



FEBRUARY 2025 METRICS

National Hospital Flash Report

Real Data. Real Insight. Real Time.

Based on Data from More Than 1,300 Hospitals

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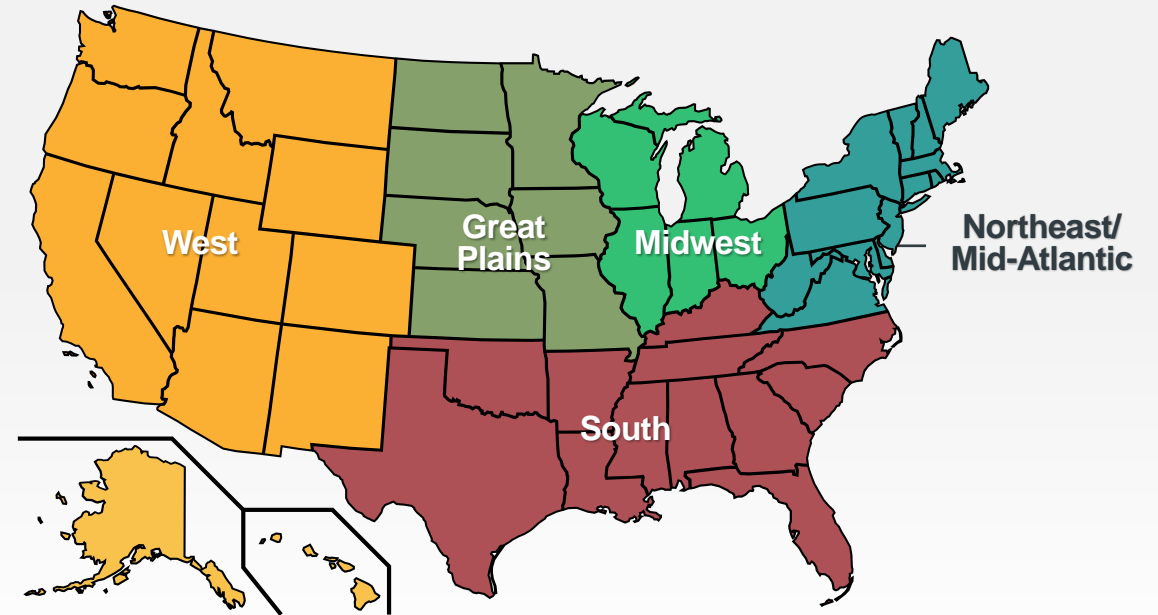
About the Data

The *National Hospital Flash Report* uses both actual and budget data over the last three years, sampled from more than 1,300 hospitals on a recurring monthly basis from Strata Decision Technology.

The sample of hospitals for this report is representative of all hospitals in the United States both geographically and by bed size. Additionally, hospitals of all types are represented, from large academic to small critical access. Advanced statistical techniques are used to standardize data, identify and handle outliers, and ensure statistical soundness prior to inclusion in the report.

While this report presents data in the aggregate, Strata also has real-time data down to individual department, jobcode, paytype, and account levels, which can be customized into peer groups for unparalleled comparisons to drive operational decisions and performance improvement initiatives.

Map of Regions



About the Data *(continued)*



[Kaufman Hall](#), a Vizient company, provides management consulting solutions to help society's foundational institutions realize sustained success amid changing market conditions. Since 1985, Kaufman Hall has been a trusted advisor to boards and executive management teams, helping them incorporate proven methods, rigorous analytics, and industry-leading solutions into their strategic planning and financial management processes, with a focus on achieving their most challenging goals.

Kaufman Hall services use a rigorous, disciplined, and structured approach that is based on the principles of corporate finance. The breadth and integration of Kaufman Hall advisory services are unparalleled, encompassing strategy; financial and capital planning; performance improvement; treasury and capital markets management; mergers, acquisitions, partnerships, and joint ventures; and real estate.



Strata Decision Technology, LLC provides an innovative, cloud-based platform for software, and data and service solutions to help healthcare organizations acquire insights, accelerate decisions, and enhance performance in support of their missions. More than 2,300 organizations rely on Strata's StrataJazz and Axiom solutions for market-leading service and enterprise performance management software, data, and intelligence solutions. To learn more about Strata and why the company has been named the market leader for Business Decision Support for more than 15 consecutive years, please go to www.stratadecision.com.

Key Takeaways

1. **Volumes remain strong, including in emergency departments.**

Performance in February 2025 remains stable.

2. **Outpatient revenue has slowed as inpatient revenue grows.**

This indicates that rapid outpatient growth in the last few years may have reached its peak.

3. **Expenses continue to rise.** Non-labor expenses have been the primary driver thus far in 2025.

Action Steps

Not-for-profit hospital and health system leaders are currently monitoring a flurry of rapidly evolving potential changes to state and federal policy with significant, long-term financial ramifications for their organizations.

Organizations can start [preparing for these changes](#) by using scenario planning to stress-test their long-range financial and capital plans. From there, executive leaders can identify and take immediate actions to help their organizations weather the storm:

1. Develop mitigation plans that can respond to a wide range of potential policy outcomes, including performance improvement opportunities and capital plan flexibility
2. Help the Board, Finance Committee and other key leaders understand the implications of proposed policies on the organization
3. Inform other key internal and external stakeholders of new developments
4. Identify particularly high-risk proposals negatively impacting the organization and the communities it serves, and consider communicating these risks to local, state, and federal officials

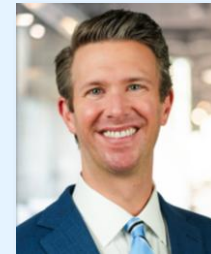
CONTACT THE EXPERTS



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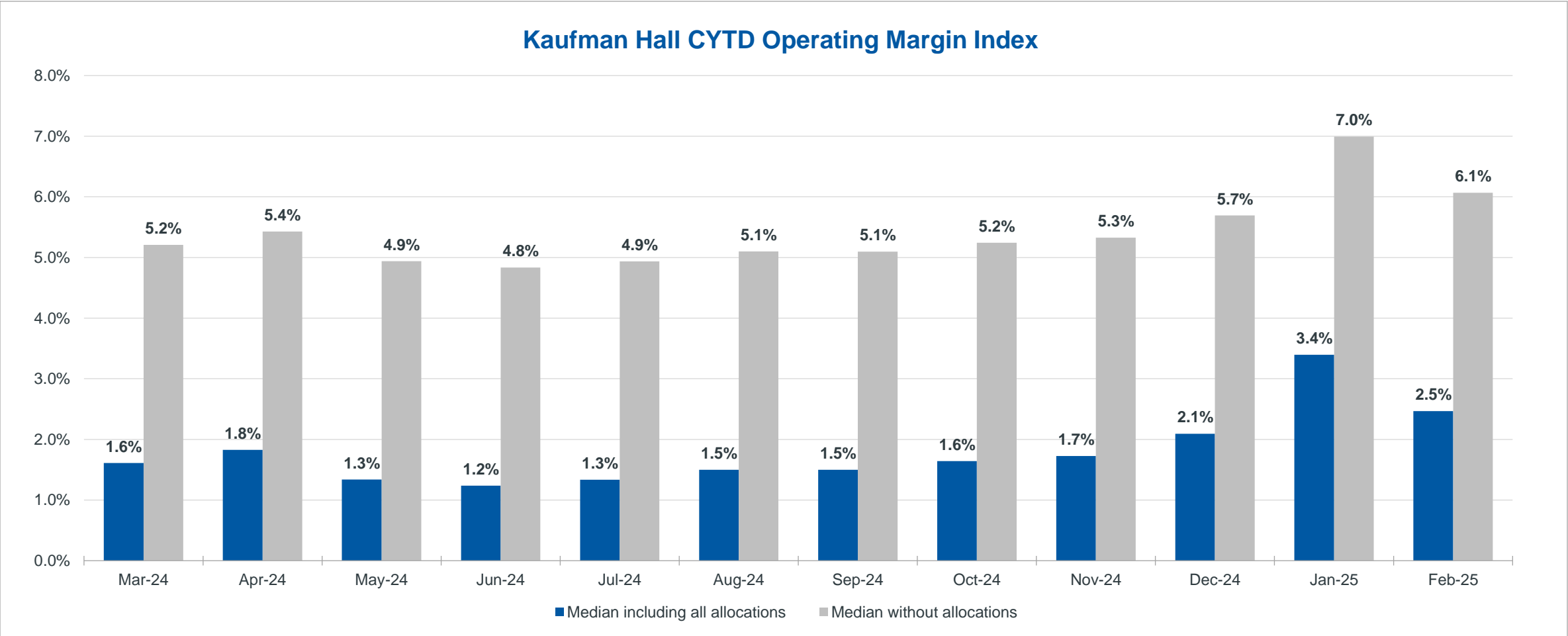
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Operating Margin

Kaufman Hall CYTD Operating Margin Index

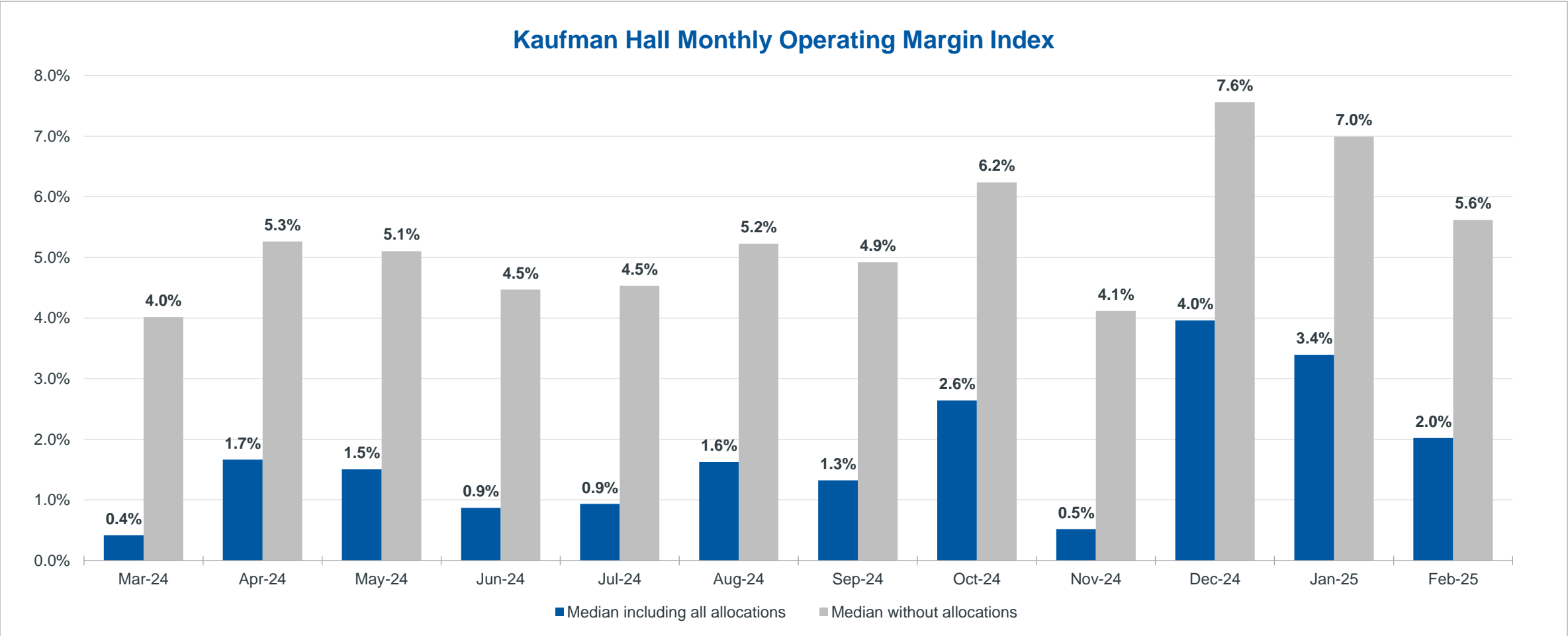


Kaufman Hall, National Hospital Flash Report (February 2025 Metrics)

* Note: Hospitals only. The Kaufman Hall Hospital Operating Margin and Operating EBITDA Margin Indices are comprised of the national median of our dataset, and are displayed with and without adjustments for allocations to hospitals from corporate, physician, and other entities.

