

A P P E N D I X

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**A data book on hospital  
financial performance**

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## A data book on hospital financial performance

This appendix provides data on hospital financial performance. The analyses and data in this section were used to support our update recommendation for inpatient and outpatient prospective payment system (PPS) payments, and other MedPAC recommendations.

Tables in this data book provide variables by hospital group and are presented for 10 years (1990-1999 or 1991-2000) unless otherwise noted below. Tables created with data from the American Hospital Association annual survey of hospitals are presented for 1991-2000. Tables created with data from Medicare cost reports run through 1999 because cost reports for 2000 were not available in time for this report. However, the 1999 cost report data presented in this appendix cover about 80 percent of hospitals, compared to a sample of about 50 percent used for our March 2001 Report to the Congress. Hospitals are grouped by several attributes, including location (urban and rural), teaching status (major teaching, other teaching, non-teaching), receipt of disproportionate share payments, census region, and ownership status. All measures are national aggregates, not the averages of individual facilities; this provides an overview of the industry as a whole. Definitions of the variables included in these tables can be found in the table notes.

The data book starts with case-based variables:

- Table B-1 shows the trends in hospital payments per case, costs per case and length of stay.
- Table B-2 shows the trend in Medicare cost per discharge.
- Table B-3 shows the trend in Medicare inpatient length of stay.
- Table B-8 shows the trend in hospital-based Medicare home health agency margins for 1996 through 1999.
- Table B-9 shows the trend in Medicare PPS-exempt unit margins for 1996 through 1999.
- Table B-10 shows the trend in the overall Medicare margins for 1996 through 1999.

Further tables present data on a number of margin measures for PPS hospitals, based on Medicare cost report data. This analysis features our overall Medicare margin, which incorporates payments and costs for inpatient and outpatient services as well as hospital-based home health, skilled nursing and PPS-exempt units. Margins for each of these components and the overall Medicare margin (which includes graduate medical education and Medicare bad debt) are presented by hospital group.

- Table B-4 shows the trend in Medicare inpatient margins.
- Table B-5 shows the distribution of Medicare inpatient margins for 1999.
- Table B-6 shows the trend in Medicare outpatient margins for 1996 through 1999.
- Table B-7 shows the trend in hospital-based Medicare skilled nursing facility margins for 1996 through 1999.

The analysis is then expanded from Medicare to comparative tables among payers. These tables contain aggregate values for all community hospitals, which includes all PPS hospitals and most PPS-exempt facilities.

- Table B-11 shows the trend in payment-to-cost ratio by source of revenue.
- Table B-12 shows the trend in gains or losses by source of revenue.

The appendix concludes with data on hospital total margins.

- Table B-13 shows the trend in hospital total margins.
- Table B-14 shows the distribution of hospital total margins for 1999.

**TABLE  
B-1****Change in hospital payment, cost, and length of stay indicators, 1991–2000**

<b>Year</b>	<b>Medicare operating update</b>	<b>Market basket</b>	<b>Medicare payments per case</b>	<b>Medicare costs per case</b>	<b>Medicare length of stay</b>	<b>Total length of stay</b>	<b>Costs per adjusted admission</b>
1991	3.4%	4.4%	6.1%	7.0%	-2.7%	-1.3%	5.5%
1992	3.0	3.2	6.2	4.6	-3.3	-1.6	5.7
1993	2.7	3.1	3.5	1.2	-5.5	-2.3	3.4
1994	2.0	2.6	3.1	-1.1	-6.0	-3.8	-0.1
1995	2.0	3.2	4.9	-1.2	-6.2	-4.3	-0.5
1996	1.5	2.4	5.4	-0.4	-5.5	-3.5	0.4
1997	2.0	2.0	1.9	0.8	-3.4	-1.9	-1.5
1998	0.0	2.9	-2.1	1.4	-2.4	-0.9	-2.3
1999	1.1	2.5	0.5	3.0	-1.6	-1.8	2.7
2000	1.1	3.6	N/A	N/A	N/A	-1.9	2.1

Note: N/A = not available.

Source: MedPAC analysis of Medicare cost report data from CMS, and data from the American Hospital Association annual survey of hospitals.

