



AHCCCS

Janice K. Brewer, Governor
Thomas J. Betlach, Director

Our first care is your health care
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

REPORT TO THE
PRESIDENT OF THE SENATE, SPEAKER OF THE HOUSE,
JLBC AND OSPB

Uncompensated Hospital Costs and Hospital Profitability

November 2013

**AHCCCS
Uncompensated Hospital Costs and Hospital Profitability Report**

Background and Summary

Laws 2013, First Special Session, Chapter 10, Section 41 requires AHCCCS to provide a report on hospital finances, specifically:

AHCCCS uncompensated care; provider assessment; reports; delayed repeal

A. On or before October 1, 2013, 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.

In order to fulfill this requirement in the short period of time from passage to due date, AHCCCS has completed a review of readily-available data from 2011 and 2012. Reporting periods in each year vary by hospital based on each hospital's fiscal year date span.

The hospital-reported data shows that uncompensated care increased from 2011 to 2012 on both a total and average basis, while profitability and operating margin were down. The table below displays summary figures for Arizona hospitals.

	<u>2011</u>	<u>2012</u>	<u>Percent Change</u>
Total Uncompensated Care	\$503.3 million	\$733.8 million	45.79%
Average Uncompensated Care Costs	\$5.8 million	\$8.1 million	39.63%
Average Operating Profitability	\$8.1 million	\$7.0 million	(13.53)%
Average Operating Margin	5.14%	4.63%	(9.97)%
Average Occupancy Rate	62.03%	59.91%	(3.43)%

These figures demonstrate the initial impacts of the AHCCCS budget reductions that began in 2011. The impact of these reductions has not been fully realized in the 2012 data due to the timing of the reductions and the additional coverage declines hospitals saw over 2012 and 2013. Further, hospitals anecdotally report making short-term business decisions to limit the impact of the AHCCCS reductions in anticipation of coverage changing beginning January 1, 2014; it is unclear to what extent these figures reflect these short-term bridge strategies. Further, at least \$164.7 million in Safety Net Care Pool (SNCP) payments are included in the hospital operating margin and profitability statistics; this mitigation strategy expires at the end of 2013. Nevertheless, increases in uncompensated care costs are demonstrated in the data, along with decreasing profitability. As discussed in this report, these figures are preliminary and may be updated next year with additional analysis.

Definitions, Data Sources and Limitations

Hospitals included in this analysis represent those facilities that AHCCCS included in its modeling of the hospital assessment pursuant to Laws 2013, First Special Session, Chapter 10, Section 5, which encompasses most Arizona hospitals.¹

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). Due to the timing of this report, AHCCCS has defined uncompensated care costs to include only bad debt and charity care data. However, AHCCCS intends to continue to evaluate Medicaid and Medicare shortfall data to determine if either variable should be separately specified in future years’ reporting. AHCCCS will also determine whether other data can help provide additional information on the level of uncompensated care experienced by Arizona hospitals.

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. Hospitals are required to submit annual audited financial statements, the Uniform Accounting Report (UAR), and hospital charge master rates and changes to the Arizona Department of Health Services. AHCCCS used hospital-reported information in the UAR for the analysis conducted for this report. None of the data was audited by AHCCCS; where hospital-submitted data was incomplete, it has been indicated on the attached table and excluded from the findings on the next page. AHCCCS did make adjustments to data for two hospitals – one which contained mathematical errors and one which reported data on the wrong lines; an indicator is also provided for these instances.

The most recent complete year for which data was available was 2012. There were numerous AHCCCS-related factors influencing hospital uncompensated care and profitability in 2011 and 2012, including:

- A 5 percent hospital payment rate decrease, effective April 1, 2011
- A 5 percent decrease to the outlier cost-to-charge ratios, effective April 1, 2011
- A 5 percent hospital payment rate decrease, effective October 1, 2011
- A 5 percent increase in the outlier threshold, effective October 1, 2011
- A 5 percent decrease to the outlier cost-to-charge ratios, effective October 1, 2011
- The establishment of a 25 day inpatient day limit, effective October 1, 2011
- The imposition of a freeze on the spend-down (MED) population effective May 1, 2011, and the subsequent elimination of that program effective October 1, 2011
- The imposition of a freeze on childless adult enrollment, effective July 8, 2011

¹ For example, hospitals such as Indian Health Service or tribal 638 hospitals, over which the state has no jurisdiction, were excluded from the assessment model and are excluded from this analysis.

- The implementation of several short-term funding mechanisms (e.g., SNCP) designed to help mitigate the increase in uncompensated care associated with the enrollment freeze.

It is important to note that the full impact of these reductions and mitigation funding may not be reflected in the 2012 fiscal year data. Hospital fiscal years vary; hospital FY 2012s ended in May, June, September or December. For a hospital fiscal year ending in June 2012, the full annual impact of a reduction beginning in October 2011 would not be realized until the following year. In addition, childless adult enrollment has continued to decline over the duration of the freeze. On the mitigation side, due to the differences in hospital fiscal years, hospital reporting of SNCP payments, and the expansion of SNCP to additional hospitals through the City of Phoenix hospital assessment, the full impact of SNCP mitigation strategies were not reflected. Both Phoenix Children's Hospital and the University of Arizona Medical Center (University Campus and South Campus) report SNCP revenue on the 2012 UAR as part of their total revenues, which means this additional funding is included the hospital's net operating margin calculation. The total additional SNCP funding reported in 2012 was \$92 million for Phoenix Children's Hospital, \$31.8 million for the University of Arizona Medical Center hospitals, and \$41.7 million for Maricopa Medical Center.

Other factors complicating the analysis of 2012 data, also discussed in the *Conclusion* section, include short-term business decisions hospitals were making in anticipation of the increase in coverage associated with the Affordable Care Act, and the potential longer-term impact of the change in circumstances resulting from the Supreme Court decision on that matter.

For the Report due October 1, 2014, and thereafter, AHCCCS may redefine the format and content of this reporting tool. The 2014 Report may include a restatement of the data included in this 2013 Report using the future methodology, and/or additional 2011/2012 variables, if possible and appropriate. In addition, in future years, AHCCCS may take additional steps to validate the hospital-reported data and make adjustments as appropriate. This may include additional analysis of individual hospital circumstances. For example, some hospitals received the temporary additional AHCCCS supplemental payments in FY 2012 as described above. These payments had a clear positive impact on hospital finances, and helped mitigate some of the expected increases in uncompensated care from FY 2011 to FY 2012. Future analyses will provide a more extensive analysis of these contributing factors to provide a more comprehensive picture of hospital finances.

Summary of Findings

Statistics provided in this Summary of Findings are compiled based on individual and summary data for Arizona hospitals included in the attachment.

1. Uncompensated Care Costs

AHCCCS found a wide range of uncompensated care costs reported by hospitals, with such costs across all hospitals exceeding \$500 million in 2011 and over \$700 million in 2012. The following statistics are noted in Table 1 (in total dollars):

Table 1 – Uncompensated Care Costs, All Hospitals

	<u>2011</u>	<u>2012</u>	<u>Percentage Change</u>
Total Uncompensated Care	\$503.3 Million	\$733.8 Million	45.79%
Average Uncompensated Care Costs	\$5.8 Million	\$8.1 Million	39.63%
Lowest Uncompensated Care Costs*	\$114	\$2,628	
Highest Uncompensated Care Costs	\$66.6 Million	\$107.7 Million	

*Excludes one facility where the reported uncompensated care cost on the UAR is negative

2. Percentage of Uncompensated Care

Uncompensated care costs were also examined as a percentage of total expenses, with hospitals reporting just under 4% of total uncompensated care costs as a percentage of total expenses in 2011 and under 6% in 2012 (both calculations weighted), as shown in Table 2.

Table 2 – Percent of Uncompensated Care, All Hospitals

	<u>2011</u>	<u>2012</u>	<u>Percentage Change</u>
Average % of Uncompensated Care	3.82%	5.76%	50.98%
Lowest % of Uncompensated Care*	0.04%	0.01%	
Highest % of Uncompensated Care	14.86%	24.11%	

*Excludes one facility where the reported uncompensated care cost on the UAR is negative

3. Profitability

Profitability also ranged greatly, from significant losses to significant gains. In total, Arizona hospitals included in this analysis had profits exceeding \$700 million in 2011 and \$600 million in 2012. Table 3 shows net operating profit and (loss) statistics observed.

