during this period from ten at the beginning of 2015 to six at the end of 2017. Some of the changes in net operating profitability, according to representatives of Arizona long term acute care hospitals, is due to changes in the way CMS began reimbursing long term acute care hospitals beginning in fiscal year 2016. The changes are dramatic enough that Standard & Poor's predicted in 2016 that a "material portion" of long term acute care hospitals nationwide would close over the next few years.⁴

While Arizona has lost long-term care hospitals in recent years, the number of psychiatric hospitals and rehabilitation hospitals has grown. Since 2014, five psychiatric hospitals have opened (Palo Verde Behavioral Health, Oasis Behavioral Health, Quail Run Behavioral Health, Copper Springs Hospital, and Cornerstone Behavioral Health El Dorado), increasing the number of behavioral health hospitals from seven to twelve. Meanwhile the number of rehabilitation hospitals has increased from seven to eleven (new hospitals include HonorHealth Rehabilitation Hospital, Cobalt Rehabilitation Hospital, Dignity Kindred Rehabilitation Hospital and Rehabilitation Hospital of Northern Arizona).

Urban and Rural Hospitals

In addition to categorizing hospitals by peer group, the report displays the differences in uncompensated care and profitability for rural and urban hospitals in Table 9. For purposes of this report, AHCCCS has defined "urban hospital" consistent with R9-22-718, or one which is physically located in Maricopa County or Pima County. Rural hospitals include those located in any other Arizona county. During 2016 and 2017, approximately 73% of hospitals were located in urban areas, and almost 85% of net patient revenues went to urban hospitals. From HFY 2016 to HFY 2017, uncompensated care declined slightly from 2.6% to 2.4% for urban hospitals but increased from 2.7% to 2.8% for rural hospitals.

As a whole, rural hospitals continue to average higher net operating margins and total margins; in HFY 2017, rural hospitals had a net operating margin of 8.9% compared to 4.6% for urban hospitals. In HFY 2017, total margins were 11.0% for rural hospitals and 5.9% for urban hospitals. At 3.6% net operating margin and 4.2% total margin for HFY 2017, profit levels for critical access hospitals (CAHs), which are a subset of rural hospitals, were considerably lower than rural hospitals as a whole. CAH is a federal designation given to certain rural hospitals which have no more than 25 acute care inpatient beds, are located more than a 35-mile drive

³ Excludes Curahealth Phoenix which did not submit a HFY 2017 UAR.

⁴ <https://www.fiercehealthcare.com/finance/s-p-long-term-care-hospitals-hit-hard-by-medicare-payment-changes>

from another hospital, offer emergency services 24/7, and have an annual average length of stay of 96 hours or less for acute care patients.

For Profit and Non-Profit Hospitals

Table 9 also stratifies hospitals by their tax status: for-profit and non-profit. Arizona non-profit hospitals are exempt from federal income taxes, sales taxes on most supplies and equipment, and some property taxes. Non-profit hospitals are required to provide charity care and community benefit⁵. Being a non-profit hospital does not mean that a hospital cannot make a profit. In fact, the most profitable hospitals continue to be non-profit hospitals.

Banner Desert Medical Center had the largest net operating profit in HFY 2016 with \$88 million, and Mayo Clinic had the largest net operating profit of \$126 million in HFY 2017 (an increase of \$52 million from the prior year). As a whole, non-profit hospitals had a net operating profit of approximately \$590 million in HFY 2016 and \$710 million in HFY 2017. In comparison, for-profit hospitals' net operating profit was approximately \$165 million and \$210 million in HFYs 2016 and 2017, respectively. These dollar figures, however, must be viewed in the context of hospital size and business model. While non-profit hospitals constitute approximately half of all hospitals in Arizona, they received approximately 80% of net patient revenues (in part because they are typically much larger than the types of hospitals that are more often for-profit). For-profit hospitals are more likely to be rehabilitation, psychiatric, short term specialty or long term acute care hospitals, whereas the majority of non-profit hospitals are acute care hospitals, which tend to be larger than other hospital types.

Medicaid Volume

Table 9 also compares hospital uncompensated care and profitability by Medicaid volume: hospitals with Medicaid volume less than 25%, from 25-50%, and greater than 50%.⁶

The percentage of uncompensated care in both years was lowest at hospitals with Medicaid volume less than 25%, with uncompensated care at 1.9% and 1.8% in HFY 2016 and HFY 2017, respectively. Hospitals with Medicaid volume above 50% had the largest amounts of uncompensated care: 6.3% in HFY 2016 and 6.1% in HFY 2017. As explained earlier, uncompensated care in this report is defined as the sum of charity care and the provision of bad debts, so the uncompensated care would not include any shortfall associated with Medicaid payments and the cost of services.

⁵ Community benefits include patient financial assistance, unreimbursed Medicaid costs and other means-tested public programs, community health improvement services, health professions education, research, subsidized health services, and cash and in-kind support to community groups and organizations.

⁶ To calculate Medicaid volume, AHCCCS divided inpatient days recorded in the AHCCCS payment system by total inpatient days as recorded on the hospital's 2016 Medicare Cost Report.

Table 9 -- Uncompensated Care and Profitability by Various Hospital Type

	Urban	Rural	For-Profit	Non-Profit	Medicaid Volume > 50%	Medicaid Volume 25%-50%	Medicaid Volume < 25%
Number of Hospitals (HFY 2017)	75	30	54	52	18	40	48
2016 Uniform Accounting Report							
Occupancy Rate	61.9%	49.6%	52.5%	64.1%	66.4%	63.6%	52.7%
Total Gains, Revenues, and Other Support	\$ 13,537,132,966	\$ 2,786,084,199	\$ 3,213,547,624	\$ 13,109,669,542	\$ 1,560,828,103	\$ 8,845,113,076	\$ 5,917,275,987
Total Expenses	\$ 13,040,762,654	\$ 2,528,643,692	\$ 3,047,341,326	\$ 12,522,065,019	\$ 1,601,735,104	\$ 8,464,480,745	\$ 5,503,190,497
Net Operating Profit(Loss)	\$ 496,166,862	\$ 257,418,117	\$ 165,980,456	\$ 587,604,523	\$ (40,907,001)	\$ 380,607,054	\$ 413,884,926
Net Operating Margin	3.7%	9.2%	5.2%	4.5%	-2.6%	4.3%	7.0%
Total Margin	4.6%	8.7%	3.8%	5.7%	6.1%	4.3%	6.5%
Days in Accounts Receivable	65	57	65	64	64	60	69
Cost to Charge Ratio	21.9%	22.6%	18.4%	23.1%	29.4%	21.7%	20.9%
Cost of Bad Debts	\$ 170,204,055	\$ 45,056,269	\$ 35,116,140	\$ 181,630,619	\$ 31,814,629	\$ 118,972,747	\$ 67,039,046
Charity Cost	\$ 163,298,593	\$ 23,013,146	\$ 4,747,850	\$ 189,971,065	\$ 68,961,104	\$ 94,296,403	\$ 37,375,511
Uncompensated Care Cost	\$ 333,502,649	\$ 68,069,415	\$ 39,863,990	\$ 371,601,685	\$ 100,775,733	\$ 213,269,150	\$ 104,414,557
Uncompensated Care Cost as a % of Total Expenses	2.6%	2.7%	1.3%	3.0%	6.3%	2.5%	1.9%
2017 Uniform Accounting Report							
Occupancy Rate	62.4%	47.9%	54.0%	63.5%	64.0%	64.1%	53.1%
Total Gains, Revenues, and Other Support	\$ 14,505,154,140	\$ 2,860,858,553	\$ 3,360,427,844	\$ 14,032,602,125	\$ 1,663,983,863	\$ 9,404,435,880	\$ 6,324,610,226
Total Expenses	\$ 13,842,318,928	\$ 2,606,190,407	\$ 3,152,224,745	\$ 13,321,832,608	\$ 1,624,401,193	\$ 9,041,197,279	\$ 5,808,458,882
Net Operating Profit(Loss)	\$ 662,835,213	\$ 254,668,145	\$ 208,203,099	\$ 710,769,516	\$ 39,582,670	\$ 363,238,601	\$ 516,151,345
Net Operating Margin	4.6%	8.9%	6.2%	5.1%	2.4%	3.9%	8.2%
Total Margin	5.9%	11.0%	5.7%	7.0%	12.5%	4.4%	8.6%
Days in Accounts Receivable	69	56	64	67	56	61	77
Cost to Charge Ratio	21.2%	22.0%	16.9%	22.7%	29.1%	21.0%	20.2%
Cost of Bad Debts	\$ 160,994,537	\$ 47,047,893	\$ 40,630,269	\$ 167,371,694	\$ 32,930,248	\$ 112,664,771	\$ 66,376,521
Charity Cost	\$ 174,916,548	\$ 26,527,445	\$ 3,287,263	\$ 210,544,911	\$ 65,378,235	\$ 112,666,685	\$ 37,675,258
Uncompensated Care Cost	\$ 335,911,085	\$ 73,575,337	\$ 43,917,532	\$ 377,916,605	\$ 98,308,483	\$ 225,331,456	\$ 104,051,779
Uncompensated Care Cost as a % of Total Expenses	2.4%	2.8%	1.4%	2.8%	6.1%	2.5%	1.8%
CHANGE: 2016 to 2017							
Average Occupancy Percentage Points	0.4	(1.7)	1.5	(0.6)	(2.4)	0.5	0.4
Total Gains, Revenues, and Other Support	\$ 946,477,799	\$ 68,448,109	\$ 145,363,927	\$ 896,131,599	\$ 91,856,268	\$ 545,404,528	\$ 404,234,730
Total Expenses	\$ 801,556,274	\$ 77,546,716	\$ 104,883,419	\$ 799,767,589	\$ 22,666,089	\$ 576,716,534	\$ 305,268,385
Net Operating Profit(Loss)	\$ 166,668,351	\$ (2,749,972)	\$ 42,222,642	\$ 123,164,994	\$ 80,489,671	\$ (17,368,454)	\$ 102,266,418
Net Operating Margin	0.9%	-0.3%	1.0%	0.6%	5.0%	-0.4%	1.2%
Total Margin	1.3%	2.3%	1.8%	1.4%	6.5%	0.1%	2.1%
Average Days in Accounts Receivable	4	(1)	(1)	3	(8)	1	8
Cost to Charge Ratio	-0.7%	-0.6%	-1.5%	-0.4%	-0.4%	-0.7%	-0.7%
Cost of Bad Debts	\$ (9,209,518)	\$ 1,991,624	\$ 5,514,129	\$ (14,258,925)	\$ 1,115,619	\$ (6,307,976)	\$ (662,525)
Charity Cost	\$ 11,617,955	\$ 3,514,299	\$ (1,460,587)	\$ 20,573,846	\$ (3,582,869)	\$ 18,370,282	\$ 299,747
Uncompensated Care Cost	\$ 2,408,436	\$ 5,505,922	\$ 4,053,542	\$ 6,314,920	\$ (2,467,250)	\$ 12,062,306	\$ (362,778)
Uncompensated Care Cost as % of Total Expenses	-0.1%	0.1%	0.1%	-0.1%	-0.2%	0.0%	-0.1%

In addition to uncompensated care costs, there continues to be a strong correlation between Medicaid volume and net operating margin. In both years, hospitals with Medicaid volume less than 25% had the highest net operating margins (7.0% in HFY 2016 and 8.2% in HFY 2017). Hospitals with Medicaid volume greater than 50% collectively had the lowest net operating margins (-2.6% in HFY 2016 and 2.4% in HFY 2017). Unlike recent years, net operating profit for hospitals with Medicaid volume above 50% averaged a positive number. This is largely the result of an increase in net operating profit for Maricopa Medical Center by over \$60 million from HFY 2016 to HFY 2017; despite the increase, Maricopa Medical Center still experienced a net operating loss of almost \$(15) million in HFY 2017.

HOSPITAL SYSTEMS

Finally, AHCCCS has presented hospital profitability and uncompensated care by hospital systems. Table 10 lists hospital systems which include at least 3 hospitals, and a listing of hospitals in each system can be found in Appendix B. Six hospital systems are included in Table 10, and net patient revenues and expenses have been included, as well as other variables provided in previous tables. Hospitals are included as part of a hospital system if they were in that system as of June 30, 2018, regardless of whether they were in that hospital system in both 2016 and 2017. Unlike previous years, this section does not contain data on Curahealth or Select Specialty hospital systems since both hospital systems consist of only 2 Arizona hospitals after closing a hospital during the HFY 2016-2017 timeframe.

Hospital system operating profits ranged from approximately \$333 million (Banner Health) to \$(30) million (Steward Health Care, formerly IASIS Healthcare) in HFY 2016 and \$399 million (Banner Health) to \$(27) million (Dignity Health) in HFY 2017. Net operating margin ranged from 20.3% (HealthSouth) to (8.6)% (Steward Health Care) in HFY 2016 and from 21.6% (HealthSouth) to (1.3)% (Dignity Health) in HY 2017.

Uncompensated care ranged widely between health systems, from a high of 3.5% to a low of 0.9% in HFY 2016 and a high of 3.0% to a low of 0.6% in HFY 2017. In both years, Dignity Health had the largest uncompensated care while HealthSouth had the lowest.

Banner Health, the state's largest health system, included 17 hospitals at the end of SFY 2018 and had annual hospital net patient revenues of approximately \$5 billion in each year. The next largest health systems had annual net patient revenues of approximately \$2 billion (Dignity Health) and \$1.5 billion (HonorHealth) in HFY 2016 and HFY 2017. Uncompensated care was 2.3%-2.5% for Banner Health, 3.0%-3.5% for Dignity Health, and 2.1%-2.7% for HonorHealth in both years. It is noted that the HealthSouth system consists of rehabilitation hospitals. Consistent with its peer groups, the system had a low level of uncompensated care in both years (under 1%).

