



*Fall/Winter 1998*

Children's National Medical Center  
Columbia Hospital for Women Medical Center  
District of Columbia General Hospital  
George Washington University Hospital  
Georgetown University Hospital  
Greater Southeast Community Hospital  
Hadley Memorial Hospital  
Hospital for Sick Children  
Howard University Hospital  
MedLINK Hospital at Capitol Hill  
National Rehabilitation Hospital  
Providence Hospital  
Psychiatric Institute of Washington, D.C.  
Riverside Hospital  
Saint Elizabeths Hospital - Commission on  
Mental Health Services  
Sibley Memorial Hospital  
Veterans Affairs Medical Center  
Walter Reed Army Medical Center  
Washington Hospital Center

# *Financial Indicators*

*Fiscal Year 1997*

Sister Carol Keehan  
Chairman of the Board

Robert A. Malson  
President

# ABOUT THIS REPORT ON FINANCIAL INDICATORS

The charts in this package are intended to provide a financial picture of the hospital community in the District of Columbia for fiscal year 1998. The source of each chart is noted. Some of the financial changes depicted by the graphs in this report are a reflection of an industry-wide movement towards restructuring the delivery of health care services. Increased outpatient utilization, managed care penetration, and service integration have all had an impact on the financial status of District hospitals.

The material comes from the DCHA Annual Hospital Survey, which gathers standard information from the hospitals in the District. The information in this report is based on each hospital's own 1998 fiscal year, which does vary. The charts and graphs on the financial condition of hospitals provide collective (and some individual) information about fourteen of the nineteen hospitals in the District of Columbia. The five hospitals excluded from the aggregate data are three facilities providing only psychiatric services and the two which are federally owned. It is important to note the following variations from these generalizations: MedLINK Hospital at Capitol Hill opened in July 1995 and is included in 1996, 1997 and 1998 analysis only. MedLINK serves long-term acute care patients and is excluded from acute care only analysis.

Data are reported to DCHA directly by individual hospitals which follow the accounting guidelines defined in the *Audits of Providers of Health Care Services* of the American Institute of Certified Public Accountants (AICPA). AICPA guidelines require health care providers to classify bad debt as a part of operating expenses, and to establish and disclose their policies regarding charity care along with the amount of charity care provided. These rules went into effect in 1990 and two related rules also went into effect during 1995. For analysis purposes, DCHA has classified bad debt as a separate line item.

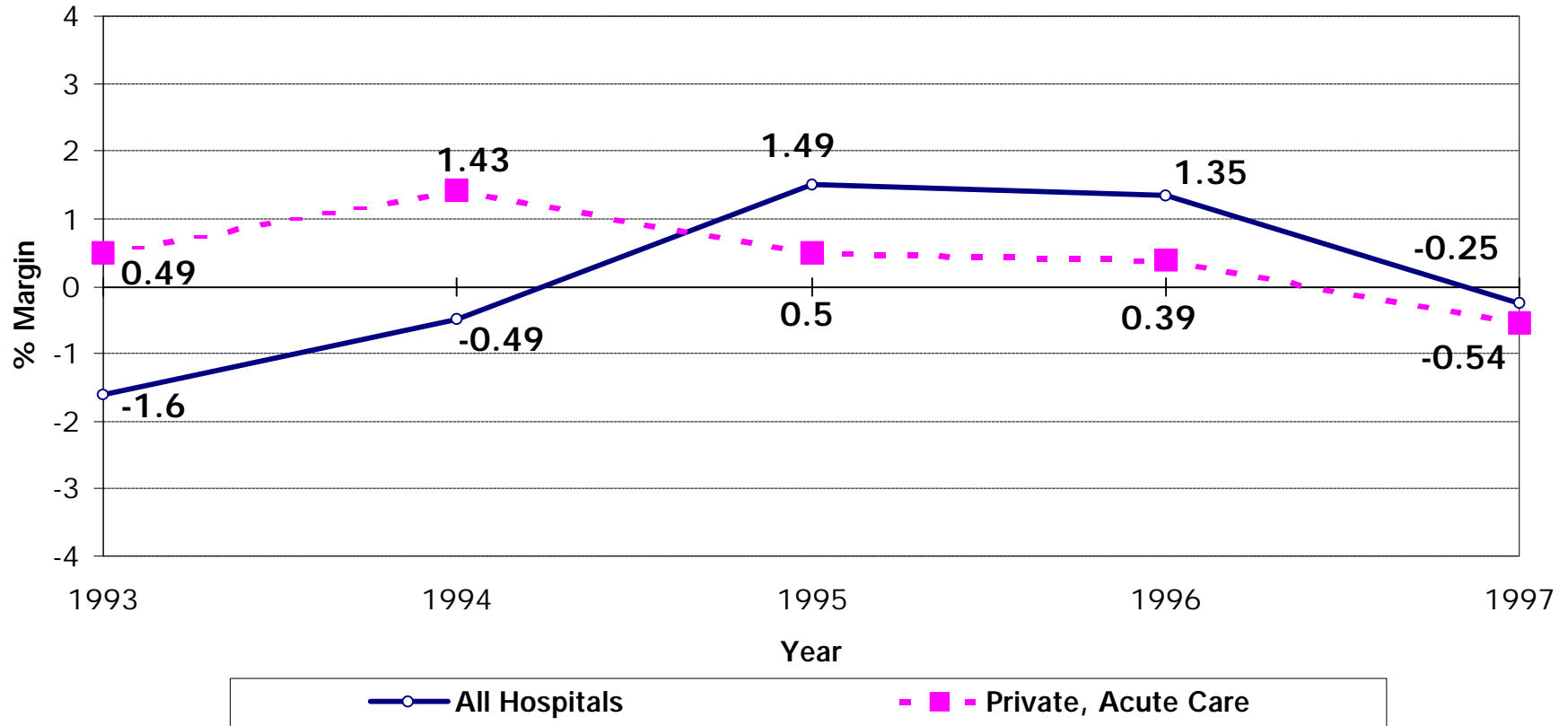
For additional information about this report, please contact the District of Columbia Hospital Association.

