

HEALTH POLICY PUBLICATION



MISSOURI FOUNDATION FOR HEALTH

# **Charity Care at Missouri Hospitals 2006 – 2007**

**Prepared by the St. Louis Area Business Health Coalition  
for the Missouri Foundation for Health**

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## Introduction

In 2005, Missouri’s legislature made significant eligibility cuts and cost-sharing changes to its Medicaid program increasing the number of uninsured. The Missouri Foundation for Health (MFH) engaged the BHC Foundation (BHF) to produce a series of reports to measure the impact of those cuts on the level of charity care and bad debt expense (uncompensated care) for more than 40 hospitals in 10 Missouri counties and the St. Louis metropolitan area (referred to as “study hospitals”).

The most recent reports examined how the 2005 changes to Medicaid have affected study hospitals from 2004 to 2006. In the Phase I and II reports, baseline and comparative financial, utilization, and uncompensated care statistics were reported by Missouri county and hospital for fiscal years 2004 and 2005. The Phase III report updated the previous reports through 2006 and expanded the scope of the project to highlight additional research and analysis related to changes in utilization resulting from the Medicaid cuts. First, since the uninsured often use the hospital emergency department (ED) for primary care, research and analysis of the patterns of urgent (non-emergent) use of the ED by hospital was included in the report. Second, Section II was added to provide the results of research by BHF to learn more about hospitals’ efforts to cope with the Medicaid cuts and improve service to the uninsured in their geographic areas. These reports can be accessed by following this link : <http://www.mffh.org/mm/files/Charity%20Care%20at%20MO%20Hospitals.pdf>.

This represents the fourth in the series of five reports that assesses the impact of the 2005 Medicaid cuts on charity care and bad debt at Missouri hospitals. Information is updated through fiscal year 2007 and the report format is similar to Phase III. Section I presents information on the percentage of uninsured and other types of health insurance coverage in Missouri, hospital inpatient and ED utilization, uncompensated care, profitability and financial solvency. Section II provides the results of on-going research regarding hospitals’ efforts to cope with and provide better care for the uninsured.

### Data Limitations

To measure the impact of the 2005 Medicaid cuts for this project, BHF reviewed data from 2006 to 2007 for 40 hospitals in 10 Missouri counties and the St. Louis metropolitan area (referred to as “study hospitals”). There were a number of limitations encountered related to data availability and the narrow data timeframe that made absolute statements about impacts and trends difficult. Some important examples of those limitations are noted below, as well as in appropriate sections of the report, and in the conclusion.

For example, the lack of data prior to 2004 does not allow an understanding of normal year-to-year fluctuations in the level of charity care and bad debt over a longer period of time, and coupled with the lack of data related to hospital-specific care for the uninsured; it makes it difficult to determine the significance of annual increases in charity care and bad debt. Also, the number of uninsured in a geographic area can be affected by many factors, such as the loss of an employer, or lack of jobs offering affordable health care coverage in addition to reductions in Medicaid eligibility.

Analysis of emergency department (ED) data were particularly challenging due to:

- Gaps in data availability: Estimates of emergent and urgent ED visits were not available for some hospitals. Although aggregate percentages of emergent and urgent ED visits were adjusted for missing data, comparisons of year-to-year results must be made with those limitations in mind.
- A lack of common standards in ED research and reporting: The method used in this report to define emergent and urgent (non-emergent) ED utilization was developed by ThomsonReuters Solucient (TR). One must use care when evaluating the results since the method used in this report may differ from other methods.

Please read the appendices to become familiar with the technical discussion while reviewing or interpreting the data in this report.

## Executive Summary

Missouri had fewer uninsured families in 2007 according to U.S. Census estimates. The percentage dropped from 15.3 percent in 2006 to 14.3 percent in 2007. A drop in uninsured adults was mainly responsible. Although the uninsured decreased in the state as a whole, the report shows the percentage of uninsured increased in most of the counties that are the subject of this study.

More Low Income Uninsured Adults below 200 percent of the federal poverty level accounted for the majority of the uninsured in 2007, the group that was most directly affected by the 2005 Medicaid cuts. In contrast, the percentage of uninsured children increased regardless of income level. Rural counties tended to have higher percentages of uninsured people across all income levels. However, a geographic analysis at the county level indicated a significantly larger number of low-income uninsured resided in urban areas such as Columbia, St. Charles, and St. Louis County.

Charity Care, Bad Debt Increases Slow, Government Subsidies Grow Charity care increases were lower than expected from 2006 to 2007, and varied dramatically among study hospitals. Aggregate hospital charity care accounted for 1.45 percent of total operating revenue in 2007, up from 1.3 percent in 2006. Ten hospitals provided charity care at or above 2 percent of operating revenue as compared to only four hospitals in 2006. At least some of this increase can be attributed to income disparities. About half of study hospitals provided charity care at or below 1 percent of operating revenue.

Bad debt expense increases were also lower than expected and accounted for 2.7 percent of operating revenue in 2007, up from 2.5 percent in 2006. A number of hospitals continued to report low amounts of charity care and rising bad debt. The gap widened between bad debt and charity care in 2007. Bad debt outpaced charity care by more than 90 percent; a significantly faster rate than in 2006.

Government subsidies for the Medicare and Medicaid programs have increased steadily. Medicaid subsidies also include add-on payments to compensate for care provided to the uninsured. It is important to note that in response to the 2005 Medicaid cuts, Missouri hospitals have received a special subsidy to make up for any potential loss of funds from fewer Medicaid patients (see page 13). Medicaid subsidies for study hospitals reached \$656 million in 2007, up from \$591 million in 2006 (about 11%) with amounts varying significantly by hospital. Not all of the study hospitals received Medicaid subsidies. These tax-payer subsidies have significantly lessened the impact of rising charity care and bad debt.

Uncompensated Care Policies Continue to Evolve Controversy over non-profit hospitals' tax-exempt status continued to drive changes in charity care policies regarding which patients qualify and how that care is accounted for in financial statements. To better identify patients that qualify for charity care upon admission, many hospitals have adopted more liberal methods for determining need. Others classify bad debt more conservatively, or reclassify bad debt as charity care retroactively when the patient cannot pay. In flux policies and practices make it difficult to evaluate the significance of large, year-to-year changes.

Emergency Department Use Grows, Discharges Flat In Missouri, more patients sought care in the emergency department (ED) in 2007 increasing 6 percent from 2006. The insured used the

ED the most at 36 percent, followed by Medicaid at 27 percent, the uninsured at 17 percent, and Medicare at 15 percent in 2007. Uninsured ED visits increased the most of any group during the period at 13 percent. Hospital discharges were relatively flat for the third year however; uninsured discharges fell slightly in 2007. On average, the uninsured accounted for only 5 percent of all discharges at Missouri hospitals in 2007, the same as in 2006.

Patients had more than twice as many urgent (non-emergent) care visits to the ED as compared to emergent care visits for study hospitals during the most recent years available, 2006 and 2007. St. Johns Regional Health Center in Greene County had a sharp increase in uninsured visits to its ED and was able to meet these challenges with creativity and innovation to help improve the health of the uninsured. Their story is explored in Section II.

Aggregate financial results for study hospitals improved from 2006 to 2007 and generally outperformed Missouri and national averages. Even though most were relatively profitable, charity care and bad debt increases for independent rural hospitals in a few of the most vulnerable regions resulted in very slim margins (see pages 27 – 32).

This study updates the information from the Phase III report and provides additional evidence of the 2005 Medicaid cuts' effect on uncompensated care at study hospitals from 2006 to 2007. During the most recent period, uncompensated care was low on average, rose less than expected and remained unevenly distributed. Uninsured use of the ED increased, yet remained low as well, and hospital discharges fell slightly. While there was concern that uninsured hospital utilization would increase, it does not seem to have occurred. This may be because steps were taken to minimize the potential impact which appears to have been effective. Most of the hospitals improved financially, yet this is not expected to last given the onset of the recession at the end of 2007. Charity care and bad debt expenses are expected to increase significantly at study hospitals in 2008 and finances are expected to show deterioration as the numbers of uninsured rise from the combination of lower Medicaid enrollment and job loss from the weakening economy.

## Section I

### Introduction

In August 2005, significant cuts to Missouri’s Medicaid program took effect. Prior to that date, adults with incomes up to 75 [percent of the federal poverty level (FPL), or about \$14,500 in 2005, for a family of four could qualify for coverage through Medicaid.<sup>1</sup> Initially the adult income eligibility percentage was cut to 22 percent of FPL; by 2007 it had been reduced further to about 20 percent of FPL or \$4,104 for a family of four.<sup>2</sup> While most studies have focused on the uninsured, fewer studies have concentrated on how the changes have affected hospitals as evidenced by charity care and bad debt. This project examines the financial impact on hospitals in response to rising uncompensated care, how hospital utilization patterns changed, and the ability of one hospital to meet the challenge with creativity and innovation to help improve the health of the uninsured.

### Key Findings

- Uncompensated care, defined as charity care and bad debt, increased yet was lower than expected as compared to prior years. It is likely that the moderate level of uninsured hospital services combined with rising government subsidies softened the impact of the Medicaid cuts on uncompensated care.
- More patients sought care from the emergency department. While uninsured emergency department usage increased the most, it occurred across payors.
- Although most hospitals have improved financially since 2006, charity care and bad debt increases for a few independent rural hospitals located in or near poorer regions of Missouri resulted in very weak financial performance.

### Missouri Uninsured Decrease in 2007

As reported by the U.S. Census in its Annual Social and Economic (ASEC) Supplement to the Current Population Survey (CPS) the estimated percentage of uninsured people under age 65 in Missouri dropped from 15.3 percent in 2006 to 14.3 percent in 2007. This finding was unexpected given that Medicaid enrollment in the state dropped almost 8 percent between 2006 and 2007.<sup>3</sup>

A closer look behind the ASEC Supplement estimates of the number of uninsured by age, income level, and geography from 2006 to 2007 is useful in understanding these results. For example, higher income adults likely gained private health benefits coverage, since they would not have qualified for Medicaid. More low-income adults, who would have qualified for Medicaid prior to the cuts, probably joined the ranks of the uninsured. The following points highlight the findings of this analysis:

#### Missouri Population, All Income Levels

- In 2007, the number of uninsured adults ages 18 to 64 fell 38,000 causing the percentage to fall from 17.6% in 2006 to 15.9% in 2007.
- The number of **uninsured children under the age of 18 rose 24,000 in 2007**, causing the percentage to increase from 9.1% in 2006 to 10.4% in 2007.

### **Missouri Population, Below 200% of the Federal Poverty Level (FPL)**

- The estimated percentage of uninsured people under 65 increased from 27.6% in 2006 to 28.3% in 2007.
- The estimated percentage of uninsured adults ages 18 to 64 increased from 35.6% in 2006 to 36.8% in 2007.
- The estimated number of uninsured children rose 9,000 in 2007, causing the percentage to rise to 15.2%, up from 14.5% in 2006.

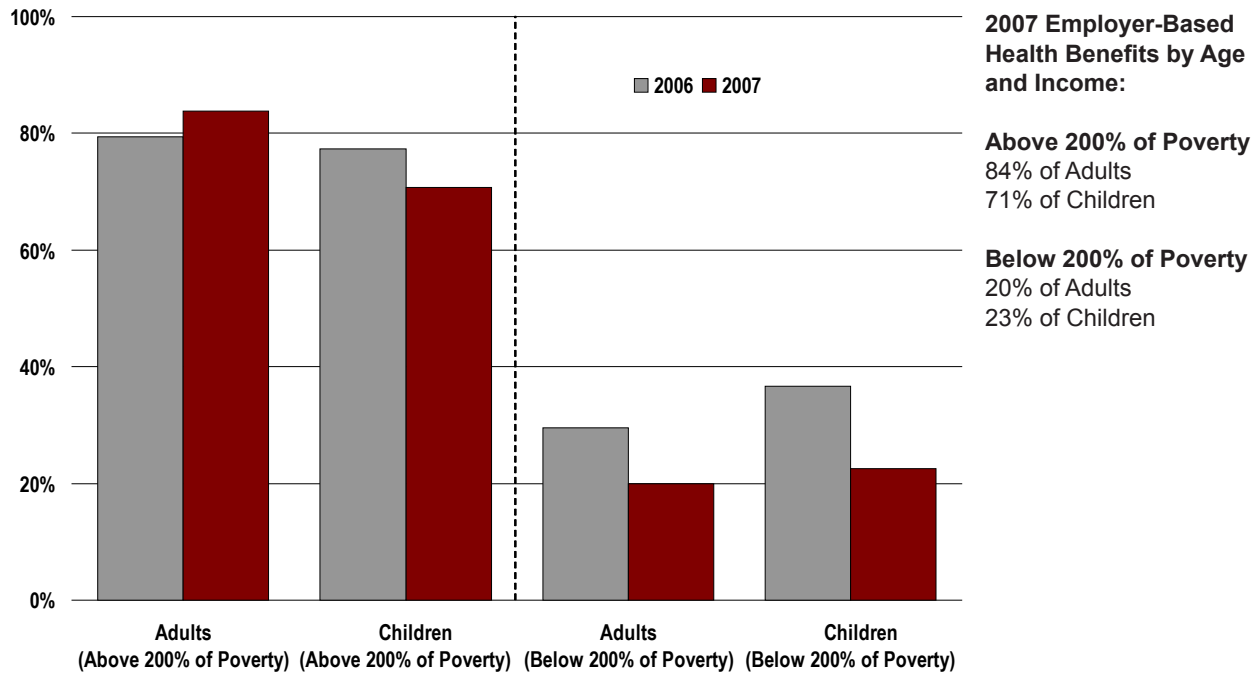
The data show adults with incomes below 200 percent of FPL continue to make up the largest subgroup of uninsured. While the overall rate of uninsured decreased, uninsured children increased at all income levels and below 200 percent of FPL. Since adult Medicaid enrollment declined 11 percent in 2007,<sup>4</sup> it is reasonable to conclude that the decrease in Missouri uninsured during the period was driven by gains in private health benefits coverage by adults with incomes above 200 percent of FPL. An analysis of health insurance type by age and income in Missouri follows.

### **Employer-Based Coverage**

The ASEC Supplement to the U.S. Census CPS provides coverage estimates of private and government health benefits. An analysis of ASEC Supplement data indicates that most of the Missouri population under age 65 were covered by employer-based health benefits at a stable percentage of 64 percent from 2006 to 2007. Yet, when income level and age are considered separately, the picture changes significantly:

- 84% of adults with incomes above 200% of FPL had employer-based health benefits coverage in 2007, an increase of 6% from 2006.
- In 2007, only 20%, or 1 in 5 adults with incomes below 200% of FPL had employer-based coverage, a 33% decline since 2006.
- 71% of children from families with incomes above 200% of FPL had employer-based health benefits coverage, a decrease of almost 9% since 2006.
- Less than one-fourth of children from families with incomes below 200% of FPL had employer-based coverage, a 38% decrease since 2006.

## Employer-Based Health Insurance Coverage in Missouri By Age and Income, 2006 - 2007



Source: U. S. Census Current Population Survey (CPS), 2008 Annual Social and Economic Supplement to the CPS. For methodology, see Appendix B.

### Changes in Other Types of Coverage

The relentless rise in health care costs and its financial strain on workers has long been a problem for Missouri and the nation. From 2003 to 2008, health benefits costs jumped an average of 6.8 percent each year while inflation-adjusted median family income declined 2.6 percent - or nearly \$1,000 annually.<sup>5</sup> Therefore, it is not surprising there are few affordable options for individuals who directly purchase coverage. In 2007, ASEC Supplement data indicates that less than 7 percent of the Missouri population under age 65 purchased health benefits coverage directly from a health plan, down from over 8 percent in 2006.

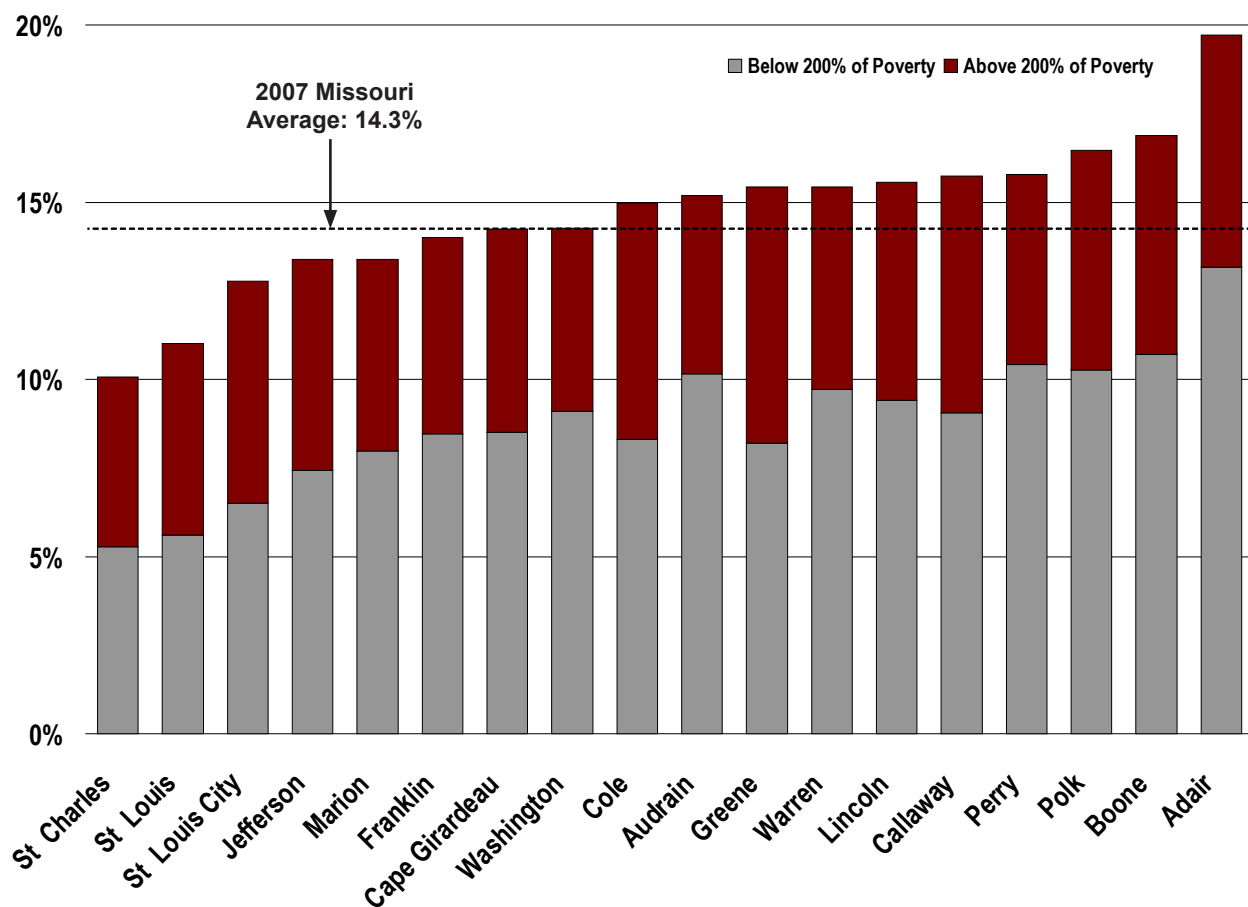
Few people under age 65 in Missouri are covered by Medicare unless they are disabled, and only a small portion of the population have health benefits coverage through the U.S. Military. In 2007, approximately 2.7 percent of people under age 65 in Missouri were covered by Medicare and the military combined.

### Uninsured Increase at the County Level

Although the state as a whole saw a decrease in the uninsured rate, the majority of the counties in this report experienced a rise in uninsured people from 2006 to 2007 (see Appendix A, p. 41). As shown in the graph below, most of them had higher percentages of uninsured than the 14.3 percent Missouri average in 2007. The majority of uninsured families living in those counties had incomes below 200 percent of FPL represented by the portions of the graph shaded in grey.

Adair County had the highest percentage with nearly one in five people uninsured. Most of the counties with above average uninsured were rural with populations under 25,000.

## Percent Uninsured by Missouri County,\* All Income Levels, 2007



Source: U. S. Census Current Population Survey (CPS), Small Area Health Insurance Estimates (SAHIE). The Missouri average is based on the 2008 Annual Social and Economic Supplement to the CPS. \*The percentage of uninsured is comprised of the estimate of uninsured individuals under age 65 in each county divided by the county population for this demographic group. For methodology, see Appendix B.

Why was the percentage of uninsured so much higher in rural counties? The number of uninsured in an area can be affected by many factors, such as the loss of an employer, in addition to reductions in Medicaid eligibility. According to the Bureau of Labor statistics, fewer people living in those rural counties were unemployed than in urban counties with higher populations, indicating other factors were responsible. Rural areas may have had more small employers who were unable to continue providing health benefits for their employees due to the high cost of coverage. Or, if coverage was offered, employees may have been unable to afford cost-sharing associated with the health plan. In some areas of rural Missouri, the majority of jobs are in the service industry sector where wages are often low and provide no health benefits. Unfortunately, statistics on the amount of employer-sponsored coverage at the county level were unavailable.

### Low Income Uninsured Adults Vary Widely by County

This part of the report focuses on families with incomes below 200 percent of FPL, or \$41,300 annually for a family of four in 2007, referred to as low-income. This demographic group accounted for the largest percentage of uninsured in virtually every county in this study. Which age group was affected the most? To determine this, low-income uninsured adults and children by county

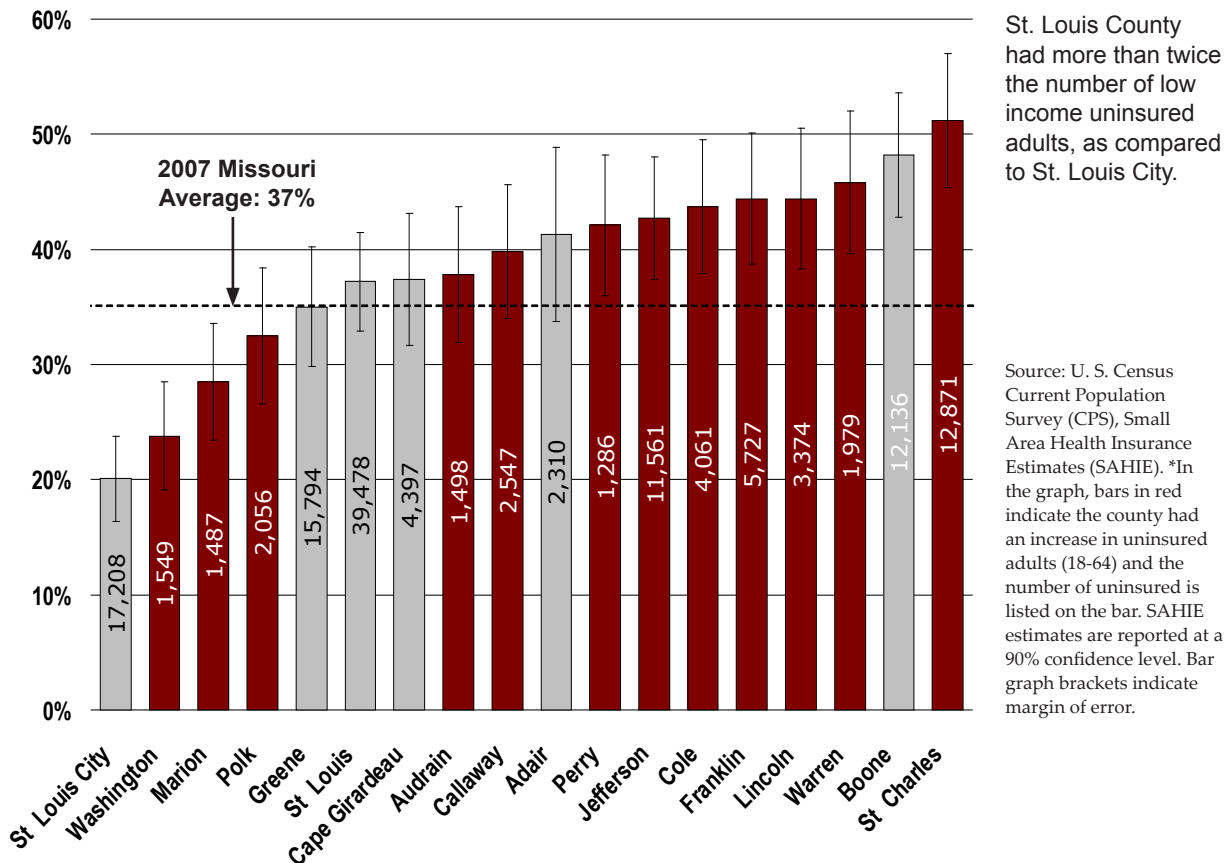
were examined separately. Low-income uninsured adults by county are described in the graph below while low-income uninsured children by county are shown on the following page.

This analysis showed that low-income uninsured adults outnumbered children by about 4 to 1 in 2007, which is not unlike the ratio in 2004. In most of the counties, the percentage of low-income uninsured adults increased as indicated by the red bars in the graph. The number of low-income uninsured adults by county is also listed on the graph.

In the top ten counties by percentage of low-income uninsured adults (see the graph below) their percentages were 40 percent or more. Half of them were located in the St. Louis metropolitan statistical area (MSA). Adair County, that had the highest percentage of uninsured overall (see p. 11) was also part of this group having more than 40 percent low-income uninsured adults.

Interestingly, St. Charles County had the lowest percentage of uninsured overall (see p. 11), yet had the highest percentage of low-income uninsured adults of more than 50 percent. Likewise, both Franklin and Jefferson counties had high percentages of low-income adults that lacked coverage, yet their percentages of uninsured overall were below the state average. It might surprise some people that St. Louis and St. Charles counties had large numbers of uninsured adults below 200 percent of FPL in 2007.

### Percent Uninsured Adults Income Less than 200% of the Federal Poverty Level By Missouri County\*, 2007



## Low-income uninsured children increase in 2007

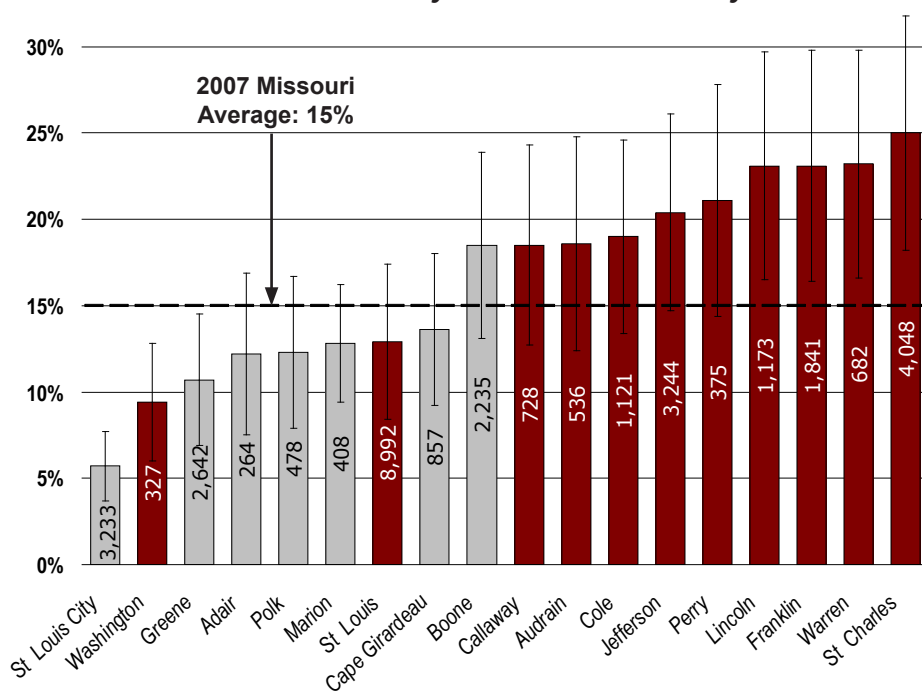
Similar to the findings for adults, a greater proportion of uninsured Missouri children were from low-income families in 2007. In more than half of the counties in this study, the percentages of low-income uninsured children have increased since 2006 as indicated by the red bars in the graph. The number of low-income uninsured children is also listed on the graph.

In the top ten counties by percentage of low income uninsured children (see the graph below); their percentages were 18 percent or more. Half of them are located in the St. Louis metropolitan statistical area (MSA). In contrast to the results for low-income uninsured adults, the top ten St. Louis MSA counties had a significantly higher volume of low-income uninsured children than St. Louis County.

In St. Charles County, 1 in 4 low-income children were uninsured, the highest of all of the counties in this study. Again, both Franklin and Jefferson counties had high percentages of low-income children that lacked coverage. Despite being among the lowest in uninsured overall (see p. 11), high percentages of low-income residents lacked coverage in these three counties. Interestingly, Adair County had the highest percentage of uninsured overall and a high percentage of uninsured low-income adults, yet lower rates of uninsured low-income children than most of the other counties.

In 2007, families with incomes from 150 percent to 200 percent of FPL were required to pay premiums of 1 to 3 percent of their income for their child’s Medicaid coverage. For a family of four, this is approximately \$26 to \$103 per child per month. Those with incomes below 150 percent of FPL were not required to pay premiums. Therefore, unless all of the families had incomes above 150 percent of FPL, at least a portion of the children in the graph below were eligible for coverage with no premium obligation.<sup>5</sup> Despite being cost free for many, Missouri Medicaid enrollment for children dropped 5 percent from 2006 to 2007.<sup>6</sup>

### Percent Uninsured Under Age 19, Income Less than 200% of Poverty By Missouri County\*, 2007



In St. Louis City the rate of low-income uninsured children decreased 12%.

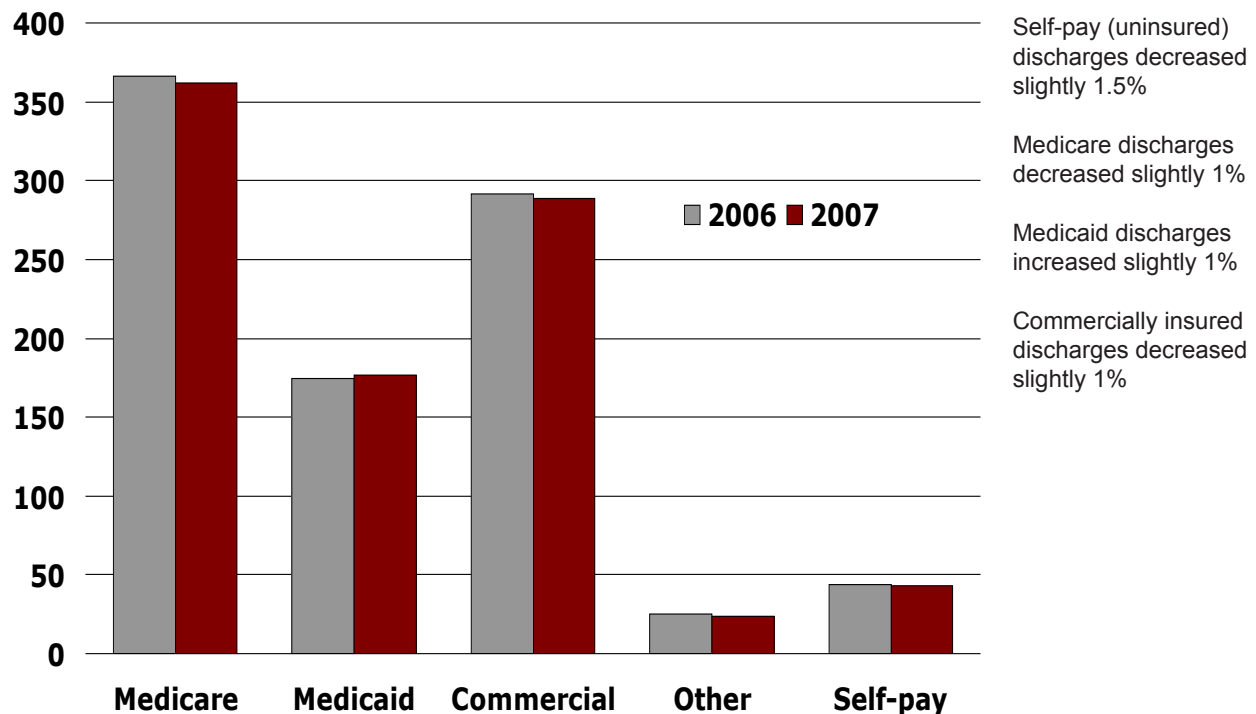
Low-income uninsured children were below 10% in St. Louis City and Washington counties - the lowest compared to other counties in this study.