Table 10 -- Uncompensated Care and Profitability by Hospital System

	Abrazo Health Care	Banner Health Systems	Dignity Health	HealthSouth	HonorHealth	Steward Health Care
Number of Hospitals (HFY 2017)	9	17	7	6	6	4
2016 Uniform Accounting Report						
Occupancy Rate	46.1%	65.3%	73.2%	67.1%	57.1%	55.7%
Total Revenue, Gains, and Other Support	\$ 1,177,789,912	\$ 4,728,557,792	\$ 1,941,967,647	\$ 128,619,252	\$ 1,529,824,780	\$ 352,530,000
Total Operating Expenses	\$ 1,155,586,871	\$ 4,395,488,083	\$ 1,959,187,844	\$ 102,556,206	\$ 1,500,871,532	\$ 382,792,000
Net Operating Profit(Loss)	\$ 22,203,041	\$ 333,069,709	\$ (17,220,197)	\$ 26,063,046	\$ 28,953,248	\$ (30,262,000)
Net Operating Margin	1.9%	7.0%	-0.9%	20.3%	1.9%	-8.6%
Total Margin	0.9%	7.0%	-1.1%	15.8%	1.9%	-8.6%
Days in Accounts Receivable	80	48	76	44	64	60
Cost to Charge Ratio	18.3%	19.6%	22.0%	50.2%	18.9%	19.2%
Cost of Bad Debts	\$ 11,548,579	\$ 39,506,619	\$ 44,282,226	\$ 739,601	\$ 23,633,477	\$ 5,827,204
Charity Cost	\$ 2,107,629	\$ 61,608,283	\$ 23,505,101	\$ 186,825	\$ 16,538,256	\$ 225,575
Uncompensated Care Cost	\$ 13,656,208	\$ 101,114,901	\$ 67,787,327	\$ 926,426	\$ 40,171,733	\$ 6,052,779
Uncompensated Care Cost as a % of Total Expenses	1.2%	2.3%	3.5%	0.9%	2.7%	1.6%
2017 Uniform Accounting Report						
Occupancy Rate	45.3%	65.9%	74.6%	65.9%	55.2%	56.8%
Total Revenue, Gains, and Other Support	\$ 1,212,846,659	\$ 5,077,920,872	\$ 2,065,032,189	\$ 133,131,853	\$ 1,620,696,538	\$ 364,552,000
Total Expenses	\$ 1,173,503,827	\$ 4,678,750,824	\$ 2,091,793,942	\$ 104,353,681	\$ 1,632,637,976	\$ 359,061,000
Net Operating Profit(Loss)	\$ 39,342,832	\$ 399,170,048	\$ (26,761,753)	\$ 28,778,172	\$ (11,941,438)	\$ 5,491,000
Net Operating Margin	3.2%	7.9%	-1.3%	21.6%	-0.7%	1.5%
Total Margin	2.5%	7.9%	-0.1%	18.3%	-0.7%	1.5%
Days in Accounts Receivable	79	54	75	48	56	59
Cost to Charge Ratio	15.2%	19.3%	21.5%	51.0%	18.1%	18.0%
Cost of Bad Debts	\$ 10,946,221	\$ 48,300,451	\$ 31,584,714	\$ 402,373	\$ 16,914,860	\$ 5,427,198
Charity Cost	\$ 2,379,531	\$ 68,826,232	\$ 30,782,656	\$ 243,027	\$ 17,554,839	\$ 47,987
Uncompensated Care Cost	\$ 13,325,751	\$ 117,126,683	\$ 62,367,370	\$ 645,400	\$ 34,469,700	\$ 5,475,185
Uncompensated Care Cost as a % of Total Expenses	1.1%	2.5%	3.0%	0.6%	2.1%	1.5%
CHANGE: 2016 to 2017						
Average Occupancy Percentage Points	(0.8)	0.6	1.4	(1.2)	(1.8)	1.1
Total Revenue, Gains, and Other Support	\$ 33,259,542	\$ 343,700,861	\$ 118,399,567	\$ 4,498,284	\$ 101,396,997	\$ 12,727,000
Total Expenses	\$ 17,916,956	\$ 283,262,741	\$ 132,606,098	\$ 1,797,475	\$ 131,766,444	\$ (23,731,000)
Total Net Operating Profit(Loss)	\$ 17,139,791	\$ 66,100,339	\$ (9,541,556)	\$ 2,715,126	\$ (40,894,686)	\$ 35,753,000
Net Operating Margin	1.4%	0.8%	-0.4%	1.4%	-2.6%	10.1%
Total Margin	1.6%	0.8%	1.0%	2.5%	-2.6%	10.1%
Average Days in Accounts Receivable	(1.00)	6.00	(1.00)	4.00	(8.00)	(1.00)
Cost to Charge Ratio	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.0)
Cost of Bad Debts	\$ (602,359)	\$ 8,793,833	\$ (12,697,512)	\$ (337,229)	\$ (6,718,617)	\$ (400,006)
Charity Cost	\$ 271,902	\$ 7,217,949	\$ 7,277,555	\$ 56,202	\$ 1,016,583	\$ (177,588)
Uncompensated Care Cost	\$ (330,457)	\$ 16,011,782	\$ (5,419,957)	\$ (281,026)	\$ (5,702,033)	\$ (577,594)
Uncompensated Care Cost as % of Total Expenses	0.0%	0.2%	-0.5%	-0.3%	-0.6%	-0.1%

HEALTHCARE INDUSTRY TRENDS

As mentioned in prior reports, there are a number of changes occurring across the health care delivery system that are impacting hospital finances, including a large number of mergers and acquisitions, vertical integration, the diversification of revenue sources, outpatient migration, the expansion of services closer to home (e.g. freestanding emergency departments and micro-hospitals), and value based purchasing.

Mergers and Acquisitions

Nationwide, the number of hospital and healthcare systems hit a record number of transactions in 2017, with 115 transactions announced last year.⁷ The actual impact of these changes will depend upon the extent to which hospitals adapt their business models to these new health care delivery reforms. With the acquisition of 18 IASIS hospitals last fall, four of which are located in Arizona, Steward Health Care became the largest privately-owned for-profit hospital operator in the U.S. In the five years prior, the John C. Lincoln Health Network merged with Scottsdale Healthcare and became HonorHealth, Banner Health acquired four hospitals, and Abrazo Healthcare grew from six to nine hospitals after creating a partnership with the three Carondelet Health Network Hospitals.

Vertical Integration and Diversification of Resources

In addition to merging and acquiring other hospitals, hospitals continue to vertically integrate with the intention of lowering costs and/or spreading risks across different sectors. One such example is Banner Health. In March 2018, Banner Health announced the opening of its first medical spa. In addition to its 17 Arizona hospitals, Banner operates a physician medical group, urgent care centers, hospice, home health agencies, a health plan, and retail clinics in grocery stores.

Outpatient Migration

The shift from inpatient to outpatient care continues steadily as healthcare advances and payers are trying to cut costs. In the past decade surgeries such as total joint replacement, spine fusions, and even some cardiovascular procedures have migrated to the outpatient setting. As this trend continues, we are likely to see only the most complex procedures and

⁷ KaufmanHall “2017 in Review: The Year M&A Shook the Healthcare Landscape,” 2018. https://www.kaufmanhall.com/sites/default/files/2017-in-Review_The-Year-that-Shook-Healthcare.pdf (accessed August 20, 2018).

those for high-risk patients performed in an inpatient setting.⁸ While some of these procedures have moved from inpatient to outpatient hospital setting, others have moved to ambulatory surgical centers, a free-standing facility that operates exclusively for the purpose of furnishing outpatient surgical services, further impacting a hospital's bottom line. Between 2000 and 2017, the number of ambulatory surgical centers (healthcare facilities focused on providing same-day surgeries) nationwide increased by 83% from 3,028 to 5,534.⁹

Micro-Hospitals and Freestanding Emergency Departments

Despite healthcare industry consolidation, access points in some areas have increased. Dignity Health opened two "micro-hospitals" (St. Joseph Westgate and Arizona General Hospital). Although AHCCCS has been unable to find an official definition of a "micro-hospital," it is often described as a small inpatient hospital which operates 24/7, has an emergency department, and is usually around 15,000 to 50,000 square feet.^{10 11 12} Unlike full scale hospitals, micro-hospitals have a limited number of inpatient beds. They offer a small number of services, such as surgical suites, a labor and delivery room, or primary care services on-site.

A number of hospitals systems have built freestanding emergency departments (FrEDs) in recent years. FrEDs are facilities which are structurally separate and distinct from a hospital and are staffed 24/7 by emergency medicine physicians and nurses and do not offer any inpatient services. Although the services among FrEDs may vary, in addition to emergency and urgent care, most facilities offer x-rays, clinical laboratory services, CT scans, ultrasounds, and pharmaceuticals. While FrEDs initially emerged in the 1970s to fill a void in rural and underserved areas, FrEDs have recently proliferated in suburban areas. From 2008 to 2015 the

⁸ Dentler, Joan. "Outpatient Migration: 6 trends and development." May 21, 2018. <https://www.beckershospitalreview.com/hospital-management-administration/outpatient-migration-6-trends-and-developments.html> (accessed August 21, 2018).

⁹ Avanza Healthcare Strategies. "Outpatient Statistical Snapshot." 2018 <https://avanzastrategies.com/outpatient-statistical-snapshot/> (accessed August 21, 2018).

¹⁰ Saulsberry, Kalyn. "To Grow Your Hospital, Think Micro." Advisory Board. May 20, 2016. <https://www.advisory.com/research/financial-leadership-council/at-the-margins/2016/05/micro-hospitals>

¹¹ Budryk, Zack. "Micro-hospitals Offer Alternative to Urgent Care Model." FierceHealthcare. June 28, 2016. <http://www.fiercehealthcare.com/healthcare/micro-hospitals-offer-alternative-to-urgent-care-model>

¹² Andrews, Michelle. "Sometimes Tiny is Just the Right Size: 'Microhospitals Filling Some ER Needs.'" Kaiser Health News. July 19, 2016. <http://khn.org/news/sometimes-tiny-is-just-the-right-size-microhospitals-filling-some-er-needs/>

number of FrEDs in the U.S. grew to 387, a 76% increase.¹³ In Arizona, at least seventeen such facilities have opened since 2010.

Reimbursement

Since its rate reductions in FFY 2011-2012, AHCCCS has provided minimal rate increases for hospitals. Through FY 2017, hospitals have received an approximate 1.6% cumulative increase for outpatient services, an approximate cumulative 1.1%-3.2% for inpatient services depending on the type of hospital, and a potential 0.5% increase for both inpatient and outpatient services through differential adjusted payments if providers meet certain requirements. AHCCCS also modified the methodology for calculating indirect GME costs resulting in an approximate \$100 million annual increase for GME hospitals.

Additional increases have been made which are not be reflected in the data. Effective January 1, 2018, AHCCCS rebased the APR-DRG reimbursement system for a net projected increase of \$35 million annually for inpatient reimbursement. The potential for differential adjusted payments increases to up to 3.0% for FFY 2019.

Medicare also continues to make reductions in payments. As part of the Affordable Care Act (ACA), Congress enacted a number of market basket reductions beginning in 2010, lowering what Medicare will pay for services. Beginning April 1, 2013, Medicare imposed a 2% reimbursement reduction due to the Sequestration. Since October 2012, Medicare also began reducing payments for hospitals with excessive readmissions. The Arizona Hospital and Healthcare Association estimates that these and other recent Medicare cuts reduced payments to Arizona hospitals by approximately \$450 million in 2016, and the cuts will grow in future years.

In recent years, additional Medicare cuts have been made, in many cases with the intention of trying to create efficiencies in the industry. In December 2017, CMS reduced payments to 340B hospitals by 28% (the 340B program allows certain organizations to register and receive reduced-price outpatient drugs). As mentioned earlier in the report, Medicare began changing the way it reimbursed long term acute care hospitals from 2016 to 2017. This change was the result of increased Medicare spending of \$3.7 million to \$5.5 million between 2004 and 2013,¹⁴ but is contributing to the closure of some long term acute care hospitals.

¹³ Harish Nir, Jennifer L. Wiler, and Richard Zane. "How the Freestanding Emergency Department Boom Can Help Patients." NEJM Catalyst. February 18, 2016. <http://catalyst.nejm.org/how-the-freestanding-emergency-department-boom-can-help-patients/>

¹⁴ Wilson, Les. "Futureproofing: How LTACHs Can Survive and Even Thrive after Medicare Reform." 2018. <https://cantatahealth.com/futureproofing-how-ltachs-can-survive-and-even-thrive-after-medicare-reform/> (accessed August 27, 2018).

CONCLUSION

The HFY 2016 and HFY 2017 hospital uncompensated cost and profitability data, and the changes observed year-over-year, continue to provide useful information when evaluating hospital finances and the impact of the AHCCCS-related changes which began in 2011. Hospital uncompensated care as a percentage of total expenses continues to decline, falling to 2.5% in the most recent year data is available. After remaining relatively stable for a number of years, net operating profitability increased to its largest level in HFY 2017. Additionally, the percentage of hospitals with a positive operating margin increased by nine percentage points from HFY 2016 to HFY 2017.

It is important to be aware that the most recent data included in this report is from HFY 2017. Since hospitals have different fiscal years, the most recently reported years ended between June 2017 and December 2017.

While the number of acute care hospitals in Arizona has remained relatively stable in recent years, growth has occurred in both psychiatric hospitals and rehabilitation hospitals but the number of long term acute care hospitals has declined. Since 2014, the number of long term acute care hospitals in Arizona has declined from ten to six, the number of behavioral health hospitals has increased from seven to twelve, and the number of rehabilitation hospitals has increased from seven to eleven.

Finally, it should be noted that a number of changes in the health care industry may be particularly challenging financially for rural hospitals. Since 2010, at least 83 rural hospitals have closed nationally, two of which were located in Arizona. Cochise Regional Hospital in Douglas closed in June 2015 and Florence Hospital at Anthem (located in Florence) closed in June 2018. Experts report varied reasons for these closures, including an often high number of Medicare and Medicaid recipients, the aging of the baby boomers, continued impacts from the recession, smaller economies of scale, and challenges in adapting to changing health care service delivery models (e.g., formation of accountable care organizations). Closures of rural hospitals may be particularly challenging to nearby patients, who often must often travel a considerable distance to the next closest hospital. AHCCCS is continuing to monitor market conditions to ensure that AHCCCS members have adequate access to care.

Appendix A

Medicaid Volume <25%

Abrazo Arizona Heart
Arizona General Hospital
Arizona Orthopedic Surgical Hospital
Arizona Spine & Joint Hospital
Banner Baywood Medical Center
Banner Boswell Medical Center
Banner Del E. Webb Medical Center
Banner Goldfield Medical Center
Banner Heart Hospital
Benson Hospital Corp
Cobalt Rehabilitation Hospital
Copper Queen Community Hospital
Copper Springs Hospital
The Core Institute (formerly The Surgical Specialty Hospital of Arizona)
Cornerstone Hospital of Southeast Arizona
Curahealth Hospital Phoenix (formerly Kindred Hospital – Phoenix)
Curahealth Hospital Phoenix – Northwest (formerly Kindred Hospital – NW Phoenix)
Curahealth Hospital Tucson (formerly Kindred Hospital – Tucson)
Dignity Health East Valley Rehabilitation Hospital
Gilbert Hospital
Green Valley Hospital
Havasu Regional Medical Center
HealthSouth East Valley Rehabilitation Hospital
HealthSouth Rehabilitation Hospital of Southern Arizona
HealthSouth Rehabilitation Institute of Tucson
HealthSouth Valley of the Sun Rehabilitation Hospital, LLC
HealthSouth Scottsdale Rehabilitation Hospital
HonorHealth Deer Valley Medical Center
HonorHealth Rehabilitation Hospital
HonorHealth Scottsdale Osborn Medical Center
HonorHealth Scottsdale Shea Medical Center
HonorHealth Scottsdale Thompson Peak Medical Center
La Paz Regional Hospital, Inc.
Mayo Clinic Arizona
Mercy Gilbert Medical Center
Northern Cochise Community Hospital
Northwest Medical Center
OASIS Hospital
Oro Valley Hospital
Promise Hospital of Phoenix

Select Specialty Hospital – Phoenix
Select Specialty Hospital – Phoenix Downtown
Select Specialty Hospital – Scottsdale
St. Joseph's Hospital (Tucson)
TMC Geropsychiatric Center at Handmaker
Valley View Medical Center
Verde Valley Medical Center
Western Arizona Regional Medical Center
White Mountain Regional Medical Center
Wickenburg Community Hospital
Yavapai Regional Medical Center
Yavapai Regional Medical Center – East
Yuma Rehabilitation Hospital

Medicaid Volume = 25-50%

Abrazo Arrowhead Campus
Abrazo Central Campus
Abrazo Scottsdale Campus
Abrazo West Campus
Banner Casa Grande Medical Center
Banner Desert Medical Center
Banner Estrella Medical Center
Banner Gateway Medical Center
Banner Ironwood Medical Center
Banner Payson Medical Center
Banner Thunderbird Medical Center
Banner - University Medical Center Phoenix
Banner - University Medical Center South
Banner - University Medical Center Tucson
Canyon Vista Medical Center
Chandler Regional Medical Center
ChangePoint Psychiatric Hospital
Cobre Valley Regional Medical Ctr
Dignity-Kindred Rehabilitation Hospital
Flagstaff Medical Center
Florence Hospital at Anthem
Haven Senior Horizons
Holy Cross Hospital
HonorHealth John C. Lincoln Medical Center
Kingman Regional Medical Center
Mountain Valley Regional Rehabilitation Hospital
Mt. Graham Medical Center

