

VOLUME THREE:  
Rehabilitation•Psychiatric  
Long-Term Acute Care•Specialty

# Financial Analysis 2013



An Annual Report on the Financial Health of Pennsylvania's Non-GAC Hospitals



Pennsylvania Health Care Cost Containment Council  
February 2015



## About PHC4

The Pennsylvania Health Care Cost Containment Council (PHC4) is an independent state agency charged with collecting, analyzing and reporting information that can be used to improve the quality and restrain the cost of health care in the state. PHC4 was created in the mid-1980s when Pennsylvania businesses and labor unions, in collaboration with other key stakeholders, joined forces to enact market-oriented health care reforms. As a result of their years of effort, the General Assembly passed legislation (Act 89 of 1986) creating PHC4.

The primary goal is to empower purchasers of health care benefits, such as businesses and labor unions, as well as other stakeholders, with information they can use to improve quality and restrain costs. Nearly 100 organizations and individuals annually utilize PHC4's special requests process to access and use data. More than 840,000 public reports on patient treatment results are downloaded from the PHC4 website annually. Today, PHC4 is a recognized national leader in public health care reporting.

A 25-member board of directors representing business, labor, consumers, health care providers, insurers and state government governs PHC4.

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# INTRODUCTION

## Introduction

The Pennsylvania Health Care Cost Containment Council (PHC4) produces a series of reports that measure the financial health of Pennsylvania's hospitals and ambulatory surgery centers.

This is the third volume of a three-volume series. *Volume One*, released in May 2014, focused on the financial health of Pennsylvania's general acute care (GAC) hospitals. *Volume Two*, released in November 2014, concentrated on Pennsylvania's ambulatory surgery centers (ASCs). This report, *Volume Three*, focuses on Pennsylvania's rehabilitation hospitals, psychiatric hospitals, state psychiatric hospitals, long-term acute care hospitals, and specialty hospitals (non-GAC hospitals).

An Executive Summary is presented for fiscal year 2013 (FY13) for non-GAC hospitals and includes GAC hospitals. Individual hospital-specific financial data for the non-GAC hospitals that reported data and operated during FY13 are presented in tables following the Executive Summary. The total number of hospitals that operated in Pennsylvania during FY13 is listed in **Table 1**.

The reporting year for the non-GAC hospitals in this report is based on each facility's fiscal year that ended during 2013. The fiscal year for the majority of non-GAC hospitals is the calendar year ending on December 31, 2013.

For those hospitals that do not utilize a calendar year, the fiscal year typically ended on June 30, 2013.

Information in this report was derived from annual financial statements and data submissions, as well as quarterly inpatient discharge data supplied by each facility. Every reasonable effort has been made to ensure the accuracy of the information and each facility had the opportunity to verify its data. The ultimate responsibility for accuracy lies with the individual facility.

TABLE 1  
**Number of Facilities, FY13**  
by Facility Type

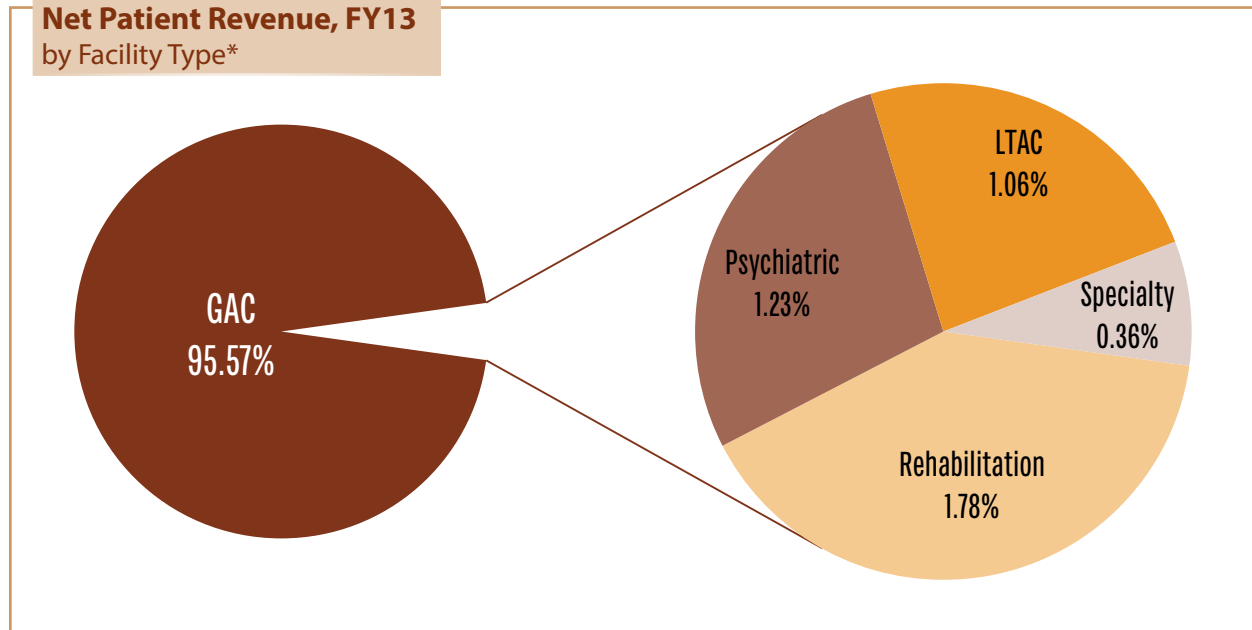
Facility Type	Number of Facilities
General Acute Care Hospitals	173
Rehabilitation Hospitals	19
Psychiatric Hospitals	19
State Psychiatric Hospitals	6
Long-Term Acute Care Hospitals	26
Specialty Hospitals	5
<b>Total</b>	<b>248</b>

## Executive Summary

General acute care (GAC) hospitals (including their hospital-based subunits) are the predominate providers of hospital-based health care in Pennsylvania. During fiscal year 2013 (FY13), GAC hospitals received 95.57% of the statewide net patient revenue (Figure 1). GAC hospitals treated 94.23% of the patients receiving inpatient care (Figure 2). Similarly, GAC hospitals represent 94.74% of the total outpatient visits to all hospitals (Figure 3). The four types of non-GAC hospitals (rehabilitation, psychiatric, long-term acute care, and specialty) covered in this report treated 5.77% of the patients receiving inpatient care. They received 5.26% of the outpatient visits.

The figures and tables in this section, except for Figure 4 and Table 2, present a variety of information by facility type. These figures and tables reflect all care provided at each type of facility. For example, the patient days for long-term acute care (LTAC) hospitals in Table 3 include medical-surgical and the psychiatric care provided at the LTAC hospitals. In contrast, Figure 4 and Table 2 present patient days by type of care (e.g., psychiatric), regardless of where that care was delivered. For example, statewide psychiatric care includes services provided at freestanding psychiatric, GAC, LTAC and specialty hospitals.

