

**ANNUAL REPORT
on the
Financial Status
of
Connecticut's
Short Term
Acute Care Hospitals
For Fiscal Year 2002**



**Prepared by the
State of Connecticut
Office of Health Care Access
February 2004**

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MANDATE AND PURPOSE

This *Annual Report on the Financial Status of Connecticut's Short Term Acute Care Hospitals* provides information concerning the financial performance of Connecticut's thirty-one hospitals in a competitive market, as mandated in Section 19a-670 of the Connecticut General Statutes (CGS). Its purpose is to provide quantitative and qualitative information as well as discussions on health policy issues important to the State of Connecticut and its citizens.

This report highlights Connecticut's statewide hospital trends and includes individual hospital profiles of financial performance. The report features measures of profitability, capital structure and asset liquidity to provide a snapshot of the financial health of Connecticut's acute care hospitals. It provides analytical insight on the utilization of hospital services, sources of revenues, costs related to direct patient care, and operating expense trends.

The data sources for this report include the Fiscal Year (FY) 2002 hospital filings for the period covering October 1, 2001 to September 30, 2002, and Audited Financial Statements and hospital data filed with OHCA. Operating results are required to be filed annually with the Office of Health Care Access (OHCA) pursuant to Section 19a-644, CGS, Section 19a-167g-91 of the Regulations of Connecticut State Agencies and Section 19a-676, CGS. Unless otherwise indicated the source of data used in this report is the OHCA Hospital Budget System filings.

FY 2002 HOSPITAL FINANCIAL PERFORMANCE SUMMARY

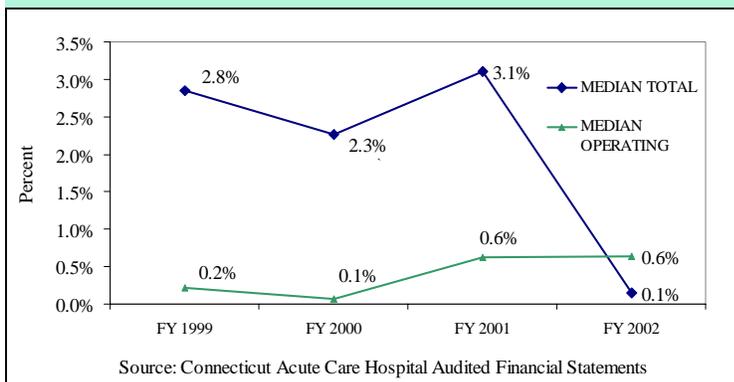
- The statewide median total margin dropped from 3.1% in FY 2001 to 0.1% in FY 2002.
- Over 70% of the hospitals reported decreases in their total margin.
- The statewide median operating margin remained unchanged at 0.6% for FY 2001 and FY 2002.
- Payroll and other operating expenses increased 10% in FY 2002. Statewide staffing shortages, malpractice insurance cost increases, rising pharmaceutical costs, rising wage rates, and increasing costs for billing and collecting outstanding accounts all contributed to the spike in total expenses.
- Losses in total net assets more than tripled from \$68 million in FY 2001 to \$222 million in FY 2002. Hospitals statewide experienced a 7% decline in net assets or equity from FY 2000 to FY 2002.
- Long-term debt increased 1.4% in FY 2002, reflecting pressures on hospitals to upgrade facilities, particularly for medical equipment, emergency rooms, outpatient surgery facilities and overall upgrades to aging facilities.
- Hospitals reported that malpractice expense increased 55%, with more increases expected in FY 2003.

CONNECTICUT STATEWIDE RESULTS

The *overall financial status* of Connecticut's 31 acute care hospitals weakened in FY 2002 with over 70% of hospitals showing declining profitability. The two most widely used indicators for measuring profitability are operating margin, reflecting surplus or loss from operations, and total margin, reflecting surplus or loss from both operating revenues and non-operating revenues. For both measures, higher ratios imply better operating results or coverage of costs.