Mountain Vista Medical Center
OASIS Behavioral Health
St. Joseph's Hospital and Medical Center
St. Joseph's Westgate Medical Center
St. Luke's Medical Center
St. Mary's Hospital
Summit Healthcare Association
Tempe St. Luke's Hospital
Tucson Medical Center
Yuma Regional Medical Center

Medicaid Volume > 50%

Abrazo Maryvale Campus
Aurora Behavioral Health System
Aurora Behavioral Healthcare-Tempe
Banner Behavioral Health Hospital
Cornerstone El Dorado
The Guidance Center
Hacienda Children's Hospital
Little Colorado Medical Center
Los Niños Hospital
Maricopa Medical Center
Page Hospital
Palo Verde Behavioral Health
Phoenix Children's Hospital
Sonora Behavioral Health Hospital
St. Luke's Behavioral Hospital
Quail Run Behavioral Health
Valley Hospital
Windhaven Psychiatric Hospital

Appendix B

Hospitals included in each hospital system are as follows:

Abrazo/Tenet

Abrazo Arizona Heart Hospital
Abrazo Arrowhead Campus
Abrazo Central Campus
Abrazo Maryvale Campus
Abrazo Scottsdale Campus
Abrazo West Campus
Holy Cross Hospital
St. Joseph's Hospital (Tucson)
St. Mary's Hospital

Banner Health

Banner Baywood Medical Center
Banner Behavioral Health Hospital
Banner Boswell Medical Center
Banner Casa Grande Medical Center
Banner Del E. Webb Medical Center
Banner Desert Medical Center
Banner Estrella Medical Center
Banner Gateway Medical Center
Banner Goldfield Medical Center
Banner Heart Hospital
Banner Ironwood Medical Center
Banner Payson Medical Center
Banner Thunderbird Medical Center
Banner - University Medical Center Phoenix
Banner - University Medical Center South
Banner - University Medical Center Tucson
Page Hospital

Community Health Systems

Northwest Medical Center
Oro Valley Hospital
Western Arizona Regional Medical Center

Dignity Health

Arizona General Hospital
Chandler Regional Medical Center
Dignity Health East Valley Rehabilitation Hospital
Mercy Gilbert Medical Center

OASIS Hospital
St. Joseph's Hospital and Medical Center
St. Joseph's Westgate Medical Center

HealthSouth

HealthSouth East Valley Rehabilitation Hospital
HealthSouth Rehabilitation Hospital of Southern Arizona
HealthSouth Rehabilitation Institute of Tucson
HealthSouth Valley of the Sun Rehabilitation Hospital, LLC
HealthSouth Scottsdale Rehabilitation Hospital
Yuma Rehabilitation Hospital

HonorHealth

HonorHealth Deer Valley Medical Center
HonorHealth John C. Lincoln Medical Center
HonorHealth Rehabilitation Hospital
HonorHealth Scottsdale Osborn Medical Center
HonorHealth Scottsdale Shea Medical Center
HonorHealth Scottsdale Thompson Peak Medical Center

Steward Health Care

Mountain Vista Medical Center
St. Luke's Behavioral Hospital
St. Luke's Medical Center
Tempe St. Luke's Hospital

Hospital Name	Abrazo Arizona Heart Hospital	Abrazo Arrowhead Campus	Abrazo Central Campus	Abrazo Maryvale Campus	Abrazo Scottsdale Campus	Abrazo West Campus
2016 Uniform Accounting Report						
Occupancy Rate	68.9%	58.9%	38.7%	33.1%	55.8%	62.9%
Total Revenue, Gains, and Other Support	\$ 95,959,596	\$ 206,423,117	\$ 109,557,764	\$ 46,213,235	\$ 82,891,807	\$ 181,323,718
Total Expenses	\$ 96,227,947	\$ 184,078,256	\$ 128,977,499	\$ 53,781,644	\$ 88,380,626	\$ 165,148,181
Net Operating Profit(Loss)	\$ (268,351)	\$ 22,344,861	\$ (19,419,735)	\$ (7,568,409)	\$ (5,488,819)	\$ 16,175,537
Net Operating Margin	-0.28%	10.82%	-17.73%	-16.38%	-6.62%	8.92%
Total Income Margin	-0.18%	6.90%	-10.09%	-9.28%	-3.99%	5.64%
Days in Accounts Receivable	57	57	66	79	73	76
Cost to Charge Ratio	18.15%	18.12%	21.57%	16.84%	19.72%	16.93%
Cost of Bad Debts	\$ 622,438	\$ 1,785,878	\$ 1,840,869	\$ 1,063,514	\$ 1,330,820	\$ 2,841,198
Charity Cost	\$ 257,263	\$ 220,951	\$ 288,084	\$ 170,324	\$ 538,365	\$ 436,314
Uncompensated Care Cost	\$ 879,701	\$ 2,006,829	\$ 2,128,953	\$ 1,233,838	\$ 1,869,185	\$ 3,277,512
Uncompensated Care Cost as a % of Total Expenses	0.91%	1.09%	1.65%	2.29%	2.11%	1.98%
2017 Uniform Accounting Report						
Occupancy Rate	60.4%	58.9%	40.2%	26.0%	53.7%	64.9%
Total Revenue, Gains, and Other Support	\$ 104,257,231	\$ 214,162,311	\$ 115,849,421	\$ 31,526,286	\$ 84,130,479	\$ 191,236,614
Total Expenses	\$ 98,817,802	\$ 187,256,420	\$ 131,467,543	\$ 45,416,116	\$ 86,840,014	\$ 168,796,246
Net Operating Profit(Loss)	\$ 5,439,429	\$ 26,905,891	\$ (15,618,122)	\$ (13,889,830)	\$ (2,709,535)	\$ 22,440,368
Net Operating Margin	5.22%	12.56%	-13.48%	-44.06%	-3.22%	11.73%
Total Income Margin	3.27%	8.06%	-7.80%	-22.99%	-1.89%	7.48%
Days in Accounts Receivable	52	55	65	53	61	72
Cost to Charge Ratio	15.17%	15.39%	17.40%	14.58%	16.03%	13.53%
Cost of Bad Debts	\$ 530,219	\$ 1,437,901	\$ 1,650,471	\$ 791,190	\$ 1,061,475	\$ 2,068,062
Charity Cost	\$ 320,506	\$ 220,863	\$ 604,985	\$ 99,312	\$ 466,675	\$ 649,491
Uncompensated Care Cost	\$ 850,725	\$ 1,658,764	\$ 2,255,455	\$ 890,503	\$ 1,528,150	\$ 2,717,554
Uncompensated Care Cost as a % of Total Expenses	0.86%	0.89%	1.72%	1.96%	1.76%	1.61%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-8.5	0.0	1.6	-7.1	-2.1	2.0
Total Revenue, Gains, and Other Support	\$ 8,297,635	\$ 7,739,194	\$ 6,291,657	\$ (14,686,949)	\$ 1,238,672	\$ 9,912,896
Total Expenses	\$ 2,589,855	\$ 3,178,164	\$ 2,490,044	\$ (8,365,528)	\$ (1,540,612)	\$ 3,648,065
Net Operating Profit(Loss)	\$ 5,707,780	\$ 4,561,030	\$ 3,801,613	\$ (6,321,421)	\$ 2,779,284	\$ 6,264,831
Net Operating Margin	5.5	1.7	4.2	(27.7)	3.4	2.8
Total Income Margin	3.4	1.2	2.3	(13.7)	2.1	1.8
Days in Accounts Receivable	(5)	(2)	(1)	(26)	(12)	(4)
Cost to Charge Ratio	-3.0	-2.7	-4.2	-2.3	-3.7	-3.4
Cost of Bad Debts	\$ (92,220)	\$ (347,976)	\$ (190,398)	\$ (272,324)	\$ (269,345)	\$ (773,136)
Charity Cost	\$ 63,243	\$ (88)	\$ 316,901	\$ (71,012)	\$ (71,690)	\$ 213,177
Uncompensated Care Cost	\$ (28,977)	\$ (348,065)	\$ 126,502	\$ (343,335)	\$ (341,035)	\$ (559,959)
Uncompensated Care Cost as a % of Total Expenses	-0.1	-0.2	0.1	-0.3	-0.4	-0.4

Hospital Name	Arizona General Hospital	Arizona Orthopedic Surgical And Specialty Hospital	Arizona Spine & Joint Hospital	Aurora Behavioral Health System	Aurora Behavioral Healthcare Tempe	Banner Baywood Medical Center
2016 Uniform Accounting Report						
Occupancy Rate	43.1%	22.3%	21.6%	90.7%	54.9%	55.7%
Total Revenue, Gains, and Other Support	\$ 46,036,224	\$ 25,943,427	\$ 30,181,155	\$ 26,055,314	\$ 22,276,667	\$ 277,007,164
Total Expenses	\$ 70,619,132	\$ 26,079,194	\$ 26,643,187	\$ 21,232,819	\$ 20,193,598	\$ 253,234,908
Net Operating Profit(Loss)	\$ (24,582,908)	\$ (135,767)	\$ 3,537,968	\$ 4,822,495	\$ 2,083,069	\$ 23,772,257
Net Operating Margin	-53.40%	-0.52%	11.72%	18.51%	9.35%	8.58%
Total Income Margin	-53.40%	-0.45%	11.72%	18.51%	9.35%	8.58%
Days in Accounts Receivable	73	55	47	30	52	42
Cost to Charge Ratio	22.68%	18.24%	20.44%	39.27%	43.55%	16.54%
Cost of Bad Debts	\$ 4,193,909	\$ 65,915	\$ 112,709	\$ 157,888	\$ 266,936	\$ 1,913,141
Charity Cost	\$ 2,023,313	\$ -	\$ -	\$ 148,234	\$ 75,249	\$ 2,401,478
Uncompensated Care Cost	\$ 6,217,223	\$ 65,915	\$ 112,709	\$ 306,123	\$ 342,184	\$ 4,314,619
Uncompensated Care Cost as a % of Total Expenses	8.80%	0.25%	0.42%	1.44%	1.69%	1.70%
2017 Uniform Accounting Report						
Occupancy Rate	32.9%	23.9%	23.7%	84.1%	69.8%	61.7%
Total Revenue, Gains, and Other Support	\$ 72,073,531	\$ 30,048,426	\$ 37,894,681	\$ 25,734,288	\$ 30,769,582	\$ 290,627,130
Total Expenses	\$ 100,418,000	\$ 26,133,973	\$ 30,600,372	\$ 23,335,177	\$ 29,584,466	\$ 253,862,970
Net Operating Profit(Loss)	\$ (28,344,469)	\$ 3,914,453	\$ 7,294,309	\$ 2,399,111	\$ 1,185,116	\$ 36,764,160
Net Operating Margin	-39.33%	13.03%	19.25%	9.32%	3.85%	12.65%
Total Income Margin	-39.33%	13.03%	19.25%	9.32%	3.85%	12.65%
Days in Accounts Receivable	59	46	35	29	37	48
Cost to Charge Ratio	19.23%	17.09%	18.03%	45.98%	47.55%	15.66%
Cost of Bad Debts	\$ 8,399,313	\$ 39,393	\$ 75,671	\$ 225,834	\$ 347,406	\$ 2,031,896
Charity Cost	\$ -	\$ -	\$ -	\$ 169,042	\$ 99,361	\$ 2,726,806
Uncompensated Care Cost	\$ 8,399,313	\$ 39,393	\$ 75,671	\$ 394,877	\$ 446,767	\$ 4,758,701
Uncompensated Care Cost as a % of Total Expenses	8.36%	0.15%	0.25%	1.69%	1.51%	1.87%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-10.1	1.6	2.1	-6.5	14.9	5.9
Total Revenue, Gains, and Other Support	\$ 26,037,307	\$ 4,104,999	\$ 7,713,526	\$ (321,026)	\$ 8,492,915	\$ 13,619,966
Total Expenses	\$ 29,798,868	\$ 54,779	\$ 3,957,185	\$ 2,102,358	\$ 9,390,868	\$ 628,062
Net Operating Profit(Loss)	\$ (3,761,561)	\$ 4,050,220	\$ 3,756,341	\$ (2,423,384)	\$ (897,954)	\$ 12,991,903
Net Operating Margin	14.1	13.6	7.5	(9.2)	(5.5)	4.1
Total Income Margin	14.1	13.5	7.5	(9.2)	(5.5)	4.1
Days in Accounts Receivable	(14)	(9)	(12)	(1)	(15)	6
Cost to Charge Ratio	-3.5	-1.2	-2.4	6.7	4.0	-0.9
Cost of Bad Debts	\$ 4,205,404	\$ (26,521)	\$ (37,038)	\$ 67,946	\$ 80,471	\$ 118,755
Charity Cost	\$ (2,023,313)	\$ -	\$ -	\$ 20,808	\$ 24,112	\$ 325,327
Uncompensated Care Cost	\$ 2,182,091	\$ (26,521)	\$ (37,038)	\$ 88,754	\$ 104,583	\$ 444,082
Uncompensated Care Cost as a % of Total Expenses	-0.4	-0.1	-0.2	0.3	-0.2	0.2

