

Welcome to the
**Ask the Analyst
Webinar Series**

January 17th, 2023

Introduction & Purpose

Michael Valle, Deputy Director, Information Services, HCAI

Mayra Vega, Deputy Director, Communications & Planning, HCAI

Our mission is to expand **equitable access** to health care for all Californians—ensuring every community has the health workforce they need, safe and reliable health care facilities, and **health information** that can help make care more effective and affordable.

We have over 40 years of experience supporting informed decisions in health care with data, transparency, and evidence-based analysis.



Purpose

- Demonstrate data products
- Present key data findings
- Offer tips on using these data support your work with these data
- Provide a forum to interact with HCAI staff about these data

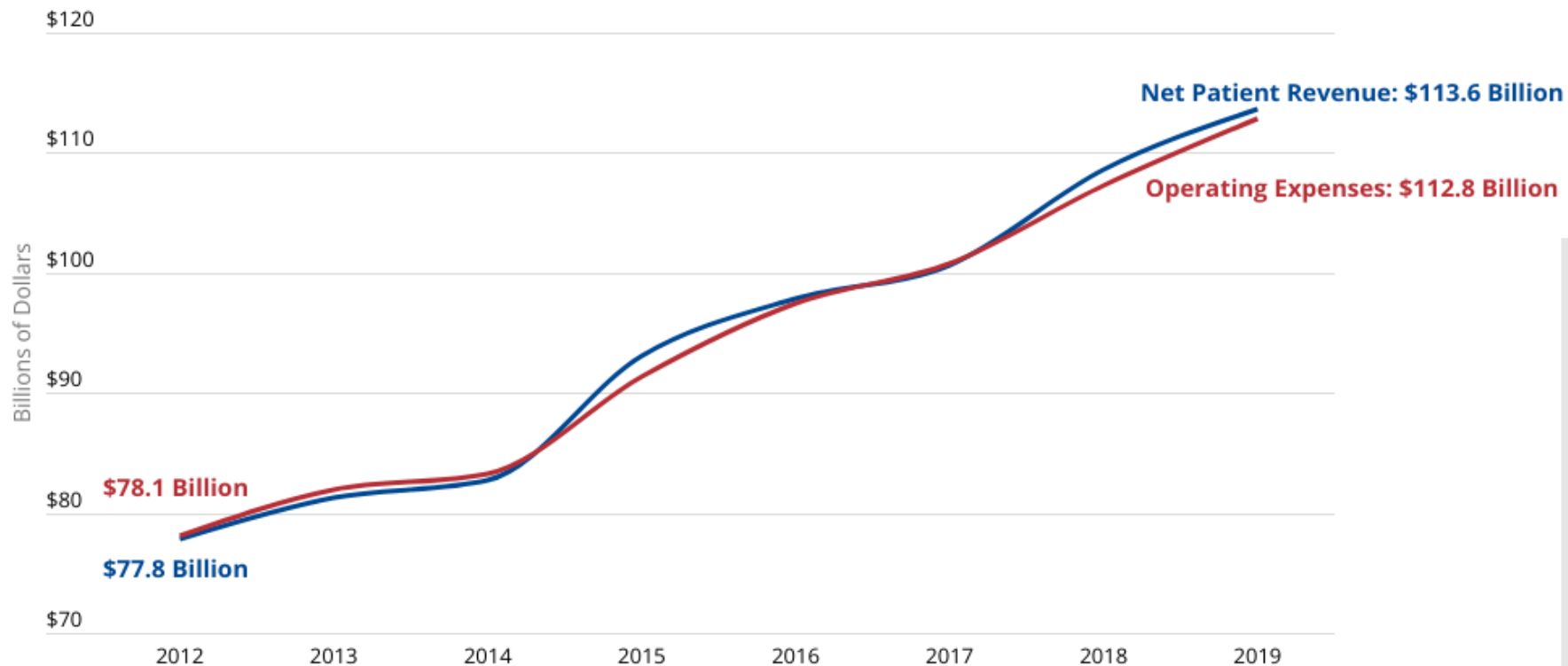
Review of Key Findings

Chris Krawczyk, PhD., Chief Analytics Officer, HCAI

Hospital Financials

Net patient revenue rose 46% at California hospitals over seven years (30% accounting for inflation).