Table 3 – Operating Profitability, All Hospitals

	<u>2011</u>	<u>2012</u>	<u>Percentage Change</u>
Average Profitability	\$8.1 Million	\$7.0 Million	(13.53)%
Lowest Profitability/(Highest Loss)	(\$37.8) Million	(\$47.1) Million	
Highest Profitability	\$88.2 Million	\$73.5 Million	

4. Operating Margin

Operating margin, defined as profit/loss as a percentage of total revenue, averaged over 5% across all hospitals in 2011 and under 5% in 2012, representing a decline of almost 10%, as shown in Table 4. For the purposes of this analysis, Operating Margin equals Total Profit(Loss)/Total Revenue (weighted). The 2011 average operating margin for Arizona hospitals is consistent with the national average operating margin of 5.5% of the same year.²

Table 4 – Operating Margin, All Hospitals

	<u>2011</u>	<u>2012</u>	<u>Percentage Change</u>
Average Operating Margin	5.14%	4.63%	(9.97)%
Lowest Operating Margin	(29.51)%	(36.84)%	
Highest Operating Margin	40.24%	40.63%	

5. Occupancy Rates

In addition to the items specifically requested in legislation, AHCCCS thought that hospital occupancy rates might also be of interest in helping provide context to these figures. Table 5 shows a 3.43% decline in average occupancy from 2011 to 2012:

Table 5 – Occupancy Rate, All Hospitals

	<u>2011</u>	<u>2012</u>	<u>Percentage Change</u>
Average Occupancy Rate	62.03%	59.91%	(3.43)%
Lowest Occupancy Rate*	4.36%	0.46%	
Highest Occupancy Rate	94.83%	97.50%	

*Excludes one facility where the reported occupancy on the UAR is zero

² Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2011, for community hospitals. AHCCCS was unable to locate a comparable 2012 statistic for national average hospital operating margin.

AHCCCS anticipates that future reporting will stratify the data in a variety of ways to provide more meaningful results, possibly including but not limited to:

- urban versus rural facilities
- high Medicaid volume versus low Medicaid volume facilities
- statistics by hospital type, e.g.:
 - short-term
 - rehab
 - psych
 - children's
 - Critical Access Hospitals (CAH)
- statistics by occupancy rates

Conclusion

The 2011 and 2012 hospital uncompensated cost and profitability data, and the changes observed year-over-year, provide a baseline that will be useful for future year comparisons of these factors. This data should also offer a reference point for hospital financial review prior to the changes in Medicaid coverage effective January 1, 2014. However, as noted earlier, AHCCCS has not validated the hospital-reported data for accuracy.

Due to the timing of the report, AHCCCS has also not comprehensively analyzed what factors might be contributing to the uncompensated care and profitability figures reported by hospitals in 2011 and 2012. For example, as noted in the *Definitions, Data Sources and Limitations* above, AHCCCS implemented numerous budget reductions in 2011 that impacted hospitals. At the same time, AHCCCS also implemented several temporary solutions to mitigate some of the budget reductions that were affecting hospitals, such as the Safety Net Care Pool and obtaining a federal match for trauma center funding, which provided an additional \$13 million for hospital emergency departments and trauma centers. These additional funding mechanisms began in 2012 and are reflected in these figures. Further, in 2012, hospitals were making short-term funding decisions to bridge the period between the AHCCCS budget reductions and what was believed at the time to be a mandatory Medicaid expansion under the Affordable Care Act. When the Supreme Court ruled that states had the option to expand Medicaid, hospitals began to analyze the longer-term impact of both the AHCCCS reductions and potential impact of no childless adult coverage beyond 2013.

Therefore, AHCCCS recommends using caution before using any information in this report to draw conclusions from this data. AHCCCS hopes to provide a more thorough analysis in its next report.

**Comparison of Hospital Uniform Accounting Report Data
HFY 2011 and HFY 2012**

Hospital Name	Arizona Heart Hospital	Arizona Orthopedic Surgical Hospital	Arizona Regional Medical Center - Apache Junction	Arizona Regional Medical Center	Arizona Spine & Joint Hospital	Arrowhead Hospital	Aurora Behavioral Healthcare-Phoenix	Aurora Behavioral Healthcare-Tempe	Banner Baywood Medical Center	Banner Behavioral Health Hospital
2011 UAR										
Occupancy Rate	41.74%	28.33%	42.82%	19.76%	22.17%	56.00%	81.63%	48.05%	70.02%	91.10%
Net Operating Profit(Loss)	\$ (2,322,000)	\$ 2,563,929	\$ 2,076,347	\$ (1,857,716)	\$ 1,297,996	\$ 25,715,000	\$ 1,605,966	\$ (2,464,782)	\$ 22,622,745	\$ (1,373,184)
Net Operating Margin	-4.29%	9.82%	7.38%	-4.02%	6.97%	15.30%	7.31%	-21.81%	8.05%	-5.27%
Days in Accounts Receivable	69	50	0	72	38	40	40	41	33	48
Cost to Charge Ratio	27.50%	18.30%	29.61%	39.12%	25.66%	22.32%	44.94%	62.57%	22.88%	51.10%
Cost of Bad Debts	\$ 331,946	\$ 53,166	\$ 2,602,946	\$ 6,912,195	\$ 114	\$ 1,727,197	\$ 366,449	\$ 657,441	\$ 3,832,175	\$ 1,520,370
Charity Cost	\$ 151,260	\$ -	\$ 11,734	\$ 234,288	\$ -	\$ 262,495	\$ 27,422	\$ 47,261	\$ 4,518,406	\$ 1,291,259
Uncompensated Care Cost	\$ 483,206	\$ 53,166	\$ 2,614,680	\$ 7,146,483	\$ 114	\$ 1,989,692	\$ 393,872	\$ 704,702	\$ 8,350,580	\$ 2,811,629
Uncompensated Care Cost as a % of Total Expenses	0.86%	0.23%	10.03%	14.86%	0.00%	1.40%	1.93%	5.12%	3.23%	10.25%
2012 Uniform Accounting Report										
2012 UAR										
Occupancy Rate	53.86%	23.70%			25.87%	53.54%	83.04%	80.42%	68.17%	91.95%
Net Operating Profit(Loss)	\$ 957,956	\$ 1,970,610			\$ (120,442)	\$ 24,640,964	\$ 1,711,971	\$ 21,363	\$ 41,181,595	\$ (614,765)
Net Operating Margin	1.32%	7.95%			-0.66%	15.46%	7.69%	0.13%	15.35%	-2.70%
Days in Accounts Receivable	50	52			32	44	59	67	38	46
Cost to Charge Ratio	25.87%	16.99%			26.96%	20.88%	45.19%	46.60%	19.18%	43.36%
Cost of Bad Debts	\$ 1,061,780	\$ 95,800			\$ 76,641	\$ 2,332,607	\$ 514,677	\$ 651,565	\$ 4,741,695	\$ 2,358,020
Charity Cost	\$ 57,710	\$ 19,880			\$ -	\$ 307,486	\$ 169,501	\$ 157,471	\$ 6,799,796	\$ 2,048,765
Uncompensated Care Cost	\$ 1,119,490	\$ 115,680			\$ 76,641	\$ 2,640,094	\$ 684,178	\$ 809,036	\$ 11,541,491	\$ 4,406,785
Uncompensated Care Cost as a % of Total Expenses	1.57%	0.51%			0.42%	1.96%	3.33%	4.77%	5.08%	18.82%
2011 vs 2012										
Average Occupancy Percentage Points	12.1	-4.6			3.7	-2.5	1.4	32.4	-1.8	0.8
Net Operating Profit(Loss)	\$ 3,279,956	\$ (593,319)			\$ (1,418,438)	\$ (1,074,036)	\$ 106,005	\$ 2,486,145	\$ 18,558,850	\$ 758,419
Net Operating Margin	5.6	-1.9			-7.6	0.2	0.4	21.9	7.3	2.6
Average Days in Accounts Receivable	-19	2			-6	4	19	26	5	-2
Cost to Charge Ratio	-1.6	-1.3			1.3	-1.4	0.2	-16.0	-3.7	-7.7
Cost of Bad Debts	\$ 729,834	\$ 42,635			\$ 76,528	\$ 605,410	\$ 148,228	\$ (5,876)	\$ 909,520	\$ 837,650
Charity Cost	\$ (93,550)	\$ 19,880			\$ -	\$ 44,992	\$ 142,078	\$ 110,210	\$ 2,281,390	\$ 757,506
Uncompensated Care Cost	\$ 636,284	\$ 62,514			\$ 76,528	\$ 650,402	\$ 290,307	\$ 104,334	\$ 3,190,910	\$ 1,595,156
Uncompensated Care Cost as a % of Total Expenses	0.7	0.3			0.4	0.6	1.4	-0.3	1.9	8.6

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.