Hospital Name	Banner Behavioral Health Hospital	Banner Boswell Medical Center	Banner Casa Grande Medical Center	Banner Del E. Webb Medical Center	Banner Desert Medical Center	Banner Estrella Medical Center
2016 Uniform Accounting Report						
Occupancy Rate	94.3%	51.9%	44.1%	58.5%	67.5%	64.7%
Total Revenue, Gains, and Other Support	\$ 24,054,921	\$ 293,307,554	\$ 103,553,141	\$ 292,596,844	\$ 669,409,011	\$ 292,536,320
Total Expenses	\$ 31,284,744	\$ 287,732,274	\$ 116,816,056	\$ 263,042,645	\$ 581,664,647	\$ 250,424,466
Net Operating Profit(Loss)	\$ (7,229,822)	\$ 5,575,280	\$ (13,262,915)	\$ 29,554,199	\$ 87,744,364	\$ 42,111,854
Net Operating Margin	-30.06%	1.90%	-12.81%	10.10%	13.11%	14.40%
Total Income Margin	-30.06%	1.90%	-12.81%	10.10%	13.12%	14.40%
Days in Accounts Receivable	55	44	47	41	54	45
Cost to Charge Ratio	44.89%	18.38%	18.10%	15.99%	19.64%	14.87%
Cost of Bad Debts	\$ 657,894	\$ 1,374,986	\$ 1,324,346	\$ 1,813,540	\$ 6,978,852	\$ 3,211,742
Charity Cost	\$ 795,381	\$ 1,932,296	\$ 2,222,619	\$ 3,024,836	\$ 11,235,268	\$ 6,756,670
Uncompensated Care Cost	\$ 1,453,275	\$ 3,307,282	\$ 3,546,965	\$ 4,838,376	\$ 18,214,120	\$ 9,968,412
Uncompensated Care Cost as a % of Total Expenses	4.65%	1.15%	3.04%	1.84%	3.13%	3.98%
2017 Uniform Accounting Report						
Occupancy Rate	65.7%	53.9%	43.5%	57.8%	71.3%	64.5%
Total Revenue, Gains, and Other Support	\$ 29,208,871	\$ 332,160,512	\$ 110,203,339	\$ 319,488,906	\$ 708,446,620	\$ 306,968,052
Total Expenses	\$ 36,844,604	\$ 305,941,660	\$ 118,711,971	\$ 269,435,130	\$ 605,880,916	\$ 256,131,896
Net Operating Profit(Loss)	\$ (7,635,733)	\$ 26,218,852	\$ (8,508,632)	\$ 50,053,776	\$ 102,565,704	\$ 50,836,156
Net Operating Margin	-26.14%	7.89%	-7.72%	15.67%	14.48%	16.56%
Total Income Margin	-26.14%	7.89%	-7.71%	15.67%	14.48%	16.56%
Days in Accounts Receivable	63	48	55	48	58	48
Cost to Charge Ratio	46.90%	18.16%	16.38%	15.14%	18.38%	14.23%
Cost of Bad Debts	\$ 948,515	\$ 1,530,710	\$ 1,240,375	\$ 2,048,298	\$ 7,671,768	\$ 3,319,402
Charity Cost	\$ 692,629	\$ 1,997,346	\$ 2,327,584	\$ 3,043,810	\$ 13,099,494	\$ 8,218,680
Uncompensated Care Cost	\$ 1,641,144	\$ 3,528,056	\$ 3,567,959	\$ 5,092,107	\$ 20,771,262	\$ 11,538,082
Uncompensated Care Cost as a % of Total Expenses	4.45%	1.15%	3.01%	1.89%	3.43%	4.50%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-28.7	2.0	-0.6	-0.7	3.8	-0.2
Total Revenue, Gains, and Other Support	\$ 5,153,950	\$ 38,852,958	\$ 6,650,198	\$ 26,892,062	\$ 39,037,609	\$ 14,431,732
Total Expenses	\$ 5,559,860	\$ 18,209,386	\$ 1,895,915	\$ 6,392,485	\$ 24,216,269	\$ 5,707,430
Net Operating Profit(Loss)	\$ (405,911)	\$ 20,643,572	\$ 4,754,283	\$ 20,499,577	\$ 14,821,340	\$ 8,724,302
Net Operating Margin	3.9	6.0	5.1	5.6	1.4	2.2
Total Income Margin	3.9	6.0	5.1	5.6	1.4	2.2
Days in Accounts Receivable	8	4	8	7	4	3
Cost to Charge Ratio	2.0	-0.2	-1.7	-0.8	-1.3	-0.6
Cost of Bad Debts	\$ 290,621	\$ 155,724	\$ (83,971)	\$ 234,757	\$ 692,916	\$ 107,660
Charity Cost	\$ (102,752)	\$ 65,050	\$ 104,964	\$ 18,974	\$ 1,864,226	\$ 1,462,011
Uncompensated Care Cost	\$ 187,869	\$ 220,774	\$ 20,994	\$ 253,731	\$ 2,557,142	\$ 1,569,670
Uncompensated Care Cost as a % of Total Expenses	-0.2	0.0	0.0	0.1	0.3	0.5

Hospital Name	Banner Gateway Medical Center	Banner Goldfield Medical Center	Banner Heart Hospital	Banner Ironwood Medical Center	Banner Payson Medical Center	Banner Thunderbird Medical Center
2016 Uniform Accounting Report						
Occupancy Rate	69.2%	27.6%	49.8%	41.7%	65.0%	80.5%
Total Revenue, Gains, and Other Support	\$ 331,630,975	\$ 16,424,257	\$ 140,512,081	\$ 62,815,267	\$ 41,265,000	\$ 501,219,279
Total Expenses	\$ 302,242,657	\$ 20,878,990	\$ 111,151,469	\$ 64,382,878	\$ 45,033,733	\$ 442,465,154
Net Operating Profit(Loss)	\$ 29,388,319	\$ (4,454,732)	\$ 29,360,612	\$ (1,567,611)	\$ (3,768,733)	\$ 58,754,126
Net Operating Margin	8.86%	-27.12%	20.90%	-2.50%	-9.13%	11.72%
Total Income Margin	8.86%	-27.16%	20.90%	-2.50%	-9.13%	11.72%
Days in Accounts Receivable	48	45	44	44	45	46
Cost to Charge Ratio	20.35%	17.27%	14.06%	18.96%	17.20%	19.18%
Cost of Bad Debts	\$ 3,193,841	\$ 304,884	\$ 439,822	\$ 1,168,422	\$ 445,209	\$ 4,583,668
Charity Cost	\$ 3,627,702	\$ 822,071	\$ 816,239	\$ 1,529,049	\$ 622,356	\$ 6,924,048
Uncompensated Care Cost	\$ 6,821,544	\$ 1,126,955	\$ 1,256,060	\$ 2,697,472	\$ 1,067,566	\$ 11,507,715
Uncompensated Care Cost as a % of Total Expenses	2.26%	5.40%	1.13%	4.19%	2.37%	2.60%
2017 Uniform Accounting Report						
Occupancy Rate	74.7%	22.0%	51.5%	44.6%	43.6%	75.8%
Total Revenue, Gains, and Other Support	\$ 376,883,547	\$ 16,541,540	\$ 149,756,799	\$ 68,596,502	\$ 40,640,883	\$ 522,632,704
Total Expenses	\$ 315,738,570	\$ 20,409,547	\$ 111,429,188	\$ 65,419,459	\$ 42,791,385	\$ 446,904,452
Net Operating Profit(Loss)	\$ 61,144,977	\$ (3,868,007)	\$ 38,327,611	\$ 3,177,043	\$ (2,150,502)	\$ 75,728,252
Net Operating Margin	16.22%	-23.38%	25.59%	4.63%	-5.29%	14.49%
Total Income Margin	16.22%	-23.40%	25.59%	4.64%	-5.29%	14.49%
Days in Accounts Receivable	54	55	45	54	49	54
Cost to Charge Ratio	18.59%	15.93%	13.06%	17.01%	16.95%	18.22%
Cost of Bad Debts	\$ 2,916,832	\$ 274,178	\$ 689,519	\$ 1,160,132	\$ 277,686	\$ 4,895,423
Charity Cost	\$ 3,799,178	\$ 723,147	\$ 307,859	\$ 1,600,449	\$ 719,219	\$ 7,815,509
Uncompensated Care Cost	\$ 6,716,010	\$ 997,325	\$ 997,378	\$ 2,760,581	\$ 996,905	\$ 12,710,932
Uncompensated Care Cost as a % of Total Expenses	2.13%	4.89%	0.90%	4.22%	2.33%	2.84%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	5.5	-5.7	1.7	2.9	-21.4	-8.8
Total Revenue, Gains, and Other Support	\$ 45,252,572	\$ 117,283	\$ 9,244,718	\$ 5,781,235	\$ (624,117)	\$ 21,413,425
Total Expenses	\$ 13,495,913	\$ (469,443)	\$ 277,719	\$ 1,036,581	\$ (2,242,348)	\$ 4,439,298
Net Operating Profit(Loss)	\$ 31,756,658	\$ 586,725	\$ 8,966,999	\$ 4,744,654	\$ 1,618,231	\$ 16,974,126
Net Operating Margin	7.4	3.7	4.7	7.1	3.8	2.8
Total Income Margin	7.4	3.8	4.7	7.1	3.8	2.8
Days in Accounts Receivable	6	10	1	10	4	8
Cost to Charge Ratio	-1.8	-1.3	-1.0	-1.9	-0.3	-1.0
Cost of Bad Debts	\$ (277,009)	\$ (30,705)	\$ 249,697	\$ (8,290)	\$ (167,523)	\$ 311,755
Charity Cost	\$ 171,475	\$ (98,925)	\$ (508,380)	\$ 71,399	\$ 96,862	\$ 891,462
Uncompensated Care Cost	\$ (105,534)	\$ (129,630)	\$ (258,683)	\$ 63,109	\$ (70,661)	\$ 1,203,217
Uncompensated Care Cost as a % of Total Expenses	-0.1	-0.5	-0.2	0.0	0.0	0.2

Hospital Name	Banner--University Medical Center Phoenix	Banner--University Medical Center South	Banner--University Medical Center Tucson	Benson Hospital	Canyon Vista Medical Center	Chandler Regional Medical Center
2016 Uniform Accounting Report						
Occupancy Rate	70.2%	74.7%	98.8%	23.7%	55.7%	83.6%
Total Revenue, Gains, and Other Support	\$ 782,776,517	\$ 167,698,291	\$ 713,809,295	\$ 14,045,894	\$ 109,610,455	\$ 487,644,900
Total Expenses	\$ 727,864,875	\$ 153,229,992	\$ 729,788,674	\$ 13,901,891	\$ 98,581,833	\$ 463,000,380
Net Operating Profit(Loss)	\$ 54,911,642	\$ 14,468,299	\$ (15,979,379)	\$ 144,003	\$ 11,028,622	\$ 24,644,520
Net Operating Margin	7.01%	8.63%	-2.24%	1.03%	10.06%	5.05%
Total Income Margin	7.02%	8.63%	-2.24%	1.03%	7.08%	4.40%
Days in Accounts Receivable	53	41	48	73	46	79
Cost to Charge Ratio	22.00%	24.38%	24.34%	48.40%	23.39%	15.68%
Cost of Bad Debts	\$ 5,035,652	\$ 1,027,436	\$ 5,656,264	\$ 461,218	\$ 947,141	\$ 12,033,805
Charity Cost	\$ 7,205,744	\$ 3,651,151	\$ 6,933,300	\$ 14,626	\$ 66,752	\$ 4,624,272
Uncompensated Care Cost	\$ 12,241,396	\$ 4,678,587	\$ 12,589,565	\$ 475,843	\$ 1,013,893	\$ 16,658,078
Uncompensated Care Cost as a % of Total Expenses	1.68%	3.05%	1.73%	3.42%	1.03%	3.60%
2017 Uniform Accounting Report						
Occupancy Rate	70.3%	73.3%	95.4%	20.4%	52.6%	82.1%
Total Revenue, Gains, and Other Support	\$ 854,671,685	\$ 180,494,363	\$ 749,522,368	\$ 14,069,303	\$ 105,912,526	\$ 514,682,010
Total Expenses	\$ 808,393,551	\$ 183,023,124	\$ 822,197,518	\$ 15,801,894	\$ 102,596,182	\$ 488,078,639
Net Operating Profit(Loss)	\$ 46,278,134	\$ (2,528,761)	\$ (72,675,150)	\$ (1,732,591)	\$ 3,316,344	\$ 26,603,372
Net Operating Margin	5.41%	-1.40%	-9.70%	-12.31%	3.13%	5.17%
Total Income Margin	5.41%	-1.40%	-9.70%	-12.31%	3.13%	8.68%
Days in Accounts Receivable	53	57	64	63	56	68
Cost to Charge Ratio	22.68%	26.39%	26.18%	50.21%	25.04%	15.37%
Cost of Bad Debts	\$ 6,198,264	\$ 2,920,105	\$ 11,117,485	\$ 781,008	\$ 1,036,447	\$ 8,099,624
Charity Cost	\$ 8,510,775	\$ 3,020,291	\$ 7,588,453	\$ 48,707	\$ 71,419	\$ 6,385,885
Uncompensated Care Cost	\$ 14,709,038	\$ 5,940,396	\$ 18,705,938	\$ 829,715	\$ 1,107,865	\$ 14,485,509
Uncompensated Care Cost as a % of Total Expenses	1.82%	3.25%	2.28%	5.25%	1.08%	2.97%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	0.1	-1.4	-3.4	-3.3	-3.2	-1.5
Total Revenue, Gains, and Other Support	\$ 71,895,168	\$ 12,796,072	\$ 35,713,073	\$ 23,409	\$ (3,697,929)	\$ 27,037,110
Total Expenses	\$ 80,528,676	\$ 29,793,132	\$ 92,408,844	\$ 1,900,003	\$ 4,014,349	\$ 25,078,258
Net Operating Profit(Loss)	\$ (8,633,508)	\$ (16,997,060)	\$ (56,695,771)	\$ (1,876,594)	\$ (7,712,278)	\$ 1,958,852
Net Operating Margin	(1.6)	(10.0)	(7.5)	(13.3)	(6.9)	0.1
Total Income Margin	(1.6)	(10.0)	(7.5)	(13.3)	(3.9)	4.3
Days in Accounts Receivable	-	16	16	(10)	10	(11)
Cost to Charge Ratio	0.7	2.0	1.8	1.8	1.6	-0.3
Cost of Bad Debts	\$ 1,162,612	\$ 1,892,669	\$ 5,461,221	\$ 319,790	\$ 89,306	\$ (3,934,182)
Charity Cost	\$ 1,305,031	\$ (630,860)	\$ 655,152	\$ 34,082	\$ 4,667	\$ 1,761,613
Uncompensated Care Cost	\$ 2,467,643	\$ 1,261,809	\$ 6,116,373	\$ 353,872	\$ 93,973	\$ (2,172,568)
Uncompensated Care Cost as a % of Total Expenses	0.1	0.2	0.6	1.8	0.1	-0.6

Hospital Name	Changepoint Psychiatric	Cobalt Rehabilitation Hospital	Cobre Valley Regional Medical Center	Copper Queen Community Hospital	Copper Springs Hospital	The CORE Institute Specialty Hospital (formerly Surgical Specialty Hospital of Arizona)
2016 Uniform Accounting Report						
Occupancy Rate	70.3%	40.4%	55.5%	31.6%	49.1%	12.7%
Total Revenue, Gains, and Other Support	\$ 4,125,169	\$ 7,733,095	\$ 45,848,056	\$ 31,915,910	\$ 6,420,073	\$ 26,390,078
Total Expenses	\$ 4,299,270	\$ 12,224,654	\$ 44,941,834	\$ 26,376,152	\$ 8,913,116	\$ 28,475,473
Net Operating Profit(Loss)	\$ (174,101)	\$ (4,491,558)	\$ 906,222	\$ 5,539,758	\$ (2,493,043)	\$ (2,085,394)
Net Operating Margin	-4.22%	-58.08%	1.98%	17.36%	-38.83%	-7.90%
Total Income Margin	-4.22%	-58.08%	2.34%	17.63%	-38.83%	-7.88%
Days in Accounts Receivable	34	94	74	56	123	66
Cost to Charge Ratio	85.33%	55.42%	47.22%	25.39%	54.24%	39.37%
Cost of Bad Debts	\$ 186,959	\$ 192,675	\$ 1,255,702	\$ 719,186	\$ 164,921	\$ 297,072
Charity Cost	\$ -	\$ -	\$ 31,716	\$ 369,430	\$ -	\$ -
Uncompensated Care Cost		\$ 192,675	\$ 1,287,418	\$ 1,088,616	\$ 164,921	\$ 297,072
Uncompensated Care Cost as a % of Total Expenses		1.58%	2.86%	4.13%	1.85%	1.04%
2017 Uniform Accounting Report						
Occupancy Rate	60.9%	58.2%	50.0%	21.7%	93.4%	17.4%
Total Revenue, Gains, and Other Support	\$ 3,892,811	\$ 13,881,751	\$ 50,570,883	\$ 34,443,978	\$ 19,837,623	\$ 32,580,647
Total Expenses	\$ 4,327,314	\$ 13,830,263	\$ 50,631,300	\$ 30,965,453	\$ 16,384,421	\$ 30,531,834
Net Operating Profit(Loss)	\$ (434,503)	\$ 51,488	\$ (60,417)	\$ 3,478,525	\$ 3,453,202	\$ 2,048,813
Net Operating Margin	-11.16%	0.37%	-0.12%	10.10%	17.41%	6.29%
Total Income Margin	-11.16%	0.37%	0.54%	10.70%	17.41%	2.90%
Days in Accounts Receivable	17	68	82	73	48	62
Cost to Charge Ratio	89.56%	42.55%	41.25%	26.30%	32.08%	34.27%
Cost of Bad Debts	\$ 207,797	\$ 37,020	\$ 1,597,070	\$ 885,650	\$ 163,496	\$ 284,998
Charity Cost	\$ -	\$ -	\$ 5,360	\$ 325,804	\$ -	\$ -
Uncompensated Care Cost	\$ 207,797	\$ 37,020	\$ 1,602,430	\$ 1,211,454	\$ 163,496	\$ 284,998
Uncompensated Care Cost as a % of Total Expenses	4.80%	0.27%	3.16%	3.91%	1.00%	0.93%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-9.4	17.8	-5.4	-9.8	44.3	4.7
Total Revenue, Gains, and Other Support	\$ (232,358)	\$ 6,148,656	\$ 4,722,826	\$ 2,528,068	\$ 13,417,550	\$ 6,190,569
Total Expenses	\$ 28,044	\$ 1,605,609	\$ 5,689,466	\$ 4,589,301	\$ 7,471,305	\$ 2,056,361
Net Operating Profit(Loss)	\$ (260,402)	\$ 4,543,046	\$ (966,639)	\$ (2,061,233)	\$ 5,946,245	\$ 4,134,207
Net Operating Margin	(6.9)	58.5	(2.1)	(7.3)	56.2	14.2
Total Income Margin	(6.9)	58.5	(1.8)	(6.9)	56.2	10.8
Days in Accounts Receivable	(17)	(26)	8	17	(75)	(4)
Cost to Charge Ratio	4.2	-12.9	-6.0	0.9	-22.2	-5.1
Cost of Bad Debts	\$ 20,839	\$ (155,655)	\$ 341,368	\$ 166,464	\$ (1,424)	\$ (12,074)
Charity Cost	\$ -	\$ -	\$ (26,356)	\$ (43,626)	\$ -	\$ -
Uncompensated Care Cost	\$ 207,797	\$ (155,655)	\$ 315,012	\$ 122,837	\$ (1,424)	\$ (12,074)
Uncompensated Care Cost as a % of Total Expenses	4.8	-1.3	0.3	-0.2	-0.9	-0.1