**TABLE  
B-2****Change in Medicare inpatient costs per discharge, 1990–1999**

Hospital group	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
All hospitals	8.2%	7.0%	4.6%	1.2%	-1.1%	-1.2%	-0.4%	0.8%	1.4%	3.0%
Urban	7.8	6.7	4.4	1.1	-1.5	-1.4	-0.6	0.7	1.3	2.9
Rural	9.8	8.7	5.9	2.1	0.8	0.1	1.1	1.8	2.4	3.6
In large urban areas	7.4	6.1	3.4	1.3	-2.0	-1.5	-0.7	0.8	1.2	2.7
In other urban areas	8.4	7.6	6.1	0.8	-0.6	-1.2	-0.3	0.6	1.5	3.4
Rural referral	9.2	8.7	5.6	2.1	0.2	-0.4	-0.1	1.5	2.5	4.7
Sole community	9.1	8.6	4.8	2.5	1.1	1.6	1.7	2.3	2.5	2.5
Small rural Medicare-dependent	10.1	9.2	4.7	1.8	1.5	-2.5	4.8	1.3	3.1	0.5
Other rural < 50 beds	13.7	6.8	6.3	2.2	2.3	2.1	3.5	1.2	4.0	3.1
Other rural ≥ 50 beds	9.3	8.7	7.0	1.5	0.8	-0.3	0.4	2.0	1.7	3.4
Major teaching	7.8	6.9	3.7	2.0	-2.5	-1.1	0.7	1.5	0.1	4.1
Other teaching	8.3	6.8	4.5	0.8	-1.2	-0.8	-0.7	0.8	1.5	2.4
Non-teaching	8.0	7.2	4.8	1.1	-0.7	-1.8	-0.7	0.6	1.8	3.1
Major teaching										
Public	5.9	7.3	5.6	0.3	-3.5	-1.8	4.8	1.2	0.6	7.1
Private	8.3	6.8	3.3	2.3	-2.4	-0.9	-0.3	1.5	-0.1	3.4
Other teaching										
Public	9.4	8.6	5.2	0.4	-1.1	-1.9	-2.7	0.2	4.7	6.0
Private	8.3	6.6	4.5	0.9	-1.2	-0.7	-0.6	0.9	1.3	2.1
Non-teaching										
Public	9.3	9.0	5.6	2.1	0.8	-1.0	1.3	1.0	2.8	3.0
Private	7.7	6.8	4.7	0.9	-1.0	-1.9	-1.1	0.6	1.6	3.2
DSH										
In large urban areas	7.2	6.2	3.0	0.9	-2.1	-1.4	-0.4	1.2	0.9	2.9
In other urban areas	8.4	7.9	6.5	0.8	-0.4	-1.4	-0.3	0.7	1.5	3.8
Rural	9.8	9.4	7.1	2.3	0.1	-1.4	0.2	2.2	3.3	3.1
Non-DSH	8.6	7.1	4.8	1.5	-0.9	-0.9	-0.5	0.5	1.6	2.8
Teaching and DSH	8.1	7.0	4.3	0.9	-1.7	-1.0	0.1	1.2	0.6	3.2
Teaching and non-DSH	8.6	6.5	4.5	2.1	-1.4	-0.6	-1.0	0.4	1.8	2.3
Non-teaching and DSH	7.4	7.0	4.8	0.8	-0.8	-2.4	-1.6	0.7	2.2	3.1
Non-teaching and non-DSH	8.4	7.4	4.9	1.2	-0.6	-1.3	-0.1	0.6	1.5	3.1
New England	6.6	2.7	4.3	2.6	0.9	-0.5	-1.7	-0.1	-0.6	1.7
Middle Atlantic	8.4	6.7	4.7	2.2	-0.7	0.1	-0.9	1.7	-0.7	2.4
South Atlantic	9.2	6.8	4.6	1.0	-1.8	-2.1	-0.6	0.6	2.0	3.6
East North Central	7.8	7.5	5.0	1.0	-0.6	-0.2	-0.3	-0.4	2.0	2.7
East South Central	10.4	10.2	7.3	0.1	-3.2	-1.9	1.1	1.6	2.3	2.4
West North Central	10.6	6.3	4.9	1.4	0.1	-0.6	3.5	2.4	2.5	3.8
West South Central	8.6	8.5	3.9	1.9	-1.6	-3.4	-1.7	0.0	1.9	2.9
Mountain	7.7	6.4	5.4	-0.3	0.4	-1.4	0.1	1.0	2.8	1.5
Pacific	5.0	6.9	3.0	0.2	-1.7	-1.5	-0.2	1.9	2.0	6.3
Voluntary	8.2	6.9	4.6	1.4	-1.0	-0.9	-0.3	0.7	1.2	2.7
Proprietary	7.7	6.2	3.6	-0.7	-3.0	-3.6	-4.0	1.2	1.2	3.5
Urban government	7.2	7.9	5.5	0.8	-1.5	-2.0	1.5	0.2	2.1	5.3
Rural government	10.5	9.5	6.3	3.1	2.0	0.1	2.4	1.8	3.2	2.5

Note: DSH (disproportionate share). Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25.

Source: MedPAC analysis of Medicare cost report data from CMS.

**TABLE  
B-3****Change in Medicare inpatient length of stay, 1990–1999**

Hospital group	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
All hospitals	-1.5%	-2.7%	-3.3%	-5.5%	-6.0%	-6.2%	-5.5%	-3.4%	-2.4%	-1.4%
Urban	-1.8	-3.0	-3.4	-5.9	-6.3	-6.6	-5.9	-3.5	-2.4	-1.3
Rural	-0.2	-1.3	-3.1	-3.5	-4.3	-4.7	-3.8	-2.9	-2.4	-1.6
In large urban areas	-2.1	-3.4	-3.8	-5.7	-6.7	-6.4	-5.8	-3.2	-2.5	-0.9
In other urban areas	-1.3	-2.3	-2.8	-6.0	-5.8	-6.7	-5.8	-3.7	-2.2	-1.8
Rural referral	-0.9	-1.9	-3.7	-4.6	-6.3	-6.0	-5.7	-3.1	-1.8	-1.3
Sole community	-0.4	-1.0	-2.2	-3.0	-2.9	-3.6	-3.0	-2.3	-3.4	-1.1
Small rural Medicare-dependent	-0.1	-0.5	-2.7	-2.3	-2.0	-3.9	-0.1	-2.4	-1.6	-4.1
Other rural < 50 beds	2.1	-2.0	-2.5	-1.7	-3.4	-1.3	-1.7	-3.7	-2.9	-0.7
Other rural ≥ 50 beds	0.0	-1.1	-3.2	-3.2	-3.6	-5.2	-3.8	-3.2	-2.2	-1.9
Major teaching	-2.3	-3.2	-3.5	-5.8	-7.2	-6.7	-6.5	-3.9	-3.2	-0.7
Other teaching	-1.5	-3.0	-3.4	-6.2	-6.3	-6.3	-6.0	-3.8	-2.4	-1.9
Non-teaching	-1.3	-2.3	-3.4	-4.9	-5.4	-6.1	-4.9	-3.0	-2.1	-1.2
Major teaching										
Public	-3.0	-2.2	-3.1	-5.8	-5.6	-6.8	-5.1	-3.6	-2.9	-0.5
Private	-2.2	-3.4	-3.5	-5.8	-7.5	-6.7	-6.8	-4.0	-3.3	-0.7
Other teaching										
Public	0.0	-3.6	-2.0	-7.5	-6.2	-6.8	-7.2	-4.9	-0.4	-2.5
Private	-1.6	-3.0	-3.5	-6.1	-6.3	-6.3	-5.9	-3.7	-2.6	-1.8
Non-teaching										
Public	-1.0	-0.9	-3.1	-3.5	-3.5	-4.9	-3.5	-2.8	-1.5	-1.4
Private	-1.3	-2.6	-3.4	-5.1	-5.7	-6.3	-5.2	-3.0	-2.3	-1.2
DSH										
In large urban areas	-2.0	-3.6	-3.6	-5.8	-6.3	-6.4	-5.9	-3.2	-2.6	-0.8
In other urban areas	-1.1	-2.4	-2.6	-6.1	-5.8	-6.7	-5.9	-3.8	-2.0	-2.0
Rural	0.6	-1.2	-2.8	-3.5	-4.4	-5.6	-5.5	-3.5	-2.0	-2.0
Non-DSH	-1.5	-2.3	-3.6	-5.1	-6.0	-5.9	-5.0	-3.3	-2.5	-1.3
Teaching and DSH	-1.6	-3.2	-3.1	-6.1	-6.6	-6.5	-6.4	-3.9	-2.6	-1.7
Teaching and non-DSH	-2.0	-2.7	-3.9	-5.9	-6.7	-6.3	-5.8	-3.7	-3.0	-1.2
Non-teaching and DSH	-1.3	-2.6	-3.3	-5.2	-5.1	-6.5	-5.4	-2.9	-2.1	-1.1
Non-teaching and non-DSH	-1.2	-2.2	-3.5	-4.6	-5.6	-5.8	-4.5	-3.0	-2.2	-1.3
New England	-2.5	-7.8	-4.3	-5.4	-7.5	-8.6	-7.7	-6.2	-3.8	-1.8
Middle Atlantic	-1.2	-2.8	-2.2	-5.8	-6.3	-6.7	-6.7	-2.9	-5.4	-1.5
South Atlantic	-1.2	-2.6	-4.2	-5.0	-6.1	-6.6	-5.7	-3.4	-1.5	-1.8
East North Central	-1.5	-2.8	-3.9	-6.0	-6.5	-5.8	-6.0	-3.5	-2.2	-1.0
East South Central	0.2	-0.5	-2.5	-5.4	-6.1	-6.4	-4.4	-3.9	-1.6	-1.5
West North Central	-2.0	-2.7	-3.8	-5.6	-4.9	-5.0	-2.2	-2.6	-1.5	-1.2
West South Central	-1.2	-1.3	-3.4	-4.4	-5.4	-6.8	-4.8	-3.2	-1.2	-1.0
Mountain	-0.8	-3.2	-2.7	-6.7	-5.1	-5.7	-3.8	-1.8	-1.4	-1.6
Pacific	-4.3	-3.1	-4.8	-6.2	-4.8	-3.2	-3.1	-0.9	0.5	0.7
Voluntary	-1.5	-2.9	-3.4	-5.6	-6.3	-6.3	-5.7	-3.6	-2.7	-1.5
Proprietary	-1.7	-2.5	-3.7	-5.3	-5.8	-6.6	-5.7	-2.3	-1.7	-0.3
Urban government	-2.1	-2.2	-2.8	-5.8	-5.3	-6.6	-5.3	-3.7	-1.6	-0.9
Rural government	-0.1	-0.7	-3.0	-2.5	-2.7	-4.0	-2.9	-2.7	-1.7	-2.2

