Hospital Financial and Utilization Data

(Also known as "Databank")

HPA Data Profile

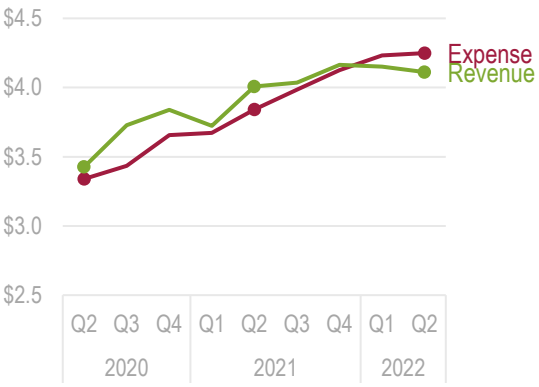
Hospitals play an important role in the health care system – both as institutions that provide medical, surgical, emergency, and nursing care; and as employers, research institutions, and centers to train the health care workforce. Hospital care also accounts for more than 30 percent of all health care spending in the United States each year.

Every month, Oregon's 60 acute care inpatient hospitals[1] self-report information about their finances and utilization. Timely and transparent reporting of these data helps researchers, policymakers, and the public identify and understand the impact of state and federal health reforms on hospital care and financial stability.

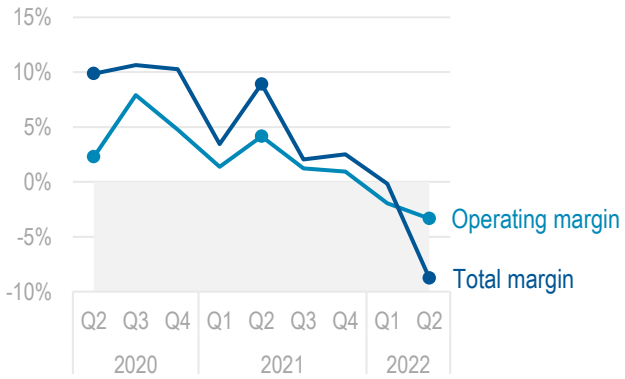
Did you know?
Hospitals also submit annual, audited financial data. Read the data profile.

A few examples of the things hospital financial and utilization data can tell us include:

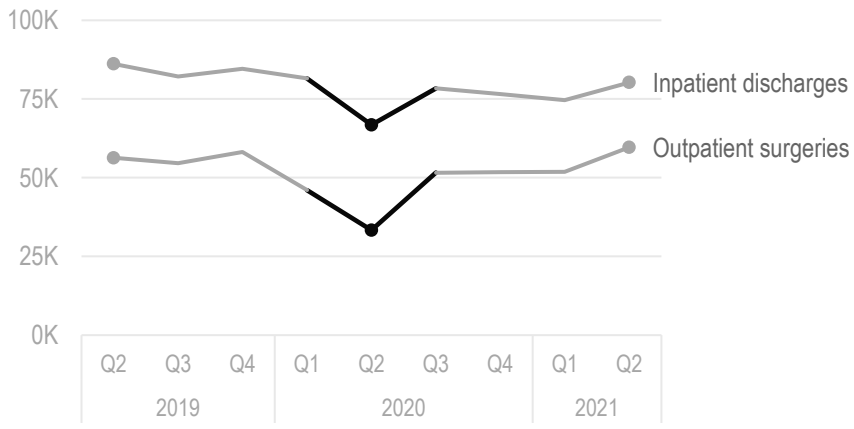
Hospitals are currently operating at a net loss, with operating expenses outpacing revenue.
Units are in billions. Note axis does not start at zero.



Operating margins (profits) are negative.
So are total profits, which include investments.



Hospital utilization fell sharply when the COVID-19 pandemic began but rebounded quickly.
Elective surgeries were banned in Oregon from March 23 to May 1.



Communicating the data

With hospital financial and utilization data, it's typically more meaningful to compare the same quarter across years. Learn more on page 3.

In these line charts, markers are used to emphasize the Q2 data points.

[1] Hospitals that provide medical care and other related services for surgery, acute medical conditions or injuries

Regular reporting

Quarterly Report and Dashboard

OHA publishes short quarterly reports that summarize recent trends and provide high-level policy analysis. These reports are available on the Hospital Reporting Program webpage under the "Hospital Financial and Utilization Quarterly" dropdown menu.

Along with each quarterly report, OHA updates an interactive dashboard. The dashboard allows users to visually explore trends over time on several key financial and utilization metrics. The dashboard shows data for all hospitals combined, as well as broken out by different hospital types.[2] Each quarterly update includes the most recent quarter's data and data from the last ten years.

A second dashboard shows data in table format for each of the 60 individual hospitals.