Operating Margin *(continued)*

Kaufman Hall Monthly Operating Margin Index



Kaufman Hall, National Hospital Flash Report (February 2025 Metrics)

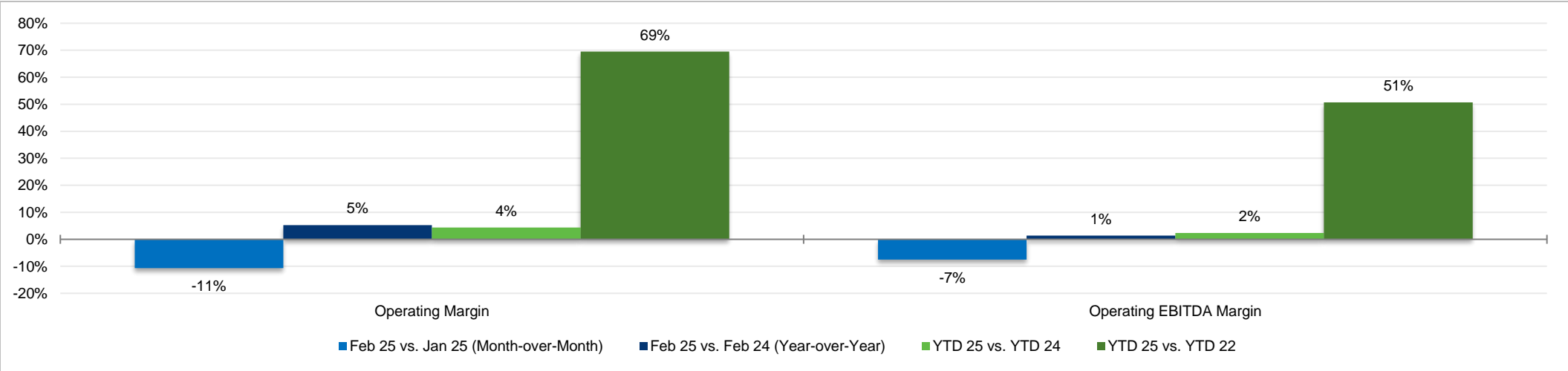
* Note: Hospitals only. The Kaufman Hall Hospital Operating Margin and Operating EBITDA Margin Indices are comprised of the national median of our dataset, and are displayed with and without adjustments for allocations to hospitals from corporate, physician, and other entities.

National and Regional Data

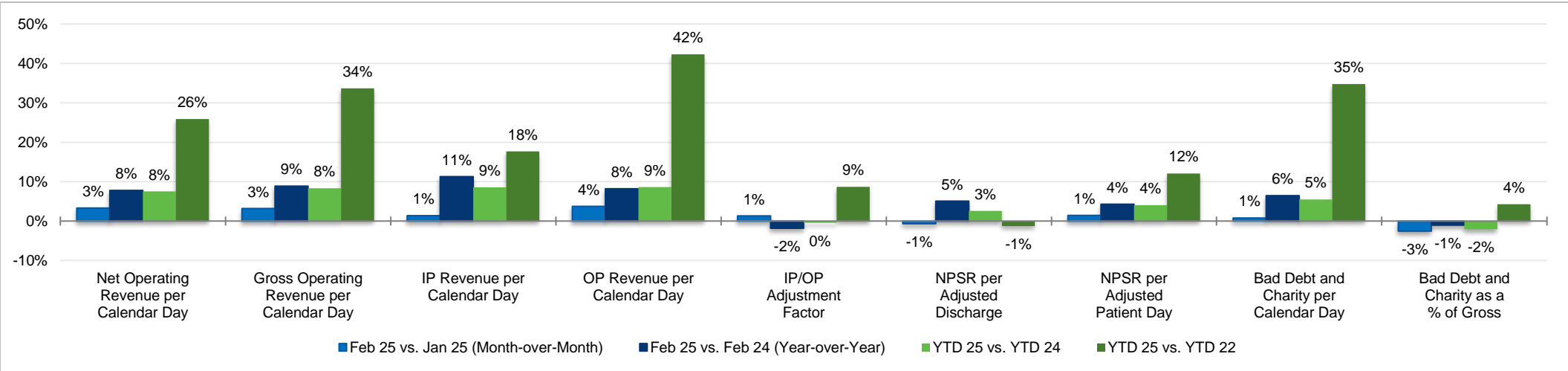
Profitability, Revenue, Expense, and Volume