FIGURE 1  
**Net Patient Revenue, FY13**  
 by Facility Type\*



\* Excludes state psychiatric hospitals

# EXECUTIVE SUMMARY

FIGURE 2  
**Discharges, FY13**  
by Facility Type\*

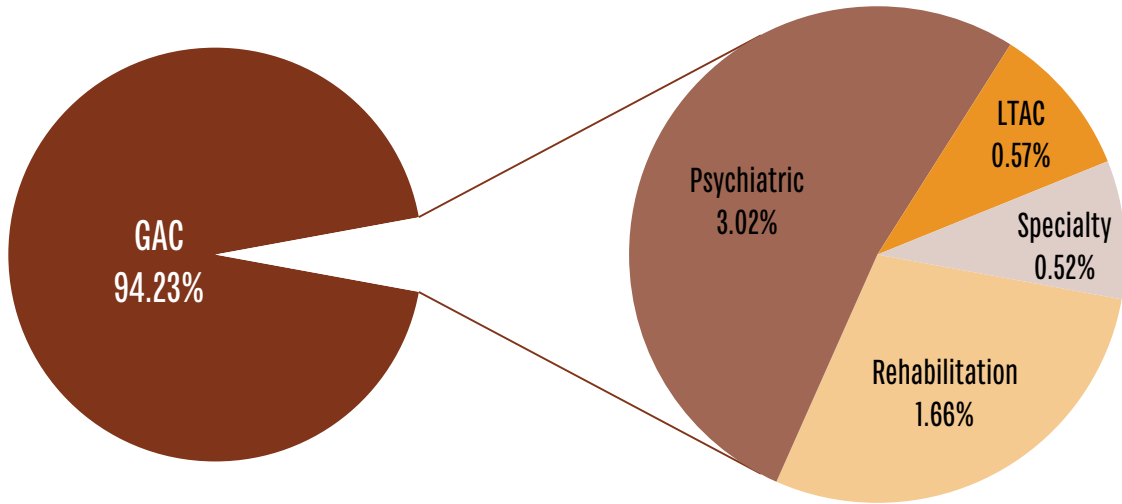
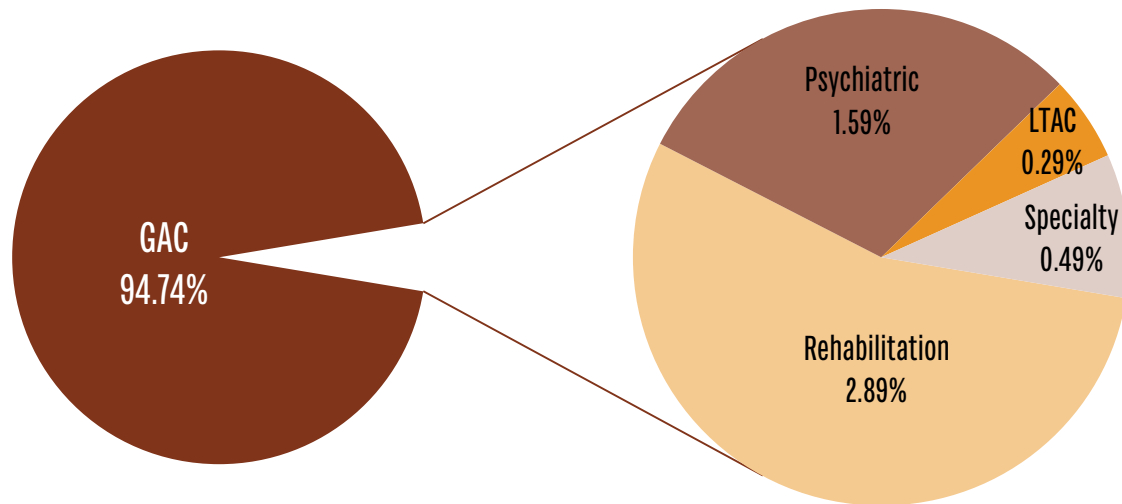


FIGURE 3  
**Outpatient Visits, FY13**  
by Facility Type\*

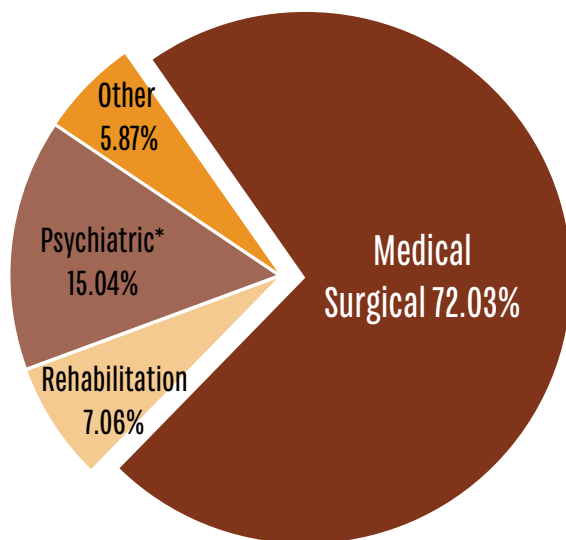


\* Excludes state psychiatric hospitals

# EXECUTIVE SUMMARY

**Table 3** displays the differences in the average revenue per day and revenue per discharge at the different types of hospitals. While a number of factors affect the revenue that hospitals receive, the variation in the average revenue per day provides some indication of the differences in resources required to treat patients in the different facility settings. For example, the revenue per day at rehabilitation hospitals is more than double the average for psychiatric hospitals. This exists, in large part, because rehabilitation hospitals generally provide care that is more resource intensive than psychiatric hospitals. In addition, **Figure 5** reveals that the average age of patients treated at rehabilitation facilities is more than twice the average age of patients at psychiatric hospitals.

FIGURE 4  
**Patient Days, FY13**  
by Type of Care



\* Excludes state psychiatric hospitals

TABLE 2  
**Patient Days, FY13**  
by Type of Care

Type of Services	Patient Days
Medical Surgical	7,285,542
Rehabilitation	714,110
Psychiatric *	1,520,959
Other	593,928
<b>Statewide</b>	<b>10,114,539</b>

Typically, older patients require more resources than younger patients being treated for the same condition.

Applying the differences in the average lengths of stay presented in **Figure 6** to the variations in the average revenue per day results in large differences in the average revenue per discharge across the different hospital settings. The average revenue per discharge during FY13 ranged from \$6,896 at specialty hospitals to \$38,223 at LTAC hospitals. LTAC hospitals treat complex medical conditions that require continuous care.

There is also a variation in the average outpatient revenue per visit across all facilities (**Table 4**). As with inpatient care, a primary reason for the diversity in outpatient revenue per visit among the facility types is the variation in level of resources provided per visit. A patient may receive care as a series of visits comprised of relatively short treatments (e.g., psychotherapy) in a hospital outpatient

## EXECUTIVE SUMMARY

TABLE 3  
**Utilization and Net Inpatient Revenue, FY13**  
 by Facility Type\*

Facility Type	Staffed Beds	Patient Days	Discharges	Net Inpatient Revenue (thousands)	Average Inpatient Revenue Per Day	Average Inpatient Revenue Per Discharge
General Acute Care Hospitals	36,275	8,593,933	1,645,473	\$20,572,530	\$2,394	\$12,503
Rehabilitation Hospitals	1,764	426,045	28,926	\$561,916	\$1,319	\$19,426
Psychiatric Hospitals	2,314	696,602	52,798	\$408,315	\$586	\$7,734
Long-Term Acute Care Hospitals	1,284	260,874	9,970	\$381,081	\$1,461	\$38,223
Specialty Hospitals	461	137,085	9,089	\$62,678	\$457	\$6,896
<b>Statewide</b>	<b>42,098</b>	<b>10,114,539</b>	<b>1,746,256</b>	<b>\$21,986,520</b>	<b>\$2,174</b>	<b>\$12,591</b>

TABLE 4  
**Outpatient Visits and Net Outpatient Revenue, FY13**  
 by Facility Type\*

Facility Type	Outpatient Visits	Net Outpatient Revenue (thousands)	Average Outpatient Revenue Per Visit
General Acute Care Hospitals	40,552,396	\$16,532,969	\$408
Rehabilitation Hospitals	1,236,762	\$127,880	\$103
Psychiatric Hospitals	682,377	\$69,958	\$103
Long-Term Acute Care Hospitals	122,231	\$28,718	\$235
Specialty Hospitals	208,991	\$76,074	\$364
<b>Statewide</b>	<b>42,802,757</b>	<b>\$16,835,599</b>	<b>\$393</b>

