

Oregon Acute Care Hospitals: Financial and Utilization Trends

2014 Q1

August 2014

Oregon Health Authority
Office of Health Analytics



About This Report

This report and subsequent quarterly updates will monitor and compare the financials and utilization of Oregon's hospitals through the upcoming period of health reform and market changes.

The report includes financial and utilization trends for different hospital cohorts: DRG hospitals, Type A hospitals, and Type B hospitals. Hospitals with 50 or fewer beds are classified as A or B depending on their distance from another acute inpatient care facility. DRG hospitals are primarily large, urban hospitals.

The Oregon Health Authority receives the data from each of Oregon's hospitals at the end of each quarter. The hospitals report the data to the Databank program and Hospital Discharge Database, state-mandated hospital reporting programs administered by Apprise Health Insights. The financial and utilization compares full year data in 2013 with previous calendar years.

Please note that all data are **self-reported** by each hospital and are not audited. (In some cases, hospitals also may revise previous Databank entries if finalized data were not available at the time of the original monthly report.) Accordingly, Databank data are not intended to serve as a substitute for annual audited financial statements and may not match the information in the hospital's audited financial statement. Additionally, DRG hospitals may account for the hospital assessment (provider tax) differently, which could lead to an overstatement of some revenues and expenses. For information on hospital's audited financials, please see:

www.oregon.gov/oha/OHPR/RSCH/pages/hospital_reporting.aspx#AUDITED_FINANCIALS_&_FR-3

Kaiser does not report financial information for its hospitals in Databank. Kaiser has an integrated system that makes it difficult to separate hospital financial information from other operations. As a result, the financial data in this report cover only 57 hospitals, while the utilization data includes all 59 hospitals. Kaiser Westside Medical Center opened in 2013 Q3. As a result, its utilization data is included in the totals for 2013, but may not be included in the list of hospitals on the right side of most pages because there is no data from previous years to compare to.

Additional Data

Supplemental quarterly hospital data from Databank not included in this report can be found on our website: www.oregon.gov/oha/OHPR/RSCH/Pages/databank.aspx

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Operating Margin

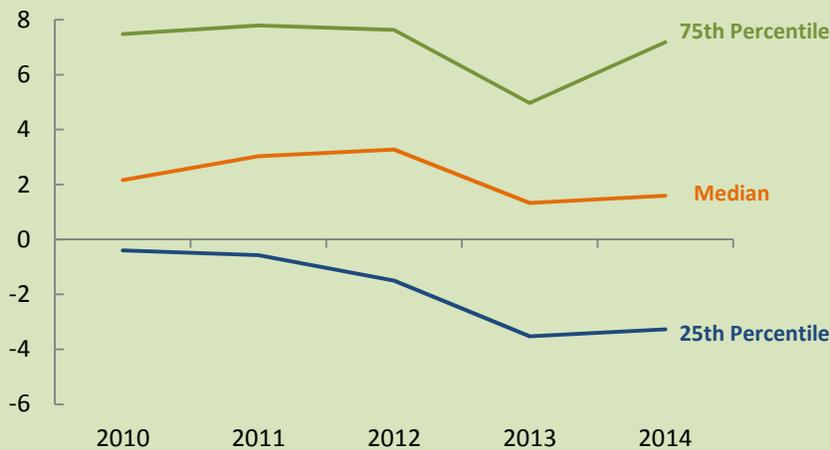
Operating margin measures the financial performance of a hospital's daily operating activities.

Operating margin is calculated as a ratio of operating revenue minus operating costs divided by total operating revenue. Operating revenue includes revenue received from patient care activities as well as other sources, such as cafeteria sales, gift shop sales, and research grants, but does not include investments or taxes.

If total operating revenue exceeds operating costs, the ratio will be positive and the hospital is operating at a profit. If operating revenue is less than operating expenses, the hospital is operating at a loss and will have a negative operating margin.

Many factors affect a hospital's operating margin including utilization, medical case mix, labor costs, range of services provided, and payer mix.

Oregon Hospital Operating Margin Q1(%)



- The first quarter of 2014 show the median operating income for first quarters to improve after falling sharply in 2013. The upper 25% of all hospitals showed strong growth while the lower 25% of hospitals continue to post negative margins.
- 34 hospitals (58%) reported higher first quarter operating margins than 2013 first quarter results.
- 27 hospitals (46%) in total report a negative operating margin. Seven DRG hospitals (24%), 12 Type B (60%) and 8 Type A (66%).

Median Operating Margin by Cohort Q1 (%)

	2010	2011	2012	2013	2014
Statewide (57 hospitals)	2.2	3.0	3.3	1.3	1.6
DRG (25 hospitals)	5.3	6.3	5.8	3.7	4.8
Type B (20 hospitals)	0.3	2.5	0.4	-0.6	-1.5
Type A (12 hospitals)	1.8	2.4	2.2	-0.7	-2.7

Operating Margin 2014 Q1 (%)

DRG Hospitals

PeaceHealth Sacred Heart Riverbend	17.6
Willamette Valley Med Ctr	16.4
Providence St Vincent Med Ctr	10.2
Legacy Mt Hood Med Center	9.9
Asante Rogue Med Center	9.9
Providence Willamette Falls	8.0
Mercy Med Center	7.2
St Charles - Bend	7.2
Sky Lakes Med Center	6.6
Asante Three Rivers Med Center	5.8
OHSU Hospital	5.6
McKenzie-Willamette Med Ctr	4.0
Salem Hospital	3.8
Providence Milwaukie Hospital	3.7
Legacy Emanuel Med Center	3.5
Legacy Good Samaritan Med Ctr	3.5
Bay Area Hospital	1.6
Providence Portland Med Center	0.2
Tuality Healthcare	-0.1
Samaritan Albany Hospital	-0.7
Legacy Meridian Park Med Center	-1.5
Good Samaritan Regional Med Ctr	-2.3
Providence Medford Med Center	-2.5
Adventist Med Center	-3.0
PeaceHealth Sacred Heart University	-15.8

Type B Hospitals

PeaceHealth Cottage Grove	21.5
PeaceHealth Peace Harbor	11.3
Providence Newberg Med Center	11.2
St Charles - Redmond	8.6
Mid-Columbia Med Center	7.9
Columbia Memorial Hospital	6.8
West Valley Hospital	5.3
St Charles - Madras*	2.4
Silverton Hospital	-1.0
Pioneer Memorial Prineville	-1.2
Samaritan Pacific Comm Hospital*	-1.8
Providence Seaside Hospital*	-2.6
Providence Hood River Hospital	-3.3
Samaritan Lebanon Hospital	-3.9
Southern Coos Hospital*	-6.7
Ashland Comm Hospital	-7.8
Samaritan North Lincoln Hospital*	-9.2
Santiam Memorial Hospital	-12.5
Coquille Valley Hospital*	-12.6
Lower Umpqua Hospital*	-17.2