**Comparison of Hospital Uniform Accounting
HFY 2011 and HFY 2012**

Hospital Name	Banner Boswell Medical Center	Banner Del E. Webb Medical Center	Banner Desert Medical Center	Banner Estrella Medical Center	Banner Gateway Medical Center	Banner Good Samaritan Medical Center	Banner Heart Hospital	Banner Ironwood Medical Center	Banner Thunderbird Medical Center	Benson Hospital Corp	Holy Cross Hospital
Occupancy Rate	61.82%	61.22%	82.98%	82.23%	65.99%	78.22%	55.21%	46.51%	75.41%	20.62%	38.94%
Net Operating Profit(Loss)	\$ 35,697,644	\$ 17,839,222	\$ 28,209,005	\$ 40,047,032	\$ (12,252,935)	\$ 41,097,950	\$ 24,708,634	\$ (13,462,279)	\$ 22,135,886	\$ 11,169	\$ (2,719,750)
Net Operating Margin	11.24%	6.84%	5.13%	14.59%	-6.67%	5.84%	18.72%	-29.51%	4.95%	0.11%	-11.21%
Days in Accounts Receivable	30	33	36	34	39	40	36	40	38	63	48
Cost to Charge Ratio	19.54%	20.59%	29.07%	21.25%	27.88%	28.97%	18.27%	34.20%	28.01%	56.51%	36.15%
Cost of Bad Debts	\$ 2,109,281	\$ 2,744,139	\$ 10,481,770	\$ 6,488,839	\$ 4,754,566	\$ 12,175,198	\$ 506,679	\$ 2,593,492	\$ 9,212,732	\$ -	\$ 848,968
Charity Cost	\$ 3,707,284	\$ 4,779,600	\$ 16,155,400	\$ 9,482,664	\$ 6,456,601	\$ 16,667,151	\$ 1,182,605	\$ 2,789,933	\$ 11,433,313	\$ -	\$ 281,517
Uncompensated Care Cost	\$ 5,816,565	\$ 7,523,740	\$ 26,637,169	\$ 15,971,503	\$ 11,211,167	\$ 28,842,349	\$ 1,689,284	\$ 5,383,425	\$ 20,646,045	\$ -	\$ 1,130,485
Uncompensated Care Cost as a % of Total Expenses	2.06%	3.10%	5.11%	6.81%	5.72%	4.35%	1.57%	9.11%	4.86%	0.00%	4.19%

2012 Uniform Accounting Report

Occupancy Rate	61.33%	56.39%	69.40%	76.82%	62.69%	69.69%	53.22%	31.70%	73.40%	20.67%	33.97%
Net Operating Profit(Loss)	\$ 29,672,041	\$ 17,461,231	\$ 47,335,658	\$ 43,213,955	\$ (8,371,055)	\$ 73,532,460	\$ 23,350,614	\$ (14,452,081)	\$ 40,624,621	\$ 276,263	\$ (3,216,574)
Net Operating Margin	10.27%	7.12%	9.14%	17.93%	-3.99%	10.83%	19.57%	-36.84%	9.35%	2.14%	-15.83%
Days in Accounts Receivable	33	35	41	41	39	38	34	35	41	66	55
Cost to Charge Ratio	18.74%	18.95%	24.56%	17.04%	24.69%	26.95%	16.64%	29.03%	23.56%	52.52%	29.54%
Cost of Bad Debts	\$ 4,054,562	\$ 4,753,357	\$ 16,619,798	\$ 8,081,987	\$ 6,099,672	\$ 20,076,728	\$ 1,152,828	\$ 2,515,168	\$ 13,807,276	\$ 656,562	\$ 455,935
Charity Cost	\$ 5,618,504	\$ 6,298,927	\$ 20,507,853	\$ 11,308,418	\$ 8,709,635	\$ 25,105,876	\$ 1,927,480	\$ 2,930,848	\$ 16,683,426	\$ 74,158	\$ 373,377
Uncompensated Care Cost	\$ 9,673,066	\$ 11,052,284	\$ 37,127,650	\$ 19,390,405	\$ 14,809,307	\$ 45,182,604	\$ 3,080,309	\$ 5,446,017	\$ 30,490,702	\$ 730,719	\$ 829,312
Uncompensated Care Cost as a % of Total Expenses	3.73%	4.85%	7.89%	9.80%	6.79%	7.46%	3.21%	10.14%	7.74%	5.80%	3.52%

Average Occupancy Percentage Points	-0.5	-4.8	-13.6	-5.4	-3.3	-8.5	-2.0	-14.8	-2.0		-5.0
Net Operating Profit(Loss)	\$ (6,025,603)	\$ (377,991)	\$ 19,126,653	\$ 3,166,923	\$ 3,881,880	\$ 32,434,510	\$ (1,358,020)	\$ (989,802)	\$ 18,488,735		\$ (496,824)
Net Operating Margin	-1.0	0.3	4.0	3.3	2.7	5.0	0.8	-7.3	4.4		-4.6
Average Days in Accounts Receivable	3	2	5	7	0	-2	-2	-5	3		7
Cost to Charge Ratio	-0.8	-1.6	-4.5	-4.2	-3.2	-2.0	-1.6	-5.2	-4.5		-6.6
Cost of Bad Debts	\$ 1,945,281	\$ 2,009,218	\$ 6,138,028	\$ 1,593,148	\$ 1,345,106	\$ 7,901,530	\$ 646,149	\$ (78,324)	\$ 4,594,544		\$ (393,034)
Charity Cost	\$ 1,911,220	\$ 1,519,327	\$ 4,352,453	\$ 1,825,754	\$ 2,253,034	\$ 8,438,725	\$ 744,876	\$ 140,916	\$ 5,250,113		\$ 91,860
Uncompensated Care Cost	\$ 3,856,501	\$ 3,528,544	\$ 10,490,481	\$ 3,418,902	\$ 3,598,139	\$ 16,340,254	\$ 1,391,025	\$ 62,592	\$ 9,844,657		\$ (301,173)
Uncompensated Care Cost as a % of Total Expenses	1.7	1.8	2.8	3.0	1.1	3.1	1.6	1.0	2.9		-0.7

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.

**Comparison of Hospital Uniform Accounting
HFY 2011 and HFY 2012**

Hospital Name	Carondelet St. Joseph's	St. Joseph's Behavioral - Carondelet	St. Mary's Hospital & Health Care Center	Carondelet Health Network Behavioral Health Extended Care Unit	Casa Grande Regional Medical Center	Chandler Regional Medical Center	Cobre Valley Regional Medical Ctr	Community Counseling Centers, Inc at PineView Hospital	Copper Queen Community Hospital	Cornerstone Hospital of Southeast Arizona	Flagstaff Medical Center
Occupancy Rate	55.51%	93.44%	52.01%	45.40%	49.82%	89.86%	58.40%	56.52%	35.79%	57.38%	63.13%
Net Operating Profit(Loss)	\$ (11,974,202)	\$ (748,682)	\$ (17,821,800)	\$ (638,882)	\$ 6,259,685	\$ 33,083,037	\$ 3,261,789	\$ (38,499)	\$ 1,850,620	\$ (544,863)	\$ 28,924,000
Net Operating Margin	-4.54%	-46.25%	-8.57%	-82.58%	5.03%	9.33%	8.28%	-1.42%	8.43%	-5.40%	7.54%
Days in Accounts Receivable	45	7,265	49	13,059	38	52	46	5	54	75	45
Cost to Charge Ratio	24.50%	33.83%	27.21%	45.14%	29.52%	19.92%	47.02%	101.15%	38.93%	36.27%	39.69%
Cost of Bad Debts	\$ 3,836,935	\$ -	\$ 5,917,941	\$ -	\$ 4,108,740	\$ 8,108,687	\$ 718,989	\$ 25,118	\$ 331,298	\$ 50,536	\$ 13,332,530
Charity Cost	\$ 2,283,403	\$ 19,710	\$ 2,938,708	\$ 18,474	\$ 308,609	\$ 2,545,387	\$ 36,946	\$ -	\$ 87,008	\$ -	\$ 4,743,815
Uncompensated Care Cost	\$ 6,120,338	\$ 19,710	\$ 8,856,648	\$ 18,474	\$ 4,417,349	\$ 10,654,074	\$ 755,935	\$ 25,118	\$ 418,305	\$ 50,536	\$ 18,076,346
Uncompensated Care Cost as a % of Total Expenses	2.22%	0.83%	3.92%	1.31%	3.74%	3.31%	2.09%	0.91%	2.08%	0.48%	5.10%