Note: DSH (disproportionate share). Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25.

Source: MedPAC analysis of Medicare cost report data from CMS.

**TABLE  
B-4****Medicare inpatient margins excluding payments for direct graduate medical education, by hospital group, 1990-1999**

Hospital group	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
All hospitals	-1.5%	-2.4%	-0.9%	1.3%	5.6%	11.1%	15.9%	16.9%	13.9%	11.9%
Urban	-1.2	-2.2	-0.8	1.6	6.4	11.8	16.7	18.0	15.2	13.2
Rural	-3.7	-3.7	-1.4	-0.5	0.6	6.1	10.2	9.5	5.7	3.8
In large urban areas	-0.9	-1.6	0.4	3.0	8.6	13.9	18.9	20.4	17.3	15.8
In other urban areas	1.7	-3.3	-2.9	-0.8	2.7	8.3	13.4	14.4	12.0	9.3
Rural referral	-3.6	-3.7	-1.0	-1.1	0.0	5.8	10.2	10.3	6.2	4.2
Sole community	-0.9	-0.9	2.1	4.1	5.2	8.6	12.2	10.5	7.1	5.0
Small rural Medicare-dependent	-1.2	1.2	3.3	2.4	-0.6	6.7	9.7	10.3	8.1	6.6
Other rural < 50 beds	-3.9	-5.4	-4.2	-1.2	-0.8	4.5	8.7	8.0	3.5	2.5
Other rural ≥ 50 beds	-6.8	-7.1	-5.7	-3.8	-1.8	4.6	9.2	7.5	3.5	1.6
Major teaching	6.5	6.8	8.7	10.9	16.8	21.5	25.4	27.9	24.3	22.3
Other teaching	-1.5	-2.8	-1.7	0.7	4.8	10.0	14.8	15.9	13.3	11.6
Non-teaching	-5.2	-6.4	-5.0	-3.0	0.6	6.6	11.7	12.1	9.0	6.5
Major teaching										
Public	10.7	10.8	11.4	14.4	21.0	26.1	28.2	30.4	26.1	20.0
Private	5.6	5.9	8.2	10.1	15.8	20.3	24.7	27.5	24.0	23.2
Other teaching										
Public	-0.6	-1.5	-0.4	1.9	4.9	10.4	14.9	17.2	10.4	9.4
Private	-1.5	-2.9	-1.7	0.7	4.8	10.1	14.9	15.9	13.4	11.8
Non-teaching										
Public	-4.5	-6.3	-5.1	-3.5	-2.0	3.9	8.0	7.4	4.3	1.8
Private	-5.3	-6.4	-4.9	-2.9	1.0	7.1	12.3	13.0	9.9	7.4
DSH										
In large urban areas	2.3	2.2	4.6	7.7	13.6	18.5	23.0	24.1	21.1	19.6
In other urban areas	0.2	-1.4	-0.9	1.2	4.8	10.7	15.7	16.7	13.9	10.7
Rural	-3.0	-2.7	-1.1	-0.4	0.1	7.3	12.4	11.3	7.1	5.3
Non-DSH	-5.5	-6.7	-5.4	-3.9	-0.4	5.2	10.4	11.4	8.5	6.9
Teaching and DSH	3.7	3.1	4.7	7.4	12.5	17.3	21.5	22.8	19.9	17.9
Teaching and non-DSH	-3.7	-4.6	-3.2	-1.8	2.2	7.7	13.4	14.8	12.2	11.3
Non-teaching and DSH	-3.3	-4.2	-2.5	-0.1	3.9	10.3	15.7	15.8	12.6	9.8
Non-teaching and non-DSH	-6.8	-8.1	-7.0	-5.3	-2.2	3.5	8.3	9.0	5.8	3.8
New England	-5.7	-2.1	0.0	1.3	5.3	10.0	16.6	18.7	17.1	14.5
Middle Atlantic	1.7	1.1	2.3	4.5	8.9	12.7	17.7	19.9	19.8	18.9
South Atlantic	-6.9	-5.9	-4.3	-2.3	2.7	9.5	14.2	15.4	12.1	9.8
East North Central	-2.5	-5.1	-3.4	-1.2	2.2	7.1	12.0	13.8	9.4	7.5
East South Central	-1.3	-3.7	-4.4	-1.9	4.0	11.2	15.8	15.2	12.1	11.1
West North Central	-1.2	-3.0	-2.7	-1.2	2.4	7.1	10.8	11.0	7.8	5.7
West South Central	-2.8	-4.5	-2.3	-0.6	4.0	11.4	17.7	17.5	15.1	11.9
Mountain	2.2	1.7	3.4	6.5	8.4	13.1	16.9	16.9	12.2	9.7
Pacific	2.9	1.4	4.3	7.9	13.2	18.9	22.7	21.8	17.4	13.9
Voluntary	-1.3	-2.4	-1.0	1.0	5.1	10.1	14.9	16.3	13.4	11.9
Proprietary	-5.4	-4.7	-2.4	1.2	7.8	15.5	21.5	21.0	18.5	15.4
Urban government	2.7	1.5	2.5	5.3	1.3	16.1	19.6	20.5	17.0	12.5
Rural government	-4.1	-4.6	-3.1	-2.2	-2.7	3.0	7.0	5.7	2.1	0.7

Note: DSH (disproportionate share). Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25. A margin is calculated as revenue minus costs divided by revenue; margins are based on Medicare-allowed costs.