National Data

Profitability

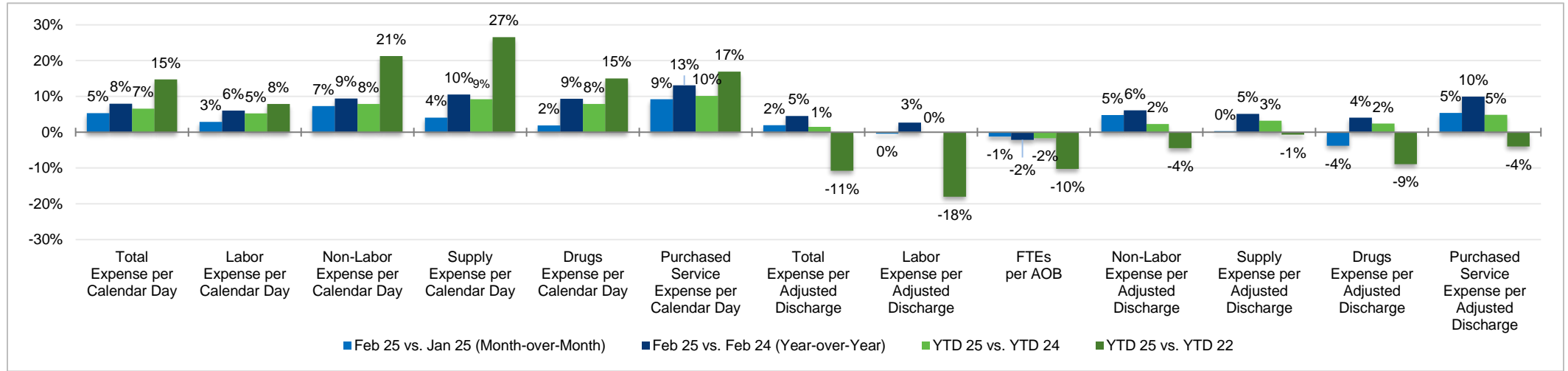


Revenue

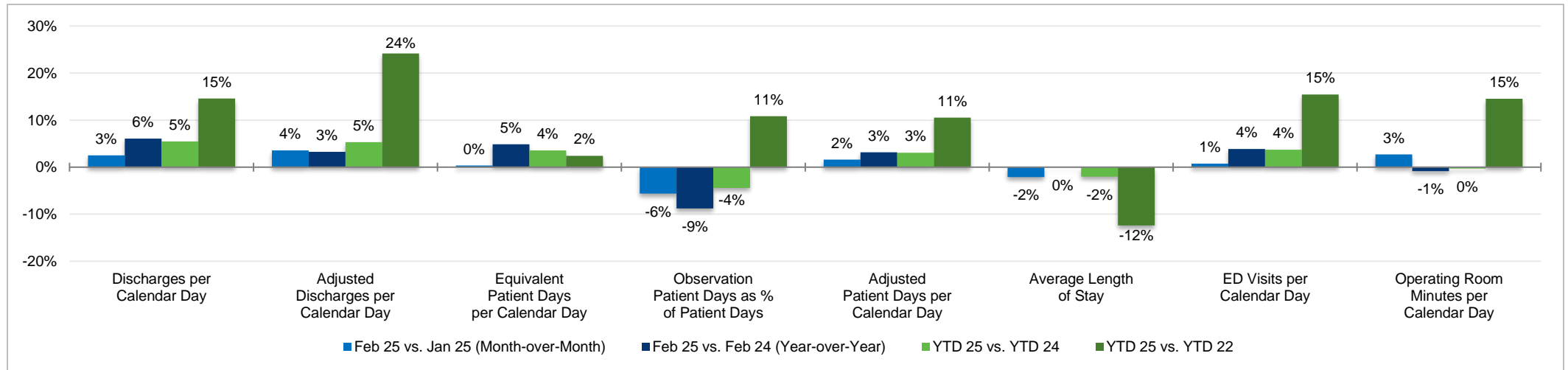


National Data *(continued)*

Expense

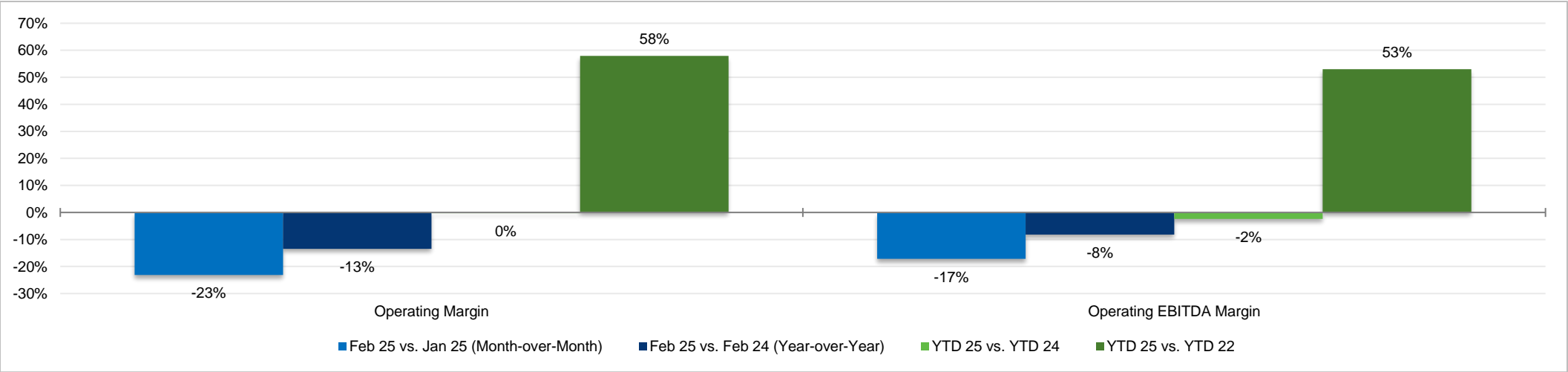


Volume

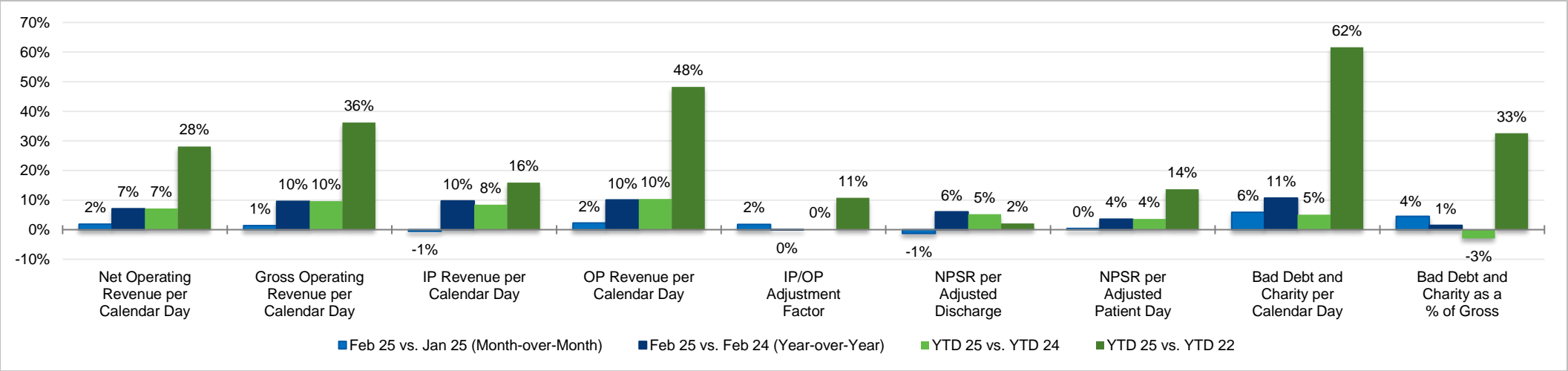


Regional Data: West

Profitability

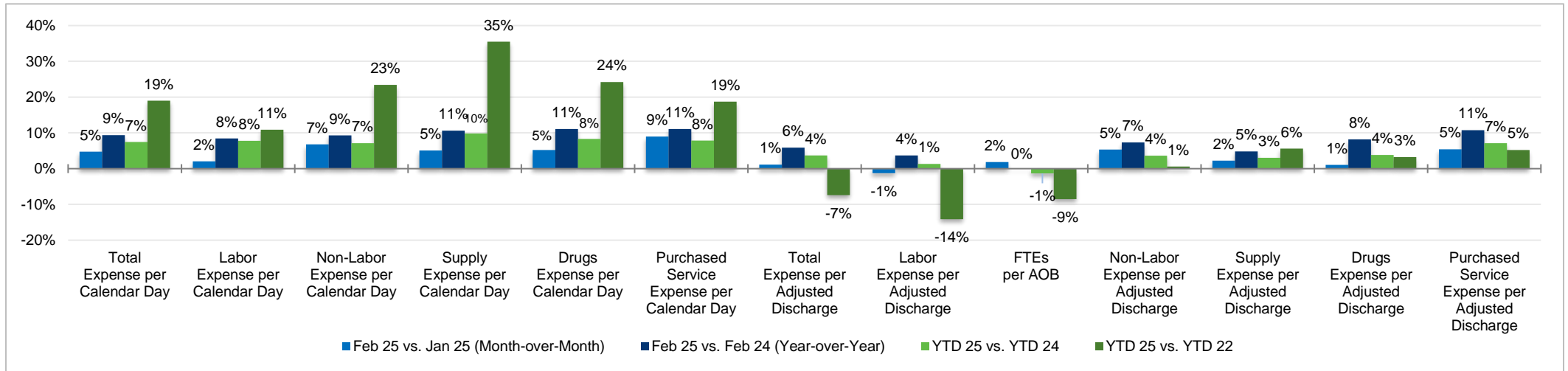


Revenue

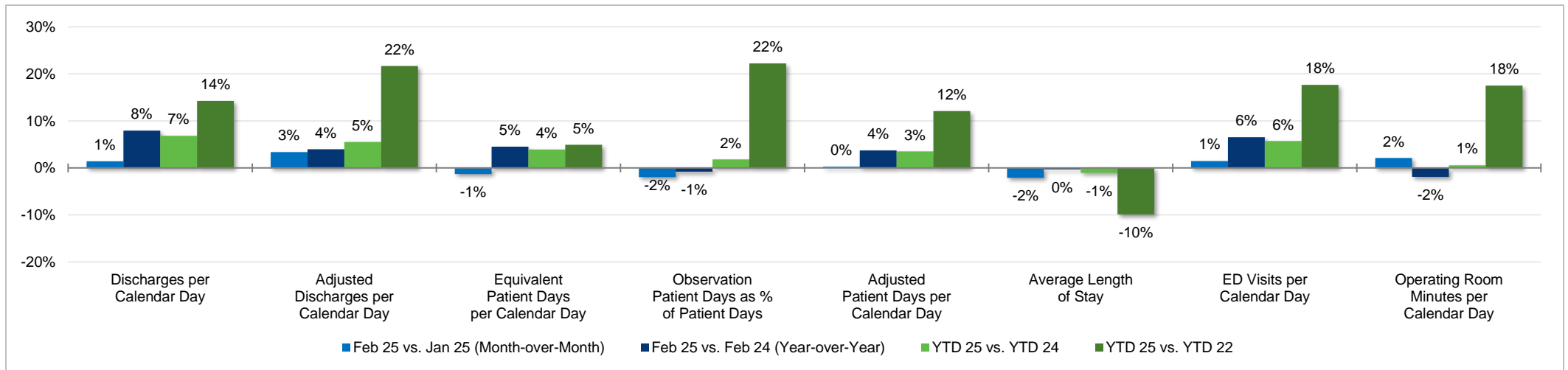


Regional Data: West *(continued)*

Expense

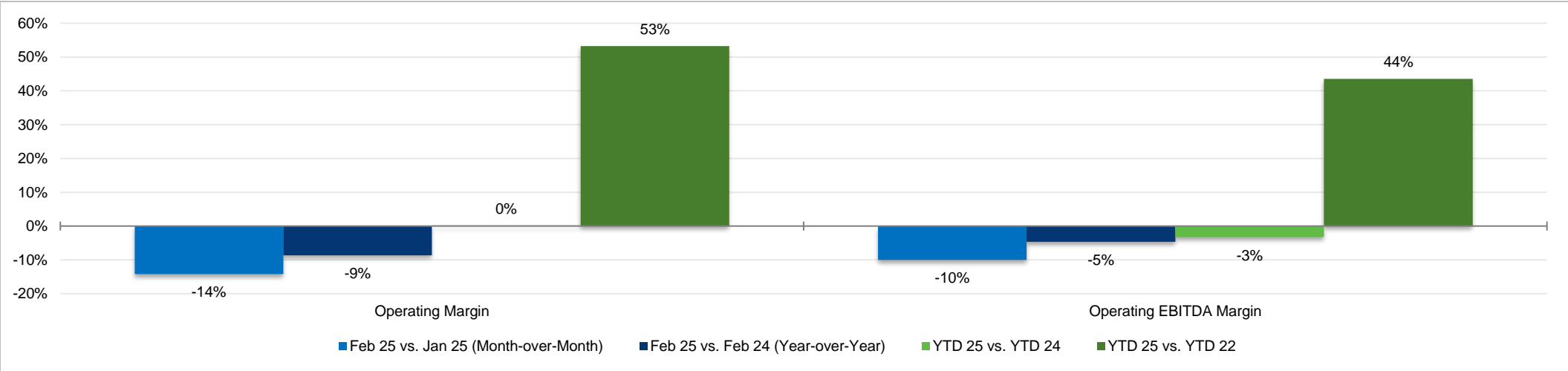


Volume

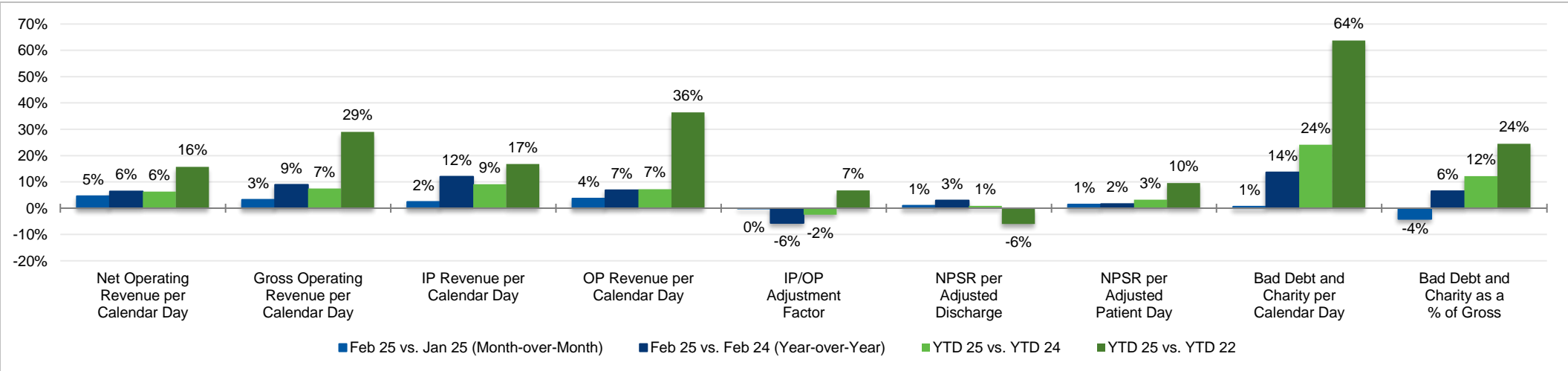


Regional Data: Midwest

Profitability

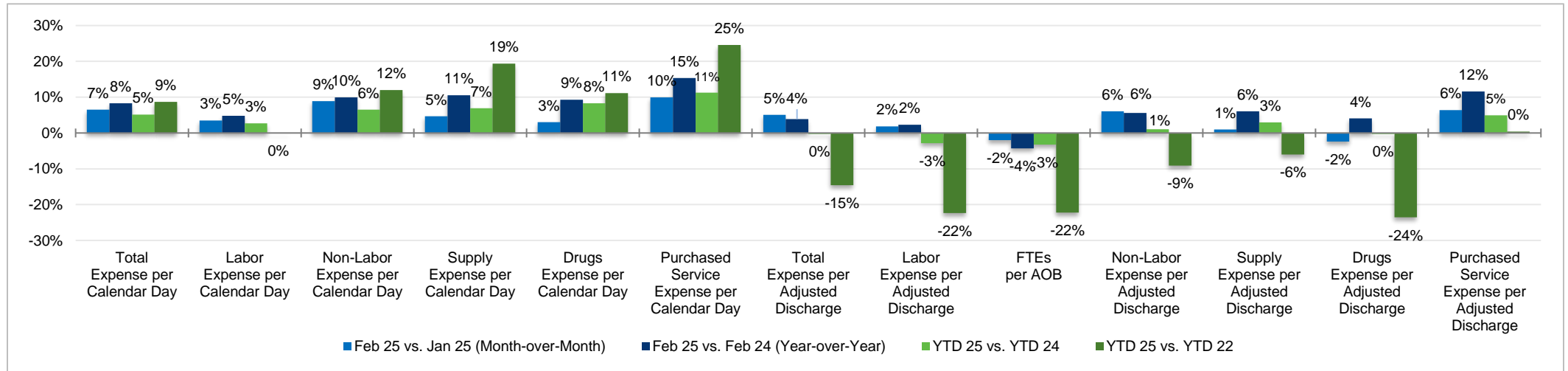


Revenue

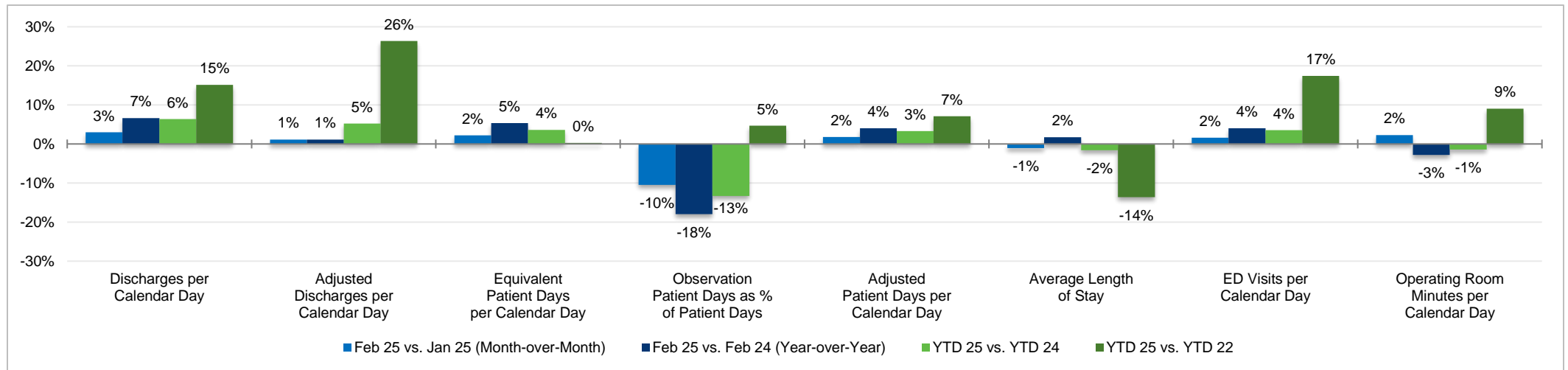


Regional Data: Midwest *(continued)*

Expense

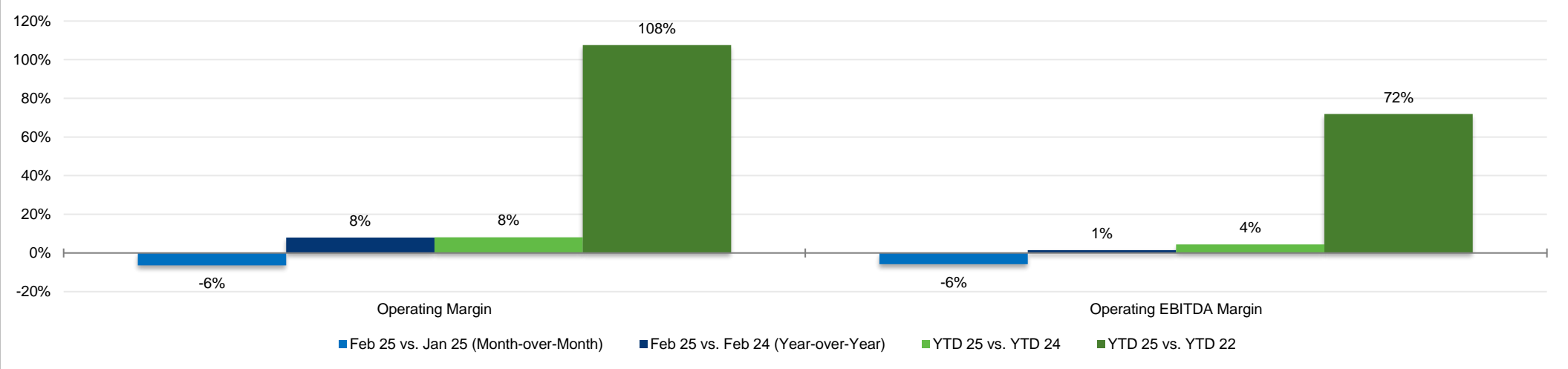


Volume

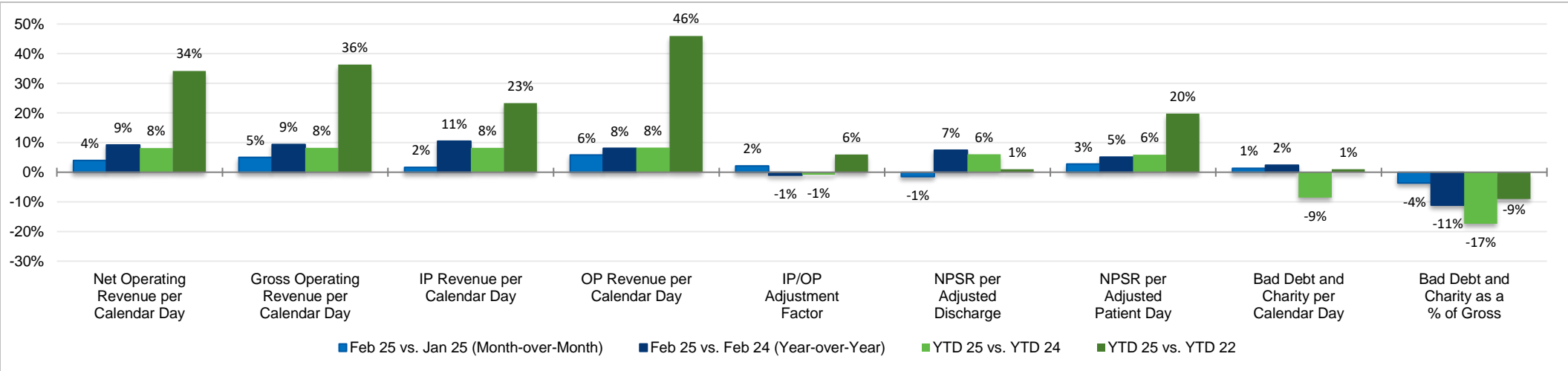


Regional Data: South

Profitability

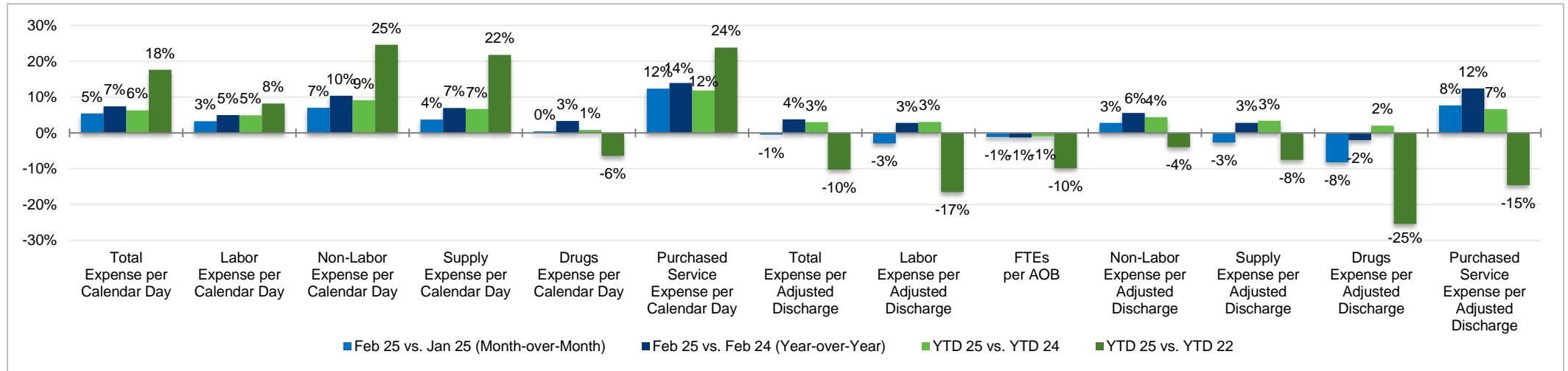


Revenue

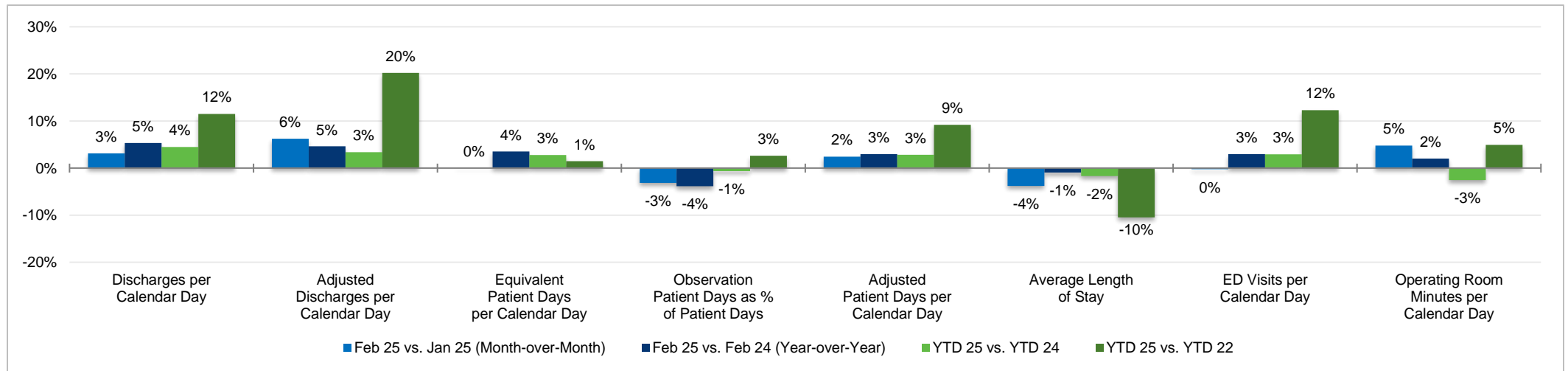


Regional Data: South *(continued)*

Expense

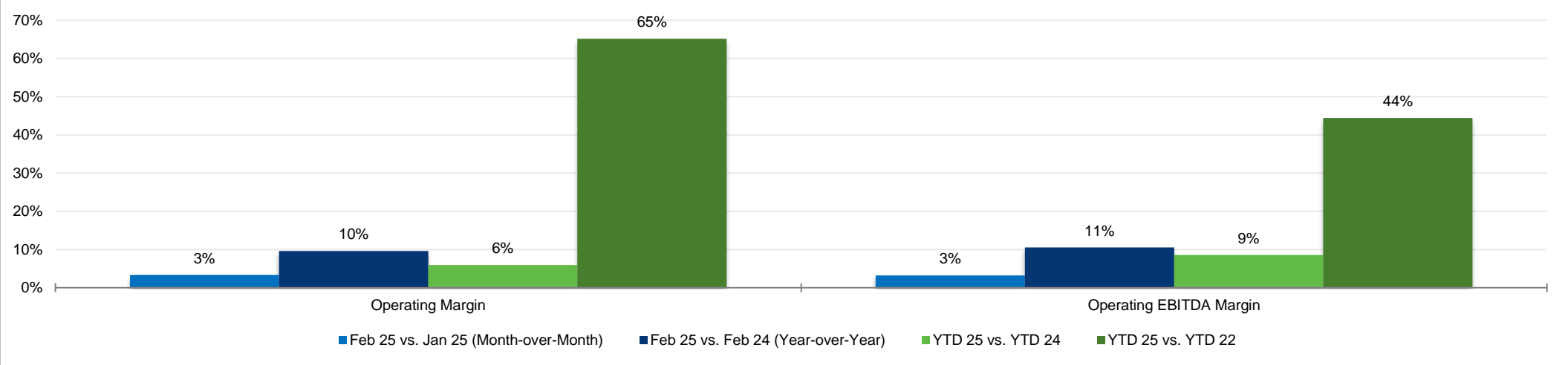


Volume

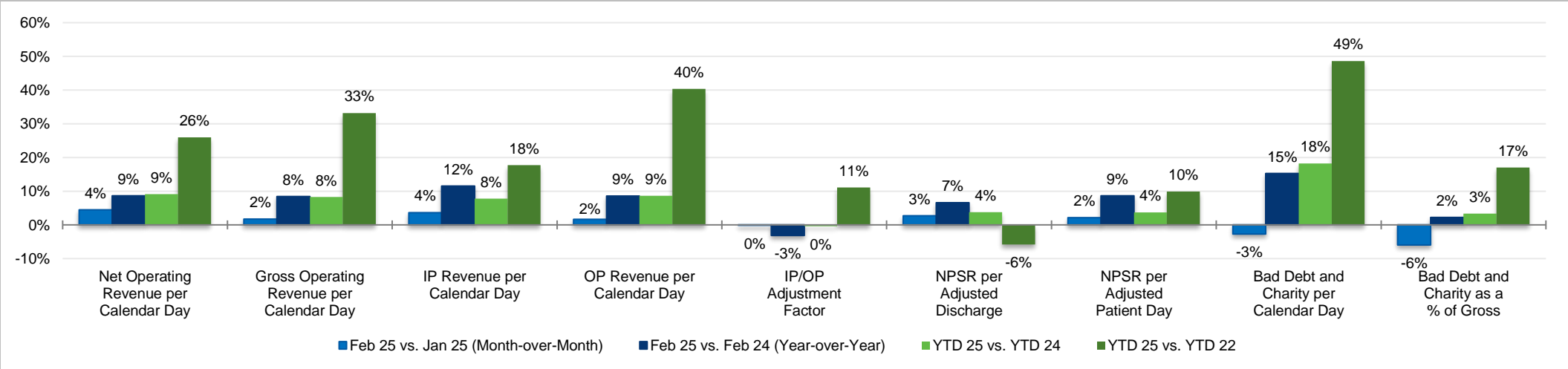


Regional Data: Northeast/Mid-Atlantic

Profitability

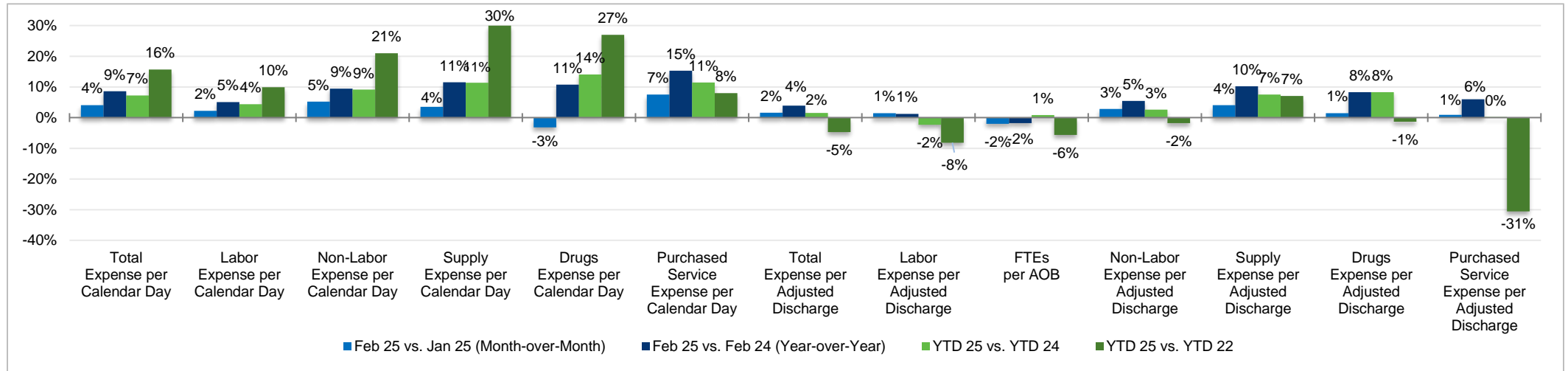


Revenue

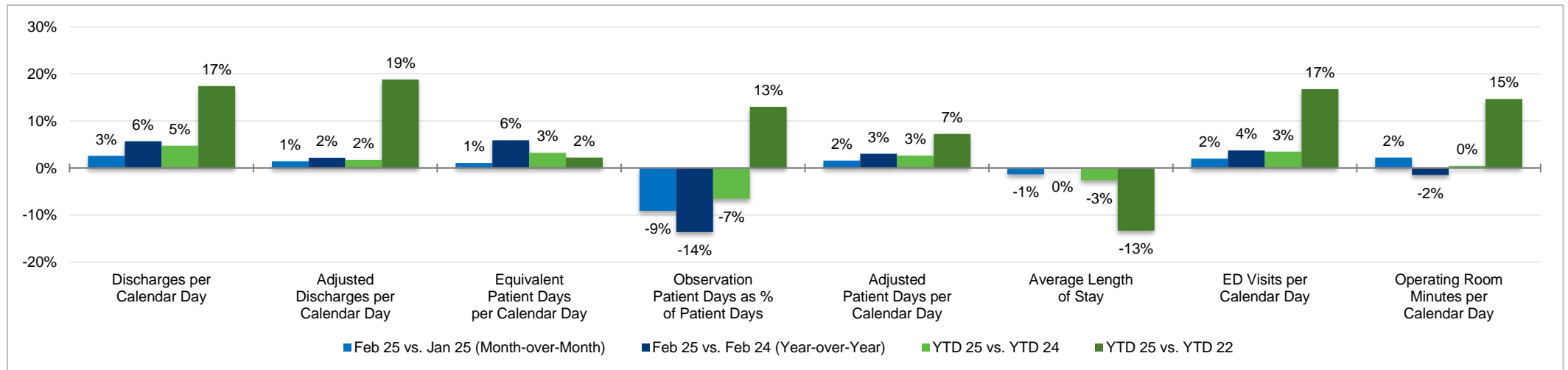


Regional Data: Northeast/Mid-Atlantic *(continued)*

Expense

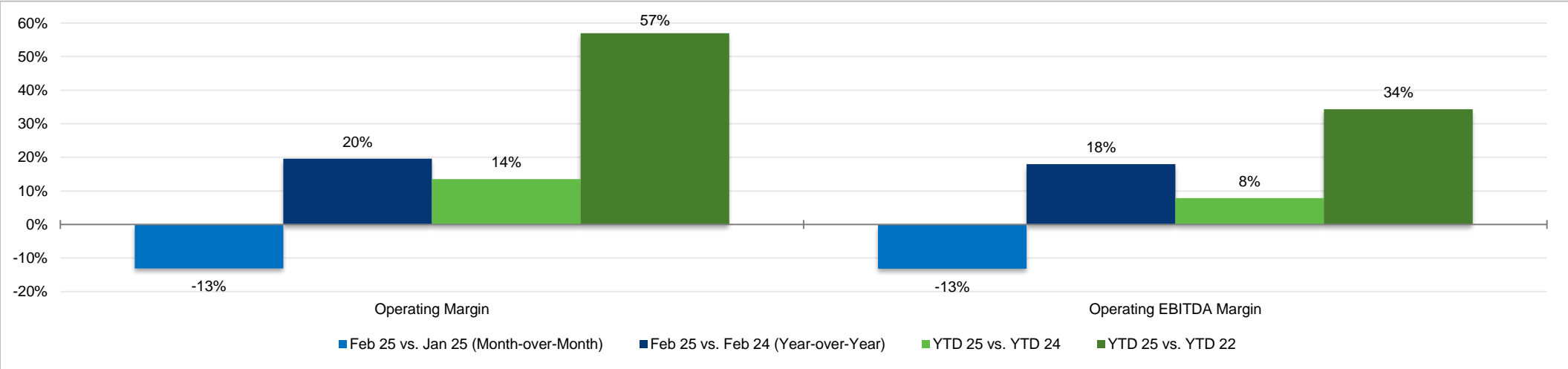


Volume

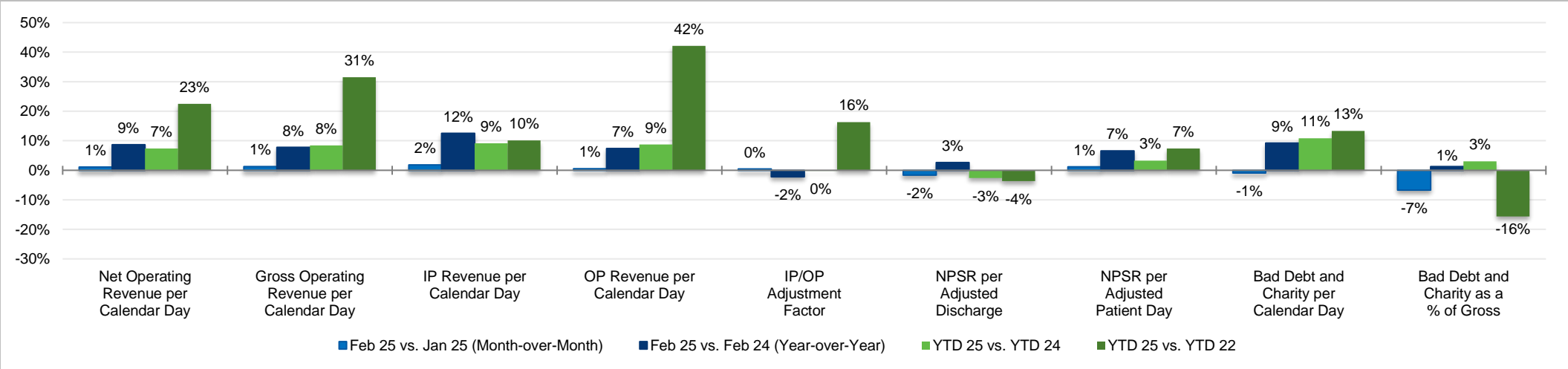