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# Aggregate Operating Margin Percent

## District of Columbia Hospitals



**Note:** "Private, Acute Care" hospitals include Children's National Medical Center, Columbia Hospital for Women Medical Center, George Washington University Hospital, Georgetown University Hospital, Greater Southeast Community Hospital, Hadley Memorial Hospital, Howard University Hospital, Providence Hospital, Sibley Memorial Hospital and Washington Hospital Center

**Note:** Calculations exclude psychiatric and federal hospitals.

**Note:** MedLINK Hospital at Capitol Hill is included in 1996 and 1997 data only.

**Note:** For analysis purposes, bad debt is excluded from operating expenses.

**Source:** DCHA Annual Hospital Survey.

# Operating Margin Percent

## District of Columbia Hospitals

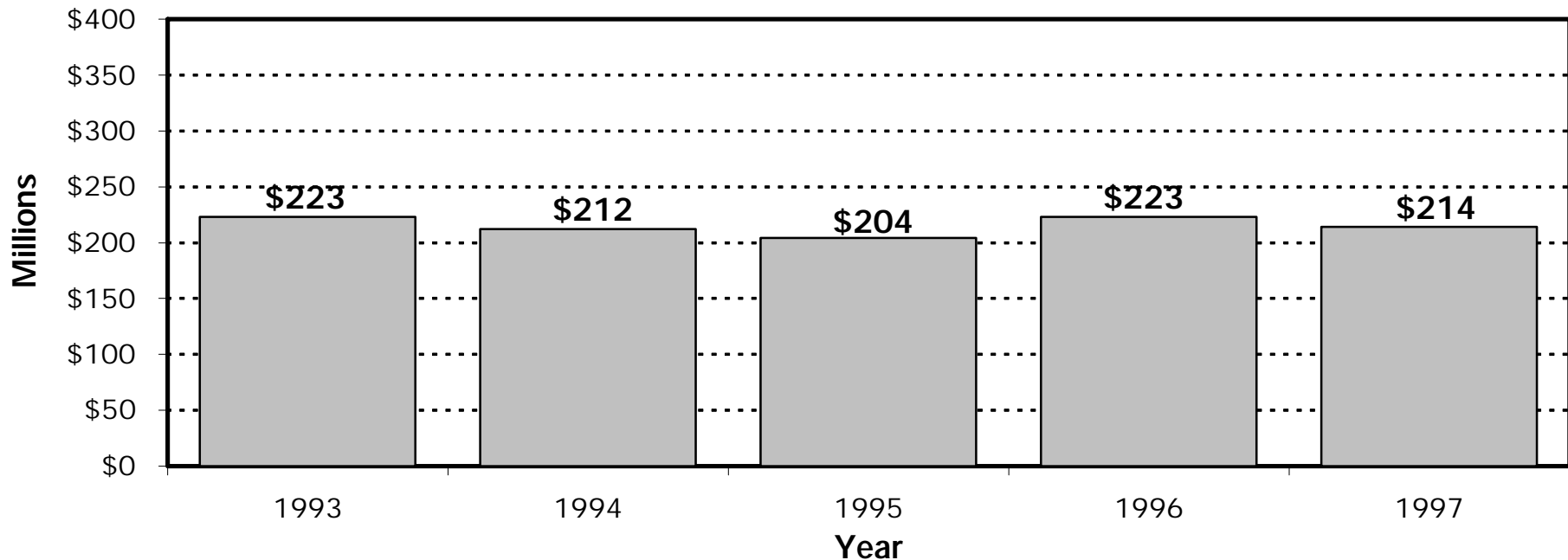
	Operating Margin Percent		
	1996	1997	1998
Children's National Medical Center	0.23%	3.35%	%
Columbia Hospital for Women Medical Center	-29.33%	-58.72%	%
District of Columbia General Hospital	5.57%	1.58%	%
George Washington University Hospital	-5.70%	1.15%	%
Georgetown University Hospital	-2.35%	-14.62%	%
Greater Southeast Community Hospital	7.02%	1.93%	%
Hadley Memorial Hospital	-2.66%	-5.33%	%
Howard University Hospital	-6.58%	-4.00%	%
MedLINK Hospital at Capitol Hill	0.19%	0.00%	-8.87%
National Rehabilitation Hospital	-0.93%	0.84%	5.18%
Providence Hospital	5.93%	3.79%	%
Sibley Memorial Hospital	10.23%	5.51%	%
Washington Hospital Center	4.60%	5.48%	3.02%

**Note:** For analysis purposes, bad debt is excluded from operating expenses.

**Source:** DCHA Annual Hospital Survey.

# Dollar Cost of Un-sponsored Care

District of Columbia Hospitals  
Five Year Trend: 1993 - 1997



**Note:** Data not available for Hospital for Sick Children, 1993.

**Note:** Hadley Memorial Hospital is included in 1996 and 1997 data only.

**Note:** Calculation excludes MedLINK Hospital at Capitol Hill, and psychiatric and federal hospitals.

**Note:** For analysis purposes, bad debt is excluded from operating expenses.

**Source:** DCHA Annual Hospital Survey.

# Un-sponsored Care

## *Cost and Percentage of Individual Hospital Total Care*

### District of Columbia Hospitals

	Cost of Un-sponsored Care 1997	Percentage of Total Care 1997	Cost of Un-sponsored Care 1996	Percentage of Total Care 1996
Children's National Medical Center	\$26,013,000	12.52%	\$32,943,000	16.68%
Columbia Hospital for Women Medical Center	\$2,369,000	4.11%	\$2,107,000	3.75%
District of Columbia General Hospital	\$79,979,000	52.80%	\$74,264,000	58.77%
George Washington University Hospital	\$7,297,000	5.60%	\$11,688,000	6.26%
Georgetown University Hospital	\$10,073,000	4.65%	\$8,333,000	3.80%
Greater Southeast Community Hospital	\$8,758,000	7.75%	\$8,087,000	7.39%
Hadley Memorial Hospital	\$875,000	6.97%	\$1,220,000	6.02%
Hospital for Sick Children	\$2,255,000	6.66%	\$110,000	0.35%
Howard University Hospital	\$29,435,000	18.10%	\$35,504,000	19.87%
National Rehabilitation Hospital	\$1,691,000	3.16%	\$2,158,000	4.18%
Providence Hospital	\$8,315,000	7.34%	\$6,666,000	6.38%
Sibley Memorial Hospital	\$4,795,000	4.87%	\$4,825,000	5.14%
Washington Hospital Center	\$32,134,000	7.23%	\$34,814,000	8.56%
<b>District Total</b>	<b>\$213,989,000</b>	<b>10.16%</b>	<b>\$222,719,000</b>	<b>11.20%</b>

**Note:** Hospital for Sick Children and National Rehabilitation Hospital serve predominately longer stay patients, a significant percentage of whom become eligible for Medicaid.