Source: MedPAC analysis of Medicare cost report data from CMS.

**TABLE  
B-5**
**Number of hospitals and distribution of Medicare inpatient margins excluding payments for direct graduate medical education, by hospital group, 1999**

Hospital group	Number of hospitals		Percentile					Percent with negative margins
	Total	Sample	10th	25th	50th	75th	90th	
All hospitals	4,883	3,891	-16.4%	-4.2%	6.3%	17.3%	27.0%	34.2%
Urban	2,707	2,127	-10.9	-0.4	9.2	19.1	28.6	26.4
Rural	2,176	1,764	-21.5	-8.4	2.5	14.5	24.6	43.7
In large urban areas	1,545	1,213	-8.5	1.2	11.7	21.7	31.7	22.8
In other urban areas	1,162	914	-12.8	-2.3	6.3	15.6	22.8	31.1
Rural referral	230	207	-11.5	-4.9	3.2	11.5	19.2	37.7
Sole community	659	535	-18.8	-7.1	4.5	17.2	27.4	38.7
Small rural Medicare-dependent	353	281	-25.5	-8.2	4.5	15.3	25.8	42.3
Other rural < 50 beds	523	405	-26.7	-13.8	-0.2	14.2	24.7	50.1
Other rural ≥ 50 beds	411	336	-21.3	-8.4	0.5	10.7	20.3	48.5
Major teaching	302	245	7.5	14.9	22.1	31.1	37.8	3.3
Other teaching	805	649	-4.4	2.2	10.5	19.9	28.4	19.7
Non-teaching	3,776	2,997	-18.6	-6.8	3.9	14.8	24.2	39.9
Major teaching								
Public	86	65	7.7	12.8	19.4	27.5	34.8	4.6
Private	211	173	9.4	15.9	23.9	32.2	40.0	2.3
Other teaching								
Public	70	55	-22.6	-1.8	8.1	14.3	20.8	30.9
Private	731	593	-4.1	2.6	11.1	20.6	29.2	18.5
Non-teaching								
Public	1,120	903	-24.3	-10.0	1.0	13.4	23.8	48.0
Private	2,527	2,071	-16.7	-4.9	5.1	15.4	24.3	36.0
DSH								
In large urban areas	809	625	-1.7	7.3	17.5	27.1	33.9	12.8
In other urban areas	605	480	-6.6	1.6	9.8	17.8	25.3	20.8
Rural	416	314	-14.5	-3.4	8.1	19.9	28.4	32.5
Non-DSH	3,053	2,472	-20.7	-7.8	2.8	13.4	22.3	42.4
Teaching and DSH	735	585	0.5	8.1	16.8	26.2	33.9	9.7
Teaching and non-DSH	372	309	-7.8	-0.2	8.2	18.5	26.7	25.6
Non-teaching and DSH	1,095	834	-10.1	-0.8	9.4	19.7	27.8	27.0
Non-teaching and non-DSH	2,681	2,163	-21.6	-8.6	1.8	12.6	21.9	44.8
New England	198	168	-21.6	-8.3	5.4	18.5	29.9	38.7
Middle Atlantic	501	460	-6.6	1.7	12.0	22.4	33.8	21.5
South Atlantic	682	552	-11.4	-2.5	6.4	15.8	23.5	30.6
East North Central	746	631	-22.1	-9.5	0.4	10.2	21.4	49.0
East South Central	428	353	-9.5	0.3	11.2	20.1	27.6	24.6
West North Central	690	540	-20.6	-9.5	0.8	12.0	21.9	47.6
West South Central	697	532	-15.7	-1.6	9.9	20.4	29.3	28.9
Mountain	355	262	-17.2	-5.8	5.8	17.3	26.2	35.9
Pacific	586	393	-13.9	0.3	9.7	20.0	30.7	24.7
Voluntary	2,773	2,327	-14.7	-3.2	6.3	16.6	26.4	32.4
Proprietary	696	510	-10.1	2.2	12.9	22.8	31.1	20.6
Urban government	379	283	-12.9	-3.0	7.9	18.4	27.2	32.2
Rural government	897	740	-25.7	-10.7	0.7	13.5	24.5	48.9

Note: DSH (disproportionate share). Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25. A margin is calculated as revenue minus costs divided by revenue; margins are based on Medicare-allowed costs.

Source: MedPAC analysis of Medicare cost report and impact file data from CMS.



**TABLE  
B-6****Medicare outpatient margins excluding  
payments for direct graduate medical  
education, by hospital group, 1996–1999**