Operating expenses climbed slightly less – 44% (29% accounting for inflation).



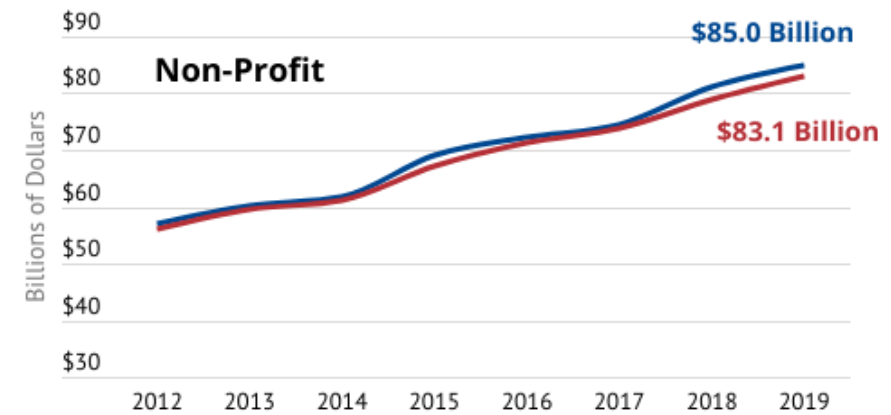
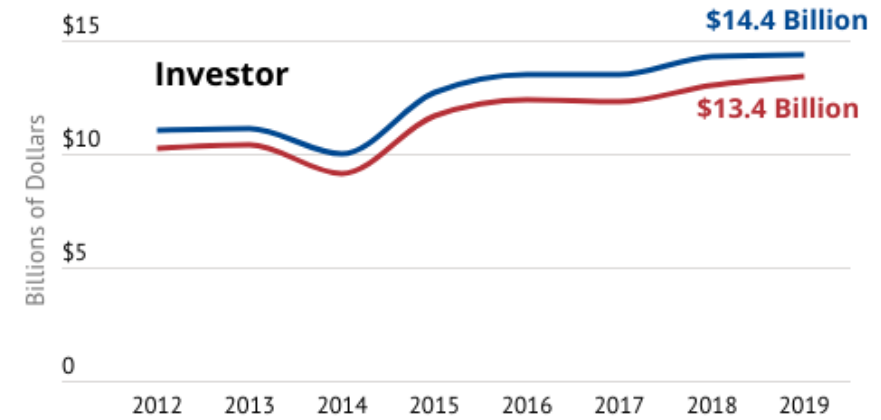
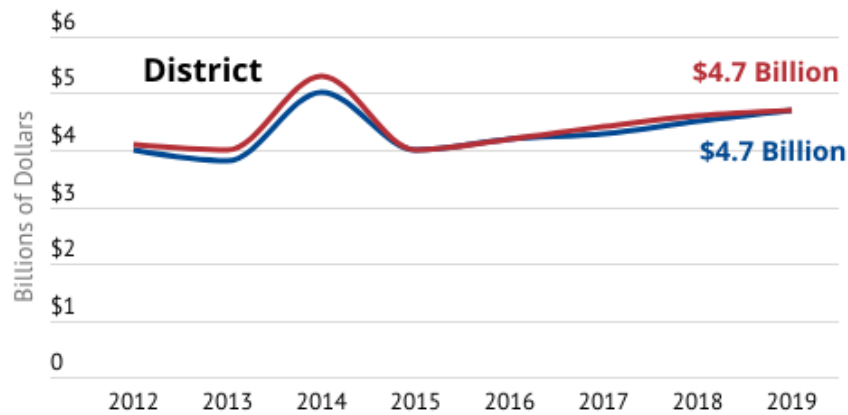
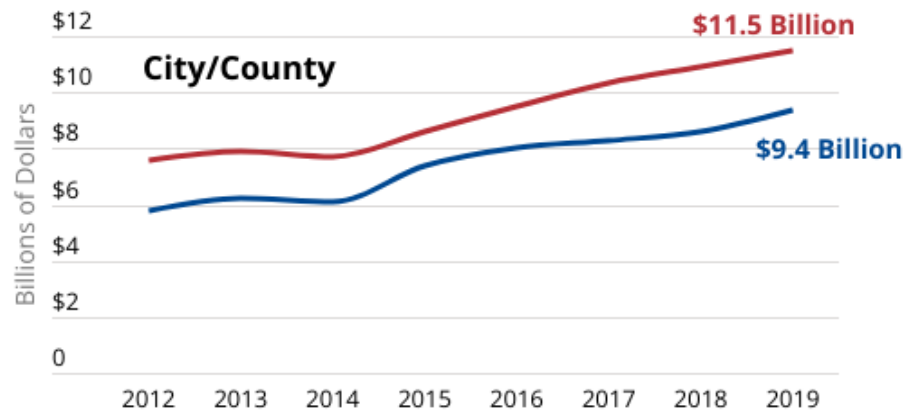
Definitions