\* Excludes state psychiatric hospitals

# EXECUTIVE SUMMARY

FIGURE 5  
**Average Inpatient Patient Age, FY13**  
by Facility Type\*

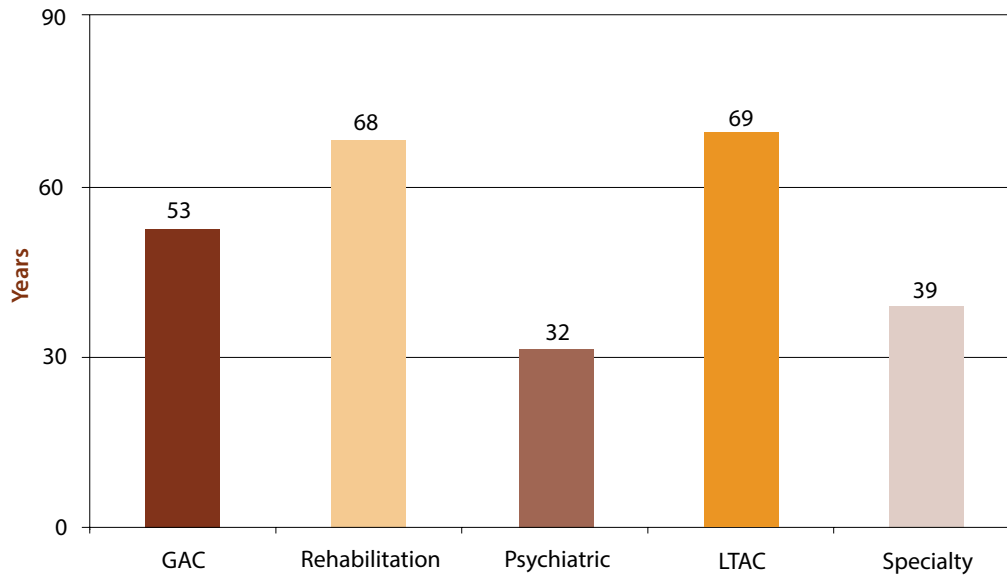
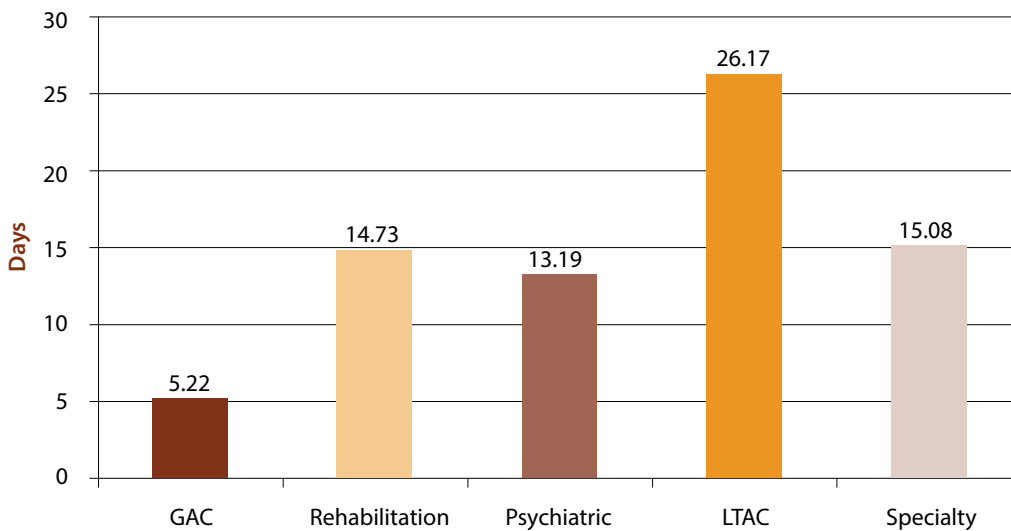


FIGURE 6  
**Average Length of Stay, FY13**  
by Facility Type\*



\* Excludes state psychiatric hospitals



## EXECUTIVE SUMMARY

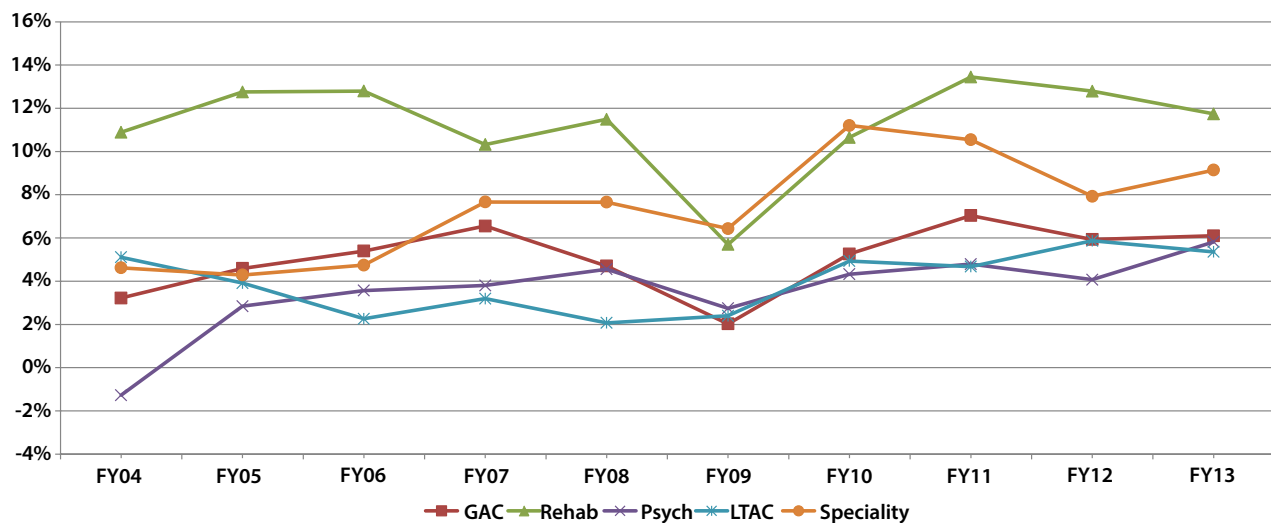
setting, while a patient at an another hospital outpatient setting may be subject to an entire surgical procedure during a single visit. The average revenue per visit at GAC hospitals reflects reimbursements for a wide range of outpatient services. Statewide, inpatient revenue per discharge decreased from \$12,612 in FY12 to \$12,591 in FY13 and outpatient revenue per visit increased from \$385 in FY12 to \$393 in FY13.

The statewide average total margins experienced by each facility type during the past 10 years are displayed in **Figure 7**. The statewide average total margin for specialty hospitals peaked in FY10 and long-term acute care hospitals peaked in FY12.

GAC hospitals average total margin declined in both FY08 and FY09, before it improved 3.23 percentage points during FY10 and 1.78 percentage points in FY11 with a decline in FY12. The average total margins of LTAC hospitals as a group have declined from FY04, but improved slightly during FY09 and FY10 before declining in FY11 and then increasing to a new 10-year high of 5.87% in FY12. The statewide average total margins for rehabilitation hospitals ranged from the lowest at 5.70% in FY09 to the highest at 13.45% in FY11.

Uncompensated care as a percent of net patient revenue in FY13 ranged from 0.55% to 1.80% among the various non-GAC hospital categories (**Figure 9**).

FIGURE 7  
**Total Margin**  
by Fiscal Year and Facility Type\*



\* Excludes state psychiatric hospitals

# EXECUTIVE SUMMARY

FIGURE 8  
**Total Margin, FY13**  
by Facility Type\*

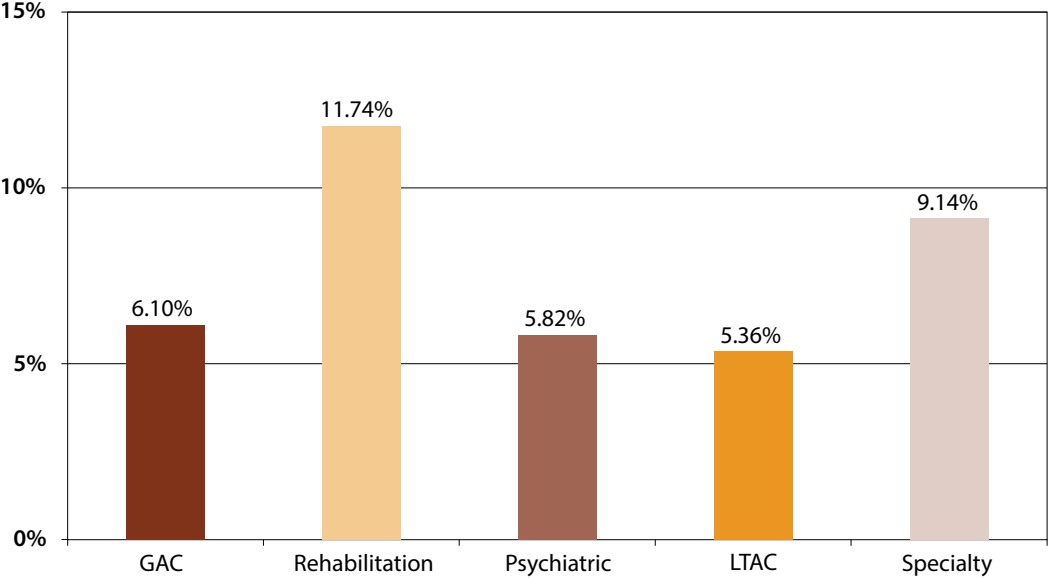
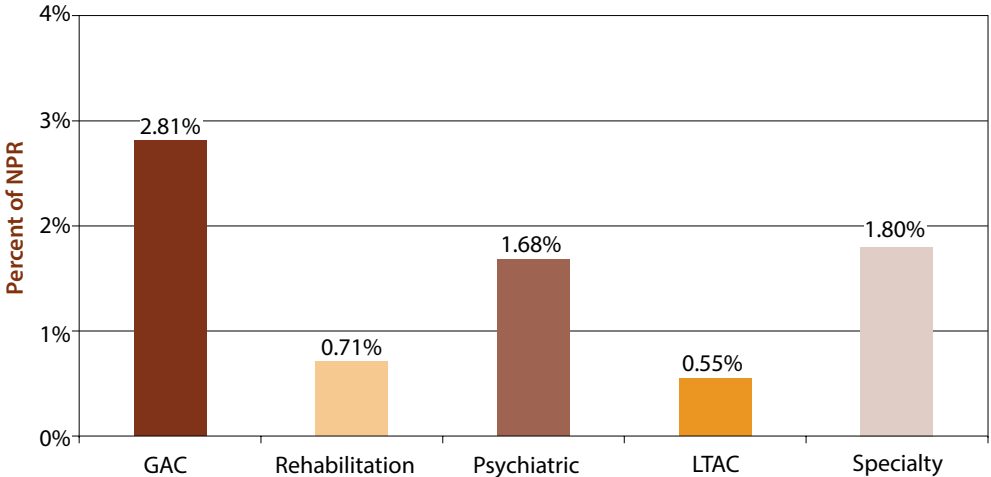