Hospital group	1996	1997	1998	1999
All hospitals	-7.8%	-6.7%	-16.6%	-17.0%
Urban	-8.0	-6.9	-16.7	-17.0
Rural	-6.7	-5.9	-16.2	-17.2
In large urban areas	-8.4	-7.1	-17.4	-17.2
In other urban areas	-7.4	-6.6	-15.7	-16.5
Rural referral	-5.4	-5.1	-14.6	-14.9
Sole community	-4.5	-2.8	-14.3	-15.4
Small rural Medicare-dependent	-10.3	-8.8	-19.8	-21.9
Other rural < 50 beds	-10.6	-9.4	-19.2	-21.0
Other rural ≥ 50 beds	-7.9	-7.5	-18.0	-19.4
Major teaching	-10.7	-10.0	-20.5	-18.8
Other teaching	-7.1	-6.4	-15.3	-15.7
Non-teaching	-7.1	-5.7	-16.0	-17.1
Major teaching				
Public	-12.7	-13.1	-22.2	-19.2
Private	-10.1	-9.3	-19.9	-18.6
Other teaching				
Public	-7.7	-7.5	-13.7	-15.0
Private	-7.0	-6.3	-15.4	-15.8
Non-teaching				
Public	-7.4	-7.5	-16.9	-17.8
Private	-7.1	-5.3	-15.7	-16.9
DSH				
In large urban areas	-8.9	-8.0	-18.4	-17.7
In other urban areas	-7.6	-6.6	-16.0	-16.8
Rural	-5.3	-4.0	-15.6	-17.1
Non-DSH	-7.4	-6.2	-15.8	-16.7
Teaching and DSH	-9.0	-8.4	-18.0	-17.4
Teaching and non-DSH	-7.3	-6.4	-15.6	-15.7
Non-teaching and DSH	-6.6	-5.1	-16.0	-17.1
Non-teaching and non-DSH	-7.4	-6.1	-15.9	-17.1
New England	-8.1	-7.4	-15.1	-16.0
Middle Atlantic	-10.8	-9.2	-18.6	-17.6
South Atlantic	-6.4	-5.3	-14.1	-14.5
East North Central	-7.8	-7.9	-17.9	-18.8
East South Central	-6.7	-6.4	-17.0	-18.2
West North Central	-7.0	-5.6	-15.3	-15.9
West South Central	-6.9	-4.3	-14.8	-16.4
Mountain	-6.4	-4.3	-14.5	-15.3
Pacific	-8.1	-6.6	-19.3	-19.2
Voluntary	-7.8	-6.6	-16.4	-16.7
Proprietary	-6.4	-4.3	-15.8	-17.7
Urban government	-9.9	-9.7	-18.3	-17.6
Rural government	-7.2	-7.6	-17.5	-18.2

Note: DSH (disproportionate share). Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25. A margin is calculated as revenue minus costs divided by revenue; margins are based on Medicare-allowed costs.

Source: MedPAC analysis of Medicare cost report data from CMS.

**TABLE  
B-7****Hospital-based Medicare skilled nursing facility  
margins excluding graduate medical  
education, by hospital group, 1996-1999**

<b>Hospital group</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
All hospitals	-11.8%	-14.5%	-25.9%	-55.6%
Urban	-11.6	-14.3	-25.5	-54.4
Rural	-12.9	-15.4	-27.5	-60.6
In large urban areas	-11.6	-14.1	-24.5	-50.7
In other urban areas	-11.6	-14.6	-27.2	-60.0
Rural referral	-11.7	-15.0	-29.7	-69.3
Sole community	-16.8	-20.8	-26.9	-48.2
Small rural Medicare-dependent	-16.5	-19.3	-45.3	-59.4
Other rural < 50 beds	-9.0	-10.3	-17.1	-34.5
Other rural ≥ 50 beds	-12.2	-12.9	-24.7	-65.6
Major teaching	-15.0	-12.9	-24.3	-62.7
Other teaching	-12.3	-15.1	-27.0	-52.2
Non-teaching	-11.2	-14.4	-25.5	-56.5
Major teaching				
Public	-22.9	-24.3	-27.8	-125.9
Private	-14.5	-12.0	-23.9	-53.3
Other teaching				
Public	-8.9	-13.9	-27.5	-55.8
Private	-12.5	-15.2	-27.0	-51.9
Non-teaching				
Public	-12.3	-13.1	-23.0	-58.6
Private	-11.0	-14.6	-26.0	-56.1
DSH				
In large urban areas	-12.7	-14.5	-24.2	-52.0
In other urban areas	-12.3	-15.2	-29.0	-58.8
Rural	-10.3	-12.7	-25.4	-69.5
Non-DSH	-11.3	-14.4	-25.7	-55.0
Teaching and DSH	-14.0	-15.3	-26.8	-54.9
Teaching and non-DSH	-10.8	-13.5	-25.8	-52.9
Non-teaching and DSH	-10.8	-14.0	-25.3	-57.5
Non-teaching and non-DSH	-11.5	-14.7	-25.7	-55.8
New England	-21.4	-21.6	-31.2	-59.8
Middle Atlantic	-8.0	-4.5	-28.0	-47.8
South Atlantic	-8.5	-11.5	-22.4	-59.0
East North Central	-12.9	-18.3	-24.8	-61.2
East South Central	-5.9	-8.8	-27.9	-65.2
West North Central	-15.5	-19.2	-29.7	-58.2
West South Central	-13.4	-16.7	-26.2	-58.6
Mountain	-10.9	-14.2	-28.0	-48.8
Pacific	-12.6	-16.6	-23.8	-42.2
Voluntary	-12.6	-14.9	-27.2	-55.1
Proprietary	-9.1	-13.6	-21.4	-51.3
Urban government	-11.9	-14.8	-26.1	-61.3
Rural government	-12.8	-12.2	-20.1	-64.1

Note: DSH (disproportionate share). Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25. A margin is calculated as revenue minus costs divided by revenue; margins are based on Medicare-allowed costs.

Source: MedPAC analysis of Medicare cost report data from CMS.

**TABLE  
B-8****Hospital-based Medicare home health agency  
margins excluding graduate medical  
education, by hospital group, 1996–1999**

<b>Hospital group</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
All hospitals	-4.5%	-4.5%	-24.3%	-13.8%
Urban	-4.6	-4.4	-22.3	-12.4
Rural	-4.2	-4.6	-30.4	-18.0
In large urban areas	-4.7	-3.9	-19.7	-10.8
In other urban areas	-4.5	-5.2	-26.5	-15.3
Rural referral	-4.5	-4.5	-32.5	-18.4
Sole community	-5.6	-6.8	-35.6	-21.9
Small rural Medicare-dependent	-2.9	-3.5	-28.0	-17.5
Other rural < 50 beds	-2.2	-3.9	-26.1	-14.6
Other rural ≥ 50 beds	-4.3	-3.7	-27.1	-15.7
Major teaching	-5.7	-4.2	-17.5	-13.6
Other teaching	-4.7	-4.8	-21.1	-11.8
Non-teaching	-4.2	-4.4	-27.0	-14.8
Major teaching				
Public	-3.0	-3.9	-32.7	-33.5
Private	-6.2	-4.2	-16.3	-11.4
Other teaching				
Public	-4.9	-2.2	-26.3	-13.5
Private	-4.7	-4.9	-20.7	-11.9
Non-teaching				
Public	-3.7	-4.6	-30.8	-20.3
Private	-4.3	-4.3	-26.2	-13.5
DSH				
In large urban areas	-4.7	-4.2	-21.0	-12.0
In other urban areas	-4.6	-5.3	-25.3	-14.7
Rural	-2.3	-2.6	-29.4	-15.2
Non-DSH	-4.6	-4.5	-25.0	-14.3
Teaching and DSH	-5.3	-5.1	-20.6	-13.3
Teaching and non-DSH	-4.4	-3.6	-19.4	-10.3
Non-teaching and DSH	-3.6	-3.9	-26.7	-13.4
Non-teaching and non-DSH	-4.7	-4.8	-27.2	-15.8
New England	-1.8	-0.6	-11.4	-8.5
Middle Atlantic	-4.4	-2.8	-16.6	-9.6
South Atlantic	-3.6	-3.0	-24.4	-12.1
East North Central	-4.8	-5.3	-22.3	-13.3
East South Central	-1.8	-2.4	-23.6	-10.3
West North Central	-5.2	-4.8	-31.2	-20.6
West South Central	-5.7	-7.9	-36.0	-20.4
Mountain	-7.1	-7.5	-32.4	-21.0
Pacific	-6.7	-7.2	-25.4	-17.3
Voluntary	-4.6	-4.6	-20.8	-12.7
Proprietary	-4.6	-4.4	-38.6	-13.3
Urban government	-3.7	-3.4	-28.2	-20.7
Rural government	-3.8	-4.9	-32.1	-19.4