Hospital Name	Cornerstone Behavioral Health El Dorado	Cornerstone Hospital of Southeast Arizona	Curahhealth Phoenix (formerly Kindred Hospital Arizona - Northwest Phoenix)	Curahhealth Phoenix (formerly Kindred Hospital Arizona - Phoenix)	Curahhealth Phoenix (formerly Kindred Hospital - Tucson)	Dignity Health East Valley Rehabilitation Hospital
2016 Uniform Accounting Report						
Occupancy Rate		68.4%	32.6%	31.8%	45.7%	17.7%
Total Revenue, Gains, and Other Support		\$ 12,646,296	\$ 11,047,589	\$ 12,822,058	\$ 12,246,419	\$ 796,020
Total Expenses		\$ 13,474,516	\$ 11,496,821	\$ 13,239,397	\$ 12,452,330	\$ 2,682,177
Net Operating Profit(Loss)		\$ (828,220)	\$ (449,232)	\$ (417,339)	\$ (205,911)	\$ (1,886,157)
Net Operating Margin		-6.55%	-4.07%	-3.25%	-1.68%	-236.95%
Total Income Margin		-6.79%	-2.49%	-2.19%	-1.04%	-236.95%
Days in Accounts Receivable		49	76	72	73	365
Cost to Charge Ratio		28.49%	29.65%	30.09%	31.16%	104.45%
Cost of Bad Debts		\$ (117,029)	\$ -	\$ -	\$ -	\$ 16,712
Charity Cost		\$ -	\$ -	\$ -	\$ -	\$ -
Uncompensated Care Cost		\$ (117,029)	\$ -	\$ -	\$ -	\$ 16,712
Uncompensated Care Cost as a % of Total Expenses		-0.87%	0.00%	0.00%	0.00%	0.62%
2017 Uniform Accounting Report						
Occupancy Rate	20.3%	75.5%	20.6%		40.3%	72.8%
Total Revenue, Gains, and Other Support	\$ 82,089	\$ 11,920,799	\$ 3,282,586		\$ 6,849,167	\$ 21,244,967
Total Expenses	\$ 1,503,646	\$ 14,403,809	\$ 7,730,353		\$ 10,672,298	\$ 14,985,215
Net Operating Profit(Loss)	\$ (1,421,557)	\$ (2,483,010)	\$ (4,447,767)		\$ (3,823,131)	\$ 6,259,752
Net Operating Margin	-1731.73%	-20.83%	-135.50%		-55.82%	29.46%
Total Income Margin	-1731.73%	-21.03%	-135.50%		-55.82%	29.46%
Days in Accounts Receivable	409	65	-6		47	54
Cost to Charge Ratio	1831.73%	26.29%	31.88%		32.72%	29.59%
Cost of Bad Debts	\$ -	\$ 59,705	\$ 1,074,940		\$ 1,275,235	\$ 42,326
Charity Cost	\$ -	\$ -	\$ -		\$ -	\$ -
Uncompensated Care Cost	\$ -	\$ 59,705	\$ 1,074,940		\$ 1,275,235	\$ 42,326
Uncompensated Care Cost as a % of Total Expenses	0.00%	0.41%	13.91%		11.95%	0.28%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points		7.1	-12.0		-5.4	55.1
Total Revenue, Gains, and Other Support		\$ (725,497)	\$ (7,765,003)		\$ (5,397,252)	\$ 20,448,947
Total Expenses		\$ 929,293	\$ (3,766,468)		\$ (1,780,032)	\$ 12,303,038
Net Operating Profit(Loss)		\$ (1,654,790)	\$ (3,998,535)		\$ (3,617,220)	\$ 8,145,909
Net Operating Margin		(14.3)	(131.4)		(54.1)	266.4
Total Income Margin		(14.2)	(133.0)		(54.8)	266.4
Days in Accounts Receivable		16	(82)		(26)	(311)
Cost to Charge Ratio		-2.2	2.2		1.6	-74.9
Cost of Bad Debts		\$ 176,733	\$ 1,074,940		\$ 1,275,235	\$ 25,614
Charity Cost		\$ -	\$ -		\$ -	\$ -
Uncompensated Care Cost		\$ 176,733	\$ 1,074,940		\$ 1,275,235	\$ 25,614
Uncompensated Care Cost as a % of Total Expenses		1.3	13.9		11.9	-0.3

Hospital Name	Flagstaff Medical Center	Florence Hospital at Anthem	Gilbert Hospital	Green Valley Hospital	The Guidance Center	Hacienda Children's Hospital
2016 Uniform Accounting Report						
Occupancy Rate	63.3%	52.5%	47.3%	34.1%	54.6%	11.1%
Total Revenue, Gains, and Other Support	\$ 430,257,000	\$ 31,354,303	\$ 29,773,799	\$ 26,120,372	\$ 4,173,899	\$ 595,004
Total Expenses	\$ 369,166,000	\$ 29,280,328	\$ 30,173,996	\$ 35,255,457	\$ 1,724,531	\$ 2,863,649
Net Operating Profit(Loss)	\$ 61,091,000	\$ 2,051,584	\$ (600,761)	\$ (9,135,085)	\$ 2,449,368	\$ (2,268,645)
Net Operating Margin	14.20%	6.54%	-2.02%	-34.97%	58.68%	(4)
Total Income Margin	13.14%	5.09%	-6.18%	-34.97%	58.68%	79.56%
Days in Accounts Receivable	68	84	89	35	22	\$ 193
Cost to Charge Ratio	33.68%	20.20%	24.05%	38.89%	30.92%	\$ 1
Cost of Bad Debts	\$ 12,430,371	\$ 726,805	\$ 753,144	\$ 936,884	\$ 9,992	\$ -
Charity Cost	\$ 3,511,704	\$ 16,586	\$ 62,292	\$ -	\$ -	\$ -
Uncompensated Care Cost	\$ 15,942,075	\$ 743,391	\$ 815,437	\$ 936,884	\$ 9,992	\$ 0.00%
Uncompensated Care Cost as a % of Total Expenses	4.32%	2.54%	2.70%	2.66%	0.58%	0.00%
2017 Uniform Accounting Report						
Occupancy Rate	61.0%	27.9%	16.1%	27.2%	58.2%	13.2%
Total Revenue, Gains, and Other Support	\$ 431,953,000	\$ 20,010,201	\$ 19,326,691	\$ 27,426,142	\$ 4,963,740	\$ 2,720,044
Total Expenses	\$ 378,806,000	\$ 20,087,756	\$ 20,214,035	\$ 54,593,909	\$ 4,504,596	\$ 2,842,254
Net Operating Profit(Loss)	\$ 53,147,000	\$ (77,555)	\$ (887,344)	\$ (27,167,767)	\$ 459,144	\$ (122,210)
Net Operating Margin	12.30%	-0.39%	-4.59%	-99.06%	9.25%	-4.49%
Total Income Margin	14.45%	-60.63%	-43.89%	-173.70%	9.25%	-4.49%
Days in Accounts Receivable	60	49	35	33	70	213
Cost to Charge Ratio	34.44%	19.01%	25.44%	56.13%	73.88%	37.25%
Cost of Bad Debts	\$ 8,664,091	\$ 3,742,085	\$ 2,031,174	\$ 667,082	\$ -	\$ -
Charity Cost	\$ 6,861,538	\$ 8,891	\$ 26,678	\$ -	\$ -	\$ -
Uncompensated Care Cost	\$ 15,525,628	\$ 3,750,976	\$ 2,057,853	\$ 667,082	\$ -	\$ -
Uncompensated Care Cost as a % of Total Expenses	4.10%	18.67%	10.18%	1.22%	0.00%	0.00%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-2.4	-24.6	-31.2	-6.9	3.7	2.1
Total Revenue, Gains, and Other Support	\$ 1,696,000	\$ (11,344,102)	\$ (10,447,108)	\$ 1,305,770	\$ 789,841	\$ 2,125,040
Total Expenses	\$ 9,640,000	\$ (9,192,572)	\$ (9,959,961)	\$ 19,338,452	\$ 2,780,065	\$ (21,395)
Net Operating Profit(Loss)	\$ (7,944,000)	\$ (2,129,139)	\$ (286,583)	\$ (18,032,682)	\$ (1,990,224)	\$ 2,146,435
Net Operating Margin	(1.9)	(6.9)	(2.6)	(64.1)	(49.4)	376.8
Total Income Margin	1.3	(65.7)	(37.7)	(138.7)	(49.4)	(84.1)
Days in Accounts Receivable	(8)	(35)	(54)	(2)	48	20
Cost to Charge Ratio	0.8	(1)	1	17.2	43.0	-21.4
Cost of Bad Debts	\$ (3,766,280)	\$ 3,015,279	\$ 1,278,030	\$ (269,802)	\$ (9,992)	\$ -
Charity Cost	\$ 3,349,833	\$ (7,695)	\$ (35,614)	\$ -	\$ -	\$ -
Uncompensated Care Cost	\$ (416,447)	\$ 3,007,585	\$ 1,242,416	\$ (269,802)	\$ (9,992)	\$ -
Uncompensated Care Cost as a % of Total Expenses	-0.2	16.1	7.5	-1.4	-0.6	0.0

Hospital Name	Havasu Regional Medical Center	Haven Senior Horizons	HealthSouth East Valley Rehabilitation Hospital	HealthSouth Rehabilitation Institute of Tucson	HealthSouth Rehabilitation Hospital of Southern Arizona	HealthSouth Scottsdale Rehabilitation Hospital
2016 Uniform Accounting Report						
Occupancy Rate	45.3%	81.0%	95.5%	64.1%	56.1%	60.2%
Total Revenue, Gains, and Other Support	\$ 196,975,000	\$ 11,676,711	\$ 27,977,953	\$ 24,365,741	\$ 15,889,163	\$ 18,819,537
Total Expenses	\$ 139,869,000	\$ 9,851,207	\$ 20,935,862	\$ 19,099,476	\$ 14,295,439	\$ 17,007,430
Net Operating Profit(Loss)	\$ 57,106,000	\$ 1,825,503	\$ 7,042,091	\$ 5,266,265	\$ 1,593,724	\$ 1,812,107
Net Operating Margin	28.99%	15.63%	25.17%	21.61%	10.03%	9.63%
Total Income Margin	21.15%	15.63%	14.07%	21.61%	5.30%	6.12%
Days in Accounts Receivable	52	52	37	64	34	41
Cost to Charge Ratio	13.96%	59.16%	47.32%	46.43%	52.65%	57.76%
Cost of Bad Debts	\$ 1,812,985	\$ 212,513	\$ 40,842	\$ 130,446	\$ 116,609	\$ 143,228
Charity Cost	\$ 1,396	\$ 17,691	\$ -	\$ 74,566	\$ -	\$ 1,210
Uncompensated Care Cost	\$ 1,814,381	\$ 230,203	\$ -	\$ 205,012	\$ 116,609	\$ 144,438
Uncompensated Care Cost as a % of Total Expenses	1.30%	2.34%		1.07%	0.82%	0.85%
2017 Uniform Accounting Report						
Occupancy Rate	44.7%	86.0%	88.9%	67.5%	55.7%	59.1%
Total Revenue, Gains, and Other Support	\$ 200,397,000	\$ 12,346,182	\$ 27,043,184	\$ 26,694,814	\$ 16,394,807	\$ 19,500,202
Total Expenses	\$ 139,740,000	\$ 11,002,542	\$ 20,476,498	\$ 20,636,056	\$ 15,745,765	\$ 16,036,531
Net Operating Profit(Loss)	\$ 60,657,000	\$ 1,343,640	\$ 6,566,686	\$ 6,058,758	\$ 649,042	\$ 3,463,671
Net Operating Margin	30.27%	10.88%	24.28%	22.70%	3.96%	17.76%
Total Income Margin	36.85%	10.88%	13.45%	22.70%	4.17%	13.46%
Days in Accounts Receivable	55	46	42	60	36	53
Cost to Charge Ratio	13.25%	64.66%	48.16%	46.92%	58.92%	54.21%
Cost of Bad Debts	\$ 1,757,342	\$ 220,259	\$ 90,388	\$ 77,512	\$ (120,202)	\$ 167,912
Charity Cost	\$ 132	\$ 16,619	\$ -	\$ 50,873	\$ -	\$ 9,716
Uncompensated Care Cost	\$ 1,757,474	\$ 236,879	\$ 90,388	\$ 128,385	\$ (120,202)	\$ 177,627
Uncompensated Care Cost as a % of Total Expenses	1.26%	2.15%	0.44%	0.62%	-0.76%	1.11%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-0.6	5.0	-6.6	3.3	-0.4	-1.2
Total Revenue, Gains, and Other Support	\$ 3,422,000	\$ 669,472	\$ (934,769)	\$ 2,329,073	\$ 505,644	\$ 680,665
Total Expenses	\$ (129,000)	\$ 1,151,335	\$ (459,364)	\$ 1,536,580	\$ 1,450,326	\$ (970,899)
Net Operating Profit(Loss)	\$ 3,551,000	\$ (481,863)	\$ (475,405)	\$ 792,493	\$ (944,682)	\$ 1,651,564
Net Operating Margin	1.3	(4.8)	(0.9)	1.1	(6.1)	8.1
Total Income Margin	15.7	(4.8)	(0.6)	1.1	(1.1)	7.3
Days in Accounts Receivable	3	(6)	5	(4)	2	12
Cost to Charge Ratio	-0.7	5.5	0.8	0.5	6.3	-3.5
Cost of Bad Debts	\$ (55,644)	\$ 7,746	\$ 49,546	\$ (52,934)	\$ (236,811)	\$ 24,683
Charity Cost	\$ (1,263)	\$ (1,071)	\$ -	\$ (23,693)	\$ -	\$ 8,506
Uncompensated Care Cost	\$ (56,907)	\$ 6,675	\$ 90,388	\$ (76,627)	\$ (236,811)	\$ 33,189
Uncompensated Care Cost as a % of Total Expenses	0.0	-0.2	0.4	-0.5	-1.6	0.3