FIGURE 9  
**Percent of Uncompensated Care, FY13**  
by Facility Type\*



\* Excludes state psychiatric hospitals

# INDIVIDUAL HOSPITAL DATA

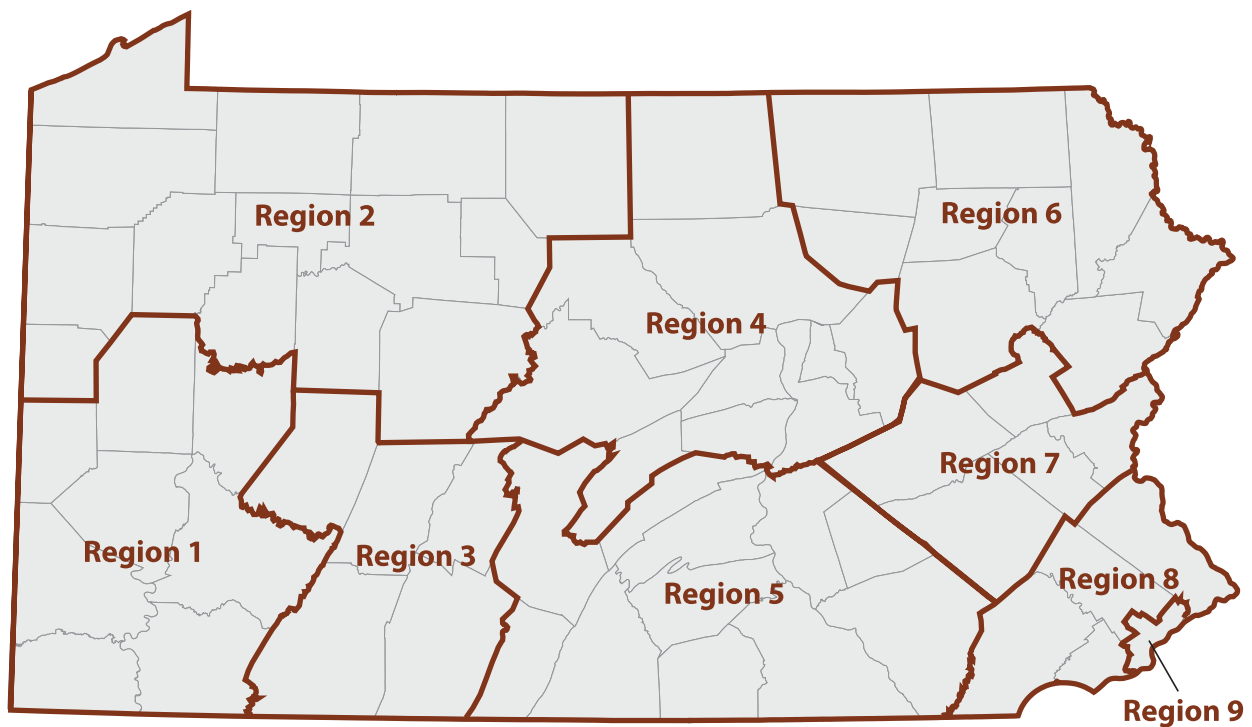
## Individual Hospital Data

The tables on the following pages provide hospital-specific financial data for rehabilitation, psychiatric, state psychiatric, long-term acute care and specialty hospitals (non-GAC hospitals). There were 75 non-GAC hospitals that reported data for FY13. The hospitals have been arranged by hospital provider category.

Included in these tables are the FY13 operating and total margins for each individual hospital. Each hospital's corresponding operating income, total income and total operating revenue can be found on PHC4's website at [www.phc4.org](http://www.phc4.org). (Note: Other operating revenue must be included with the net patient revenue to calculate the operating income that is used to calculate operating margin.)

Averages for all of the hospitals in the region are presented in the first row of each table. The regional averages that are expressed as a percentage (e.g., "3-Year Average Change in NPR" and "Operating Margin") are calculated as if the entire region was a single reporting entity. For example, the regional average operating margins are calculated by adding the operating income and the operating revenue for all hospitals in the region. The regional total operating income is divided by the regional total operating revenue to yield a regional average operating margin.

In calculating the regional averages, estimated data was used for hospitals that reported less than a full year of data due to a change in the fiscal year. No estimated data was used for the individual hospital data.



## REHABILITATION HOSPITAL DATA

Region/ Rehabilitation Hospital	Net Patient Revenue (NPR) (millions)				3-yr Avg Change in NPR FY10-FY13	Total Operating Expenses (TOE) (millions)				3-yr Avg Change in TOE FY10-FY13
	FY13	FY12	FY11	FY10		FY13	FY12	FY11	FY10	
<b>Statewide Average</b>	<b>\$36</b>	<b>\$35</b>	<b>\$34</b>	<b>\$30</b>	<b>7.09%</b>	<b>\$34</b>	<b>\$32</b>	<b>\$31</b>	<b>\$28</b>	<b>6.06%</b>
<b>Non-profit Rehabilitation Hospitals</b>										
6 Allied Services	\$36	\$35	\$35	\$36	0.65%	\$36	\$34	\$34	\$36	0.09%
1 Children's Inst Pgh	\$22	\$24	\$23	\$21	2.44%	\$47	\$42	\$40	\$42	4.12%
3 Crichton Rehab Center <sup>7</sup>	\$11	\$11	\$11	\$10	5.46%	\$9	\$9	\$8	\$7	7.23%
7 Good Shepherd Rehab	\$68	\$67	\$64	\$57	6.83%	\$73	\$70	\$68	\$63	5.27%
6 John Heinz Rehab <sup>5</sup>	\$35	\$37	\$38	\$35	0.79%	\$36	\$35	\$36	\$34	1.83%
9 Magee Rehab	\$58	\$56	\$58	\$48	6.97%	\$60	\$56	\$56	\$55	2.99%
8 Main Line Bryn Mawr Rehab	\$73	\$74	\$75	\$69	2.17%	\$60	\$60	\$61	\$59	0.33%
9 Moss Rehab <sup>7</sup>	\$101	\$93	\$84	\$82	7.39%	\$82	\$75	\$72	\$69	6.48%
<b>For-profit Rehabilitation Hospitals</b>										
4 Geisinger HealthSouth <sup>1, 10</sup>	\$18	\$18	\$17	\$17	1.65%	\$17	\$16	\$16	\$15	5.07%
3 HealthSouth Altoona <sup>1, 10, 13</sup>	\$36	\$36	\$33	\$28	9.25%	\$32	\$32	\$30	\$24	12.36%
2 HealthSouth Erie <sup>1, 10, 13</sup>	\$26	\$27	\$29	\$30	-3.73%	\$20	\$21	\$22	\$22	-2.34%
1 HealthSouth Harmarville <sup>1, 5, 10</sup>	\$44	\$45	\$42	\$39	3.97%	\$36	\$36	\$34	\$32	4.18%
5 HealthSouth Mechanicsburg <sup>1, 10, 13</sup>	\$28	\$26	\$23	\$22	8.08%	\$21	\$21	\$20	\$19	3.44%
4 HealthSouth Nittany <sup>1, 10</sup>	\$21	\$17	\$16	\$17	9.82%	\$19	\$16	\$16	\$15	6.84%
7 HealthSouth Reading <sup>1, 10, 13</sup>	\$22	\$21	\$18	\$18	7.17%	\$17	\$16	\$16	\$15	6.41%
1 HealthSouth Sewickley <sup>1, 10</sup>	\$16	\$14	\$12	\$11	15.83%	\$12	\$11	\$10	\$9	13.64%
5 HealthSouth York <sup>1, 10</sup>	\$27	\$28	\$28	\$27	0.49%	\$23	\$24	\$23	\$22	2.40%
5 Lancaster Rehab Hospital <sup>1, 10, 13</sup>	\$24	\$22	\$21	\$19	9.04%	\$18	\$17	\$17	\$16	4.04%
5 Penn State Hershey Rehab <sup>1, 10, 13</sup>	\$22	\$21	\$18	\$12	29.83%	\$21	\$21	\$20	\$13	19.26%