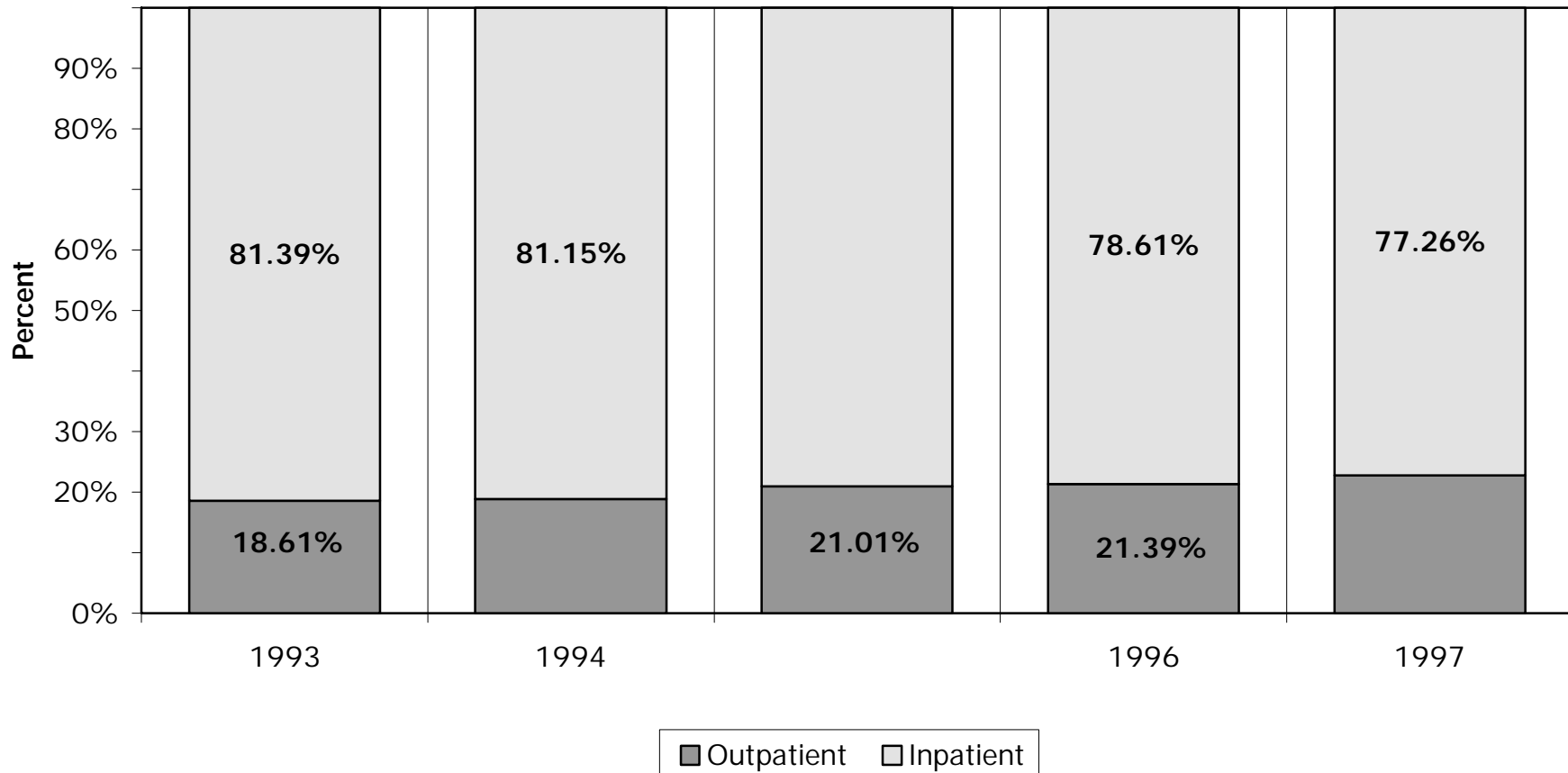
**Note:** Calculation excludes MedLINK Hospital at Capitol Hill, and psychiatric and federal hospitals.

**Note:** For analysis purposes, bad debt is excluded from operating expenses.

**Source:** DCHA Annual Hospital Survey.

# Inpatient and Outpatient Revenue as a Percentage of Total Gross Patient Revenue

## District of Columbia Acute Care Hospitals

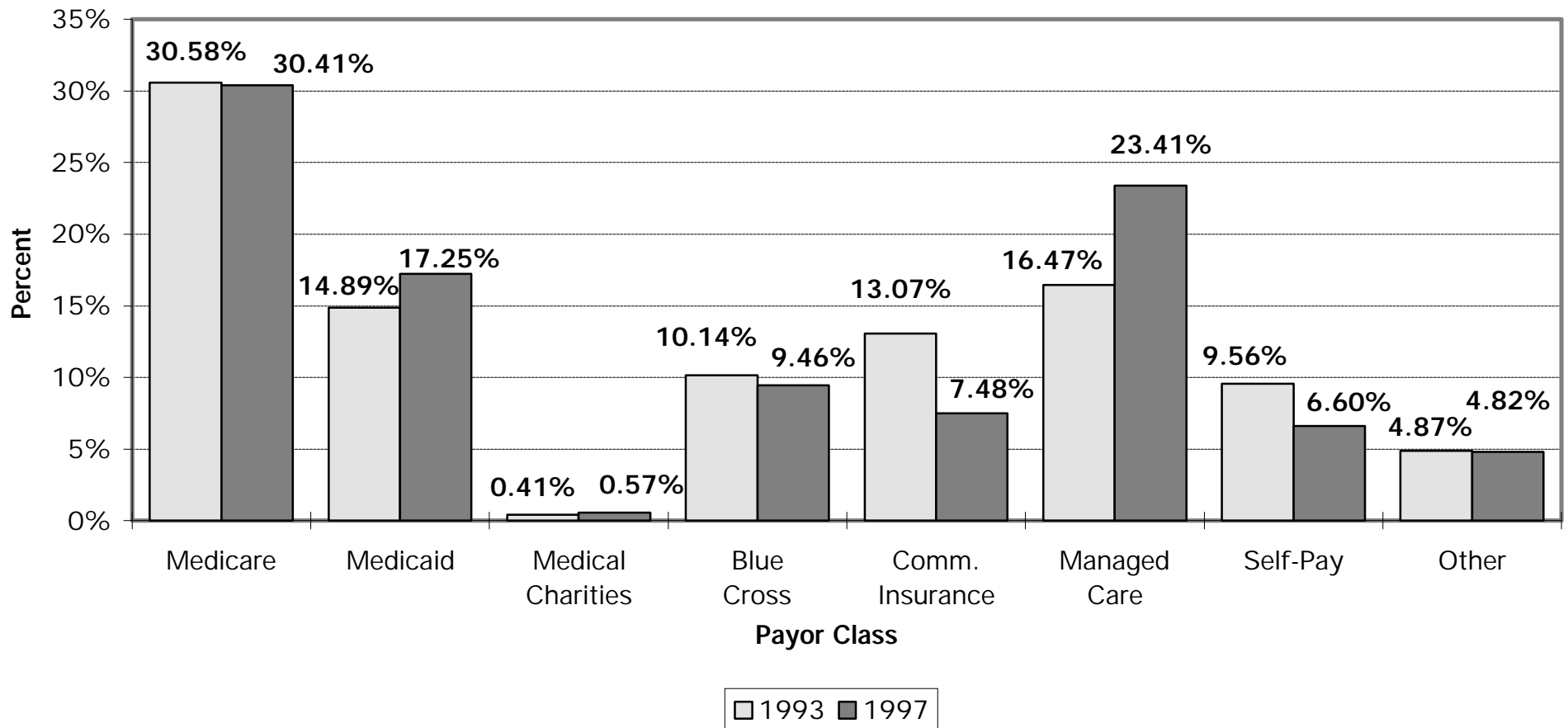


- Note:** Data not available for Hospital for Sick Children, 1993.
- Note:** Calculation excludes MedLINK Hospital at Capitol Hill, and psychiatric and federal hospitals.
- Note:** For analysis purposes, bad debt is excluded from operating expenses.
- Source:** DCHA Annual Hospital Survey.