Regional Data: Great Plains

Profitability

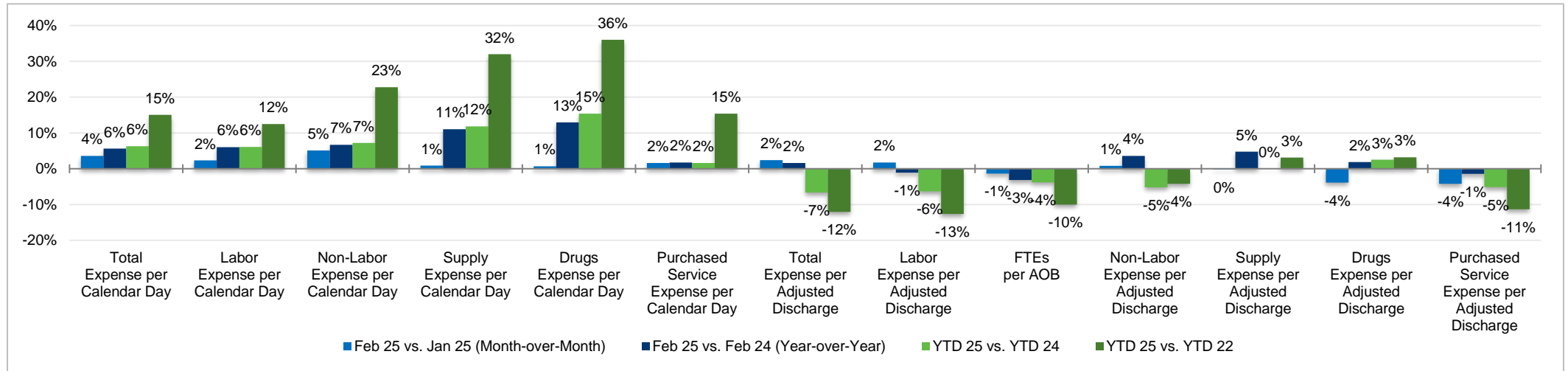


Revenue

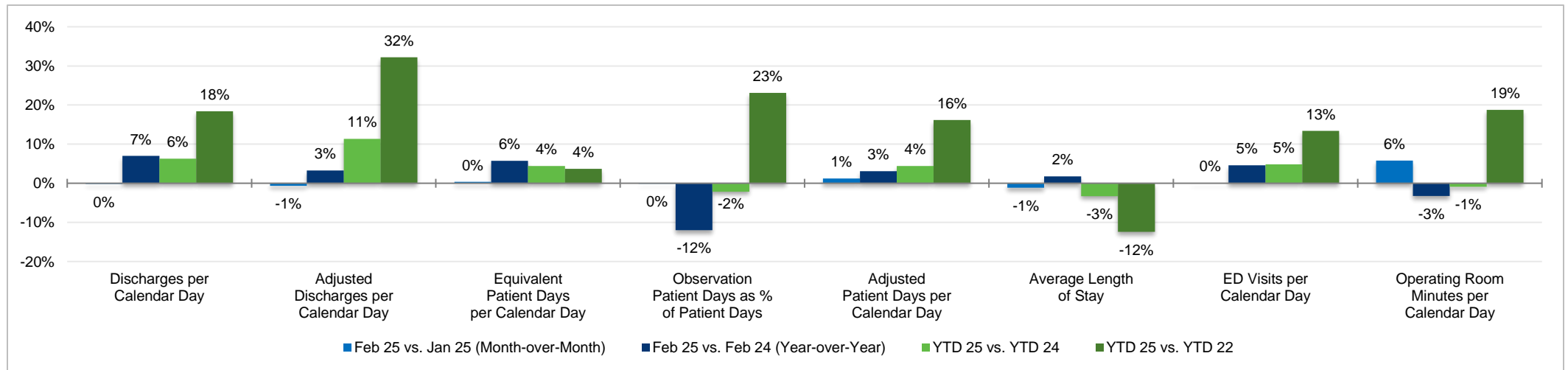


Regional Data: Great Plains *(continued)*

Expense



Volume



Data by Hospital Bed Size

Profitability, Revenue, Expense, and Volume

0-25 Beds

| | | Feb 25 vs. Jan 25 (Month-over-Month) | Feb 25 vs. Feb 24 (Year-over-Year) | YTD 25 vs. YTD 24 | YTD 25 vs. YTD 22 |
|--|---|--------------------------------------|------------------------------------|-------------------|-------------------|
| Margin | Operating Margin | -20.2% | 0.4% | 3.0% | 73.2% |
| | Operating EBIDA Margin | -16.6% | -4.1% | 1.5% | 40.2% |
| Volume | Discharges per Calendar Day | 4.1% | 12.5% | 6.6% | 7.9% |
| | Adjusted Discharges per Calendar Day | 3.2% | 7.5% | 11.9% | 38.5% |
| | Equivalent Patient Days per Calendar Day | 3.6% | 5.4% | 2.4% | -3.6% |
| | Observation Patient Days as % of Patient Days | -6.2% | -5.5% | -7.5% | 9.2% |
| | Adjusted Patient Days per Calendar Day | 2.3% | 3.5% | 3.9% | 18.3% |
| | Average Length of Stay | -2.9% | -3.5% | -4.7% | -13.8% |
| | ED Visits per Calendar Day | 1.6% | 5.6% | 4.6% | 13.3% |
| | Operating Room Minutes per Calendar Day | 7.8% | 11.6% | 8.3% | 17.4% |
| Revenue | Net Operating Revenue per Calendar Day | 0.8% | 5.3% | 6.8% | 22.5% |
| | Gross Operating Revenue per Calendar Day | 4.2% | 8.2% | 8.7% | 30.8% |