See footnotes on page 20

## REHABILITATION HOSPITAL DATA

Rehabilitation Hospital	Operating Margin FY13	Total Margin FY13	3-yr Average Total Margin FY11-FY13	Percent of Uncompensated Care FY13	Medicare Share of NPR FY13	Medical Assistance Share of NPR FY13
<b>Statewide Average</b>	<b>12.93%</b>	<b>11.74%</b>	<b>12.65%</b>	<b>0.71%</b>	<b>58.40%</b>	<b>8.24%</b>
<b>Non-profit Rehabilitation Hospitals</b>						
Allied Services	8.84%	12.18%	12.23%	0.58%	83.19%	2.49%
Children's Inst Pgh	-23.97%	-10.75%	-1.87%	0.81%	5.49%	44.64%
Crichton Rehab Center <sup>7</sup>	18.74%	18.74%	19.91%	1.10%	72.14%	8.02%
Good Shepherd Rehab	2.54%	2.54%	3.86%	1.32%	43.21%	12.25%
John Heinz Rehab <sup>5</sup>	1.17%	2.76%	7.41%	0.56%	75.56%	2.65%
Magee Rehab	3.92%	7.94%	14.40%	0.20%	31.12%	11.00%
Main Line Bryn Mawr Rehab	20.36%	21.66%	21.97%	0.14%	50.38%	1.82%
Moss Rehab <sup>7</sup>	19.59%	19.60%	18.84%	0.43%	38.11%	18.77%
<b>For-profit Rehabilitation Hospitals</b>						
Geisinger HealthSouth <sup>1, 10</sup>	21.12%	16.76%	18.83%	0.86%	71.80%	3.04%
HealthSouth Altoona <sup>1, 10, 13</sup>	12.88%	7.55%	8.13%	1.11%	79.03%	3.10%
HealthSouth Erie <sup>1, 10, 13</sup>	26.27%	15.71%	15.71%	0.65%	85.12%	3.05%
HealthSouth Harmarville <sup>1, 5, 10</sup>	20.92%	12.00%	11.61%	0.39%	60.79%	2.20%
HealthSouth Mechanicsburg <sup>1, 10, 13</sup>	24.90%	14.62%	13.96%	0.90%	85.13%	1.80%
HealthSouth Nittany <sup>1, 10</sup>	17.57%	13.26%	9.32%	0.86%	81.12%	2.67%
HealthSouth Reading <sup>1, 10, 13</sup>	21.88%	12.83%	12.34%	1.02%	86.05%	2.19%
HealthSouth Sewickley <sup>1, 10</sup>	24.34%	14.20%	15.05%	0.64%	62.66%	2.34%
HealthSouth York <sup>1, 10</sup>	15.61%	13.35%	11.54%	0.76%	81.38%	2.01%
Lancaster Rehab Hospital <sup>1, 10, 13</sup>	27.05%	27.05%	22.92%	1.16%	79.11%	3.42%
Penn State Hershey Rehab <sup>1, 10, 13</sup>	7.54%	7.54%	1.56%	2.32%	54.98%	11.35%

See footnotes on page 20

## PSYCHIATRIC HOSPITAL DATA

Region/ Psychiatric Hospital	Net Patient Revenue (NPR) (millions)				3-yr Avg Change in NPR FY10-FY13	Total Operating Expenses (TOE) (millions)				3-yr Avg Change in TOE FY10-FY13
	FY13	FY12	FY11	FY10		FY13	FY12	FY11	FY10	
<b>Statewide Average</b>	<b>\$25</b>	<b>\$25</b>	<b>\$23</b>	<b>\$23</b>	<b>3.74%</b>	<b>\$24</b>	<b>\$24</b>	<b>\$23</b>	<b>\$22</b>	<b>2.97%</b>
<b>Non-profit Psychiatric Hospitals</b>										
9 Belmont Center	\$39	\$40	\$39	\$38	0.36%	\$41	\$40	\$39	\$39	1.98%
8 Devereux Behavioral Hlth <sup>7</sup>	\$7	\$6	\$6	\$6	8.24%	\$8	\$6	\$6	\$5	13.06%
7 KidsPeace <sup>1,13</sup>	\$23	\$24	\$23	\$22	2.14%	\$24	\$24	\$22	\$22	3.64%
8 Montgomery Cty ES <sup>5</sup>	\$17	\$17	\$17	\$16	0.87%	\$18	\$17	\$17	\$16	2.46%
5 PA Psych Institute	\$22	\$23	\$20	\$18	6.42%	\$27	\$27	\$31	\$26	1.96%
5 Philhaven <sup>5</sup>	\$55	\$54	\$53	\$52	1.76%	\$60	\$56	\$54	\$52	5.10%
8 St John Vianney <sup>5</sup>	\$7	\$7	\$7	\$6	4.82%	\$8	\$8	\$7	\$7	4.91%
<b>For-profit Psychiatric Hospitals</b>										
8 Brooke Glen Behavioral <sup>1,3,10</sup>	\$29	\$22	\$20	\$30	-0.62%	\$12	\$29	\$25	\$28	-19.34%
2 Clarion Psych <sup>1,10</sup>	\$16	\$16	\$17	\$15	3.37%	\$11	\$11	\$10	\$9	7.81%
9 Fairmount Behavioral <sup>1,5,10</sup>	\$45	\$44	\$43	\$36	8.42%	\$40	\$39	\$37	\$31	10.12%
6 First Wyoming Valley <sup>1,10</sup>	\$20	\$23	\$21	\$20	0.16%	\$19	\$17	\$17	\$17	3.51%
8 Foundations Behavioral <sup>1,5,10</sup>	\$27	\$25	\$27	\$25	3.40%	\$24	\$24	\$25	\$23	2.05%
9 Friends <sup>1,5,10</sup>	\$45	\$40	\$36	\$37	6.73%	\$42	\$41	\$39	\$40	1.85%
7 Haven Behavioral <sup>1,3,10,13</sup>	\$12	\$11	\$7	\$2	NA	\$10	\$10	\$8	\$3	NA
8 Horsham Clinic <sup>1,10</sup>	\$42	\$43	\$42	\$35	6.44%	\$43	\$41	\$39	\$34	8.34%
9 Kirkbride Center <sup>5,10</sup>	\$17	\$18	\$19	\$15	3.77%	\$20	\$20	\$17	\$17	6.85%
4 Meadows Psych Center <sup>1,10</sup>	\$20	\$19	\$14	\$21	-1.96%	\$17	\$16	\$14	\$15	3.30%
5 Roxbury Treatment <sup>1,5,10</sup>	\$17	\$17	\$17	\$14	6.15%	\$13	\$12	\$12	\$11	6.07%
1 Southwood Psych <sup>1,10,13</sup>	\$20	\$17	\$16	\$17	5.12%	\$16	\$16	\$15	\$15	1.98%