# Revenue by Payor Class

## *Five-Year Comparison: 1993 v. 1997*

### District of Columbia Hospitals

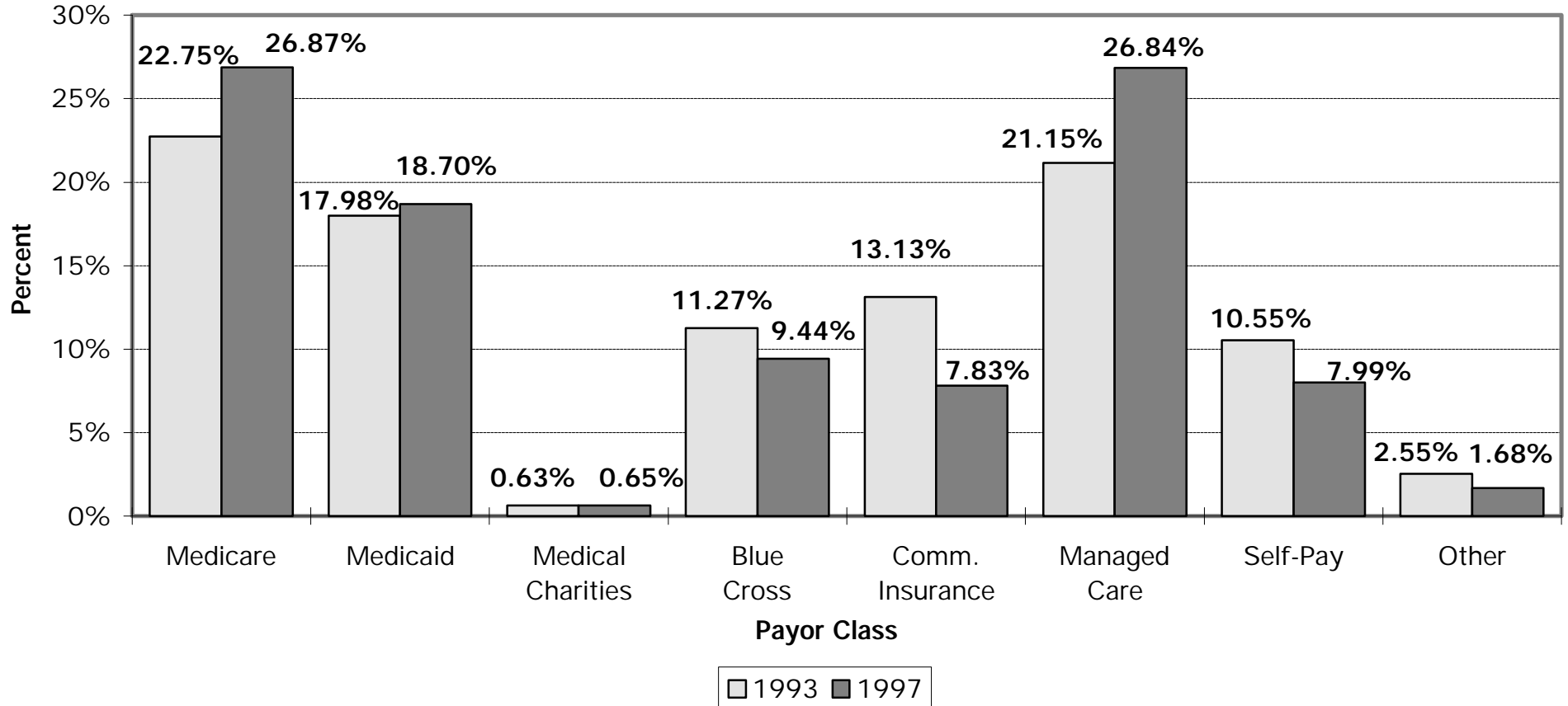


**Note:** Calculation excludes federal and psychiatric hospitals.  
**Note:** Data not available for Hospital for Sick Children in 1993.  
**Note:** MedLINK Hospital at Capitol Hill is included in 1997 data only.  
**Source:** DCHA Annual Hospital Survey.