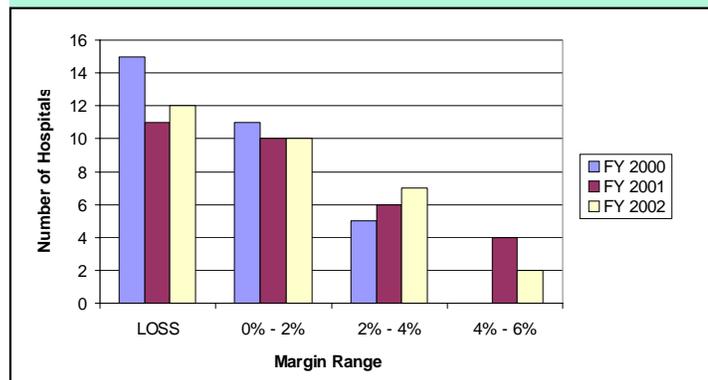
While the statewide median *operating margin* remained stable from FY 2001 to FY 2002 at 0.6%, the median *total margin* showed a decrease, plummeting from 3.1% in FY 2001 to 0.1% in FY 2002. The diligence of the hospitals to remain efficient through these difficult fiscal times is evident, with 60% maintaining positive operating and total margins for FY 2002. Figure 1 below shows the four-year statewide trend for both total and operating margins.

FIGURE 1: MEDIAN TOTAL AND OPERATING MARGINS



Efforts to maintain positive *operating margins* intensified during FY 2002 in light of significantly large increases in certain expense categories and increased financial obligations. Hospitals reported that malpractice expense increased 55%, and both fringe benefits and capital expenditures rose nearly 20% over FY 2001 levels. In addition to shouldering increasing expense levels, hospitals also incurred increased pension liabilities and paid the current portion of their long-term debt obligations totaling nearly \$1.3 billion in FY 2002. Figure 2 shows the range of operating margins experienced by hospitals over the last three years. Appendices E and F provide individual margins for all hospitals.

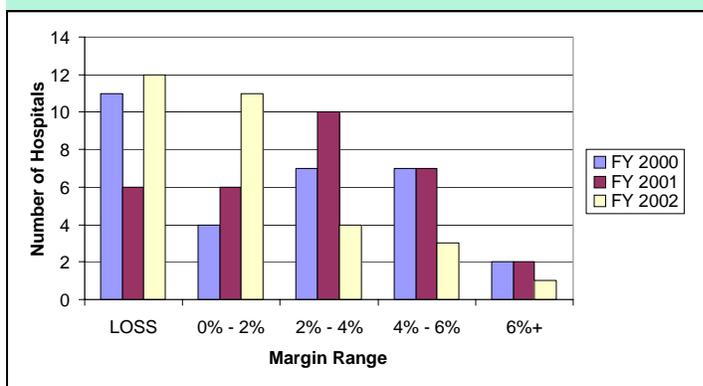
FIGURE 2: RANGE OF HOSPITAL OPERATING MARGINS



The continuing decline in investment values and related income will significantly affect hospitals' future operations. The statewide median *total margin* dropped significantly during FY 2002 reflecting decreases in dividend and interest income from investments. These results signal an

extremely challenging environment for Connecticut hospitals, of which all but one are non-profit entities that have historically relied on investment appreciation to fund capital projects and cover operating costs during financially difficult periods. The number of hospitals with negative total margins doubled to 12 in FY 2002. Figure 3 summarizes the statewide change in total margins for the past three years.

FIGURE 3: RANGE OF HOSPITAL TOTAL MARGINS



Volume levels continue to climb for Connecticut hospitals, as measured by increases in patient days and discharges. Increased numbers of full time equivalents (FTEs) and staffed beds demonstrate the growing demand for hospital services. At 75%, the statewide average percentage occupancy of staffed beds is the highest since FY 1999.

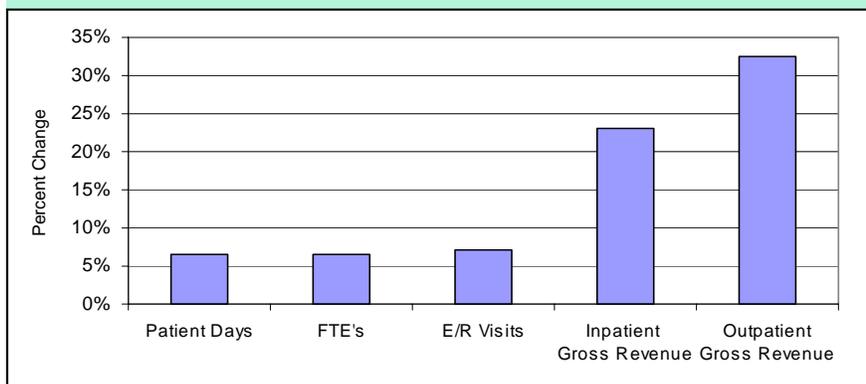
Visits to Hospital emergency departments (ED) continued to grow, increasing over 4% from FY 2001 levels to 1.4 million. ED overcrowding is a major issue facing hospitals across the nation. Factors such as health plan cutbacks, increased numbers of uninsured patients seeking care, the health care worker shortage, overall population growth, and an aging population all contribute to increased ED utilization.