See footnotes on page 20

## PSYCHIATRIC HOSPITAL DATA

Psychiatric Hospital	Operating Margin FY13	Total Margin FY13	3-yr Average Total Margin FY11-FY13	Percent of Uncompensated Care FY13	Medicare Share of NPR FY13	Medical Assistance Share of NPR FY13
<b>Statewide Average</b>	<b>8.29%</b>	<b>5.82%</b>	<b>4.91%</b>	<b>1.68%</b>	<b>17.02%</b>	<b>55.32%</b>
<b>Non-profit Psychiatric Hospitals</b>						
Belmont Center	-4.46%	-4.36%	0.24%	1.41%	26.74%	55.65%
Devereux Behavioral Hlth <sup>7</sup>	-4.07%	-4.07%	2.77%	0.84%	0.00%	71.69%
KidsPeace <sup>1, 13</sup>	-3.31%	-3.05%	0.08%	1.20%	0.00%	69.54%
Montgomery Cty ES <sup>5</sup>	-4.56%	-2.42%	1.80%	5.90%	25.12%	47.50%
PA Psych Institute	-8.82%	-8.90%	-14.39%	3.13%	21.54%	38.93%
Philhaven <sup>5</sup>	-3.63%	-2.47%	1.37%	0.80%	10.01%	60.09%
St John Vianney <sup>5</sup>	1.61%	6.46%	10.80%	0.00%	0.00%	0.00%
<b>For-profit Psychiatric Hospitals</b>						
Brooke Glen Behavioral <sup>1, 3, 10</sup>	59.77%	32.93%	4.92%	1.41%	22.13%	44.49%
Clarion Psych <sup>1, 10</sup>	33.14%	18.26%	20.28%	0.52%	21.80%	53.91%
Fairmount Behavioral <sup>1, 5, 10</sup>	11.22%	18.60%	16.50%	1.22%	18.22%	64.24%
First Wyoming Valley <sup>1, 10</sup>	9.51%	5.57%	11.18%	1.41%	26.60%	51.17%
Foundations Behavioral <sup>1, 5, 10</sup>	12.15%	6.69%	4.55%	0.61%	0.00%	47.16%
Friends <sup>1, 5, 10</sup>	8.08%	4.45%	0.77%	1.88%	27.09%	56.20%
Haven Behavioral <sup>1, 3, 10, 13</sup>	10.16%	10.16%	4.82%	3.33%	38.77%	45.19%
Horsham Clinic <sup>1, 10</sup>	2.16%	1.19%	3.57%	2.82%	21.18%	49.98%
Kirkbride Center <sup>5, 10</sup>	-10.62%	-12.15%	-2.26%	3.61%	1.64%	97.75%
Meadows Psych Center <sup>1, 10</sup>	18.08%	9.96%	8.24%	1.16%	22.47%	50.78%
Roxbury Treatment <sup>1, 5, 10</sup>	24.49%	13.49%	15.43%	1.33%	17.34%	41.81%
Southwood Psych <sup>1, 10, 13</sup>	17.53%	15.88%	9.38%	0.41%	0.00%	71.41%

See footnotes on page 20

## STATE PSYCHIATRIC HOSPITAL DATA

Region/ State Psychiatric Hospital	Net Patient Revenue (NPR) (millions)				3-yr Avg Change in NPR FY10-FY13	Total Operating Expenses (TOE) (millions)				3-yr Avg Change in TOE FY10-FY13
	FY13	FY12	FY11	FY10		FY13	FY12	FY11	FY10	
<b>Statewide Average</b>	<b>\$10</b>	<b>\$11</b>	<b>\$10</b>	<b>\$11</b>	<b>-0.25%</b>	<b>\$55</b>	<b>\$56</b>	<b>\$49</b>	<b>\$51</b>	<b>3.05%</b>
6 Clark Summit State	\$12	\$11	\$12	\$13	-1.22%	\$50	\$49	\$50	\$49	0.21%
4 Danville State	\$11	\$11	\$10	\$10	2.38%	\$40	\$40	\$40	\$39	1.31%
8 Norristown State	\$9	\$10	\$10	\$11	-5.78%	\$75	\$78	\$81	\$82	-2.86%
1 Torrance State	\$7	\$9	\$10	\$10	-9.43%	\$65	\$68	\$66	\$60	2.84%
2 Warren State	\$10	\$10	\$10	\$9	2.45%	\$42	\$43	\$43	\$44	-1.33%
7 Wernersville State	\$14	\$15	\$14	\$12	4.19%	\$61	\$61	\$58	\$46	10.56%

See footnotes on page 20



## STATE PSYCHIATRIC HOSPITAL DATA

State Psychiatric Hospital	Percent of Expenses Not Covered by NPR FY13	Medicare Share of NPR FY13	Medical Assistance Share of NPR FY13
<b>Statewide Average</b>	<b>80.88%</b>	<b>23.18%</b>	<b>64.09%</b>
Clark Summit State	75.65%	23.66%	64.43%
Danville State	73.21%	21.11%	68.84%
Norristown State	87.41%	15.83%	74.12%
Torrance State	89.42%	26.95%	55.26%
Warren State	75.24%	25.78%	58.35%
Wernersville State	77.11%	25.33%	62.17%

See footnotes on page 20

## LONG-TERM ACUTE CARE HOSPITAL DATA

Region/ Long-Term Acute Care Hospital	Net Patient Revenue (NPR) (millions)				3-yr Avg Change in NPR FY10-FY13	Total Operating Expenses (TOE) (millions)				3-yr Avg Change in TOE FY10-FY13
	FY13	FY12	FY11	FY10		FY13	FY12	FY11	FY10	
<b>Statewide Average</b>	<b>\$16</b>	<b>\$15</b>	<b>\$15</b>	<b>\$17</b>	<b>-2.08%</b>	<b>\$15</b>	<b>\$15</b>	<b>\$14</b>	<b>\$17</b>	<b>-3.36%</b>
<b>Non-profit LTAC Hospitals</b>										
9 Good Shepherd Penn/Phila	\$45	\$39	\$36	\$32	14.42%	\$37	\$33	\$29	\$50	-8.45%
7 Good Shepherd/Bethlehem	\$16	\$17	\$17	\$17	-1.52%	\$14	\$15	\$16	\$15	-1.33%
<b>For-profit LTAC Hospitals</b>										
7 Kindred/Easton <sup>1, 10, 11</sup>	\$11	\$11	\$11	\$12	-4.15%	\$12	\$12	\$10	\$11	2.81%
8 Kindred/Havertown <sup>1, 10, 13</sup>	\$25	\$24	\$19	\$17	14.34%	\$21	\$20	\$18	\$16	9.03%
1 Kindred/Heritage Valley <sup>1, 10</sup>	\$10	\$12	\$13	\$12	-5.80%	\$11	\$11	\$11	\$11	-0.60%
1 Kindred/North Shore <sup>1, 10</sup>	\$9	\$10	\$14	\$13	-11.76%	\$12	\$14	\$16	\$16	-7.71%
9 Kindred/Philadelphia <sup>1, 10</sup>	\$18	\$20	\$22	\$22	-6.33%	\$18	\$18	\$20	\$20	-3.32%
1 Kindred/Pittsburgh <sup>1, 10</sup>	\$16	\$16	\$17	\$20	-5.66%	\$17	\$17	\$17	\$20	-5.22%
9 Kindred/South Phila <sup>1, 10</sup>	\$17	\$17	\$5	\$14	5.94%	\$18	\$17	\$8	\$15	6.44%
6 Kindred/Wyoming Valley <sup>1, 10</sup>	\$13	\$14	\$12	\$13	2.48%	\$12	\$12	\$12	\$11	3.51%
8 LifeCare/Chester County <sup>1, 10</sup>	\$14	\$13	\$16	\$14	-1.26%	\$14	\$14	\$15	\$14	0.22%
5 LifeCare/Mechanicsburg <sup>1, 10</sup>	\$14	\$14	\$6	\$19	-8.54%	\$15	\$15	\$7	\$16	-3.39%
1 LifeCare/Pgh - Alle-Kiskj <sup>1, 10</sup>	\$10	\$12	\$11	\$9	3.96%	\$8	\$8	\$8	\$10	-6.69%
1 LifeCare/Pittsburgh <sup>1, 10</sup>	\$25	\$28	\$30	\$40	-12.60%	\$29	\$29	\$32	\$36	-7.13%
1 LifeCare/Suburban <sup>1, 5, 10</sup>	\$17	\$17	\$12	NA	NA	\$16	\$16	\$12	NA	NA
1 New Pittsburgh Specialty <sup>1, 10</sup>	\$18	\$19	\$7	\$20	-2.38%	\$17	\$18	\$7	\$20	-4.80%
5 Select Specialty/Camp Hill <sup>1, 10, 13</sup>	\$16	\$15	\$13	\$12	10.82%	\$12	\$12	\$11	\$10	7.06%
4 Select Specialty/Danville <sup>1, 10, 13</sup>	\$10	\$8	\$8	\$8	9.92%	\$10	\$8	\$8	\$8	7.44%
2 Select Specialty/Erie <sup>1, 10, 13</sup>	\$13	\$15	\$17	\$16	-6.44%	\$13	\$15	\$16	\$15	-4.17%
5 Select Specialty/Harrisburg <sup>1, 10, 13</sup>	\$19	\$16	\$16	\$12	20.55%	\$14	\$13	\$13	\$10	13.93%
3 Select Specialty/Johnstown <sup>1, 10, 13</sup>	\$16	\$16	\$16	\$15	2.67%	\$14	\$13	\$13	\$12	3.11%
1 Select Specialty/Laurel <sup>1, 10, 13</sup>	\$10	\$11	\$12	\$13	-8.90%	\$9	\$9	\$10	\$11	-6.21%
1 Select Special/McKeesport <sup>1, 10, 13</sup>	\$11	\$11	\$11	\$10	3.20%	\$10	\$9	\$9	\$9	3.49%
1 Select Specialty/UPMC <sup>1, 10, 13</sup>	\$15	\$14	\$14	\$12	6.24%	\$13	\$12	\$12	\$11	3.39%
5 Select Specialty/York <sup>1, 10, 13</sup>	\$10	\$11	\$10	\$10	2.25%	\$9	\$9	\$8	\$8	3.82%
6 Special Care <sup>1, 5, 10</sup>	\$11	\$14	\$16	\$17	-12.55%	\$14	\$16	\$18	\$18	-6.64%