Type A Hospitals

St Anthony Hospital	14.4
Harney District Hospital*	11.0
Good Shepherd Med Center	10.4
Grande Ronde Hospital	2.4
Tillamook County Gen Hospital	-1.3
Blue Mountain Hospital*	-1.8
Curry General Hospital*	-3.5
Lake District Hospital*	-4.4
St Alphonsus Med Ctr Ontario	-5.9
St Alphonsus Med Ctr Baker City	-8.7
Wallowa Memorial Hospital*	-15.2
Pioneer Memorial Heppner*	-20.1

*Health district hospital

Source: Databank

Total Margin

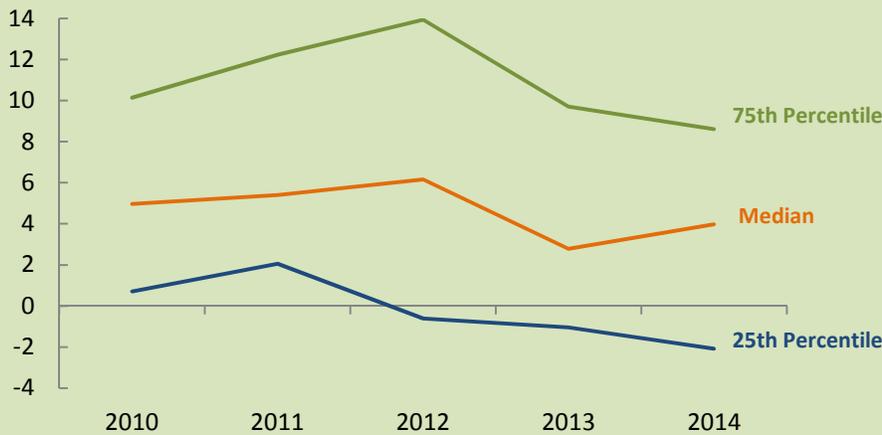
Total margin measures the overall financial performance of a hospital.

Total margin is calculated as a ratio of total revenue minus operating costs divided by total revenue. Unlike operating margin, total margin includes non-operating income or losses. These revenues or expenses are peripheral transactions outside of a hospital's daily activities, such as investments and tax revenues.

Total margin may differ significantly from the operating margin if substantial amounts of non-operating revenue or expenses are reported. For example, many of Oregon's rural hospitals are operated by health districts, which collect property tax revenue from local residents to support the hospital. These tax revenues are considered non-operating income and can significantly increase a hospital's total margin compared to its operating margin.

Some hospitals do not regularly report non-operating revenue. Therefore, the total margin for these hospitals equals the operating margin.

Oregon Hospital Total Margin Q1 (%)



- Eight hospitals did not report non-operating income to Databank in 2014, similar to 2013.
- 12 hospitals (20%) reported total margins greater than 10 percent in the first quarter of 2014, compared to 11 for first quarter of 2013.
- Twenty-two hospitals (37%) reported negative total margins in the first quarter, compared with 17 for the first quarter of 2013.
- Twenty-seven (45%) reported total margins in the first quarter of 2014 that exceeded those for quarter one of 2013.
- DRG and Type A hospitals showed strong average total margins, while Type B hospitals struggled in the first quarter.

Median Total Margin by Cohort Q1 (%)

	2010	2011	2012	2013	2014
Statewide (57 hospitals)	5.0	5.5	6.0	2.7	4.2
DRG (25 hospitals)	7.3	6.6	7.9	6.3	4.9
Type B (20 hospitals)	1.8	3.0	2.0	0.4	-0.6
Type A (12 hospitals)	4.0	6.5	11.6	5.5	2.5

Total Margin 2014 Q1 (%)

DRG Hospitals	
PeaceHealth Sacred Heart Riverbend	17.9
Willamette Valley Med Ctr	16.4
St Charles - Bend	14.1
Asante Rogue Med Center	11.5
Legacy Mt Hood Med Center	10.9
Providence St Vincent Med Ctr	10.2
Mercy Med Center	9.8
Asante Three Rivers Med Center	9.0
Providence Willamette Falls	8.0
Sky Lakes Med Center	6.6
OHSU Hospital	6.6
Legacy Good Samaritan Med Ctr	6.1
Salem Hospital	4.9
Legacy Emanuel Med Center	4.5
Legacy Meridian Park Med Center	4.2
McKenzie-Willamette Med Ctr	4.0
Bay Area Hospital	3.9
Providence Milwaukie Hospital	3.7
Tuality Healthcare	2.7
Providence Portland Med Center	0.3
Samaritan Albany Hospital	-0.6
Good Samaritan Regional Med Ctr	-2.1
Providence Medford Med Center	-2.5
Adventist Med Center	-3.0
PeaceHealth Sacred Heart University	-15.2

Type B Hospitals	
PeaceHealth Cottage Grove	21.5
PeaceHealth Peace Harbor	11.8
Providence Newberg Med Center	11.2
St Charles - Redmond	8.6
Mid-Columbia Med Center	8.3
Columbia Memorial Hospital	7.0
West Valley Hospital	5.4
St Charles - Madras*	2.5
Southern Coos Hospital*	-0.1
Samaritan Pacific Comm Hospital*	-0.2
Pioneer Memorial Prineville	-1.0
Silverton Hospital	-1.1
Providence Seaside Hospital*	-2.6
Samaritan Lebanon Hospital	-3.2
Providence Hood River Hospital	-3.3
Coquille Valley Hospital*	-5.2
Samaritan North Lincoln Hospital*	-6.4
Lower Umpqua Hospital*	-6.5
Ashland Comm Hospital	-7.8
Santiam Memorial Hospital	-12.4

Type A Hospitals	
St Anthony Hospital	16.2
Good Shepherd Med Center	12.1
Harney District Hospital*	12.1
Blue Mountain Hospital*	6.9
Pioneer Memorial Heppner*	4.9
Grande Ronde Hospital	4.3
Tillamook County Gen Hospital	0.8
Curry General Hospital*	-0.9
Lake District Hospital*	-1.8
St Alphonsus Med Ctr Ontario	-3.7
Wallowa Memorial Hospital*	-6.0
St Alphonsus Med Ctr Baker City	-7.4