Raw data

Finally, users can download all available financial and utilization data back to 2007 in Excel format. This includes data by month at more granular levels of detail than what is shown in the quarterly report and dashboard. For example, while the dashboard shows "net patient revenue" the raw data include all the individual fields that are used to calculate net patient revenue. Raw data also show information by payer (e.g., Medicaid, Medicare, commercial insurance).

The raw data can be downloaded from the Hospital Reporting Program webpage under the "Datasets" dropdown menu.

About the data

Overview of data elements

Key financial measures available from hospital financial and utilization data include things like:

- **Revenues:** The amount of money a hospital received from different sources
- **Expenses:** The amount of money it cost the hospital to operate
- **Operating margin:** A comparison of revenues to expenses, which tells you whether the hospital is operating at a profit or loss
- **Charity care:** [3] The stated value of care that the hospital provided for free to low-income patients

Utilization measures include the number of visits to the Emergency Department, the number of outpatient visits and surgeries, and the number of people who were discharged from an inpatient hospital stay.

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[2] Hospital types: **DRG** hospitals are large and typically urban; **Type A** hospitals are small (fewer than 50 beds) and located more than 30 miles from another hospital; **Type B** hospitals are also small, but located within 30 miles of another hospital.

[3] Note: "Charity care" is also an important field in Oregon's *hospital community benefit reporting* data. However, audited hospital financial data reports amounts **charged**, while community benefit data reports the **cost** hospitals incur for providing charity care.

For a full list of key metrics and definitions, read the *Hospital Financial and Utilization Trends Glossary*. A complete data dictionary can also be downloaded from the Hospital Reporting Program webpage (under "Datasets").

How the data are collected

Hospitals self-report monthly financial and utilization data to a database called Databank, which is managed by Oregon's main hospital trade group, the Oregon Association of Hospitals and Health Systems (OAHHS). Hospitals submit data covering the previous month by the 23rd day of the following month. For this reason, data are often incomplete upon initial submission and should be considered preliminary (learn more in *Things to remember when using hospital financial and utilization data* below).

Every three months, OAHHS makes these files available to OHA.

Databank is the name of the database where hospital financial and utilization data are collected and stored.

If you hear someone refer to "Databank" data, it means the same thing as *monthly Hospital Financial and Utilization data*.

Timing and frequency

OHA typically updates the dashboards and raw data files with a new quarter's worth of data about four months after the close of the quarter. For example, Quarter 1 data (January-March) are updated around July.

REALD and SOGI

REALD and SOGI[4] are types of standardized demographic information. REALD stands for: **R**ace, **E**thnicity and **L**anguage, **D**isability. SOGI stands for: **S**exual **O**rientation and **G**ender **I**dentity.

Since hospital financial and utilization data do not include person-level data, REALD and SOGI do not apply.

Things to remember when using hospital financial and utilization data

New data should be considered preliminary

Hospitals submit monthly data just three weeks after each month's end. Because this is a quick turnaround, data are usually incomplete, and the initial monthly submission is often adjusted in later months. While the information is still valuable to understand overall trends, it's important to understand that exact numbers will likely change slightly over the next few quarters.

Data grouped by quarter is usually more meaningful than looking at monthly trends

Data broken down by months can appear volatile with large month-to-month fluctuations, but these fluctuations typically smooth out when viewed by quarter. The Quarterly Report and Dashboard use quarters as the unit of analysis for this reason.

Hospitals experience seasonal patterns

Utilization (and corresponding financial impacts, like net patient revenue) usually follow seasonal patterns, so it's more meaningful to compare the same quarter across years rather than comparisons between successive quarters. For example, you should compare Q3 2019, Q3 2020, and Q3 2021, rather than Q1, Q2, and Q3 in 2021.

[4] As of this publication, only draft SOGI data collection standards have been released

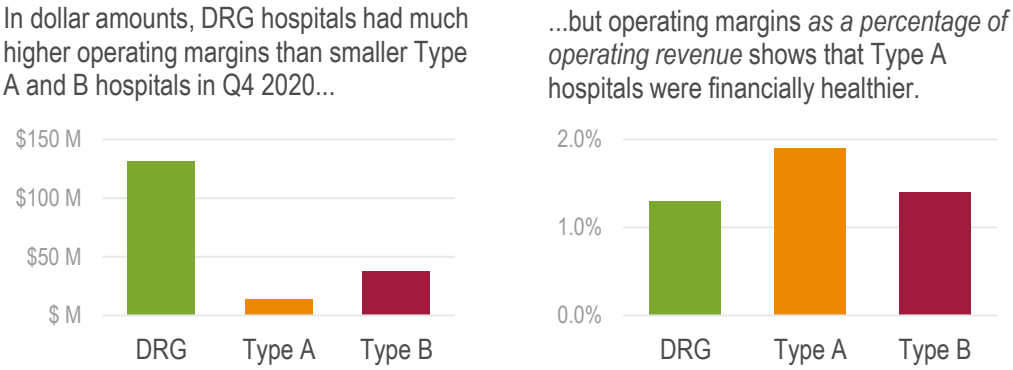
Hospitals vary greatly by size (and budget)

Revenues and other financial measures vary dramatically in dollar amounts across the 60 acute care inpatient hospitals that are reflected in hospital financial and utilization data. Some large DRG hospitals regularly have operating margins in the hundreds of millions of dollars, while smaller Type A and B hospitals have margins in the tens of millions. So, when comparing across hospitals or hospital types, it's better to look at percentage rates rather than raw dollar amounts.