Note: DSH (disproportionate share). Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25. A margin is calculated as revenue minus costs divided by revenue; margins are based on Medicare-allowed costs.

Source: MedPAC analysis of Medicare cost report data from CMS.

**TABLE  
B-9****Hospital Medicare PPS-exempt unit margins  
excluding graduate medical education,  
by hospital group, 1996-1999**

Hospital group	1996	1997	1998	1999
All hospitals	6.2%	4.4%	-2.0%	-2.4%
Urban	6.0	4.3	-2.6	-2.7
Rural	7.7	4.9	1.7	-0.3
In large urban areas	6.4	4.2	-3.7	-4.4
In other urban areas	5.2	4.3	-0.7	-0.1
Rural referral	11.7	8.2	8.8	3.7
Sole community	-0.2	-1.7	-11.5	-8.8
Small rural Medicare-dependent	6.3	2.3	-9.2	1.1
Other rural < 50 beds	1.2	3.0	-2.6	-4.9
Other rural ≥ 50 beds	8.0	5.1	0.6	-1.7
Major teaching	3.1	1.5	-9.1	-8.0
Other teaching	6.7	4.2	-1.5	-3.7
Non-teaching	7.2	5.6	0.9	1.2
Major teaching				
Public	-0.9	0.4	-29.2	-40.7
Private	5.2	2.8	-2.3	1.4
Other teaching				
Public	3.5	-0.4	-5.5	-1.5
Private	6.5	4.2	-1.1	-3.7
Non-teaching				
Public	6.1	4.8	-0.9	1.2
Private	7.3	5.8	1.2	1.2
DSH				
In large urban areas	6.0	3.8	-4.8	-6.3
In other urban areas	5.3	3.1	-0.8	-0.9
Rural	11.1	9.2	8.3	3.9
Non-DSH	6.4	5.1	-1.2	-0.3
Teaching and DSH	4.6	2.8	-5.9	-6.8
Teaching and non-DSH	7.3	4.5	-0.4	-1.4
Non-teaching and DSH	8.7	5.8	3.4	2.1
Non-teaching and non-DSH	5.8	5.5	-1.7	0.4
New England	1.9	0.2	-4.6	-1.8
Middle Atlantic	4.9	4.3	-7.7	-6.5
South Atlantic	5.6	5.4	3.3	1.4
East North Central	5.6	3.4	-2.4	0.6
East South Central	6.4	3.3	-0.7	-1.0
West North Central	5.6	2.6	-3.0	-5.7
West South Central	6.1	5.0	0.0	-4.3
Mountain	10.2	5.6	-6.4	-2.6
Pacific	11.5	7.6	0.4	-2.5
Voluntary	5.9	3.9	-0.7	-0.7
Proprietary	9.6	7.6	1.7	0.0
Urban government	2.4	2.2	-14.8	-16.6
Rural government	5.7	2.5	-3.2	-2.1

Note: DSH (disproportionate share). PPS-exempt units include inpatient psychiatric and rehabilitation services. Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25. A margin is calculated as revenue minus costs divided by revenue; margins are based on Medicare-allowed costs.

Source: MedPAC analysis of Medicare cost report data from CMS.

**TABLE  
B-10****Overall Medicare margins including  
payments for direct graduate medical  
education, by hospital group, 1996–1999**

<b>Hospital group</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
All hospitals	9.9%	10.4%	6.0%	4.7%
Urban	10.7	11.5	7.4	6.1
Rural	5.0	4.1	-2.1	-3.2
In large urban areas	12.3	13.2	9.1	8.1
In other urban areas	8.2	8.8	4.7	2.7
Rural referral	5.9	5.4	-0.6	-2.1
Sole community	6.1	4.8	-1.5	-2.4
Small rural Medicare-dependent	3.2	3.3	-2.8	-3.0
Other rural < 50 beds	2.4	1.7	-5.4	-5.4
Other rural ≥ 50 beds	4.2	2.9	-3.7	-5.1
Major teaching	17.2	19.0	14.6	13.0
Other teaching	9.6	10.1	6.5	5.1
Non-teaching	6.5	6.7	1.8	-0.1
Major teaching				
Public	18.3	19.5	14.6	8.2
Private	16.8	18.9	14.6	14.4
Other teaching				
Public	9.5	11.0	5.5	3.0
Private	9.7	10.1	6.7	5.3
Non-teaching				
Public	3.6	2.9	-2.1	-4.3
Private	7.1	7.4	2.6	0.7
DSH				
In large urban areas	15.5	16.1	12.3	11.1
In other urban areas	10.0	10.5	6.4	3.8
Rural	7.5	6.4	0.0	-1.3
Non-DSH	5.6	6.2	1.2	0.5
Teaching and DSH	14.4	15.2	11.5	9.7
Teaching and non-DSH	8.4	9.4	5.2	5.0
Non-teaching and DSH	10.0	9.8	5.3	3.0
Non-teaching and non-DSH	3.8	4.2	-1.2	-2.8
New England	10.4	11.7	7.9	6.5
Middle Atlantic	12.0	13.7	10.9	11.0
South Atlantic	9.1	9.7	5.3	3.8
East North Central	6.7	7.3	2.3	0.5
East South Central	10.2	9.4	4.8	3.9
West North Central	5.5	5.5	-0.1	-0.8
West South Central	10.1	10.1	5.5	3.2
Mountain	10.5	10.5	4.5	2.8
Pacific	15.1	14.4	9.2	6.2
Voluntary	9.3	10.2	5.9	4.9
Proprietary	13.6	13.0	9.3	7.9
Urban government	12.3	12.6	8.0	3.9
Rural government	2.6	1.4	-5.0	-5.9

Note: DSH (disproportionate share). Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25. A margin is calculated as revenue minus costs divided by revenue; margins are based on Medicare-allowed costs.