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## LONG-TERM ACUTE CARE HOSPITAL DATA

Long-Term Acute Care Hospital	Operating Margin FY13	Total Margin FY13	3-yr Average Total Margin FY11-FY13	Percent of Uncompensated Care FY13	Medicare Share of NPR FY13	Medical Assistance Share of NPR FY13
<b>Statewide Average</b>	<b>5.77%</b>	<b>5.36%</b>	<b>5.31%</b>	<b>0.55%</b>	<b>74.61%</b>	<b>1.63%</b>
<b>Non-profit LTAC Hospitals</b>						
Good Shepherd Penn/Phila	18.13%	18.13%	18.24%	1.05%	38.55%	1.76%
Good Shepherd/Bethlehem	11.29%	11.29%	10.25%	0.39%	74.01%	0.00%
<b>For-profit LTAC Hospitals</b>						
Kindred/Easton <sup>1, 10, 11</sup>	-6.76%	-4.05%	-0.68%	0.68%	86.87%	-0.04%
Kindred/Havertown <sup>1, 10, 13</sup>	16.26%	9.88%	7.27%	-0.04%	88.34%	0.24%
Kindred/Heritage Valley <sup>1, 10</sup>	-6.49%	-3.94%	4.29%	1.29%	69.69%	11.68%
Kindred/North Shore <sup>1, 10</sup>	-36.16%	-21.97%	-14.71%	1.23%	74.35%	9.19%
Kindred/Philadelphia <sup>1, 10</sup>	-2.84%	-1.58%	2.36%	1.27%	74.85%	13.64%
Kindred/Pittsburgh <sup>1, 10</sup>	-2.64%	-1.60%	-2.05%	0.34%	73.72%	6.00%
Kindred/South Phila <sup>1, 10</sup>	-6.48%	-3.94%	-8.53%	0.98%	84.38%	0.33%
Kindred/Wyoming Valley <sup>1, 10</sup>	8.82%	5.40%	5.20%	-0.07%	87.38%	-0.12%
LifeCare/Chester County <sup>1, 10</sup>	0.34%	0.22%	1.33%	0.38%	83.62%	0.00%
LifeCare/Mechanicsburg <sup>1, 10</sup>	-6.26%	-4.07%	-3.68%	0.58%	84.22%	0.00%
LifeCare/Pgh - Alle-Kiski <sup>1, 10</sup>	25.32%	16.46%	17.74%	0.27%	90.83%	0.00%
LifeCare/Pittsburgh <sup>1, 10</sup>	-12.61%	-8.20%	-4.78%	0.53%	86.30%	0.00%
LifeCare/Suburban <sup>1, 5, 10</sup>	8.07%	5.24%	3.63%	0.32%	56.84%	0.00%
New Pittsburgh Specialty <sup>1, 10</sup>	7.86%	5.11%	2.80%	0.42%	83.69%	0.00%
Select Specialty/Camp Hill <sup>1, 10, 13</sup>	23.17%	23.19%	19.97%	0.30%	81.64%	0.00%
Select Specialty/Danville <sup>1, 10, 13</sup>	8.19%	4.84%	3.34%	0.20%	71.01%	0.00%
Select Specialty/Erie <sup>1, 10, 13</sup>	-2.44%	-1.77%	1.48%	-0.06%	83.00%	0.00%
Select Specialty/Harrisburg <sup>1, 10, 13</sup>	24.24%	24.24%	21.22%	0.29%	69.79%	0.00%
Select Specialty/Johnstown <sup>1, 10, 13</sup>	15.18%	10.12%	10.85%	0.41%	85.96%	0.00%
Select Specialty/Laurel <sup>1, 10, 13</sup>	8.78%	5.55%	9.52%	0.41%	80.11%	0.00%
Select Special/McKeesport <sup>1, 10, 13</sup>	8.77%	5.39%	8.05%	0.56%	86.59%	0.00%
Select Specialty/UPMC <sup>1, 10, 13</sup>	15.35%	9.60%	8.53%	0.64%	72.96%	0.01%
Select Specialty/York <sup>1, 10, 13</sup>	14.53%	14.53%	16.36%	0.75%	70.35%	0.00%
Special Care <sup>1, 5, 10</sup>	-27.68%	-17.65%	-12.79%	0.99%	71.20%	3.79%

See footnotes on page 20

## SPECIALTY HOSPITAL DATA

Region/ Specialty Hospital	Net Patient Revenue (NPR) (millions)				3-yr Avg Change in NPR FY10-FY13	Total Operating Expenses (TOE) (millions)				3-yr Avg Change in TOE FY10-FY13
	FY13	FY12	FY11	FY10		FY13	FY12	FY11	FY10	
<b>Statewide Average</b>	<b>\$28</b>	<b>\$28</b>	<b>\$27</b>	<b>\$27</b>	<b>1.53%</b>	<b>\$28</b>	<b>\$27</b>	<b>\$26</b>	<b>\$26</b>	<b>2.72%</b>
1 Children's Home Pgh	\$11	\$7	\$8	\$7	15.10%	\$11	\$9	\$10	\$9	6.29%
4 Divine Providence	\$75	\$78	\$79	\$82	-2.67%	\$74	\$75	\$75	\$75	-0.22%
8 Eagleville <sup>5</sup>	\$33	\$34	\$29	\$26	8.72%	\$33	\$33	\$29	\$26	8.60%
9 Kensington <sup>5,13</sup>	\$7	\$7	\$7	\$6	4.47%	\$7	\$7	\$7	\$7	1.52%
8 Valley Forge <sup>1,5,10</sup>	\$13	\$13	\$13	\$11	5.17%	\$14	\$13	\$12	\$11	6.67%

See footnotes on page 20

## SPECIALTY HOSPITAL DATA

Specialty Hospital	Operating Margin FY13	Total Margin FY13	3-yr Average Total Margin FY11-FY13	Percent of Uncompensated Care FY13	Medicare Share of NPR FY13	Medical Assistance Share of NPR FY13
<b>Statewide Average</b>	<b>5.25%</b>	<b>9.14%</b>	<b>9.28%</b>	<b>1.80%</b>	<b>26.10%</b>	<b>31.60%</b>
Children's Home Pgh	17.10%	21.63%	12.11%	2.32%	0.00%	72.76%
Divine Providence	6.58%	11.17%	11.47%	1.42%	35.31%	3.75%
Eagleville <sup>5</sup>	1.19%	4.94%	9.25%	1.36%	21.31%	64.21%
Kensington <sup>5, 13</sup>	1.49%	1.98%	4.03%	4.39%	8.31%	89.64%
Valley Forge <sup>1, 5, 10</sup>	-2.03%	-1.75%	2.48%	3.23%	15.11%	45.07%