Source: U. S. Census Current Population Survey (CPS), Small Area Health Insurance Estimates (SAHIE).

\*In the graph, bars in red indicate the county had an increase in uninsured under the age of 19 and the number of uninsured is listed on the bar. SAHIE estimates are reported at a 90% confidence level. Bar graph brackets indicate margin of error.

## Hospital Discharges by Payer Unchanged

### Missouri Hospital Association (MHA) Hospital Inpatient Discharges All Missouri Hospitals Fiscal Years 2006 - 2007



Source: 2006 estimates obtained from: S. Zuckerman, D.M. Miller, E.S. Pape, "Missouri's 2005 Medicaid Cuts: How Did They Affect Providers?," Health Affairs, 28, no. 2 (2009): w 341. Urban Institute estimates were based on data from the Missouri Hospital Association (MHA). 2007 estimates were based on similar data obtained from MHA.

## All Missouri Hospitals

To understand whether Medicaid restrictions on eligibility and services have led to changes in inpatient care, it is helpful to analyze Missouri hospital utilization by payer type. As shown in the chart above, there was almost no difference found in the distribution of inpatient discharges by payer from 2006 and 2007, based on data for all Missouri hospitals provided by MHA. Although Medicaid discharges were expected to decline, they increased by a small amount. While self-pay discharges were expected to increase, they fell slightly, about 1.5 percent.

## Study Hospitals

It is useful to compare utilization from all Missouri hospitals with similar data from study hospitals by payer type and county shown in Exhibit 1 on page eight that are based on data from Medicare Cost Reports (MCR) and other sources. Exhibit 1 shows the change in utilization for the study hospitals from 2006 to 2007.

The evaluation of the "Aggregate" utilization from 2006 to 2007 is highlighted below:

- Medicaid patient days and discharges increased 6% and 2% respectively,

- MCR data does not report uninsured utilization separately. The “Other Utilization” category is comprised of commercial insurance, other programs (e.g. workers compensation), self-pay, and uninsured populations. “Other” days and discharges fell 1% and 2% respectively, and, since uninsured utilization is included, it can be inferred that part of the decrease represents uninsured days and discharges.

As Exhibit 1 shows, changes were substantial from year to year for several hospitals and utilization varied significantly by hospital and region.

### Medicaid Utilization Patterns Change

In order to better identify which hospitals were more affected by Medicaid cuts, the table in Exhibit I below is sorted by counties having the largest decline in Medicaid discharges. Polk, Callaway, Cole, Greene, and Cape Girardeau counties experienced double-digit declines in Medicaid discharges. “Other” discharges increased in four of those five counties. Since utilization by those who are uninsured is included, one can infer they make up part of the increase. Although Audrain County’s Medicaid discharges did not decline as steeply as others, it is notable for having a substantial increase in “Other” discharges of 22 percent, the third highest of all the counties.

Aggregate Medicaid utilization increased in the St. Louis region concentrated at the two largest hospital systems, BJC HealthCare and SSM Health Care. Over the years, BJC has reported stepping up its efforts to enroll Medicaid-eligible uninsured patients that come to their hospitals for treatment. Lingering effects of Forest Park Hospital’s shuttered obstetrics program and expansion of Illinois Medicaid may have also resulted in Medicaid increases at BJC and SSM system hospitals.

### Exhibit 1: Percentage change in Medicare, Medicaid, Other, and Total Utilization 2006 – 2007

Missouri Hospitals	Medicare Utilization % Change 2006 – 2007		Medicaid Utilization % Change 2006 – 2007		Other Utilization % Change 2006 – 2007		Total Utilization % Change 2006 – 2007	
	Days	Discharge	Days	Discharge	Day	Discharge	Day	Discharge
Polk	-2%	12%	-10%	-37%	-46%	29%	-1%	-1%
Callaway*	-14%	-29%	-32%	-22%	-20%	9%	-15%	-15%
Cole	-6%	0%	-22%	-18%	8%	-3%	-3%	-3%
Greene	-5%	-4%	-5%	-15%	0%	4%	-3%	-3%
Cape Girardeau	2%	1%	1%	-11%	4%	10%	2%	2%
Audrain	-5%	-3%	13%	-7%	-4%	22%	6%	6%
Marion	2%	7%	-6%	-5%	-3%	-1%	2%	2%
Boone	-5%	-4%	4%	5%	1%	4%	1%	1%
St. Louis MSA**	-2%	0%	9%	9%	-1%	-6%	-1%	-1%
Adair	-2%	0%	0%	19%	-22%	15%	8%	8%
Perry*	23%	9%	-12%	26%	2%	72%	34%	34%
<b>Aggregate</b>	<b>-2%</b>	<b>-1%</b>	<b>6%</b>	<b>2%</b>	<b>-1%</b>	<b>-2%</b>	<b>-1%</b>	<b>-1%</b>

\*Low volumes of Medicaid and Other days and discharges in 2006 and 2007 created large differences from year to year.

\*\* St. Louis Metropolitan Statistical Area (MSA) figures include only Missouri hospitals for this report.

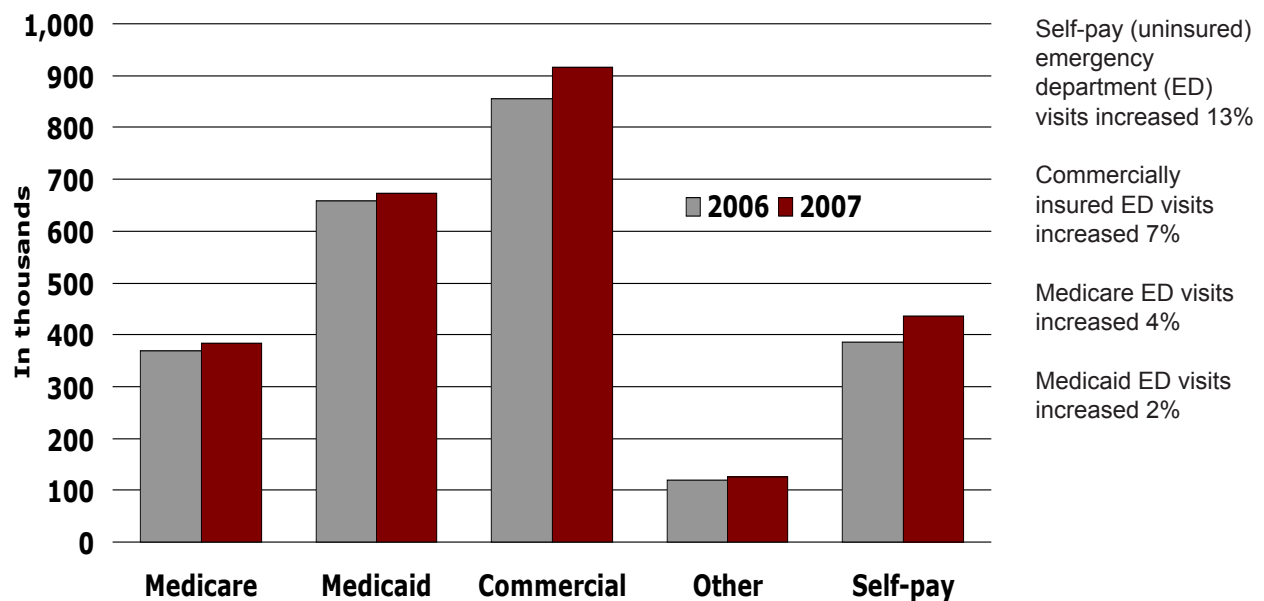
## Emergency Department Visits Increase Across Payers

Emergency department (ED) visits increased across payers by approximately 146,000, or more than 6 percent, from 2006 to 2007 based on data for all Missouri hospitals provided by the Missouri Hospital Association. Consistent with the findings in the Phase III report, a larger proportion of ED visits were among people covered by commercial insurance and Medicaid. However, ED visits by those without insurance increased substantially, second only to the commercially insured.

- Commercially insured ED visits increased by approximately 61,000, or 7%.
- Medicaid ED visit growth slowed in 2007 as compared to the previous report, increasing 15,000 visits or about 2%.
- Uninsured visits to the ED increased significantly by 50,000, or 13% (see graph below).
- Medicare utilization of the ED slowed significantly in 2007, rising by only 14,000 visits from 2006 to 2007, or about 4%. In the Phase III report, Medicare ED visits increased by 55,000 from 2004 to 2006.

## Emergency Department Use Grows

**Missouri Hospital Association  
Emergency Department Visits All Missouri Hospitals  
Fiscal Years 2006 - 2007**



Source: 2006 estimates obtained from: S. Zuckerman, D.M. Miller, E.S. Pape, "Missouri's 2005 Medicaid Cuts: How Did They Affect Providers?" Health Affairs, 28, no. 2 (2009): w 341. Urban Institute estimates were based on data from the Missouri Hospital Association (MHA). 2007 estimates were based on data obtained from MHA.

According to the National Center for Health Statistics, demand for emergency services has been rising for decades. Contrary to common perception, the growth in ED visits in the U.S. has been driven by greater use among people covered by commercial insurance and Medicaid<sup>8</sup>. This was also the case in Missouri. The following points highlight the distribution of ED visits by payer in 2006 and 2007, shown in the chart above, based on data from MHA:

- Commercially insured utilized 36% of all ED visits in both years
- Medicaid patients accounted for 27% of ED visits during the period
- Medicare patients used approximately 15% of all ED visits and this proportion was stable in both years
- Uninsured patients accounted for 17% of ED visits in 2007, up from 16% in 2006.
- Patients classified as “Other” used the ED about 5% of the time

In 2004, the year just prior to the Medicaid cuts, Medicaid and uninsured patients accounted for 31 percent and 13 percent of all ED visits in Missouri respectively. One would expect that restrictions on Medicaid eligibility and services would be followed by a decrease in ED visits covered by Medicaid and an increase in visits by the uninsured. To the contrary, Medicaid ED utilization rose slightly and continued to outpace uninsured ED utilization by a factor of almost 2 to 1.

The rate of ED use can be influenced by many factors. A variety of studies have found that the poorer health of Medicaid enrollees accounts for a difference in ED use rates as compared to other populations. Frequent ED users tend to have substantial physical and mental health problems and are typically low income. Receiving sporadic care primarily in the ED is often inadequate to improve the outcomes of those chronic problems. Other factors driving ED utilization include: inadequate supply and capacity of primary care and other ambulatory care providers (particularly those willing to take Medicaid patients), poor coordination of care, and a greater supply of ED capacity.<sup>9</sup> Improving primary care access and care coordination may reduce urgent visits to the ED that could be treated in an ambulatory care setting and improve health care outcomes.

### **Emergent and Urgent Visits Rise**

“Ambulatory care sensitive” visits are defined as ED encounters for conditions that could be treated elsewhere or are preventable with earlier access to primary care. Based on data submitted by study hospitals and estimates provided by ThomsonReuters Solucient (see the chart on p. 18 and Appendix A), the average percentage of urgent ED visits for the study hospitals was 69 percent in 2007, up from 64 percent in 2006. According to a Robert Wood Johnson report, national studies of ED utilization estimated that urgent ED visits classified as “ambulatory care sensitive” were between 12 and 56 percent.<sup>10</sup>

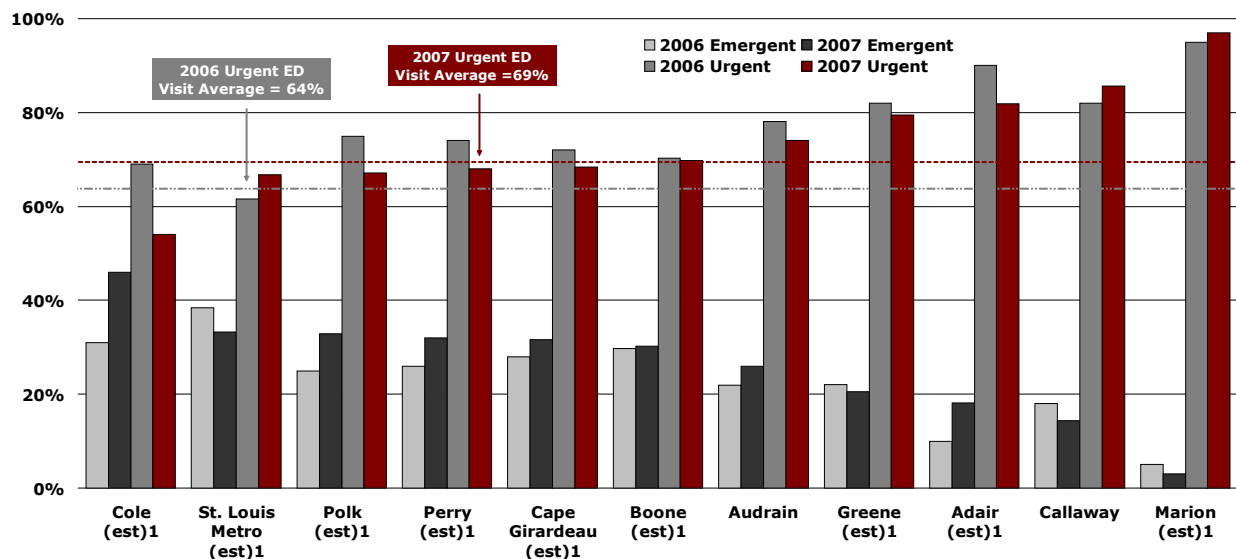
The graph below provides an update to the emergent and urgent ED use data published in the Phase III report for study hospitals. In aggregate, total ED visit volume rose approximately 17 percent from 2006 to 2007; emergent and urgent ED visits rose 19 percent and 16 percent respectively. It should be noted that there are currently no common standards for ED research and reporting. Thus, the procedure code method developed by ThomsonReuters Solucient (TR)

to define emergent and urgent ED visits for this report may produce results that differ from other methods (see Appendix C).

Marion and Callaway counties had the highest percentages of urgent ED use of 97% and 86% respectively in 2007, increasing slightly since 2006. Adair, Greene and Audrain counties urgent ED visits were well above average in both years. With the exception of St. Louis, urgent ED visits fell in 2007 for the remaining regions. Emergent ED visits are defined as acute medical problems of high severity or life threatening and were low in general; Cole County is noted for having the highest percentage at 46 percent. Hospital-specific ED volume is listed in Appendix A. Although these data were unavailable, it would be interesting to understand the number of primary care physicians by county and how it affects ED use for everyone, including the uninsured.

BJC HealthCare and SSM Health Care system hospitals in the St. Louis region provided a breakdown of ED visits by payer (i.e., Medicare, Medicaid, Commercial, and Self-Pay/Uninsured). For both hospital systems, the percentage share of ED visits in all payer categories were relatively unchanged in 2007 compared to 2006. SSM provided detail on emergent and urgent ED use by payer. Urgent ED visits at SSM decreased for commercially insured while Medicaid and uninsured increased by approximately 3 percent (see Appendix A, p. 49). For the remaining hospitals in this report, the lack of hospital-specific emergent and urgent ED utilization by payer makes it difficult to draw firm conclusions regarding uninsured ED use. Further analysis of hospital-specific ED utilization by payer, as well as better and more consistent definitions of emergent and urgent ED visits, is needed to understand the full impact of the 2005 Medicaid reductions.

### Emergency Department (ED) Visits by Region Emergent and Urgent Visits 2006 – 2007



<sup>1</sup> Source: Emergency department (ED) visits self-reported by hospital for 2006 & 2007 unless noted otherwise & were not audited. For a complete listing by hospital, see Appendix A, p.35 – 36. The 2006 and 2007 source for non-reporting hospitals was ThomsonReuters (TR) Solucient Market Planner® Plus Outpatient Profiles and is denoted with an (est.)<sup>1</sup>. Since estimated ED visit data for 2006 were not available from TR Solucient for those hospitals, 2005 estimates were used instead. For a description of TR Solucient methodology, see Appendix C. St. Louis Metro area figures include only Missouri hospitals for this report. BJC hospitals in Boone county & St. Louis did not provide their volume of emergent and urgent ED visits. Capitol Region Medical Center in Cole, Citizens Memorial in Polk, Cox Health System in Greene, and Southwest Missouri Hospital in Cape Girardeau did not provide emergent and urgent ED visit volumes in 2006 or 2007.

## Regional Snapshots

As part of the study, hospitals were asked to describe the effects of the 2005 reductions in Medicaid eligibility on their numbers of Medicaid and uninsured patients. St. John's Regional Health Center in (Springfield, MO) Greene County, part of the Sisters of Mercy Health Care System (SMHS), provided a narrative description of their progress with a pilot program to provide access to primary care for chronically ill, uninsured adults. Also included are highlights from a report on the safety net from Greene County's new community organization, The Health Commission. Information on St. Louis metropolitan area hospitals is supported by reports from the St. Louis Regional Health Commission (RHC).

### Greene County

St. John's Regional Health Center (SMHS) provided the largest amount of charity care in Greene County at \$11.9 million, or 1.77 percent of operating revenue. Bad debt was the second highest in the county at \$32.3 million, or 4.81 percent of operating revenue.

In 2008, St. John's developed a pilot program titled "Project Access" to provide primary care for chronically ill, uninsured adults, a problem they had wanted to address for several years. The turning point came soon after expansion and renovation of its ED when St. John's experienced a marked increase in uninsured ED visits. This was the result of many factors related to access to care for the uninsured that had only been made worse by the 2005 Medicaid cuts. St. Johns formed a multidisciplinary committee to explore the issue and developed the two-year "Project Access" pilot program. More information on this program is provided in Section II of this report.

The Health Commission was formed in July 2009 to help build community partnerships that promote affordable, quality health care for the medically underserved residents of southwest Missouri. The organization brings together key people from the community such as CEOs and top managers of health care systems, private and public health officials, social service agency leaders, civic leaders and community members. Its formation was modeled after the successful St. Louis Regional Health Commission.

In its first report to the community released in July 2010, the commission identified critical health issues facing medically underserved residents and the health care community including:

- A lack of dental care for underinsured and uninsured adults,
- Strain on hospital emergency rooms, and
- A growing shortage of primary care providers that discourage patients from seeking early, preventive care.

Going forward, The Health Commission's goal is to encourage collaborative efforts of business, community, health care and government leaders to address and improve the community's health.<sup>11</sup>

### St. Louis City and County

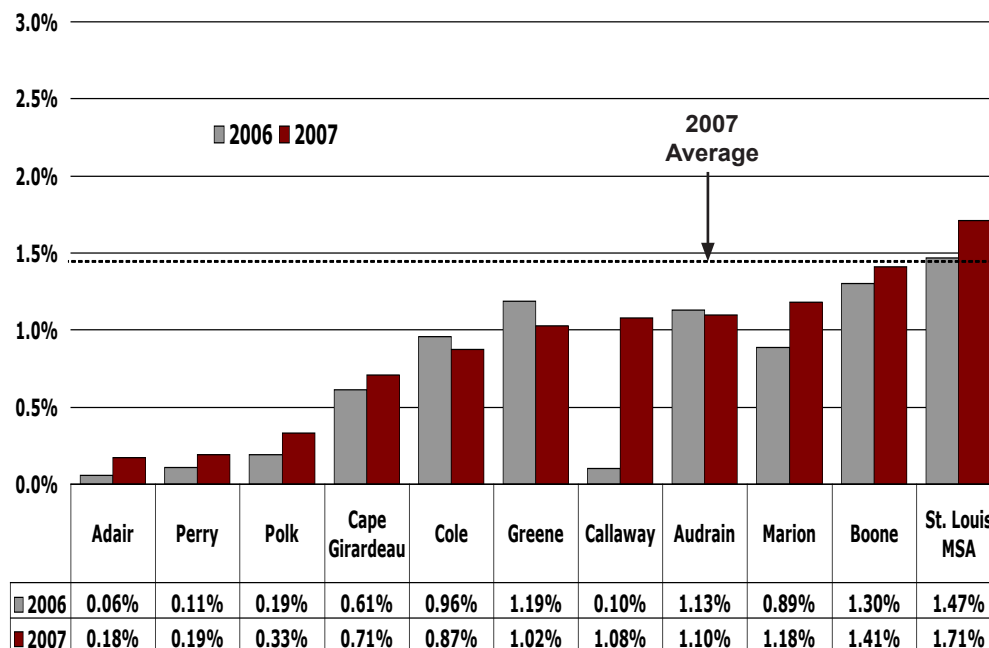
In 2007, uninsured ED visits at St. Louis City and County hospitals increased 6.8 percent. Four of the study hospitals from the St. Louis region, Barnes-Jewish, Christian, DePaul and St. Louis University provided 50 percent of all uninsured ED visits. Total non-emergent ED visits remained relatively constant from 2006 to 2007. Uninsured and Medicaid non-emergent ED visits also remained relatively constant from 2006 to 2007.<sup>12</sup> This is interesting since

non-emergent uninsured ED visits were expected to increase as a result of the Medicaid cuts, yet the evidence does not support it. These data suggest that ED use by the uninsured for primary care has not increased as a result of the Medicaid cuts. This seems to indicate that the uninsured are either not seeking care or that the efforts of the St. Louis Integrated Health Network (IHN) and primary care safety net providers are beginning to make a difference.

According to a report by the RHC, uninsured ED visits to St. Louis area hospitals would have been higher except for the efforts of the IHN. When uninsured people seek non-emergent care in hospital EDs, IHN's Community Referral Coordinator Program (CRCs) connects them with a health care home and primary care appointment, assists with scheduling follow-up appointments and arranges transportation/support services as needed. CRCs also connect patients to health coaches and other resources, as appropriate, to assist with system navigation. Thus, CRCs have been able to significantly reduce non-emergent use of the ED. For more information on this program, go to: <http://www.stlouisihn.org>

### What is Charity Care?

#### Charity Care as a Percentage of Operating Revenue Fiscal Years 2006 - 2007



In 2007, charity care increased to 1.7% in the St. Louis MSA, the highest level of any region in the study.

Adair County reported the least amount at 0.18%.

Charity Care as a percentage of operating revenue fell in Boone, Audrain, and Greene counties.

Source: Missouri Hospital Association (MHA) charity care reported at cost. Callaway Community Hospital (Callaway) did not report their amounts of charity care in 2006 and 2007 to the MHA. Charity care amounts shown for Callaway were reported on their MHA/AHA Annual Licensing Surveys (see BHC Charity Care, Appendix A). Kindred Hospital (St. Louis MSA) did not report charity care to either the MHA website or MHA/AHA Annual Licensing Survey.

The benefits of health insurance coverage, and the consequences of being uninsured, have been widely documented. Uninsured people receive less medical care and less timely care leading to worse health care outcomes and higher mortality.<sup>13</sup>

Based on data presented at the beginning of this report, the numbers of low income uninsured varied significantly and increased in more than half of study counties. An increase in hospital charity care and bad debt expense would be expected and this has in fact occurred. While this seems to be a direct correlation, other factors could be in play that affect the amount of charity care reported. The level of uncompensated care at Missouri hospitals and the multiple factors affecting it will be considered in the following section.

Accounting rules define charity care as health care services that are never expected to result in payment. Charity care has become a controversial issue since non-profit hospitals are expected to provide community benefit, including charity care, in exchange for their tax-exempt status. For-profit hospitals are not obligated to provide charity care since they fulfill their community obligation by paying taxes. To ensure public access to emergency services regardless of a patient's ability to pay, both non-profit and for-profit hospitals are subject to a federal law, the Emergency Medical Treatment and Labor Act (EMTALA).

According to guidelines issued by the Catholic Health Association (CHA), MHA and others, charity care should be reported at cost, not billed charges, and exclude bad debt and other expenses such as Medicare shortfalls. In addition, it is important to evaluate charity care amounts as a percentage of operating revenue and not in direct dollars to ensure fairness in evaluating both small and large hospitals. For example, hospital charity care amounts ranged from as low as \$56 thousand to \$28 million in 2007. When reported as a percentage of revenue, meaningful comparisons of charity care can be made between hospitals, regions, and even other states.

Charity care cost at study hospitals increased from \$113.8 million in 2006 to \$133.5 million in 2007. Aggregate hospital charity care accounted for an average of 1.45 percent of operating revenue, up from 1.3 percent in 2006, an increase of 11 percent. As illustrated in the previous chart, charity care has increased in most regions.

### **Charity Care Varies and Remains Low for Most Hospitals**

Charity care continues to vary dramatically across hospitals in 2007 as compared to past reports. Northeast Regional Medical Center in Adair County had the lowest percentage at 0.18 percent and DePaul Health Center, an urban SSM Health Care network hospital in the St. Louis Metro area, had the highest at 3.8 percent. Approximately 49 percent of the hospitals provided charity care as a percentage of operating revenue of 0 – 1 percent, and about 24 percent of them provided charity care of 1 – 2 percent. Ten hospitals or 27 percent provided charity care at or above 2 percent of operating revenue; only four hospitals provided this level of charity care in 2006.

The St. Louis metropolitan area (MSA), Boone, Marion, Audrain, Callaway, and Greene counties provided charity care above 1 percent of operating revenue in 2007. Generally, it is thought academic medical centers provide more charity care and there are only three in this study located in Columbia and the St. Louis MSA.

Interestingly, three community hospitals in suburban St. Louis provided more charity care than the academic medical centers. DePaul Health Center (SSM) and Christian Hospital (BJC) in north St. Louis County provided 3.8 percent and 3.4 percent respectively and St. Joseph Health Center (SSM) in St. Charles County provided 3.1 percent charity care as a percentage of operating revenue. This is related to the large numbers of low income uninsured located in both St. Charles and St. Louis counties (see p. 12).

It is unclear why counties with high percentages of uninsured such as Cole, Cape Girardeau, Polk, Perry and Adair provided charity care below 1 percent of operating revenue. With the exception of Adair, those counties also reported high and rising amounts of bad debt as shown on the following page. A past rationale for assigning services to bad debt rather than charity care might have been the opportunity to seek collection of past due accounts or to sell the bad debt to a financial service company. Yet, due to the controversy over non-profit hospitals' tax-exempt status and the provision of charity care, those incentives are changing. Since policies and practices related to charity care are in a state of transition, it is difficult to evaluate the meaning of large changes in reported charity care from year to year.

Charity care amounts reported by BHF continue to be generally higher than MHA (see Appendix A, p. 42 – 43). There is a slight methodological difference in the BHF and MHA methods (see Appendix B for method descriptions, p. 57 – 60). Prior to 2006, BHF and MHA reported similar amounts of charity care. In 2006 and 2007, MHA reported charity care for BJC HealthCare system in Boone and St. Louis, and St. John's Health System in Springfield at a notably higher level than BHF reported. Some of this variation can be attributed to retroactive reclassification of bad debt to charity care after collection efforts found that patients could not pay. Although other hospitals in St. Louis and Missouri are facing similar issues, charity care amounts for most of them did not change.

## **Government Subsidies**

The majority of hospitals' revenue comes from government programs, such as Medicare and Medicaid, and commercial health plans. It is generally understood that government payments for services, particularly from Medicaid, are less than the cost of providing the services. To bridge the gap and help compensate for care provided to the uninsured, Medicare and Medicaid make significant additional payments to hospitals through disproportionate share hospital (DSH) programs.

Medicare DSH payments to study hospitals were \$127.5 million in 2007, up from \$125.3 million in 2006, or about 1.4 percent of operating revenue. In the St. Louis region alone, hospitals received Medicare DSH subsidies of nearly \$82 million in 2007, up from \$79 million in 2006, or about 0.9 percent of operating revenue.

Medicaid DSH subsidies include add-on payments to compensate for care provided to the uninsured. A recent report indicated that in 2005, the Missouri Department of Social Services (MDSS) approved a request from the MHA to increase DSH payments to soften the impact of the Medicaid cuts. A special formula is used to apply for state/federal Medicaid DSH payments and hospitals were allowed to alter the formula to make up for any potential loss of funds from fewer Medicaid patients.<sup>14</sup> According to the MDSS, this increase will be phased out from January of 2010 through January 2011. Medicaid DSH payments to study hospitals amounted to \$656 million in 2007, up from \$591 million in 2006. This represented approximately 7.1 percent of operating revenue in 2007, up from 6.8 percent in 2006. St. Louis hospitals received most of the payments of almost \$410 million in 2007 or 7 percent of operating revenue, up from \$364 million in 2006 or 6.6 percent of operating revenue.