Connecticut hospitals have little control in managing ED traffic, as they are required to treat each ED patient, regardless of their ability to pay for the care.

Statewide three-year trends show **gross revenue** up 26% over FY 2000 levels to \$9.4 billion dollars. Growth in outpatient revenues, which comprised 38% of FY 2002 total gross revenue, slowly outpaced growth in inpatient revenues, indicating hospitals' focus on expanding these traditionally more profitable services.

Figure 4 below summarizes the statewide volume trends and inpatient and outpatient revenue growth over the past three years.

FIGURE 4: REVENUE & VOLUME INDICATORS FY 2000 - FY 2002



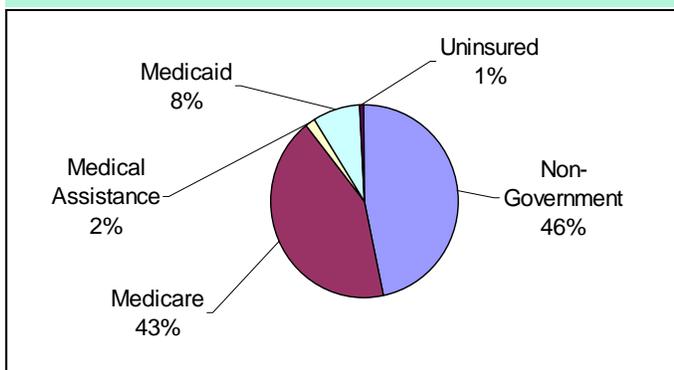
Several other *key hospital indicators* have remained level over recent years.

Average length of stay held constant at five days, non-government payer mix percentage remained at 46% of net revenue and uncompensated care costs remained at 3% of total expenses. These steady results demonstrate consistencies and common patient characteristics within Connecticut's increasing patient population.

The major payers for hospital services are broken down into five *payer-mix* categories consisting of non-government payers predominantly representing private insurers; Medicare, covering the disabled and those 65 years and older; Medicaid which covers individuals meeting certain income and asset requirements; other medical assistance, including town and city programs; and the uninsured, which includes self-pay and individuals with no insurance coverage for the specific medical services provided. Demographics, hospital location, physician specialty mix, and competition are just a few of the factors that affect payer mix.

Net Revenue payer mix and the related reimbursement rates have significant effects on a hospital's financial results. Figure 5 above shows the net revenue payer mix for Connecticut hospitals, which has remained relatively unchanged for the past several years. Government payers, consisting of Medicare, Medicaid, and Medical Assistance, accounted for approximately 53% of net revenues while non-government payers comprised 46% of the hospitals' net revenue.

FIGURE 5: HOSPITAL NET REVENUE PAYER MIX - FY2002



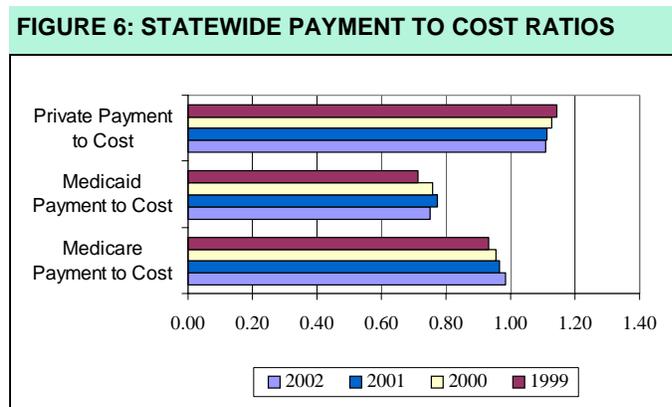
Connecticut's FY 2002 \$4.8 billion in hospital *net revenue*, representing reimbursements received for patient care services from payers, increased 10% from FY 2001. Non-government/commercial payers are the largest single hospital revenue category, at 46% of total net revenue. This remains the most profitable payer class for hospitals.

