

Summary: West Virginia Hospitals

From the report prepared by the WV Health Care Cost Containment Authority, FY 1994 data were analyzed. Every hospital in the state, except three, lost money on Medicare patients. No hospitals with more than 300 beds broke even on their Medicare patients. Surprisingly, the majority of reporting hospitals made money on Medicaid patients.

Total charity care for the state equaled \$64,466,534 for FY 1994. The total percentage of charity as a percent of gross patient revenue (GPR), averaged 2.99 for the state. Uncompensated care averaged 6.59% of GPR. The percent of adjusted revenue over expenses for FY 1994 decreased by 32.45% from FY 1993. The adjusted excess revenue over expenses, excluding Medicare and Medicaid, was 3.84% for FY 1994. The FY 1993 figure was 7.67%.

Acute care occupancy for general hospitals, excluding the nursery and neonatal ICU, was 47.1% for FY 1994. The Certificate of Need (CON) expenditures approved for January - July 1995 was \$29,698,879.

The following mergers and acquisitions occurred in 1994 and 1995:

1994

- o Columbia/Galen purchased St. Luke's Hospital (Bluefield, WV) and Greenbrier Valley Medical Center (Roncheverte, WV) for a combined \$18,298,087.
- o Columbia/HCA purchased Raleigh General Hospital (Beckley, WV), Putman General Hospital (Hurricane, WV) and River Park (Huntington, WV) for a combined \$43,639,908.

1995

- o HealthSouth purchased Huntington Rehabilitation (Huntington, WV), Mountainview Regional Rehabilitation, Southern Regional Rehabilitation (Princeton), and Western Regional Rehabilitation (Parkersburg) Hospitals.

In general, West Virginia's hospitals are maintaining their facilities. Their balance sheets and revenue from operations show erosion. Non-operating revenues appear to be the key to solvency.