Net Patient Revenue: Money hospitals receive from providing health care services to patients.

Operating Expenses: All expenses incurred from operating a hospital, including patient care, supplies, salaries, etc.

Hospital Financials

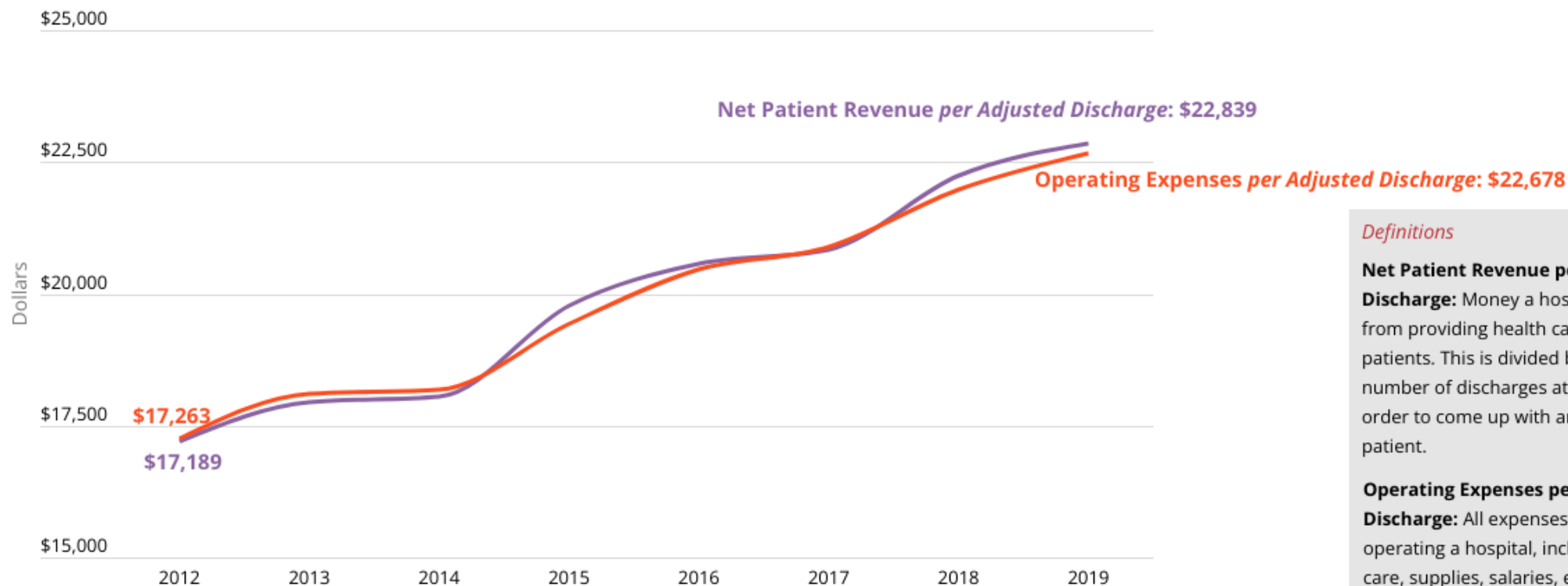
In California, non-profit hospitals account for more than double the **net patient revenue** of city/county, district and investor-run hospitals combined. The same is true for **operating expenses**.