*Health district hospital Source: Databank

Payer Mix

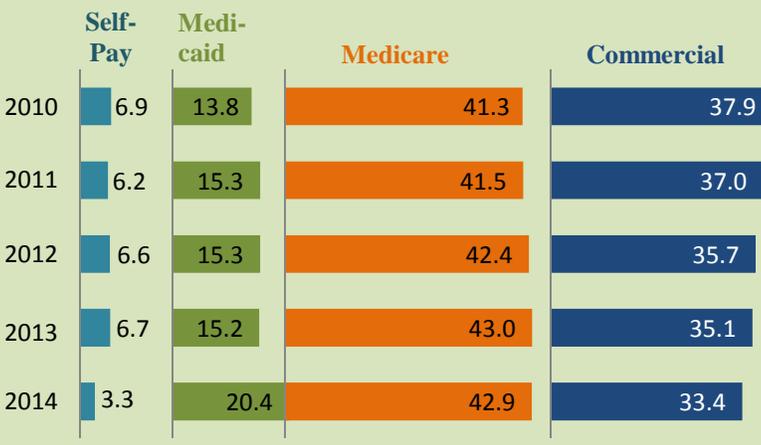
Hospital **payer mix** is one way to measure the volume that a hospital receives from each type of payer, such as Medicare, Medicaid, or private insurance. Payer mix is measured as the percentage of gross patient revenue from Medicare, Medicaid, commercial insurance, and self pay.

Hospital payer mix is an important factor in understanding a hospital's financial performance because some payers pay more per service than others. Commercial insurers, as a group, often pay the highest reimbursement to hospitals. Medicare frequently pays less than commercial insurers, and Medicaid generally pays hospitals the same or less than Medicare. A hospital's payer mix tends to be linked to the demographics of the surrounding community.

Oregon's expansion of Medicaid under the Affordable Care Act is expected to increase payments to hospitals from Medicaid. Similarly, the Affordable Care Act is expected to increase the number of individuals with commercial insurance. As a result, self pay could become a smaller part hospitals' payer mix.

Statewide Payer Mix Q1

Percentage of gross patient revenue by payer



- The first quarter of 2014 displayed a significant increase in Medicaid patient revenue and a significant decrease in self pay patient revenue. These were expected effects of the Medicaid expansion under the Affordable Care Act roll out on Jan 1st of 2014.
- DRG hospitals average 64% of their revenue from Medicare and Medicaid, type A and type B average 64% and 68% respectively.

Median Medicaid Share of Patient Revenue by Cohort Q1

As percentage of gross patient revenue

	2010	2011	2012	2013	2014
Statewide (57 hospitals)	12.7	15.0	14.8	15.0	19.3
DRG (25 hospitals)	12.4	14.9	14.5	14.7	19.4
Type B (20 hospitals)	12.9	15.5	15.3	15.2	20.5
Type A (12 hospitals)	13.9	15.0	15.1	16.5	18.2

Payer Mix 2014 Q1

As percentage of gross patient revenue

DRG Hospitals	Medicaid	Medicare	Total
Providence Medford Med Center	19	55	75
PeaceHealth Sacred Heart University	23	51	73
Mercy Med Center	20	53	73
Asante Three Rivers Med Center	20	52	71
Willamette Valley Med Ctr	22	49	70
Sky Lakes Med Center	19	50	69
Bay Area Hospital	16	52	69
Legacy Mt Hood Med Center	27	41	69
St Charles - Bend	16	52	68
PeaceHealth Sacred Heart Riverbend	20	48	68
Asante Rogue Med Center	18	50	68
Salem Hospital	19	49	68
Good Samaritan Regional Med Ctr	15	50	65
Tuality Healthcare	19	45	64
Samaritan Albany Hospital	20	44	64
Legacy Good Samaritan Med Ctr	15	48	63
Providence Portland Med Center	18	44	62
Providence Milwaukie Hospital	20	41	61
Adventist Med Center	16	45	61
Legacy Meridian Park Med Center	10	50	59
Providence Willamette Falls	22	37	59
Legacy Emanuel Med Center	38	20	58
OHSU Hospital	25	31	56
Providence St Vincent Med Ctr	13	41	55
Shriners	51	0	51
McKenzie-Willamette Med Ctr	19	26	45
Type B Hospitals			
Southern Coos Hospital*	13	69	82
PeaceHealth Peace Harbor	14	65	78
PeaceHealth Cottage Grove	24	50	74
Lower Umpqua Hospital*	18	56	74
Providence Seaside Hospital*	23	50	73
Coquille Valley Hospital*	12	60	72
Pioneer Memorial Prineville	25	47	72
Samaritan Lebanon Hospital	25	46	71
Samaritan Pacific Comm Hospital*	23	47	70
Samaritan North Lincoln Hospital*	22	46	68
Mid-Columbia Med Center	18	50	68
St Charles - Redmond	24	43	67
Ashland Comm Hospital	13	53	66
Columbia Memorial Hospital	18	48	65
West Valley Hospital	23	42	65
St Charles - Madras*	32	32	64
Santiam Memorial Hospital	19	44	63
Providence Hood River Hospital	17	42	60
Providence Newberg Med Center	19	39	58
Silverton Hospital	27	30	56
Type A Hospitals			
St Alphonsus Med Ctr Baker City	23	51	73
Curry General Hospital*	17	54	71
Wallowa Memorial Hospital*	16	54	70
St Alphonsus Med Ctr Ontario	23	47	70
Harney District Hospital*	23	44	67
Blue Mountain Hospital*	18	48	66
Pioneer Memorial Heppner*	16	50	66
Grande Ronde Hospital	20	41	61
Tillamook County Gen Hospital	16	44	61
Good Shepherd Med Center	23	37	60
Lake District Hospital*	11	44	55
St Anthony Hospital	18	35	53

*Health district hospital

Source: Databank

Charity Care

Charity care is the total amount of health care services, based on full, established charges, provided to patients who are determined by the hospital to be unable to pay for the cost of health care services. Charity care is reported as a percentage of gross patient revenue to control for changes in hospital income and spending as well as hospital size.

In general, charity care is an indicator of (1) the need for care among people who are unable to pay and (2) the willingness and capacity of health care providers to absorb the impacts of making such care available. Interpreting the level of charity care across hospitals, however, is difficult. Hospitals do not apply a uniform set of guidelines for determining eligibility for free or discounted care. Accordingly, small amounts of uncompensated care could reflect a hospital's strict eligibility criteria or of little need for free care in the hospital's community.

To maintain their tax-exempt status, non-profit hospitals are expected to provide benefits to their communities, including charity care. All of Oregon's hospitals are non-profit except for McKenzie-Willamette and Willamette Valley.

Oregon Hospital Charity Care Q1

As percentage of gross patient revenue



- Total charity care as a percent of gross patient revenue fell significantly in the first quarter of 2014, an expected effect of the Affordable Care Act provisions taking effect on Jan 1st, 2014.
- In the first quarter of 2014, total charity care charges fell to \$133M compared to \$203M in the first quarter of 2013.
- 51 hospitals (86%) reported charity care levels lower in the first quarter of 2014 than in the first quarter of 2013.