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## Footnotes:

1. The end of the fiscal year is not June 30. The data reflects the fiscal year that ended prior to June 30.
2. The data is less than 12 months; therefore, a three-year comparison is not appropriate for some of the measures.
3. Prior year(s) reflect less than 12 months of data; therefore, a three-year comparison is not appropriate for some of the measures.
4. This is the first reporting year for this facility. Often expenses are higher than operating revenue during the start-up period. Three-year comparisons are not appropriate for this facility.
5. The hospital has a specialty unit(s) such as psychiatric, rehabilitation, long-term care, skilled nursing, home health, etc., which are included in the data presented for the facility.
6. Extraordinary item(s) reported on audited financial statement was included in the calculation of total margin.
7. Balance sheet ratios are for the parent organization.
8. Acquired or merged with another licensed hospital during the FY13 reporting period.
9. Acquired or merged with another licensed hospital during the FY11 or FY12 reporting periods.
10. For-profit facility; total margin includes *pro rata* share of the parent corporation's federal income taxes.
11. Facility is referred to by a different name, or it closed after the FY13 reporting period.
12. Facility failed to satisfy the financial filing requirements.
13. One or more of the required financial submissions was filed late.
14. Facility submitted incomplete or inaccurate data.
  - NA Not applicable.
  - NR Information necessary to report or calculate this measure was not reported by the facility.

Note: The above footnotes are applicable to all reports in PHC4's *Financial Analysis* series.

## EXPLANATION OF TERMS & MEASURES

### Explanation of Terms & Measures:

**3-Year Average Change in Net Patient Revenue (NPR) or Total Operating Expenses (TOE):** The average annual change in the facility's NPR or TOE that occurred from the end of FY10 through FY13.

$$[(NPR_{13} - NPR_{10}) / NPR_{10}] / 3]$$

or

$$[(TOE_{13} - TOE_{10}) / TOE_{10}] / 3]$$

**3-Year Average Total Margin:** The average total margin realized by the facility during FY11 through FY13.

$$(\Sigma \text{ revenue over expenses } 13,12,11 / \Sigma \text{ total revenue } 13,12,11)$$

**Ambulatory Surgery Center (ASC):** A facility licensed by the Pennsylvania Department of Health that provides specialty or multi-specialty surgical care to patients who do not require overnight hospitalization, but require medical supervision following a procedure. An ASC does not include individual or group practice offices of private physicians.

**Commercial Third-Party Payers:** Commercial insurers encompass all indemnity and managed care health insurance plans, including Blue Cross and Blue Shield plans, and hospital and health system plans. Government-funded programs, such as Medicare managed care, are not included, even if a commercial insurer administers the program.

**Discharges:** The total number of patients released from the hospital during the fiscal year.

**Long-Term Acute Care (LTAC) Hospital:** A licensed acute care hospital by the Pennsylvania Department of Health that provides medical services for patients that require extended lengths of acute care inpatient stay.

**Managed Care:** Managed care includes all licensed HMO, PPO and POS plans that require some form of pre-authorization or limit care to in-network providers.

**Net Patient Revenue (NPR):** Net patient revenue reflects revenue for patient care only and does not include revenue from other operations, such as the cafeteria, parking, rent, research and educational activities. Revenue from those operations is included in total operating revenue. NPR may include retroactive

adjustments from third-party payers for care provided during a previous fiscal year.

**Occupancy Rate:** The average daily inpatient occupancy rate for staffed beds. The occupancy rate reflects the percent of the staffed beds that are occupied on average, on a single day. (Patient days / bed days available)

**Other Third-Party Payers:** Third-party payers other than health insurance companies and managed care organizations. These include direct payments by employers or associations, auto insurance, workers compensation and government programs (other than Medicare and Medical Assistance).

**Operating Income:** The amount by which total operating revenue exceeds total operating expenses.

$$(\text{total operating revenue} - \text{total operating expenses})$$

**Operating Margin:** The ratio of operating income to total operating revenue. This measure places operating income in perspective with the volume of business realized by the facility.

$$(\text{operating income} / \text{total operating revenue})$$

**Outpatient Visits:** The number of visits to the individual outpatient department of the hospital or surgery center during the fiscal year.

**Patient Days:** The total number of days patients stayed in the hospital during the fiscal year.

**Percent of Uncompensated Care:** This is the ratio of uncompensated care (charity care and bad debt) to the total care provided by the hospital. Charity care is the care a hospital provides without charge because the patient is unable to compensate the hospital through third-party coverage or the patient's own resources. Bad Debt represents the foregone revenue for care in which the hospital initially anticipated payment, extended credit to the patient, but later determined it to be uncollectable. This rate can be used to express uncompensated care as a percent of total charges or as an estimate of the percent of total net patient revenue.

$$(\text{Charity care charges} + \text{bad debt charges}) / \text{total charges}$$

## EXPLANATION OF TERMS & MEASURES

**Psychiatric Hospital:** A licensed institution certified by the Pennsylvania Department of Welfare to operate as a hospital that provides short-term acute psychiatric services on an inpatient basis. Psychiatric hospitals may also offer long-term residential and outpatient programs. Acute psychiatric care is rendered in response to severe psychiatric conditions requiring intensive or extensive intervention to bring the patient's symptoms under control.

**Rehabilitation Hospital:** A licensed inpatient facility by the Pennsylvania Department of Health, which is operated for the primary purpose of assisting in the physical rehabilitation of persons through an integrated program of medical and other services. Rehabilitation hospitals may also offer outpatient services.

**Staffed Beds:** The number of beds at the hospital that are set up and staffed at the end of the fiscal year.

**Specialty Hospital:** A licensed facility by the Pennsylvania Department of Health that provides specific types of inpatient and outpatient settings of care, such as drug and alcohol.

**Total Margin:** The ratio of total income to total revenue. This measure puts income from all sources in perspective with all revenues received by a facility.  
(revenue over expenses / total revenue)

**Total Net Income (Revenue over Expenses):** Total net income reflects the sum of operating income and non-operating income. Total income may also include an extraordinary item, such as the gain or loss from the sale of securities.

**Total Operating Expenses (TOE):** All costs associated with operating the entire facility, such as salaries, professional fees, supplies, depreciation, interest and insurance. The acquisition of durable equipment and other property are not considered expenses and are reflected on the facility's balance sheet as assets. However, the cost to finance equipment (interest) as well as the depreciation, operation and maintenance costs of capital equipment are operating expenses.

**Total Operating Revenue (TOR):** All revenues allocated by the facility to meet operating expenses. TOR includes all revenue sources such as net patient revenue, investment income, contributions, and revenue from other operations (e.g., cafeteria, parking, rent, research and educational activities). Individual facilities may also allocate investment income, contributions, etc., as non-operating income.

**Total Revenue:** Operating revenue plus non-operating income. The non-operating income component typically includes unrestricted contributions, investment income, and net investment gains and losses on marketable securities.



## NON-COMPLIANT HOSPITALS

### Late Submission

The following hospitals submitted their annual financial data and/or the supporting audited financial statements late.

Haven Behavioral	Select Specialty/Camp Hill
HealthSouth Altoona	Select Specialty/Danville
HealthSouth Erie	Select Specialty/Erie
HealthSouth Mechanicsburg	Select Specialty/Harrisburg
HealthSouth Reading	Select Specialty/Johnstown
Kensington	Select Specialty/Laurel
KidsPeace	Select Specialty/McKeesport
Kindred/Havertown	Select Specialty/UPMC
Lancaster Rehab Hospital	Select Specialty/York
Penn State Hershey Rehab	Southwood Psych



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### **For More Information**

The information contained in this report and other PHC4 publications is available online at **[www.phc4.org](http://www.phc4.org)**. Additional financial, hospitalization and ambulatory procedure health care data is available for purchase. For more information, contact PHC4's Data Requests Unit at **[specialrequests@phc4.org](mailto:specialrequests@phc4.org)** or 717-232-6787.