# Discharges by Payor Class

## *Five-Year Comparison: 1993 v. 1997*

### District of Columbia Hospitals

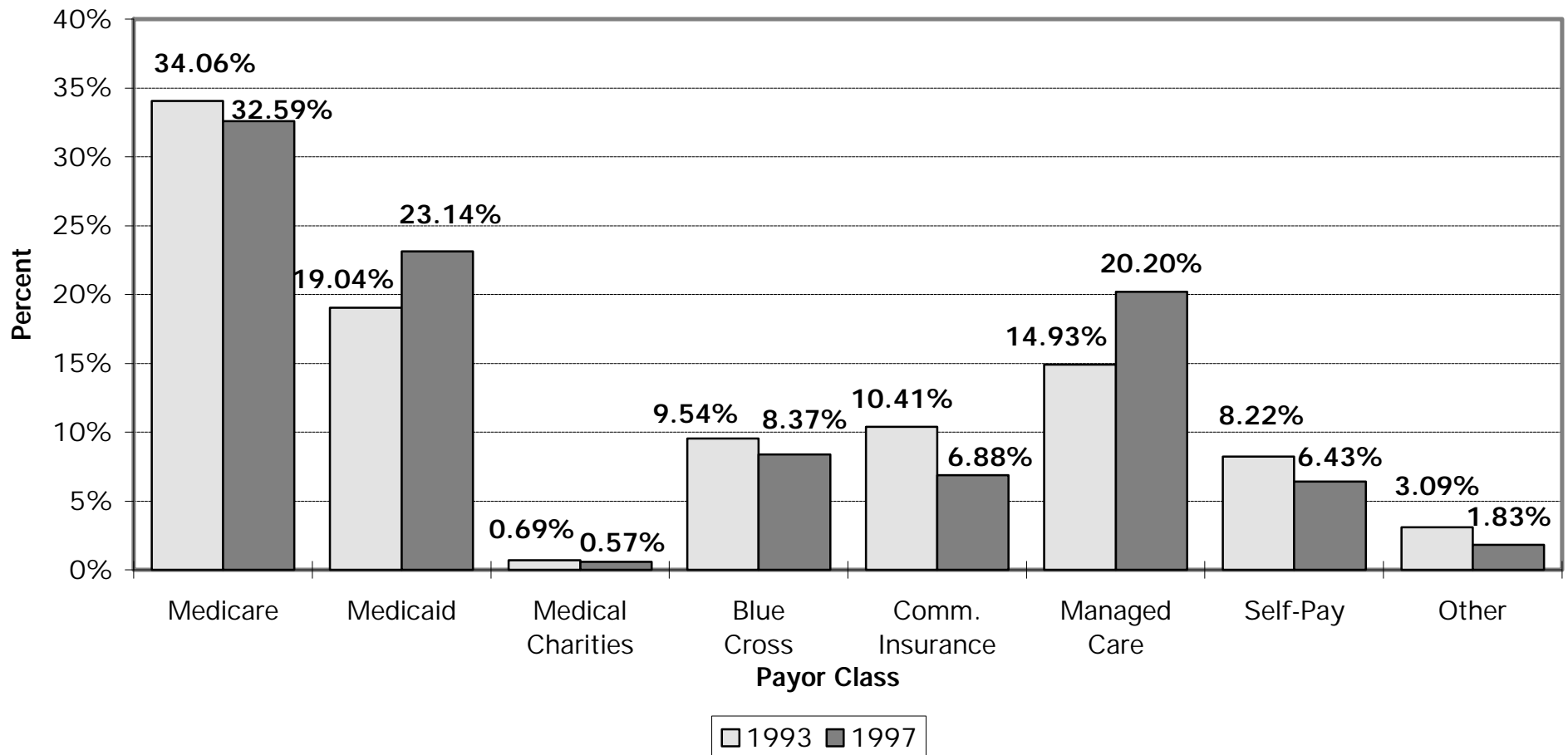


- Note:** Calculation excludes federal and psychiatric hospitals.
- Note:** Data not available for Hospital for Sick Children in 1993.
- Note:** MedLINK Hospital at Capitol Hill is included in 1997 data only.
- Source:** DCHA Annual Hospital Survey.

# Patient Days by Payor Class

## *Five-Year Comparison: 1993 v. 1997*

### District of Columbia Hospitals



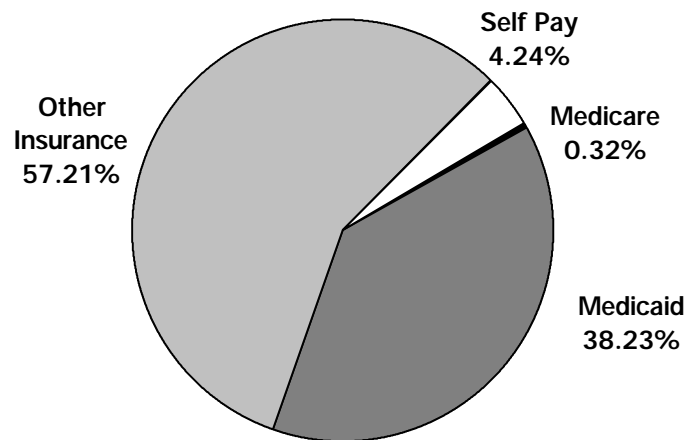
**Note:** Calculation excludes federal and psychiatric hospitals.  
**Note:** Data not available for Hospital for Sick Children in 1993.  
**Note:** MedLINK Hospital at Capitol Hill is included in 1997 data only.  
**Source:** DCHA Annual Hospital Survey.

# Payor Mix by Gross Patient Revenue - 1998

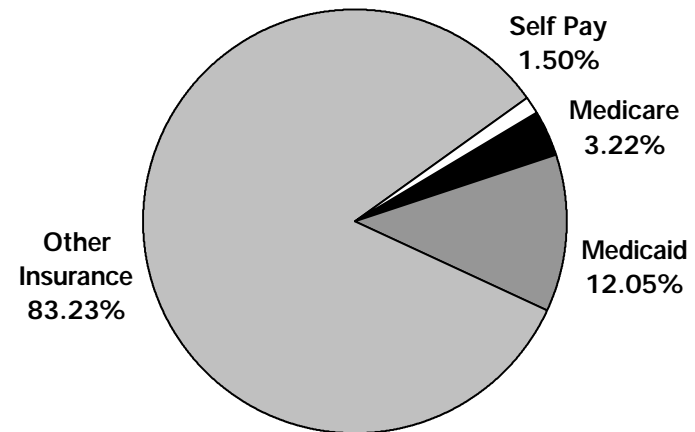
## District of Columbia Hospitals

The following charts represent the gross patient revenue by payor mix for fourteen District of Columbia hospitals in 1998. "Medicaid" includes all Medicaid and medical charity payors. "Other Insurance" includes Blue Cross, commercial managed care, commercial and other insurers. For analysis purposes, bad debt is excluded from operating expenses.

**Children's National Medical Center**



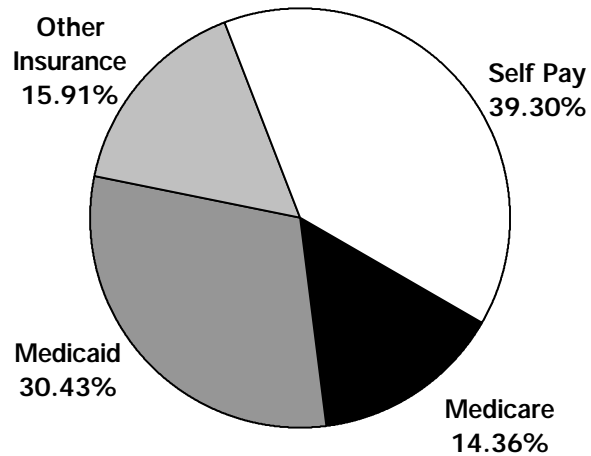
**Columbia Hospital for Women Medical Center**



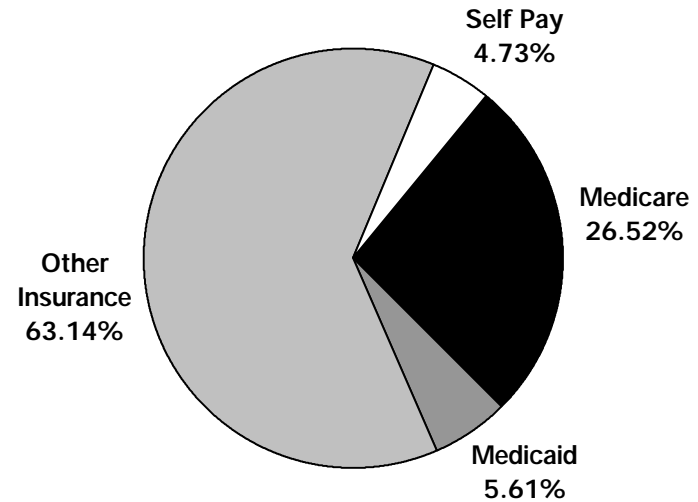
# Payor Mix by Gross Patient Revenue - 1997