Median Charity Care by Cohort Q1

As percentage of gross patient revenue

	2010	2011	2012	2013	2014
Statewide (57 hospitals)	4.4	4.0	4.0	3.9	2.3
DRG (25 hospitals)	4.8	4.1	4.3	4.0	2.4
Type B (20 hospitals)	5.7	3.8	3.5	3.6	2.1
Type A (12 hospitals)	2.8	3.2	3.3	3.2	1.9

Charity Care 2014 Q1

As percentage of gross patient revenue

DRG Hospitals

Providence Medford Med Center	4.1
PeaceHealth Sacred Heart University	4.0
Adventist Med Center	4.0
Legacy Emanuel Med Center	3.7
Providence Milwaukie Hospital	3.5
Sky Lakes Med Center	3.5
Tuality Healthcare	3.2
Legacy Mt Hood Med Center	3.1
Asante Three Rivers Med Center	2.8
OHSU Hospital	2.8
Providence St Vincent Med Ctr	2.7
Legacy Meridian Park Med Center	2.5
PeaceHealth Sacred Heart Riverbend	2.4
Asante Rogue Med Center	2.3
Providence Portland Med Center	2.3
Legacy Good Samaritan Med Ctr	2.3
Salem Hospital	2.2
Providence Willamette Falls	1.8
Good Samaritan Regional Med Ctr	1.6
Samaritan Albany Hospital	1.5
St Charles - Bend	1.3
Mercy Med Center	1.2
Bay Area Hospital	0.6
Willamette Valley Med Ctr	0.5
McKenzie-Willamette Med Ctr	0.4

Type B Hospitals

Silverton Hospital	6.1
Providence Hood River Hospital	4.0
Mid-Columbia Med Center	3.3
Samaritan North Lincoln Hospital*	3.3
Lower Umpqua Hospital*	3.3
West Valley Hospital	3.0
Providence Newberg Med Center	2.5
Samaritan Pacific Comm Hospital*	2.4
PeaceHealth Peace Harbor	2.3
Samaritan Lebanon Hospital	2.3
PeaceHealth Cottage Grove	2.0
Providence Seaside Hospital*	2.0
St Charles - Madras*	2.0
Santiam Memorial Hospital	1.9
Ashland Comm Hospital	1.7
Pioneer Memorial Prineville	1.7
St Charles - Redmond	1.6
Southern Coos Hospital*	0.8
Columbia Memorial Hospital	0.7
Coquille Valley Hospital*	0.3

Type A Hospitals

Tillamook County Gen Hospital	4.2
Good Shepherd Med Center	4.1
St Alphonsus Med Ctr Ontario	4.0
Grande Ronde Hospital	2.4
St Anthony Hospital	2.2
St Alphonsus Med Ctr Baker City	2.0
Curry General Hospital*	1.8
Pioneer Memorial Heppner*	1.5
Harney District Hospital*	1.3
Wallowa Memorial Hospital*	1.1
Lake District Hospital*	1.0
Blue Mountain Hospital*	0.6

*Health district hospital Source: Databank

Bad Debt

Bad debt is the unpaid obligation for care, based on a hospital's full, established charges, for which the hospital expects payment but is unable to collect.

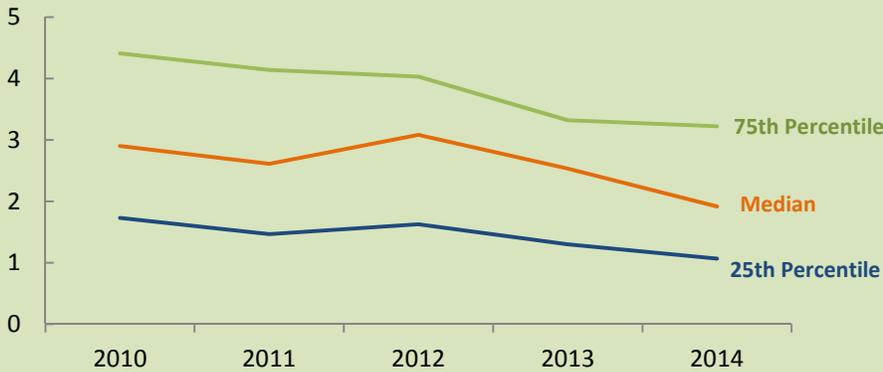
Bad debt arises when a patient has either not requested financial assistance or does not qualify for financial assistance. For uninsured patients, the amount of bad debt can pertain to all or any portion of the bill that is not paid. For insured patients, certain amounts that are the patient's responsibility, such as deductibles and coinsurance, are also counted as bad debt if not paid.

In general, bad debt is an indicator of employment and insurance trends in a community as well as a hospital's charity care and collection practices.

Under the Affordable Care Act, bad debt likely will decrease as insurance coverage expands. Obtaining insurance coverage, however, does not necessarily mean an individual will be able to pay the entire cost of their hospital bill. While the Affordable Care Act's limits on out-of-pocket expenses and regulations for minimum coverage should prevent many insured individuals from being unable to pay their bill, some insured patients will continue to not pay.

Oregon Hospital Bad Debt Q1

As percentage of gross patient revenue



- Total bad debt peaked in Q1 of 2009 at \$106M and has since fallen to \$71M in Q1 of 2014.
- Overall, total bad debt in Oregon is down \$28M from Q1 2013 (\$99M), or 1.9% of total charges.
- 33 hospitals (57%) reported reduced bad debt from 1Q 2013.
- In general, Type A and B hospitals report a greater percentage of total charges as bad debt. This remains true in 1Q 2014, with rural hospitals having nearly twice the bad debt as a percent share that DRG hospitals have.