| | IP Revenue per Calendar Day | 3.6% | 11.9% | 6.2% | -7.4% |
| | OP Revenue per Calendar Day | 4.4% | 9.1% | 9.0% | 36.9% |
| | IP/OP Adjustment Factor | -0.4% | -3.8% | 0.1% | 33.2% |
| | NPSR per Adjusted Discharge | -4.9% | -4.8% | -3.3% | -11.0% |
| | NPSR per Adjusted Patient Day | -2.9% | 2.0% | 2.4% | -1.5% |
| | Bad Debt and Charity per Calendar Day | 9.2% | 3.4% | 4.1% | 26.9% |
| Bad Debt and Charity as a % of Gross | 3.5% | 0.9% | 0.7% | 0.3% | |
| Expense | Total Expense per Calendar Day | 5.2% | 6.5% | 6.1% | 12.9% |
| | Labor Expense per Calendar Day | 3.6% | 6.0% | 4.6% | 7.9% |
| | Non-Labor Expense per Calendar Day | 6.8% | 8.4% | 5.8% | 15.8% |
| | Supply Expense per Calendar Day | 4.1% | 11.3% | 9.4% | 18.7% |
| | Drugs Expense per Calendar Day | 1.8% | 8.9% | 6.8% | 28.4% |
| | Purchased Service Expense per Calendar Day | 7.8% | 8.6% | 5.6% | 18.5% |
| | Total Expense per Adjusted Discharge | 0.8% | -0.9% | -7.1% | -22.7% |
| | Labor Expense per Adjusted Discharge | -1.7% | 0.0% | -7.3% | -25.2% |
| | FTEs per AOB | -2.6% | -6.7% | -6.2% | -23.2% |
| | Non-Labor Expense per Adjusted Discharge | 2.1% | 0.8% | -6.1% | -15.1% |
| | Supply Expense per Adjusted Discharge | -1.2% | -1.0% | -2.6% | -14.6% |
| Drugs Expense per Adjusted Discharge | -4.7% | -4.2% | -7.2% | -7.7% | |
| Purchased Service Expense per Adjusted Discharge | 1.0% | -2.9% | -6.3% | -13.4% | |