## District of Columbia Hospitals (continued)

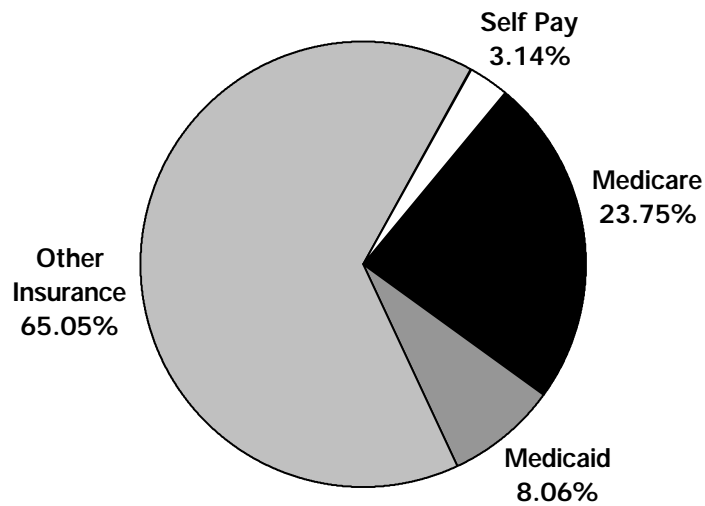
District of Columbia General Hospital



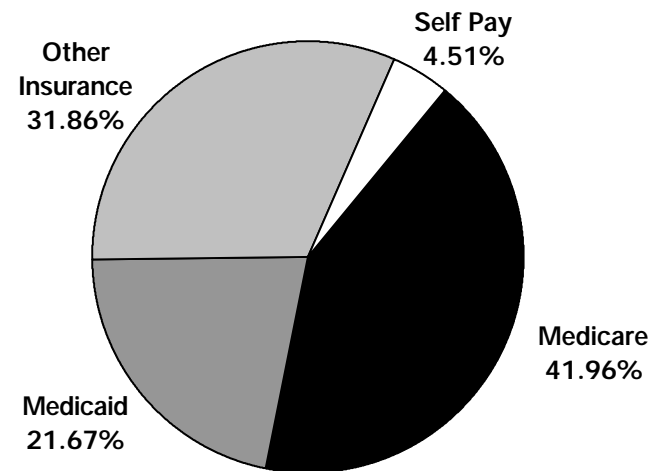
George Washington University Hospital



Georgetown University Hospital



Greater Southeast Community Hospital

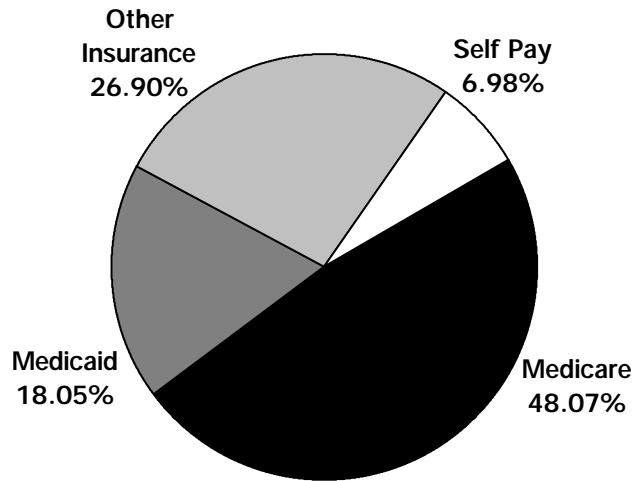


Source: DCHA Annual Hospital Survey

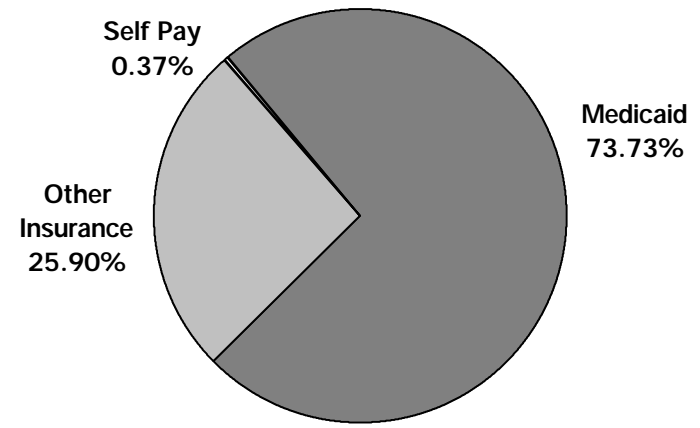
# Payor Mix by Gross Patient Revenue - 1997