Median Bad Debt by Cohort Q1

As percentage of gross patient revenue

	2010	2011	2012	2013	2014
Statewide (57 hospitals)	2.9	2.6	3.1	2.5	1.9
DRG (25 hospitals)	1.9	2.1	2.0	2.3	1.2
Type B (20 hospitals)	3.1	3.7	4.6	3.0	2.4
Type A (12 hospitals)	3.9	2.4	3.1	2.6	2.7

Bad Debt 2014 Q1

As percentage of gross patient revenue

DRG Hospitals

Tuality Healthcare	3.7
Bay Area Hospital	3.6
McKenzie-Willamette Med Ctr	3.2
Sky Lakes Med Center	3.1
Legacy Mt Hood Med Center	2.4
Salem Hospital	2.4
Willamette Valley Med Ctr	2.3
Providence Milwaukie Hospital	2.2
Mercy Med Center	2.0
OHSU Hospital	1.5
Good Samaritan Regional Med Ctr	1.4
Samaritan Albany Hospital	1.4
Legacy Meridian Park Med Center	1.2
Providence Portland Med Center	1.1
St Charles - Bend	1.0
Providence Willamette Falls	0.9
Adventist Med Center	0.9
Providence St Vincent Med Ctr	0.9
Asante Three Rivers Med Center	0.7
Legacy Emanuel Med Center	0.5
Legacy Good Samaritan Med Ctr	0.5
Providence Medford Med Center	0.3
PeaceHealth Sacred Heart University	-0.1
Asante Rogue Med Center	-0.3
PeaceHealth Sacred Heart Riverbend	-0.3

Type B Hospitals

St Charles - Madras*	6.1
Coquille Valley Hospital*	5.4
Southern Coos Hospital*	4.3
Santiam Memorial Hospital	4.3
West Valley Hospital	4.1
PeaceHealth Cottage Grove	4.0
Columbia Memorial Hospital	3.8
Samaritan North Lincoln Hospital*	3.7
Ashland Comm Hospital	2.7
St Charles - Redmond	2.6
Providence Seaside Hospital*	2.1
Samaritan Pacific Comm Hospital*	1.9
Pioneer Memorial Prineville	1.9
PeaceHealth Peace Harbor	1.9
Providence Newberg Med Center	1.7
Samaritan Lebanon Hospital	1.7
Mid-Columbia Med Center	1.2
Providence Hood River Hospital	1.1
Lower Umpqua Hospital*	-0.5
Silverton Hospital	-1.3

Type A Hospitals

Blue Mountain Hospital*	4.8
Harney District Hospital*	4.4
Good Shepherd Med Center	3.9
Pioneer Memorial Heppner*	3.2
St Alphonsus Med Ctr Baker City	3.2
Lake District Hospital*	2.8
St Alphonsus Med Ctr Ontario	2.6
St Anthony Hospital	2.4
Wallowa Memorial Hospital*	1.8
Grande Ronde Hospital	1.1
Tillamook County Gen Hospital	1.1
Curry General Hospital*	-0.4

*Health district hospital Source: Databank

Uncompensated Care

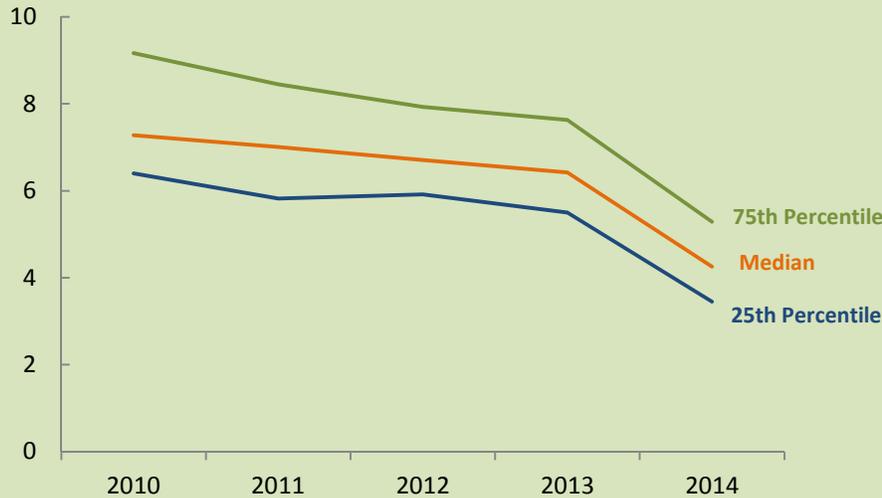
Total uncompensated care is the total of charity care *and* bad debt charges. It measures the total amount of care hospitals provide without receiving payment.

Total uncompensated care may provide a better indicator of the level of care hospitals provide to those unable to pay than looking at charity care and bad debt separately. This is because hospitals often have different methods of distinguishing between bad debt and charity care.

For example, some hospitals have less restrictive eligibility criteria for charity care or a very effective process for identifying charity care patients at the time of service. This likely results in greater charity care charges and less bad debt. At other hospitals, patients' bills may be more likely to be classified as bad debt because the hospital has a more restrictive financial assistance policy or does not have the systems or resources necessary to properly identify patients eligible for charity care.

Oregon Hospital Total Uncompensated Care Q1

as percentage of gross patient revenue



- As a combination of charity care and bad debt, total uncompensated care follows the trends in those categories. The reduction in total uncompensated care shown above is mostly attributed to reductions in uninsured hospitalizations in 2014.
- In 2014, 53 hospitals (88%) reported a lower percent of uncompensated care in the first quarter of 2014 compared to the first quarter of 2013.

Median Uncompensated Care by Cohort Q1

As percentage of gross patient revenue

	2010	2011	2012	2013	2014
Statewide (57 hospitals)	7.3	7.0	6.7	6.4	4.3
DRG (25 hospitals)	7.0	6.3	6.5	6.5	3.6
Type B (20 hospitals)	8.4	8.0	7.6	6.5	4.5
Type A (12 hospitals)	6.8	6.6	6.4	6.0	5.0

Uncompensated Care 2014 Q1

As percentage of gross patient revenue

DRG Hospitals

Tuality Healthcare	7.0
Sky Lakes Med Center	6.6
Providence Milwaukie Hospital	5.7
Legacy Mt Hood Med Center	5.6
Adventist Med Center	4.9
Salem Hospital	4.6
Providence Medford Med Center	4.4
OHSU Hospital	4.3
Bay Area Hospital	4.2
Legacy Emanuel Med Center	4.2
PeaceHealth Sacred Heart University	3.9
Legacy Meridian Park Med Center	3.7
Providence St Vincent Med Ctr	3.6
McKenzie-Willamette Med Ctr	3.6
Asante Three Rivers Med Center	3.4
Providence Portland Med Center	3.4
Mercy Med Center	3.2
Good Samaritan Regional Med Ctr	3.0
Samaritan Albany Hospital	2.9
Willamette Valley Med Ctr	2.8
Providence Willamette Falls	2.8
Legacy Good Samaritan Med Ctr	2.7
St Charles - Bend	2.3
PeaceHealth Sacred Heart Riverbend	2.1
Asante Rogue Med Center	2.1

Type B Hospitals

St Charles - Madras*	8.1
West Valley Hospital	7.1
Samaritan North Lincoln Hospital*	7.0
Santiam Memorial Hospital	6.2
PeaceHealth Cottage Grove	6.0
Coquille Valley Hospital*	5.7
Providence Hood River Hospital	5.1
Southern Coos Hospital*	5.1
Silverton Hospital	4.8
Mid-Columbia Med Center	4.5
Columbia Memorial Hospital	4.5
Ashland Comm Hospital	4.5
Samaritan Pacific Comm Hospital*	4.4
Providence Newberg Med Center	4.2
PeaceHealth Peace Harbor	4.2
St Charles - Redmond	4.2
Providence Seaside Hospital*	4.1
Samaritan Lebanon Hospital	3.9
Pioneer Memorial Prineville	3.6
Lower Umpqua Hospital*	2.8