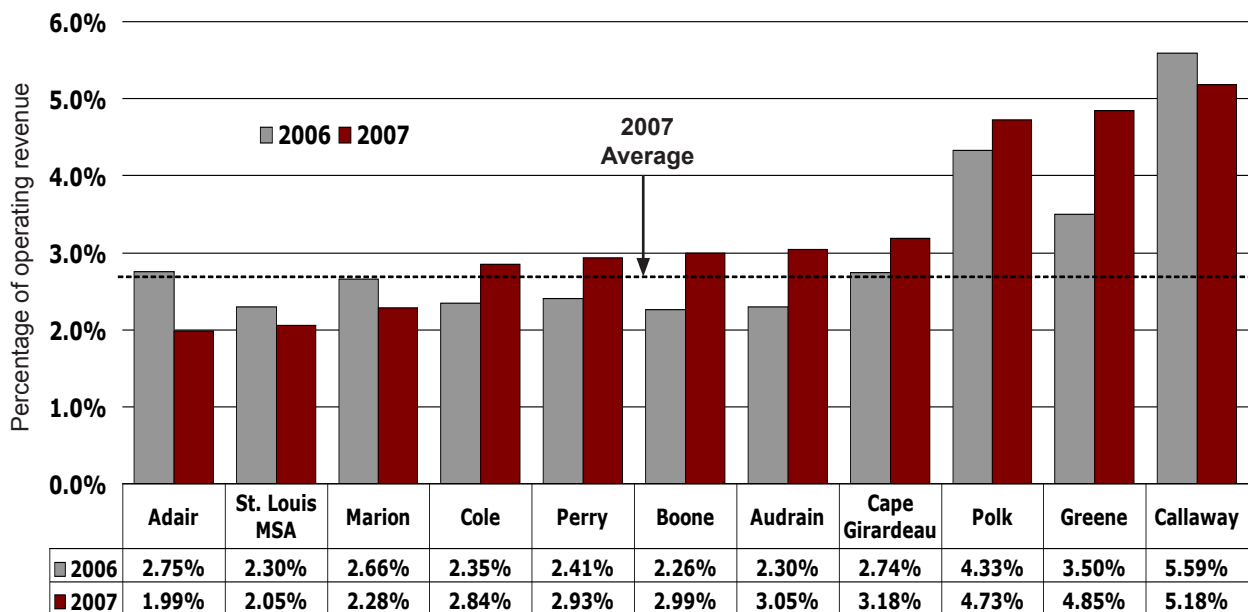
It is important to note that Medicare and Medicaid DSH subsidy amounts vary significantly among the hospitals in this study. For example, while Barnes-Jewish hospital received the most in Medicare DSH subsidies of \$22.3 million, a number of other hospitals including Audrain

Medical Center, Boone Hospital Center, Perry Memorial Hospital, and St. Mary’s Health Center (Cole County) did not receive any Medicare DSH subsidies at all. Medicaid DSH subsidies vary widely as well (see Medicare and Medicaid DSH hospital-specific amounts, and Appendix A, p. 53 – 54). Although not included in this report, many hospitals, not just academic medical centers, receive additional subsidies of indirect and graduate medical education payments.

The amount of subsidies hospital providers receive are an important consideration when assessing the type and amount of care provided to the uninsured. As mentioned earlier in the report, a growing body of research indicates that the sporadic care the uninsured receive in the ED lacks continuity and frequently results in poor health care outcomes. Clearly, the complex system of reimbursing hospitals for shortfalls in government programs and the uninsured leaves fewer funds available for lower cost primary and preventive care services in doctors’ offices and community clinics. Recent federal health reform seeks to reallocate government funds to provide low income individuals with access to health coverage rather than emergency services. By expanding access to primary care, the health of the medically underserved could be improved while achieving greater accountability for the use of these public funds.

### Bad Debt Expense Growth Accelerates in 2007

**Bad Debt as a Percentage of Operating Revenue  
Fiscal Years 2006 - 2007**



Source: Missouri Hospital Association (MHA). Bad debt expense reported at cost. Callaway Community Hospital (Callaway) and Kindred Hospital (St. Louis MSA) did not report their amounts of bad debt in 2006 and 2007 to the MHA. Bad debt amounts shown for Callaway and Kindred were obtained from their MHA/AHA Annual Licensing Surveys (see Bad debt profile, Appendix A).

Bad debt expense at study hospitals reached \$249 million in 2007, up from \$219 million in 2006. Hospital bad debt expense accounted for 2.7 percent of operating revenue, up from 2.5 percent in 2006, an 8 percent increase. Bad debt reported by BHF continues to be higher than MHA (see Appendix A) due to slight methodological differences (see Appendix B).

At least two factors continue to influence the increase in bad debt: the rise in the uninsured; and changing hospital policies and practices on bad debt and charity care. Some providers have adopted more conservative bad debt methodologies leading to large increases in bad debt in a single year. Others have moved expenses initially accounted for as bad debt to charity care. As discussed earlier in this report, BJC HealthCare retroactively reclassified some of their bad debt to charity care and reported higher 2006 and 2007 amounts to MHA.

In the chart above, the majority of the counties in the study had bad debt burdens above the study average in 2007. Many hospitals in the St. Louis MSA had lower bad debt as a percentage of operating revenue, skewing the average lower. Bad debt as a percentage of operating revenue increased by more than 30 percent for Greene, Audrain and Boone counties. While Greene and Boone hospitals were in a better position to withstand such increases, Audrain, with only one small hospital, was profoundly affected. As discussed in the Phase III report, Audrain Medical Center was forced to downsize the hospital and made other significant changes to its operations to endure these challenges.

Overall, bad debt at study hospitals outpaced reported charity care by almost 90 percent in 2007, up from 50 percent in 2006. As noted on page 13, it is paradoxical that some counties with large amounts of bad debt as a percentage of operating revenue were the same regions reporting the lowest amounts of charity care. However, the gap between bad debt and charity care has begun to narrow in 2007. As non-profit hospitals transition to new Internal Revenue Service (IRS) guidelines (IRS Form 990, Section H) that require more detailed charity care and community benefit reporting in 2009, the disparity is expected to reduce further.

The St. Louis MSA as a whole was below average. However, hospitals in Lincoln, Crawford, Jefferson, St. Charles, St. Louis City, and North St. Louis County had relatively high levels of charity care and/or bad debt. To illustrate this, hospitals in St. Louis have been placed in regional categories based on location in the table in Exhibit 2 below. Charity care amounts shown in red were above three percent of operating revenue. With the exception of St. Louis City, the higher rates of uncompensated care can be attributed at least in part to the large numbers of low income uninsured within those parts of the St. Louis MSA discussed earlier in the report.

## Exhibit 2: Charity Care & Bad Debt Expense by St. Louis MSA County, 2006 – 2007

Hospital Name	St. Louis Metro Area County & Location	Charity Care as a Percentage of Operating Revenue		Bad Debt as a Percentage of Operating Revenue	
		2006	2007	2006	2007
Missouri Baptist Hospital - Sullivan	Crawford	3.22%	2.94%	7.30%	6.32%
St. John's Mercy Hospital - Washington	Franklin	1.44%	2.04%	2.63%	2.43%
Jefferson Regional Medical Center	Jefferson	0.64%	0.59%	3.01%	3.40%
Lincoln County Memorial Hospital	Lincoln	1.10%	1.63%	3.01%	7.48%
Barnes-Jewish Hospital - St. Peters	St. Charles	1.10%	2.35%	2.71%	2.17%
Progress West HealthCare Center		N/A	2.52%	N/A	6.14%
St. Joseph Health Center		1.83%	3.05%	2.64%	2.07%
St. Joseph West - Lake St. Louis		1.10%	2.17%	3.09%	2.41%
<b>Total St. Charles</b>		<b>1.44%</b>	<b>2.62%</b>	<b>2.64%</b>	<b>2.40%</b>
Christian Hospitals	North St. Louis County	3.09%	3.43%	5.07%	5.99%
DePaul Health Center		1.35%	3.83%	3.79%	2.10%
<b>Total North St. Louis County</b>		<b>2.17%</b>	<b>3.64%</b>	<b>4.39%</b>	<b>3.98%</b>
St. Anthony's Medical Center	South St. Louis County	0.90%	0.94%	1.63%	1.98%
St. Joseph Hospital – Kirkwood*		1.15%	1.76%	1.49%	1.52%
<b>Total South St. Louis County</b>		<b>0.95%</b>	<b>1.09%</b>	<b>1.60%</b>	<b>1.89%</b>
Barnes-Jewish Hospital - West County	West St. Louis County	0.71%	1.11%	1.62%	1.55%
Des Peres Hospital		0.30%	0.25%	0.54%	1.58%
Missouri Baptist Medical Center		1.05%	0.86%	1.17%	1.37%
St. John's Mercy Medical Center		1.39%	1.30%	1.55%	1.72%
St. Luke's Hospital		0.56%	0.46%	0.85%	0.91%
St. Mary's Health Center		1.46%	2.40%	2.49%	1.66%
<b>Total West St. Louis County</b>		<b>1.08%</b>	<b>1.12%</b>	<b>1.42%</b>	<b>1.48%</b>
Barnes-Jewish Hospital	St. Louis City**	2.00%	2.39%	2.46%	2.18%
Cardinal Glennon Hospital		0.46%	0.47%	0.26%	0.67%
Forest Park Hospital		1.00%	0.48%	4.52%	4.23%
St. Alexius Hospital		0.33%	0.31%	5.92%	5.75%
St. Louis Children's Hospital		1.10%	0.54%	0.80%	0.95%
St. Louis University Hospital		2.90%	2.23%	4.14%	1.25%
<b>Total St. Louis City</b>		<b>1.76%</b>	<b>1.75%</b>	<b>2.48%</b>	<b>1.90%</b>
<b>Aggregate, St. Louis MSA***</b>		<b>1.47%</b>	<b>1.71%</b>	<b>2.30%</b>	<b>2.18%</b>

\* St. Joseph Hospital – Kirkwood was closed by SSM Health Care in March 2009. SSM St. Clare Health Center in Fenton, MO opened in March 2009 to serve the South St. Louis County Area.

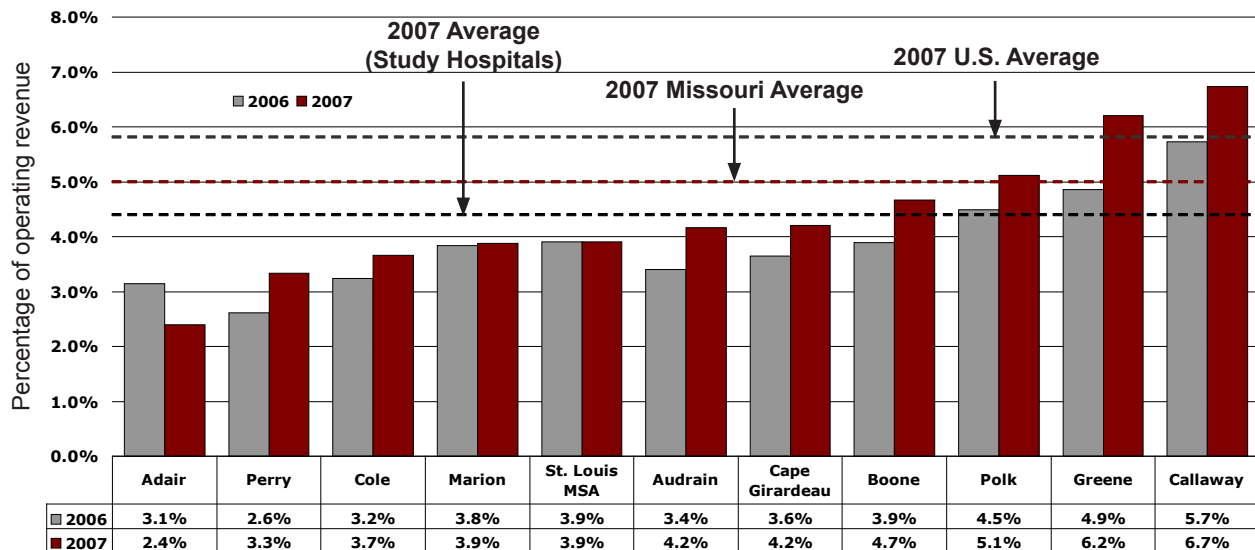
\*\* Kindred Hospital has been excluded from the St. Louis City section of this table since they are a long-term acute care hospital.

\*\*\* St. Louis Metropolitan Statistical Area figures include only Missouri hospitals for this report.

## Uncompensated Care and Community Benefit

The American Hospital Association (AHA) considers bad debt and charity care expense together as total uncompensated care and expresses it as a percentage of total expense. It is important to look at them together given the state of transition in hospital policies and practices, and also because of the significant variation between charity care and bad debt among hospitals.

### Uncompensated Care as a Percentage of Operating Expense Fiscal Years 2006 - 2007



Source: Missouri Hospital Association (MHA), CMS Medicare Cost Reports, audited financial statements, and internal hospital documents.

Uncompensated care expressed as a percentage of total expenses results in a slightly higher number when compared to the same measure as a percentage of operating revenue though the trends are directionally similar. This is useful for this study since it provides a national benchmark for comparison. To compare the results of Missouri hospitals using the AHA method, bad debt and charity care were combined and expressed as a percentage of total expenses shown in the chart above. It is interesting that the 2007 uncompensated care aggregate 2007 Average (Study Hospitals) percentage of 4.4 percent based on MHA data was well below both the state average of 5 percent<sup>15</sup> and the U.S. average of 5.8 percent<sup>16</sup> suggesting that hospitals in the study had fewer non-paying patients and fared better than other regions of Missouri and the nation.

Individual hospitals and regions had higher percentages. Callaway and Greene counties exceeded both the state and national averages for uncompensated care as a percentage of operating expense in 2007. Why is their uncompensated care so much higher? When U.S. Census health insurance estimates are considered, the counties surrounding Callaway, Greene, and Polk had high rates of low income uninsured. The majority of the surrounding counties' rates of low income uninsured ranged from 22 to 38 percent. In fact, Osage County, which is located just south of Callaway, had the highest rate of low income uninsured in the state at 46 percent.

According to the most recent report from the Health Commission of Greene County, 60 percent of patients seeking primary care in Springfield reside outside of Greene County. The number of

primary care providers within the county is most likely inadequate to serve the needs of Greene County citizens, even without this external demand.

## Financial performance improves

**Exhibit 3: Operating and Profit Margin Trends, 2005 – 2007**

Missouri Hospitals	Operating Margins			Profit Margins		
	2005	2006	2007	2005	2006	2007
Marion	-0.23%	4.95%	10.70%	1.47%	6.07%	13.70%
Adair	8.42%	8.82%	9.60%	8.42%	8.78%	9.58%
Cape Girardeau	6.41%	5.85%	7.43%	9.70%	8.08%	10.86%
Callaway	-1.69%	11.55%	7.09%	-1.69%	12.77%	4.89%
Perry	11.24%	7.64%	6.34%	11.25%	7.71%	8.04%
Boone	7.84%	7.59%	5.52%	6.37%	5.30%	5.76%
Greene	5.51%	4.47%	5.42%	7.09%	4.50%	4.59%
St. Louis MSA*	4.06%	3.58%	4.22%	6.86%	5.24%	5.94%
Polk	-3.34%	-4.01%	1.14%	-3.10%	-3.71%	1.77%
Audrain	-2.49%	-12.18%	0.51%	-2.41%	-4.31%	0.83%
Cole	1.77%	1.59%	-1.48%	1.93%	2.02%	-1.14%
<b>Aggregate</b>	<b>4.03%</b>	<b>4.45%</b>	<b>4.59%</b>	<b>5.11%</b>	<b>6.62%</b>	<b>5.83%</b>
<b>Missouri Average<sup>17</sup></b>	<b>2.96%</b>	<b>3.16%</b>	<b>4.27%</b>	<b>4.10%**</b>	<b>5.19%**</b>	<b>4.95%**</b>
<b>U.S. Average<sup>18</sup></b>	<b>3.70%</b>	<b>4.00%</b>	<b>4.30%</b>	<b>5.30%</b>	<b>6.00%</b>	<b>6.90%</b>

\* St. Louis MSA hospitals include only Missouri hospitals for this report.

\*\* Source: DHSS. Excludes government, psychiatric and rehabilitation hospitals. Operating margins obtained from a different source – see Endnotes.

Note: Changes to previously reported data are based on the most current information including numerous restatements. See Appendix B for disclosures.

Profits from operations continued to improve in aggregate for hospitals in this study from 2006 to 2007. Despite higher reported charity care and bad debt expense, operating margins rose for nearly two-thirds of the study hospitals and exceeded state and national averages (Exhibit 3).<sup>17,18</sup> Profit margins for less than half were above the national average, yet most of the hospitals outperformed the state average. Even though most were relatively profitable, charity care and bad debt increases for independent hospitals in a few of the most vulnerable regions resulted in very slim margins. The following are highlights of hospitals with changes in their financial performance; financial performance information on all study hospitals is available in Appendix A.

### Audrain County

Audrain Medical Center (AMC) continued to struggle financially in 2007. Bad debt expense as a percentage of operating revenue increased more than 30 percent and uncompensated care as a percentage of expenses grew 22 percent, the third highest increase for any region in this study. In 2007, AMC had \$25.3 million in reserves equivalent to slightly less than five months of operating revenue (see Exhibit 4, page 18). AMC's debt-to-equity ratio grew from 2006 to

2007 and was almost twice the Missouri average indicating continuing financial vulnerability. Fortunately, AMC was able to increase revenues and hold down expenses in 2007 resulting in positive, although small, operating and profit margins.

### **Greene County**

Financial performance of Greene County hospitals improved in 2007. Charity care in 2007 fell by more than half of the amount reported in 2006 at Cox Health System (CHS). Bad debt climbed more than 40 percent, the highest in Greene County. Operating margins improved dramatically, from 0.90 percent in 2006 to and 2.38 percent in 2007. CHS had \$476 million in reserves in 2007, equivalent to about eight months of operating revenue. CHS's 2006 debt-to-equity ratio of 0.7 was the same as Missouri average.

St. John's Regional Health System continued to provide the largest amount of charity care as a percentage of operating revenue in the county and bad debt increased 37 percent from 2006 to 2007. St. John's continues to be the strongest financially as compared to the other hospitals in the region, with an operating margin well above the state and national average. Non-operating revenue was not reported by the hospital. In 2007, St. John's had \$227 million in reserves, equivalent to four months of operating revenue, and a debt-to-equity ratio of 0.5, below the Missouri average.

Charity care increased slightly and bad debt expense stabilized in 2007 at Ozarks Community Hospital (OCH). Revenues improved and OCH held down expenses resulting in positive, although slim, operating and profit margins in 2007. OCH had \$17 million in reserves in 2007, on average equivalent to less than one month of operating revenue. OCH continued to have a high level of debt with a debt-to-equity ratio of 9.0, up from 8.3 in 2006, nearly 13 times the state average.

### **Polk County**

Bad debt as a percentage of operating revenue rose to 4.7 percent in 2007, up from 4.3 percent at Citizens Memorial Hospital (CMH). Operating and profit margins substantially improved in 2007 yet remain well below state and national averages. Although CMH continued to have the highest level of debt in 2007 of all the counties in this study, it has reduced its debt-to-equity ratio by more than half since 2006. Reserves improved to almost \$3 million in 2007, equivalent to less than three weeks of operating revenue and among the lowest of all hospitals in the study. CMH did not provide information regarding the impact of the 2005 Medicaid eligibility reductions on their financial performance. Despite financial challenges, CMH continues to invest in new services.

### **Callaway County**

Bad debt expense as a percentage of operating revenue fell slightly yet remained well above average at 5 percent at Callaway Community Hospital (CCH). Despite this, CCH experienced a significant increase in profitability in 2007. CCH's operating margin increased to 7.1 percent in 2007, up from 0.6 percent 2006. Charity care rose significantly from 0.10 percent in 2006, to about 1.1 percent in 2007 yet remained low as a percentage of operating revenue. Reserves were equivalent to less than two months of operating revenue, and debt-to-equity was more than five times the Missouri average. CCH did not provide information regarding the impact of the 2005 Medicaid eligibility reductions on their financial performance.

## Cole County

Cole County hospitals had higher than average levels of bad debt as a percentage of operating revenue, yet provided relatively low levels of charity care. Capital Region Medical Center (CRMC) has been consistently more profitable than St. Mary's Health Center (operated by SSM Health Care in St. Louis) who lost money from 2005 to 2007. Reserves appeared to be adequate for CRMC at more than seven months of operating revenue. St. Mary's reserves fell by more than \$11 million in 2007 and were equivalent to one month of operating revenue. CRMC's debt-to-equity ratio was about average in 2007 while St. Mary's debt was more than four times higher than the Missouri average (see Appendix A).

## Lincoln, St. Charles and Warren counties (St. Louis Metropolitan Area)

Lincoln, St. Charles and Warren counties share a common border in the northeast portion of the St. Louis Metropolitan Area (MSA). Despite having a relatively small population of low income families in 2007 (60,000+) as compared to other parts of the MSA, they placed in the top five counties in percentage of uninsured low income adults and children (see p. 12 –13).

**Exhibit 4: Total Reserves and Debt-to-Equity Ratios 2005 – 2007**

Missouri Hospitals	Reserves (Fund Balance)*			Debt-to-Equity Ratios		
	2005	2006	2007	2005	2006	2007
Polk	\$1	\$1	\$3	29.0	25.2	11.6
Callaway	\$5	\$6	\$2	0.8	0.7	3.7
Adair	\$24	\$32	\$38	3.1	2.3	1.6
Audrain	\$24	\$25	\$25	1.4	1.3	1.3
Cole	\$108	\$102	\$95	0.8	0.9	1.0
Boone	\$228	\$321	\$353	1.4	0.9	1.0
Marion	\$40	\$48	\$61	1.0	0.8	0.7
Greene	\$790	\$828	\$704	0.5	0.5	0.7
Cape Girardeau	\$297	\$351	\$412	0.7	0.6	0.6
St. Louis Area**	\$3,656	\$4,131	\$4,263	0.5	0.6	0.6
Perry	\$17	\$18	\$21	0.2	0.2	0.1
<b>Aggregate</b>	<b>\$5,191</b>	<b>\$5,862</b>	<b>\$5,978</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>
<b>Missouri Average<sup>19</sup></b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>

\* All figures are in millions of dollars

\*\* St. Louis MSA hospitals include only Missouri hospitals for this report.

Four hospitals are located in St. Charles: Barnes-Jewish St. Peters and Progress West Healthcare Center operated by BJC Health Care (BJC); and St. Joseph Health Center and St. Joseph Hospital West operated by SSM Health Care (SSM). Lincoln County Medical Center is the only hospital located in Lincoln County.

In 2007, its first year of operation, Progress West lost money, and bad debt exceeded 6 percent in 2007. Uninsured ED visits were below the state average (see Appendix A). Barnes-Jewish St.

Peters was very profitable with margins ranging from 14.5 percent in 2006 to 11.8 percent in 2007. ED visits overall fell 6 percent while the percentage of uninsured ED visits was relatively unchanged from 2006 to 2007. Neither hospital reported large amounts of charity care

SSM hospitals in St. Charles did not fare as well financially. St. Joseph Health Center lost money in 2006 and earned only a 0.5 percent profit margin in 2007. They acquired Doctor's Hospital Wentzville in 2005 whose history of poor financial performance likely contributed to their losses. While ED visits overall fell 3 percent, uninsured ED visits increased almost 7 percent. Charity care as a percentage of operating revenue exceeded 3 percent in 2007, up from 1.8 percent in 2006. Profit margins at St. Joseph West were only slightly better at 2.3 percent and 1.2 percent in 2006 and 2007 respectively. Overall ED visits rose almost 3 percent and uninsured ED visits rose more than 7 percent. Bad debt was slightly higher and charity care was lower than St. Joseph Health Center. The percentages of uninsured ED visits were below the state average for both hospitals.

In 2007, ED visits rose 3 percent at Lincoln County Medical Center. Bad debt expense more than doubled to 7.5 percent of operating revenue, up from 3 percent in 2006. Charity care has remained low since 2004, below 2 percent of operating revenue. Since uninsured ED and other hospital utilization were not available, it is unclear if the 2005 Medicaid cuts had an impact on uncompensated care. In past years Lincoln lost money from operations, yet profit margins remained positive. Reserves were equivalent to about five months of operating revenue and debt-to-equity was about three times the Missouri average. Profit margins fell to 3.8 percent in 2007, down from 7.1 percent in 2006.

Lincoln receives local subsidies and is designated as a Medicare Critical Access Hospital (CAH) which has contributed to their financial stability. Medicare pays for most services at CAHs on the basis of 101 percent of their allowable and reasonable costs. CAHs may also receive other special payments, such as those that benefit physicians and Medicare beneficiaries.

### **Franklin, Jefferson and Washington counties**

In 2007, more than 72,000 low income people lived in Franklin, Jefferson, and Washington counties that share borders in the southwestern portion of the MSA. Franklin and Jefferson placed in the top ten counties in percentage of uninsured low income adults and children (see p. 12 – 13).

Three hospitals are located in the region: St. John's Mercy Hospital Washington, part of the St. John's Mercy Health Care hospital system; Jefferson Regional Medical Center; and BJC Missouri Baptist Hospital Sullivan. Missouri Baptist was the smallest of the three hospitals reporting charity care of approximately 3 percent and bad debt between 6 and 7 percent as a percentage of operating revenue during the period. While 2004 and 2005 profit margins were in the double digits, they lost money in 2006 and 2007. St. John's was profitable with charity care and bad debt about average during the period. Jefferson reported above average bad debt and provided little charity care. Overall ED visits rose 4 percent. Reserves at Jefferson were equivalent to about seven months of operating revenue and debt levels were about average. At Missouri Baptist, St. John's and Jefferson, overall ED visits rose 9 percent, 11 percent and 4 percent respectively. Uninsured ED and other hospital utilization were not available.

### **St. Louis County**

In 2007, more than 173,000 low income people lived in St. Louis County, the second largest low-income population in the state. Despite placing in the bottom third in percentage of low-income

uninsured, St. Louis County had the largest number of uninsured low-income adults and children for any county in this study. St. Louis County covers a large geographic area of more than 500 square miles. Since U.S. Census estimates of uninsured are limited to the county level, it is difficult to make absolute statements regarding where most of the low-income uninsured reside.

Based on reports from St. Louis area hospitals, the media, and St. Louis County Health Department officials, North St. Louis County had the largest distribution of low-income people. As shown earlier in the report on page 15, North St. Louis County hospitals had comparatively higher percentages of charity care and bad debt expense as a percentage of operating revenue.

In 2007 BJC HealthCare's Christian Hospital, located in North St. Louis County, had significantly lower financial performance as compared to other system hospitals. This was due in part from rising charity care and bad debt expenses. Charity care and bad debt as a percentage of operating revenue were 3.4 percent and 6 percent respectively in 2007, up from 3.1 percent and 5.1 percent in 2006. From 2006 to 2007, Christian's overall ED visits increased about 2 percent while uninsured ED visits rose 6.5 percent. The uninsured accounted for about 20 percent of all ED visits and were above the state average.

SSM Health Care's DePaul Hospital, also located in North St. Louis County, performed better financially than Christian Hospital in 2007 despite rising charity care. In 2007, charity care as a percentage of operating revenue more than doubled at DePaul to 3.8 percent, up from 1.4 percent in 2006. Bad debt as a percentage of operating revenue fell to 2.1 percent in 2007, down from 3.8 percent in 2006. DePaul's overall and uninsured ED visits were unchanged from 2006 to 2007. The uninsured accounted for about 18% of all ED visits, close to the state average.

While this provides some evidence that the 2005 Medicaid cuts increased the amount of uncompensated care at North St. Louis County hospitals, the lack of data on uninsured hospital utilization makes it difficult to make firm statements.

## **St. Louis City**

Forest Park and St. Alexis Hospitals serve mainly low-income populations and continue to be two of the most financially troubled institutions in the St. Louis area. Bad debt as a percentage of operating revenue fell slightly from 2006 to 2007 at both hospitals yet remained well above average. Charity care as a percentage of operating revenue continued to be below average. Uncompensated care as a percentage of expenses ranges from 5 to 6 percent.

Despite this, operating and profit margins at Forest Park improved in 2007 yet were well below average at 1.5 percent. At St. Alexis, operating margins fell to a slim 0.33 percent in 2007, well below average. Both hospitals' reserves were negative and debt grew slightly persisting at high levels.

In 2006, Forest Park closed its obstetrics program. In December 2008, both hospitals were acquired by Success Healthcare, and the new owner stated that its immediate goal is to assess current operations and in the next six months, "to implement a turnaround plan and financial strategy that will support the immediate and long-term objectives of both hospitals."<sup>20</sup>

In February 2010, the hospitals announced that they would combine their management and some services, eliminating 268 full time jobs.<sup>21</sup> At that time, Forest Park and St. Alexis filed with the Missouri Department of Health to operate as one hospital under a single license.

The current hospital has retained its St. Alexius name and Forest Park is now known as St. Alexius-Forest Park.<sup>22</sup>

Currently, Forest Park is trying to use only one of its six floors and staffs a few dozen patient beds. It provides only emergency and psychiatric services. In contrast, St. Alexius continues to offer a range of services although it staffs only about one-third of its 456 licensed beds. The long-term viability of these institutions remains uncertain.

In the past, Tenet Health System's St. Louis University Hospital (SLU) reported charity care at about 3 percent operating revenue, yet in 2007 it fell to 2.2 percent. SLU is part of the for-profit Tenet Health System and pays taxes equivalent to approximately 4 percent of operating revenue. Historically SLU had a high percentage of bad debt however, in 2007 bad debt fell to 1.3 percent of operating revenue, down from 4 percent in 2006. Operating and profit margins at SLU turned positive in 2007 yet remained well below average. In 2007, SLU internal financial statements disclosed \$117 million in reserves equivalent to about four months of operating revenue. Debt-to-equity ratios were three times the state average.

According to Tenet's Form 10-Q filed with the Securities and Exchange Commission, 2007 retained earnings were a negative \$2.9 billion. However, Tenet's \$4.4 billion paid-in capital resulted in a positive \$54 million in stockholder equity.

### **Impact on Hospital Systems**

Despite the financial impact of higher charity care and bad debt at Christian and Missouri Baptist Sullivan, most BJC hospitals in 2007 were relatively unaffected by the 2005 Medicaid cuts. BJC was second most profitable hospital system in St. Louis. System-level operating and profit margins were in line with state and national averages in 2007. BJC had \$2.4 billion in system-level reserves, equivalent to about 12 months of operating revenue, and debt was below the state average.

In 2007, St. John's Mercy Health Care, owned by the Sisters of Mercy Health System, was the most profitable hospital system in the St. Louis MSA with profit margins above the state average. Non-operating revenue is reported by St. John's parent company, Sisters of Mercy Health System, and is not included in its financial results. The effect on St. John's profitability is unclear. St. John's had below average levels of bad debt in 2007. Charity care as a percentage of operating revenue has also been relatively low since 2006 at 1.4 percent. According to a 2008 RHC report, ED services provided to the uninsured at St. John's are significantly lower than at other hospital systems in the St. Louis MSA. St. John's had nearly \$470 million in system-level reserves or about seven months of operating revenue and debt was well below the state average.

SSM Health Care's financial performance improved in 2007 yet it was not as profitable as the BJC and St. John's hospital systems in the St. Louis MSA. Any added support SSM may receive from its parent company, Sisters of St. Mary, remains unclear. System-level bad debt fell to 1.7 percent of operating revenue in 2007, down from 2.4 percent in 2006 while charity care rose to 2.4 percent in 2007, up from 1.3 percent in 2006. It appears the decrease in uncompensated care shown in this report had an important impact on SSM Health Care's 2007 operating and profit margins. SSM's \$482 million in reserves were equivalent to about five months of operating revenue. Debt-to-equity ratios were below the state average.

## Section I Summary

The data show Medicaid hospital utilization fell by a larger amount from 2006 to 2007 than in previous reports. Uninsured use of emergency services increased in 2007 yet uninsured inpatient discharges fell slightly in aggregate for all hospitals in the state of Missouri. Charity care and bad debt expense as a percentage of operating revenue increased, except to a lesser degree than expected in 2007, and continued to be relatively low. Looking at charity and bad debt together, total uncompensated care as a percentage of operating expense rose at study hospitals in 2007 yet to a lesser degree as compared to previous reports. This suggests that increases in government subsidies helped lessen some of the financial impact and/or hospitals took other steps to help mitigate their uncompensated care burdens. As in past reports, results for certain study hospitals continue to be higher and indicate that charity and bad debt burdens remain unevenly distributed across the state. Hospital policies and practices related to uncompensated care continue to be in a state of transition, given the controversy over non-profit hospitals' tax-exempt status. Unfortunately, the lack of data before 2004 does not allow a comparison of normal year-to-year fluctuations in the levels charity care and bad debt over a longer period of time, and, coupled with data limitations related to hospital-specific care for the uninsured, make it difficult to determine the significance of the increases.