26-99 Beds

| | | Feb 25 vs. Jan 25 (Month-over-Month) | Feb 25 vs. Feb 24 (Year-over-Year) | YTD 25 vs. YTD 24 | YTD 25 vs. YTD 22 |
|--|---|--|------------------------------------|-------------------|-------------------|
| Margin | Operating Margin | -7.0% | 6.6% | 9.9% | 64.2% |
| | Operating EBIDA Margin | -0.6% | 7.1% | 6.8% | 47.3% |
| Volume | Discharges per Calendar Day | 2.7% | 8.2% | 6.4% | 11.9% |
| | Adjusted Discharges per Calendar Day | 2.8% | 1.9% | 3.9% | 25.9% |
| | Equivalent Patient Days per Calendar Day | 0.1% | 7.2% | 5.1% | -3.1% |
| | Observation Patient Days as % of Patient Days | -8.9% | -8.6% | -4.4% | 21.9% |
| | Adjusted Patient Days per Calendar Day | 1.4% | 3.9% | 4.1% | 10.6% |
| | Average Length of Stay | -0.3% | 1.7% | -1.6% | -14.6% |
| | ED Visits per Calendar Day | 2.0% | 4.3% | 3.1% | 13.7% |
| | Operating Room Minutes per Calendar Day | 4.7% | 2.1% | -1.4% | 10.9% |
| | Revenue | Net Operating Revenue per Calendar Day | 3.3% | 8.6% | 8.8% |
| Gross Operating Revenue per Calendar Day | | 3.9% | 9.5% | 8.0% | 31.9% |
| IP Revenue per Calendar Day | | 3.0% | 16.6% | 9.6% | 11.6% |
| OP Revenue per Calendar Day | | 4.7% | 8.5% | 9.0% | 42.6% |
| IP/OP Adjustment Factor | | 1.1% | -6.7% | -2.2% | 14.3% |
| NPSR per Adjusted Discharge | | 0.0% | 8.3% | 5.3% | -7.2% |
| NPSR per Adjusted Patient Day | | 0.5% | 3.3% | 4.6% | 9.7% |
| Bad Debt and Charity per Calendar Day | | -2.2% | 4.0% | 4.0% | 36.0% |
| Bad Debt and Charity as a % of Gross | | -8.0% | -5.7% | -2.2% | 10.1% |
| Expense | Total Expense per Calendar Day | 5.4% | 7.3% | 6.1% | 11.8% |
| | Labor Expense per Calendar Day | 3.3% | 4.9% | 4.4% | 8.4% |
| | Non-Labor Expense per Calendar Day | 7.0% | 8.0% | 7.0% | 17.0% |
| | Supply Expense per Calendar Day | 4.3% | 6.6% | 7.5% | 23.2% |
| | Drugs Expense per Calendar Day | 0.9% | 7.3% | 4.2% | 3.7% |
| | Purchased Service Expense per Calendar Day | 8.5% | 12.1% | 9.3% | 11.7% |
| | Total Expense per Adjusted Discharge | 3.3% | 4.7% | 1.9% | -16.5% |
| | Labor Expense per Adjusted Discharge | 1.1% | 2.8% | -0.9% | -22.0% |
| | FTEs per AOB | -1.9% | -7.7% | -4.6% | -14.3% |
| | Non-Labor Expense per Adjusted Discharge | 7.9% | 5.8% | 3.5% | -13.8% |
| | Supply Expense per Adjusted Discharge | 0.0% | 7.1% | 3.2% | -6.5% |
| | Drugs Expense per Adjusted Discharge | -2.9% | 6.0% | 4.5% | -11.2% |
| Purchased Service Expense per Adjusted Discharge | 7.6% | 12.0% | 7.1% | 0.0% | |

100-199 Beds

| | | Feb 25 vs. Jan 25 (Month-over-Month) | Feb 25 vs. Feb 24 (Year-over-Year) | YTD 25 vs. YTD 24 | YTD 25 vs. YTD 22 |
|--|---|--|------------------------------------|-------------------|-------------------|
| Margin | Operating Margin | -7.8% | 4.2% | 1.6% | 35.2% |
| | Operating EBIDA Margin | -8.3% | -0.5% | 1.3% | 41.7% |
| Volume | Discharges per Calendar Day | 2.2% | 6.5% | 5.3% | 16.3% |
| | Adjusted Discharges per Calendar Day | 4.8% | 2.4% | 2.8% | 19.7% |
| | Equivalent Patient Days per Calendar Day | 1.2% | 5.7% | 3.7% | 2.6% |
| | Observation Patient Days as % of Patient Days | -8.4% | -11.6% | -4.8% | 11.9% |
| | Adjusted Patient Days per Calendar Day | 1.4% | 2.6% | 1.9% | 9.1% |
| | Average Length of Stay | -1.4% | 1.2% | -2.0% | -12.4% |
| | ED Visits per Calendar Day | 1.0% | 3.1% | 3.1% | 16.8% |
| | Operating Room Minutes per Calendar Day | 3.6% | -2.5% | -2.2% | 14.9% |
| | Revenue | Net Operating Revenue per Calendar Day | 3.7% | 6.2% | 5.5% |
| Gross Operating Revenue per Calendar Day | | 2.8% | 7.5% | 8.3% | 34.4% |
| IP Revenue per Calendar Day | | 2.2% | 10.6% | 8.3% | 20.6% |
| OP Revenue per Calendar Day | | 2.4% | 7.0% | 7.2% | 42.3% |
| IP/OP Adjustment Factor | | 0.6% | -2.6% | -0.2% | 8.1% |
| NPSR per Adjusted Discharge | | 0.0% | 3.2% | 5.0% | 1.2% |
| NPSR per Adjusted Patient Day | | 1.6% | 4.7% | 3.4% | 11.8% |
| Bad Debt and Charity per Calendar Day | | -4.8% | 6.6% | 9.0% | 38.9% |
| Bad Debt and Charity as a % of Gross | | -6.7% | -1.2% | -1.1% | 6.7% |
| Expense | Total Expense per Calendar Day | 5.3% | 7.0% | 6.0% | 14.7% |
| | Labor Expense per Calendar Day | 2.5% | 4.9% | 4.1% | 7.1% |
| | Non-Labor Expense per Calendar Day | 8.1% | 8.3% | 8.3% | 20.4% |
| | Supply Expense per Calendar Day | 5.3% | 7.8% | 8.5% | 24.1% |
| | Drugs Expense per Calendar Day | 2.4% | 9.5% | 8.3% | -7.2% |
| | Purchased Service Expense per Calendar Day | 9.4% | 16.0% | 11.8% | 17.2% |
| | Total Expense per Adjusted Discharge | 2.3% | 5.3% | 3.7% | -7.9% |
| | Labor Expense per Adjusted Discharge | -0.6% | 3.9% | 1.6% | -13.7% |
| | FTEs per AOB | -1.3% | 0.0% | 0.1% | -10.6% |
| | Non-Labor Expense per Adjusted Discharge | 4.0% | 6.6% | 5.1% | -3.5% |
| | Supply Expense per Adjusted Discharge | 3.2% | 6.0% | 4.1% | 0.7% |
| | Drugs Expense per Adjusted Discharge | -0.4% | 9.6% | 6.7% | -26.4% |
| Purchased Service Expense per Adjusted Discharge | 4.0% | 12.3% | 7.2% | -0.7% | |

200-299 Beds

| | | Feb 25 vs. Jan 25 (Month-over-Month) | Feb 25 vs. Feb 24 (Year-over-Year) | YTD 25 vs. YTD 24 | YTD 25 vs. YTD 22 |
|--|---|--------------------------------------|------------------------------------|-------------------|-------------------|
| Margin | Operating Margin | -11.0% | -2.2% | 2.7% | 61.5% |
| | Operating EBIDA Margin | -10.6% | -3.1% | -0.9% | 48.4% |
| Volume | Discharges per Calendar Day | 2.7% | 5.2% | 5.4% | 17.2% |
| | Adjusted Discharges per Calendar Day | 3.9% | 5.4% | 5.4% | 22.3% |
| | Equivalent Patient Days per Calendar Day | 0.9% | 4.5% | 3.4% | 4.4% |
| | Observation Patient Days as % of Patient Days | -3.1% | -10.2% | -1.1% | 3.5% |
| | Adjusted Patient Days per Calendar Day | 1.1% | 3.3% | 3.2% | 8.8% |
| | Average Length of Stay | -1.8% | -0.4% | -1.4% | -10.6% |
| | ED Visits per Calendar Day | -0.5% | 3.2% | 3.4% | 12.4% |
| | Operating Room Minutes per Calendar Day | 1.8% | -3.2% | -3.6% | 12.8% |
| Revenue | Net Operating Revenue per Calendar Day | 3.1% | 7.2% | 8.0% | 26.2% |
| | Gross Operating Revenue per Calendar Day | 2.6% | 8.7% | 8.4% | 36.8% |
| | IP Revenue per Calendar Day | 0.9% | 9.5% | 8.6% | 27.4% |
| | OP Revenue per Calendar Day | 3.7% | 8.2% | 9.2% | 47.6% |
| | IP/OP Adjustment Factor | 0.7% | -0.8% | -0.4% | 6.8% |
| | NPSR per Adjusted Discharge | 0.7% | 6.1% | 3.5% | 0.0% |
| | NPSR per Adjusted Patient Day | 2.3% | 6.6% | 6.3% | 16.5% |
| | Bad Debt and Charity per Calendar Day | 10.7% | 9.1% | 13.4% | 41.2% |
| Bad Debt and Charity as a % of Gross | 7.5% | 3.6% | 0.8% | 1.6% | |
| Expense | Total Expense per Calendar Day | 5.3% | 8.5% | 7.0% | 17.6% |
| | Labor Expense per Calendar Day | 2.9% | 6.0% | 4.2% | 9.0% |
| | Non-Labor Expense per Calendar Day | 6.5% | 10.4% | 8.9% | 25.6% |
| | Supply Expense per Calendar Day | 2.8% | 12.8% | 11.3% | 31.2% |
| | Drugs Expense per Calendar Day | 0.7% | 11.1% | 11.7% | 18.8% |
| | Purchased Service Expense per Calendar Day | 9.0% | 11.6% | 10.7% | 16.7% |
| | Total Expense per Adjusted Discharge | 2.2% | 3.6% | 0.9% | -8.4% |
| | Labor Expense per Adjusted Discharge | -0.8% | 1.1% | -1.4% | -15.1% |
| | FTEs per AOB | -0.2% | -1.2% | -0.6% | -5.8% |
| | Non-Labor Expense per Adjusted Discharge | 4.7% | 6.8% | 1.8% | -2.3% |
| | Supply Expense per Adjusted Discharge | -1.8% | 6.1% | 4.4% | 3.6% |
| | Drugs Expense per Adjusted Discharge | -4.7% | 7.1% | 2.2% | -8.1% |
| Purchased Service Expense per Adjusted Discharge | 5.0% | 10.5% | 4.2% | -4.4% | |