2012 Uniform Accounting Report

Occupancy Rate	46.77%	92.31%	39.14%	12.57%	48.72%	84.13%	50.15%	48.77%	35.34%	67.80%	59.75%
Net Operating Profit(Loss)	\$ (40,960,757)	\$ (587,002)	\$ (47,126,983)	\$ (236,784)	\$ 579,898	\$ 24,993,362	\$ 1,564,113	\$ (482,058)	\$ 2,667,949	\$ 101,389	\$ 45,253,000
Net Operating Margin	-19.77%	-47.31%	-33.89%	-153.74%	0.53%	7.91%	4.90%	-22.51%	11.77%	0.92%	12.45%
Days in Accounts Receivable	62	10,177	69	59,232	54	63	64	12	65	63	51
Cost to Charge Ratio	21.71%	26.15%	22.85%	41.62%	24.99%	17.21%	40.07%	118.56%	36.29%	32.65%	35.05%
Cost of Bad Debts	\$ 3,919,561	\$ 28,756	\$ 2,538,868	\$ 5,372	\$ 6,091,491	\$ 10,467,997	\$ 1,759,227	\$ 75,978	\$ 331,672	\$ 39,336	\$ 16,331,272
Charity Cost	\$ 3,571,295	\$ 26,201	\$ 4,820,248	\$ 10,199	\$ 768,166	\$ 4,409,432	\$ 1,460,521	\$ -	\$ 213,601	\$ -	\$ 3,148,193
Uncompensated Care Cost	\$ 7,490,856	\$ 54,956	\$ 7,359,116	\$ 15,570	\$ 6,859,657	\$ 14,877,428	\$ 3,219,748	\$ 75,978	\$ 545,273	\$ 39,336	\$ 19,479,465
Uncompensated Care Cost as a % of Total Expenses	3.02%	3.03%	3.95%	3.98%	6.34%	5.11%	10.60%	2.90%	2.73%	0.36%	6.12%

Average Occupancy Percentage Points	-8.7		-12.9			-5.7	-8.3	-7.8	-0.5	10.4	-3.4
Net Operating Profit(Loss)	\$ (28,986,555)		\$ (29,305,183)			\$ (8,089,675)	\$ (1,697,676)	\$ (443,559)	\$ 817,329	\$ 646,252	\$ 16,329,000
Net Operating Margin	-15.2		-25.3			-1.4	-3.4	-21.1	3.3	6.3	4.9
Average Days in Accounts Receivable	17		20			11	18	7	11	-12	6
Cost to Charge Ratio	-2.8		-4.4			-2.7	-7.0	17.4	-2.6	-3.6	-4.6
Cost of Bad Debts	\$ 82,626		\$ (3,379,073)			\$ 2,359,309	\$ 1,040,239	\$ 50,859	\$ 374	\$ (11,200)	\$ 2,998,742
Charity Cost	\$ 1,287,891		\$ 1,881,540			\$ 1,864,044	\$ 1,423,575	\$ -	\$ 126,593	\$ -	\$ (1,595,623)
Uncompensated Care Cost	\$ 1,370,517		\$ (1,497,533)			\$ 4,223,354	\$ 2,463,814	\$ 50,859	\$ 126,967	\$ (11,200)	\$ 1,403,119
Uncompensated Care Cost as a % of Total Expenses	0.8	2.2	0.0			1.8	8.5	2.0	0.6	-0.1	1.0

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.

**Comparison of Hospital Uniform Accounting
HFY 2011 and HFY 2012**

Hospital Name	Florence Hospital at Anthem	Freedom Pain Hospital	Gilbert Hospital	Scottsdale Healthcare Greenbaum Surgical	The Guidance Center, Inc.	Havasu Regional Medical Center	Haven Senior Horizons	HealthSouth Mesa Rehabilitation Hospital, LLC	HealthSouth Rehabilitation Hospital of Southern Arizona	HealthSouth Rehabilitation Institute of Tucson	HealthSouth Valley of the Sun Rehabilitation Hospital, LLC
Occupancy Rate			84.54%	4.36%	52.88%	40.52%	86.37%	62.96%	74.36%	68.84%	65.61%
Net Operating Profit(Loss)			\$ 11,470,811	\$ 4,703,506	\$ 734,300	\$ 35,036,000	\$ 1,688,053	\$ 2,294,520	\$ 3,141,073	\$ 6,109,823	\$ 5,483,600
Net Operating Margin			17.12%	21.83%	22.57%	22.64%	20.88%	13.63%	16.30%	24.62%	24.12%
Days in Accounts Receivable			37	0	826	45	44	45	28	64	35
Cost to Charge Ratio			33.75%	17.33%	91.62%	23.67%	45.66%	52.37%	53.77%	42.91%	47.41%
Cost of Bad Debts			\$ 5,930,880	\$ 7,238	\$ -	\$ 2,290,701	\$ 56,442	\$ 44,752	\$ 12,781	\$ 100,521	\$ 92,176
Charity Cost			\$ -	\$ -	\$ -	\$ 210,419	\$ -	\$ -	\$ -	\$ 30,791	\$ 63,462
Uncompensated Care Cost			\$ 5,930,880	\$ 7,238	\$ -	\$ 2,501,120	\$ 56,442	\$ 44,752	\$ 12,781	\$ 131,311	\$ 155,638
Uncompensated Care Cost as a % of Total Expenses			10.68%	0.04%	0.00%	2.09%	0.88%	0.31%	0.08%	0.70%	0.90%

2012 Uniform Accounting Report

Occupancy Rate	14.82%	0.46%	50.50%	3.49%	74.55%	41.60%	84.34%	66.70%	68.11%	66.32%	64.09%
Net Operating Profit(Loss)	\$ (12,464,667)	\$ (1,153,384)	\$ (249,944)	\$ 6,381,000	\$ 218,677	\$ 35,115,000	\$ 1,579,293	\$ 2,337,812	\$ 2,248,338	\$ 4,988,119	\$ 4,816,818
Net Operating Margin	-85.75%	-41.15%	-0.67%	27.63%	7.09%	23.01%	20.27%	12.75%	12.50%	20.56%	21.44%
Days in Accounts Receivable	0	311	43	0	800	60	45	41	30	24	44
Cost to Charge Ratio	40.67%	76.54%	25.47%	16.37%	92.91%	19.69%	46.13%	56.67%	55.75%	46.31%	47.99%
Cost of Bad Debts	\$ 2,396,142	\$ -	\$ 3,767,910	\$ 8,551	\$ -	\$ 3,892,285	\$ 22,232	\$ 105,148	\$ 68,815	\$ 128,090	\$ 100,004
Charity Cost	\$ 5,505	\$ -	\$ -	\$ -	\$ -	\$ 318,746	\$ 4,123	\$ -	\$ -	\$ 33,227	\$ 171,606
Uncompensated Care Cost	\$ 2,401,647	\$ -	\$ 3,767,910	\$ 8,551	\$ -	\$ 4,211,031	\$ 26,355	\$ 105,148	\$ 68,815	\$ 161,317	\$ 271,610
Uncompensated Care Cost as a % of Total Expenses	8.37%	0.00%	10.11%	0.05%	0.00%	3.58%	0.42%	0.66%	0.44%	0.84%	1.54%

Average Occupancy Percentage Points			-34.0	-0.9		1.1	-2.0	3.7	-6.2	-2.5	-1.5
Net Operating Profit(Loss)			\$ (11,720,755)	\$ 1,677,494		\$ 79,000	\$ (108,760)	\$ 43,292	\$ (892,735)	\$ (1,121,703)	\$ (666,782)
Net Operating Margin			-17.8	5.8		0.4	-0.6	-0.9	-3.8	-4.1	-2.7
Average Days in Accounts Receivable			6	0		15	1	-4	2	-40	9
Cost to Charge Ratio			-8.3	-1.0		-4.0	0.5	4.3	2.0	3.4	0.6
Cost of Bad Debts			\$ (2,162,970)	\$ 1,313		\$ 1,601,584	\$ (34,210)	\$ 60,396	\$ 56,034	\$ 27,569	\$ 7,828
Charity Cost			\$ -	\$ -		\$ 108,327	\$ 4,123	\$ -	\$ -	\$ 2,437	\$ 108,144
Uncompensated Care Cost			\$ (2,162,970)	\$ 1,313		\$ 1,709,911	\$ (30,087)	\$ 60,396	\$ 56,034	\$ 30,006	\$ 115,972
Uncompensated Care Cost as a % of Total Expenses			-0.6	0.0		1.5	-0.5	0.3	0.4	0.1	0.6

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.