Financial performance improved from 2006 to 2007 and study hospitals in most cases outperformed state and national averages. Given the onset of the recession at the end of 2007, financial performance is expected to show deterioration in 2008. Charity care and bad debt expenses are expected to increase significantly at study hospitals as the numbers of uninsured rise from the combination of lower Medicaid enrollment and job loss from the weakening economy. In Greene County, one hospital was able to meet these challenges with creativity and innovation despite a sharp increase in uncompensated care. The story of how they were able to help 227 uninsured individuals improve health and quality of life begins on the following page in Section II.

## Section II: Hospital Innovation

### Introduction

The purpose of this project is to more fully understand the extent that hospital charity care and bad debt expense, or uncompensated care, has been affected by the 2005 Medicaid reductions. After the Phase I and Phase II reports were released, the scope of the research was expanded in Phase III to learn more about hospitals' efforts to cope with the cuts and whether they have been able to improve service to the uninsured population in their geographic areas.

The first Hospital Innovation section was released with the Phase III report in 2009 and presented the innovative strategies of two health care providers, the St. Louis Integrated Health Network (IHN) and Audrain Medical Center. As mentioned earlier in the report, IHN's Community Referral Coordinator Program (CRC) continues to improve access to primary care for the underserved. When uninsured people seek non-emergent care in hospital emergency departments (ED), CRCs connect them with a health care home and primary care appointment. As a result, CRCs have been able to significantly reduce non-emergent use of the ED. Audrain Medical Center continues to adapt their operations to improve access to primary care and on-going health care management for the region's uninsured.

The third hospital innovator to be profiled in this series of reports is one of the two largest hospitals in southwest Missouri, St. John's Health System. St. John's service area is comprised of Greene and its surrounding counties which are among the lowest in per capita income in the state. As mentioned earlier in this report, Greene County's uncompensated care as a percentage of operating expense exceeded both the U.S. and Missouri averages in 2006 and 2007. In response to the rapid rise in chronically ill, uninsured and underinsured patients seeking care in the ED, St. John's developed an innovative program to improve access to primary care, chronic disease management, and on-going health management of this population.

### St. John's Health System

St. John's Health System (SJHS), a member of the Sisters of Mercy Health System (SMHS), is a non-profit health system located in Springfield, Missouri serving the residents of southwest Missouri and northern Arkansas since 1891. As an integrated system, St. John's is comprised of St. John's Hospital in Springfield, an 866-bed referral center; five regional hospitals in Lebanon, Aurora, Cassville, Mountain View, and Berryville, Ark.; St. John's Clinic, a 460-physician clinic with 70 locations throughout the region; and St. John's Health Plans, the largest managed care provider in the region.

Non-emergent use of the ED by the uninsured was a problem St. John's had wanted to address for several years. Since the uninsured had little access to primary health care, the ED may have been their only source of primary care. The ED by its very nature was not designed to provide primary care, continuity of care, or effective follow-up after discharge.

Soon after expansion and renovation of St. John's ED in 2008, a marked increase in uninsured visits caused it to reach maximum capacity. In response, the hospital formed a multidisciplinary committee to explore the issue. The committee developed an action plan for a pilot project named "Project Access," to provide more effective health care to the uninsured and reduce non-emergency use of the ED.

## **Project Access Emergency Room Demonstration Project**

The goal of Project Access was to provide access to health care and improve the quality of life for uninsured low-income adults that suffer from chronic illness. The SMHS Mercy Caritas Foundation and St. John's Foundation in Springfield provided a total of \$270,000 in grants to fund the pilot. The program utilized St. John's Health System staff, primary and specialty care physicians, and a variety of community partners to coordinate care and meet the needs of the whole person. The duration of the pilot was expected to be one year and goals included:

- Better chronic disease management;
- Health promotion and prevention strategies with an emphasis on education and self-management;
- Provide care in a more appropriate setting and reduce non-emergent use of the ED;
- Better coordination of care; and
- Build collaboration with community resources.

## **Enrollment**

With a goal of enrolling 100 patients in the pilot, planning began in July 2008. Medical Management started screening and enrollment of the initial participants in November 2008. To be eligible, the person had to meet the following criteria:

- 18 – 64 years of age who utilized the ED more than five times a year;
- Had a chronic disease in need of disease management or care coordination;
- Yearly income at or below 150% of FPL;
- Willing to enter into a contract for services that includes rights and responsibilities; and
- Willing to utilize SJHS Primary Care Physicians (PCP).

Patients with chronic conditions often benefit from improvements in health literacy and practical knowledge of their disease that enables them to better self-manage their condition. Typical conditions include asthma, heart disease, congestive heart failure, and diabetes.

The enrollment application process included: a financial assessment, clinical needs assessment, and past utilization pattern review. SJHS physicians, case managers, social services, and community partners could also refer patients into the program.

Initially, the nurse case manager sends a packet to the patient that includes an application, explanation of patients' rights and responsibilities and a care management contract. Later, the case manager calls the patient to answer questions, explain their responsibilities and have them sign the care management contract. The Contract requires the patient to:

- Keep appointments with their PCP, or notifies them within 24 hours if they have a reason to cancel the appointment;
- Work with the case manager;
- Participate in health education and do the reading assigned to them;
- Be respectful of the physician and staff at the primary care office; and
- Be compliant with medications.

The process is completed in about one month and enrollees receive an identification card to use when accessing services within the network.

St. John's reimburses primary care providers for office visits while patients are responsible for minimal co-payments. If the patient qualifies for charity care, expenses for inpatient and outpatient services are covered by St. Johns. If the patient does not qualify for charity care, they are responsible for expenses associated with their care. Those payment amounts are determined by a sliding scale based on income.

Since enrollment in the program grew slowly the first year, the pilot was extended for an additional year. During the two-year period of the pilot, a total of 227 individuals benefitted from the program. Approximately 75 of those people were fully enrolled in Project Access receiving access to primary care, medication assistance and care management services. St. John's Medical Management and their community partners assisted the remaining 152 individuals in a variety of ways such as providing care coordination, disease education, financial and community resources, and connecting them to job fairs where some found employment with health insurance benefits. Others were assisted in obtaining Medicaid coverage.

### What's Covered

The following services are covered under the Project Access program:

- Primary Medical Care (Medical Home)\*
- Specialty Care (requires authorization)
- Dental
- Mental Health

\* Primary Care Physician (PCP) established based on the patient's location; this becomes their Medical Home.

### What's Not Covered

The following services are not covered under the Project Access program:

- Out of network Services
- Transplants
- Gastric Bypass
- Infertility Treatments
- Genetic Testing
- Birth Control Medications
- Cosmetic Surgery

## Care Management

Patient self-management of disease and improved coordination of care are the cornerstones of the care management program. The nurse case manager provides a full continuum of case management collaborating with the patient, their physician and the medical care team to coordinate the plan of care, to provide education and to identify community resources needed across all levels of care. The disease management nurse educates the patient about their disease process, health and wellness, medication, the importance of lab tests, and how they can best prepare for each primary care visit.

If patients experience any problems between primary care visits or after normal office hours, they are encouraged to use “Nurse on Call,” St. John’s 24-hour telephone nurse triage line. Depending on the nature of the problem, Nurse on Call provides triage to the appropriate level of care with care advice, education and support for self-management of the patient’s disease, and helps arrange an appointment with their PCP. With access to the patient’s medical history, Nurse on Call provides important continuity of care between the patient and the PCP that supports the Medical Home.

The program also considers other non-medical factors affecting the patient such as home safety, resources, coordination of transportation (if needed), and equipment needs. This includes collaboration with community partners to provide services with the over arching goal of assisting the patient with self-management of their disease in the context of their daily lives.

### Project Access Network

- **Medical and Mental Health Services**

- St. John’s PCPs
- St. John’s Specialty Physicians
- St. John’s Employee Assistance Program (EAP)

- **Community Partners**

- The Kitchen, Inc.: Started 20 years ago by Sister Lorraine Biebel to provide services to the poor. Services of the Kitchen include: housing, food, counseling, medical and dental, education, youth services, clothing, advocacy, life skills and homelessness prevention.
- The Health Commission is in its early stages of development and works to support the needs of the uninsured and underinsured.

- **Dental:** Robert Reynolds, DDS has donated his services over the past two years.

- **Chiropractic Services:** Dr. Gary Meek

- **Pharmacy**

- Medication Access Program: Medication adherence has changed the lives of many Project Access patients. Similar to a pharmacy benefits management program where lower cost generic medications are encouraged, the 75 patients in the pilot have benefitted from over \$388,000 worth of medications.

## The Results

Project Access has had very positive results, exceeding all expectations. Non-emergency use of the ED has been reduced. Early results indicate as many as 42 ED visits were avoided in the pilot population in the most recent fiscal year. While reducing non-emergent ED use was an initial goal of the program, the benefits to patients have been far greater.

Many patients enrolled in Project Access have improved their health status and expressed satisfaction with the program.<sup>23</sup> According to Ann Cave, Vice President of Medical Management at St. John's, one of the things they have learned from the program is that patients do not want to come to the ED for primary care, are very appreciative of having access to a primary care physician, and are compliant with the program. The pilot has also been well-accepted by St. John's medical staff. The leadership of St. John's clinics and primary care physicians prefer this new approach to providing care to the underserved.

St. John's parent, SMHS, is also very satisfied with the success of the program. So much so, SMHS Mercy Caritas Foundation has agreed honor its commitments to Project Access and provide an additional \$1 million in funding to expand it to all SMHS sites. Cox Health, a large community hospital and competitor of St. John's in Springfield, embarked on a program similar to Project Access in 2010 that will provide further benefits to the community.

In the context of the greater Springfield–Greene County region, the community has come together to address the health care issues of the underserved. The Health Commission, whose members include health care providers, leadership from local and state government, academia, business, social service and charitable organizations, works to support the needs of those enrolled in Project Access and the wider group of uninsured in the region.

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## Appendix A

### Missouri Uninsured by County, Age and Income, 2006 - 2007

All Incomes by County	All Nonelderly			Adults			Children		
	% Uninsured			% Uninsured			% Uninsured		
	2006	2007	% Change	2006	2007	% Change	2006	2007	% Change
<b>Missouri Average</b>	<b>15.3%</b>	<b>14.3%</b>	<b>-7.2%</b>	<b>17.6%</b>	<b>15.9%</b>	<b>-10%</b>	<b>9.1%</b>	<b>10.4%</b>	<b>14%</b>
Adair	22.0	19.7	-10.5%	25.8	23.3	-9.7%	9.5	8.5	-10.5%
Audrain	13.6	<b>15.2</b>	<b>11.8%</b>	15.7	<b>17.1</b>	<b>8.9%</b>	8.9	<b>10.9</b>	<b>22.9%</b>
Boone	17.7	16.9	-4.5%	20.7	19.5	-5.8%	9.4	<b>9.4</b>	<b>0.5%</b>
Callaway	14.1	<b>15.7</b>	<b>11.3%</b>	15.6	<b>17.6</b>	<b>12.8%</b>	10.3	<b>11.0</b>	<b>7.2%</b>
Cape Girardeau	14.3	14.2	-0.7%	16.3	<b>16.4</b>	<b>0.6%</b>	8.9	8.2	-7.5%
Cole	13.5	<b>15.0</b>	<b>11.1%</b>	15.3	<b>17.0</b>	<b>11.1%</b>	8.7	<b>9.8</b>	<b>12.2%</b>
Greene	16.4	15.4	-6.1%	19.2	18.4	-4.2%	8.5	7.3	-14.5%
Marion	12.2	<b>13.4</b>	<b>9.8%</b>	14.0	<b>15.5</b>	<b>10.7%</b>	7.8	<b>8.4</b>	<b>7.7%</b>
Perry	14.0	<b>15.8</b>	<b>12.9%</b>	16.1	<b>17.9</b>	<b>11.2%</b>	9.0	<b>10.6</b>	<b>17.9%</b>
Polk	17.0	16.5	-2.9%	19.7	19.4	-1.5%	10.5	9.2	-12.6%
<b>St. Louis MSA</b>									
Franklin	12.7%	<b>14.0%</b>	<b>10.2%</b>	14.2%	<b>15.5%</b>	<b>9.2%</b>	8.8%	<b>10.3%</b>	<b>16.8%</b>
Jefferson	11.5	<b>13.4</b>	<b>16.5%</b>	13.0	<b>14.7</b>	<b>13.1%</b>	7.7	<b>10.0</b>	<b>29.2%</b>
Lincoln	14.3	<b>15.6</b>	<b>9.1%</b>	16.2	<b>17.4</b>	<b>7.4%</b>	9.8	<b>11.2</b>	<b>15.1%</b>
St Charles	9.4	<b>10.1</b>	<b>7.4%</b>	10.6	<b>11.4</b>	<b>7.5%</b>	6.7	7.1	<b>4.9%</b>
St Louis	12.0	11.0	-8.3%	13.8	12.8	-7.2%	5.6	<b>6.2</b>	<b>11.6%</b>
St Louis City	13.2	12.8	-3.0%	16.2	15.8	-2.5%	7.2	4.9	-32.1%
Warren	14.0	<b>15.4</b>	<b>10.0%</b>	15.6	<b>17.0</b>	<b>9.0%</b>	10.0	<b>11.6</b>	<b>15.5%</b>
Washington	13.9	<b>14.3</b>	<b>2.9%</b>	16.2	<b>16.9</b>	<b>4.3%</b>	8.2	7.6	-6.7%
<b>Less than 200% of Poverty</b>									
<b>Missouri Average</b>	<b>27.6%</b>	<b>28.3%</b>	<b>2.5%</b>	<b>35.6%</b>	<b>36.8%</b>	<b>3.5%</b>	<b>14.5%</b>	<b>15.2%</b>	<b>4.8%</b>
Adair	39.9	33.4	-16%	48.5	41.3	-15%	14.3	12.0	-17%
Audrain	21.8	<b>29.8</b>	<b>37%</b>	28.6	<b>37.8</b>	<b>32%</b>	12.0	<b>18.4</b>	<b>53%</b>
Boone	41.7	38.7	-7%	51.8	48.2	-7%	18.3	18.0	-2%
Callaway	25.6	<b>31.8</b>	<b>24%</b>	32.9	<b>39.8</b>	<b>21%</b>	13.9	<b>18.2</b>	<b>32%</b>
Cape Girardeau	29.8	29.2	-2%	37.8	37.4	-1%	13.9	13.3	-5%
Cole	31.1	<b>34.2</b>	<b>10%</b>	39.9	<b>43.7</b>	<b>10%</b>	16.6	<b>18.8</b>	<b>13%</b>
Greene	28.9	26.6	-8%	37.2	35.0	-6%	12.2	10.6	-13%
Marion	19.4	<b>22.6</b>	<b>16%</b>	24.7	<b>28.5</b>	<b>15%</b>	10.7	<b>12.6</b>	<b>18%</b>
Perry	29.5	<b>34.6</b>	<b>17%</b>	37.1	<b>42.1</b>	<b>13%</b>	15.7	<b>21.1</b>	<b>35%</b>
Polk	25.3	24.9	-2%	32.3	<b>32.5</b>	<b>1%</b>	13.3	12.0	-10%
<b>St. Louis MSA</b>									
Franklin	27.0%	<b>36.5%</b>	<b>35%</b>	34.3%	<b>44.4%</b>	<b>29%</b>	14.7%	<b>23.2%</b>	<b>57%</b>
Jefferson	29.9	<b>34.6</b>	<b>16%</b>	38.3	<b>42.7</b>	<b>11%</b>	15.5	<b>20.2</b>	<b>31%</b>
Lincoln	30.3	<b>36.0</b>	<b>19%</b>	38.6	<b>44.4</b>	<b>15%</b>	17.4	<b>22.9</b>	<b>32%</b>
St Charles	39.4	<b>41.2</b>	<b>5%</b>	50.1	<b>51.2</b>	<b>2%</b>	22.4	<b>25.0</b>	<b>12%</b>
St Louis	31.3	27.6	-12%	41.5	37.2	-10%	15.3	12.4	-19%
St Louis City	15.9	14.3	-10%	22.4	20.1	-10%	5.9	5.2	-12%
Warren	32.4	<b>36.8</b>	<b>14%</b>	41.3	<b>45.8</b>	<b>11%</b>	18.7	<b>23.0</b>	<b>23%</b>
Washington	15.9	<b>18.8</b>	<b>18%</b>	19.9	<b>23.8</b>	<b>20%</b>	8.3	<b>9.1</b>	<b>10%</b>

Source: U. S. Census Current Population Survey (CPS). County level data from the CPS Small Area Health Insurance Estimates (SAHIE). Missouri average obtained from the Annual Social and Economic Supplement of the CPS. Bold type indicates uninsured increase in that year. Uninsured Children estimated and defined as under 18 years of age.

## 2007 Charity Care Profile

Missouri Hospital (system name)	Missouri County	Operating Revenue	BHC Cost of charity <sup>1</sup>	BHC Charity as a % of op. rev	MHA Cost of charity <sup>1</sup>	MHA Charity as a % of op. rev
Northeast Regional Medical Center	Adair	\$70,099,857	\$137,031	0.20%	\$122,850	0.18%
Audrain Medical Center	Audrain	\$67,772,505	\$758,678	1.12%	\$742,153	1.10%
Boone Hospital Center (BJC)	Boone	\$247,249,735	\$1,745,451	0.71%	\$2,376,000	0.96%
Columbia Regional Hospital (U. of MO)	Boone	\$114,402,917	\$726,522	0.64%	\$724,499	0.63%
University of Missouri Hospital and Clinics	Boone	\$404,595,229	\$7,730,480	1.91%	\$7,731,331	1.91%
<b>County Total</b>	<b>Boone</b>	<b>\$766,247,881</b>	<b>\$10,202,453</b>	<b>1.33%</b>	<b>\$10,831,830</b>	<b>1.41%</b>
Callaway Community Hospital*	Callaway	\$17,934,596	\$193,076	1.08%	n/a	n/a
Southeast Missouri Hospital	Cape Girardeau	\$253,770,994	\$1,810,397	0.71%	\$1,594,702	0.63%
St. Francis Medical Center	Cape Girardeau	\$286,793,210	\$2,558,477	0.89%	\$2,231,841	0.78%
<b>County Total</b>	<b>Cape Girardeau</b>	<b>\$540,564,204</b>	<b>\$4,368,875</b>	<b>0.81%</b>	<b>\$3,826,543</b>	<b>0.71%</b>
Capital Region Medical Center	Cole	\$129,205,988	\$394,877	0.31%	\$399,129	0.31%
St. Mary's Health Center (SSMHC)	Cole	\$152,594,974	\$2,214,339	1.45%	\$2,060,361	1.35%
<b>County Total</b>	<b>Cole</b>	<b>\$281,800,962</b>	<b>\$2,609,216</b>	<b>0.93%</b>	<b>\$2,459,490</b>	<b>0.87%</b>
Cox Health Systems	Greene	\$740,211,517	\$2,772,057	0.37%	\$2,807,455	0.38%
Ozarks Community Hospital <sup>2</sup>	Greene	\$45,705,870	\$227,752	0.50%	\$210,758	0.46%
St. Johns Regional Health Center (SMHS)	Greene	\$672,384,000	\$9,662,265	1.44%	\$11,924,244	1.77%
<b>County Total</b>	<b>Greene</b>	<b>\$1,458,301,387</b>	<b>\$12,662,074</b>	<b>0.87%</b>	<b>\$14,942,457</b>	<b>1.02%</b>
Hannibal Regional Hospital	Marion	\$85,389,238	\$1,000,656	1.17%	\$1,006,412	1.18%
Perry County Memorial Hospital	Perry	\$29,733,547	\$64,873	0.22%	\$56,139	0.19%
Citizens Memorial Health Care	Polk	\$71,536,905	\$244,822	0.34%	\$237,281	0.33%
<b>St. Louis Metropolitan Area</b>						
<b>BJC HealthCare (BJC)</b>						
Barnes-Jewish Hospital	St. Louis City	\$1,196,353,476	\$23,201,900	1.94%	\$28,593,000	2.39%
Barnes-Jewish Hospital - St. Peters	St. Charles	\$112,048,363	\$1,386,647	1.24%	\$2,633,000	2.35%
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	\$87,653,917	\$450,844	0.51%	\$975,000	1.11%
Christian Hospitals	N. St. Louis Cnty	\$241,615,587	\$5,998,361	2.48%	\$8,287,000	3.43%
Missouri Baptist Hospital - Sullivan	Crawford	\$37,832,344	\$833,225	2.20%	\$1,113,000	2.94%
Missouri Baptist Medical Center	W. St. Louis Cnty	\$377,072,713	\$1,839,599	0.49%	\$3,227,000	0.86%
Progress West HealthCare Center	St. Charles	\$22,140,617	\$565,013	2.55%	\$559,000	2.52%
St. Louis Children's Hospital	St. Louis City	\$350,126,335	\$1,471,092	0.42%	\$1,901,000	0.54%
<b>BJC HealthCare Total</b>		<b>\$2,424,843,352</b>	<b>\$35,746,681</b>	<b>1.47%</b>	<b>\$47,288,000</b>	<b>1.95%</b>
<b>SSM Health Care (SSMHC)</b>						
Cardinal Glennon Hospital	St. Louis City	\$220,204,337	\$991,998	0.45%	\$1,035,697	0.47%
DePaul Health Center	N. St. Louis Cnty	\$258,820,072	\$10,058,181	3.89%	\$9,911,338	3.83%
St. Joseph Health Center	St. Charles	\$177,319,558	\$5,446,359	3.07%	\$5,411,438	3.05%
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	\$89,209,647	\$1,553,833	1.74%	\$1,569,437	1.76%
St. Joseph West - Lake St. Louis	St. Charles	\$98,962,801	\$2,255,696	2.28%	\$2,151,366	2.17%
St. Mary's Health Center	W. St. Louis Cnty	\$248,111,400	\$5,951,661	2.40%	\$5,946,247	2.40%
<b>SSM Health Care Total</b>		<b>\$1,092,627,815</b>	<b>\$26,257,726</b>	<b>2.40%</b>	<b>\$26,025,523</b>	<b>2.38%</b>
<b>St. John's Mercy Health Care (SMHS)</b>						
St. John's Mercy Medical Center	W. St. Louis Cnty	\$712,974,212	\$9,370,290	1.31%	\$9,238,756	1.30%
St. John's Mercy Hospital - Washington	Franklin	\$92,508,000	\$2,085,179	2.25%	\$1,888,799	2.04%
<b>St. John's Mercy Health Care Total</b>		<b>\$805,482,212</b>	<b>\$11,455,468</b>	<b>1.42%</b>	<b>\$11,127,555</b>	<b>1.38%</b>
<b>Tenet HealthSystem</b>						
Des Peres Hospital	W. St. Louis Cnty	\$127,376,607	\$301,252	0.24%	\$322,594	0.25%
St. Louis University Hospital	St. Louis City	\$334,705,361	\$7,566,977	2.26%	\$7,473,921	2.23%
<b>Tenet HealthSystem Total</b>		<b>\$462,081,968</b>	<b>\$7,868,229</b>	<b>1.70%</b>	<b>\$7,796,515</b>	<b>1.69%</b>
<b>Independent</b>						
Forest Park Hospital	St. Louis City	\$77,971,589	\$443,473	0.57%	\$373,765	0.48%
Jefferson Regional Medical Center	Jefferson	\$100,279,399	\$599,031	0.60%	\$591,722	0.59%
Kindred Hospital*	St. Louis City	\$35,573,079	n/a	n/a	n/a	n/a
Lincoln County Memorial Hospital	Lincoln	\$25,944,478	\$415,177	1.60%	\$423,398	1.63%
St. Alexius Hospital	St. Louis City	\$80,189,326	\$268,912	0.34%	\$251,722	0.31%
St. Anthony's Medical Center	S. St. Louis Cnty	\$382,887,000	\$3,851,723	1.01%	\$3,581,226	0.94%
St. Luke's Hospital	W. St. Louis Cnty	\$344,738,000	\$1,576,781	0.46%	\$1,594,463	0.46%
<b>St. Louis Area Aggregate</b>		<b>\$5,832,618,218</b>	<b>\$88,483,203</b>	<b>1.53%</b>	<b>\$99,053,889</b>	<b>1.71%</b>

\* According to the MHA, these hospitals declined to participate in reporting Community Benefit.

<sup>1</sup> For a detailed description of the BHC and MHA cost of charity methodologies, see Appendix B.

<sup>2</sup> On January 1, 2008, Doctor's Hospital of Springfield (DHS) agreed to transfer ownership to Ozarks Community Hospital, Inc. (OCH) a non-profit corporation when OCH became a tax-exempt organization. Due to economic challenges and a delay in receiving the IRS tax determination, the physician-owned, for-profit corporation previously doing business as (dba) DHS resumed control of the healthcare system effective July 1, 2008. In order to lessen public confusion, the for-profit corporation will continue to "dba" OCH.

## Charity Care as a Percentage of Operating Revenue 2004 - 2007

Missouri Hospital (system name)	Missouri County	2004 BHC Charity as a % of op. rev	2005 BHC Charity as a % of op. rev	2006 BHC Charity as a % of op. rev	2007 BHC Charity as a % of op. rev	2004 MHA Charity as a % of op. rev	2005 MHA Charity as a % of op. rev	2006 MHA Charity as a % of op. rev	2007 MHA Charity as a % of op. rev
Northeast Regional Medical Center*	Adair	0.15%	0.00%	0.07%	0.20%	n/a	0.00%	0.06%	0.18%
Audrain Medical Center	Audrain	0.73%	1.07%	1.15%	1.12%	0.69%	1.05%	1.13%	1.10%
Boone Hospital Center (BJC)	Boone	0.70%	0.58%	0.74%	0.71%	0.64%	0.59%	1.12%	0.96%
Columbia Regional Hospital (U. of MO)	Boone	1.31%	0.35%	0.52%	0.64%	0.13%	0.34%	0.52%	0.63%
University of Missouri Hospital and Clinics	Boone	2.78%	1.49%	1.58%	1.91%	1.54%	1.47%	1.60%	1.91%
<b>County Total</b>	<b>Boone</b>	<b>1.86%</b>	<b>1.02%</b>	<b>1.16%</b>	<b>1.33%</b>	<b>1.04%</b>	<b>1.02%</b>	<b>1.30%</b>	<b>1.41%</b>
Callaway Community Hospital*	Callaway	0.00%	0.00%	0.10%	1.08%	0.00%	0.11%	n/a	n/a
Southeast Missouri Hospital	Cape Girardeau	0.35%	0.45%	0.50%	0.71%	0.29%	0.41%	0.45%	0.63%
St. Francis Medical Center	Cape Girardeau	0.33%	0.60%	0.84%	0.89%	0.26%	0.54%	0.75%	0.78%
<b>County Total</b>	<b>Cape Girardeau</b>	<b>0.34%</b>	<b>0.53%</b>	<b>0.68%</b>	<b>0.81%</b>	<b>0.27%</b>	<b>0.48%</b>	<b>0.61%</b>	<b>0.71%</b>
Capital Region Medical Center	Cole	0.22%	0.13%	0.63%	0.31%	0.22%	0.18%	0.64%	0.31%
St. Mary's Health Center (SSMHC)	Cole	0.83%	1.31%	1.30%	1.45%	0.69%	1.27%	1.22%	1.35%
<b>County Total</b>	<b>Cole</b>	<b>0.53%</b>	<b>0.75%</b>	<b>0.99%</b>	<b>0.93%</b>	<b>0.46%</b>	<b>0.75%</b>	<b>0.96%</b>	<b>0.87%</b>
Cox Health Systems	Greene	0.17%	0.28%	0.93%	0.37%	0.15%	0.28%	0.95%	0.38%
Ozarks Community Hospital <sup>2</sup>	Greene	0.32%	0.37%	0.42%	0.50%	n/a	n/a	0.42%	0.46%
St. Johns Regional Health Center (SMHS)	Greene	1.13%	1.10%	1.45%	1.44%	1.14%	1.24%	1.51%	1.77%
<b>County Total</b>	<b>Greene</b>	<b>0.58%</b>	<b>0.64%</b>	<b>1.15%</b>	<b>0.87%</b>	<b>0.58%</b> <sup>5</sup>	<b>0.70%</b> <sup>5</sup>	<b>1.19%</b>	<b>1.02%</b>
Hannibal Regional Hospital	Marion	0.61%	0.50%	0.87%	1.17%	0.58%	0.47%	0.89%	1.18%
Perry County Memorial Hospital	Perry	0.04%	0.01%	0.13%	0.22%	0.04%	0.00%	0.11%	0.19%
Citizens Memorial Health Care	Polk	0.49%	0.00%	0.20%	0.34%	n/a	0.00%	0.19%	0.33%
<b>St. Louis Metropolitan Area</b>									
<b>BJC HealthCare (BJC)</b>									
Barnes-Jewish Hospital	St. Louis City	2.15%	1.42%	1.60%	1.94%	0.88%	1.42%	2.00%	2.39%
Barnes-Jewish Hospital - St. Peters	St. Charles	0.40%	0.60%	0.89%	1.24%	0.34%	0.58%	1.10%	2.35%
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	0.25%	0.37%	0.37%	0.51%	0.24%	0.38%	0.71%	1.11%
Christian Hospitals	N. St. Louis Cnty	1.79%	1.98%	2.32%	2.48%	1.48%	1.88%	3.09%	3.43%
Missouri Baptist Hospital - Sullivan	Crawford	0.55%	1.93%	2.16%	2.20%	0.52%	1.87%	3.22%	2.94%
Missouri Baptist Medical Center	W. St. Louis Cnty	0.29%	0.49%	0.63%	0.49%	0.26%	0.50%	1.05%	0.86%
Progress West HealthCare Center	St. Charles	n/a	n/a	n/a	2.55%	n/a	n/a	n/a	2.52%
St. Louis Children's Hospital	St. Louis City	0.50%	0.70%	0.77%	0.42%	1.14%	0.67%	1.10%	0.54%
<b>BJC HealthCare Total</b>		<b>1.41%</b>	<b>1.17%</b>	<b>1.34%</b>	<b>1.47%</b>	<b>0.84%</b>	<b>1.15%</b>	<b>1.77%</b>	<b>1.95%</b>
<b>SSM Health Care (SSMHC)</b>									
Cardinal Glennon Hospital	St. Louis City	0.33%	0.15%	0.43%	0.45%	0.24%	0.11%	0.46%	0.47%
DePaul Health Center	N. St. Louis Cnty	1.69%	1.90%	1.45%	3.89%	1.46%	1.46%	1.35%	3.83%
St. Joseph Health Center <sup>3</sup>	St. Charles	1.42%	1.62%	1.86%	3.07%	1.26%	1.25%	1.83%	3.05%
St. Joseph Health Center - Wentzville <sup>3</sup>	St. Charles	1.04%	n/a	n/a <sup>3</sup>	n/a <sup>3</sup>	0.00%	n/a	n/a <sup>3</sup>	n/a <sup>3</sup>
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	0.52%	1.18%	1.14%	1.74%	0.46%	0.90%	1.15%	1.76%
St. Joseph West - Lake St. Louis	St. Charles	1.16%	1.37%	1.18%	2.28%	0.97%	1.08%	1.10%	2.17%
St. Mary's Health Center	W. St. Louis Cnty	1.78%	1.47%	1.51%	2.40%	1.78%	1.13%	1.46%	2.40%
<b>SSM Health Care Total</b>		<b>1.24%</b>	<b>1.33%</b> <sup>5</sup>	<b>1.29%</b>	<b>2.40%</b>	<b>1.13%</b>	<b>1.02%</b> <sup>5</sup>	<b>1.25%</b>	<b>2.38%</b>
<b>St. John's Mercy Health Care (SMHS)</b>									
St. John's Mercy Medical Center	W. St. Louis Cnty	0.94%	0.97%	1.47%	1.31%	1.08%	0.92%	1.39%	1.30%
St. John's Mercy Hospital - Washington	Franklin	0.71%	1.00%	1.61%	2.25%	0.65%	0.91%	1.44%	2.04%
<b>St. John's Mercy Health Care Total</b>		<b>0.92%</b>	<b>0.98%</b>	<b>1.49%</b>	<b>1.42%</b>	<b>1.03%</b>	<b>0.92%</b>	<b>1.39%</b>	<b>1.38%</b>
<b>Tenet HealthSystem</b>									
Des Peres Hospital	W. St. Louis Cnty	0.17%	0.11%	0.27%	0.24%	0.19%	0.11%	0.30%	0.25%
St. Louis University Hospital	St. Louis City	1.96%	2.30%	3.09%	2.26%	1.51%	2.13%	2.90%	2.23%
<b>Tenet HealthSystem Total</b>		<b>1.52%</b>	<b>1.74%</b>	<b>2.35%</b>	<b>1.70%</b>	<b>1.19%</b>	<b>1.62%</b>	<b>2.21%</b>	<b>1.69%</b>
<b>Independent</b>									
Forest Park Hospital <sup>4</sup>	St. Louis City	0.63%	1.31%	1.01%	0.57%	0.86%	1.13%	1.00%	0.48%
Jefferson Regional Medical Center	Jefferson	0.45%	0.35%	0.64%	0.60%	1.01%	0.30%	0.64%	0.59%
Kindred Hospital*	St. Louis City	n/a	n/a	n/a	n/a	0.00%	n/a	n/a	n/a
Lincoln County Memorial Hospital	Lincoln	0.21%	0.51%	1.18%	1.60%	0.22%	0.49%	1.10%	1.63%
St. Alexius Hospital <sup>4</sup>	St. Louis City	1.26%	0.48%	0.36%	0.34%	2.25%	0.45%	0.33%	0.31%
St. Anthony's Medical Center	S. St. Louis Cnty	0.86%	0.86%	0.95%	1.01%	0.77%	0.82%	0.90%	0.94%
St. Luke's Hospital	W. St. Louis Cnty	0.32%	0.32%	0.55%	0.46%	0.30%	0.29%	0.56%	0.46%
<b>St. Louis Area Aggregate</b>		<b>1.19%</b> <sup>5</sup>	<b>1.12%</b> <sup>5</sup>	<b>1.33%</b> <sup>5</sup>	<b>1.53%</b> <sup>5</sup>	<b>0.93%</b> <sup>5</sup>	<b>1.03%</b> <sup>5</sup>	<b>1.47%</b> <sup>5</sup>	<b>1.71%</b> <sup>5</sup>

\* According to the MHA, the following hospitals declined to report for specific years: NE Regional 2004, Ozarks 2004 & 2005, Callaway 2006 & 2007, St. Jos.-Wentzville 2005, & Kindred 2005 & 2006.