## District of Columbia Hospitals (continued)

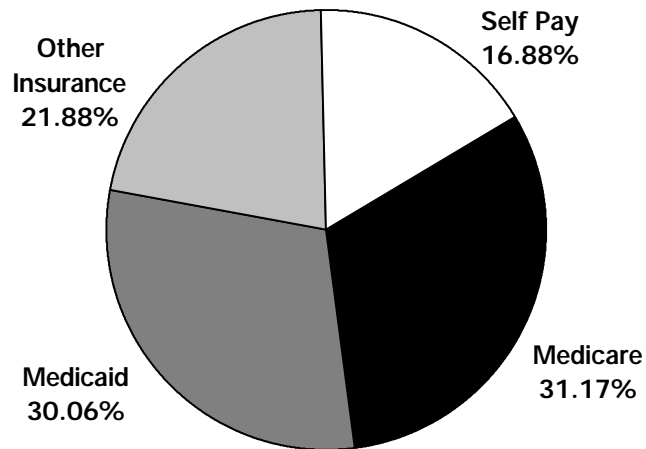
Hadley Memorial Hospital



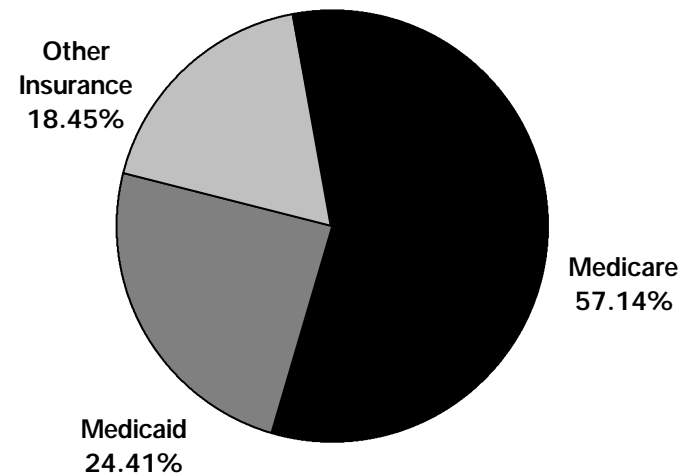
Hospital for Sick Children



Howard University Hospital



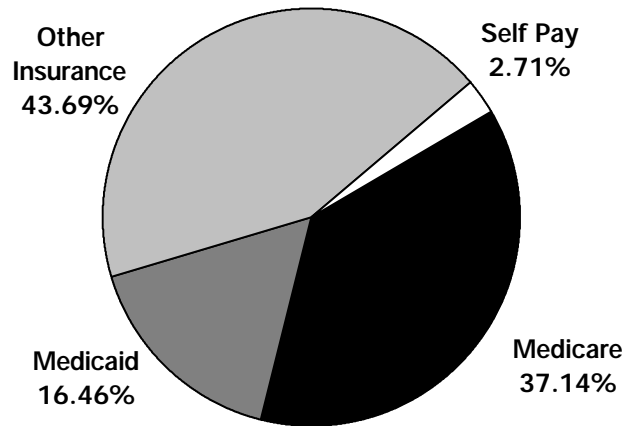
MedLINK Hospital at Capitol Hill



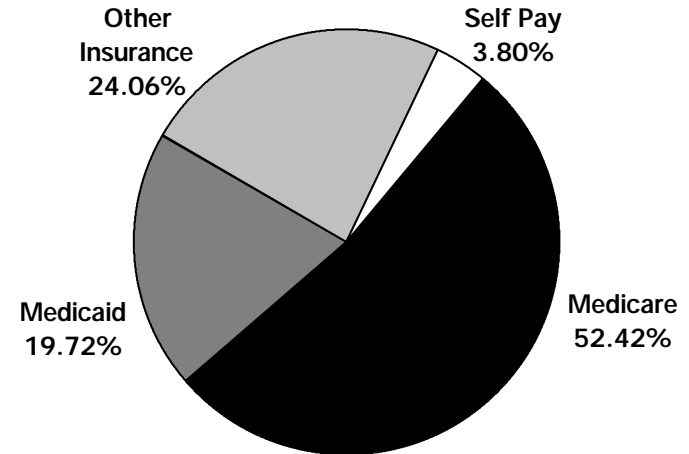
# Payor Mix by Gross Patient Revenue - 1997