Type A Hospitals

Good Shepherd Med Center	8.0
St Alphonsus Med Ctr Ontario	6.6
Harney District Hospital*	5.7
Blue Mountain Hospital*	5.4
Tillamook County Gen Hospital	5.3
St Alphonsus Med Ctr Baker City	5.2
Pioneer Memorial Heppner*	4.8
St Anthony Hospital	4.6
Lake District Hospital*	3.8
Grande Ronde Hospital	3.5
Wallowa Memorial Hospital*	2.8
Curry General Hospital*	1.4

*Health district hospital

Source: Databank

Inpatient Discharges

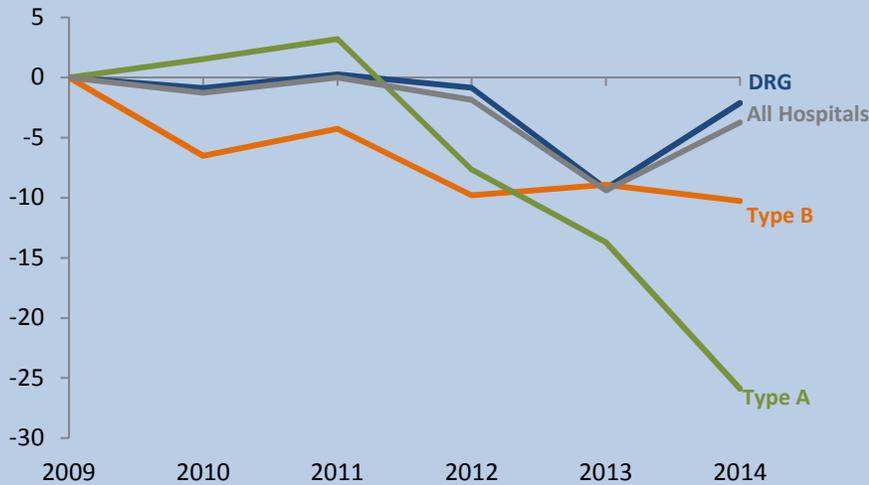
An **inpatient discharge** is the formal release of the patient after lodging for at least one full day.

Inpatient discharges are a common measure of hospital utilization. Many factors can affect the level of hospital discharges including changes in population, offered services, and competition from other hospitals or ambulatory surgery centers.

Several health reform initiatives--improved primary care and penalties for readmissions, for example--could reduce hospital admissions. At the same time, expanded insurance coverage could increase the number of individuals seeking hospital care.

First Quarter Discharges Compared to 2009 Q1

(% Change)



- Statewide, discharges have maintained an approximate 1% year to year decline since 2009.
- The large drop in 1Q2013 discharges was due to records lost during several facilities record system upgrades, and not due to actual major drops in discharges.
- 10 out of 12 Type A hospitals lost significant discharges from 1Q 2013.
- Asante and Providence facilities on the right with significant increases in 1Q 2014 discharges had data reporting issues in 1Q 2013. Their large increases can be attributed to missing records in 2013.

Acute Inpatient Discharges by Cohort Q1

	2010	2011	2012	2013	2014
Statewide (58 hospitals) ¹	92,132	93,306	91,574	84,555	89,837
DRG (26 hospitals) ¹	81,009	81,945	81,047	74,178	80,009
Type B (20 hospitals)	7,436	7,614	7,174	7,244	7,137
Type A (12 hospitals)	3,687	3,747	3,353	3,133	2,691

¹2013 includes 59 statewide hospitals and 27 DRG hospitals due to Kaiser Westside.

Inpatient Discharges (% Change)

2014 Q1 to 2013 Q1

DRG Hospitals	
Asante Three Rivers Med Center	52.4
Asante Rogue Med Center	49.4
Providence St Vincent Med Ctr	45.2
Providence Portland Med Center	43.0
Providence Willamette Falls	16.4
PeaceHealth Sacred Heart University	16.3
Sky Lakes Med Center	6.9
Bay Area Hospital	4.6
Providence Medford Med Center	2.9
Adventist Med Center	2.2
PeaceHealth Sacred Heart Riverbend	2.0
McKenzie-Willamette Med Ctr	1.6
Legacy Meridian Park Med Center	1.2
Salem Hospital	1.1
Good Samaritan Regional Med Ctr	0.4
Kaiser Westside Med Ctr	0.0
Mercy Med Center	-1.0
St Charles - Bend	-1.4
Legacy Mt Hood Med Center	-5.7
Tuality Healthcare	-6.4
OHSU Hospital	-6.9
Legacy Good Samaritan Med Ctr	-7.3
Samaritan Albany Hospital	-7.8
Legacy Emanuel Med Center	-8.4
Willamette Valley Med Ctr	-9.2
Kaiser Sunnyside Med Center	-25.0
Providence Milwaukie Hospital	-25.4

Type B Hospitals	
Southern Coos Hospital*	70.6
Providence Seaside Hospital*	37.7
Lower Umpqua Hospital*	30.3
PeaceHealth Cottage Grove	17.2
Santiam Memorial Hospital	12.9
Providence Newberg Med Center	10.0
PeaceHealth Peace Harbor	10.0
Columbia Memorial Hospital	8.0
Ashland Comm Hospital	5.0
Pioneer Memorial Prineville	1.8
St Charles - Redmond	1.1
Silverton Hospital	-2.5
Mid-Columbia Med Center	-5.0
Samaritan Lebanon Hospital	-9.6
Providence Hood River Hospital	-10.0
West Valley Hospital	-18.6
Samaritan North Lincoln Hospital*	-20.9
Coquille Valley Hospital*	-22.4
St Charles - Madras*	-26.4
Samaritan Pacific Comm Hospital*	-26.6

Type A Hospitals	
Tillamook County Gen Hospital	2.4
Wallowa Memorial Hospital*	2.1
Lake District Hospital*	-5.5
Harney District Hospital*	-7.7
St Alphonsus Med Ctr Ontario	-8.0
Blue Mountain Hospital*	-10.4
Grande Ronde Hospital	-15.2
St Anthony Hospital	-15.8
Curry General Hospital*	-27.4
St Alphonsus Med Ctr Baker City	-28.0
Good Shepherd Med Center	-29.2
Pioneer Memorial Heppner*	-38.9

*District Hospital Source: Discharge Database

Average Length of Stay

The **average length of stay** measures the average amount of time an admitted patient spends in the hospital until being discharged. The average length of stay is calculated as the total number of acute patient days in the hospital divided by the number of acute discharges.

