

Summary & Highlights

Pennsylvania Non-General Acute Care Hospitals

Fiscal Year 2023

The Pennsylvania Health Care Cost Containment Council (PHC4) produces a series of financial reports measuring the financial condition and utilization of the Commonwealth's hospitals and ambulatory surgery centers, as a three-part series. *Volume Three* presents a financial profile of Pennsylvania's non-GAC hospitals, which include rehabilitation hospitals, psychiatric hospitals, long-term acute care hospitals, and specialty hospitals. Providing insight into information surrounding uncompensated care, operating margins, and average net patient revenue, *Volume Three* is intended to provide stakeholders with fact-based information to prioritize resources and make informed decisions.

There were 223 hospitals licensed in the Commonwealth of Pennsylvania that operated during at least some portion of fiscal year 2023 (FY23). Of these, 67 hospitals were non-GAC hospitals and the remaining 156 were GAC hospitals during FY23. There were 68 non-GAC hospitals operating in the prior year. One long-term acute care hospital closed, one psychiatric hospital closed, and one GAC hospital converted to a psychiatric hospital between the FY22 and the FY23 reporting periods.

Within *Volume Three*, you will find that as a group, the foregone dollar value of uncompensated care for non-GAC hospitals increased 14.96%, or \$2.2 million, from \$15.2 million during FY22 to \$17.4 million in FY23. Uncompensated care as a percent of net patient revenue in FY23 among the non-GAC hospitals ranged from 0.29% at long-term acute care hospitals to 1.00% at rehabilitation hospitals.

In examining *Volume Three's displayed* operating margins, you will see that rehabilitation hospitals reported a margin of 6.06%, psychiatric hospitals reported a 5.01% operating margin, and long-term acute care hospitals realized an operating margin of 3.53%. Specialty hospitals, the only group in the Commonwealth to report a negative operating margin, reported -5.25%.

The following figures display the average operating margins reported by non-GAC hospital category, average net patient revenue, and average total operating expenses reported in *Volume Three*.

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Figure 1: Statewide Average Operating Margin by Fiscal Year and Facility Type

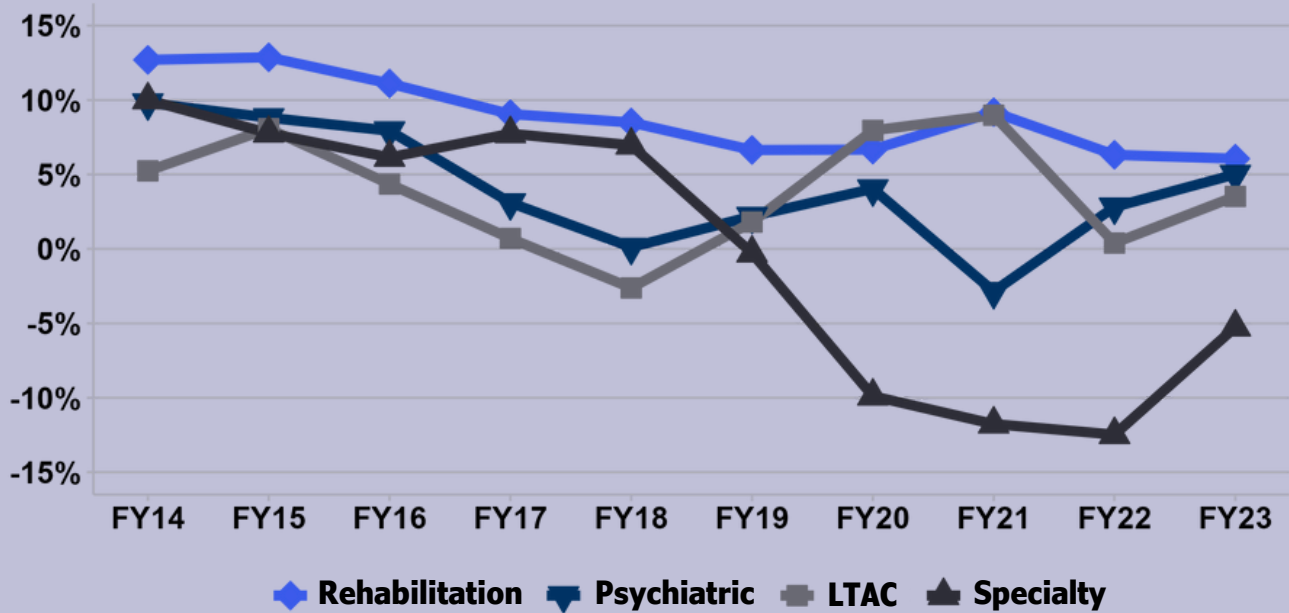


Figure 2: Statewide Average Net Patient Revenue and Statewide Average Total Operating Expenses, FY23, by Facility Type