<sup>1</sup> For a detailed description of the BHC and MHA uncompensated care methodologies, see Appendix B.

<sup>2</sup> See page 29 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

<sup>3</sup> St. Joseph Hospital-Wentzville was acquired by SSM in 2005 and, in 2006, reported on a combined basis with St. Joseph Health Center. See Appendix B for other disclosures prior to 2006.

<sup>4</sup> St. Alexius and Forest Park hospitals were sold to Doctors Community Healthcare Corporation in 2004, and due to the transfer in ownership, 2004 data could not be verified.

<sup>5</sup> When charity care amounts were not available, operating revenues were excluded from percentage totals, unless otherwise noted (see St. Joseph Health Center & St. Joseph - Wentzville).

Note: Changes to previously reported data are based on the most current information including numerous restatements. See Appendix B for disclosure of hospital revisions.

## 2007 Bad Debt Profile

Missouri	Operating	BHC	BHC bad debt	MHA	MHA bad debt
Missouri Hospital County	Revenue	Cost of bad debt <sup>1</sup>	as a % of op. rev	Cost of bad debt <sup>1</sup>	as a % of op. rev
Northeast Regional   Adair	\$70,099,857	\$1,554,832	2.22%	\$1,392,958	1.99%
Audrain Medical   Cer Audrain	\$67,772,505	\$2,111,638	3.12%	\$2,065,549	3.05%
Boone Hospital Cen Boone	\$247,249,735	\$2,586,645	1.05%	\$4,686,000	1.90%
Columbia Regional   Boone	\$114,402,917	\$2,262,946	1.98%	\$2,256,643	1.97%
University of Missou Boone	\$404,595,229	\$15,973,970	3.95%	\$15,975,729	3.95%
<b>County Total Boone</b>	<b>\$766,247,881</b>	<b>\$20,823,561</b>	<b>2.72%</b>	<b>\$22,918,372</b>	<b>2.99%</b>
Callaway Communit Callaway	\$17,934,596	\$929,283	5.18%	n/a	n/a
Southeast Missouri   Cape Girardeau	\$253,770,994	\$9,103,000	3.59%	\$8,018,460	3.16%
St. Francis Medical   Cape Girardeau	\$286,793,210	\$10,540,674	3.68%	\$9,194,963	3.21%
<b>County Total Cape Girardeau</b>	<b>\$540,564,204</b>	<b>\$19,643,674</b>	<b>3.63%</b>	<b>\$17,213,423</b>	<b>3.18%</b>
Capital Region Medi Cole	\$129,205,988	\$3,703,012	2.87%	\$3,742,502	2.90%
St. Mary's Health Ce Cole	\$152,594,974	\$4,591,240	3.01%	\$4,271,980	2.80%
<b>County Total Cole</b>	<b>\$281,800,962</b>	<b>\$8,294,252</b>	<b>2.94%</b>	<b>\$8,014,482</b>	<b>2.84%</b>
Cox Health Systems Greene	\$740,211,517	\$36,120,530	4.88%	\$36,581,116	4.94%
Ozarks Community   Greene	\$45,705,870	\$1,910,687	4.18%	\$1,768,619	3.87%
St. Johns Regional   Greene	\$672,384,000	\$24,902,561	3.70%	\$32,319,997	4.81%
<b>County Total Greene</b>	<b>\$1,458,301,387</b>	<b>\$62,933,777</b>	<b>4.32%</b>	<b>\$70,669,732</b>	<b>4.85%</b>
Hannibal Regional   Marion	\$85,389,238	\$1,936,225	2.27%	\$1,946,943	2.28%
Perry County Memoi Perry	\$29,733,547	\$1,004,915	3.38%	\$871,464	2.93%
Citizens Memorial H Polk	\$71,536,905	\$3,490,387	4.88%	\$3,383,471	4.73%
<b>St. Louis Metropolitan Area</b>					
<b>BJC HealthCare (BJC)</b>					
Barnes-Jewish Hos  St. Louis City	\$1,196,353,476	\$24,579,029	2.05%	\$26,107,000	2.18%
Barnes-Jewish Hos  St. Charles	\$112,048,363	\$2,001,107	1.79%	\$2,436,000	2.17%
Barnes-Jewish Hos  W. St. Louis Cnty	\$87,653,917	\$920,361	1.05%	\$1,360,000	1.55%
Christian Hospitals N. St. Louis Cnty	\$241,615,587	\$9,696,189	4.01%	\$14,469,000	5.99%
Missouri Baptist Hos Crawford	\$37,832,344	\$2,058,883	5.44%	\$2,391,000	6.32%
Missouri Baptist Mec W. St. Louis Cnty	\$377,072,713	\$3,046,217	0.81%	\$5,176,000	1.37%
Progress West Heal St. Charles	\$22,140,617	\$1,374,801	6.21%	\$1,359,000	6.14%
St. Louis Children's   St. Louis City	\$350,126,335	\$2,634,428	0.75%	\$3,311,000	0.95%
<b>BJC HealthCare Total</b>	<b>\$2,424,843,352</b>	<b>\$46,311,013</b>	<b>1.91%</b>	<b>\$56,609,000</b>	<b>2.33%</b>
<b>SSM Health Care (SSMHC)</b>					
Cardinal Glennon H  St. Louis City	\$220,204,337	\$1,422,874	0.65%	\$1,485,554	0.67%
DePaul Health Cent  N. St. Louis Cnty	\$258,820,072	\$5,520,134	2.13%	\$5,439,544	2.10%
St. Joseph Health C  St. Charles	\$177,319,558	\$3,608,834	2.04%	\$3,663,564	2.07%
St. Joseph Hospital   S. St. Louis Cnty	\$89,209,647	\$1,342,760	1.51%	\$1,356,244	1.52%
St. Joseph West - L  St. Charles	\$98,962,801	\$2,498,995	2.53%	\$2,383,412	2.41%
St. Mary's Health Ce W. St. Louis Cnty	\$248,111,400	\$4,113,772	1.66%	\$4,110,031	1.66%
<b>SSM Health Care Total</b>	<b>\$1,092,627,815</b>	<b>\$18,507,369</b>	<b>1.69%</b>	<b>\$18,438,349</b>	<b>1.69%</b>
<b>St. John's Mercy Health Care (SMHS)</b>					
St. John's Mercy Me W. St. Louis Cnty	\$712,974,212	\$10,886,447	1.53%	\$12,252,172	1.72%
St. John's Mercy Ho Franklin	\$92,508,000	\$2,477,670	2.68%	\$2,244,327	2.43%
<b>St. John's Mercy Health Care Total</b>	<b>\$805,482,212</b>	<b>\$13,364,117</b>	<b>1.66%</b>	<b>\$14,496,499</b>	<b>1.80%</b>
<b>Tenet HealthSystem</b>					
Des Peres Hospital   W. St. Louis Cnty	\$127,376,607	\$817,700	0.64%	\$2,011,299	1.58%
St. Louis University   St. Louis City	\$334,705,361	\$4,233,981	1.26%	\$4,181,913	1.25%
<b>Tenet HealthSystem Total</b>	<b>\$462,081,968</b>	<b>\$5,051,681</b>	<b>1.09%</b>	<b>\$6,193,212</b>	<b>1.34%</b>
<b>Independent</b>					
Forest Park Hospital   St. Louis City	\$77,971,589	\$3,911,177	5.02%	\$3,297,618	4.23%
Jefferson Regional   Jefferson	\$100,279,399	\$3,454,199	3.44%	\$3,412,053	3.40%
Kindred Hospital*   St. Louis City	\$35,573,079	\$162,809	0.46%	n/a	n/a
Lincoln County Mem   Lincoln	\$25,944,478	\$1,902,576	7.33%	\$1,940,246	7.48%
St. Alexius Hospital   St. Louis City	\$80,189,326	\$4,930,751	6.15%	\$4,614,786	5.75%
St. Anthony's Medic  S. St. Louis Cnty	\$382,887,000	\$8,153,021	2.13%	\$7,580,455	1.98%
St. Luke's Hospital   W. St. Louis Cnty	\$344,738,000	\$3,101,059	0.90%	\$3,135,834	0.91%
<b>St. Louis Area Aggregate</b>	<b>\$5,832,618,218</b>	<b>\$108,849,771</b>	<b>1.87%</b>	<b>\$119,718,052</b>	<b>2.05%</b>

\* According to the MHA, these hospitals declined to participate in reporting Community Benefit.

<sup>1</sup> Source: BHC bad debt was obtained from MHA/AHA Annual Licensing Surveys. Missouri Hospital Association (MHA) bad debt was obtained from the MHA website

"Missouri Health Matters". For a detailed description of the BHC and MHA cost of bad debt methodologies, see Appendix B.

<sup>2</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

## Bad Debt as a Percentage of Operating Revenue 2004 - 2007

Missouri Hospital (system name)	Missouri County	2004 BHC Bad Debt as a % of op. rev	2005 BHC Bad Debt as a % of op. rev	2006 BHC Bad Debt as a % of op. rev	2007 BHC Bad Debt as a % of op. rev	2004 MHA Bad Debt as a % of op. rev	2005 MHA Bad Debt as a % of op. rev	2006 MHA Bad Debt as a % of op. rev	2007 MHA Bad Debt as a % of op. rev
Northeast Regional Medical Center*	Adair	1.75%	1.65%	2.85%	2.22%	n/a	1.47%	2.75%	1.99%
Audrain Medical Center	Audrain	1.78%	2.49%	2.35%	3.12%	1.69%	2.44%	2.30%	3.05%
Boone Hospital Center (BJC)	Boone	1.07%	0.97%	0.81%	1.05%	0.99%	0.99%	1.14%	1.90%
Columbia Regional Hospital (U. of MO)	Boone	1.27%	1.39%	1.48%	1.98%	1.16%	1.36%	1.47%	1.97%
University of Missouri Hospital and Clinics	Boone	2.37%	2.82%	3.09%	3.95%	1.98%	2.80%	3.14%	3.95%
<b>County Total</b>	<b>Boone</b>	<b>1.77%</b>	<b>2.01%</b>	<b>2.13%</b>	<b>2.72%</b>	<b>1.53%</b>	<b>1.99%</b>	<b>2.26%</b>	<b>2.99%</b>
Callaway Community Hospital*	Callaway	4.82%	4.16%	5.59%	5.18%	8.88%	4.02%	n/a	n/a
Southeast Missouri Hospital	Cape Girardeau	3.29%	3.22%	3.08%	3.59%	2.75%	2.89%	2.77%	3.16%
St. Francis Medical Center	Cape Girardeau	3.07%	2.92%	3.03%	3.68%	2.38%	2.64%	2.71%	3.21%
<b>County Total</b>	<b>Cape Girardeau</b>	<b>3.17%</b>	<b>3.07%</b>	<b>3.06%</b>	<b>3.63%</b>	<b>2.56%</b>	<b>2.76%</b>	<b>2.74%<sup>4</sup></b>	<b>3.18%</b>
Capital Region Medical Center	Cole	1.62%	1.69%	2.02%	2.87%	1.64%	1.62%	2.06%	2.90%
St. Mary's Health Center (SSMHC)	Cole	1.90%	1.23%	2.76%	3.01%	1.59%	1.19%	2.59%	2.80%
<b>County Total</b>	<b>Cole</b>	<b>1.76%</b>	<b>1.45%</b>	<b>2.42%</b>	<b>2.94%</b>	<b>1.61%</b>	<b>1.40%</b>	<b>2.35%</b>	<b>2.84%</b>
Cox Health Systems	Greene	3.13%	2.86%	3.37%	4.88%	1.85%	2.81%	3.42%	4.94%
Ozarks Community Hospital* <sup>1</sup>	Greene	4.07%	3.90%	6.24%	4.18%	n/a	n/a	4.49%	3.87%
St. Johns Regional Health Center (SMHS)	Greene	2.93%	3.09%	3.38%	3.70%	3.54%	3.47%	3.52%	4.81%
<b>County Total</b>	<b>Greene</b>	<b>3.07%</b>	<b>3.00%</b>	<b>3.46%</b>	<b>4.32%</b>	<b>2.58%<sup>4</sup></b>	<b>3.10%<sup>4</sup></b>	<b>3.50%</b>	<b>4.85%</b>
Hannibal Regional Hospital	Marion	2.69%	2.44%	2.66%	2.27%	2.56%	2.29%	2.66%	2.28%
Perry County Memorial Hospital	Perry	2.53%	2.82%	2.75%	3.38%	2.27%	2.54%	2.41%	2.93%
Citizens Memorial Health Care	Polk	1.95%	3.15%	4.52%	4.88%	2.01%	3.01%	4.33%	4.73%
<b>St. Louis Metropolitan Area</b>									
<b>BJC HealthCare (BJC)</b>									
Barnes-Jewish Hospital	St. Louis City	1.75%	1.75%	1.99%	2.05%	1.62%	1.75%	2.46%	2.18%
Barnes-Jewish Hospital - St. Peters	St. Charles	1.88%	2.06%	1.97%	1.79%	1.59%	2.00%	2.71%	2.17%
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	1.00%	1.09%	1.00%	1.05%	0.94%	1.11%	1.62%	1.55%
Christian Hospitals	N. St. Louis Cnty	3.04%	3.42%	3.46%	4.01%	2.56%	3.25%	5.07%	5.99%
Missouri Baptist Hospital - Sullivan	Crawford	2.98%	3.05%	5.47%	5.44%	2.82%	2.95%	7.30%	6.32%
Missouri Baptist Medical Center	W. St. Louis Cnty	0.56%	0.58%	0.66%	0.81%	0.50%	0.60%	1.17%	1.37%
Progress West HealthCare Center	St. Charles	n/a	n/a	n/a	6.21%	n/a	n/a	n/a	6.14%
St. Louis Children's Hospital	St. Louis City	0.48%	0.52%	0.62%	0.75%	0.43%	0.50%	0.80%	0.95%
<b>BJC HealthCare Total</b>		<b>1.54%</b>	<b>1.59%</b>	<b>1.76%</b>	<b>1.91%</b>	<b>1.38%</b>	<b>1.57%</b>	<b>2.34%</b>	<b>2.33%</b>
<b>SSM Health Care (SSMHC)</b>									
Cardinal Glennon Hospital	St. Louis City	0.18%	0.70%	0.24%	0.65%	0.13%	0.64%	0.26%	0.67%
DePaul Health Center	N. St. Louis Cnty	2.43%	2.52%	4.07%	2.13%	2.00%	1.78%	3.79%	2.10%
St. Joseph Health Center <sup>2</sup>	St. Charles	1.77%	2.27%	2.68%	2.04%	1.51%	1.77%	2.64%	2.07%
St. Joseph Health Center - Wentzville* <sup>2</sup>	St. Charles	4.03%	n/a	n/a <sup>2</sup>	n/a <sup>2</sup>	0.00%	n/a	n/a <sup>2</sup>	n/a <sup>2</sup>
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	1.16%	1.16%	1.48%	1.51%	1.01%	0.78%	1.49%	1.52%
St. Joseph West - Lake St. Louis	St. Charles	1.59%	2.56%	3.31%	2.53%	1.29%	1.92%	3.09%	2.41%
St. Mary's Health Center	W. St. Louis Cnty	1.14%	1.62%	2.57%	1.66%	1.06%	1.22%	2.49%	1.66%
<b>SSM Health Care Total</b>		<b>1.45%</b>	<b>1.80%<sup>4</sup></b>	<b>2.48%</b>	<b>1.69%</b>	<b>1.18%</b>	<b>1.35%<sup>4</sup></b>	<b>2.37%</b>	<b>1.69%</b>
<b>St. John's Mercy Health Care (SMHS)</b>									
St. John's Mercy Medical Center	W. St. Louis Cnty	1.73%	1.82%	1.64%	1.53%	1.88%	1.71%	1.55%	1.72%
St. John's Mercy Hospital - Washington	Franklin	3.05%	3.00%	2.93%	2.68%	2.82%	2.72%	2.63%	2.43%
<b>St. John's Mercy Health Care Total</b>		<b>1.88%</b>	<b>1.95%</b>	<b>1.80%</b>	<b>1.66%</b>	<b>1.99%</b>	<b>1.83%</b>	<b>1.68%</b>	<b>1.80%</b>
<b>Tenet HealthSystem</b>									
Des Peres Hospital	W. St. Louis Cnty	0.90%	0.93%	0.49%	0.64%	0.78%	0.92%	0.54%	1.58%
St. Louis University Hospital	St. Louis City	3.03%	2.18%	1.59%	1.26%	3.27%	3.61%	4.14%	1.25%
<b>Tenet HealthSystem Total</b>		<b>2.51%</b>	<b>1.86%</b>	<b>1.30%</b>	<b>1.09%</b>	<b>2.67%</b>	<b>2.92%</b>	<b>3.19%</b>	<b>1.34%</b>
<b>Independent</b>									
Forest Park Hospital <sup>3</sup>	St. Louis City	2.77%	4.91%	4.56%	5.02%	4.67%	4.25%	4.52%	4.23%
Jefferson Regional Medical Center	Jefferson	2.86%	3.18%	2.92%	3.44%	2.88%	2.76%	3.01%	3.40%
Kindred Hospital*	St. Louis City	0.00%	0.51%	0.08%	0.46%	1.49%	n/a	n/a	n/a
Lincoln County Memorial Hospital	Lincoln	3.14%	3.17%	3.23%	7.33%	3.25%	3.02%	3.01%	7.48%
St. Alexius Hospital <sup>3</sup>	St. Louis City	3.64%	5.29%	6.39%	6.15%	3.69%	4.92%	5.92%	5.75%
St. Anthony's Medical Center	S. St. Louis Cnty	1.45%	1.53%	1.66%	2.13%	1.33%	1.47%	1.63%	1.98%
St. Luke's Hospital	W. St. Louis Cnty	0.80%	0.79%	0.81%	0.90%	0.69%	0.74%	0.85%	0.91%
<b>St. Louis Area Aggregate</b>		<b>1.69%</b>	<b>1.82%<sup>4</sup></b>	<b>1.94%</b>	<b>1.87%</b>	<b>1.63%</b>	<b>1.76%<sup>4</sup></b>	<b>2.30%<sup>4</sup></b>	<b>2.05%</b>

\* According to the MHA, the following hospitals declined to report for specific years: NE Regional 2004, Ozarks 2004 & 2005, Callaway 2006 & 2007, St. Jos.-Wentzville 2005, & Kindred 2005 & 2006.

<sup>1</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

<sup>2</sup> St. Joseph Hospital-Wentzville was acquired by SSM in 2005 and, in 2006, reported on a combined basis with St. Joseph Health Center. See Appendix B for other disclosures prior to 2006.

<sup>3</sup> St. Alexius and Forest Park hospitals were sold to Doctors Community Healthcare Corporation in 2004, and due to the transfer in ownership, 2004 data could not be verified.

<sup>4</sup> When bad debt amounts were not available, operating revenues were excluded from percentage totals, unless otherwise noted (see St. Joseph Health Center & St. Joseph - Wentzville).

Note: Changes to previously reported data are based on the most current information including numerous restatements. See Appendix B for disclosure of hospital revisions.

## Uncompensated Care as a Percentage of Operating Expense 2004 - 2007

Missouri Hospital (system name)	Missouri County	2004 BHC Unc. Care as % of op. expense.	2005 BHC Unc. Care as % of op. expense.	2006 BHC Unc. Care as % of op. expense.	2007 BHC Unc. Care as % of op. expense.	2004 MHA Unc. Care as % of op. expense.	2005 MHA Unc. Care as % of op. expense.	2006 MHA Unc. Care as % of op. expense.	2007 MHA Unc. Care as % of op. expense.
Northeast Regional Medical Center	Adair	2.1%	1.8%	3.3%	2.7%	N/A	1.6%	3.1%	2.4%
Audrain Medical Center	Audrain	2.5%	3.2%	3.5%	4.3%	2.3%	3.1%	3.4%	4.2%
Boone Hospital Center (BJC)	Boone	1.9%	1.7%	1.7%	1.9%	1.8%	1.7%	2.5%	3.1%
Columbia Regional Hospital (U. of MO)	Boone	2.5%	1.7%	2.6%	2.6%	1.3%	1.7%	1.9%	2.6%
University of Missouri Hospital and Clinics	Boone	5.7%	4.8%	5.3%	6.2%	3.9%	4.7%	5.3%	6.2%
<b>County Total</b>	<b>Boone</b>	<b>3.9%</b>	<b>3.3%</b>	<b>3.7%</b>	<b>4.3%</b>	<b>2.8%</b>	<b>3.3%</b>	<b>3.9%</b>	<b>4.7%</b>
Callaway Community Hospital*	Callaway	4.7%	4.7%	5.7%	6.7%	8.7%	4.7%	n/a	n/a
Southeast Missouri Hospital	Cape Girardeau	3.8%	3.8%	3.8%	4.5%	3.2%	3.4%	3.5%	4.0%
St. Francis Medical Center	Cape Girardeau	3.7%	3.8%	4.3%	5.1%	2.9%	3.5%	3.8%	4.4%
<b>County Total</b>	<b>Cape Girardeau</b>	<b>3.8%</b>	<b>3.8%</b>	<b>4.1%</b>	<b>4.8%</b>	<b>3.0%</b>	<b>3.4%</b>	<b>3.6%</b>	<b>4.2%</b>
Capital Region Medical Center	Cole	1.9%	1.9%	2.7%	3.2%	1.9%	1.9%	2.7%	3.2%
St. Mary's Health Center (SSMHC)	Cole	2.8%	2.5%	3.9%	4.4%	2.3%	2.4%	3.6%	4.1%
<b>County Total</b>	<b>Cole</b>	<b>2.3%</b>	<b>2.2%</b>	<b>3.3%</b>	<b>3.8%</b>	<b>2.1%</b>	<b>2.2%</b>	<b>3.2%</b>	<b>3.7%</b>
Cox Health Systems	Greene	3.4%	3.2%	4.3%	5.4%	2.1%	3.1%	4.4%	5.5%
Ozarks Community Hospital <sup>2</sup>	Greene	5.3%	4.5%	6.3%	4.7%	n/a	n/a	4.6%	4.3%
St. Johns Regional Health Center (SJMHC)	Greene	4.4%	4.7%	5.2%	5.7%	5.1%	5.2%	5.4%	7.2%
<b>County Total</b>	<b>Greene</b>	<b>3.9%</b>	<b>3.8%</b>	<b>4.8%</b>	<b>5.5%</b>	<b>3.3%</b>	<b>4.0%</b>	<b>4.9%</b>	<b>6.2%</b>
Hannibal Regional Hospital	Marion	3.3%	3.1%	3.8%	3.9%	3.1%	2.9%	3.8%	3.9%
Perry County Memorial Hospital	Perry	2.9%	3.1%	3.0%	3.8%	2.6%	2.8%	2.6%	3.3%
Citizens Memorial Health Care	Polk	2.4%	3.0%	4.7%	5.3%	1.9%	2.9%	4.5%	5.1%
<b>St. Louis Metropolitan Area</b>									
<b>BJC HealthCare (BJC)</b>									
Barnes-Jewish Hospital	St. Louis City	4.0%	3.3%	3.7%	4.1%	2.6%	3.3%	4.6%	4.7%
Barnes-Jewish Hospital - St. Peters	St. Charles	2.6%	3.1%	3.3%	3.4%	2.2%	3.0%	4.4%	5.1%
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	1.6%	1.7%	1.7%	1.8%	1.5%	1.8%	2.9%	3.1%
Christian Hospitals	N. St. Louis Cnty	5.1%	5.5%	5.5%	6.3%	4.2%	5.2%	7.8%	9.1%
Missouri Baptist Hospital - Sullivan	Crawford	4.1%	5.5%	7.7%	7.6%	3.8%	5.4%	10.6%	9.2%
Missouri Baptist Medical Center	W. St. Louis Cnty	1.0%	1.2%	1.4%	1.4%	0.9%	1.3%	2.4%	2.4%
Progress West HealthCare Center	St. Charles				5.0%				5.0%
St. Louis Children's Hospital	St. Louis City	1.1%	1.4%	1.5%	1.3%	1.7%	1.3%	2.1%	1.7%
<b>BJC HealthCare Total</b>		<b>3.2%</b>	<b>3.0%</b>	<b>3.3%</b>	<b>3.5%</b>	<b>2.4%</b>	<b>2.9%</b>	<b>4.3%</b>	<b>4.5%</b>
<b>SSM Health Care (SSMHC)</b>									
Cardinal Glennon Hospital	St. Louis City	0.6%	0.9%	0.8%	1.3%	0.4%	0.8%	0.8%	1.4%
DePaul Health Center	N. St. Louis Cnty	4.3%	4.8%	5.5%	6.1%	3.6%	3.5%	5.1%	6.0%
St. Joseph Health Center <sup>3</sup>	St. Charles	3.2%	3.9%	4.5%	5.2%	2.8%	3.1%	4.5%	5.2%
St. Joseph Health Center - Wentzville <sup>3</sup>	St. Charles	4.1%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	1.7%	2.1%	2.4%	3.0%	1.5%	1.5%	2.4%	3.1%
St. Joseph West - Lake St. Louis	St. Charles	2.8%	4.2%	4.6%	4.9%	2.3%	3.2%	4.3%	4.7%
St. Mary's Health Center	W. St. Louis Cnty	3.1%	3.3%	4.2%	4.1%	3.0%	2.5%	4.1%	4.1%
<b>SSM Health Care Total</b>		<b>2.8%</b>	<b>3.3%</b> <sup>3</sup>	<b>3.9%</b>	<b>4.2%</b>	<b>2.4%</b> <sup>3</sup>	<b>2.5%</b> <sup>3</sup>	<b>3.7%</b>	<b>4.2%</b>
<b>St. John's Mercy Health Care (SJMHC)</b>									
St. John's Mercy Medical Center	W. St. Louis Cnty	2.8%	2.8%	3.3%	3.1%	3.1%	2.7%	3.1%	3.3%
St. John's Mercy Hospital - Washington Franklin	Washington Franklin	3.9%	4.1%	4.8%	5.1%	3.6%	3.7%	4.3%	4.6%
<b>St. John's Mercy Health Care Total</b>		<b>2.9%</b>	<b>3.0%</b>	<b>3.5%</b>	<b>3.3%</b>	<b>3.1%</b>	<b>2.8%</b>	<b>3.3%</b>	<b>3.4%</b>
<b>Tenet HealthSystem</b>									
Des Peres Hospital	W. St. Louis Cnty	1.2%	1.1%	0.9%	1.0%	1.1%	1.1%	1.0%	2.0%
St. Louis University Hospital	St. Louis City	4.7%	4.2%	4.7%	3.6%	4.5%	5.3%	7.0%	3.6%
<b>Tenet HealthSystem Total</b>		<b>3.9%</b>	<b>3.5%</b>	<b>3.8%</b>	<b>2.9%</b>	<b>3.8%</b>	<b>4.4%</b>	<b>5.6%</b>	<b>3.2%</b>
<b>Independent</b>									
Forest Park Hospital <sup>4</sup>	St. Louis City	2.7%	5.9%	5.4%	5.7%	4.4%	5.1%	5.4%	4.8%
Jefferson Regional Medical Center	Jefferson	3.3%	3.6%	3.6%	4.1%	3.9%	3.1%	3.5%	4.0%
Kindred Hospital*	St. Louis City	n/a	n/a	0.1%	0.6%	1.9%	n/a	n/a	n/a
Lincoln County Memorial Hospital	Lincoln	3.4%	3.5%	4.3%	8.7%	3.5%	3.3%	4.0%	8.9%
St. Alexius Hospital <sup>4</sup>	St. Louis City	4.5%	5.8%	6.8%	6.5%	5.5%	5.4%	6.3%	6.1%
St. Anthony's Medical Center	S. St. Louis Cnty	2.4%	2.4%	2.7%	3.2%	2.1%	2.3%	2.6%	2.9%
St. Luke's Hospital	W. St. Louis Cnty	1.2%	1.1%	1.4%	1.4%	1.0%	1.1%	1.5%	1.4%
<b>St. Louis Area Aggregate</b>		<b>3.0%</b> <sup>5</sup>	<b>3.1%</b> <sup>3</sup>	<b>3.4%</b>	<b>3.6%</b> <sup>5</sup>	<b>2.7%</b> <sup>3</sup>	<b>2.9%</b> <sup>3,4</sup>	<b>3.9%</b> <sup>5</sup>	<b>3.9%</b> <sup>5</sup>

\* According to the MHA, Callaway Community Hospital declined to participate in reporting for 2006 & 2007. Kindred Hospital declined to participate in reporting for 2005, 2006, & 2007.

