

**Statewide Hospital Solvency Ratios
Fiscal Years 2012 - 2014**

Affiliated Health System Hospital or Non-Affiliated (Individual) Hospital Name	Equity Financing Ratio			Cash Flow to Total Debt Ratio			Long-Term Debt to Capitalization Ratio			Debt Service Coverage Ratio		
	FY 2012	FY 2013	FY 2014	FY 2012	FY 2013	FY 2014	FY 2012	FY 2013	FY 2014	FY 2012	FY 2013	FY 2014
ASCENSION HEALTH												
SAINT VINCENT'S	78	81	81	89	69	64	10	10	9	43.0	33.4	27.7
EASTERN CONNECTICUT HEALTH NETWORK												
MANCHESTER	9	22	15	19	7	11	77	57	67	1.5	0.7	1.8
ROCKVILLE	27	41	38	11	18	17	53	43	45	1.7	3.5	4.1
HARTFORD HEALTHCARE CORPORATION												
BACKUS	50	68	69	60	53	68	25	17	16	11.5	9.9	14.1
HARTFORD	36	42	38	39	17	24	30	30	39	18.0	6.7	1.1
HOSPITAL OF CENTRAL CT ⁴	34	56	46	62	67	79	1	0	0	10.8	12.4	11.7
MIDSTATE	31	42	39	33	28	31	50	44	45	10.7	8.9	7.9
WINDHAM ^{1,2}	(53)	(9)	(46)	7	(6)	(1)	(84)	163	(1903)	0.7	(1.2)	0.1
REGIONALCARE HOSPITAL PARTNERS, INC.												
SHARON ³	53	65	75	31	55	61	37	23	12	0.2	0.0	489.8
WESTERN CONNECTICUT HEALTH NETWORK												
DANBURY	54	59	58	27	21	25	36	34	33	1.9	13.1	11.7
NEW MILFORD ²	31	52	51	(5)	21	24	19	7	3	(0.7)	2.0	2.4
NORWALK	38	46	51	45	22	26	24	33	28	7.6	2.8	8.4
YALE-NEW HAVEN HEALTH SERVICES CORPORATION												
BRIDGEPORT	32	40	33	43	36	43	28	22	34	6.5	11.3	11.7
GREENWICH	63	71	71	37	56	68	11	9	8	12.8	17.1	21.6
YALE-NEW HAVEN	30	39	38	18	26	23	49	42	43	7.9	9.0	0.6
Affiliated Health System Hospital Average	34	48	44	34	33	38	24	36	(101)	8.9	8.6	41.0
Affiliated Health System Hospital Median	34	46	46	33	26	26	28	30	28	7.6	8.9	8.4
INDIVIDUAL HOSPITAL SYSTEMS												
BRISTOL	9	23	25	16	16	17	71	50	47	4.2	4.5	3.9
CT CHILDREN'S	58	58	51	29	10	8	21	22	23	5.6	2.3	1.8
DAY KIMBALL	28	17	5	30	11	14	38	65	86	6.8	4.2	4.5
DEMPSEY ^{3,4}	59	62	55	23	54	1	0	0	0	6.0	23.8	0.0
GRIFFIN ¹	(23)	(11)	(14)	2	14	18	277	145	165	1.0	2.9	3.1
HUNGERFORD ⁴	49	64	62	36	41	43	5	0	0	5.4	5.4	2.8
JOHNSON ⁴	23	16	18	14	0	12	55	0	0	2.4	0.9	3.2
L&M	46	50	42	34	27	20	32	30	39	9.0	6.9	5.3
MIDDLESEX	36	57	59	39	39	48	28	19	16	7.0	6.5	10.1
MILFORD ^{1,2,3,4}	12	18	(2)	6	(28)	(18)	0	0	121	1.1	(4.8)	(166.5)
SAINT FRANCIS	14	28	23	10	18	15	71	55	58	2.4	3.5	3.1
SAINT MARY'S	11	27	25	40	42	63	54	29	28	6.4	9.2	9.5
STAMFORD	20	26	27	13	12	13	70	64	63	6.5	5.6	6.1
WATERBURY	45	49	45	31	23	17	27	25	26	11.7	7.1	5.0
Individual Hospital Systems Average	28	35	30	23	20	20	54	36	48	5.4	5.6	(7.7)
Individual Hospital Systems Median	25	27	26	26	17	16	35	27	33	5.8	5.0	3.5
Statewide Total Average⁵												
Statewide Total Average ⁵	36	46	44	27	25	26	38	33	34	4.0	6.7	1.7
Statewide Total Median⁵												
Statewide Total Median ⁵	32	42	39	30	22	23	30	29	28	6.4	5.6	4.5

Notes:

¹**Negative net assets** caused equity financing ratios to be negative. Some long term debt to capitalization ratios were also adversely affected by hospitals that reported negative net assets creating irregular results for several hospitals. In FY 2014, negative net assets affected the equity financing ratio and long term debt to capitalization ratio of *Griffin Hospital, Milford Hospital and Windham Community Memorial Hospital* .

²**Large deficiencies of revenues over expenses** caused cash flow to total debt and debt service coverage ratios to be negative. In FY 2014, large deficiencies of revenues over expenses affected the cash flow to total debt and debt service coverage ratios of both *Milford Hospital and Windham Hospital* .

³**No principal payments** and either low or no interest expense amounts caused the debt service coverage ratio to be 0 and in some instances caused an irregular ratio for several hospitals . In FY 2014, no principal payments and either low or no interest expense amounts affected the debt service coverage ratio of *John Dempsey Hospital, Milford Hospital and Sharon Hospital* .

⁴**No long term debt** or very little long term debt caused the long term debt to capitalization ratio to be reflected as 0. In FY 2014, no long term debt or small amounts of long term debt affected the long term debt to capitalization ratios of *John Dempsey Hospital, Charlotte Hungerford Hospital, the Hospital of Central Connecticut and Johnson Memorial Hospital* .

⁵Amounts of the former Hospital of St. Raphael are excluded from all statewide calculations indicated above.

Definitions:

Equity Financing Ratio: the ratio related to capital structure that indicates the percentage of net assets to total assets. A higher ratio is more favorable, since it indicates utilization of a higher level of equity and a lower level of debt financing in acquiring plant and equipment assets.

Formula: (Net Assets ÷ Total Assets)

Cash Flow to Total Debt Ratio: an indicator of potential future debt repayment difficulty or insolvency. It is calculated by dividing excess of revenues over expenses plus depreciation by current liabilities plus long term debt. A decrease in the value of the ratio may indicate a future debt repayment problem.

Formula: (Excess Revenue Over Expense + Depreciation) ÷ (Current Liability + Long Term Debt)

Long-Term Debt to Capitalization Ratio: the measure of the proportion of Long-Term Debt in a capital structure. A lower proportion or percentage is desirable because it allows for obtaining of more favorable terms. (i.e., lower interest rates) when borrowing.

Formula: (Long Term Debt ÷ (Long Term Debt + Net Assets))

Debt Service Coverage Ratio: this ratio measures the hospital's capacity to take on more debt. A higher ratio is more favorable because it improves a hospital's chances of meeting its current bond covenants and obligations and also improves its chances to be issued additional debt for future capital improvements.

Formula: (Excess Revenues over Expenses + Interest + Depreciation and Amortization / Debt Principal Payments + Interest Expense)