**Comparison of Hospital Uniform Accounting
HFY 2011 and HFY 2012**

Hospital Name	HealthSouth Scottsdale Rehabilitation Hospital	John C. Lincoln Deer Valley Hospital	John C. Lincoln North Mountain Hospital	Kindred Hospital of Tucson	Kindred Hospital Arizona - NW Phoenix	Kindred Hospital Arizona - Phoenix	Kindred Hospital Arizona - Scottsdale	Kingman Regional Medical Center	La Paz Regional	Little Colorado Medical Center	Los Niños Hospital
Occupancy Rate	0.00%	60.77%	71.68%	55.07%	38.26%	50.54%	30.31%	53.86%	21.66%	41.91%	55.38%
Net Operating Profit(Loss)	\$ 6,888,945	\$ 15,036,036	\$ 14,242,661	\$ (868,000)	\$ (1,855,421)	\$ (4,717,437)	\$ (4,104,385)	\$ 272,605	\$ 354,029	\$ 1,986,202	\$ 2,366,067
Net Operating Margin	31.01%	7.91%	5.54%	-6.26%	-14.29%	-29.17%	-47.18%	0.13%	1.43%	7.50%	13.82%
Days in Accounts Receivable	37	41	47	63	45	51	69	63	36	52	35
Cost to Charge Ratio	44.02%	20.02%	21.86%	44.28%	34.18%	36.74%	44.55%	34.83%	39.13%	31.59%	45.26%
Cost of Bad Debts	\$ 104,800	\$ 4,568,141	\$ 7,364,644	\$ -	\$ -	\$ -	\$ -	\$ 6,245,595	\$ 1,165,981	\$ 623,293	\$ 28,613
Charity Cost	\$ -	\$ 7,498,024	\$ 10,812,408	\$ -	\$ -	\$ -	\$ -	\$ 1,250,898	\$ 225,482	\$ -	\$ -
Uncompensated Care Cost	\$ 104,800	\$ 12,066,165	\$ 18,177,052	\$ -	\$ -	\$ -	\$ -	\$ 7,496,493	\$ 1,391,463	\$ 623,293	\$ 28,613
Uncompensated Care Cost as a % of Total Expenses	0.68%	6.90%	7.48%	0.00%	0.00%	0.00%	0.00%	3.49%	5.70%	2.55%	0.19%

2012 Uniform Accounting Report

Occupancy Rate	77.49%	62.33%	75.31%	55.86%	33.42%	52.29%	9.28%	61.64%	23.25%	38.14%	50.06%
Net Operating Profit(Loss)	\$ 3,689,143	\$ 15,768,204	\$ 13,605,743	\$ 9,425,877	\$ (2,139,882)	\$ (2,932,566)	\$ (4,396,913)	\$ 7,760,647	\$ 237,659	\$ 753,105	\$ 2,496,103
Net Operating Margin	17.21%	7.99%	4.90%	64.52%	-18.08%	-15.68%	-152.63%	3.62%	1.08%	3.09%	15.26%
Days in Accounts Receivable	40	45	57	0	50	52	29	69	45	71	31
Cost to Charge Ratio	53.30%	19.40%	21.27%	14.08%	35.34%	35.46%	86.11%	26.29%	36.10%	28.98%	50.19%
Cost of Bad Debts	\$ 157,895	\$ 6,985,439	\$ 11,428,002	\$ -	\$ -	\$ -	\$ -	\$ 5,487,440	\$ 819,803	\$ 1,560,026	\$ 19,222
Charity Cost	\$ 272,311	\$ 10,110,333	\$ 14,267,568	\$ -	\$ -	\$ -	\$ -	\$ 4,652,724	\$ 636,055	\$ 305,324	\$ -
Uncompensated Care Cost	\$ 430,205	\$ 17,095,772	\$ 25,695,570	\$ -	\$ -	\$ -	\$ -	\$ 10,140,164	\$ 1,455,858	\$ 1,865,350	\$ 19,222
Uncompensated Care Cost as a % of Total Expenses	2.42%	9.42%	9.74%	0.00%	0.00%	0.00%	0.00%	4.91%	6.69%	7.91%	0.14%

Average Occupancy Percentage Points	77.5	1.6	3.6					7.8	1.6	-3.8	-5.3
Net Operating Profit(Loss)	\$ (3,199,802)	\$ 732,168	\$ (636,918)					\$ 7,488,042	\$ (116,370)	\$ (1,233,098)	\$ 130,036
Net Operating Margin	-13.8	0.1	-0.6					3.5	-0.3	-4.4	1.4
Average Days in Accounts Receivable	3	4	10					6	9	19	-4
Cost to Charge Ratio	9.3	-0.6	-0.6					-8.5	-3.0	-2.6	4.9
Cost of Bad Debts	\$ 53,094	\$ 2,417,298	\$ 4,063,358					\$ (758,155)	\$ (346,178)	\$ 936,733	\$ (9,391)
Charity Cost	\$ 272,311	\$ 2,612,309	\$ 3,455,159					\$ 3,401,826	\$ 410,573	\$ 305,324	\$ -
Uncompensated Care Cost	\$ 325,405	\$ 5,029,607	\$ 7,518,517					\$ 2,643,671	\$ 64,395	\$ 1,242,057	\$ (9,391)
Uncompensated Care Cost as a % of Total Expenses	1.7	2.5	2.3					1.4	1.0	5.4	-0.1

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.

**Comparison of Hospital Uniform Accounting
HFY 2011 and HFY 2012**

Hospital Name	Maricopa Medical Center	Maryvale Hospital and Medical Center	Mayo Clinic Arizona	Mercy Gilbert Medical Center	Mountain Valley Regional Rehabilitation Hospital	Mountain Vista Medical Center	Mt. Graham Medical Center	Northern Cochise Community Hospital	Northwest Medical Center	OASIS Hospital	Oro Valley Hospital
Occupancy Rate	64.08%	46.73%	72.38%	70.21%	80.43%	64.86%	36.21%	32.77%	63.89%		36.73%
Net Operating Profit(Loss)	\$ (37,845,070)	\$ 72,000	\$ 58,275,000	\$ 23,409,547	\$ 4,001,610	\$ (4,265,000)	\$ 3,396,223	\$ 539,204	\$ 15,186,908		\$ 2,238,100
Net Operating Margin	-8.39%	0.11%	6.38%	8.81%	24.88%	-2.77%	6.14%	2.64%	4.96%		2.75%
Days in Accounts Receivable	64	33	131	53	2,185	39	36	44	44		53
Cost to Charge Ratio	27.13%	23.70%	53.28%	20.33%	49.82%	19.41%	40.72%	52.40%	20.88%		20.62%
Cost of Bad Debts	\$ 12,293,131	\$ 1,639,766	\$ 10,205,173	\$ 5,896,130	\$ (42,034)	\$ 2,868,177	\$ 1,512,521	\$ 1,041,984	\$ 4,089,228		\$ 980,453
Charity Cost	\$ 54,264,922	\$ 1,753,524	\$ 4,847,124	\$ 1,146,491	\$ 11,768	\$ 23,298	\$ 535,276	\$ -	\$ 117,967		\$ 163,557
Uncompensated Care Cost	\$ 66,558,054	\$ 3,393,290	\$ 15,052,297	\$ 7,042,622	\$ (30,266)	\$ 2,891,475	\$ 2,047,798	\$ 1,041,984	\$ 4,207,196		\$ 1,144,010
Uncompensated Care Cost as a % of Total Expenses	13.61%	5.03%	1.76%	2.91%	-0.25%	1.83%	3.94%	5.24%	1.45%		1.45%

2012 Uniform Accounting Report

Occupancy Rate	63.37%	45.34%	68.33%	66.87%	76.83%	61.23%	32.33%	28.89%	64.63%	27.48%	37.17%
Net Operating Profit(Loss)	\$ (44,762,134)	\$ 1,431,439	\$ 56,044,359	\$ 18,381,266	\$ 2,470,887	\$ (3,348,000)	\$ 2,472,233	\$ 1,270,666	\$ 10,334,394	\$ (3,867,160)	\$ (1,730,714)
Net Operating Margin	-11.14%	2.54%	5.72%	8.13%	13.50%	-2.58%	4.53%	7.18%	3.61%	-8.03%	-2.00%
Days in Accounts Receivable	131	45	82	61	39	47	42	65	44	43	44
Cost to Charge Ratio	24.03%	19.73%	52.69%	17.70%	61.82%	16.38%	43.26%	44.26%	17.74%	43.97%	19.75%
Cost of Bad Debts	\$ 23,555,364	\$ 2,707,413	\$ 7,563,237	\$ 6,387,577	\$ -	\$ 4,366,094	\$ 2,743,815	\$ 1,075,406	\$ 6,102,315	\$ 269,601	\$ 1,338,763
Charity Cost	\$ 84,111,120	\$ 1,542,404	\$ 9,775,554	\$ 2,712,853	\$ 120,245	\$ 869,354	\$ 659,309	\$ 29,840	\$ 76,584	\$ -	\$ 153,273
Uncompensated Care Cost	\$ 107,666,483	\$ 4,249,816	\$ 17,338,791	\$ 9,100,430	\$ 120,245	\$ 5,235,449	\$ 3,403,124	\$ 1,105,246	\$ 6,178,900	\$ 269,601	\$ 1,492,036
Uncompensated Care Cost as a % of Total Expenses	24.11%	7.74%	1.88%	4.38%	0.89%	3.94%	6.53%	6.73%	2.24%	0.52%	1.69%

Average Occupancy Percentage Points	-0.7	-1.4	-4.1	-3.3		-3.6	-3.9	-3.9	0.7		0.4
Net Operating Profit(Loss)	\$ (6,917,064)	\$ 1,359,439	\$ (2,230,641)	\$ (5,028,281)		\$ 917,000	\$ (923,990)	\$ 731,462	\$ (4,852,514)		\$ (3,968,814)
Net Operating Margin	-2.8	2.4	-0.7	-0.7		0.2	-1.6	4.5	-1.3		-4.8
Average Days in Accounts Receivable	67	12	-49	8		8	6	21	0		-9
Cost to Charge Ratio	-3.1	-4.0	-0.6	-2.6		-3.0	2.5	-8.1	-3.1		-0.9
Cost of Bad Debts	\$ 11,262,232	\$ 1,067,646	\$ (2,641,936)	\$ 491,447		\$ 1,497,917	\$ 1,231,294	\$ 33,422	\$ 2,013,087		\$ 358,309
Charity Cost	\$ 29,846,198	\$ (211,120)	\$ 4,928,430	\$ 1,566,361		\$ 846,056	\$ 124,032	\$ 29,840	\$ (41,383)		\$ (10,284)
Uncompensated Care Cost	\$ 41,108,430	\$ 856,526	\$ 2,286,494	\$ 2,057,808		\$ 2,343,973	\$ 1,355,326	\$ 63,262	\$ 1,971,704		\$ 348,026
Uncompensated Care Cost as a % of Total Expenses	10.5	2.7	0.1	1.5		2.1	2.6	1.5	0.8		0.2

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.