<sup>1</sup> For a detailed description of the BHC and MHA uncompensated care methodologies, see Appendix B.

<sup>2</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

<sup>3</sup> St. Joseph-Wentzville (formerly Crossroads Reg. Hosp.) did not report to MHA in 2004 or to MHA or BHF in 2005 and 2006. They merged with SSM in 11/05 & 2006 data is combined with St. Joseph Health Ctr.

<sup>4</sup> St. Alexius and Forest Park hospitals were sold to Doctors Community Healthcare Corporation in 2004, and due to the transfer in ownership, 2004 data could not be verified.

<sup>5</sup> Operating revenue for Kindred Hospital was excluded from these figures since the hospital did not report charity care to BHF in 2004 & 2005 or to MHA in 2005, 2006, & 2007.

## 2007 Public Program Utilization

Missouri Hospital (system name)	Missouri County	%		%		% Other		Total Days	Total Discharges
		Medicare Days	Medicare Discharges	Medicaid Days	Medicaid Discharges	Days	Discharges		
Northeast Regional Medical Center	Adair	67%	49%	13%	20%	20%	31%	16,739	4,241
Audrain Medical Center	Audrain	56%	48%	11%	9%	33%	43%	15,249	4,406
Boone Hospital Center (BJC)	Boone	58%	50%	6%	4%	36%	46%	80,324	17,333
Columbia Regional Hospital (U. of MO)	Boone	31%	23%	15%	11%	54%	65%	27,824	7,162
University of Missouri Hospital and Clinics	Boone	39%	33%	20%	17%	41%	50%	73,343	14,301
<b>County Total</b>	<b>Boone</b>	<b>46%</b>	<b>39%</b>	<b>13%</b>	<b>10%</b>	<b>41%</b>	<b>51%</b>	<b>181,491</b>	<b>38,796</b>
Callaway Community Hospital	Callaway	69%	47%	4%	5%	27%	48%	3,955	1,123
Southeast Missouri Hospital	Cape Girardeau	61%	42%	16%	13%	23%	45%	45,617	11,502
St. Francis Medical Center	Cape Girardeau	59%	57%	12%	14%	29%	29%	58,219	10,840
<b>County Total</b>	<b>Cape Girardeau</b>	<b>60%</b>	<b>49%</b>	<b>14%</b>	<b>14%</b>	<b>27%</b>	<b>37%</b>	<b>103,836</b>	<b>22,342</b>
Capital Region Medical Center	Cole	58%	49%	4%	3%	38%	48%	29,712	7,675
St. Mary's Health Center (SSMHC)	Cole	61%	51%	8%	9%	31%	39%	36,700	10,022
<b>County Total</b>	<b>Cole</b>	<b>60%</b>	<b>50%</b>	<b>6%</b>	<b>7%</b>	<b>34%</b>	<b>43%</b>	<b>66,412</b>	<b>17,697</b>
Cox Health Systems	Greene	39%	33%	18%	18%	43%	49%	143,914	28,601
Ozarks Community Hospital <sup>1</sup>	Greene	78%	71%	9%	11%	13%	18%	7,603	1,235
St. Johns Regional Health Center (SMHS)	Greene	43%	35%	15%	18%	42%	48%	144,713	35,057
<b>County Total</b>	<b>Greene</b>	<b>42%</b>	<b>34%</b>	<b>17%</b>	<b>18%</b>	<b>42%</b>	<b>48%</b>	<b>296,230</b>	<b>64,893</b>
Hannibal Regional Hospital	Marion	63%	51%	14%	16%	23%	33%	23,140	5,660
Perry County Memorial Hospital	Perry	78%	40%	5%	15%	16%	45%	4,688	756
Citizens Memorial Health Care	Polk	65%	53%	17%	21%	18%	26%	12,904	3,247
<b>St. Louis Metropolitan Area</b>									
<b>BJC HealthCare (BJC)</b>									
Barnes-Jewish Hospital	St. Louis City	44%	39%	21%	26%	34%	35%	286,381	52,947
Barnes-Jewish Hospital - St. Peters	St. Charles	55%	40%	6%	6%	40%	53%	27,065	6,670
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	54%	47%	3%	3%	43%	51%	13,910	3,334
Christian Hospitals	N. St. Louis Cnty	66%	60%	13%	11%	21%	29%	85,744	14,455
Missouri Baptist Hospital - Sullivan	Crawford	72%	55%	11%	18%	18%	27%	7,094	1,687
Missouri Baptist Medical Center	W. St. Louis Cnty	57%	47%	4%	4%	39%	49%	102,710	21,752
Progress West HealthCare Center	St. Charles	47%	32%	6%	6%	48%	62%	5,134	1,559
St. Louis Children's Hospital	St. Louis City	0%	0%	40%	38%	60%	62%	65,648	11,011
<b>BJC HealthCare Total</b>		<b>46%</b>	<b>40%</b>	<b>18%</b>	<b>19%</b>	<b>36%</b>	<b>41%</b>	<b>593,686</b>	<b>113,415</b>
<b>SSM Health Care (SSMHC)</b>									
Cardinal Glennon Hospital	St. Louis City	1%	1%	60%	63%	39%	37%	46,697	6,752
DePaul Health Center	N. St. Louis Cnty	50%	46%	24%	20%	26%	34%	106,388	22,819
St. Joseph Health Center	St. Charles	50%	44%	21%	15%	29%	41%	71,729	14,690
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	68%	54%	5%	6%	26%	40%	27,473	7,592
St. Joseph West - Lake St. Louis	St. Charles	51%	41%	10%	13%	39%	46%	26,014	7,937
St. Mary's Health Center	W. St. Louis Cnty	52%	46%	26%	25%	22%	29%	94,278	19,299
<b>SSM Health Care Total</b>		<b>46%</b>	<b>42%</b>	<b>26%</b>	<b>22%</b>	<b>28%</b>	<b>36%</b>	<b>372,579</b>	<b>79,089</b>
<b>St. John's Mercy Health Care (SMHS)</b>									
St. John's Mercy Medical Center	W. St. Louis Cnty	39%	33%	12%	13%	49%	54%	220,449	40,561
St. John's Mercy Hospital - Washington	Franklin	53%	48%	9%	14%	38%	38%	24,170	6,455
<b>St. John's Mercy Health Care Total</b>		<b>40%</b>	<b>35%</b>	<b>12%</b>	<b>13%</b>	<b>48%</b>	<b>52%</b>	<b>244,619</b>	<b>47,016</b>
<b>Tenet HealthSystem</b>									
Des Peres Hospital	W. St. Louis Cnty	70%	60%	5%	5%	25%	35%	39,645	9,238
St. Louis University Hospital	St. Louis City	43%	40%	22%	19%	36%	40%	83,520	14,271
<b>Tenet HealthSystem Total</b>		<b>51%</b>	<b>48%</b>	<b>16%</b>	<b>14%</b>	<b>32%</b>	<b>38%</b>	<b>123,165</b>	<b>23,509</b>
<b>Independent</b>									
Forest Park Hospital	St. Louis City	54%	52%	24%	23%	22%	25%	23,627	4,131
Jefferson Regional Medical Center	Jefferson	65%	52%	11%	13%	24%	35%	44,771	10,576
Kindred Hospital	St. Louis City	58%	56%	17%	17%	25%	26%	21,381	828
Lincoln County Memorial Hospital	Lincoln	72%	53%	7%	7%	21%	40%	4,556	876
St. Alexius Hospital	St. Louis City	39%	44%	28%	28%	32%	28%	44,494	7,304
St. Anthony's Medical Center	S. St. Louis Cnty	59%	51%	8%	8%	33%	41%	137,083	28,739
St. Luke's Hospital	W. St. Louis Cnty	66%	53%	2%	2%	32%	45%	85,116	18,783
<b>St. Louis Area Aggregate</b>		<b>48%</b>	<b>43%</b>	<b>17%</b>	<b>17%</b>	<b>35%</b>	<b>41%</b>	<b>1,695,077</b>	<b>334,266</b>

Source: CMS Medicare Cost Reports and hospitals' internal utilization statements.

<sup>1</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

## 2007 Emergency Department Use Profile

Missouri Hospital (system name)	Missouri County	Emergency Dept. Visit Emergent <sup>1</sup>	% Emergent Visits	Emergency Dept. Visit Urgent <sup>1</sup>	% Urgent Visits	Total Emergency Dept. Visits <sup>1</sup>
Northeast Regional Medical Center (est.*) <sup>1</sup>	Adair	3,552	18%	16,017	82%	19,569
Audrain Medical Center	Audrain	1,467	26%	4,191	74%	5,658
Boone Hospital Center (BJC)	Boone	n/a	n/a	n/a	n/a	31,308
Columbia Regional Hospital (U. of MO)	Boone	1,930	22%	6,974	78%	8,904
University of Missouri Hospital and Clinics	Boone	8,953	33%	18,152	67%	27,105
<b>County Total<sup>3</sup></b>	<b>Boone</b>	<b>10,883</b>	<b>30%</b>	<b>25,126</b>	<b>70%</b>	<b>67,317</b>
Callaway Community Hospital (est.*) <sup>1</sup>	Callaway	1,649	14%	9,884	86%	11,533
Southeast Missouri Hospital (est.*) <sup>1</sup>	Cape Girardeau	6,936	21%	26,633	79%	33,569
St. Francis Medical Center	Cape Girardeau	9,509	52%	8,882	48%	18,391
<b>County Total</b>	<b>Cape Girardeau</b>	<b>16,445</b>	<b>32%</b>	<b>35,515</b>	<b>68%</b>	<b>51,960</b>
Capital Region Medical Center (est.*) <sup>1</sup>	Cole	10,108	43%	13,269	57%	23,377
St. Mary's Health Center (SSMHC)	Cole	16,850	48%	18,497	52%	35,347
<b>County Total</b>	<b>Cole</b>	<b>26,958</b>	<b>46%</b>	<b>31,766</b>	<b>54%</b>	<b>58,724</b>
Cox Health Systems (est.*) <sup>1</sup>	Greene	17,379	16%	91,598	84%	108,977
Ozarks Community Hospital <sup>2</sup>	Greene	753	4%	20,399	96%	21,152
St. Johns Regional Health Center (SMHS)	Greene	25,125	31%	55,028	69%	80,153
<b>County Total</b>	<b>Greene</b>	<b>43,257</b>	<b>21%</b>	<b>167,025</b>	<b>79%</b>	<b>210,282</b>
Hannibal Regional Hospital (est.*) <sup>1</sup>	Marion	675	3%	21,790	97%	22,465
Perry County Memorial Hospital (est.*) <sup>1</sup>	Perry	3,243	32%	6,896	68%	10,138
Citizens Memorial Health Care (est.*) <sup>1</sup>	Polk	7,590	33%	15,507	67%	23,097
<b>St. Louis Metropolitan Area</b>						
<b>BJC HealthCare (BJC)</b>						
Barnes-Jewish Hospital	St. Louis City	n/a	n/a	n/a	n/a	79,761
Barnes-Jewish Hospital - St. Peters	St. Charles	n/a	n/a	n/a	n/a	28,010
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	n/a	n/a	n/a	n/a	9,735
Christian Hospitals	N. St. Louis Cnty	n/a	n/a	n/a	n/a	77,103
Missouri Baptist Hospital - Sullivan	Crawford	n/a	n/a	n/a	n/a	17,944
Missouri Baptist Medical Center	W. St. Louis Cnty	n/a	n/a	n/a	n/a	33,009
		n/a	n/a	n/a	n/a	10,554
St. Louis Children's Hospital	St. Louis City	n/a	n/a	n/a	n/a	54,488
<b>BJC HealthCare Total</b>		<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>310,604</b>
<b>SSM Health Care (SSMHC)</b>						
Cardinal Glennon Hospital	St. Louis City	10,313	26%	29,731	74%	40,044
DePaul Health Center	N. St. Louis Cnty	30,957	62%	19,333	38%	50,290
St. Joseph Health Center	St. Charles	20,757	49%	21,293	51%	42,050
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	20,641	98%	439	2%	21,080
St. Joseph West - Lake St. Louis	St. Charles	16,247	47%	18,671	53%	34,918
St. Mary's Health Center	W. St. Louis Cnty	21,635	55%	17,952	45%	39,587
<b>SSM Health Care Total</b>		<b>120,550</b>	<b>53%</b>	<b>107,419</b>	<b>47%</b>	<b>227,969</b>
<b>St. John's Mercy Health Care (SMHS)</b>						
St. John's Mercy Medical Center	W. St. Louis Cnty	68,449	35%	129,319	65%	197,768
St. John's Mercy Hospital - Washington	Franklin	16,652	29%	40,001	71%	56,653
<b>St. John's Mercy Health Care Total</b>		<b>85,101</b>	<b>33%</b>	<b>169,320</b>	<b>67%</b>	<b>254,421</b>
<b>Tenet HealthSystem</b>						
Des Peres Hospital	W. St. Louis Cnty	9,055	79%	2,437	21%	11,492
St. Louis University Hospital	St. Louis City	8,678	26%	24,553	74%	33,231
<b>Tenet HealthSystem Total</b>		<b>17,733</b>	<b>40%</b>	<b>26,990</b>	<b>60%</b>	<b>44,723</b>
<b>Independent</b>						
Forest Park Hospital (est.*) <sup>1</sup>	St. Louis City	3,831	14%	24,171	86%	28,002
Jefferson Regional Medical Center	Jefferson	14,814	47%	16,510	53%	31,324
Kindred Hospital <sup>1</sup>	St. Louis City	n/a	n/a	n/a	n/a	n/a
Lincoln County Memorial Hospital	Lincoln	1,382	10%	12,999	90%	14,381
St. Alexius Hospital (est.*) <sup>1</sup>	St. Louis City	4,702	15%	26,587	85%	31,289
St. Anthony's Medical Center	S. St. Louis Cnty	18,465	23%	61,792	77%	80,257
St. Luke's Hospital	W. St. Louis Cnty	9,893	13%	65,260	87%	75,153
<b>St. Louis Area Aggregate<sup>1,3</sup></b>		<b>276,471</b>	<b>35%</b>	<b>511,048</b>	<b>65%</b>	<b>1,098,123</b>

<sup>1</sup> Source: Emergency department (ED) visit utilization was self-reported by hospital unless otherwise noted. The source of ED utilization for non-reporting hospitals denoted with an (est.\*) was ThomsonReuters (TR) Market Planner® Plus Outpatient Profiles. Estimates are based on TR proprietary methodology. For description, see Appendix C. Kindred Hospital does not have an ED.

<sup>2</sup> Formerly Doctor's Hospital of Springfield (DHS). See other disclosures associated with this hospital in Appendix B, page 60.

<sup>3</sup> Since emergent and urgent ED visits were not available for BJC Health Care hospitals, St. Louis Area Aggregate Emergent & Urgent ED visits do not add up to the Total Aggregate ED visits.

St. Louis Area Aggregate Emergent and Urgent ED visit percentages were adjusted to exclude the total ED visits of those hospitals.

## Emergency Department Use by Payer 2006 - 2007

	Missouri County	Commercial, Managed Care & Other		Medicare Traditional & Managed Care		Medicaid Traditional & Managed Care		Self Pay/ Uninsured	
		2006	2007	2006	2007	2006	2007	2006	2007
<b>BJC HealthCare (BJC)<sup>1</sup></b>									
Barnes-Jewish Hospital	St. Louis City	27%	27%	22%	21%	30%	30%	22%	23%
Barnes-Jewish Hospital - St. Peters	St. Charles	62%	60%	14%	14%	14%	14%	11%	12%
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	56%	54%	26%	26%	8%	9%	10%	11%
Christian Hospitals	N. St. Louis Cnty	33%	32%	20%	19%	28%	28%	20%	21%
Missouri Baptist Hospital - Sullivan	Crawford	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Missouri Baptist Medical Center	W. St. Louis Cnty	57%	56%	32%	31%	5%	7%	5%	6%
Progress West Healthcare Center	St. Charles	n/a	71%	n/a	11%	n/a	9%	n/a	10%
St. Louis Children's Hospital	St. Louis City	35%	34%	0%	0%	62%	60%	4%	6%
<b>BJC HealthCare Total</b>		<b>38%</b>	<b>37%</b>	<b>17%</b>	<b>17%</b>	<b>31%</b>	<b>29%</b>	<b>14%</b>	<b>15%</b>

### SSM Health Care (SSMHC)

Cardinal Glennon Hospital	St. Louis City	24%	23%	0%	0%	73%	73%	4%	4%
DePaul Health Center	N. St. Louis Cnty	36%	34%	22%	24%	24%	24%	18%	18%
St. Joseph Health Center <sup>2</sup>	St. Charles	43%	40%	22%	23%	20%	20%	15%	16%
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	53%	52%	27%	28%	11%	11%	9%	10%
St. Joseph West - Lake St. Louis	St. Charles	53%	51%	18%	19%	17%	17%	13%	13%
St. Mary's Health Center	W. St. Louis Cnty	36%	34%	32%	31%	17%	19%	15%	16%
<b>SSM Health Care Total</b>		<b>39%</b>	<b>38%</b>	<b>20%</b>	<b>20%</b>	<b>28%</b>	<b>29%</b>	<b>13%</b>	<b>13%</b>

## SSM Health Care ED Use by Payer & Visit Type 2006 - 2007

	Missouri County	Commercial & Other				Medicare			
		Emergent 2006	Emergent 2007	Urgent 2006	Urgent 2007	Emergent 2006	Emergent 2007	Urgent 2006	Urgent 2007
Cardinal Glennon Hospital	St. Louis City	34%	36%	20%	19%	0%	0%	0%	0%
DePaul Health Center	N. St. Louis Cnty	34%	33%	38%	35%	32%	32%	10%	10%
St. Joseph Health Center <sup>2</sup>	St. Charles	42%	41%	44%	40%	33%	33%	12%	13%
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	53%	52%	47%	51%	27%	28%	11%	14%
St. Joseph West - Lake St. Louis	St. Charles	53%	52%	53%	50%	26%	26%	11%	12%
St. Mary's Health Center	W. St. Louis Cnty	32%	31%	42%	39%	42%	42%	18%	18%
<b>SSM Health Care Total</b>		<b>41.2%</b>	<b>40.0%</b>	<b>37.6%</b>	<b>35.0%</b>	<b>29.6%</b>	<b>29.9%</b>	<b>9.4%</b>	<b>9.6%</b>

	Missouri County	Medicaid				Self Pay/Uninsured			
		Emergent 2006	Emergent 2007	Urgent 2006	Urgent 2007	Emergent 2006	Emergent 2007	Urgent 2006	Urgent 2007
Cardinal Glennon Hospital	St. Louis City	62%	60%	76%	77%	3%	3%	4%	4%
DePaul Health Center	N. St. Louis Cnty	18%	19%	31%	33%	16%	16%	21%	22%
St. Joseph Health Center <sup>2</sup>	St. Charles	13%	14%	27%	27%	12%	13%	18%	20%
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	11%	11%	21%	18%	9%	10%	21%	17%
St. Joseph West - Lake St. Louis	St. Charles	12%	12%	21%	22%	9%	10%	15%	16%
St. Mary's Health Center	W. St. Louis Cnty	14%	16%	20%	22%	12%	12%	19%	21%
<b>SSM Health Care Total</b>		<b>18.1%</b>	<b>18.6%</b>	<b>38.4%</b>	<b>40.1%</b>	<b>11.1%</b>	<b>11.5%</b>	<b>14.6%</b>	<b>15.3%</b>

Source: Emergency department visits were self-reported by the hospitals and were not audited.

<sup>1</sup> BJC HealthCare could not provide a breakdown of emergent and urgent ED visits.

<sup>3</sup> St. Joseph Health Center and St. Joseph Hospital Wenzville began reporting on a combined basis in 2006.

## Fiscal Year 2007 Financial Data

Missouri Hospital (system name)	Missouri County	Total Revenue (000)	Total Expenses* (000)	Gain from Operations (000)	Net Profit (000)	Operating margin	Profit margin
Northeast Regional Medical Center	Adair	\$70,100	\$63,383	\$6,729	\$6,717	9.60%	9.58%
Audrain Medical Center	Audrain	\$67,996	\$67,428	\$344	\$567	0.51%	0.83%
Boone Hospital Center (BJC)	Boone	\$248,773	\$236,249	\$19,908	\$12,525	8.05%	5.03%
Columbia Regional Hospital (U. of MO)	Boone	\$115,336	\$114,606	-\$100	\$730	-0.09%	0.63%
University of Missouri Hospital and Clinics	Boone	\$413,034	\$381,557	\$22,460	\$31,478	5.55%	7.62%
<b>County Total</b>	<b>Boone</b>	<b>\$777,144</b>	<b>\$732,412</b>	<b>\$42,268</b>	<b>\$44,733</b>	<b>5.52%</b>	<b>5.76%</b>
Callaway Community Hospital	Callaway	\$17,937	\$17,060	\$1,272	\$877	7.09%	4.89%
Southeast Missouri Hospital	Cape Girardeau	\$257,051	\$242,290	\$12,242	\$14,762	4.82%	5.74%
St. Francis Medical Center	Cape Girardeau	\$305,155	\$258,864	\$27,929	\$46,291	9.74%	15.17%
<b>County Total</b>	<b>Cape Girardeau</b>	<b>\$562,206</b>	<b>\$501,154</b>	<b>\$40,172</b>	<b>\$61,052</b>	<b>7.43%</b>	<b>10.86%</b>
Capital Region Medical Center	Cole	\$130,552	\$129,865	-\$604	\$687	-0.47%	0.53%
St. Mary's Health Center (SSMHC)	Cole	\$152,300	\$156,201	-\$3,580	-\$3,901	-2.35%	-2.56%
<b>County Total</b>	<b>Cole</b>	<b>\$282,851</b>	<b>\$286,065</b>	<b>-\$4,184</b>	<b>-\$3,214</b>	<b>-1.48%</b>	<b>-1.14%</b>
Cox Health Systems	Greene	\$763,204	\$756,587	\$17,624	\$6,616	2.38%	0.87%
Ozarks Community Hospital <sup>1</sup>	Greene	\$45,795	\$45,538	\$168	\$257	0.37%	0.56%
St. Johns Regional Health Center (SMHS)	Greene	\$672,378	\$611,188	\$61,196	\$61,190	9.10%	9.10%
<b>County Total</b>	<b>Greene</b>	<b>\$1,481,377</b>	<b>\$1,413,313</b>	<b>\$78,988</b>	<b>\$68,064</b>	<b>5.42%</b>	<b>4.59%</b>
Hannibal Regional Hospital	Marion	\$88,353	\$76,249	\$9,140	\$12,104	10.70%	13.70%
Perry County Memorial Hospital	Perry	\$30,283	\$27,848	\$1,886	\$2,436	6.34%	8.04%
Citizens Memorial Health Care	Polk	\$72,000	\$70,727	\$813	\$1,274	1.14%	1.77%
<b>St. Louis Metropolitan Area</b>							
<b>BJC HealthCare (BJC)</b>							
Barnes-Jewish Hospital	St. Louis City	\$1,269,013	\$1,170,851	\$26,073	\$98,162	2.18%	7.74%
Barnes-Jewish Hospital - St. Peters	St. Charles	\$119,117	\$105,019	\$13,195	\$14,098	11.78%	11.84%
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	\$89,273	\$81,885	\$12,310	\$7,388	14.04%	8.28%
Christian Hospitals	N. St. Louis Cnty	\$248,363	\$252,119	-\$7,553	-\$3,756	-3.13%	-1.51%
Missouri Baptist Hospital - Sullivan	Crawford	\$37,833	\$38,977	-\$285	-\$1,144	-0.75%	-3.02%
Missouri Baptist Medical Center	W. St. Louis Cnty	\$386,609	\$349,919	\$27,351	\$36,690	7.25%	9.49%
Progress West HealthCare Center	St. Charles	\$24,366	\$40,865	-\$16,453	-\$16,498	-74.31%	-67.71%
St. Louis Children's Hospital	St. Louis City	\$351,831	\$306,376	\$43,896	\$45,455	12.54%	12.92%
<b>BJC HealthCare Total</b>		<b>\$2,526,404</b>	<b>\$2,346,011</b>	<b>\$98,535</b>	<b>\$180,393</b>	<b>4.06%</b>	<b>7.14%</b>
<b>SSM Health Care (SSMHC)</b>							
Cardinal Glennon Hospital	St. Louis City	\$235,696	\$185,760	\$34,445	\$49,936	15.64%	21.19%
DePaul Health Center	N. St. Louis Cnty	\$256,532	\$254,506	\$4,314	\$2,026	1.67%	0.79%
St. Joseph Health Center	St. Charles	\$175,690	\$174,781	\$2,539	\$910	1.43%	0.52%
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	\$87,634	\$95,391	-\$6,181	-\$7,757	-6.93%	-8.85%
St. Joseph West - Lake St. Louis	St. Charles	\$97,788	\$96,621	\$2,558	\$1,168	2.58%	1.19%
St. Mary's Health Center	W. St. Louis Cnty	\$257,174	\$246,540	\$1,571	\$10,634	0.63%	4.13%
<b>SSM Health Care Total</b>		<b>\$1,110,514</b>	<b>\$1,053,598</b>	<b>\$39,245</b>	<b>\$56,916</b>	<b>3.59%</b>	<b>5.13%</b>
<b>St. John's Mercy Health Care (SMHS)</b>							
St. John's Mercy Medical Center	W. St. Louis Cnty	\$714,180	\$653,325	\$59,649	\$60,854	8.37%	8.52%
St. John's Mercy Hospital - Washington	Franklin	\$92,512	\$90,025	\$2,483	\$2,487	2.68%	2.69%
<b>St. John's Mercy Health Care Total</b>		<b>\$806,692</b>	<b>\$743,350</b>	<b>\$62,132</b>	<b>\$63,341</b>	<b>7.71%</b>	<b>7.85%</b>
<b>Tenet HealthSystem</b>							
Des Peres Hospital	W. St. Louis Cnty	\$127,817	\$119,623	\$13,285	\$8,194	10.43%	6.41%
St. Louis University Hospital	St. Louis City	\$334,707	\$327,454	\$7,251	\$7,253	2.17%	2.17%
<b>Tenet HealthSystem Total</b>		<b>\$462,524</b>	<b>\$447,077</b>	<b>\$20,536</b>	<b>\$15,447</b>	<b>4.44%</b>	<b>3.34%</b>
<b>Independent</b>							
Forest Park Hospital	St. Louis City	\$77,972	\$76,830	\$1,142	\$1,142	1.46%	1.46%
Jefferson Regional Medical Center	Jefferson	\$101,747	\$99,429	\$851	\$2,318	0.85%	2.28%
Kindred Hospital	St. Louis City	\$35,574	\$32,832	\$6,512	\$2,742	18.31%	7.71%
Lincoln County Memorial Hospital	Lincoln	\$27,628	\$26,579	-\$635	\$1,049	-2.45%	3.80%
St. Alexius Hospital	St. Louis City	\$80,189	\$79,927	\$262	\$262	0.33%	0.33%
St. Anthony's Medical Center	S. St. Louis Cnty	\$391,409	\$379,444	\$3,443	\$11,965	0.90%	3.06%
St. Luke's Hospital	W. St. Louis Cnty	\$349,823	\$330,820	\$13,918	\$19,003	4.04%	5.43%

Source: CMS Medicare Cost Reports, internal and audited hospital financial statements.

\* Total expenses include non-operating expenses that may have an effect on profit margins. Non-operating expenses are not used in the calculation of operating margins.