Margins (also known as profits) means the difference between revenues and expenses.

The Quarterly Dashboard includes several measures calculated as rates. For example, you can look at operating margins *as a percentage of operating revenue*. That tells you what percentage of the money that the hospital earned through hospital services (operating revenue) it got to keep as profit (operating margin) and is a better measure of overall financial health than operating margins alone.

Figure 1. When comparing across hospital or hospital types, it's more meaningful to use percentage rates than dollar amounts.



Use caution when interpreting *total margin* and other non-operating financial measures

The raw hospital financial and utilization data (available for download in Excel) include financial measures that include money that's not accessible to the hospital. For example, total margin may include things like the value of employees' 401k retirement accounts and investments.

Requesting data

Full datasets are available for download on the Hospital Reporting Program webpage. For assistance with analysis, email HDD.Admin@odhsoha.oregon.gov.

Hospital financial and utilization data in action

Informing recommendations for Oregon's Sustainable Health Care Cost Growth Target Program

In 2019, the Oregon Legislature established the Sustainable Health Care Cost Growth Target Program, which aims to address the rising cost of health care by establishing shared goals and increasing transparency around total health care spending.

It took many years for the Legislature to arrive on this innovative policy solution. In 2017, the Oregon Legislature asked a Joint Task Force to explore whether Oregon should establish a rate-setting program focused exclusively on hospitals. The Task Force, which included researchers, policymakers, and health care industry representatives, spent almost a year studying the problem of rising health care costs and exploring whether a hospital rate-setting program was the right solution for Oregon.

To inform this work, OHA presented extensively using hospital financial and utilization data. These data helped the Task Force understand the overall financial landscape of Oregon's hospitals – including differences in how they are reimbursed, how they earn profits, and the types and volume of care they provide.

Ultimately, the Task Force recommended that a hospital rate-setting program was not the right solution for Oregon. Instead, they proposed that the Legislature establish a statewide health care cost growth target which applies not just to hospitals, but also to insurance companies and large health care provider organizations.

Having access to rich, timely, year-over-year hospital financial and utilization data helped policymakers understand and develop appropriate policy solutions for Oregon's unique health care landscape.

Timely financial data help legislators address a hospital crisis

Oregon's hospital financial and utilization data are the primary dataset the Legislature uses to understand current trends in hospital finances. A recent example demonstrating the value of these data occurred in September 2022, when the Joint Legislative Emergency Board convened to address a statewide crisis of hospital capacity and staffing. In addition to reviewing data related to staffing and available hospital beds, legislators were shown hospital financial data showing the widening gap between expenses and revenues.

As a result, the Emergency Board approved $35.4 million in funding to support increases in staffing and hospital capacity.

> **Based on data** published by OHA, the combined operating margin (profit) of Oregon's urban and rural acute care hospitals decreased by 85.5% in the fourth calendar year quarter of 2021. For the first quarter of 2022, the operating margin decreased another 302.7%, for a net loss of $103.5 million.
>
> *-Excerpt from 2022 E-Board presentation*

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- Found an error or something that needs to be updated in this document; or
- Would like this document in other languages, large print, braille, or a format you prefer.

Quick Facts

Name	Hospital Financial and Utilization data
Acronym	None, although people sometimes refer to the data as "Databank" which is the database where the data are collected and stored
Summary	Every month, Oregon's 60 acute-care inpatient hospitals submit data about their finances and utilization
Data type	Administrative
Populations	Level of analysis is hospitals in Oregon
Frequency	Monthly
Available since	2007
Required?	Yes (Oregon Revised Statute 442.400 to 442.463; and Oregon Administrative Rule 409-015)
Regular reporting	Interactive dashboard and summary reports, both updated quarterly.
Website	https://www.oregon.gov/oha/hpa/analytics/pages/hospital-reporting.aspx
To request data	n/a (available online)
General contact	HDD.Admin@odhsoha.oregon.gov
Lead staff	Steven Ranzoni
Security level[5]	Level 1 "Published" (low-sensitive information)
Data dictionary?	Yes. Available on Hospital Reporting Program webpage (under "Datasets")
REALD	n/a
SOGI	n/a
Suggested citation	Oregon Health Authority, Hospital Financial and Utilization (Databank) [YEAR]

[5] Learn more: https://www.oregon.gov/das/policies/107-004-050.pdf