A commonly used measure of actual hospital cost to the charges billed is the *ratio of cost to charges*. This ratio is calculated by dividing total expenses by the total gross patient revenue plus other operating revenue. The lower the ratio, the higher the difference between the cost of providing care and the charges billed by the hospital. It should be noted that net revenues are a much more indicative indicator of trends since most payers negotiate discounts from chargemaster rates.

Payment to cost ratios by payer measure the amount above or below costs that hospitals are paid by a payer as compared to their average costs. The greater the ratio, the more costs are reimbursed. A ratio under 1.00 indicates that the reimbursement is lower than the average cost of providing the care.

Payer mix is the variable that determines the degree to which a hospital is affected by a low payment to cost ratio. For example, the financial implications for a hospital with a large proportion of patients in a payer category with a payment to cost ratio under 1.00 will be significantly greater than if the hospital had very little volume with that payer.

The FY 2002 payment to cost ratios calculated by OHCA showed little change over prior years, as shown in Figure 6 below.

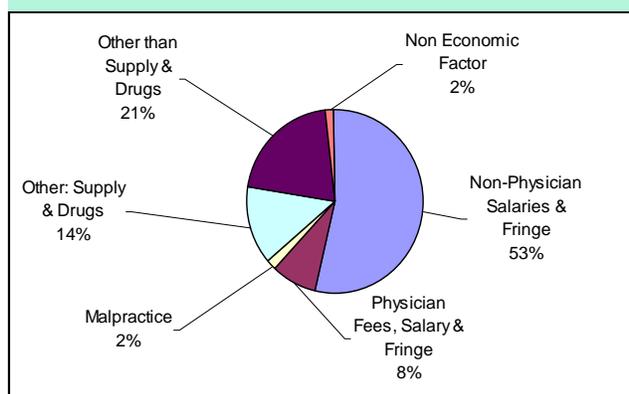


Historically, hospitals have enhanced their bottom line by subsidizing lower paying government payers with higher reimbursements from non-government or private payers. Private payment to cost ratios vary greatly between high performing and low performing hospitals, and may be a leading indicator of financial stability. Strong hospitals generally remain strong by maintaining favorable discounts with commercial payers. The non-government profit margins have been declining however, as hospitals continue to offer larger discounts to gain more of this market share. Connecticut hospitals **average managed care discounts** have doubled in seven years, from 20% in FY 1996 to 41% in FY 2002.

Declining trends in operating margins for many hospitals correlate with the decline in their **private payment to cost ratios**. For FY 2002, the three hospitals with the highest operating margins had private payment to cost ratios that exceeded the statewide average, while the three hospitals with the lowest operating margins had ratios below the statewide average. While relationships vary between hospital characteristics and their payment to cost ratios, some trends do exist. Community hospitals (with 100 to 260 beds) appear to negotiate higher payments from private payers; the ten hospitals with the highest private payment to cost ratios are community hospitals with fewer than 260 beds.

On the government side, *graduate medical education* (GME) plays a significant role in a hospital's Medicare reimbursement level. The GME add-on increases a hospital's reimbursement per discharge to cover expenses relating to teaching programs for interns and residents. Each of the seven hospitals that exceed the statewide average for the Medicare payment to cost ratio all have GME programs with large add-ons to cover related GME expenses.

FIGURE 7: HOSPITAL EXPENSE ANALYSIS FY 2002



Effectively managing *expenses* is critical to the financial health of a hospital. The major factors affecting hospital expense levels include the range of medical procedures, technology costs, patient mix and severity of illness, location, labor markets, and other economic forces. The affects of major expense increases on hospital operating margins are relative to the size of the expense category. For example, factors such as rising labor costs and increased benefit funding have an extreme effect on hospital operations as salary and fringe benefits represent the majority of expenses for Connecticut hospitals. While the 55% increase in malpractice expense has been costly for hospitals in FY 2002, it represents 2% of total statewide expenses with the range being from 1% to 5%. Figure 7 above shows the FY 2002 expense categories for Connecticut hospitals.