Reducing the length of stay is generally considered one way to improve efficiency and reduce costs. Comparing average length of stay across hospitals, however, has its limitations because the optimal length of stay depends on the mix of diagnoses and procedures that a hospital encounters.

Tracking hospitals' length of stay could help identify whether broad changes in hospitalization are occurring under health reform. Assessing the cause of those changes, however, may not be straightforward. A reduction in the average length of stay could indicate that a hospital has improved its efficiency—for example, eliminating delays or discharging patients to less costly levels of care. On the other hand, it also could mean an increase in hospitalizations for minor cases with very short stays.

Oregon Hospital Median Length of Stay 1Q



- Average length of stay has not changed much over time, as the median for all hospitals has been around 3 days for the last 5 years.
- Oregon's statewide average length of stay is well below the national average of 4.8 days, according to the Center for Disease Control and Prevention (CDC/NCHS National Hospital Discharge Survey, 2010).
- The length of stay is typically higher at DRG hospitals, with a median of 3.7 days in 2013 compared to 2.8 and 3.1 days at Type A and B hospitals, likely due to the mix of services provided.

Median Length of Stay by Year 1Q

	2010	2011	2012	2013	2014
Statewide (58 hospitals) ¹	3.2	3.3	3.1	3.2	3.2
DRG (26 hospitals) ¹	3.7	3.8	3.6	3.8	3.7
Type B (20 hospitals)	2.9	2.8	2.9	3.0	3.1
Type A (12 hospitals)	3.0	3.0	2.9	2.9	2.8

¹2013 includes 59 statewide hospitals and 27 DRG hospitals due to Kaiser Westside.

Average Length of Stay 1Q 2014 (Days)

DRG Hospitals

PeaceHealth Sacred Heart University	7.8
OHSU Hospital	5.7
Legacy Emanuel Med Center	5.5
Legacy Good Samaritan Med Ctr	4.8
Providence Portland Med Center	4.6
Asante Rogue Med Center	4.6
PeaceHealth Sacred Heart Riverbend	4.5
Salem Hospital	4.4
Good Samaritan Regional Med Ctr	4.4
Providence St Vincent Med Ctr	4.2
Providence Medford Med Center	4.2
Willamette Valley Med Ctr	4.1
Tuality Healthcare	3.9
Bay Area Hospital	3.7
Adventist Med Center	3.7
Sky Lakes Med Center	3.6
Mercy Med Center	3.6
St Charles - Bend	3.5
Kaiser Sunnyside Med Center	3.5
Legacy Mt Hood Med Center	3.3
McKenzie-Willamette Med Ctr	3.2
Legacy Meridian Park Med Center	3.2
Providence Milwaukie Hospital	3.2
Providence Willamette Falls	3.1
Asante Three Rivers Med Center	3.1
Samaritan Albany Hospital	3.0
Kaiser Westside Med Ctr	2.8

Type B Hospitals

Providence Seaside Hospital*	7.4
St Charles - Madras*	3.8
PeaceHealth Peace Harbor	3.4
Santiam Memorial Hospital	3.4
Samaritan Pacific Comm Hospital*	3.3
Mid-Columbia Med Center	3.3
Coquille Valley Hospital*	3.3
Samaritan Lebanon Hospital	3.2
Samaritan North Lincoln Hospital*	3.1
Ashland Comm Hospital	3.1
Lower Umpqua Hospital*	3.1
Providence Newberg Med Center	3.1
PeaceHealth Cottage Grove	3.0
Pioneer Memorial Prineville	3.0
St Charles - Redmond	2.8
Columbia Memorial Hospital	2.7
Southern Coos Hospital*	2.6
West Valley Hospital	2.6
Silverton Hospital	2.4
Providence Hood River Hospital	2.4

Type A Hospitals

Lake District Hospital*	3.6
Wallowa Memorial Hospital*	3.2
Pioneer Memorial Heppner*	3.1
Curry General Hospital*	3.0
St Anthony Hospital	3.0
St Alphonsus Med Ctr Ontario	2.9
Blue Mountain Hospital*	2.7
Harney District Hospital*	2.6
St Alphonsus Med Ctr Baker City	2.6
Grande Ronde Hospital	2.6
Tillamook County Gen Hospital	2.5
Good Shepherd Med Center	2.4

*District Hospital Source: Discharge Database

Emergency Department Visits

Emergency department visits are reported as the number of visits to the hospital emergency department by patients that are not then admitted into the hospital.

Many patients seek care in the emergency room that could be provided at a lower cost in an alternative setting. Additionally, some emergency department visits could be prevented with access to consistent, quality primary care.

One goal of health reform is to reduce avoidable emergency room visits through increased preventive care and care coordination. Under Oregon's health system transformation, Coordinated Care Organizations and the state are being held accountable for reducing emergency department utilization in Medicaid.

First Quarter Emergency Department Visits Compared to 2010 Q1
(% Change)



- First quarter ER visits have maintained a fairly consistent 1.5% year to year increase for the past 5 years.
- In the first quarter of 2014, ER visits hit a 5 year high nearly reaching 325K visits, up from about 316K visits in 1Q of 2013.
- Both DRG and Type B hospitals showed increased discharges compared to 1Q 2013, Type A hospitals saw a decrease in ER visits in the same time period. .

Emergency Visits by Year for Q1

	2010	2011	2012	2013	2014
Statewide (58 hospitals) ¹	304,474	312,313	317,339	316,489	324,477
DRG (26 hospitals) ¹	229,374	234,938	240,046	238,952	245,894
Type B (20 hospitals)	53,563	54,029	54,077	54,034	56,004
Type A (12 hospitals)	21,537	23,346	23,216	23,503	22,579

¹2013 includes 59 statewide hospitals and 27 DRG hospitals due to Kaiser Westside.