**Comparison of Hospital Uniform Accounting
HFY 2011 and HFY 2012**

Hospital Name	Page Hospital	Paradise Valley Hospital	Payson Regional	Phoenix Baptist Hospital and Medical Center	Phoenix Children's Hospital	Promise Hospital of Phoenix	Remuda Ranch Center for Anorexia and Bulimia, Inc.	Restora Hospital of Mesa	Restora Hospital of Sun City	Scottsdale Healthcare Osborn	Scottsdale Healthcare Shea
Occupancy Rate	12.43%	71.60%	47.37%	45.24%	52.24%	12.57%				60.37%	51.20%
Net Operating Profit(Loss)	\$ 2,032,499	\$ (2,500,000)	\$ 16,725,820	\$ (1,924,000)	\$ (8,910,766)	\$ (3,205,743)				\$ 8,149,840	\$ 15,925,831
Net Operating Margin	11.46%	-2.62%	29.07%	-1.52%	-1.75%	-25.40%				2.36%	3.83%
Days in Accounts Receivable	44	41	25	39	51	162				41	35
Cost to Charge Ratio	45.98%	24.74%	14.37%	25.22%	33.06%	36.35%				27.45%	26.33%
Cost of Bad Debts	\$ 747,461	\$ 2,016,554	\$ 464,995	\$ 2,406,079	\$ 4,378,465	\$ 137,433				\$ 7,775,610	\$ 3,363,279
Charity Cost	\$ 388,163	\$ 841,303	\$ 295,850	\$ 1,060,319	\$ 21,529,453	\$ -				\$ 5,014,928	\$ 1,760,108
Uncompensated Care Cost	\$ 1,135,624	\$ 2,857,857	\$ 760,844	\$ 3,466,398	\$ 25,907,918	\$ 137,433				\$ 12,790,538	\$ 5,123,387
Uncompensated Care Cost as a % of Total Expenses	7.23%	2.92%	1.86%	2.70%	5.01%	0.87%				3.80%	1.28%

2012 Uniform Accounting Report

Occupancy Rate	11.15%	54.31%	41.95%	39.27%	61.54%	56.50%	10.35%	24.64%	20.95%	61.86%	49.10%
Net Operating Profit(Loss)	\$ 3,456,872	\$ (4,583,779)	\$ 16,831,050	\$ (1,835,068)	\$ 26,459,958	\$ (4,012,538)	\$ (2,987,796)	\$ (1,273,889)	\$ (1,212,163)	\$ 1,044,358	\$ 17,636,775
Net Operating Margin	19.26%	-5.81%	28.87%	-1.71%	4.00%	-29.53%	136.20%	-12.16%	-14.84%	0.33%	4.43%
Days in Accounts Receivable	42	44	42	46	44	82	86	145	175	62	39
Cost to Charge Ratio	38.94%	22.48%	14.02%	23.08%	33.89%	36.50%	89.67%	24.40%	35.49%	23.31%	23.72%
Cost of Bad Debts	\$ (918,710)	\$ 2,745,583	\$ 1,044,801	\$ 3,584,137	\$ 5,659,389	\$ 240,940	\$ 178,752	\$ 5,732	\$ 26,166	\$ 12,565,230	\$ 7,608,181
Charity Cost	\$ (311,385)	\$ 760,132	\$ -	\$ 521,731	\$ 5,139,021	\$ -	\$ -	\$ -	\$ -	\$ 14,688,106	\$ 4,657,155
Uncompensated Care Cost	\$ (1,230,094)	\$ 3,505,715	\$ 1,044,801	\$ 4,105,868	\$ 10,798,410	\$ 240,940	\$ 178,752	\$ 5,732	\$ 26,166	\$ 27,253,336	\$ 12,265,336
Uncompensated Care Cost as a % of Total Expenses	-8.49%	4.20%	2.52%	3.76%	1.70%	1.37%	3.45%	0.05%	0.28%	8.68%	3.23%

Average Occupancy Percentage Points	-1.3	-17.3	-5.4	-6.0	9.3	43.9				1.5	-2.1
Net Operating Profit(Loss)	\$ 1,424,373	\$ (2,083,779)	\$ 105,230	\$ 88,932	\$ 35,370,724	\$ (806,795)				\$ (7,105,482)	\$ 1,710,944
Net Operating Margin	7.8	-3.2	-0.2	-0.2	5.8	-4.1				-2.0	0.6
Average Days in Accounts Receivable	-2	3	17	7	-7	-80				21	4
Cost to Charge Ratio	-7.0	-2.3	-0.3	-2.1	0.8	0.1				-4.1	-2.6
Cost of Bad Debts	\$ (1,666,171)	\$ 729,029	\$ 579,807	\$ 1,178,058	\$ 1,280,924	\$ 103,507				\$ 4,789,620	\$ 4,244,901
Charity Cost	\$ (699,548)	\$ (81,171)	\$ (295,850)	\$ (538,588)	\$ (16,390,432)	\$ -				\$ 9,673,178	\$ 2,897,047
Uncompensated Care Cost	\$ (2,365,719)	\$ 647,858	\$ 283,957	\$ 639,470	\$ (15,109,508)	\$ 103,507				\$ 14,462,797	\$ 7,141,949
Uncompensated Care Cost as a % of Total Expenses	-15.7	1.3	0.7	1.1	-3.3	0.5				4.9	1.9

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.

**Comparison of Hospital Uniform Accounting
HFY 2011 and HFY 2012**

Hospital Name	Scottsdale Healthcare Thompson Peak	Select Specialty Hospital - Scottsdale	Select Specialty Hospital - Phoenix	Select Specialty Hospital - Phoenix Downtown	Sierra Vista Regional Health Center	Sonora Behavioral Health Hospital	Southeast Arizona Medical Center	St. Joseph's Hospital / Medical Center	St. Luke's Behavioral Hospital	St. Luke's Medical Center	Summit Healthcare Association
Occupancy Rate	56.97%	61.79%	73.30%	63.46%	52.63%	87.47%	14.63%	76.01%	94.83%	34.23%	34.22%
Net Operating Profit(Loss)	\$ (3,388,304)	\$ (578,097)	\$ 828,968	\$ 248,616	\$ 5,061,845	\$ 3,040,795	\$ (1,924,320)	\$ 88,158,949	\$ 8,383,000	\$ (2,851,000)	\$ 10,834,612
Net Operating Margin	-3.60%	-6.01%	4.10%	2.03%	5.20%	18.36%	-11.96%	8.70%	21.21%	-2.59%	8.96%
Days in Accounts Receivable	37	94	75	50	33	28	61	58	62	48	50
Cost to Charge Ratio	27.78%	39.17%	36.66%	39.03%	33.38%	41.63%	43.94%	28.67%	25.68%	21.47%	37.04%
Cost of Bad Debts	\$ 852,822	\$ 30,649	\$ 19,362	\$ 38,983	\$ 1,399,496	\$ 369,496	\$ 1,163,817	\$ 11,742,749	\$ 271,386	\$ 2,120,002	\$ 4,445,075
Charity Cost	\$ 537,879	\$ -	\$ -	\$ -	\$ -	\$ 24,164	\$ 17,393	\$ 16,793,256	\$ 196,158	\$ 140,417	\$ 883,981
Uncompensated Care Cost	\$ 1,390,702	\$ 30,649	\$ 19,362	\$ 38,983	\$ 1,399,496	\$ 393,660	\$ 1,181,209	\$ 28,536,005	\$ 467,543	\$ 2,260,419	\$ 5,329,056
Uncompensated Care Cost as a % of Total Expenses	1.43%	0.30%	0.10%	0.32%	1.52%	2.91%	6.56%	3.08%	1.50%	2.00%	4.84%