One of the *major expense pressures* for hospitals is the continued shortage of qualified patient care staff. To address the ongoing nursing shortage, hospitals have looked to hiring nurses from other countries and recruiting nurses out of retirement. Staffing strategies of hiring bonuses, continued education benefits and the hiring of private agency nurses have a significant impact on profits. Turnover rates for hospital registered nurses hover around 15% nationally¹ while nursing wages increased by about 5% between 2001 and 2002². Even with the aggressive efforts to recruit and retain staff, national vacancy rates for hospitals currently average approximately 13%³ and are projected to climb. Along with increasing benefit costs for active employees, hospitals also face rising health insurance premium and pension costs for retirees.

¹ Fitch Ratings Nursing Shortage Update, May 13, 2003; fitchratings.com

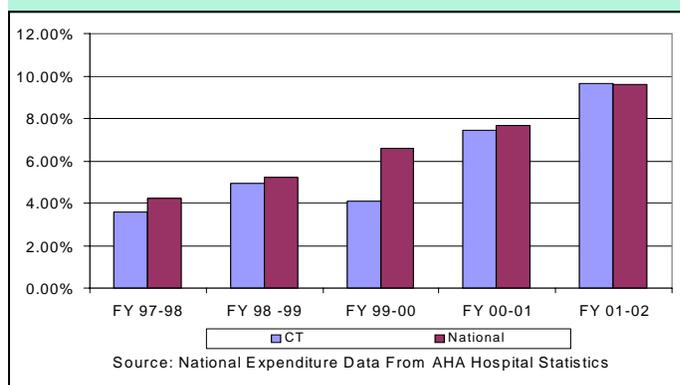
² Is The Current Shortage Of Hospital Nurses Ending? Peter I. Buerhaus, Douglas O. Staiger and David I. Auerbach *Health Affairs*, Vol 22, Issue 6, 191-198 November/December 2003

³ Ibid.

Connecticut FY 2002 statewide hospital expenditures increased 10% over FY 2001 levels, representing the highest level in recent years. Figure 8 shows that FY 2002 was the first year that Connecticut's growth in expenditures slightly exceeded the national increase.

hospitals have far greater uncompensated care costs than rural hospitals; one half of the total uncompensated care expense in the state is attributable to the nine urban hospitals in Hartford, New Haven, New Britain, Bridgeport and Waterbury.

FIGURE 8: CT VS NATIONAL EXPENSE GROWTH



Uncompensated Care represents the level of charges for which hospitals do not receive reimbursement. Two levels of uncompensated care exist: free care, which a hospital provides knowing in advance that it will not be reimbursed; and bad debt, whereby the hospital learns after providing the care that it will not be reimbursed fully for its services.

The statewide average uncompensated care cost percentage of total expenses was 3.1 percent for FY 2002 and has remained relatively constant from FY 1999 to FY 2001. This represents the percentage of uncompensated care expenses in relation to the total hospital expenses. Uncompensated care cost is calculated by multiplying uncompensated care charges by the ratio of cost to charges for all payers. Large urban

Patients at Connecticut's hospitals are treated regardless of their ability to pay, with the exception of non-emergency care such as elective and cosmetic surgery. While *free care* programs and eligibility requirements vary significantly among hospitals, an OHCA analysis of the free bed policies found that the following standards exist:

- All third party resources must be exhausted prior to completing the charity care application.
- Eligibility for all medical assistance is initiated with a patient application and proof of income.
- The basis for charity care levels are based on the Federal Poverty Level (FPL) income guidelines published annually in the Federal Government's Federal Register.
- Patients within 100% of the FPL income guidelines qualify for full charity care from all hospitals.
- Two thirds of Connecticut's hospitals do not place a restriction on the amount classified as charity care.

Many hospitals administer *indigent care* and *free bed funds* that are made available for patients who meet the criteria requirements of the fund programs. The statewide FY 2002 ending free care balance for the 20 hospitals with free bed funds was \$96.5 million and the FY 2002 expenditures from these funds were \$5.5 million. Free bed funds for Hartford and Yale-New Haven Hospitals comprise 70% of the total, with ending balances of \$42.6 million and \$23.5 million, respectively. Many hospitals administer numerous funds that have very specific qualifying criteria that restrict their use by the general public. For example, members of religious or civic organizations who donate these funds may specify their use exclusively for fellow members.