## District of Columbia Hospitals (continued)

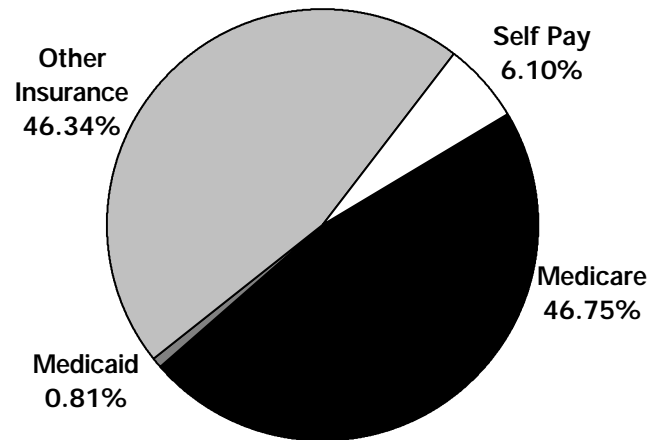
National Rehabilitation Hospital



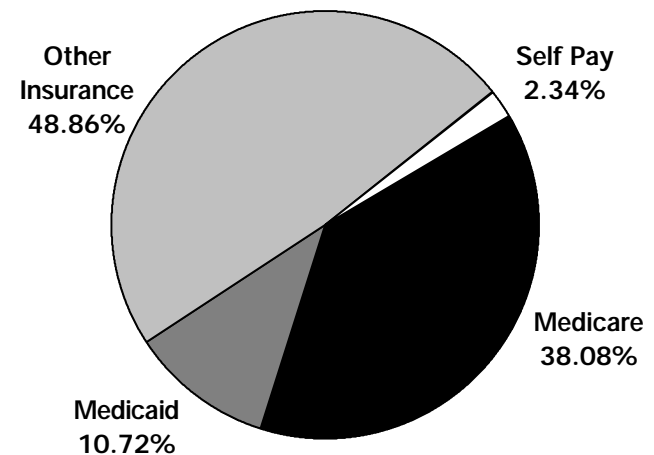
Providence Hospital



Sibley Memorial Hospital

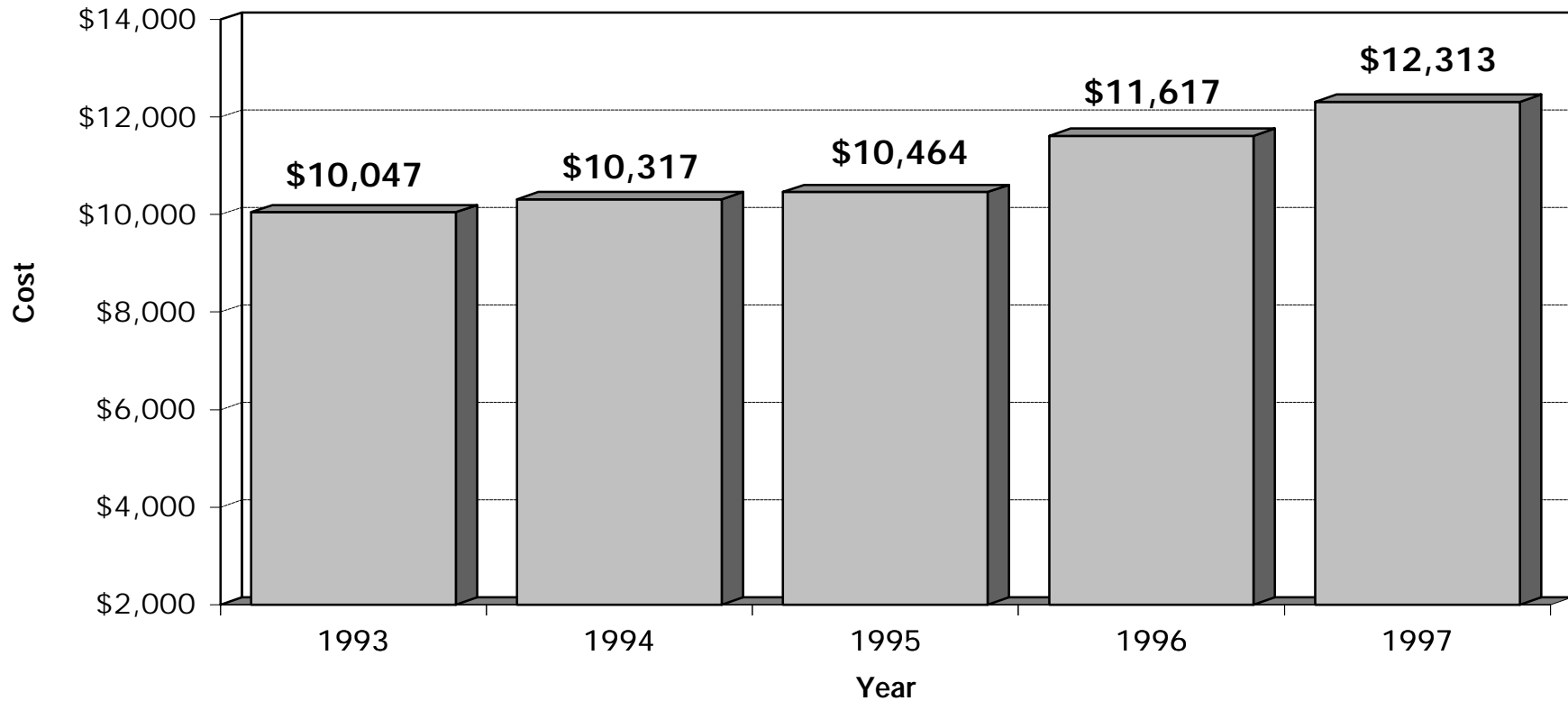


Washington Hospital Center



# Average Cost per Discharge

## District of Columbia Acute Care Hospitals



**Note:**

payroll, plant operations, maintenance, supplies, malpractice insurance, etc.

**Note:**

Hospital, psychiatric and federal hospitals.

**Note:**

**Source:** DCHA Annual Hospital Survey.

# Operating Beds By Service

## District of Columbia Hospitals

	MED/ SURG	OB/ GYN	PEDS	ICU	NICU	PSYCH	SUBST ABUSE	OTHER	TOTAL
Children's National Medical Center			122	16	30	20			188
Columbia Hospital for Women Medical Center	28	43		4	21			38	134
District of Columbia General Hospital	161	16	26	27	15		20	57	322
George Washington University Hospital	166	24		26	18	34		16	284
Georgetown University Hospital	188	38	41	40	44	14			389
Greater Southeast Community Hospital	198	14	10	20	16	18		46	322
Hadley Memorial Hospital	63			8					71
Hospital for Sick Children			115						115
Howard University Hospital	171	32	23	27	9	24		54	340
MedLINK Hospital at Capitol Hill				35					35
National Rehabilitation Hospital								160	160
Providence Hospital	217	32		17	9	29	12		316
Sibley Memorial Hospital	171	19		18		20		41	269
Washington Hospital Center	543	41		64	20	54	22	33	777
<b>TOTAL</b>	<b>1906</b>	<b>259</b>	<b>337</b>	<b>302</b>	<b>182</b>	<b>213</b>	<b>54</b>	<b>469</b>	<b>3722</b>

Note: "MED/SURG" - medical/surgical; "OB/GYN" - obstetric/gynecology; "PEDS" - pediatric; "ICU" - intensive care unit; "NICU" - neonatal intensive care unit; "PSYCH" - psychiatric; "SUBST ABUSE" - substance abuse.

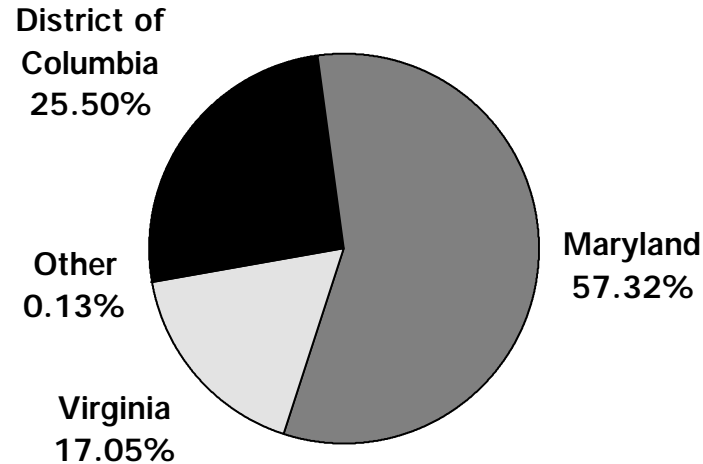
Note: "Other" includes nursery, rehabilitation and subacute beds.

Note: Calculation excludes psychiatric and federal hospitals.

Source: DCHA Annual Hospital Survey

# Employees By State of Residence

## District of Columbia Hospitals



	District of Columbia	Maryland	Virginia	Other
Children's National Medical Center	23.92%	62.33%	13.75%	0.00%
Columbia Hospital for Women Medical Center	20.62%	48.97%	28.87%	1.55%
George Washington University Hospital	26.60%	43.56%	29.84%	0.00%
Georgetown University Hospital	25.28%	40.55%	34.09%	0.08%
Greater Southeast Community Hospital	16.39%	76.97%	6.64%	0.00%
Hadley Memorial Hospital	26.98%	66.93%	6.09%	0.00%
Hospital for Sick Children	22.22%	64.18%	12.26%	1.34%
Howard University Hospital	27.47%	64.94%	7.54%	0.05%
MedLINK Hospital at Capitol Hill	40.15%	55.06%	4.42%	0.37%
National Rehabilitation Hospital	68.44%	15.78%	15.78%	0.00%
Providence Hospital	26.00%	67.00%	7.00%	0.00%
Sibley Memorial Hospital	21.61%	53.08%	25.31%	0.00%
Washington Hospital Center	21.59%	65.04%	13.37%	0.00%

**Note:** Data not available for DC General Hospital.

**Note:** Calculation excludes psychiatric and federal hospitals.

**Source:** DCHA Annual Hospital Survey

# GLOSSARY OF FINANCIAL TERMS

**BAD-DEBT:** The amounts from patient accounts which are “written off” because they are unpaid despite attempts to collect payment from either the patient and/or the insurance company.

**CHARGES:** The dollar amount billed for a service by a health care provider, similar to the “retail” price.

**CHARITY CARE:** The amount from patient accounts which are “written off” because a patient cannot pay for services rendered by the health care provider. These are services for which the provider never expected payment.

**COSTS:** The actual dollar amount incurred in providing a health service.

**DISCHARGE:** The formal release of a patient from a hospital after an acute episode of illness.

**INPATIENT SERVICES:** Health care treatment rendered to a patient while residing in the hospital.

**MANAGED CARE:** An entity that “manages” or controls what it spends on health care by closely monitoring how health care providers render services to patients.

**OPERATING MARGIN:** The percent difference between operating expenses and operating revenue.

**OUTPATIENT SERVICES:** Health care treatment rendered to a patient without being admitted to stay overnight in the hospital.

**PAYOR MIX:** The percentage of patients from each category of payors. The major payor classes included in the payor mix are: Medicare, Medicaid, Blue Cross, commercial insurance, managed care contracts, and self-pay patients.

**UNSPONSORED CARE:** The actual cost of services rendered to patients for which the health care provider does not expect to receive payment. Un-sponsored care is a combination of bad-debt and charity care.

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