Hospital Name	HealthSouth Valley of the Sun Rehabilitation Hospital	Holy Cross Hospital	HonorHealth Deer Valley Medical Center	HonorHealth John C. Lincoln Hospital	HonorHealth Rehabilitation Hospital	HonorHealth Scottsdale Osborn Medical Center
2016 Uniform Accounting Report						
Occupancy Rate	56.3%	25.5%	64.7%	64.7%	70.6%	1
Total Revenue, Gains, and Other Support	\$ 19,977,942	\$ 25,297,277	\$ 272,909,400	\$ 296,480,824	\$ 19,075,817	\$ 342,492,360
Total Expenses	\$ 18,391,502	\$ 22,860,477	\$ 253,703,986	\$ 302,062,919	\$ 18,929,406	\$ 330,580,688
Net Operating Profit(Loss)	\$ 1,586,440	\$ 2,436,800	\$ 19,205,414	\$ (5,582,095)	\$ 146,411	\$ 11,911,672
Net Operating Margin	7.94%	9.63%	7.04%	-1.88%	0.77%	3.5%
Total Income Margin	5.00%	7.68%	7.04%	-1.88%	0.77%	3.48%
Days in Accounts Receivable	52	117	62	75	58	65
Cost to Charge Ratio	53.62%	20.51%	16.89%	18.22%	49.61%	0
Cost of Bad Debts	\$ 139,727	\$ 263,729	\$ 4,173,136	\$ 5,588,434	\$ 187,004	\$ 8,703,464
Charity Cost	\$ 112,471	\$ 804	\$ 4,253,551	\$ 3,366,815	\$ 268,797	\$ 5,738,950
Uncompensated Care Cost	\$ 252,198	\$ 264,533	\$ 8,426,687	\$ 8,955,250	\$ 455,801	\$ 14,442,414
Uncompensated Care Cost as a % of Total Expenses	1.37%	1.16%	3.32%	2.96%	2.41%	4.37%
2017 Uniform Accounting Report						
Occupancy Rate	54.7%	26.0%	65.7%	63.2%	70.9%	50.4%
Total Revenue, Gains, and Other Support	\$ 21,381,188	\$ 24,599,358	\$ 277,499,576	\$ 369,671,790	\$ 19,078,861	\$ 334,822,296
Total Expenses	\$ 18,601,747	\$ 23,978,656	\$ 260,574,061	\$ 411,947,607	\$ 18,582,060	\$ 337,058,822
Net Operating Profit(Loss)	\$ 2,779,440	\$ 620,702	\$ 16,925,515	\$ (42,275,818)	\$ 496,800	\$ (2,236,526)
Net Operating Margin	13.00%	2.52%	6.10%	-11.44%	2.60%	-0.67%
Total Income Margin	8.52%	2.16%	6.10%	-11.44%	2.60%	-0.67%
Days in Accounts Receivable	47	129	53	56	57	60
Cost to Charge Ratio	54.50%	16.91%	15.32%	19.19%	44.60%	17.87%
Cost of Bad Debts	\$ 119,826	\$ 306,392	\$ 2,332,296	\$ 3,494,413	\$ 278,509	\$ 6,522,996
Charity Cost	\$ 58,223	\$ 3,353	\$ 4,715,907	\$ 4,799,750	\$ 162,578	\$ 4,215,872
Uncompensated Care Cost	\$ 178,050	\$ 309,745	\$ 7,048,203	\$ 8,294,163	\$ 441,087	\$ 10,738,868
Uncompensated Care Cost as a % of Total Expenses	0.96%	1.29%	2.70%	2.01%	2.37%	3.19%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-1.6	0.5	1.0	-1.5	0.4	-2.8
Total Revenue, Gains, and Other Support	\$ 1,403,246	\$ (697,919)	\$ 4,590,176	\$ 73,190,966	\$ 3,044	\$ (7,670,064)
Total Expenses	\$ 210,245	\$ 1,118,179	\$ 6,870,075	\$ 109,884,689	\$ (347,345)	\$ 6,478,134
Net Operating Profit(Loss)	\$ 1,193,000	\$ (1,816,098)	\$ (2,279,899)	\$ (36,693,723)	\$ 350,389	\$ (14,148,198)
Net Operating Margin	5.1	(7.1)	(0.9)	(9.6)	1.8	(4.1)
Total Income Margin	3.5	(5.5)	(0.9)	(9.6)	1.8	(4.1)
Days in Accounts Receivable	(5)	12	(9)	(19)	(1)	(5)
Cost to Charge Ratio	0.9	-3.6	-1.6	1.0	-5.0	-0.7
Cost of Bad Debts	\$ (19,901)	\$ 42,663	\$ (1,840,840)	\$ (2,094,022)	\$ 91,506	\$ (2,180,468)
Charity Cost	\$ (54,247)	\$ 2,549	\$ 462,356	\$ 1,432,935	\$ (106,219)	\$ (1,523,078)
Uncompensated Care Cost	\$ (74,148)	\$ 45,212	\$ (1,378,484)	\$ (661,087)	\$ (14,713)	\$ (3,703,546)
Uncompensated Care Cost as a % of Total Expenses	-0.4	0.1	-0.6	-1.0	0.0	-1.2

Hospital Name	HonorHealth Scottsdale Shea Medical Center	HonorHealth Scottsdale Thompson Peak Medical Center	Kingman Regional Medical Center	La Paz Regional Hospital, Inc.	Little Colorado Medical Center	Los Niños Hospital
2016 Uniform Accounting Report						
Occupancy Rate	49.8%	59.8%	72.1%	40.6%	39.5%	16.9%
Total Revenue, Gains, and Other Support	\$ 454,735,562	\$ 144,130,817	281,389,240	\$ 23,966,612	\$ 29,375,235	\$ 11,827,399
Total Expenses	\$ 455,892,843	\$ 139,701,691	273,039,439	\$ 23,310,378	\$ 28,128,950	\$ 12,690,002
Net Operating Profit(Loss)	\$ (1,157,280)	\$ 4,429,126	\$ 8,349,801	\$ 656,234	\$ 1,246,285	\$ (862,603)
Net Operating Margin	-0.25%	3.07%	2.97%	2.74%	4.24%	-7.29%
Total Income Margin	-0.25%	3.07%	3.67%	6.13%	5.61%	398.59%
Days in Accounts Receivable	60	52	74	50	67	42
Cost to Charge Ratio	20.25%	19.18%	22.60%	32.75%	24.45%	55.57%
Cost of Bad Debts	\$ 3,582,303	\$ 1,062,004	\$ 3,400,412	\$ 805,894	\$ 760,149	\$ -
Charity Cost	\$ 1,841,421	\$ 737,325	\$ 1,402,263	\$ 97,280	\$ 141,561	\$ -
Uncompensated Care Cost	\$ 5,423,724	\$ 1,799,329	\$ 4,802,675	\$ 903,174	\$ 901,710	\$ -
Uncompensated Care Cost as a % of Total Expenses	1.19%	1.29%	1.76%	3.87%	3.21%	0.00%
2017 Uniform Accounting Report						
Occupancy Rate	49.4%	49.1%	69.5%	38.7%	41.8%	14.1%
Total Revenue, Gains, and Other Support	\$ 464,369,654	\$ 155,254,362	\$ 283,831,693	\$ 27,017,276	\$ 30,512,046	\$ 10,620,956
Total Expenses	\$ 458,047,551	\$ 146,427,874	\$ 278,175,980	\$ 25,548,019	\$ 29,643,072	\$ 11,610,160
Net Operating Profit(Loss)	\$ 6,322,103	\$ 8,826,488	\$ 5,655,713	\$ 1,469,257	\$ 868,974	\$ (989,204)
Net Operating Margin	1.36%	5.69%	1.99%	5.44%	2.85%	-9.31%
Total Income Margin	1.36%	5.69%	2.30%	7.72%	4.25%	-2.07%
Days in Accounts Receivable	58	50	64	56	72	53
Cost to Charge Ratio	18.78%	18.07%	21.56%	32.02%	23.81%	53.02%
Cost of Bad Debts	\$ 3,584,602	\$ 696,597	\$ 5,039,438	\$ 1,011,589	\$ 1,028,546	\$ 16,311
Charity Cost	\$ 2,345,685	\$ 866,008	\$ 1,360,323	\$ 86,189	\$ 193,837	\$ -
Uncompensated Care Cost	\$ 5,930,288	\$ 1,562,605	\$ 6,399,761	\$ 1,097,779	\$ 1,222,383	\$ 16,311
Uncompensated Care Cost as a % of Total Expenses	1.29%	1.07%	2.30%	4.30%	4.12%	0.14%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-0.4	-10.7	-2.5	-1.9	2.3	-2.8
Total Revenue, Gains, and Other Support	\$ 9,634,092	\$ 11,123,545	\$ 2,442,453	\$ 3,050,664	\$ 1,136,811	\$ (1,206,443)
Total Expenses	\$ 2,154,708	\$ 6,726,183	\$ 5,136,541	\$ 2,237,641	\$ 1,514,122	\$ (1,079,842)
Net Operating Profit(Loss)	\$ 7,479,383	\$ 4,397,362	\$ (2,694,088)	\$ 813,023	\$ (377,311)	\$ (126,601)
Net Operating Margin	1.6	2.6	(1.0)	2.7	(1.4)	(2.0)
Total Income Margin	1.6	2.6	(1.4)	1.6	(1.4)	(400.7)
Days in Accounts Receivable	(2)	(2)	(10)	6	5	11
Cost to Charge Ratio	-1.5	-1.1	-1.0	-0.7	-0.6	-2.5
Cost of Bad Debts	\$ 2,299	\$ (365,407)	\$ 1,639,026	\$ 205,695	\$ 268,397	\$ 16,311
Charity Cost	\$ 504,265	\$ 128,684	\$ (41,940)	\$ (11,091)	\$ 52,276	\$ -
Uncompensated Care Cost	\$ 506,564	\$ (236,724)	\$ 1,597,086	\$ 194,605	\$ 320,672	\$ 16,311
Uncompensated Care Cost as a % of Total Expenses	0.1	-0.2	0.5	0.4	0.9	0.1

Hospital Name	Maricopa Medical Center	Mayo Clinic Arizona	Mercy Gilbert Medical Center	Mountain Valley Regional Rehabilitation Hospital	Mountain Vista Medical Center	Mt. Graham Regional Medical Center
2016 Uniform Accounting Report						
Occupancy Rate	68.8%	74.2%	75.6%	79.9%	57.0%	21.5%
Total Revenue, Gains, and Other Support	\$ 428,037,209	\$ 1,278,598,004	\$ 271,684,021	\$ 21,226,269	\$ 147,119,000	\$ 57,076,798
Total Expenses	\$ 505,682,523	\$ 1,204,011,228	\$ 255,528,419	\$ 16,819,680	\$ 149,287,000	\$ 55,662,380
Net Operating Profit(Loss)	\$ (77,645,314)	\$ 74,586,776	\$ 16,155,603	\$ 4,406,589	\$ (2,168,000)	\$ 1,414,418
Net Operating Margin	-18.14%	5.83%	5.95%	20.76%	-1.47%	2.48%
Total Income Margin	5.24%	6.01%	6.01%	20.76%	-1.47%	4.61%
Days in Accounts Receivable	116	120	71	49	56	36
Cost to Charge Ratio	23.87%	50.05%	16.47%	59.21%	15.80%	41.18%
Cost of Bad Debts	\$ 17,575,254	\$ 11,727,368	\$ 4,785,405	\$ -	\$ 1,720,492	\$ 1,238,772
Charity Cost	\$ 41,295,720	\$ 6,985,569	\$ 1,300,248	\$ 5,119	\$ 17,854	\$ 294,401
Uncompensated Care Cost	\$ 58,870,974	\$ 18,712,937	\$ 6,085,653	\$ 5,119	\$ 1,738,346	\$ 1,533,173
Uncompensated Care Cost as a % of Total Expenses	11.64%	1.55%	2.38%	0.03%	1.16%	2.75%
2017 Uniform Accounting Report						
Occupancy Rate	67.5%	73.1%	75.3%	82.8%	52.9%	22.9%
Total Revenue, Gains, and Other Support	\$ 470,434,183	\$ 1,471,595,952	\$ 269,232,425	\$ 23,519,347	\$ 156,123,000	\$ 57,888,515
Total Expenses	\$ 485,192,266	\$ 1,345,187,117	\$ 262,329,320	\$ 19,859,434	\$ 157,644,000	\$ 56,580,569
Net Operating Profit(Loss)	\$ (14,758,083)	\$ 126,408,834	\$ 6,903,105	\$ 3,659,913	\$ (1,521,000)	\$ 1,307,946
Net Operating Margin	-3.14%	8.59%	2.56%	15.56%	-0.97%	2.26%
Total Income Margin	21.18%	9.60%	2.68%	15.56%	-0.97%	6.44%
Days in Accounts Receivable	62	148	70	46	52	42
Cost to Charge Ratio	23.04%	48.45%	16.20%	70.37%	17.19%	41.33%
Cost of Bad Debts	\$ 17,130,830	\$ 9,452,803	\$ 4,217,787	\$ -	\$ 1,731,167	\$ 1,518,901
Charity Cost	\$ 34,850,387	\$ 7,510,982	\$ 1,860,113	\$ 12,479	\$ 860	\$ 181,977
Uncompensated Care Cost	\$ 51,981,217	\$ 16,963,784	\$ 6,077,900	\$ 12,479	\$ 1,732,027	\$ 1,700,878
Uncompensated Care Cost as a % of Total Expenses	10.71%	1.26%	2.32%	0.06%	1.10%	3.01%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-1.3	-1.1	-0.3	3.0	-4.1	1.4
Total Revenue, Gains, and Other Support	\$ 42,396,974	\$ 192,997,948	\$ (2,451,596)	\$ 2,293,078	\$ 9,004,000	\$ 811,717
Total Expenses	\$ (20,490,257)	\$ 141,175,889	\$ 6,800,902	\$ 3,039,754	\$ 8,357,000	\$ 918,189
Net Operating Profit(Loss)	\$ 62,887,231	\$ 51,822,059	\$ (9,252,498)	\$ (746,676)	\$ 647,000	\$ (106,472)
Net Operating Margin	15.0	2.8	(3.4)	(5.2)	0.5	(0.2)
Total Income Margin	15.9	3.6	(3.3)	(5.2)	0.5	1.8
Days in Accounts Receivable	(54)	28	(1)	(3)	(4)	6
Cost to Charge Ratio	-0.8	-1.6	-0.3	11.2	1.4	0.2
Cost of Bad Debts	\$ (444,424)	\$ (2,274,566)	\$ (567,619)	\$ -	\$ 10,675	\$ 280,129
Charity Cost	\$ (6,445,333)	\$ 525,413	\$ 559,866	\$ 7,360	\$ (16,995)	\$ (112,424)
Uncompensated Care Cost	\$ (6,889,757)	\$ (1,749,153)	\$ (7,753)	\$ 7,360	\$ (6,320)	\$ 167,705
Uncompensated Care Cost as a % of Total Expenses	-0.9	-0.3	-0.1	0.0	-0.1	0.3