Emergency Visits (% Change)

2014 Q1 compared to 2013 Q1

DRG Hospitals

Asante Rogue Med Center	16.3
Good Samaritan Regional Med Ctr	14.6
St Charles - Bend	13.2
McKenzie-Willamette Med Ctr	10.9
Tuality Healthcare	7.2
Legacy Good Samaritan Med Ctr	6.4
Willamette Valley Med Ctr	5.5
Sky Lakes Med Center	5.0
Providence Milwaukie Hospital	3.8
Legacy Meridian Park Med Center	2.3
PeaceHealth Sacred Heart Riverbend	2.0
Samaritan Albany Hospital	1.8
Adventist Med Center	1.8
Legacy Mt Hood Med Center	0.9
PeaceHealth Sacred Heart University	0.8
Providence Medford Med Center	-0.1
Providence Willamette Falls	-0.1
Legacy Emanuel Med Center	-0.3
Salem Hospital	-0.9
Asante Three Rivers Med Center	-2.3
Providence Portland Med Center	-2.5
OHSU Hospital	-2.8
Kaiser Sunnyside Med Center	-2.9
Mercy Med Center	-4.2
Bay Area Hospital	-10.2
Providence St Vincent Med Ctr	-12.7

Type B Hospitals

Samaritan Pacific Comm Hospital*	31.6
Providence Hood River Hospital	18.0
Southern Coos Hospital*	14.8
Ashland Comm Hospital	14.4
Samaritan Lebanon Hospital	13.9
PeaceHealth Cottage Grove	9.6
Santiam Memorial Hospital	5.8
Providence Seaside Hospital*	5.4
Lower Umpqua Hospital*	5.3
Providence Newberg Med Center	4.5
Coquille Valley Hospital*	3.4
St Charles - Madras*	2.5
Silverton Hospital	0.7
PeaceHealth Peace Harbor	-0.2
St Charles - Redmond	-1.8
Mid-Columbia Med Center	-4.5
West Valley Hospital	-4.7
Samaritan North Lincoln Hospital*	-5.2
Pioneer Memorial Prineville	-6.4
Columbia Memorial Hospital	-8.0

Type A Hospitals

Harney District Hospital*	10.9
Lake District Hospital*	2.2
St Alphonsus Med Ctr Baker City	2.0
St Anthony Hospital	1.2
Curry General Hospital*	-0.7
Wallowa Memorial Hospital*	-0.9
St Alphonsus Med Ctr Ontario	-0.9
Pioneer Memorial Heppner*	-1.2
Grande Ronde Hospital	-3.2
Blue Mountain Hospital*	-3.3
Good Shepherd Med Center	-11.6
Tillamook County Gen Hospital	-13.5

*Health District Hospital

Source: Databank

Outpatient Discharges

Outpatient discharges represent surgeries or procedures performed at the hospital that do not require an overnight stay. These discharges consist primarily of non-emergency, planned services that result in the patient being treated and released in the same day.

Similar to inpatient visits, changes in population, offered services, and competition can affect a hospital's outpatient discharges. Several hospitals do not provide outpatient surgery services. Outpatient discharges, like inpatient, have been steadily declining for the past several years.

First Quarter Outpatient Discharges Compared to 2010 Q1
(% Change)



- In the first quarter, statewide outpatient discharges increased significantly from 1Q 2013, coming back in line with previous historical quarters. All hospital types saw more outpatient patients in 1Q 2014 than 1Q 2013.
- Forty hospitals (67%) reported year-to-year outpatient discharge growth.
- As shown on the right, Asante facilities experienced very large year-to-year changes. This is attributed to changes in reporting practice as opposed to major increase in discharges.

Outpatient Discharges by Year for Q1

	2010	2011	2012	2013	2014
Statewide (58 hospitals) ¹	68,366	62,427	64,770	56,288	66,319
DRG (27 hospitals) ¹	53,641	49,737	53,498	45,631	54,900
Type B (20 hospitals)	10,220	8,859	7,724	7,337	8,026
Type A (12 hospitals)	4,505	3,831	3,548	3,320	3,393

¹2013 includes 59 statewide hospitals and 27 DRG hospitals due to Kaiser Westside.

Outpatient Discharges (% Change)

2014 Q1 to 2013 Q1

DRG Hospitals

Asante Three Rivers Med Center	447.1
Asante Rogue Med Center	203.0
Kaiser Sunnyside Med Center	133.9
Providence St Vincent Med Ctr	75.1
Providence Portland Med Center	40.5
St Charles - Bend	21.5
Legacy Mt Hood Med Center	18.8
Sky Lakes Med Center	12.6
Willamette Valley Med Ctr	11.0
Providence Medford Med Center	10.0
Good Samaritan Regional Med Ctr	8.1
Mercy Med Center	6.1
Salem Hospital	5.0
OHSU Hospital	4.1
Adventist Med Center	3.9
Tuality Healthcare	3.1
Bay Area Hospital	0.7
Kaiser Westside Med Ctr	0.0
PeaceHealth Sacred Heart Riverbend	-1.2
Legacy Emanuel Med Center	-3.0
Providence Willamette Falls	-5.9
Providence Milwaukie Hospital	-6.4
Samaritan Albany Hospital	-8.8
Legacy Meridian Park Med Center	-9.8
Legacy Good Samaritan Med Ctr	-10.2
McKenzie-Willamette Med Ctr	-15.0
PeaceHealth Sacred Heart University	-100.0

Type B Hospitals

Southern Coos Hospital*	43.5
Coquille Valley Hospital*	25.4
Pioneer Memorial Prineville	25.0
St Charles - Redmond	22.6
Providence Newberg Med Center	18.6
PeaceHealth Peace Harbor	16.8
Ashland Comm Hospital	14.6
Santiam Memorial Hospital	13.5
Samaritan North Lincoln Hospital*	12.7
Providence Hood River Hospital	12.0
Samaritan Lebanon Hospital	11.7
Silverton Hospital	8.0
St Charles - Madras*	7.8
Samaritan Pacific Comm Hospital*	3.0
Providence Seaside Hospital*	1.5
Mid-Columbia Med Center	-1.0
Lower Umpqua Hospital*	-2.9
West Valley Hospital	-13.0
Columbia Memorial Hospital	-19.1

Type A Hospitals

Tillamook County Gen Hospital	35.3
Blue Mountain Hospital*	14.4
St Alphonsus Med Ctr Ontario	11.6
St Alphonsus Med Ctr Baker City	5.8
St Anthony Hospital	5.7
Grande Ronde Hospital	-5.1
Lake District Hospital*	-5.2
Good Shepherd Med Center	-9.4
Harney District Hospital*	-12.9
Wallowa Memorial Hospital*	-30.1
Curry General Hospital*	-40.6

*District Hospital

Source: Discharge Database

The Databank files used to compile this report are available at:
<http://www.oregon.gov/oha/OHPR/RSCH/Pages/databank.aspx>

More information on the discharge database is available at:
http://www.oregon.gov/oha/OHPR/RSCH/pages/hospital_reporting.aspx#INPATIENT_DISCHARGE_DATA

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Office of Health Analytics

The Oregon Health Authority's Office of Health Analytics collects and analyzes data to inform policy development, program implementation, and system evaluation. The Office of Health Analytics supports OHA efforts to further the triple aim goals of improving health, improving health care quality and reducing costs by leveraging qualitative and quantitative data to monitor progress and identify future policy and program opportunities.