2012 Uniform Accounting Report

Occupancy Rate	63.75%	69.23%	69.63%	67.20%	47.55%	81.26%	21.69%	71.97%	97.50%	33.79%	35.83%
Net Operating Profit(Loss)	\$ 3,230,668	\$ 473,286	\$ 1,731,961	\$ 800,177	\$ 1,853,465	\$ 3,217,513	\$ (2,020,033)	\$ (30,618,190)	\$ 8,160,000	\$ 1,089,000	\$ (554,223)
Net Operating Margin	3.18%	3.99%	8.35%	6.14%	2.00%	23.66%	-21.57%	-3.58%	20.48%	1.05%	-0.46%
Days in Accounts Receivable	57	85	74	71	38	50	54	66	70	65	80
Cost to Charge Ratio	24.08%	36.27%	35.47%	37.07%	33.85%	38.95%	38.41%	29.27%	24.25%	17.75%	36.42%
Cost of Bad Debts	\$ 2,054,515	\$ 57,946	\$ 83,902	\$ 71,438	\$ 1,585,814	\$ 135,637	\$ 513,940	\$ 22,694,353	\$ 880,941	\$ 3,431,571	\$ 4,868,529
Charity Cost	\$ 1,012,586	\$ -	\$ -	\$ -	\$ 1,449,385	\$ -	\$ 60,277	\$ 32,393,254	\$ 215,627	\$ 461,116	\$ 1,492,322
Uncompensated Care Cost	\$ 3,067,102	\$ 57,946	\$ 83,902	\$ 71,438	\$ 3,035,199	\$ 135,637	\$ 574,217	\$ 55,087,608	\$ 1,096,568	\$ 3,892,687	\$ 6,360,851
Uncompensated Care Cost as a % of Total Expenses	3.11%	0.51%	0.44%	0.58%	3.34%	1.31%	5.04%	6.23%	3.46%	3.81%	5.21%

Average Occupancy Percentage Points	6.8	7.4	-3.7	3.7	-5.1	-6.2	7.1	-4.0	2.7	-0.4	1.6
Net Operating Profit(Loss)	\$ 6,618,972	\$ 1,051,383	\$ 902,993	\$ 551,561	\$ (3,208,380)	\$ 176,718	\$ (95,713)	\$ (118,777,139)	\$ (223,000)	\$ 3,940,000	\$ (11,388,835)
Net Operating Margin	6.8	10.0	4.3	4.1	-3.2	5.3	-9.6	-12.3	-0.7	3.6	-9.4
Average Days in Accounts Receivable	20	-9	-1	21	5	22	-7	8	8	17	30
Cost to Charge Ratio	-3.7	-2.9	-1.2	-2.0	0.5	-2.7	-5.5	0.6	-1.4	-3.7	-0.6
Cost of Bad Debts	\$ 1,201,693	\$ 27,297	\$ 64,540	\$ 32,455	\$ 186,318	\$ (233,859)	\$ (649,877)	\$ 10,951,604	\$ 609,555	\$ 1,311,569	\$ 423,454
Charity Cost	\$ 474,707	\$ -	\$ -	\$ -	\$ 1,449,385	\$ (24,164)	\$ 42,885	\$ 15,599,999	\$ 19,469	\$ 320,699	\$ 608,341
Uncompensated Care Cost	\$ 1,676,400	\$ 27,297	\$ 64,540	\$ 32,455	\$ 1,635,703	\$ (258,023)	\$ (606,992)	\$ 26,551,603	\$ 629,024	\$ 1,632,268	\$ 1,031,795
Uncompensated Care Cost as a % of Total Expenses	1.7	0.2	0.3	0.3	1.8	-1.6	-1.5	3.1	2.0	1.8	0.4

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.

**Comparison of Hospital Uniform Accounting
HFY 2011 and HFY 2012**

Hospital Name	Surgical Specialty Hospital of Arizona	St. Luke's Medical Center, LP dba Tempe St. Luke's Hospital	Trillium Specialty Hospital - East Valley	Trillium Specialty Hospital - West Valley	Tucson Medical Center	The University of Arizona Medical Center - University Campus	The University of Arizona Medical Center - South Campus	Valley Hospital	Valley View Medical Center	Verde Valley Medical Center	West Valley Hospital
Occupancy Rate	20.23%	41.01%	60.28%	49.37%	67.51%	77.75%	58.15%	43.42%	45.45%	47.51%	57.21%
Net Operating Profit(Loss)	\$ 855,059	\$ (3,583,000)	\$ 913,317	\$ 448,272	\$ 5,836,469	\$ 15,945,201	\$ (8,868,000)	\$ (424,018)	\$ 1,580,000	\$ 9,063,000	\$ 15,487,000
Net Operating Margin	3.69%	-6.51%	3.79%	2.42%	1.40%	2.56%	-6.15%	-2.74%	2.40%	5.55%	11.91%
Days in Accounts Receivable	32	63	71	60	44	53	87	85	61	34	48
Cost to Charge Ratio	29.96%	23.47%	21.93%	29.51%	30.64%	29.12%	55.64%	37.27%	23.82%	32.21%	21.89%
Cost of Bad Debts	\$ 89,523	\$ 2,865,532	\$ 81,951	\$ 14,911	\$ 5,954,968	\$ 4,584,065	\$ 11,331,677	\$ 447,849	\$ 2,698,661	\$ 4,809,617	\$ 290,544
Charity Cost	\$ -	\$ 102,089	\$ -	\$ -	\$ 6,238,163	\$ 9,251,752	\$ 714,420	\$ 165,008	\$ -	\$ 2,071,756	\$ 290,544
Uncompensated Care Cost	\$ 89,523	\$ 2,967,621	\$ 81,951	\$ 14,911	\$ 12,193,132	\$ 13,835,817	\$ 12,046,097	\$ 612,857	\$ 2,698,661	\$ 6,881,373	\$ 581,088
Uncompensated Care Cost as a % of Total Expenses	0.40%	5.06%	0.35%	0.08%	2.97%	2.28%	7.87%	3.85%	4.21%	4.46%	0.51%

2012 Uniform Accounting Report

Occupancy Rate	17.15%	46.45%	27.87%	23.95%	62.51%	80.01%	62.83%	62.53%	36.64%	45.81%	59.14%
Net Operating Profit(Loss)	\$ 358,868	\$ 628,000	\$ (501,593)	\$ 494,196	\$ 10,930,438	\$ 12,961,383	\$ (1,902,000)	\$ 6,920,502	\$ (1,425,000)	\$ 4,989,000	\$ 13,272,312
Net Operating Margin	1.74%	1.37%	-4.66%	5.42%	2.57%	2.00%	-1.42%	28.35%	-2.73%	3.38%	10.70%
Days in Accounts Receivable	44	93	141	144	45	54	71	77	64	39	50
Cost to Charge Ratio	29.67%	15.98%	21.68%	30.68%	29.18%	26.36%	38.43%	26.44%	17.54%	27.36%	19.70%
Cost of Bad Debts	\$ -	\$ 3,452,734	\$ 30,591	\$ 31,593	\$ 6,472,684	\$ 6,511,072	\$ 7,501,359	\$ 514,996	\$ 2,432,677	\$ 6,860,165	\$ 3,342,046
Charity Cost	\$ 2,628	\$ 312,157	\$ -	\$ -	\$ 8,384,035	\$ 13,525,697	\$ 3,225,832	\$ 46,682	\$ 1,754	\$ 1,283,271	\$ 627,646
Uncompensated Care Cost	\$ 2,628	\$ 3,764,891	\$ 30,591	\$ 31,593	\$ 14,856,720	\$ 20,036,769	\$ 10,727,191	\$ 561,679	\$ 2,434,431	\$ 8,143,437	\$ 3,969,692
Uncompensated Care Cost as a % of Total Expenses	0.01%	8.33%	0.27%	0.37%	3.58%	3.15%	7.92%	3.21%	4.54%	5.72%	3.59%

Average Occupancy Percentage Points	-3.1	5.4	-32.4	-25.4	-5.0	2.3	4.7	19.1	-8.8	-1.7	1.9
Net Operating Profit(Loss)	\$ (496,191)	\$ 4,211,000	\$ (1,414,910)	\$ 45,924	\$ 5,093,969	\$ (2,983,818)	\$ 6,966,000	\$ 7,344,520	\$ (3,005,000)	\$ (4,074,000)	\$ (2,214,688)
Net Operating Margin	-2.0	7.9	-8.4	3.0	1.2	-0.6	4.7	31.1	-5.1	-2.2	-1.2
Average Days in Accounts Receivable	12	30	70	84	1	1	-16	-8	3	5	2
Cost to Charge Ratio	-0.3	-7.5	-0.2	1.2	-1.5	-2.8	-17.2	-10.8	-6.3	-4.8	-2.2
Cost of Bad Debts	\$ (89,523)	\$ 587,202	\$ (51,360)	\$ 16,681	\$ 517,716	\$ 1,927,007	\$ (3,830,319)	\$ 67,148	\$ (265,984)	\$ 2,050,548	\$ 3,051,502
Charity Cost	\$ 2,628	\$ 210,068	\$ -	\$ -	\$ 2,145,872	\$ 4,273,945	\$ 2,511,412	\$ (118,325)	\$ 1,754	\$ (788,485)	\$ 337,102
Uncompensated Care Cost	\$ (86,895)	\$ 797,270	\$ (51,360)	\$ 16,681	\$ 2,663,588	\$ 6,200,952	\$ (1,318,906)	\$ (51,178)	\$ (264,230)	\$ 1,262,064	\$ 3,388,604
Uncompensated Care Cost as a % of Total Expenses	-0.4	3.3	-0.1	0.3	0.6	0.9	0.1	-0.6	0.3	1.3	3.1

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.

