

Glossary and explanation of terms

Census is **Patient (Census) Days** from page 1 of the financial reports.

Total amount billed is **Gross Patient Revenue** from the top of page 2 on the financial reports.

Charity and **Bad Debt** are both itemized near the top of the page 2

Adjustments are calculated by adding:

-MEDICARE TRAD. CONTRACTUAL ADJ

-MEDI-CAL TRAD. CONTRACTUAL ADJ

-MEDI-CAL MANAGED CONTRACTUAL ADJ

-CO. INDIGENT TRAD. CONTRACTUAL ADJ

-CO. INDIGENT MANAGED CONTRACTUAL ADJ

-THIRD PARTY TRAD. CONTRACTUAL ADJ

-THIRD PARTY MANAGED CONTRACTUAL ADJ and

-ALL OTHER DEDUCTIONS (these are the discounts that hospitals give the uninsured)

Again, all from the top of page 2

Actual hospital revenue is calculated by adding:

-Net Inpatient Revenue

-Net Outpatient Revenue

-DISPROPORTIONATE SHARE FUNDS REC'D (which is subtracted since it's entered as a negative number) and

-CAPITATION PREMIUM REVENUE

Note: Actual revenue only addresses revenue for health care. Miscellaneous sources of income for hospitals such as revenue for office rental, from the gift shop, the cafeteria, endowments, etc... were not included since these were not considered to be health care expenditures.

Profit is **Net Income** from the middle of page 2. It's the money left over after all operating and non-operating expenses have been tallied

Malpractice is on the middle of page 4 of the financial reports. It's calculated by multiplying dollars per unit of service times the number of units (a unit is one thousand dollars billed)