300-499 Beds

| | | Feb 25 vs. Jan 25 (Month-over-Month) | Feb 25 vs. Feb 24 (Year-over-Year) | YTD 25 vs. YTD 24 | YTD 25 vs. YTD 22 |
|--|---|--------------------------------------|------------------------------------|-------------------|-------------------|
| Margin | Operating Margin | -14.6% | -4.0% | 2.3% | 93.1% |
| | Operating EBIDA Margin | -8.8% | 3.2% | 0.0% | 106.0% |
| Volume | Discharges per Calendar Day | 1.8% | 5.5% | 5.5% | 17.5% |
| | Adjusted Discharges per Calendar Day | 3.4% | 3.6% | 4.9% | 14.8% |
| | Equivalent Patient Days per Calendar Day | -0.5% | 3.9% | 3.3% | 5.7% |
| | Observation Patient Days as % of Patient Days | -0.7% | -7.8% | -4.6% | -0.1% |
| | Adjusted Patient Days per Calendar Day | 1.2% | 3.5% | 3.7% | 8.4% |
| | Average Length of Stay | -2.5% | -0.3% | -1.3% | -9.1% |
| | ED Visits per Calendar Day | -1.1% | 2.7% | 3.5% | 20.2% |
| | Operating Room Minutes per Calendar Day | 1.4% | -0.2% | 0.4% | 11.6% |
| Revenue | Net Operating Revenue per Calendar Day | 3.9% | 8.4% | 7.9% | 27.5% |
| | Gross Operating Revenue per Calendar Day | 2.9% | 9.4% | 8.0% | 33.3% |
| | IP Revenue per Calendar Day | 0.4% | 10.4% | 8.0% | 20.3% |
| | OP Revenue per Calendar Day | 3.8% | 7.4% | 8.0% | 46.3% |
| | IP/OP Adjustment Factor | 1.5% | -0.9% | 0.0% | 7.2% |
| | NPSR per Adjusted Discharge | -0.4% | 5.3% | 3.7% | 3.8% |
| | NPSR per Adjusted Patient Day | 2.5% | 5.7% | 3.8% | 17.1% |
| | Bad Debt and Charity per Calendar Day | 1.0% | 6.3% | -1.3% | 23.8% |
| Bad Debt and Charity as a % of Gross | -0.1% | -2.0% | -8.2% | 3.5% | |
| Expense | Total Expense per Calendar Day | 4.6% | 8.2% | 6.9% | 14.6% |
| | Labor Expense per Calendar Day | 1.4% | 7.4% | 6.9% | 6.5% |
| | Non-Labor Expense per Calendar Day | 7.0% | 9.9% | 7.5% | 22.4% |
| | Supply Expense per Calendar Day | 3.9% | 9.5% | 7.8% | 25.8% |
| | Drugs Expense per Calendar Day | 0.8% | 9.4% | 3.9% | 9.0% |
| | Purchased Service Expense per Calendar Day | 11.8% | 15.0% | 11.8% | 24.2% |
| | Total Expense per Adjusted Discharge | 1.0% | 4.8% | 2.5% | -2.9% |
| | Labor Expense per Adjusted Discharge | -0.4% | 2.7% | 1.8% | -13.6% |
| | FTEs per AOB | -0.4% | 0.4% | 1.8% | -5.3% |
| | Non-Labor Expense per Adjusted Discharge | 3.2% | 6.0% | 3.4% | 5.0% |
| | Supply Expense per Adjusted Discharge | -1.8% | 3.0% | 4.8% | 5.2% |
| | Drugs Expense per Adjusted Discharge | -4.3% | 3.5% | 4.5% | -12.4% |
| Purchased Service Expense per Adjusted Discharge | 5.3% | 9.4% | 9.8% | 6.4% | |

500+ Beds

| | | Feb 25 vs. Jan 25 (Month-over-Month) | Feb 25 vs. Feb 24 (Year-over-Year) | YTD 25 vs. YTD 24 | YTD 25 vs. YTD 22 |
|--|---|--|------------------------------------|-------------------|-------------------|
| Margin | Operating Margin | -7.7% | 13.1% | 3.9% | 119.1% |
| | Operating EBIDA Margin | -5.1% | -1.1% | 2.3% | 72.4% |
| Volume | Discharges per Calendar Day | 2.6% | 4.2% | 4.0% | 18.0% |
| | Adjusted Discharges per Calendar Day | 3.0% | 2.6% | 4.4% | 21.4% |
| | Equivalent Patient Days per Calendar Day | 0.2% | 4.0% | 2.8% | 7.5% |
| | Observation Patient Days as % of Patient Days | 0.5% | -4.9% | -1.2% | 8.9% |
| | Adjusted Patient Days per Calendar Day | 1.5% | 3.6% | 3.3% | 12.3% |
| | Average Length of Stay | -2.5% | 0.4% | -0.6% | -10.8% |
| | ED Visits per Calendar Day | -0.7% | 3.6% | 4.9% | 17.3% |
| | Operating Room Minutes per Calendar Day | 4.5% | -0.8% | -0.2% | 12.4% |
| | Revenue | Net Operating Revenue per Calendar Day | 4.3% | 13.6% | 11.2% |
| Gross Operating Revenue per Calendar Day | | 2.3% | 10.0% | 10.0% | 37.1% |
| IP Revenue per Calendar Day | | 1.3% | 10.1% | 9.7% | 30.7% |
| OP Revenue per Calendar Day | | 2.7% | 8.6% | 8.8% | 44.1% |
| IP/OP Adjustment Factor | | 1.5% | 0.2% | 0.0% | 5.8% |
| NPSR per Adjusted Discharge | | -0.8% | 7.9% | 4.1% | 8.6% |
| NPSR per Adjusted Patient Day | | 2.2% | 10.2% | 5.5% | 22.2% |
| Bad Debt and Charity per Calendar Day | | 3.4% | 3.4% | 7.5% | 55.5% |
| Bad Debt and Charity as a % of Gross | | -0.9% | -5.8% | -1.6% | 11.5% |
| Expense | Total Expense per Calendar Day | 5.6% | 10.8% | 9.3% | 25.1% |
| | Labor Expense per Calendar Day | 2.8% | 8.5% | 7.2% | 10.4% |
| | Non-Labor Expense per Calendar Day | 7.5% | 13.6% | 11.1% | 37.7% |
| | Supply Expense per Calendar Day | 5.0% | 14.0% | 14.2% | 44.4% |
| | Drugs Expense per Calendar Day | 4.9% | 19.0% | 15.7% | 47.4% |
| | Purchased Service Expense per Calendar Day | 11.0% | 15.1% | 16.9% | 32.1% |
| | Total Expense per Adjusted Discharge | 4.0% | 7.8% | 5.6% | -3.1% |
| | Labor Expense per Adjusted Discharge | 0.2% | 4.9% | 3.1% | -9.7% |
| | FTEs per AOB | -0.7% | -1.9% | -1.4% | -6.1% |
| | Non-Labor Expense per Adjusted Discharge | 6.8% | 12.6% | 7.7% | 5.0% |
| | Supply Expense per Adjusted Discharge | 0.9% | 8.8% | 4.0% | 10.3% |
| | Drugs Expense per Adjusted Discharge | 1.6% | 10.6% | 7.4% | 17.6% |
| Purchased Service Expense per Adjusted Discharge | 8.6% | 12.3% | 4.9% | 7.3% | |

Non-Operating

National Non-Operating Results

Key Observations

- Federal Reserve officials have consistently emphasized their cautious approach, particularly in light of the uncertainty surrounding President Trump's fiscal and trade policies. *Note: This analysis was conducted prior to President Trump's April 2 tariff announcement and does not include any Federal Reserve statements after that date.*
- During a February 11 appearance at the Senate Banking Committee meeting on Capitol Hill, Federal Reserve Chair Jerome Powell declared, "With our policy stance now significantly less restrictive than it had been and the economy remaining strong, we do not need to be in a hurry to adjust our policy stance."
- February's Producer Price Index (PPI), a key metric closely watched by the Fed, held steady at January's revised levels of 0.6%, surpassing market expectations of a 0.3% increase; year-over-year (YoY), PPI rose 3.2%, 0.5% below January's revised pace of 3.7%, and exceeding the Fed's 2% inflation target
- February's inflation cooled from January with consumer prices rising 0.2% monthly, slightly below the market's anticipation of 0.3%; and the annual rate decreased by 0.2% from January, landing at 2.8% which marks the end of a four-month upward trend and narrows the gap to the Fed's 2.0% goal
- Core Consumer Price Index (CPI) rose by 0.2% month-over-month, below its expected gain of 0.3% and January's gain of 0.4%; YoY Core CPI grew by 3.1%, 0.1% lower than market expectations, signaling a moderation in underlying inflationary pressures
- The easing inflationary pressures have heightened expectations that the Fed may implement a rate cut by mid-year; the market currently anticipates a potential rate cut during the Federal Open Market Committee June meeting
- The U.S. economy added 151,000 jobs in February, an 8,000 increase from January's payroll number of 143,000, but below estimates of 160,000
- According to the Bureau of Labor Statistics: "Health care added 52,000 jobs in February, in line with the average monthly gain of 54,000 over the prior 12 months. In February, job growth continued in ambulatory health care services (+26,000), hospitals (+15,000), and nursing and residential care facilities (+12,000)."
- February's unemployment rate increased 0.1% to 4.1%, indicating a shift in the labor market returning to levels seen in December

National Non-Operating Results *(continued)*

General Non-Operating Observations

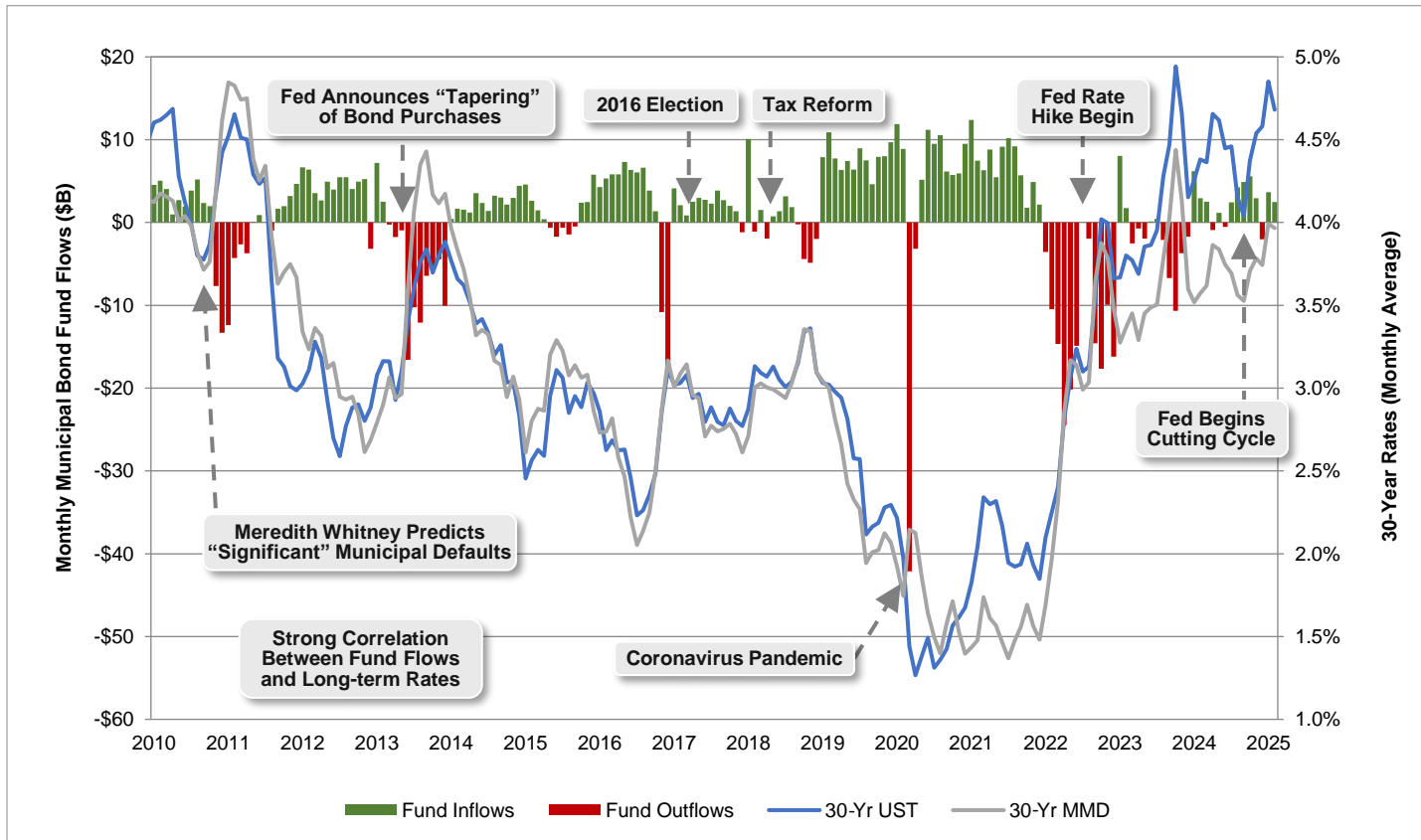
| | February 2025 | M-o-M Change | Y-o-Y Change |
|---|---------------|--------------|--------------|
| General | | | |
| GDP Growth* | 2.3% | n/a | n/a |
| Unemployment Rate | 4.1% | +0.1% | +0.2% |
| Personal Consumption Expenditures (Y-o-Y) | 2.6% | -0.1% | -0.3% |
| Liabilities | | | |
| SOFR | 4.39% | +1 bps | -93 bps |
| SIFMA | 1.86% | -39 bps | -144 bps |
| 30-yr MMD | 3.93% | -4 bps | +34 bps |
| 30-yr Treasury | 4.49% | -30 bps | +11 bps |
| Assets | | | |
| 60/40 Asset Allocation† | n/a | 0.3% | +10.9% |