**Comparison of Hospital Uniform Accounting
HFY 2011 and HFY 2012**

Hospital Name	Western Arizona Regional Medical Center	Cancer Treatment Centers of America - Western Regional Medical Center	White Mountain Regional Medical Center	Wickenburg Community Hospital	Windhaven Psychiatric Hospital	Yavapai Regional Medical Center	Yavapai Regional Medical Center - East	Yuma Regional Medical Center	Yuma Rehabilitation Hospital
Occupancy Rate	53.96%	28.26%	18.02%	35.46%	65.60%	50.37%	46.32%	54.40%	75.38%
Net Operating Profit(Loss)	\$ 29,678,427	\$ 18,518,049	\$ 1,206,562	\$ (1,599,509)	\$ 549,614	\$ 12,923,791	\$ 14,677,160	\$ 24,061,239	\$ 6,020,821
Net Operating Margin	20.97%	15.98%	7.03%	-10.09%	11.20%	7.84%	19.89%	7.48%	40.24%
Days in Accounts Receivable	51	60	70	69	37	78	39	43	53
Cost to Charge Ratio	14.47%	59.23%	51.02%	69.90%	88.80%	31.85%	28.97%	31.02%	43.87%
Cost of Bad Debts	\$ 2,890,123	\$ 1,946,437	\$ 1,137,487	\$ 417,898	\$ -	\$ -	\$ -	\$ 8,070,305	\$ 66,317
Charity Cost	\$ 881,723	\$ 950,265	\$ 124,039	\$ 96,438	\$ -	\$ 880,340	\$ 414,225	\$ 8,044,002	\$ 34,401
Uncompensated Care Cost	\$ 3,771,846	\$ 2,896,702	\$ 1,261,526	\$ 514,335	\$ -	\$ 880,340	\$ 414,225	\$ 16,114,307	\$ 100,718
Uncompensated Care Cost as a % of Total Expenses	3.37%	2.98%	7.91%	2.95%	0.00%	0.58%	0.70%	5.41%	1.13%

2012 Uniform Accounting Report									
Hospital Name	Western Arizona Regional Medical Center	Cancer Treatment Centers of America - Western Regional Medical Center	White Mountain Regional Medical Center	Wickenburg Community Hospital	Windhaven Psychiatric Hospital	Yavapai Regional Medical Center	Yavapai Regional Medical Center - East	Yuma Regional Medical Center	Yuma Rehabilitation Hospital
Occupancy Rate	53.72%	30.83%	20.80%	27.84%	76.64%	49.60%	35.41%	50.15%	71.01%
Net Operating Profit(Loss)	\$ 24,483,559	\$ 38,146,233	\$ 3,611,173	\$ (1,801,125)	\$ (399,336)	\$ (16,130,026)	\$ 32,874,109	\$ (4,760,098)	\$ 5,903,074
Net Operating Margin	21.07%	23.05%	18.42%	-10.54%	-11.42%	-10.96%	36.98%	-1.58%	40.63%
Days in Accounts Receivable	72	83	88	84	37	108	62	57	59
Cost to Charge Ratio	10.62%	53.32%	50.94%	68.53%	111.42%	32.62%	27.89%	30.01%	43.18%
Cost of Bad Debts	\$ 2,648,712	\$ 901,681	\$ 1,309,538	\$ 650,076	\$ -	\$ 4,527,359	\$ 663,844	\$ 9,885,792	\$ 78,445
Charity Cost	\$ 2,333,874	\$ -	\$ 126,506	\$ 129,907	\$ -	\$ 1,938,081	\$ 753,407	\$ 14,511,623	\$ 35,391
Uncompensated Care Cost	\$ 4,982,585	\$ 901,681	\$ 1,436,045	\$ 779,983	\$ -	\$ 6,465,440	\$ 1,417,251	\$ 24,397,415	\$ 113,835
Uncompensated Care Cost as a % of Total Expenses	5.43%	0.71%	8.98%	4.13%	0.00%	3.96%	2.53%	7.97%	1.32%

Average Occupancy Percentage Points	-0.2	2.6	2.8	-7.6		-0.8	-10.9	-4.2	-4.4
Net Operating Profit(Loss)	\$ (5,194,868)	\$ 19,628,184	\$ 2,404,611	\$ (201,616)		\$ (29,053,817)	\$ 18,196,949	\$ (28,821,337)	\$ (117,746)
Net Operating Margin	0.1	7.1	11.4	-0.5		-18.8	17.1	-9.1	0.4
Average Days in Accounts Receivable	21	23	18	15		30	23	14	6
Cost to Charge Ratio	-3.9	-5.9	-0.1	-1.4		0.8	-1.1	-1.0	-0.7
Cost of Bad Debts	\$ (241,412)	\$ (1,044,757)	\$ 172,051	\$ 232,179		\$ 4,527,359	\$ 663,844	\$ 1,815,488	\$ 12,128
Charity Cost	\$ 1,452,151	\$ (950,265)	\$ 2,468	\$ 33,469		\$ 1,057,742	\$ 339,182	\$ 6,467,621	\$ 990
Uncompensated Care Cost	\$ 1,210,739	\$ (1,995,021)	\$ 174,519	\$ 265,648		\$ 5,585,101	\$ 1,003,026	\$ 8,283,109	\$ 13,117
Uncompensated Care Cost as a % of Total Expenses	2.1	-2.3	1.1	1.2		3.4	1.8	2.6	0.2

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.

**Comparison of Hospital Uniform Accounting
HFY 2011 and HFY 2012**

Hospital Name		Summary
2011 U		2011 Uniform
Occupancy Rate	Average Occupancy Rate	62.03%
Net Operating Profit(Loss)	Total Net Operating Profit(Loss)	\$714,615,389
Net Operating Margin	Total Net Operating Margin	5.14%
Days in Accounts Receivable	Average Days in Accounts Receivable	52
Cost to Charge Ratio	Cost to Charge Ratio	27.56%
Cost of Bad Debts	Total Cost of Bad Debts	\$246,686,978
Charity Cost	Total Charity Care Cost	\$256,617,183
Uncompensated Care Cost	Total Cost of Uncompensated Care	\$503,304,161
Uncompensated Care Cost as a % of Total Expenses	Uncompensated Care Cost as a % of Total Expenses	3.82%
2012 Uniform Accounting Report		2012 Uniform Accounting Report*
Occupancy Rate	Average Occupancy Rate	59.91%
Net Operating Profit(Loss)	Total Net Operating Profit(Loss)	\$617,944,943
Net Operating Margin	Total Net Operating Margin	4.63%
Days in Accounts Receivable	Average Days in Accounts Receivable	55
Cost to Charge Ratio	Cost to Charge Ratio	25.17%
Cost of Bad Debts	Total Cost of Bad Debts	\$355,279,819
Charity Cost	Total Charity Care Cost	\$378,502,114
Uncompensated Care Cost	Total Cost of Uncompensated Care	\$733,781,933
Uncompensated Care Cost as a % of Total Expenses	Uncompensated Care Cost as a % of Total Expenses	5.76%
2011 U		2011 Uniform
Average Occupancy Percentage Points	Change in Average Occupancy Percentage	-3.43%
Net Operating Profit(Loss)	Change in Total Net Operating Profit(Loss)	(\$96,670,446)
Net Operating Margin	Change in Net Operating Margin	-9.97%
Average Days in Accounts Receivable	Change in Average Days in Accounts Receivable	3
Cost to Charge Ratio		
Cost of Bad Debts	Change in Cost of Bad Debts	\$108,592,841
Charity Cost	Change in Charity Care Cost	\$121,884,930
Uncompensated Care Cost	Change in Cost of Uncompensated Care	\$230,477,772
Uncompensated Care Cost as a % of Total Expenses	Uncompensated Care Cost as a % of Total Expenses	50.98%

*Totals for Dollar Amounts only for hospitals with full financial data for both years.
Hospitals not included are shaded in dark grey.

None of this data was audited or verified by AHCCCS. Data from Payson Hospital that was entered into the wrong line of the UAR was moved and data from Valley View Hospital was totaled.