<sup>1</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

## Operating Margin Trends 2004 - 2007

Missouri Hospital (system name)	Missouri County	2004	2005	2006	2007
Northeast Regional Medical Center	Adair	8.42%	8.82%	10.53%	9.60%
Audrain Medical Center	Audrain	-2.49%	-12.18%	-0.60%	0.51%
Boone Hospital Center (BJC)	Boone	8.87%	7.40%	9.10%	8.05%
Columbia Regional Hospital (U. of MO)	Boone	-2.63%	0.38%	-2.62%	-0.09%
University of Missouri Hospital and Clinics	Boone	9.89%	9.73%	11.25%	5.55%
<b>County Total</b>	<b>Boone</b>	<b>7.84%</b>	<b>7.59%</b>	<b>8.62%</b>	<b>5.52%</b>
Callaway Community Hospital	Callaway	-1.69%	11.55%	0.58%	7.09%
Southeast Missouri Hospital	Cape Girardeau	4.73%	3.04%	6.88%	4.82%
St. Francis Medical Center	Cape Girardeau	7.94%	8.43%	9.52%	9.74%
<b>County Total</b>	<b>Cape Girardeau</b>	<b>6.41%</b>	<b>5.85%</b>	<b>8.24%</b>	<b>7.43%</b>
Capital Region Medical Center	Cole	2.98%	3.94%	1.41%	-0.47%
St. Mary's Health Center (SSMHC)	Cole	0.63%	-0.55%	-5.09%	-2.35%
<b>County Total</b>	<b>Cole</b>	<b>1.77%</b>	<b>1.59%</b>	<b>-2.14%</b>	<b>-1.48%</b>
Cox Health Systems	Greene	2.73%	0.32%	0.90%	2.38%
Ozarks Community Hospital <sup>1</sup>	Greene	16.67%	4.03%	-6.16%	0.37%
St. Johns Regional Health Center (SMHS)	Greene	8.45%	9.73%	7.30%	9.10%
<b>County Total</b>	<b>Greene</b>	<b>5.51%</b>	<b>4.47%</b>	<b>3.62%</b>	<b>5.42%</b>
Hannibal Regional Hospital	Marion	-0.23%	4.95%	7.31%	10.70%
Perry County Memorial Hospital	Perry	11.24%	7.64%	3.66%	6.34%
Citizens Memorial Health Care	Polk	-3.34%	-4.01%	-0.62%	1.14%
<b>St. Louis Metropolitan Area</b>					
<b>BJC HealthCare (BJC)</b>					
Barnes-Jewish Hospital	St. Louis City	3.58%	3.75%	3.59%	2.18%
Barnes-Jewish Hospital - St. Peters	St. Charles	13.04%	14.13%	14.19%	11.78%
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	23.29%	16.05%	18.33%	14.04%
Christian Hospitals	N. St. Louis Cnty	4.78%	0.88%	-4.38%	-3.13%
Missouri Baptist Hospital - Sullivan	Crawford	13.10%	10.18%	0.44%	-0.75%
Missouri Baptist Medical Center	W. St. Louis Cnty	15.36%	12.38%	8.05%	7.25%
Progress West HealthCare Center	St. Charles	n/a	n/a	n/a	-74.31%
St. Louis Children's Hospital	St. Louis City	8.23%	10.08%	10.02%	12.54%
<b>BJC HealthCare Total</b>		<b>7.56%</b>	<b>6.68%</b>	<b>5.39%</b>	<b>4.06%</b>
<b>SSM Health Care (SSMHC)</b>					
Cardinal Glennon Hospital	St. Louis City	14.16%	11.43%	13.93%	15.64%
DePaul Health Center	N. St. Louis Cnty	4.88%	7.55%	0.11%	1.67%
St. Joseph Health Center <sup>2</sup>	St. Charles	1.27%	1.29%	0.07%	1.43%
St. Joseph Hospital - Wentzville <sup>2</sup>	St. Charles	-24.26%	-47.21%	n/a	n/a
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	-0.99%	-13.87%	-7.91%	-6.93%
St. Joseph West - Lake St. Louis	St. Charles	3.15%	5.82%	2.97%	2.58%
St. Mary's Health Center	W. St. Louis Cnty	5.57%	7.00%	2.66%	0.63%
<b>SSM Health Care Total</b>		<b>4.91%</b>	<b>3.68%</b>	<b>2.80%</b>	<b>3.59%</b>
<b>St. John's Mercy Health Care (SMHS)</b>					
St. John's Mercy Medical Center	W. St. Louis Cnty	3.67%	1.73%	5.94%	8.37%
St. John's Mercy Hospital - Washington	Franklin	3.88%	3.25%	5.15%	2.68%
<b>St. John's Mercy Health Care Total</b>		<b>3.70%</b>	<b>1.90%</b>	<b>5.85%</b>	<b>7.71%</b>
<b>Tenet HealthSystem</b>					
Des Peres Hospital	W. St. Louis Cnty	8.06%	7.33%	12.13%	10.43%
St. Louis University Hospital	St. Louis City	-5.82%	-7.86%	-0.44%	2.17%
<b>Tenet HealthSystem Total</b>		<b>-2.44%</b>	<b>-3.98%</b>	<b>2.87%</b>	<b>4.44%</b>
<b>Independent</b>					
Forest Park Hospital	St. Louis City	-24.69%	-6.03%	-2.68%	1.46%
Jefferson Regional Medical Center	Jefferson	-0.66%	0.73%	1.49%	0.85%
Kindred Hospital	St. Louis City	19.60%	7.63%	7.14%	18.31%
Lincoln County Memorial Hospital	Lincoln	-0.05%	-5.19%	-2.74%	-2.45%
St. Alexius Hospital	St. Louis City	-8.23%	0.49%	1.05%	0.33%
St. Anthony's Medical Center	S. St. Louis Cnty	2.06%	1.51%	1.82%	0.90%
St. Luke's Hospital	W. St. Louis Cnty	3.37%	3.13%	3.14%	4.04%
<b>St. Louis Area Aggregate</b>		<b>4.06%</b>	<b>3.58%</b>	<b>4.09%</b>	<b>4.22%</b>

<sup>1</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

<sup>2</sup> St. Joseph Hospital-Wentzville was acquired by SSM in 2005 and, in 2006, reported on a combined basis with St. Joseph Health Center.

Note: Changes in previously reported data are based on the most current information including numerous restatements.

## Profit Margin Trends 2004 - 2007

Missouri Hospital (system name)	Missouri County	2004	2005	2006	2007
Northeast Regional Medical Center	Adair	8.42%	8.78%	10.49%	9.58%
Audrain Medical Center	Audrain	-2.41%	-4.31%	0.14%	0.83%
Boone Hospital Center (BJC)	Boone	3.59%	1.00%	5.26%	5.03%
Columbia Regional Hospital (U. of MO)	Boone	-2.41%	1.38%	-1.81%	0.63%
University of Missouri Hospital and Clinics	Boone	10.49%	9.07%	10.24%	7.62%
<b>County Total</b>	<b>Boone</b>	<b>6.37%</b>	<b>5.30%</b>	<b>6.95%</b>	<b>5.76%</b>
Callaway Community Hospital	Callaway	-1.69%	12.77%	0.58%	4.89%
Southeast Missouri Hospital	Cape Girardeau	5.32%	3.95%	8.18%	5.74%
St. Francis Medical Center	Cape Girardeau	13.50%	11.78%	13.29%	15.17%
<b>County Total</b>	<b>Cape Girardeau</b>	<b>9.70%</b>	<b>8.08%</b>	<b>10.85%</b>	<b>10.86%</b>
Capital Region Medical Center	Cole	3.32%	4.69%	2.41%	0.53%
St. Mary's Health Center (SSMHC)	Cole	0.61%	-0.45%	-5.15%	-2.56%
<b>County Total</b>	<b>Cole</b>	<b>1.93%</b>	<b>2.02%</b>	<b>-1.70%</b>	<b>-1.14%</b>
Cox Health Systems	Greene	5.66%	0.45%	2.47%	0.87%
Ozarks Community Hospital <sup>1</sup>	Greene	16.48%	4.13%	-6.07%	0.56%
St. Johns Regional Health Center (SMHS)	Greene	8.45%	9.73%	7.30%	9.10%
<b>County Total</b>	<b>Greene</b>	<b>7.09%</b>	<b>4.50%</b>	<b>4.40%</b>	<b>4.59%</b>
Hannibal Regional Hospital	Marion	1.47%	6.07%	9.17%	13.70%
Perry County Memorial Hospital	Perry	11.25%	7.71%	3.74%	8.04%
Citizens Memorial Health Care	Polk	-3.10%	-3.71%	0.01%	1.77%
<b>St. Louis Metropolitan Area</b>					
<b>BJC HealthCare (BJC)</b>					
Barnes-Jewish Hospital	St. Louis City	11.58%	7.11%	12.50%	7.74%
Barnes-Jewish Hospital - St. Peters	St. Charles	14.35%	13.63%	14.46%	11.84%
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	16.02%	15.42%	11.01%	8.28%
Christian Hospitals	N. St. Louis Cnty	8.73%	2.23%	1.52%	-1.51%
Missouri Baptist Hospital - Sullivan	Crawford	11.11%	10.05%	-0.38%	-3.02%
Missouri Baptist Medical Center	W. St. Louis Cnty	17.08%	13.77%	12.06%	9.49%
Progress West HealthCare Center	St. Charles	n/a	n/a	n/a	-67.71%
St. Louis Children's Hospital	St. Louis City	15.19%	14.65%	14.94%	12.92%
<b>BJC HealthCare Total</b>		<b>12.86%</b>	<b>9.30%</b>	<b>11.55%</b>	<b>7.14%</b>
<b>SSM Health Care (SSMHC)</b>					
Cardinal Glennon Hospital	St. Louis City	16.04%	13.77%	16.38%	21.19%
DePaul Health Center	N. St. Louis Cnty	4.87%	7.81%	-0.16%	0.79%
St. Joseph Health Center <sup>2</sup>	St. Charles	1.21%	1.32%	-0.35%	0.52%
St. Joseph Hospital - Wentzville <sup>2</sup>	St. Charles	-24.26%	-47.21%	n/a	n/a
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	-0.74%	-13.78%	-8.79%	-8.85%
St. Joseph West - Lake St. Louis	St. Charles	2.92%	5.76%	2.32%	1.19%
St. Mary's Health Center	W. St. Louis Cnty	6.86%	8.15%	4.23%	4.13%
<b>SSM Health Care Total</b>		<b>5.62%</b>	<b>4.50%</b>	<b>3.45%</b>	<b>5.13%</b>
<b>St. John's Mercy Health Care (SMHS)</b>					
St. John's Mercy Medical Center	W. St. Louis Cnty	3.37%	1.79%	5.89%	8.52%
St. John's Mercy Hospital - Washington	Franklin	3.82%	3.48%	5.68%	2.69%
<b>St. John's Mercy Health Care Total</b>		<b>3.43%</b>	<b>1.98%</b>	<b>5.87%</b>	<b>7.85%</b>
<b>Tenet HealthSystem</b>					
Des Peres Hospital	W. St. Louis Cnty	4.18%	3.29%	6.29%	6.41%
St. Louis University Hospital	St. Louis City	-5.82%	-7.86%	-0.44%	2.17%
<b>Tenet HealthSystem Total</b>		<b>-3.38%</b>	<b>-5.01%</b>	<b>1.33%</b>	<b>3.34%</b>
<b>Independent</b>					
Forest Park Hospital	St. Louis City	-24.69%	-6.03%	-2.67%	1.46%
Jefferson Regional Medical Center	Jefferson	0.45%	2.01%	3.14%	2.28%
Kindred Hospital	St. Louis City	19.64%	7.66%	7.17%	7.71%
Lincoln County Memorial Hospital	Lincoln	0.05%	3.20%	7.07%	3.80%
St. Alexius Hospital	St. Louis City	-8.23%	0.49%	1.05%	0.33%
St. Anthony's Medical Center	S. St. Louis Cnty	7.79%	6.40%	5.08%	3.06%
St. Luke's Hospital	W. St. Louis Cnty	4.06%	4.20%	6.36%	5.43%
<b>St. Louis Area Aggregate</b>		<b>6.89%</b>	<b>5.24%</b>	<b>7.22%</b>	<b>5.94%</b>

<sup>1</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

<sup>2</sup> St. Joseph Hospital-Wentzville was acquired by SSM in 2005 and, in 2006, reported on a combined basis with St. Joseph Health Center.

Note: Changes in previously reported data are based on the most current information including numerous restatements.

## Medicare Disproportionate Share Hospital (DSH) Payments Profile 2006 - 2007

Missouri Hospital (system name)	Missouri County	2006	2007	2006	2007	2006	2007
		Operating Revenue (000)	Operating Revenue (000)	DSH (000)	DSH (000)	DSH as % of op. rev.	DSH as % of op. rev.
Northeast Regional Medical Center	Adair	\$67,575	\$70,100	\$1,345	\$1,188	1.99%	1.69%
Audrain Medical Center	Audrain	\$62,836	\$67,773	\$0	\$0	0.00%	0.00%
Boone Hospital Center (BJC)	Boone	\$241,769	\$247,250	\$0	\$0	0.00%	0.00%
Columbia Regional Hospital (U. of MO)	Boone	\$103,765	\$114,403	\$3,629	\$3,538	3.50%	3.09%
University of Missouri Hospital and Clinics	Boone	\$400,861	\$404,595	\$7,603	\$7,851	1.90%	1.94%
<b>County Total</b>	<b>Boone</b>	<b>\$746,395</b>	<b>\$766,248</b>	<b>\$11,232</b>	<b>\$11,389</b>	<b>1.50%</b>	<b>1.49%</b>
Callaway Community Hospital	Callaway	\$16,367	\$17,935	\$245	\$273	1.50%	1.52%
Southeast Missouri Hospital	Cape Girardeau	\$233,887	\$253,771	\$3,275	\$3,132	1.40%	1.23%
St. Francis Medical Center	Cape Girardeau	\$249,596	\$286,793	\$4,831	\$5,114	1.94%	1.78%
<b>County Total</b>	<b>Cape Girardeau</b>	<b>\$483,483</b>	<b>\$540,564</b>	<b>\$8,106</b>	<b>\$8,246</b>	<b>1.68%</b>	<b>1.53%</b>
Capital Region Medical Center	Cole	\$120,269	\$129,206	\$219	\$700	0.18%	0.54%
St. Mary's Health Center (SSMHC)	Cole	\$144,984	\$152,595	\$0	\$0	0.00%	0.00%
<b>County Total</b>	<b>Cole</b>	<b>\$265,253</b>	<b>\$281,801</b>	<b>\$219</b>	<b>\$700</b>	<b>0.08%</b>	<b>0.25%</b>
Cox Health Systems	Greene	\$691,869	\$740,212	\$11,090	\$10,593	1.60%	1.43%
Ozarks Community Hospital <sup>1</sup>	Greene	\$38,120	\$45,706	\$11,696	\$11,392	30.68%	24.92%
St. Johns Regional Health Center (SMHS)	Greene	\$612,730	\$672,384	\$258	\$230	0.04%	0.03%
<b>County Total</b>	<b>Greene</b>	<b>\$1,342,720</b>	<b>\$1,458,301</b>	<b>\$23,045</b>	<b>\$22,215</b>	<b>1.72%</b>	<b>1.52%</b>
Hannibal Regional Hospital	Marion	\$76,732	\$85,389	\$806	\$929	1.05%	1.09%
Perry County Memorial Hospital	Perry	\$26,486	\$29,734	\$0	\$0	0.00%	0.00%
Citizens Memorial Health Care	Polk	\$69,171	\$71,537	\$781	\$815	1.13%	1.14%
<b>St. Louis Metropolitan Area</b>							
<b>BJC HealthCare (BJC)</b>							
Barnes-Jewish Hospital	St. Louis City	\$1,158,920	\$1,196,353	\$21,769	\$22,294	1.88%	1.86%
Barnes-Jewish Hospital - St. Peters	St. Charles	\$108,655	\$112,048	\$0	\$0	0.00%	0.00%
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	\$84,294	\$87,654	\$0	\$0	0.00%	0.00%
Christian Hospitals	N. St. Louis Cnty	\$229,163	\$241,616	\$2,998	\$3,141	1.31%	1.30%
Missouri Baptist Hospital - Sullivan	Crawford	\$33,153	\$37,832	\$362	\$315	1.09%	0.83%
Missouri Baptist Medical Center	W. St. Louis Cnty	\$340,320	\$377,073	\$0	\$0	0.00%	0.00%
Progress West HealthCare Center	St. Charles	N/A	\$22,141	n/a	\$0	N/A	0.00%
St. Louis Children's Hospital	St. Louis City	\$330,521	\$350,126	N/A	N/A	N/A	N/A
<b>BJC HealthCare Total</b>		<b>\$2,285,027</b>	<b>\$2,424,843</b>	<b>\$25,129</b>	<b>\$25,750</b>	<b>1.10%</b>	<b>1.06%</b>
<b>SSM Health Care (SSMHC)</b>							
Cardinal Glennon Hospital	St. Louis City	\$203,360	\$220,205	N/A	N/A	N/A	N/A
DePaul Health Center	N. St. Louis Cnty	\$260,781	\$258,820	\$7,347	\$8,258	2.82%	3.19%
St. Joseph Health Center <sup>2</sup>	St. Charles	\$178,309	\$177,320	\$2,123	\$3,479	1.19%	1.96%
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	\$97,991	\$89,210	\$0	\$0	0.00%	0.00%
St. Joseph West - Lake St. Louis	St. Charles	\$92,841	\$98,963	\$645	\$661	0.69%	0.67%
St. Mary's Health Center	W. St. Louis Cnty	\$258,328	\$248,111	\$13,952	\$13,475	5.40%	5.43%
<b>SSM Health Care Total</b>		<b>\$1,091,609</b>	<b>\$1,092,628</b>	<b>\$24,067</b>	<b>\$25,873</b>	<b>2.20%</b>	<b>2.37%</b>
<b>St. John's Mercy Health Care (SMHS)</b>							
St. John's Mercy Medical Center	W. St. Louis Cnty	\$637,890	\$712,974	\$3,564	\$4,253	0.56%	0.60%
St. John's Mercy Hospital - Washington	Franklin	\$86,327	\$92,508	\$708	\$684	0.82%	0.74%
<b>St. John's Mercy Health Care Total</b>		<b>\$724,217</b>	<b>\$805,482</b>	<b>\$4,272</b>	<b>\$4,937</b>	<b>0.59%</b>	<b>0.61%</b>
<b>Tenet HealthSystem</b>							
Des Peres Hospital	W. St. Louis Cnty	\$119,111	\$127,377	\$0	\$0	0.00%	0.00%
St. Louis University Hospital	St. Louis City	\$333,637	\$334,705	\$6,783	\$6,581	2.03%	1.97%
<b>Tenet HealthSystem Total</b>		<b>\$452,748</b>	<b>\$462,082</b>	<b>\$6,783</b>	<b>\$6,581</b>	<b>1.50%</b>	<b>1.42%</b>
<b>Independent</b>							
Forest Park Hospital	St. Louis City	\$85,159	\$77,972	\$1,607	\$1,128	1.89%	1.45%
Jefferson Regional Medical Center	Jefferson	\$92,616	\$100,279	\$1,715	\$1,231	1.85%	1.23%
Kindred Hospital*	St. Louis City	\$31,892	\$35,573	\$0	\$0	0.00%	0.00%
Lincoln County Memorial Hospital	Lincoln	\$25,889	\$25,944	\$7,289	\$7,448	28.16%	28.71%
St. Alexius Hospital	St. Louis City	\$86,741	\$80,189	\$8,623	\$8,750	9.94%	10.91%
St. Anthony's Medical Center	S. St. Louis Cnty	\$352,813	\$382,887	\$0	\$22	0.00%	0.01%
St. Luke's Hospital	W. St. Louis Cnty	\$320,783	\$344,738	\$0	\$0	0.00%	0.00%
<b>St. Louis Area Aggregate</b>		<b>\$5,549,493</b>	<b>\$5,832,618</b>	<b>\$79,485</b>	<b>\$81,720</b>	<b>1.43%</b>	<b>1.40%</b>

<sup>1</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

<sup>2</sup> Beginning in 2006, St. Joseph Health Center - St. Charles and St. Joseph Health Center - Wentzville reported on a combined basis.

Source: [http://www.cms.gov/CostReports/02\\_HospitalCostReport.asp](http://www.cms.gov/CostReports/02_HospitalCostReport.asp)

## Medicaid Disproportionate Share Hospital (DSH) Payments Profile 2006 - 2007

Missouri Hospital (system name)	Missouri County	2006	2007	2006	2007	2006	2007
		Operating Revenue (000)	Operating Revenue (000)	DSH (000)	DSH (000)	DSH as % of op. rev.	DSH as % of op. rev.
Northeast Regional Medical Center	Adair	\$67,575	\$70,100	\$3,355	\$3,905	4.97%	5.57%
Audrain Medical Center	Audrain	\$62,836	\$67,773	\$5,307	\$5,536	8.45%	8.17%
Boone Hospital Center (BJC)	Boone	\$241,769	\$247,250	\$10,624	\$10,545	4.39%	4.27%
Columbia Regional Hospital (U. of MO)	Boone	\$103,765	\$114,403	\$8,740	\$11,085	8.42%	9.69%
University of Missouri Hospital and Clinics	Boone	\$400,861	\$404,595	\$62,824	\$58,161	15.67%	14.38%
<b>County Total</b>	<b>Boone</b>	<b>\$746,395</b>	<b>\$766,248</b>	<b>\$82,188</b>	<b>\$79,791</b>	<b>11.01%</b>	<b>10.41%</b>
Callaway Community Hospital	Callaway	\$16,367	\$17,935	\$1,412	\$1,875	8.62%	10.45%
Southeast Missouri Hospital	Cape Girardeau	\$233,887	\$253,771	\$10,518	\$13,362	4.50%	5.27%
St. Francis Medical Center	Cape Girardeau	\$249,596	\$286,793	\$11,598	\$13,374	4.65%	4.66%
<b>County Total</b>	<b>Cape Girardeau</b>	<b>\$483,483</b>	<b>\$540,564</b>	<b>\$22,117</b>	<b>\$26,736</b>	<b>4.57%</b>	<b>4.95%</b>
Capital Region Medical Center	Cole	120,269	129,206	3,842	4,771	3.19%	3.69%
St. Mary's Health Center (SSMHC)	Cole	144,984	152,595	6,704	7,897	4.62%	5.18%
<b>County Total</b>	<b>Cole</b>	<b>\$265,253</b>	<b>\$281,801</b>	<b>\$10,546</b>	<b>\$12,668</b>	<b>3.98%</b>	<b>4.50%</b>
Cox Health Systems	Greene	\$691,869	\$740,212	\$45,306	\$52,444	6.55%	7.08%
Ozarks Community Hospital <sup>1</sup>	Greene	\$38,120	\$45,706	\$691	\$1,159	1.81%	2.54%
St. Johns Regional Health Center (SMHS)	Greene	\$612,730	\$672,384	\$48,532	\$52,864	7.92%	7.86%
<b>County Total</b>	<b>Greene</b>	<b>\$1,342,720</b>	<b>\$1,458,301</b>	<b>\$94,529</b>	<b>\$106,467</b>	<b>7.04%</b>	<b>7.30%</b>
Hannibal Regional Hospital	Marion	\$76,732	\$85,389	\$4,015	\$4,989	5.23%	5.84%
Perry County Memorial Hospital	Perry	\$26,486	\$29,734	\$692	\$651	2.61%	2.19%
Citizens Memorial Health Care	Polk	\$69,171	\$71,537	\$2,071	\$3,758	2.99%	5.25%
<b>St. Louis Metropolitan Area</b>							
<b>BJC HealthCare (BJC)</b>							
Barnes-Jewish Hospital	St. Louis City	\$1,158,920	\$1,196,353	\$84,941	\$103,047	7.33%	8.61%
Barnes-Jewish Hospital - St. Peters	St. Charles	\$108,655	\$112,048	\$3,022	\$3,434	2.78%	3.06%
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	\$84,294	\$87,654	\$666	\$587	0.79%	0.67%
Christian Hospitals	N. St. Louis Cnty	\$229,163	\$241,616	\$19,188	\$17,772	8.37%	7.36%
Missouri Baptist Hospital - Sullivan	Crawford	\$33,153	\$37,832	\$1,738	\$2,053	5.24%	5.43%
Missouri Baptist Medical Center	W. St. Louis Cnty	\$340,320	\$377,073	\$8,279	\$8,033	2.43%	2.13%
Progress West HealthCare Center	St. Charles	N/A	\$22,141	N/A	\$291	N/A	1.31%
St. Louis Children's Hospital	St. Louis City	\$330,521	\$350,126	\$43,000	\$44,170	13.01%	12.62%
<b>BJC HealthCare Total</b>		<b>\$2,285,027</b>	<b>\$2,424,843</b>	<b>\$160,835</b>	<b>\$179,387</b>	<b>7.04%</b>	<b>7.40%</b>
<b>SSM Health Care (SSMHC)</b>							
DePaul Health Center	N. St. Louis Cnty	\$260,781	\$258,820	\$16,643	\$20,359	6.38%	7.87%
St. Joseph Health Center <sup>2</sup>	St. Charles	\$178,309	\$177,320	\$10,779	\$9,945	6.05%	5.61%
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	\$97,991	\$89,210	\$3,204	\$4,813	3.27%	5.40%
St. Joseph West - Lake St. Louis	St. Charles	\$92,841	\$98,963	\$4,314	\$6,168	4.65%	6.23%
Cardinal Glennon/St. Mary's Health Center <sup>3</sup>	W. St. Louis Cnty	\$461,687	\$468,316	\$42,127	\$48,125	9.12%	10.28%
<b>SSM Health Care Total</b>		<b>\$1,091,609</b>	<b>\$1,092,628</b>	<b>\$77,067</b>	<b>\$89,411</b>	<b>7.06%</b>	<b>8.18%</b>
<b>St. John's Mercy Health Care (SMHS)</b>							
St. John's Mercy Medical Center	W. St. Louis Cnty	\$637,890	\$712,974	\$26,093	\$29,130	4.09%	4.09%
St. John's Mercy Hospital - Washington	Franklin	\$86,327	\$92,508	\$4,906	\$6,517	5.68%	7.04%
<b>St. John's Mercy Health Care Total</b>		<b>\$724,217</b>	<b>\$805,482</b>	<b>\$30,999</b>	<b>\$35,647</b>	<b>4.28%</b>	<b>4.43%</b>
<b>Tenet HealthSystem</b>							
Des Peres Hospital	W. St. Louis Cnty	\$119,111	\$127,377	\$3,462	\$5,309	2.91%	4.17%
St. Louis University Hospital	St. Louis City	\$333,637	\$334,705	\$27,984	\$31,305	8.39%	9.35%
<b>Tenet HealthSystem Total</b>		<b>\$452,748</b>	<b>\$462,082</b>	<b>\$31,446</b>	<b>\$36,613</b>	<b>6.95%</b>	<b>7.92%</b>
<b>Independent</b>							
Forest Park Hospital	St. Louis City	\$85,159	\$77,972	\$18,216	\$19,996	21.39%	25.65%
Jefferson Regional Medical Center	Jefferson	\$92,616	\$100,279	\$5,816	\$7,057	6.28%	7.04%
Kindred Hospital*	St. Louis City	\$31,892	\$35,573	\$495	\$565	1.55%	1.59%
Lincoln County Memorial Hospital	Lincoln	\$25,889	\$25,944	\$963	\$1,013	3.72%	3.91%
St. Alexius Hospital	St. Louis City	\$86,741	\$80,189	\$17,823	\$18,917	20.55%	23.59%
St. Anthony's Medical Center	S. St. Louis Cnty	\$352,813	\$382,887	\$15,322	\$15,228	4.34%	3.98%
St. Luke's Hospital	W. St. Louis Cnty	\$320,783	\$344,738	\$5,391	\$5,871	1.68%	1.70%
<b>St. Louis Area Aggregate</b>		<b>\$5,549,493</b>	<b>\$5,832,618</b>	<b>\$364,373</b>	<b>\$409,705</b>	<b>6.57%</b>	<b>7.02%</b>

<sup>1</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

<sup>2</sup> Beginning in 2006, St. Joseph Health Center - St. Charles and St. Joseph Health Center - Wentzville reported on a combined basis.

<sup>3</sup> The Missouri Department of Social Services reports disproportionate share payments for Cardinal Glennon and St. Mary's Health Center on a combined basis.

Sources: DSH Add-on payments from Missouri Department of Social Services. Operating revenue from Medicare Cost Reports and audited financial statements.

## Total Reserves and Debt-to-Equity Ratios 2005 to 2007

Missouri Hospital (system name)	Missouri County	2005 Fund Balance <sup>1</sup> (in millions)	2006 Fund Balance <sup>1</sup> (in millions)	2007 Fund Balance <sup>1</sup> (in millions)	2005 Debt-to-Equity Ratio	2006 Debt-to-Equity Ratio	2007 Debt-to-Equity Ratio
Northeast Regional Medical Center	Adair	\$24	\$32	\$38	3.1	2.3	1.6
Audrain Medical Center	Audrain	\$24	\$25	\$25	1.4	1.3	1.3
Boone Hospital Center (BJC)	Boone	\$70	\$82	\$95	0.9	0.5	0.4
Columbia Regional Hospital (U. of MO)	Boone	-\$24	-\$16	-\$15	-4.3	-6.2	-6.6
University of Missouri Hospital and Clinics	Boone	\$182	\$255	\$274	0.8	0.6	0.7
<b>County Total</b>	<b>Boone</b>	<b>\$228</b>	<b>\$321</b>	<b>\$353</b>	<b>1.4</b>	<b>0.9</b>	<b>1.0</b>
Callaway Community Hospital	Callaway	\$5	\$6	\$2	0.8	0.7	3.7
Southeast Missouri Hospital	Cape Girardeau	\$120	\$139	\$154	0.8	0.7	0.9
St. Francis Medical Center	Cape Girardeau	\$178	\$212	\$259	0.6	0.5	0.4
<b>County Total</b>	<b>Cape Girardeau</b>	<b>\$297</b>	<b>\$351</b>	<b>\$412</b>	<b>0.7</b>	<b>0.6</b>	<b>0.6</b>
Capital Region Medical Center	Cole	\$77	\$80	\$82	0.7	0.7	0.6
St. Mary's Health Center (SSMHC)	Cole	\$31	\$22	\$13	1.2	1.8	3.1
<b>County Total</b>	<b>Cole</b>	<b>\$108</b>	<b>\$102</b>	<b>\$95</b>	<b>0.8</b>	<b>0.9</b>	<b>1.0</b>
Cox Health Systems	Greene	\$456	\$476	\$476	0.6	0.6	0.7
Ozarks Community Hospital <sup>2</sup>	Greene	\$4	\$2	\$2	3.0	8.3	9.0
St. Johns Regional Health Center (SMHS)	Greene	\$330	\$350	\$227	0.3	0.3	0.5
<b>County Total</b>	<b>Greene</b>	<b>\$790</b>	<b>\$828</b>	<b>\$704</b>	<b>0.5</b>	<b>0.5</b>	<b>0.7</b>
Hannibal Regional Hospital	Marion	\$40	\$48	\$61	1.0	0.8	0.7
Perry County Memorial Hospital	Perry	\$17	\$18	\$21	0.2	0.2	0.1
Citizens Memorial Health Care	Polk	\$1	\$1	\$3	29.0	25.2	11.6
<b>St. Louis Metropolitan Area</b>							
<b>BJC HealthCare (BJC)</b>							
Barnes-Jewish Hospital	St. Louis City	\$1,181	\$1,341	\$1,389	0.3	0.6	0.6
Barnes-Jewish Hospital - St. Peters	St. Charles	\$87	\$107	\$121	0.4	0.4	0.3
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	\$50	\$59	\$66	0.6	0.5	0.4
Christian Hospitals	N. St. Louis Cnty	\$78	\$82	\$65	1.5	1.3	1.8
Missouri Baptist Hospital - Sullivan	Crawford	\$4	\$3	\$2	5.0	7.8	12.4
Missouri Baptist Medical Center	W. St. Louis Cnty	\$338	\$381	\$405	0.1	0.1	0.1
Progress West HealthCare Center	St. Charles	N/A	N/A	-\$22	N/A	N/A	-7.3
St. Louis Children's Hospital	St. Louis City	\$387	\$448	\$434	0.6	0.6	0.2
<b>BJC HealthCare Total</b>		<b>\$2,126</b>	<b>\$2,421</b>	<b>\$2,460</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>
<b>SSM Health Care (SSMHC)</b>							
Cardinal Glennon Hospital	St. Louis City	\$250	\$285	\$326	0.2	0.2	0.1
DePaul Health Center	N. St. Louis Cnty	\$9	\$3	-\$1	8.3	17.3	-49.2
St. Joseph Health Center <sup>3</sup>	St. Charles	\$39	\$27	\$23	1.1	1.6	2.0
St. Joseph Health Center - Wentzville <sup>3</sup>	St. Charles	-\$30	N/A	N/A	-1.4	N/A	N/A
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	-\$10	-\$22	-\$32	-3.8	-1.2	-0.9
St. Joseph West - Lake St. Louis	St. Charles	\$19	\$20	\$20	1.2	1.4	1.5
St. Mary's Health Center	W. St. Louis Cnty	\$140	\$148	\$147	0.3	0.4	0.4
<b>SSM Health Care Total</b>		<b>\$417</b>	<b>\$461</b>	<b>\$482</b>	<b>0.7</b>	<b>0.6</b>	<b>0.6</b>
<b>St. John's Mercy Health Care (SMHS)</b>							
St. John's Mercy Medical Center	W. St. Louis Cnty	\$349	\$382	\$420	0.2	0.1	0.2
St. John's Mercy Hospital - Washington	Franklin	\$49	\$57	\$50	0.2	0.3	0.2
<b>St. John's Mercy Health Care Total</b>		<b>\$398</b>	<b>\$439</b>	<b>\$470</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
<b>Tenet HealthSystem</b>							
Des Peres Hospital	W. St. Louis Cnty	\$47	\$52	\$61	0.2	0.2	0.2
St. Louis University Hospital	St. Louis City	\$89	\$121	\$117	3.2	2.3	2.3
<b>Tenet HealthSystem Total</b>		<b>\$136</b>	<b>\$173</b>	<b>\$178</b>	<b>2.1</b>	<b>1.6</b>	<b>1.6</b>
<b>Independent</b>							
Forest Park Hospital	St. Louis City	-\$7	-\$5	-\$11	-3.1	-6.3	-2.8
Jefferson Regional Medical Center	Jefferson	\$53	\$55	\$57	0.8	0.8	0.8
Kindred Hospital	St. Louis City	\$18	\$23	\$25	-0.4	-0.5	-0.7
Lincoln County Memorial Hospital	Lincoln	\$8	\$10	\$11	2.5	1.8	1.8
St. Alexius Hospital	St. Louis City	\$1	\$2	-\$1	18.3	7.3	-15.9
St. Anthony's Medical Center	S. St. Louis Cnty	\$313	\$336	\$364	0.5	0.7	0.7
St. Luke's Hospital	W. St. Louis Cnty	\$193	\$215	\$230	0.8	0.7	0.8
<b>St. Louis Area Aggregate</b>		<b>\$3,656</b>	<b>\$4,131</b>	<b>\$4,263</b>	<b>0.5</b>	<b>0.6</b>	<b>0.6</b>

<sup>1</sup> Source: Medicare Cost Reports and audited financial statements. Fund Balances represent unrestricted hospital reserves. All figures are in millions of dollars.