View more Hospital Financials visualizations on the Hospital Financial Data Interactive Series page here: <https://hcai.ca.gov/visualizations/hospital-financial-data-interactive-series-hospital-financials/>

Hospital Average Cost & Profitability Delivering Patient Care

Net patient revenue per adjusted discharge also rose – in this case, by 33% at CA hospitals over seven years (19% accounting for inflation). **Operating expenses per adjusted discharge** climbed 31% (17% accounting for inflation).



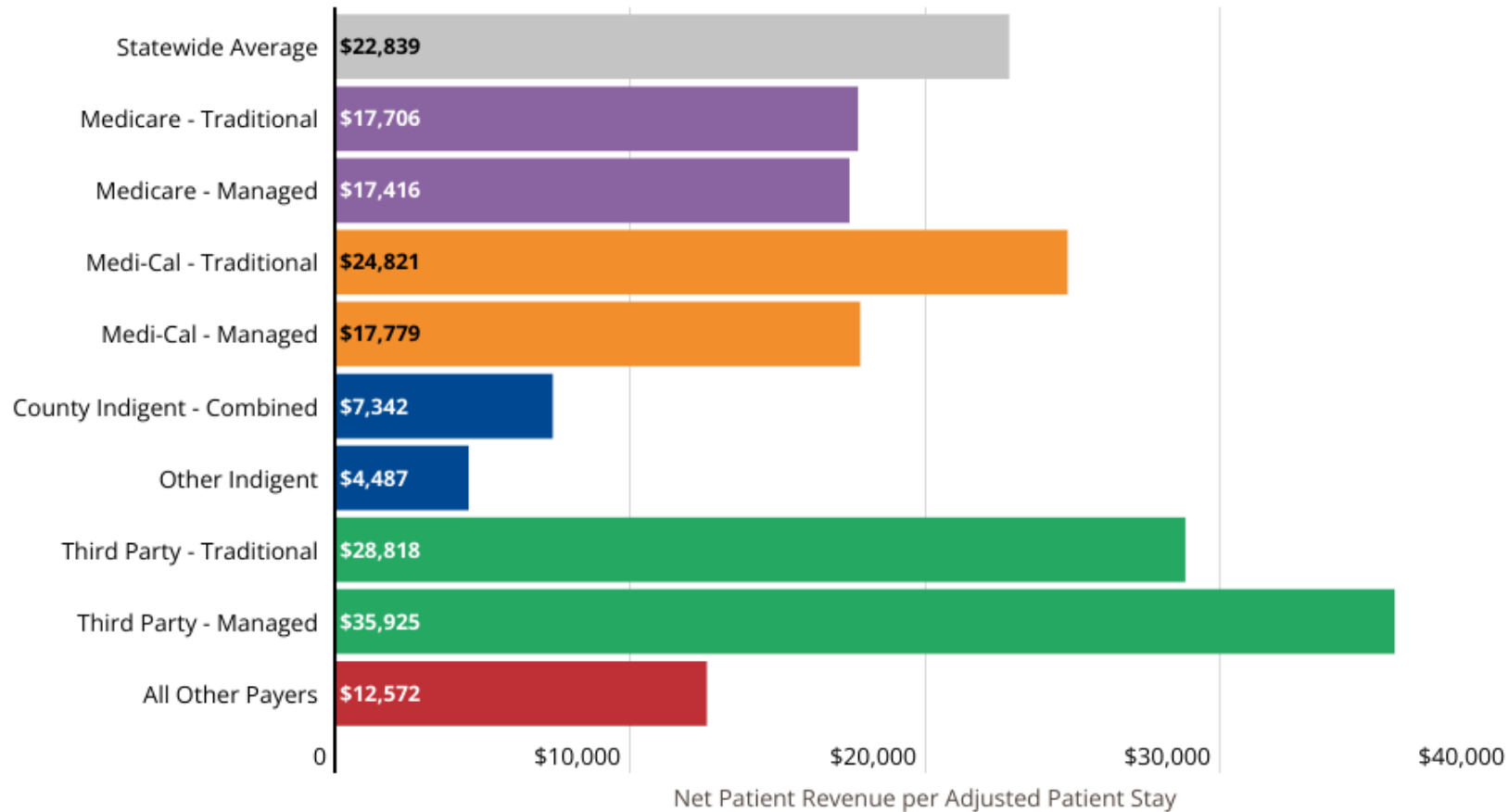
Definitions

Net Patient Revenue per Adjusted Discharge: Money a hospital receives from providing health care services to patients. This is divided by the total number of discharges at the hospital in order to come up with an average per patient.