Source: MedPAC analysis of Medicare cost report data from CMS.

**TABLE  
B-11****Hospital payment-to-cost ratios,  
by source of revenue, 1991–2000**

Year	Medicare	Medicaid	Uncompensated care	Private payers
1991	88.4%	81.6%	19.6%	129.7%
1992	88.8	90.9	18.9	131.3
1993	89.4	93.1	19.5	129.3
1994	96.9	93.7	19.3	124.4
1995	99.3	93.8	18.0	123.9
1996	102.4	94.8	17.3	121.5
1997	103.6	95.9	14.1	117.6
1998	102.6	97.9	13.2	113.6
1999	101.1	96.7	13.2	112.3
2000	100.2	96.1	12.1	112.5

Note: Payment-to-cost ratios cannot be used to compare payment rates because the mix of services and cost per unit of service vary across payers. They do, however, indicate the relative degree to which payments from each payer cover the costs of treating its patients. Operating subsidies from state and local governments are considered payments for uncompensated care, up to the level of each hospital's uncompensated care costs. Data are for community hospitals and reflect both inpatient and outpatient services. Imputed values were used for missing data (about 35 percent of observations), which corrects for under-representation of proprietary and public hospitals relative to voluntary institutions. Most Medicare and Medicaid managed care patients are included in the private payers category. The costs allocated to Medicare and Medicaid include CMS's allowed and non-allowed costs.

Source: MedPAC analysis of data from the American Hospital Association annual survey of hospitals.

**TABLE  
B-12****Gains or losses as a percent of total hospital costs, by source of revenue, 1991–2000**

Year	Medicare	Medicaid	Other government payers and subsidies	Uncompensated care	Private payers	Non-patient	Total gains
1991	-4.4%	-2.3%	0.4%	-4.8%	11.6%	3.5%	4.0%
1992	-4.4	-1.2	0.2	-4.9	11.8	3.3	4.8
1993	-4.1	-0.9	0.2	-4.8	10.9	3.3	4.4
1994	-1.2	-0.9	0.2	-4.9	8.7	3.1	5.0
1995	-0.3	-0.9	-0.1	-5.0	8.5	3.7	6.0
1996	0.9	-0.7	-0.1	-5.1	7.9	4.3	7.2
1997	1.4	-0.5	-0.1	-5.2	6.7	4.9	7.2
1998	1.0	-0.2	0.0	-5.2	5.5	5.1	6.1
1999	0.4	-0.4	0.1	-5.4	5.2	5.1	4.9
2000	0.1	-0.4	0.1	-5.3	5.4	5.1	4.8

Note: Gains or losses are the difference between the cost of providing care (or operating a non-patient service) and the payment received. Operating subsidies from state and local governments are considered payments for uncompensated care, up to the level of each hospital's uncompensated care costs. Subsidies in excess of uncompensated care costs are combined with revenue from other government payers. Non-patient reflects both other operating and non-operating revenue. Data are for community hospitals and reflect both inpatient and outpatient services. Imputed values were used for missing data (about 35 percent of observations), which corrects for under-representation of proprietary and public hospitals relative to voluntary institutions. Most Medicare and Medicaid managed care patients are included in the private payers category. Gains and losses from the sources shown sum to total gains (except due to rounding). The costs allocated to Medicare and Medicaid include CMS's allowed and non-allowed costs.

Source: MedPAC analysis of data from the American Hospital Association annual survey of hospitals.

**TABLE  
B-13****Hospital total margins, by hospital group, 1990–1999**

Hospital group	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
All hospitals	3.6%	4.4%	4.4%	4.4%	5.0%	5.8%	6.1%	5.9%	4.3%	3.6%
Urban	3.5	4.3	4.3	4.3	4.9	5.6	5.9	5.8	4.2	3.4
Rural	4.6	5.2	5.3	5.2	5.6	6.6	7.1	6.6	4.8	4.8
In large urban areas	2.5	3.7	3.7	3.9	4.3	4.9	5.1	5.1	3.7	2.7
In other urban areas	5.2	5.5	5.2	5.2	6.0	6.9	7.2	7.0	5.1	4.6
Rural referral	6.4	6.7	6.9	6.3	6.8	8.4	9.2	9.4	7.0	7.5
Sole community	4.1	5.1	5.1	5.1	5.6	5.7	6.1	5.7	4.3	3.4
Small rural Medicare-dependent	3.7	3.1	2.4	3.9	3.3	3.9	4.0	3.5	1.6	2.5
Other rural < 50 beds	1.4	2.2	2.3	2.5	2.1	2.8	3.8	2.4	0.8	1.7
Other rural ≥ 50 beds	4.0	4.5	4.8	4.7	5.6	6.7	6.9	5.7	4.5	3.6
Major teaching	1.1	3.7	3.4	3.4	3.3	4.0	3.5	4.8	3.3	2.4
Other teaching	4.6	4.6	4.5	4.6	5.3	6.3	7.1	6.4	4.3	4.0
Non-teaching	4.3	4.8	5.0	4.9	5.9	6.5	7.0	6.2	4.9	4.0
Major teaching										
Public	-0.6	4.5	4.2	4.5	2.8	3.1	2.5	5.1	4.2	3.0
Private	1.7	3.3	3.0	3.0	3.4	4.3	3.8	4.7	3.0	2.5
Other teaching										
Public	4.8	5.4	4.2	4.4	3.8	4.9	6.5	4.7	3.0	2.1
Private	4.5	4.6	4.5	4.7	5.5	6.4	7.1	6.5	4.4	4.1
Non-teaching										
Public	4.1	4.3	4.6	4.2	4.7	5.5	5.7	5.4	3.8	3.1
Private	4.3	4.8	5.0	5.1	6.1	6.7	7.2	6.3	5.1	4.3
DSH										
In large urban areas	1.7	3.2	3.4	3.6	3.9	4.4	4.3	4.7	3.1	2.3
In other urban areas	5.3	5.9	5.6	5.5	6.3	6.9	7.3	7.2	5.2	4.5
Rural	5.4	7.2	7.5	5.8	6.1	7.2	7.9	7.0	4.9	5.1
Non-DSH	4.5	4.6	4.5	4.6	5.3	6.3	6.8	6.2	4.8	4.1
Teaching and DSH	2.6	4.0	4.0	4.0	4.2	4.8	4.9	5.5	3.6	2.9
Teaching and non-DSH	4.5	4.9	4.0	4.5	4.9	6.5	7.0	6.4	4.9	4.5
Non-teaching and DSH	4.2	5.1	5.2	5.3	6.3	6.7	7.2	6.3	4.9	4.2
Non-teaching and non-DSH	4.4	4.5	4.7	4.6	5.5	6.2	6.7	6.1	4.8	3.9
New England	2.0	2.2	2.2	3.1	2.6	3.0	4.0	4.7	2.8	1.3
Middle Atlantic	0.3	1.4	0.9	1.9	2.6	3.0	3.0	3.5	1.6	0.2
South Atlantic	4.6	6.0	6.2	5.7	6.6	7.5	8.4	7.9	5.6	5.6
East North Central	4.7	4.8	4.8	4.8	5.6	6.3	6.3	6.9	4.5	5.4
East South Central	6.4	6.4	5.6	4.9	5.2	6.6	7.3	5.0	3.5	3.1
West North Central	5.0	4.9	4.5	4.7	6.6	7.3	7.3	7.7	6.1	4.5
West South Central	4.3	5.8	7.4	6.2	6.7	7.4	7.2	6.3	5.5	4.3
Mountain	5.3	5.5	5.4	7.0	7.4	7.7	8.1	4.4	5.2	3.9
Pacific	2.8	4.7	4.1	4.1	3.6	4.4	4.4	5.2	4.4	3.8
Voluntary	3.8	4.3	4.1	4.1	4.7	5.7	5.8	6.2	4.1	3.1
Proprietary	4.0	5.0	6.3	6.9	8.9	8.3	10.1	5.4	6.1	8.9
Urban government	1.8	4.6	4.2	4.3	3.5	4.0	3.9	5.3	4.0	2.8
Rural government	3.8	4.6	5.0	4.5	4.7	5.8	5.9	4.8	3.3	3.4