Hospital Name	Northern Cochise Community Hospital	Northwest Medical Center	Oasis Behavioral Health Hospital	OASIS Hospital	Oro Valley Hospital	Page Hospital
2016 Uniform Accounting Report						
Occupancy Rate	24.2%	61.0%	62.6%	38.2%	44.0%	10.6%
Total Revenue, Gains, and Other Support	\$ 17,197,467	\$ 326,929,807	\$ 23,266,646	\$ 71,308,775	\$ 106,439,454	\$ 17,941,874
Total Expenses	\$ 16,276,265	\$ 294,808,008	\$ 15,106,102	\$ 69,191,982	\$ 77,914,108	\$ 14,249,923
Net Operating Profit(Loss)	\$ 921,202	\$ 32,121,799	\$ 8,160,544	\$ 2,116,793	\$ 28,525,346	\$ 3,691,951
Net Operating Margin	5.36%	9.83%	35.07%	2.97%	26.80%	20.58%
Total Income Margin	5.18%	9.83%	35.07%	3.33%	26.80%	20.58%
Days in Accounts Receivable	48	45	53	58	41	45
Cost to Charge Ratio	41.83%	13.18%	41.57%	30.19%	10.25%	35.04%
Cost of Bad Debts	\$ 774,120	\$ 1,999,530	\$ 141,346	\$ 460,474	\$ 548,332	\$ 455,002
Charity Cost	\$ 15,059	\$ 38,172	\$ 16,109	\$ 17,840	\$ 387	\$ 243,761
Uncompensated Care Cost	\$ 789,179	\$ 2,037,702	\$ 157,456	\$ 478,314	\$ 548,719	\$ 698,763
Uncompensated Care Cost as a % of Total Expenses	4.85%	0.69%	1.04%	0.69%	0.70%	4.90%
2017 Uniform Accounting Report						
Occupancy Rate	20.6%	55.5%	79.2%	32.6%	43.4%	10.8%
Total Revenue, Gains, and Other Support	\$ 17,701,014	\$ 340,082,844	\$ 27,676,250	\$ 76,865,995	\$ 115,590,336	\$ 21,077,051
Total Expenses	\$ 16,969,388	\$ 298,580,653	\$ 18,335,313	\$ 70,811,143	\$ 102,739,301	\$ 15,634,883
Net Operating Profit(Loss)	\$ 731,626	\$ 41,502,191	\$ 9,340,937	\$ 6,054,852	\$ 12,851,035	\$ 5,442,168
Net Operating Margin	4.13%	12.20%	33.75%	7.88%	11.12%	25.82%
Total Income Margin	4.37%	12.20%	33.75%	7.68%	11.12%	25.82%
Days in Accounts Receivable	50	46	64	49	44	46
Cost to Charge Ratio	50.01%	12.39%	30.37%	30.30%	12.52%	35.50%
Cost of Bad Debts	\$ 777,795	\$ 1,425,576	\$ 273,908	\$ (375,547)	\$ 142,653	\$ 468,052
Charity Cost	\$ 24,006	\$ 19,278	\$ 32,305	\$ 42,545	\$ 7,327	\$ 308,669
Uncompensated Care Cost	\$ 801,801	\$ 1,444,854	\$ 306,213	\$ (333,001)	\$ 149,980	\$ 776,721
Uncompensated Care Cost as a % of Total Expenses	4.72%	0.48%	1.67%	-0.47%	0.15%	4.97%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-3.7	-5.4	16.6	-5.6	-0.6	0.1
Total Revenue, Gains, and Other Support	\$ 503,547	\$ 13,153,037	\$ 4,409,604	\$ 5,557,220	\$ 9,150,882	\$ 3,135,177
Total Expenses	\$ 693,123	\$ 3,772,645	\$ 3,229,211	\$ 1,619,161	\$ 24,825,193	\$ 1,384,960
Net Operating Profit(Loss)	\$ (189,576)	\$ 9,380,392	\$ 1,180,393	\$ 3,938,059	\$ (15,674,311)	\$ 1,750,217
Net Operating Margin	(1.2)	2.4	(1.3)	4.9	(15.7)	5.2
Total Income Margin	(0.8)	2.4	(1.3)	4.4	(15.7)	5.2
Days in Accounts Receivable	2	1	11	(9)	3	1
Cost to Charge Ratio	8.2	-0.8	-11.2	0.1	2.3	0.5
Cost of Bad Debts	\$ 3,675	\$ (573,954)	\$ 132,562	\$ (836,021)	\$ (405,679)	\$ 13,049
Charity Cost	\$ 8,947	\$ (18,894)	\$ 16,196	\$ 24,706	\$ 6,940	\$ 64,908
Uncompensated Care Cost	\$ 12,622	\$ (592,848)	\$ 148,757	\$ (811,315)	\$ (398,739)	\$ 77,957
Uncompensated Care Cost as a % of Total Expenses	-0.1	-0.2	0.6	-1.2	-0.6	0.1

Hospital Name	Palo Verde Behavioral Health	Phoenix Children's Hospital	Promise Hospital	Quail Run Behavioral Health	Scottsdale Liberty Hospital	Select Specialty Hospital - Phoenix
2016 Uniform Accounting Report						
Occupancy Rate	65.1%	64.7%	76.4%	86.7%	6.2%	79.9%
Total Revenue, Gains, and Other Support	\$ 18,086,388	\$ 808,145,790	\$ 21,771,971	\$ 24,713,939	\$ 14,448,679	\$ 26,270,835
Total Expenses	\$ 16,687,263	\$ 776,247,278	\$ 22,106,663	\$ 16,724,276	\$ 14,777,397	\$ 24,120,112
Net Operating Profit(Loss)	\$ 1,399,125	\$ 31,898,512	\$ (334,692)	\$ 7,989,663	\$ (331,604)	\$ 2,150,723
Net Operating Margin	7.74%	3.95%	-1.54%	32.33%	-2.30%	8.19%
Total Income Margin	-6.26%	8.49%	-1.54%	32.33%	-2.28%	5.62%
Days in Accounts Receivable	52	44	82	44	143	72
Cost to Charge Ratio	35.50%	34.37%	26.37%	25.91%	102.28%	30.32%
Cost of Bad Debts	\$ 142,252	\$ 6,285,448	\$ 16,315	\$ 131,431	\$ -	\$ 100,476
Charity Cost	\$ 86,566	\$ 18,959,725	\$ -	\$ 56,889	\$ -	\$ 73,505
Uncompensated Care Cost	\$ 228,818	\$ 25,245,173	\$ 16,315	\$ 188,320	\$ -	\$ 173,981
Uncompensated Care Cost as a % of Total Expenses	1.37%	3.25%	0.07%	1.13%	0.00%	0.72%
2017 Uniform Accounting Report						
Occupancy Rate	70.2%	55.9%	56.2%	86.0%	2.1%	81.2%
Total Revenue, Gains, and Other Support	\$ 20,159,443	\$ 849,344,351	\$ 16,895,115	\$ 28,883,135	\$ 37,248,290	\$ 26,196,726
Total Expenses	\$ 18,663,751	\$ 813,318,003	\$ 18,947,989	\$ 19,371,779	\$ 32,569,282	\$ 24,777,895
Net Operating Profit(Loss)	\$ 1,495,692	\$ 36,026,348	\$ (2,052,874)	\$ 9,511,356	\$ 4,679,008	\$ 1,418,831
Net Operating Margin	7.42%	4.24%	-12.15%	32.93%	12.56%	5.42%
Total Income Margin	-5.53%	8.89%	-11.22%	32.93%	12.56%	4.13%
Days in Accounts Receivable	54	54	52	41	124	72
Cost to Charge Ratio	36.09%	34.42%	27.08%	25.44%	87.44%	29.41%
Cost of Bad Debts	\$ 239,007	\$ 7,276,011	\$ 110,601	\$ 226,556	\$ -	\$ 127,500
Charity Cost	\$ 25,458	\$ 23,615,815	\$ -	\$ 58,650	\$ -	\$ -
Uncompensated Care Cost	\$ 264,465	\$ 30,891,826	\$ 110,601	\$ 285,206	\$ -	\$ 127,500
Uncompensated Care Cost as a % of Total Expenses	1.42%	3.80%	0.58%	1.47%	0.00%	0.51%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	5.1	-8.9	-20.3	-0.7	-4.2	1.3
Total Revenue, Gains, and Other Support	\$ 2,073,055	\$ 41,198,561	\$ (4,876,856)	\$ 4,169,196	\$ 22,799,611	\$ (74,109)
Total Expenses	\$ 1,976,488	\$ 37,070,725	\$ (3,158,674)	\$ 2,647,503	\$ 17,791,885	\$ 657,783
Net Operating Profit(Loss)	\$ 96,567	\$ 4,127,836	\$ (1,718,182)	\$ 1,521,693	\$ 5,010,612	\$ (731,892)
Net Operating Margin	(0.3)	0.3	(10.6)	0.6	14.9	(2.8)
Total Income Margin	0.7	0.4	(9.7)	0.6	14.8	(1.5)
Days in Accounts Receivable	2	10	(30)	(3)	(19)	-
Cost to Charge Ratio	0.6	0.1	0.7	-0.5	-14.8	-0.9
Cost of Bad Debts	\$ 96,754	\$ 990,563	\$ 94,286	\$ 95,125	\$ -	\$ 27,025
Charity Cost	\$ (61,107)	\$ 4,656,090	\$ -	\$ 1,761	\$ -	\$ (73,505)
Uncompensated Care Cost	\$ 35,647	\$ 5,646,653	\$ 94,286	\$ 96,886	\$ -	\$ (46,481)
Uncompensated Care Cost as a % of Total Expenses	0.0	0.5	0.5	0.3	0.0	-0.2

Hospital Name	Select Specialty Hospital - Phoenix Downtown	Select Specialty Hospital - Scottsdale	Sonora Behavioral Health Hospital	St. Joseph's Hospital (Tucson)	St. Joseph's Hospital Medical Center	St. Joseph's Westgate Medical Center
2016 Uniform Accounting Report						
Occupancy Rate	67.5%	37.6%	41.0%	39.3%	78.4%	32.8%
Total Revenue, Gains, and Other Support	\$ 13,900,757	\$ 7,579,397	\$ 19,755,557	\$ 234,966,682	\$ 1,035,181,996	\$ 29,315,711
Total Expenses	\$ 14,361,262	\$ 7,787,199	\$ 18,474,331	\$ 225,864,514	\$ 1,065,910,944	\$ 32,254,811
Net Operating Profit(Loss)	\$ (460,505)	\$ (207,802)	\$ 1,281,226	\$ 9,102,168	\$ (30,728,948)	\$ (2,939,100)
Net Operating Margin	-3.31%	-2.74%	6.49%	3.87%	-2.97%	-10.03%
Total Income Margin	-3.03%	-1.42%	6.49%	1.82%	-3.00%	-10.03%
Days in Accounts Receivable	84	12	65	95	76	76
Cost to Charge Ratio	32.57%	38.58%	56.54%	18.28%	28.72%	20.75%
Cost of Bad Debts	\$ 90,507	\$ 30,896	\$ 245,633	\$ 969,564	\$ 19,179,060	\$ 1,840,247
Charity Cost	\$ 13,566	\$ -	\$ -	\$ 138,535	\$ 16,128,989	\$ 916,833
Uncompensated Care Cost	\$ 104,072	\$ 30,896	\$ 245,633	\$ 1,108,099	\$ 35,308,049	\$ 2,757,081
Uncompensated Care Cost as a % of Total Expenses	0.72%	0.40%	1.33%	0.49%	3.31%	8.55%
2017 Uniform Accounting Report						
Occupancy Rate	69.9%		52.3%	38.7%	77.4%	37.6%
Total Revenue, Gains, and Other Support	\$ 15,141,552		\$ 25,870,107	\$ 252,168,681	\$ 1,077,383,151	\$ 33,550,110
Total Expenses	\$ 14,468,706		\$ 22,566,048	\$ 236,135,007	\$ 1,122,175,415	\$ 32,996,210
Net Operating Profit(Loss)	\$ 672,846		\$ 3,304,059	\$ 16,033,674	\$ (44,792,264)	\$ 553,900
Net Operating Margin	4.44%		12.77%	6.36%	-4.16%	1.65%
Total Income Margin	2.81%		12.77%	6.23%	-3.69%	1.65%
Days in Accounts Receivable	129		58	99	83	83
Cost to Charge Ratio	30.48%		49.79%	15.14%	28.53%	18.06%
Cost of Bad Debts	\$ 137,316		\$ 561,665	\$ 1,772,806	\$ 4,860,945	\$ 1,510,502
Charity Cost	\$ -		\$ 106,840	\$ 23,247	\$ 24,421,148	\$ 764,720
Uncompensated Care Cost	\$ 137,316		\$ 668,505	\$ 1,796,053	\$ 29,282,093	\$ 2,275,221
Uncompensated Care Cost as a % of Total Expenses	0.95%		2.96%	0.76%	2.61%	6.90%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	2.4		11.3	-0.6	-1.0	4.9
Total Revenue, Gains, and Other Support	\$ 1,240,795		\$ 6,114,550	\$ 17,201,999	\$ 42,201,155	\$ 4,234,400
Total Expenses	\$ 107,444		\$ 4,091,717	\$ 10,270,493	\$ 56,264,471	\$ 741,399
Net Operating Profit(Loss)	\$ 1,133,351		\$ 2,022,833	\$ 6,931,506	\$ (14,063,317)	\$ 3,493,000
Net Operating Margin	7.8		6.3	2.5	(1.2)	11.7
Total Income Margin	5.8		6.3	4.4	(0.7)	11.7
Days in Accounts Receivable	45		(7)	4	7	7
Cost to Charge Ratio	-2.1		-6.7	-3.1	-0.2	-2.7
Cost of Bad Debts	\$ 46,809		\$ 316,032	\$ 803,243	\$ (14,318,115)	\$ (329,745)
Charity Cost	\$ (13,566)		\$ 106,840	\$ (115,289)	\$ 8,292,159	\$ (152,114)
Uncompensated Care Cost	\$ 33,243		\$ 422,872	\$ 687,954	\$ (6,025,956)	\$ (481,859)
Uncompensated Care Cost as a % of Total Expenses	0.2		1.6	0.3	-0.7	-1.7