Operating Expenses per Adjusted Discharge: All expenses incurred from operating a hospital, including patient care, supplies, salaries, etc. This is divided by the total number of discharges at the hospital in order to come up with an average per patient.

Hospital Average Cost & Profitability Delivering Patient Care

Patient revenue for CA hospitals per adjusted discharge varies greatly by type of payer. **Third party (managed)** payers, for example, pay 57% more than the statewide average, whereas other **other indigent** payers pay 80% less than the CA average.

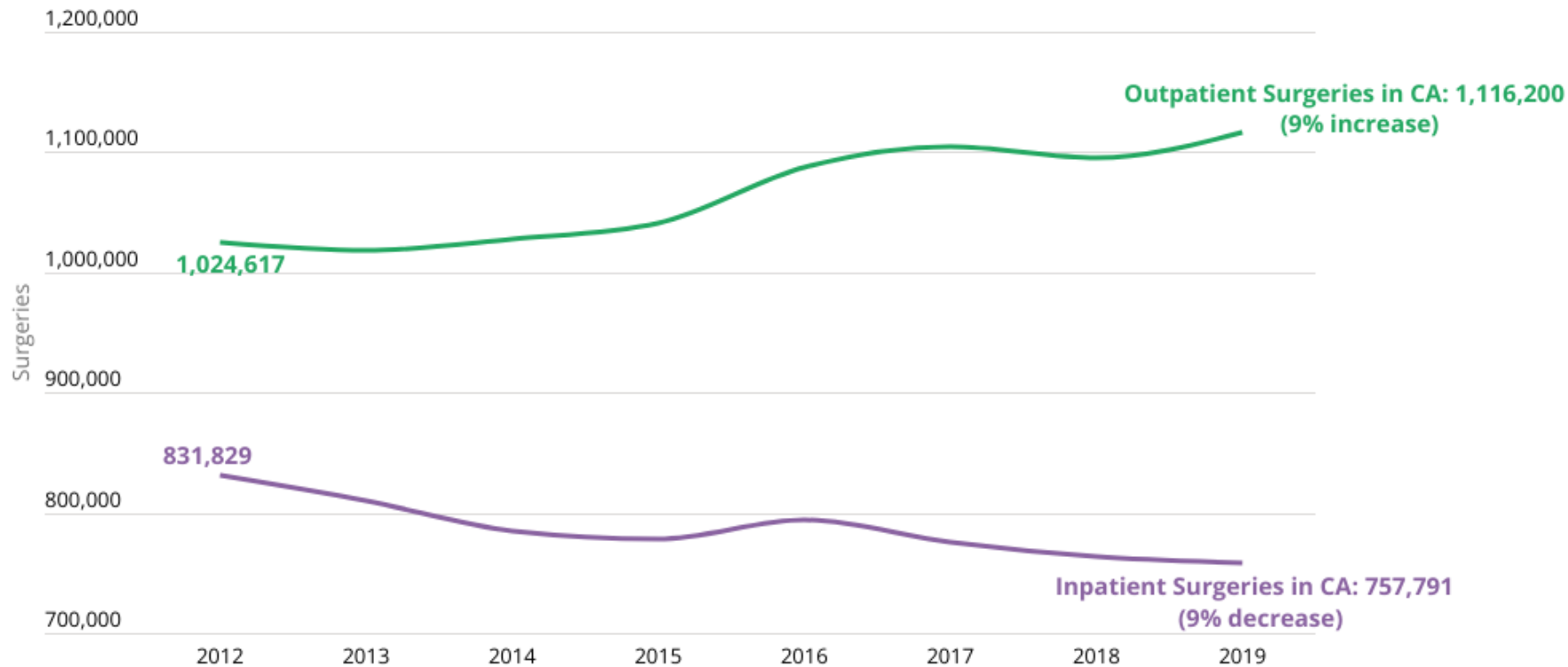


Definitions

Payer Types: For definitions of these payer types, scroll to the [bottom of this web page](#).