Note: DSH (disproportionate share). Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25. A margin is calculated as revenue minus costs divided by revenue.

Source: MedPAC analysis of Medicare cost report data from CMS.

**TABLE  
B-14**

**Number of hospitals and distribution of hospital total margins, by hospital group, 1999**

Hospital group	Number of hospitals		Percentile					Percent with negative margins
	Total	Sample	10th	25th	50th	75th	90th	
All hospitals	4,883	3,798	-9.1%	-2.4%	2.5%	7.0%	12.0%	35.1%
Urban	2,707	2,065	-9.3	-2.6	2.4	7.3	13.0	35.8
Rural	2,176	1,731	-8.5	-2.2	2.6	6.7	10.9	34.1
In large urban areas	1,545	1,171	-11.1	-3.3	1.9	6.9	13.3	39.1
In other urban areas	1,162	894	-7.9	-1.6	3.1	7.9	12.7	31.5
Rural referral	230	203	-2.0	2.4	6.0	10.1	15.3	13.8
Sole community	659	526	-9.0	-1.5	2.0	6.8	10.6	34.4
Small rural Medicare-dependent	353	277	-9.9	-4.4	0.8	4.7	9.3	44.4
Other rural <50 beds	523	398	-11.7	-3.1	1.9	5.6	10.5	37.9
Other rural ≥ 50 beds	411	327	-6.9	-1.8	3.0	7.0	10.8	32.7
Major teaching	302	235	-6.6	-2.7	0.8	4.9	10.7	43.0
Other teaching	805	617	-7.0	-1.5	3.1	7.3	12.3	31.1
Non-teaching	3,776	2,944	-9.6	-2.6	2.6	7.1	11.9	35.2
Major teaching								
Public	86	59	-8.4	-3.1	0.8	3.6	10.7	42.4
Private	211	169	-6.0	-2.2	1.1	5.3	11.2	40.8
Other teaching								
Public	70	48	-8.4	-2.3	2.5	5.8	9.9	33.3
Private	731	569	-6.9	-1.5	3.1	7.4	12.4	31.3
Non-teaching								
Public	1,120	902	-8.6	-2.9	2.0	5.9	10.0	37.4
Private	2,527	2,026	-9.7	-2.2	2.8	7.7	13.3	34.1
DSH								
Large urban	809	614	-11.2	-3.5	1.3	6.0	12.7	42.2
Other urban	605	471	-7.6	-0.7	3.4	8.3	13.1	28.7
Rural	416	306	-10.6	-2.7	3.0	7.3	11.2	36.3
Non-DSH	3,053	2,405	-8.6	-2.3	2.6	6.8	11.7	34.3
Teaching and DSH	735	572	-7.3	-2.4	1.9	6.2	11.6	37.6
Teaching and non-DSH	372	280	-5.9	-0.8	3.6	8.0	12.2	27.9
Non-teaching and DSH	1,095	819	-11.5	-2.7	2.9	8.0	13.3	35.4
Non-teaching and non-DSH	2,681	2,125	-9.1	-2.5	2.4	6.7	11.6	35.2
New England	198	167	-7.6	-1.2	2.4	5.5	10.3	30.5
Middle Atlantic	501	457	-11.1	-4.5	0.1	3.3	7.9	49.2
South Atlantic	682	547	-9.6	-1.6	3.8	9.3	16.7	31.3
East North Central	746	617	-6.1	-0.9	3.5	7.8	12.2	28.7
East South Central	428	345	-10.6	-3.7	1.2	5.5	10.7	41.4
West North Central	690	528	-6.3	-1.3	3.0	7.0	10.6	30.5
West South Central	697	509	-12.3	-4.5	2.4	7.1	12.6	38.3
Mountain	355	257	-8.5	-1.7	4.1	8.5	12.7	30.4
Pacific	586	370	-9.1	-2.4	2.4	7.9	13.0	35.1
Voluntary	2,773	2,275	-8.4	-1.9	2.6	6.8	11.0	33.7
Proprietary	696	489	-13.6	-3.0	4.1	14.3	22.1	35.0
Urban government	379	271	-7.4	-2.7	1.9	5.6	9.8	36.5
Rural government	897	738	-9.0	-2.9	1.9	5.9	10.1	37.8

Note: DSH (disproportionate share). Major teaching hospitals are defined by a ratio of interns and residents to beds of 0.25 or greater, while other teaching hospitals have a ratio of less than 0.25. A margin is calculated as revenue minus costs divided by revenue.

Source: MedPAC analysis of Medicare cost report data from CMS.