Connecticut Public Act 03-266 enacted in 2003 requires hospitals to publicly post a description of each hospital bed fund and explain how patients can apply for these funds. Further details of each hospital's free bed fund balances and expenditures are included in the table below, in order of bed fund balance amounts.

Since the inception of the *Disproportionate Share Hospital (DSH) Program* in December 1991, funds have been provided to Connecticut's acute care hospitals based upon each hospital's uncompensated and under-compensated care as a percentage of the statewide total of uncompensated and under-compensated care. In addition to reimbursement made to all hospitals for services rendered under the Medicaid and Medicare programs, the federal government created the DSH program to provide additional reimbursement to hospitals that serve a disproportionately high number of low-income patients. Bad debt, free care, and under-compensated care associated with Medical Assistance programs are all included in the DSH calculation. The statewide total cost of hospital uncompensated care and medical assistance underpayment for FY 2002 exceeded \$332 million. During FY 2002, \$121 million was disbursed by the State to the hospitals for DSH related payments.

FIGURE 9: HOSPITAL INDIGENT CARE & FREE BEDS FUNDS

	FY 2002	FY 2002
	INDIGENT CARE/ FREE BED FUND/ EXPENDITURES	INDIGENT CARE/ FREE BED FUND/ ENDING BALANCE
HARTFORD	\$3,064,076	\$42,623,125
YALE-NEW HAVEN	\$571,215	\$23,524,093
WATERBURY	\$322,737	\$7,936,492
BRIDGEPORT	\$300,000	\$7,924,734
GREENWICH	\$0	\$5,529,450
SAINT FRANCIS	\$4,408	\$1,521,490
MIDDLESEX	\$0	\$1,479,926
BACKUS	\$101,500	\$1,445,654
BRISTOL	\$0	\$1,078,884
NEW BRITAIN	\$0	\$795,513
LAWRENCE MEM.	\$39,650	\$747,956
MANCHESTER	\$209,177	\$569,726
SAINT RAPHAEL	\$5,296	\$379,809
ROCKVILLE	\$611,183	\$290,810
GRIFFIN	\$0	\$254,555
SAINT VINCENT	\$0	\$247,806
HUNGERFORD	\$11,584	\$215,438
MIDSTATE	\$15,871	\$119,212
SAINT MARY	\$403	\$104,522
WINDHAM	\$77	\$21,529

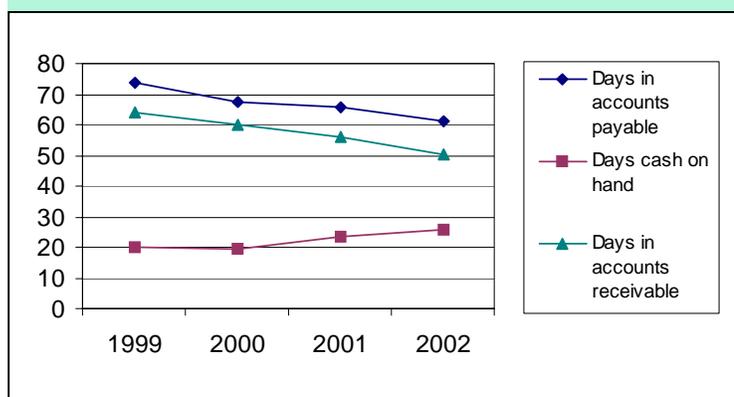
The *capital structure* of a hospital represents the relative strength of equity and the ability to meet long-term debt obligations. The equity-financing ratio, measures the capital structure by providing the percentage of total assets that have been financed through equity. The higher the ratio, the more favorable the rating, as it implies that the hospital has used little debt financing in its asset acquisition programs. Connecticut's FY 2002 statewide equity finance ratio was 43%, representing the lowest ratio since OHCA began reporting this measure in FY 1993. The statewide hospital total net assets or equity declined 7% between 2000 and 2002. The current operating and economic environment may make it more difficult for many hospitals to adequately access capital markets and fund raising sources in order to fund ongoing needs for modernization, new technology, improving quality of care, and reducing medical error.