Hospital Utilization

The number of **inpatient surgeries** dropped at CA hospitals by about 9% over seven years. **Outpatient surgeries** climbed by the same amount over the same time period.



View more Hospital Utilization visualizations on the Hospital Financial Data Interactive Series page here: <https://hcai.ca.gov/visualizations/hospital-financial-data-interactive-series-hospital-utilization/>

Hospital Utilization

The increase in the number of **outpatient surgeries**, as well as the decline in **inpatient surgeries**, was consistent across all four types of hospitals, except for district hospitals, where outpatient surgeries also declined.

City/County: 2012-2019



0.4%

Inpatient Surgeries



33%

Outpatient Surgeries

Investor: 2012-2019



13%

Inpatient Surgeries



3%

Outpatient Surgeries

District: 2012-2019



24%

Inpatient Surgeries



18%

Outpatient Surgeries

Nonprofit: 2012-2019



8%

Inpatient Surgeries



10%

Outpatient Surgeries

Accessing the Data

Justin Tonooka, Research Scientist, HCAI

Creation and Concept

- Main Goals:
 - Advance healthcare cost transparency
 - Leverage existing financial data products for an easy-to-use visual platform
 - Highlight popular/commonly-used financial data items
- Created from HCAI's calendar year Hospital Annual Financial Data: Selected Data Files

Organization

- Currently consists of three main visualization pages
 - Hospital Financials: Net revenue and operating expenses, operating margins, uncompensated care costs, etc.
 - Hospital Utilization: Facility utilization and labor productivity
 - Hospital Average Cost and Profitability Delivering Patient Care: Items related to cost of delivering care collected in the annual financial data, presented per adjusted discharge

Demo

Important Notes

- The visualizations are updated once the fully audited data for each calendar year are available
 - Additional time is needed to review/correct information per facility
 - Currently, the visualization series has been updated to 2019 with 2020 on the way soon
- Only comparable hospitals are included in the visualizations; Kaisers, state and psychiatric health facilities submit data differently than the others

Resources

- Hospital Financial Data Interactive Series Pages:
 - Landing Page: <https://hcai.ca.gov/data-and-reports/hospital-financial-data-interactive-series/>
 - Part 1: <https://hcai.ca.gov/visualizations/hospital-financial-data-interactive-series-hospital-financials/>
 - Part 2: <https://hcai.ca.gov/visualizations/hospital-financial-data-interactive-series-hospital-utilization/>
 - Part 3: <https://hcai.ca.gov/visualizations/hospital-financial-data-interactive-series-hospital-average-cost-and-profitability-delivering-patient-care/>

Moderated Q&A

Andy Krackov, Hillcrest Advisory & HCAI Consultant

HCAI Panel

- Michael Valle, Deputy Director, Information Services
- Mayra Vega, Deputy Director, Communications and Planning
- Chris Krawczyk, PhD., Chief Analytics Officer
- Justin Tonooka, Research Scientist
- Ty Christensen, Accounting and Reporting Systems Section Manager

Closing – Thank You!

- HCAI will send out a survey to inform future events; please let us know how we did!
 - Did you find this webinar helpful?
 - What would you be interested to see in a future Ask The Analyst webinar?
- Have more questions, suggestions? Contact an analyst at dataandreports@hcai.ca.gov
- Subscribe for notifications of public meetings and future events like this at hcai.ca.gov/mailling-list
- Check out all our featured visualizations: hcai.ca.gov/visualizations
- HCAI will publish an FAQ containing answers to questions asked during this webinar.