<sup>2</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

<sup>3</sup> St. Joseph Hospital-Wentzville was acquired by SSM in 2005 and, in 2006, reported on a combined basis with St. Joseph Health Center.

## 2007 Capacity Levels and Productivity

Missouri Hospital (system name)	Missouri County	Avail. beds	Patient days	Discharges	Avail. occup. %	Avg. LOS	FTE per occup. bed
Northeast Regional Medical Center	Adair	109	16,739	4,241	42%	3.9	5.1
Audrain Medical Center	Audrain	92	15,249	4,406	45%	3.5	5.0
Boone Hospital Center (BJC)	Boone	349	80,324	17,333	63%	4.6	5.0
Columbia Regional Hospital (U. of MO)	Boone	176	27,824	7,162	43%	3.9	6.4
University of Missouri Hospital and Clinics	Boone	298	73,343	14,301	67%	5.1	9.0
<b>County Total</b>	<b>Boone</b>	<b>823</b>	<b>181,491</b>	<b>38,796</b>	<b>60%</b>	<b>4.7</b>	<b>6.8</b>
Callaway Community Hospital	Callaway	32	3,955	1,123	34%	3.5	3.8
Southeast Missouri Hospital	Cape Girardeau	220	45,617	11,502	57%	4.0	6.7
St. Francis Medical Center	Cape Girardeau	258	58,219	10,840	62%	5.4	5.9
<b>County Total</b>	<b>Cape Girardeau</b>	<b>478</b>	<b>103,836</b>	<b>22,342</b>	<b>60%</b>	<b>4.6</b>	<b>6.3</b>
Capital Region Medical Center	Cole	114	29,712	7,675	71%	3.9	6.2
St. Mary's Health Center (SSMHC)	Cole	167	36,700	10,022	60%	3.7	5.7
<b>County Total</b>	<b>Cole</b>	<b>281</b>	<b>66,412</b>	<b>17,697</b>	<b>65%</b>	<b>3.8</b>	<b>6.0</b>
Cox Health Systems	Greene	655	143,914	28,601	60%	5.0	6.9
Ozarks Community Hospital <sup>1</sup>	Greene	45	7,603	1,235	46%	6.2	3.9
St. Johns Regional Health Center (SMHS)	Greene	750	144,713	35,057	53%	4.1	6.0
<b>County Total</b>	<b>Greene</b>	<b>1,450</b>	<b>296,230</b>	<b>64,893</b>	<b>56%</b>	<b>4.6</b>	<b>6.5</b>
Hannibal Regional Hospital	Marion	105	23,140	5,660	60%	4.1	6.4
Perry County Memorial Hospital	Perry	25	4,688	756	51%	6.2	3.1
Citizens Memorial Health Care	Polk	76	12,904	3,247	47%	4.0	5.1
<b>St. Louis Metropolitan Area</b>							
<b>BJC HealthCare (BJC)</b>							
Barnes-Jewish Hospital	St. Louis City	1,262	286,381	52,947	62%	5.4	6.7
Barnes-Jewish Hospital - St. Peters	St. Charles	99	27,065	6,670	75%	4.1	4.2
Barnes-Jewish Hospital - West County	W. St. Louis Cnty	66	13,910	3,334	58%	4.2	4.5
Christian Hospitals	N. St. Louis Cnty	439	85,744	14,455	54%	5.9	4.5
Missouri Baptist Hospital - Sullivan	Crawford	55	7,094	1,687	35%	4.2	2.9
Missouri Baptist Medical Center	W. St. Louis Cnty	405	102,710	21,752	69%	4.7	4.6
Progress West HealthCare Center	St. Charles	26	5,134	1,559	54%	3.3	7.3
St. Louis Children's Hospital	St. Louis City	288	65,648	11,011	62%	6.0	8.0
<b>BJC HealthCare Total</b>		<b>2,640</b>	<b>593,686</b>	<b>113,415</b>	<b>62%</b>	<b>5.2</b>	<b>5.9</b>
<b>SSM Health Care (SSMHC)</b>							
Cardinal Glennon Hospital	St. Louis City	164	46,697	6,752	78%	6.9	6.5
DePaul Health Center	N. St. Louis Cnty	387	106,388	22,819	75%	4.7	4.3
St. Joseph Health Center	St. Charles	404	71,729	14,690	49%	4.9	4.1
St. Joseph Hospital - Kirkwood	S. St. Louis Cnty	209	27,473	7,592	36%	3.6	5.3
St. Joseph West - Lake St. Louis	St. Charles	125	26,014	7,937	57%	3.3	4.6
St. Mary's Health Center	W. St. Louis Cnty	417	94,278	19,299	62%	4.9	4.8
<b>SSM Health Care Total</b>		<b>1,706</b>	<b>372,579</b>	<b>79,089</b>	<b>60%</b>	<b>4.7</b>	<b>4.7</b>
<b>St. John's Mercy Health Care (SMHS)</b>							
St. John's Mercy Medical Center	W. St. Louis Cnty	859	220,449	40,561	70%	5.4	5.3
St. John's Mercy Hospital - Washington	Franklin	179	24,170	6,455	37%	3.7	4.0
<b>St. John's Mercy Health Care Total</b>		<b>1,038</b>	<b>244,619</b>	<b>47,016</b>	<b>65%</b>	<b>5.2</b>	<b>5.1</b>
<b>Tenet HealthSystem</b>							
Des Peres Hospital	W. St. Louis Cnty	143	39,645	9,238	76%	4.3	3.8
St. Louis University Hospital	St. Louis City	337	83,520	14,271	68%	5.9	3.8
<b>Tenet HealthSystem Total</b>		<b>480</b>	<b>123,165</b>	<b>23,509</b>	<b>70%</b>	<b>5.2</b>	<b>3.8</b>
<b>Independent</b>							
Forest Park Hospital	St. Louis City	158	23,627	4,131	41%	5.7	12.7
Jefferson Regional Medical Center	Jefferson	210	44,771	10,576	58%	4.2	5.2
Kindred Hospital	St. Louis City	94	21,381	828	62%	25.8	3.2
Lincoln County Memorial Hospital	Lincoln	25	4,556	876	50%	5.2	4.0
St. Alexius Hospital	St. Louis City	248	44,494	7,304	49%	6.1	3.8
St. Anthony's Medical Center	S. St. Louis Cnty	576	137,083	28,739	65%	4.8	4.5
St. Luke's Hospital	W. St. Louis Cnty	444	85,116	18,783	53%	4.5	4.6
<b>St. Louis Area Aggregate</b>		<b>7,619</b>	<b>1,695,077</b>	<b>334,266</b>	<b>61%</b>	<b>5.0</b>	<b>5.3</b>

Source: CMS Medicare Cost Reports and internal hospital utilization statements.

<sup>1</sup> See page 43 regarding transfer of ownership of Doctor's Hospital of Springfield (DHS) to Ozarks Community Hospital, Inc. (OCH).

Note: St. Louis Area Aggregate ALOS excludes Kindred Hospital since it is a long-term acute care facility.

## Appendix B: Methodology and Data Sources

### Data Sources

Data for this report were gathered from a variety of sources including hospital audited financial statements, MHA/AHA Annual Licensing Surveys, AHA Trendwatch Chartbook, Centers for Medicare and Medicaid Services (CMS) Medicare Cost Reports (MCR), Health Affairs, the Missouri Department of Health and Senior Services (DHSS), the Missouri Hospital Association (MHA), hospital self-reported emergency department (ED) visits and ED visit estimates by ThomsonReuters. Information on charity care and bad debt expense were obtained from the MHA website, <http://resources.missourihealthmatters.com/Reports/Index.aspx>, DHSS, MHA/AHA Annual Licensing Surveys and hospital-specific internal accounting documents.

### BHF Methods

BHF's analysis focuses on non-government, acute-care general hospitals to achieve better comparability across facilities. As a result, the following types of facilities are excluded:

1. Government hospitals (e.g., Veterans administration hospitals, Army hospitals)
2. "Psychiatric only" hospitals
3. "Rehabilitation only" hospitals
4. Prison hospitals
5. State institutions
6. Nursing homes, skilled nursing, and long-term care facilities

Charity care and bad debt amounts obtained from DHSS and MHA/AHA Annual Licensing Surveys are reported at full established rates (billed charge). Information provided by these sources is based on the AICPA Audits of Providers of Health Care Services and reflect standard accounting assumptions and procedures. All other financial measures presented in this report follow the same standard accounting assumptions and procedures. BHF charity care and bad debt expense are reported at cost by multiplying the billed charge amount by the global cost-to-charge ratio. Although beyond the scope of this report, fair assessment of a hospital's charitable commitment also includes evaluation of case-mix (especially as it relates to the Medicaid population), and other charitable programs in which significant allowances and discounts are provided.

A financial and utilization profile is produced and each hospital is given the opportunity to verify its data. When an individual institution disagrees with the profile, supporting documentation is required to be submitted before changes are made. From the individual reports, tables are produced reflecting information on charity care, bad debt, and public program utilization, and summary tables of key capacity, financial, and productivity indicators for hospitals in the following Missouri cities and counties:

1. Cape Girardeau (Bollinger and Cape Girardeau counties)
2. Columbia (Boone and Howard counties)

3. Hannibal (Marion and Ralls counties)
4. Jefferson City (Callaway, Cole, Moniteau, and Osage counties)
5. Kirksville (Adair and Schuyler counties)
6. Mexico (Audrain county)
7. Perryville (Perry county)
8. St. Louis metropolitan area (Missouri hospitals only)
9. Springfield (Christian, Dallas, Greene, Polk, and Webster counties)

BHF has made every effort to provide accurate information. As with any analysis of health care industry data, a note of caution accompanies this report. BHF depends upon the accuracy of the individual sources of data and can not guarantee the complete accuracy of all the data in this report, in part, because MCR, MHA/AHA Annual Licensing Survey, and other data estimates may contain a level of error. Changes in previously reported data are based on the most current information available, including numerous restatements. All figures are not adjusted for inflation. Hospital network configurations are current as of 2010.

### **MHA Methods**

Charity care is defined as the amount resulting from a provider's policy to provide health care services free of charge or a reduction in charges because of the indigence or medical indigence of the patients. Charity care should be reported in terms of cost, not charges, and net of any subsidies as reflected in the hospitals audited financial information.

The MHA methodology for calculating charity care cost is different from the method that has been used by BHF. BHF has been tracking hospital charity care since fiscal year 1991 and during that time has used the global cost-to-charge ratio to reduce charity care charges to cost. On the new MHA website, [www.missourihealthmatters.com](http://www.missourihealthmatters.com), the Medicare cost-to-charge ratio is used to calculate charity care cost and is more restricted than the global cost-to-charge ratio used by BHF. For community hospitals, the most significant difference between the global and Medicare cost-to-charge ratios is that the majority of Medicare bad debt expense (70%) is excluded from cost when calculating the Medicare cost-to-charge ratio. This results in a lower cost-to-charge ratio and lower reported charity care cost. Since teaching hospitals serve a different mix of patients and provide services of higher complexity, certain costs are added to their Medicare cost-to-charge ratios such as organ acquisition, intern/resident costs of services to Medicare and Medicaid patients, etc. In addition, certain teaching hospitals made adjustments to the historical MHA/AHA Annual Licensing Survey method of reporting charity care charges in 2004 to enhance comparability with hospitals within their networks and with other community hospitals (see page 46, Charity Care Cost Differences, BHF and MHA).

Bad debt, as defined by MHA, is the amount for which the patient is personally responsible after any and all third party payers have been paid – and the contractual allowance, if any booked, if the account is unpaid and determined to be uncollectible pursuant to the hospital's collection and write-off policy. Bad debt should not include the cost of caring for patients whose insurance covers the procedure although the total payments to the hospital are less than the actual cost of providing care. Bad debt does include patient co-pays, or out-of-pocket amounts,

for which they are responsible. The value reported as bad debt should be adjusted from charges and reported at cost. After examining the differences between bad debt reported on the audited financial statements of certain hospitals and bad debt reported on the MHA website, there were variations in the way certain hospitals calculated bad debt. Provision for bad debt in audited financial statements makes an estimate of the amount that will be collected on outstanding accounts. In addition, hospitals may have classified some charity care as bad debt. The method used by some of the hospitals to calculate bad debt expense for the MHA website followed a more restricted method that in some cases resulted in a lower amount of bad debt reported.

Fewer variations were found between the 2005 BHF and MHA charity care and bad debt expense amounts published in the Phase II report. In the Phase III report, some hospitals made retroactive changes to 2005 BHF data at the time they verified their 2006 BHF data (see Charity Care and Bad Debt Cost Differences, p. 46). In the Phase IV report, some hospitals continued to report higher amounts of charity care and bad debt than BHF in 2007 (see p. 13).

### Financial and Utilization Formulas (For Leap years: Use 366 for all formulas using days)

<b>Operating Margin</b>	<b>Occupancy Percentage</b>
$\frac{\text{(Total Operating Revenue - Operating Expense)}}{\text{Total Operating Revenue}}$	$\frac{\text{Patient Days}}{\text{Number of Beds} \times 365}$
<b>Profit Margin</b>	<b>FTE per Occupied Bed</b>
$\frac{\text{Excess of Revenue Over Expenses}}{\text{(Total Operating Revenue + Non-operating Revenue)}}$	$\frac{\text{FTE} \times \text{Inpatient \% Gross Charges}}{\text{Number of Beds} \times \text{Occupancy \%}}$
<b>Cost to Charge Ratio</b>	
$\frac{\text{Total Operating Expense}}{\text{Total Gross Charges}}$	

Charity care and bad debt expense listed on the MHA/AHA Annual Licensing Survey are based on a hospital's billed charges for services. As discussed previously, the variance between BHF and MHA charity care and bad debt is primarily due to the difference in the type of cost-to-charge ratio used to reduce charity and bad debt to cost. For a few hospitals, however, the differences were much greater and were the result of other adjustments.

### 2004 Charity Care Differences

Missouri Hospital	2004 BHF Charity Care Cost	2004 MHA Charity Care Cost	Variance
1) Barnes – Jewish Hospital	\$ 21,425,779	\$ 8,804,755	143%
2) St. Louis Children's Hospital	\$ 1,342,954	\$ 3,184,051	58%
3) Columbia Regional Hospital	\$ 1,130,633	\$ 113,597	895%
4) University of Missouri Hospital and Clinics	\$ 9,146,997	\$ 5,072,515	80%

- 1) Consistent with historical practice, Barnes-Jewish hospital included certain Medicaid write-offs in the amount of \$27,383,847 as charity (billed charges) for purposes of the 2004 MHA/AHA Annual Licensing Survey. This amount was considered part of the “teaching budget.” A year later when the MHA Community Benefit report was prepared, these write-offs were no longer included in charity as it was the hospital’s desire to state the information on a basis consistent with other BJC facilities. This method will be used in the future.
- 2) The 2004 MHA/AHA Annual Licensing Survey reported charity care charges that were later restated to correct various misclassifications. MHA Community Benefit figures were inadvertently not corrected to reflect the adjustments.
- 3) The 2004 MHA/AHA Annual Licensing Survey for Columbia Regional Hospital was completed prior to its acquisition by University of Missouri Hospital and may contain subsidies. The MHA charity care cost is a revised and more accurate figure.
- 4) University of Missouri Hospital revised their charity care figure to an amount they felt was more accurate. Specific details on the inaccuracies were not provided by the hospital.

### 2005 Charity Care and Bad Debt Differences

In the Phase II report, 2005 BHF charity care and bad debt cost figures were more in line with 2005 MHA charity care and bad debt cost figures. During 2008, BJC HealthCare and SSM Health Care made retroactive changes to 2005 data at the same time they verified their 2006 BHF data. As a result, some of the amounts shown in the Phase II report changed significantly.

Reductions in aggregate operating revenue (\$36 million), bad debt expense (\$688,685), and charity care (\$420,364) at BJC HealthCare resulted in little or no change to charity care and bad debt as a percentage of operating revenue.

SSM Health Care reduced aggregate operating revenue by (\$40.6 million), increased charity care by \$2.3 million, and increased bad debt by \$3.7 million (see table below). As a result, charity care as a percentage of operating revenue rose from 1.05 percent to 1.33 percent and bad debt as a percentage of operating revenue rose from 1.38 percent to 1.80 percent.

Hospital	2005 Operating Revenue		2005 BHF Charity Care		2005 BHF Bad Debt	
	Before Changes	After Changes	Before Changes	After Changes	Before Changes	After Changes
<b>SSM Health Care</b>						
Cardinal Glennon	\$ 197,048,078	\$ 181,132,164	\$ 201,422	\$ 263,011	\$ 1,230,597	\$ 1,259,825
DePaul Health Center	\$ 255,139,474	\$ 248,624,442	\$ 3,972,951	\$ 4,734,668	\$ 4,835,854	\$ 6,276,776
St. Joseph Health Center	\$ 159,075,934	\$ 153,910,396	\$ 2,047,024	\$ 2,496,257	\$ 2,789,125	\$ 3,492,499
St. Joseph Kirkwood	\$ 102,714,920	\$ 98,733,152	\$ 954,720	\$ 1,164,181	\$ 827,078	\$ 1,144,903
St. Joseph West	\$ 73,399,939	\$ 71,520,471	\$ 834,340	\$ 978,727	\$ 1,489,484	\$ 1,832,788
St. Mary’s Health Center	\$ 252,121,833	\$ 245,018,647	\$ 2,910,114	\$ 3,607,918	\$ 3,138,812	\$ 3,961,026

## 2006 Charity Care and Bad Debt Differences

In 2006, MHA reported charity care and bad debt for BJC HealthCare at a notably higher level than BHF reported. According to BJC, during 2008 some of its 2006 bad debt was retroactively reclassified as charity care after collection efforts found that patients could not pay. Although other St. Louis hospitals are facing similar issues, MHA charity care amounts for those hospitals did not change. It is expected that this is a one year event.

## 2007 Charity Care and Bad Debt Differences

Similar to 2006, MHA reported charity care and bad debt for BJC HealthCare hospitals in Boone County and the St. Louis MSA at a markedly higher level than reported by BHF. According to BJC, the amounts reported by BHF (obtained from BJC's MHA/AHA Annual Licensing Surveys) contain a mix of discounted and full charge amounts. When those amounts are reduced to cost (using a cost-to-charge ratio), charity care and bad debt are underreported. The hospital system is unable to adjust the amounts reported in the survey.

St. John's Regional Health Center (Springfield) has also reported charity care and bad debt a noticeably higher level than reported by BHF. The reasons for these discrepancies are unclear.

## Other Disclosures

On January 1, 2008, Doctor's Hospital of Springfield (DHS) agreed to transfer ownership to Ozarks Community Hospital, Inc. (OCH), a non-profit corporation, when OCH's application for tax-exempt status was approved by the Internal Revenue Service (IRS). Due to economic challenges and a delay in receiving the IRS tax determination, the physician-owned, for-profit corporation previously doing business as DHS resumed control of the healthcare system effective July 1, 2008. In order to lessen public confusion, the for-profit corporation will continue to do business as OCH. For more information, go to <http://www.ochonline.com>.

## Glossary

**Available Acute Bed:** A hospital bed in a specific location in a health care institution for which the hospital is prepared to provide needed services when a patient is admitted as reported in Medicare Cost Report, Worksheet S-3. This was used to calculate available occupancy percentage and excess available acute beds.

**Licensed Acute Bed:** A State authorized bed capacity of a health care institution as reported in Missouri Hospital Profiles, Illinois Department of Health Statistics or other State agency. The numeric counts of licensed beds are typically greater than for available acute beds (see above).

**Staffed Bed:** A term used within the hospital industry to denote a bed which is fully staffed and ready to receive a patient. A staffed bed is similar to an available bed, but the numeric count is typically less than for available beds.

**Average Length of Stay:** This figure is determined by dividing the number of patient days used by the number of discharges.

**Charity Care:** Health services that were never expected to result in cash inflows. Charity care results from a provider's policy to provide health care services free of charge to individuals who meet certain financial criteria. (American Institute of Certified Public Accountants, 1990)

**Occupancy Rate:** This figure is determined by dividing the number of patient days used by the number of available acute beds multiplied by the number of days in the year. Excluded are nursery, skilled nursing facility, and other long term non-acute days and beds.

**Operating Margin:** The portion of a firm’s operating revenue retained as income. See page 59 for formula.

**Profit (Loss):** Excess (deficit) of revenue over expenses.

**Profit Margin:** Excess of revenue over expenses divided by the sum of total operating revenue and non-operating revenue.

## **U.S. Census Bureau’s Current Population Survey**

The U.S. Census Bureau’s Current Population Survey (CPS) is a monthly survey of about 50,000 households conducted for the Bureau of Labor Statistics mainly to estimate the unemployment rate. The Annual Social and Economic (ASEC) Supplement to the CPS is a survey of about 78,000 households and includes detailed health insurance questions asked of the household respondent for every household resident. Respondents are asked whether they had any coverage during the previous calendar year based on interviews conducted in February-April of the following year.

The CPS ASEC Supplement:

- provides a consistent historical time series at the national level.
- can be used to examine state-level trends and differences (through multi-year averages), though the large sampling errors of state-level data limit its usefulness.
- is mainly useful for examining timely estimates of the insured and uninsured population at the national level.
- is useful as a source of estimates of the insured and uninsured populations at the state level.
- is the most widely used source of data on health insurance coverage in the United States.

In addition to providing a resource for health insurance and uninsured estimates for this report, ASEC Supplement estimates of the uninsured are also used to support the methodology for determining Uninsured Add-On payments in hospital Medicaid Disproportionate Share Hospital payments.<sup>1</sup>

## **Model-based Small Area Health Insurance Estimates (SAHIE) for Counties and States**

The Census Bureau’s Small Area Health Insurance Estimates (SAHIE) program produces estimates of health insurance coverage for states and all counties. In July 2005, SAHIE released the first nation-wide set of county-level estimates on the number of people without health insurance coverage for all ages and those under 18 years old. In July 2010, SAHIE released 2007 estimates of health insurance coverage by age, sex, race, Hispanic origin, and income categories at the state-level and by age, sex, and income categories at the county-level.

The SAHIE program models health insurance coverage by combining survey data with population estimates and administrative records. Estimates are based on data from the following sources:

- The ASEC Supplement of the CPS;
- Demographic population estimates;
- Aggregated federal tax returns;
- Participation records for the Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp program;
- County Business Patterns;
- Medicaid and Children’s Health Insurance Program (CHIP) participation records; and
- Census 2000.

<sup>1</sup>Missouri Code of State Regulations, Missouri Register, September 1, 2009 – Volume 34, Number 17, page 1804, See Missouri Secretary of State website, <http://www.sos.mo.gov/adrules/moreg/previous/2009/v34n17/v34n17a.pdf>.

## Appendix C: Emergency Department Use Rates

Estimated data for 2007 emergency department (ED) use rates were provided by ThomsonReuters based on estimates from their Market Planner® Plus Outpatient Profiles (data for 2006 could not be provided).<sup>1</sup> Outpatient Market Profiles estimates the total annual volume of ambulatory procedures by provider and site of service for every market in the United States. Procedures are reported by 219 procedure groups (CPT-42 and HCPCS codes). ThomsonReuters uses proprietary and public claims as well as Federal surveys to construct use rates for all payers and all ambulatory care settings. These use rates are then applied to demographic and insurance coverage projections by ZIP Code to estimate outpatient utilization for 2007. ThomsonReuters constructs provider and patient origin-based use rates to calculate utilization for individual hospital providers.

### Data Sources

ThomsonReuters is committed to providing the most comprehensive and timely information available. To do so, ThomsonReuters utilizes data from a number of proprietary and public claims streams. ThomsonReuters leveraged over 640 million annual claims in construction of Outpatient Market Profiles.

ThomsonReuters used the following data sources to construct 2007 Outpatient Market Profiles:

- 2005 Outpatient 100% SAF3, CMS
- 2005 Proprietary Physician and Hospital Facility Claims, Thomson Reuters
- 2005 The MarketScan® Claims Database, Thomson Reuters
- 2005 Physician/Supplier Procedure Summary File, CMS
- 2005 Physician/Supplier Part B 5% SAF, CMS
- 2001 – 2004 National Ambulatory Medical Care Survey
- 2001 – 2004 National Hospital Ambulatory Medical Care Survey
- 2002 Medical Expenditure Panel Survey
- 2005 – 2005 National Health Interview Survey
- 2005 Medicare 100% Denominator File, CMS
- 2007 Insurance Coverage Estimates, Thomson Reuters
- 2007/2012 Population and Income Demographic Estimates, Claritas, Inc.
- December 2006 CMS Medicaid State summaries
- January 2006 County surveyor data, HealthLeaders-InterStudy
- January 2006 HMO county files, HealthLeaders-InterStudy
- January 2006 State Medicaid agency data, HealthLeaders-InterStudy
- July 2005 Medicaid Summary, Oregon Department of Human Services
- January 2006 Medicare county files, HealthLeaders-InterStudy
- 2005 Current Population Survey (CPS), Social and Economic Supplement, March 2006 (May 2007 restatement)
- 2007 Demographic Projections, Claritas, Inc.
- 2002 - 2007 CPT® Codes, American Medical Association
- 2005 Provider of Services File, CMS

### Sites of Service

**Hospital Outpatient:** This setting comprises hospital-operated outpatient facilities and emergency departments. This setting may be physically located in a hospital or may be an

off-campus or freestanding facility. All types of procedures can occur in this setting. Volumes of ED procedures include only cases that are discharged to return home. ED cases admitted as inpatients are excluded.

## Methodology

Outpatient Market Profiles was created in two stages. In the first stage, ThomsonReuters estimated market totals at the county level by age, sex, site of service, and payer. In the second stage, estimates were created for specific providers within each county.

## Validation

Volumes for each of the procedure groups were validated at the provider level against Thomson Reuters proprietary claims sources. Projected volumes for hospitals in the sample were compared with actual volumes.

## Emergent and Urgent Visits

ThompsonReuters defines emergent and urgent emergency department visits by the following CPT-4 and HCPCS procedure codes:

### Emergency Department Visit, Emergent

**99026:** Hospital mandated on call service; in-hospital, each hour.

**99027:** Hospital mandated on call service; out-of-hospital, each hour.

**99284:** Emergency department visit for the evaluation and management of a patient, three key components: A detailed history; a detailed examination; and medical decision of moderate complexity.

**99285:** Emergency department visit for the evaluation and management of a patient, three key components: A comprehensive history; a comprehensive exam; and medical decision of high complexity.

**99288:** Physician direction of emergency medical systems (EMS) emergency care, advanced life support.

**G0263:** Direct admission for diagnosis, congestive heart failure, chest pain, asthma for observation that meets all criteria for G0244.

**G0383:** Level 4 hospital emergency visit provided in a type B department or facility of the hospital.

**G0384:** Level 5 hospital emergency visit provided in a type B department or facility of the hospital.

### Emergency Department Visit, Urgent

**99281:** Emergency department visit for the evaluation and management of a patient, three key components: A problem focused history; a problem focused examination; and straightforward medical decision.

**99282:** Emergency department visit for the evaluation and management of a patient, three key components: An expanded problem focused history; an expanded problem focused examination; and medical decision of low complexity.

**99283:** Emergency department visit for the evaluation and management of a patient, three key components: An expanded problem focused history; an expanded problem focused examination; and medical decision of moderate complexity.

**G0380:** Level 1 hospital emergency visit provided in a type B department or facility of the hospital.

**G0381:** Level 1 hospital emergency visit provided in a type B department or facility of the hospital.

**G0382:** Level 2 hospital emergency visit provided in a type B department or facility of the hospital.

### **Emergency Department Visits Reported by Hospital**

Study hospitals voluntarily provided emergent and urgent emergency department visit volumes unless otherwise noted (see Appendix A). The method used to determine if an ED visit was emergent or urgent was based on the ThomsonReuters methodology (see procedure codes above) with the exception of Des Peres Hospital in the St. Louis Metro area. Des Peres hospital's methodology was based on a 5-tier triage level system that reported the volumes from the two lowest acuity triage levels as urgent (non-emergent).

<sup>1</sup> This description is an abbreviated version of ThomsonReuters Solucient The Market Planner® Plus Source Notes-Market Profiles document. A copy of the complete document can be obtained from the BHF.

<sup>2</sup> CPT is a registered trademark of the American Medical Association. CPT codes, descriptions, and material only are copyright 2002 – 2007 American Medical Association. All Rights Reserved. No fee schedules, basic units, relative values or related listings are included in CPT. AMA does not directly or indirectly practice medicine or dispense medical services. AMA assumes no liability for the data contained or not contained herein.

<sup>3</sup> Standard Analytical Files (SAF ) are either a 5% sample or 100% of the claims data provided by CMS (formerly HCFA). The files contain final action, adjustments-resolved claims and are created annually in July for the prior calendar (January – December) service year. SAF includes Inpatient claims (IP), Outpatient claims (OP), Home Health Agency claims (HHA), Hospice claims (HOSP), Physician/Supplier Part B claims (PH), Durable Medical Equipment (DME) and Skilled Nursing Facility claims (SNF).



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