Hospital Name	St. Luke's Behavioral Hospital	St. Luke's Medical Center	St. Mary's Hospital & Health Care Center	Summit Healthcare Association	Tempe St. Luke's Hospital	TMC Geropsychiatric Center at Handmaker
2016 Uniform Accounting Report						
Occupancy Rate	100.6%	40.4%	42.5%	40.1%	27.5%	74.2%
Total Revenue, Gains, and Other Support	\$ 39,071,000	\$ 123,211,000	\$ 195,156,716	\$ 161,597,618	\$ 43,129,000	\$ 3,168,384
Total Expenses	\$ 51,507,000	\$ 132,941,000	\$ 190,267,727	\$ 160,223,821	\$ 49,057,000	\$ 2,546,137
Net Operating Profit(Loss)	\$ (12,436,000)	\$ (9,730,000)	\$ 4,888,989	\$ 1,373,797	\$ (5,928,000)	\$ 622,247
Net Operating Margin	-31.83%	-7.90%	2.51%	0.85%	-13.74%	19.64%
Total Income Margin	-31.83%	-7.90%	0.40%	1.61%	-13.74%	19.64%
Days in Accounts Receivable	63	59	109	71	77	68
Cost to Charge Ratio	36.64%	20.73%	17.38%	29.50%	18.13%	28.16%
Cost of Bad Debts	\$ 316,576	\$ 1,420,072	\$ 867,094	\$ 3,436,021	\$ 2,139,811	\$ -
Charity Cost	\$ 341,858	\$ 4,767	\$ 85,092	\$ 591,533	\$ 19,583	\$ -
Uncompensated Care Cost	\$ 658,434	\$ 1,424,839	\$ 952,186	\$ 4,027,554	\$ 2,159,394	\$ -
Uncompensated Care Cost as a % of Total Expenses	1.28%	1.07%	0.50%	2.51%	4.40%	0.00%
2017 Uniform Accounting Report						
Occupancy Rate	99.1%	46.8%	41.6%	41.5%	29.4%	71.6%
Total Revenue, Gains, and Other Support	\$ 40,651,000	\$ 126,047,000	\$ 194,916,278	\$ 178,497,595	\$ 41,731,000	\$ 3,192,049
Total Expenses	\$ 33,427,000	\$ 121,330,000	\$ 194,796,023	\$ 170,994,230	\$ 46,660,000	\$ 2,659,904
Net Operating Profit(Loss)	\$ 7,224,000	\$ 4,717,000	\$ 120,255	\$ 7,503,365	\$ (4,929,000)	\$ 532,145
Net Operating Margin	17.77%	3.74%	0.06%	4.20%	-11.81%	16.67%
Total Income Margin	17.77%	3.74%	0.00%	6.63%	-11.81%	16.67%
Days in Accounts Receivable	57	64	118	66	75	75
Cost to Charge Ratio	24.06%	18.00%	14.79%	28.94%	17.43%	27.32%
Cost of Bad Debts	\$ 71,462	\$ 1,432,956	\$ 1,338,312	\$ 3,735,735	\$ 2,068,170	\$ -
Charity Cost	\$ 35,130	\$ 18,175	\$ 16,346	\$ 510,172	\$ 2,614	\$ -
Uncompensated Care Cost	\$ 106,592	\$ 1,451,132	\$ 1,354,658	\$ 4,245,907	\$ 2,070,784	\$ -
Uncompensated Care Cost as a % of Total Expenses	0.32%	1.20%	0.70%	2.48%	4.44%	0.00%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	-1.5	6.4	-0.9	1.4	1.9	-2.6
Total Revenue, Gains, and Other Support	\$ 1,580,000	\$ 2,836,000	\$ (240,438)	\$ 16,899,976	\$ (1,398,000)	\$ 23,665
Total Expenses	\$ (18,080,000)	\$ (11,611,000)	\$ 4,528,296	\$ 10,770,409	\$ (2,397,000)	\$ 113,767
Net Operating Profit(Loss)	\$ 19,660,000	\$ 14,447,000	\$ (4,768,734)	\$ 6,129,567	\$ 999,000	\$ (90,102)
Net Operating Margin	49.6	11.6	(2.4)	3.4	1.9	(3.0)
Total Income Margin	49.6	11.6	(0.4)	5.0	1.9	(3.0)
Days in Accounts Receivable	(6)	5	9	(5)	(2)	7
Cost to Charge Ratio	-12.6	-2.7	-2.6	-0.6	-0.7	-0.8
Cost of Bad Debts	\$ (245,114)	\$ 12,884	\$ 471,218	\$ 299,714	\$ (71,641)	\$ -
Charity Cost	\$ (306,729)	\$ 13,408	\$ (68,746)	\$ (81,361)	\$ (16,969)	\$ -
Uncompensated Care Cost	\$ (551,842)	\$ 26,292	\$ 402,472	\$ 218,353	\$ (88,610)	\$ -
Uncompensated Care Cost as a % of Total Expenses	-1.0	0.1	0.2	0.0	0.0	0.0

Hospital Name	Tucson Medical Center	Valley Hospital	Valley View Medical Center	Verde Valley Medical Center	Western Arizona Regional Medical Center	White Mountain Communities Hospital
2016 Uniform Accounting Report						
Occupancy Rate	73.4%	88.0%	28.2%	45.6%	49.7%	22.1%
Total Revenue, Gains, and Other Support	\$ 507,962,022	\$ 36,147,100	\$ 48,389,000	\$ 143,971,000	\$ 109,193,015	\$ 16,483,752
Total Expenses	\$ 488,560,579	\$ 25,475,739	\$ 51,665,000	\$ 122,143,000	\$ 90,719,488	\$ 17,391,382
Net Operating Profit(Loss)	\$ 19,401,443	\$ 10,671,361	\$ (3,276,000)	\$ 21,828,000	\$ 18,473,527	\$ (907,630)
Net Operating Margin	3.82%	29.52%	-6.77%	15.16%	16.92%	-5.51%
Total Income Margin	5.78%	29.52%	-4.19%	13.09%	16.92%	-3.92%
Days in Accounts Receivable	47	40	56	52	76	74
Cost to Charge Ratio	24.80%	26.55%	12.60%	21.76%	8.69%	48.42%
Cost of Bad Debts	\$ 5,907,764	\$ 188,661	\$ 1,136,958	\$ 3,406,559	\$ 1,147,900	\$ 801,902
Charity Cost	\$ 2,136,385	\$ 7,603	\$ -	\$ 1,797,727	\$ 74,783	\$ 19,789
Uncompensated Care Cost	\$ 8,044,149	\$ 196,264	\$ 1,136,958	\$ 5,204,286	\$ 1,222,683	\$ 821,691
Uncompensated Care Cost as a % of Total Expenses	1.65%	0.77%	2.20%	4.26%	1.35%	4.72%
2017 Uniform Accounting Report						
Occupancy Rate	76.5%	87.7%	26.2%	51.4%	43.3%	22.1%
Total Revenue, Gains, and Other Support	\$ 531,184,746	\$ 36,868,056	\$ 47,651,000	\$ 141,964,000	\$ 100,551,397	\$ 17,386,265
Total Expenses	\$ 519,124,814	\$ 25,904,475	\$ 50,135,000	\$ 130,516,000	\$ 90,645,157	\$ 17,016,362
Net Operating Profit(Loss)	\$ 12,059,932	\$ 10,963,581	\$ (2,484,000)	\$ 11,448,000	\$ 9,906,240	\$ 369,903
Net Operating Margin	2.27%	29.74%	-5.21%	8.06%	9.85%	2.13%
Total Income Margin	3.85%	29.74%	-7.01%	14.45%	9.85%	3.29%
Days in Accounts Receivable	49	44	61	68	85	74
Cost to Charge Ratio	24.55%	26.67%	11.67%	23.40%	8.49%	42.81%
Cost of Bad Debts	\$ 7,733,399	\$ 134,452	\$ 860,127	\$ 3,283,520	\$ 896,654	\$ 904,620
Charity Cost	\$ 2,389,071	\$ -	\$ -	\$ 4,193,894	\$ 47,221	\$ 55,695
Uncompensated Care Cost	\$ 10,122,470	\$ 134,452	\$ 860,127	\$ 7,477,414	\$ 943,875	\$ 960,314
Uncompensated Care Cost as a % of Total Expenses	1.95%	0.52%	1.72%	5.73%	1.04%	5.64%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	3.1	-0.3	-2.0	5.8	-6.4	0.0
Total Revenue, Gains, and Other Support	\$ 23,222,724	\$ 720,956	\$ (738,000)	\$ (2,007,000)	\$ (8,641,618)	\$ 902,513
Total Expenses	\$ 30,564,235	\$ 428,736	\$ (1,530,000)	\$ 8,373,000	\$ (74,331)	\$ (375,020)
Net Operating Profit(Loss)	\$ (7,341,511)	\$ 292,220	\$ 792,000	\$ (10,380,000)	\$ (8,567,287)	\$ 1,277,533
Net Operating Margin	(1.5)	0.2	1.6	(7.1)	(7.1)	7.6
Total Income Margin	(1.9)	0.2	(2.8)	1.4	(7.1)	7.2
Days in Accounts Receivable	2	4	5	16	9	-
Cost to Charge Ratio	-0.3	0.1	-0.9	1.6	-0.2	-5.6
Cost of Bad Debts	\$ 1,825,635	\$ (54,210)	\$ (276,831)	\$ (123,039)	\$ (251,246)	\$ 102,717
Charity Cost	\$ 252,686	\$ (7,603)	\$ -	\$ 2,396,167	\$ (27,562)	\$ 35,906
Uncompensated Care Cost	\$ 2,078,321	\$ (61,813)	\$ (276,831)	\$ 2,273,128	\$ (278,808)	\$ 138,623
Uncompensated Care Cost as a % of Total Expenses	0.3	-0.3	-0.5	1.5	-0.3	0.9

Hospital Name	Wickenburg Community Hospital	Windhaven Psychiatric Hospital	Yavapai Regional Medical Center	Yavapai Regional Medical Center - East	Yuma Regional Medical Center	Yuma Rehabilitation Hospital
2016 Uniform Accounting Report						
Occupancy Rate	26.7%	84.3%	49.2%	43.2%	50.2%	75.3%
Total Revenue, Gains, and Other Support	\$ 27,751,921	\$ 4,357,571	\$ 181,818,468	\$ 116,946,551	\$ 415,904,185	\$ 21,588,916
Total Expenses	\$ 30,679,053	\$ 4,786,835	\$ 193,470,422	\$ 55,242,595	\$ 394,574,665	\$ 12,826,497
Net Operating Profit(Loss)	\$ (2,927,132)	\$ (429,264)	\$ (11,651,954)	\$ 61,703,956	\$ 21,329,520	\$ 8,762,419
Net Operating Margin	-10.55%	-9.85%	-6.41%	52.76%	5.13%	40.59%
Total Income Margin	-1.42%	-9.85%	-9.60%	52.76%	8.71%	37.45%
Days in Accounts Receivable	75	75	43	40	44	35
Cost to Charge Ratio	48.60%	108.59%	29.81%	14.70%	26.02%	45.53%
Cost of Bad Debts	\$ 1,226,339	\$ -	\$ 3,170,894	\$ 1,220,028	\$ 4,854,327	\$ 171,691
Charity Cost	\$ 126,385	\$ 54,868	\$ 1,846,697	\$ 651,210	\$ 7,892,421	\$ -
Uncompensated Care Cost	\$ 1,352,724	\$ 54,868	\$ 5,017,591	\$ 1,871,238	\$ 12,746,748	\$ 171,691
Uncompensated Care Cost as a % of Total Expenses	4.41%	1.15%	2.59%	3.39%	3.23%	1.34%
2017 Uniform Accounting Report						
Occupancy Rate	34.7%	86.8%	50.9%	44.0%	44.6%	73.2%
Total Revenue, Gains, and Other Support	\$ 33,065,572	\$ 4,558,635	\$ 227,324,815	\$ 111,415,449	\$ 448,067,009	\$ 22,117,658
Total Expenses	\$ 34,639,854	\$ 5,038,897	\$ 207,611,441	\$ 63,257,371	\$ 422,484,028	\$ 12,857,083
Net Operating Profit(Loss)	\$ (1,574,282)	\$ (480,262)	\$ 19,713,374	\$ 48,158,078	\$ 25,582,981	\$ 9,260,575
Net Operating Margin	-4.76%	-10.54%	8.67%	43.22%	5.71%	41.87%
Total Income Margin	-5.12%	-10.54%	8.69%	43.22%	10.71%	41.87%
Days in Accounts Receivable	85	50	41	50	39	46
Cost to Charge Ratio	45.75%	110.22%	27.94%	15.26%	24.75%	46.58%
Cost of Bad Debts	\$ 1,450,875	\$ -	\$ 2,254,316	\$ 1,466,560	\$ 5,843,663	\$ 51,332
Charity Cost	\$ 212,861	\$ 14,265	\$ 1,565,145	\$ 681,150	\$ 6,718,031	\$ 113,275
Uncompensated Care Cost	\$ 1,663,736	\$ 14,265	\$ 3,819,461	\$ 2,147,709	\$ 12,561,694	\$ 164,607
Uncompensated Care Cost as a % of Total Expenses	4.80%	0.28%	1.84%	3.40%	2.97%	1.28%
CHANGE: 2016 to 2017						
Average Occupancy Rate Percentage Points	7.9	2.4	1.7	0.8	-5.6	-2.1
Total Revenue, Gains, and Other Support	\$ 5,313,651	\$ 201,064	\$ 45,506,347	\$ (5,531,102)	\$ 32,162,824	\$ 528,742
Total Expenses	\$ 3,960,801	\$ 252,062	\$ 14,141,019	\$ 8,014,776	\$ 27,909,363	\$ 30,586
Net Operating Profit(Loss)	\$ 1,352,850	\$ (50,998)	\$ 31,365,328	\$ (13,545,878)	\$ 4,253,461	\$ 498,156
Net Operating Margin	5.8	(0.7)	15.1	(9.5)	0.6	1.3
Total Income Margin	(3.7)	(0.7)	18.3	(9.5)	2.0	4.4
Days in Accounts Receivable	10	(25)	(2)	10	(5)	11
Cost to Charge Ratio	-2.8	1.6	-1.9	0.6	-1.3	1.1
Cost of Bad Debts	\$ 224,536	\$ -	\$ (916,578)	\$ 246,532	\$ 989,335	\$ (120,359)
Charity Cost	\$ 86,476	\$ (40,603)	\$ (281,552)	\$ 29,940	\$ (1,174,390)	\$ 113,275
Uncompensated Care Cost	\$ 311,012	\$ (40,603)	\$ (1,198,130)	\$ 276,472	\$ (185,055)	\$ (7,084)
Uncompensated Care Cost as a % of Total Expenses	0.4	-0.9	-0.8	0.0	-0.3	-0.1

Hospital Name	
	Summary
2016 Uniform Accounting Report	
Occupancy Rate	60.01%
Total Revenue, Gains, and Other Support	16,323,217,166
Total Expenses	15,569,406,346
Net Operating Profit(Loss)	753,584,979
Net Operating Margin	4.62%
Total Income Margin	5.31%
Days in Accounts Receivable	64
Cost to Charge Ratio	22.03%
Cost of Bad Debts	\$214,953,725
Charity Cost	\$186,531,796
Uncompensated Care Cost	\$401,485,520
Uncompensated Care Cost as a % of Total Expenses	2.58%
2017 Uniform Accounting Report	
Occupancy Rate	60.17%
Total Revenue, Gains, and Other Support	17,393,029,969
Total Expenses	16,474,057,354
Net Operating Profit(Loss)	918,972,615
Net Operating Margin	5.28%
Total Income Margin	6.77%
Days in Accounts Receivable	66
Cost to Charge Ratio	21.32%
Cost of Bad Debts	\$208,267,003
Charity Cost	\$201,819,095
Uncompensated Care Cost	\$410,086,098
Uncompensated Care Cost as a % of Total Expenses	2.49%
CHANGE: 2016 to 2017	
Average Occupancy Rate Percentage Points	0.2
Total Revenue, Gains, and Other Support	\$ 1,069,812,803
Total Expenses	\$ 904,651,008
Net Operating Profit(Loss)	\$ 165,387,636
Net Operating Margin	0.7
Total Income Margin	1.5
Days in Accounts Receivable	2
Cost to Charge Ratio	-0.7
Cost of Bad Debts	\$ (6,686,722)
Charity Cost	\$ 15,287,299
Uncompensated Care Cost	\$ 8,600,577
Uncompensated Care Cost as a % of Total Expenses	-0.1