*U.S. Bureau of Economic Analysis, Q4 2024 "Second Estimate"

†60/40 Asset Allocation assumes 30% S&P 500 Index, 20% MSCI World Index, 10% MSCI Emerging Markets Index, 40% Barclays US Aggregate Bond Index

Non-Operating Liabilities

Long Term – Monthly Municipal Bond Fund Flows with 30-Year U.S. Treasury and 30-Year MMD



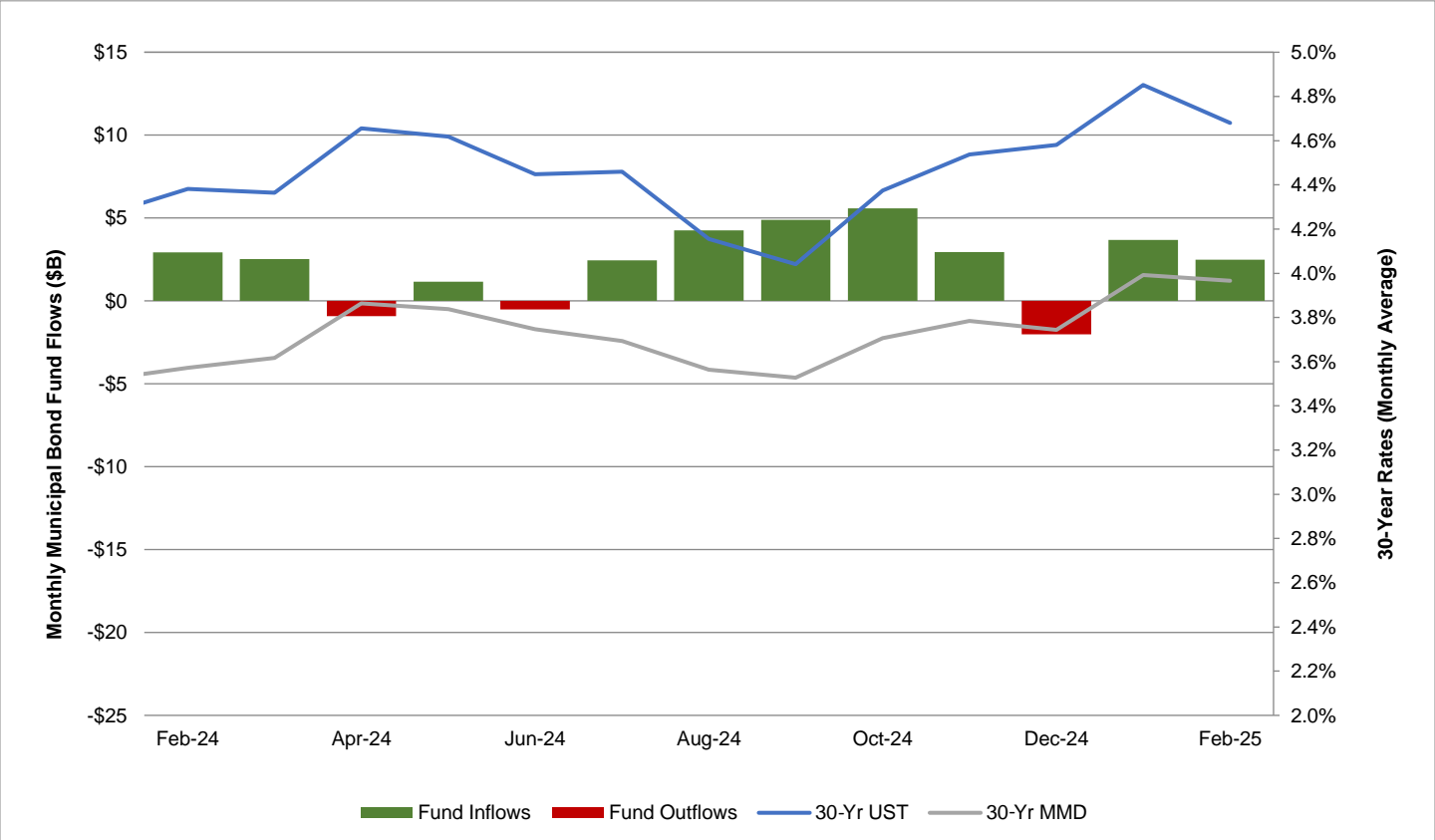
Kaufman Hall, *National Hospital Flash Report* (February 2025 Metrics)

Taxable and tax-exempt debt capital markets, as approximated here by the '30-yr U.S. Treasury' and '30-yr MMD Index', are dependent upon macroeconomic conditions, including inflation expectations, GDP growth and investment opportunities elsewhere in the market. A key measure to track is bond fund flows, particularly in the more supply and demand sensitive tax-exempt market. Fund flows are monies moving into bond funds from new investment and principal and interest payments on existing and maturing holdings. Strong fund flows generally signal that investors have more cash to put to work, a boon to the demand. Fund inflows generally are moderate and consistent over time while fund outflows are typically large and sudden, as external events affect investor sentiment, resulting in quick position liquidation which can drive yields up considerably in a short amount of time.

While the tax-exempt market saw minimal changes in February, the treasury markets had a noticeable month-over-month decline. Both the 30-year tax-exempt and treasury yields decreased opposing January's month-end uptick. The 30-year Municipal Market Data (MMD) benchmark for tax-exempt bonds decreased by four basis points, reaching 3.93%. The 30-year Treasury rate decreased by 30 basis points, ending February at 4.49%. The 10-year MMD and 10-year Treasury yields both declined, mirroring the movement in January. The 10-year MMD fell by 11 basis points to 2.86%, while the 10-year Treasury rate dropped 33 basis points to 4.21%, a 30 basis point difference from last month's drop.

Non-Operating Liabilities *(continued)*

Last Twelve Months – Monthly Municipal Bond Fund Flows with 30-Year U.S. Treasury and 30-Year MMD



While the two-year ratio remained unchanged from last month to end February at 64%, the five-year, 10-year, 20-year, and 30-year ratios tightened to end February at 65%, 68%, 82%, and 88%, respectively. These ratios were up one basis point for the five-year, three basis points for the 10-year, four basis points for the 20-year, and five-basis points for the 30-year ratios.

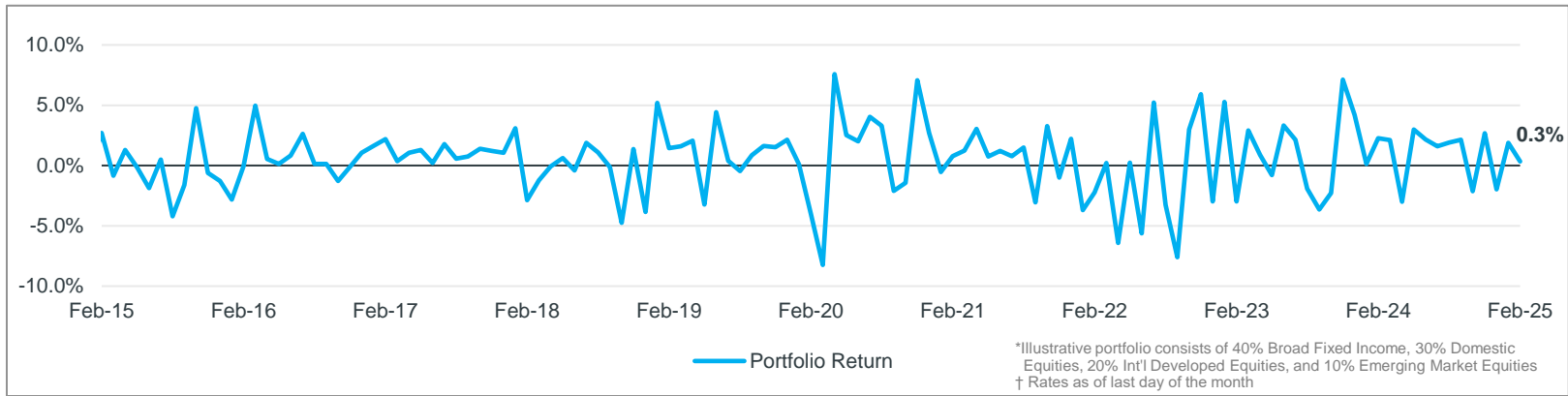
Municipal funds saw an inflow of approximately \$2.5 billion in February, weaker than January’s revised \$3.7 billion inflow. Total municipal issuance for January and February reached \$70 billion, an 8.4% increase YTD compared to same period 2024. Since the beginning of the year, health care issuances in totaled \$4.4 billion, down \$0.3 billion from February 2024 year-to-date.

Kaufman Hall, National Hospital Flash Report (February 2025 Metrics)

Taxable and tax-exempt debt capital markets, as approximated here by the '30-yr U.S. Treasury' and '30-yr MMD Index', are dependent upon macroeconomic conditions, including inflation expectations, GDP growth and investment opportunities elsewhere in the market. A key measure to track is bond fund flows, particularly in the more supply and demand sensitive tax-exempt market. Fund flows are monies moving into bond funds from new investment and principal and interest payments on existing and maturing holdings. Strong fund flows generally signal that investors have more cash to put to work, a boon to the demand. Fund inflows generally are moderate and consistent over time while fund outflows are typically large and sudden, as external events affect investor sentiment, resulting in quick position liquidation which can drive yields up considerably in a short amount of time.

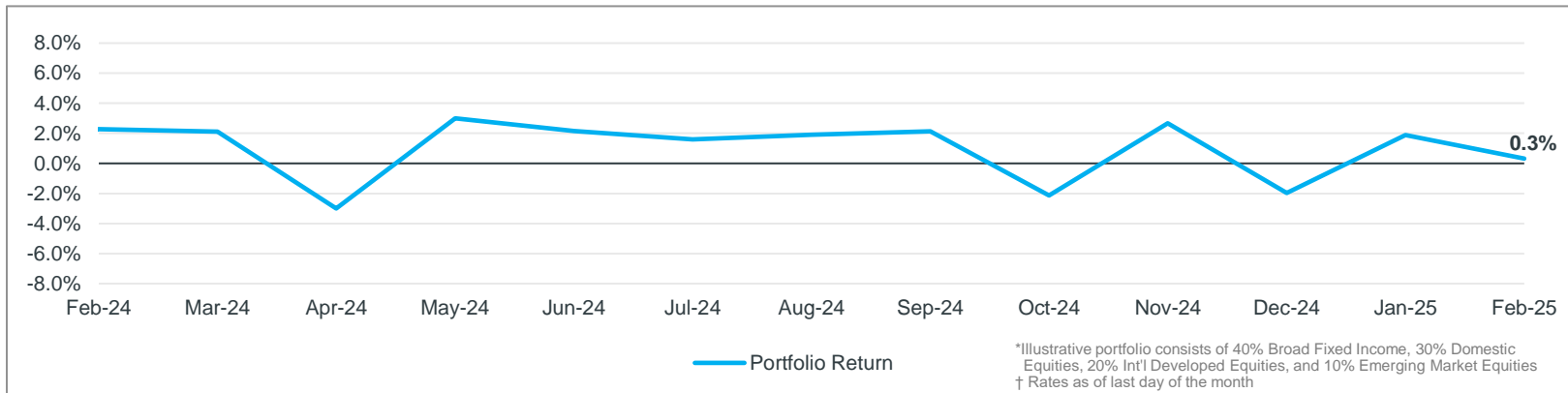
Non-Operating Assets

Long Term – Illustrative Investment Portfolio Returns, Month-over-Month Change



Kaufman Hall, National Hospital Flash Report (February 2025 Metrics)

Last Twelve Months – Illustrative Investment Portfolio Returns, Month-over-Month Change



Kaufman Hall, National Hospital Flash Report (February 2025 Metrics)

February saw a reversal of the uptick in equity markets from January as markets continue to grapple with the new administration's policies. The S&P 500 declined by 1.4%, contrasting with January's 2.7% increase, bringing its YoY gain to 16.8%. The blended 60/40 asset allocation rose by only 0.3% in February, a noticeable decline from January's 1.9% increase, bringing its YoY return to 10.9%. The MSCI World Index declined in February ending at -0.8%. MSCI Emerging Markets and Barclays Agg Indexes had gains in February at 0.4% and 2.2% respectively.

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Talk to us

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