Liquidity measures demonstrate the relative strength of a hospital's liquid assets and provide a measure of a hospital's short-term financial condition. Connecticut hospitals continued a steady trend of improved liquidity in FY 2002, necessary to meet the increasing demands of higher costs and lack of available capital. Figure 10 highlights the four-year trends of the following indicators:

- **Days of expenses in accounts payable.** This measures the average number of days that elapse before current liabilities are paid. Higher values are less desirable, since they may indicate liquidity problems. The statewide days in accounts payable decreased 17% from FY 1999 levels down to 61 days.

- **Days cash on hand.** This measures the number of days in average cash expenses that the hospital maintains in cash and marketable securities. Higher values are favored as they imply a greater ability to meet obligations. Connecticut hospital's total days cash on hand showed a slight increase to 26 days in FY 2002.
- **Days in accounts receivable.** This measures the average collection period. Higher values are less desirable as they indicate poor collection practices that can lead to cash flow problems and greater short term financing levels. The average days in accounts receivable decreased 22% from FY 1999 levels to 50 days. Connecticut hospitals' success in accelerating collection periods is evidenced by the four-year declining trend in the number of days receivables outstanding.

FIGURE 10: LIQUIDITY MEASURES



LOOKING AHEAD

Effectively managing expenses is critical to the financial health of hospitals. Overall, Connecticut hospitals did an excellent job of maximizing operating revenues in FY 2002 to offset increasing costs. While operating expenses increased 10% over FY 2001 levels, the statewide median operating margin remained flat at 0.6%.

The familiar themes of declining reimbursements as a percentage of costs, workforce shortages, rising insurance and pension costs, along with the necessary capital improvements and technological advancements show little signs of abating. To remain viable in the future, hospitals must continue to offset these significant financial challenges.

The Office of Health Care Access will continue to monitor the financial health of Connecticut's hospitals that serve as the basic infrastructure of the state's health care delivery system. Periodic reports and issue briefs on hospital performance can be found on the agency website, www.ohca.state.ct.us

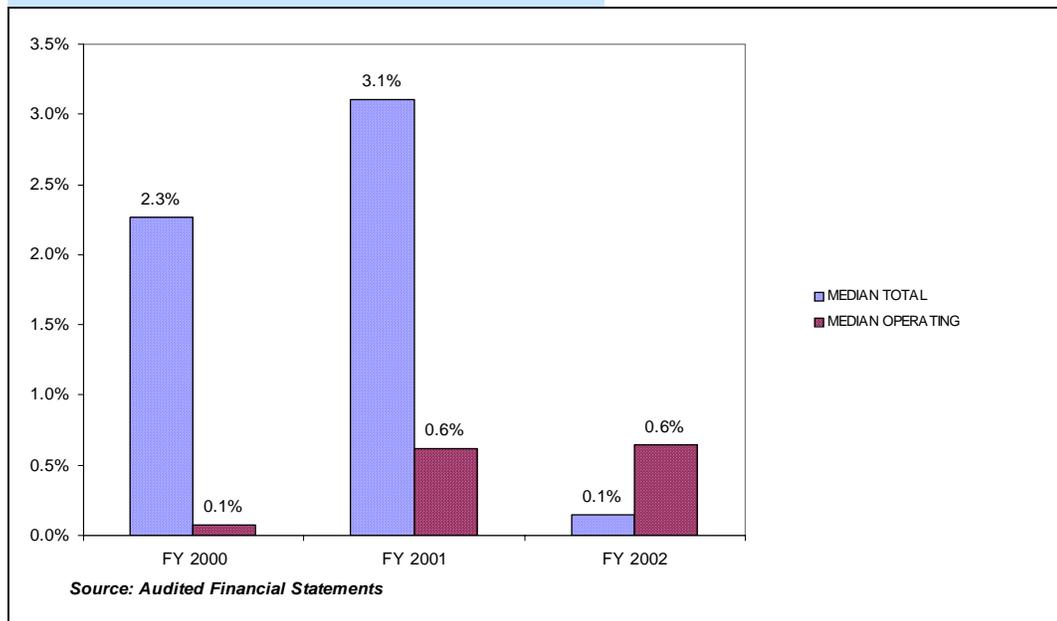
The following section provides statewide and individual hospital profiles on Connecticut's 31 acute care hospitals for Fiscal Year 2002. All data was reported by the hospitals through OHCA's Hospital Budget System. Further information on the hospitals can also be found in the Appendix Section of this report which contains the following:

- Appendix A provides an analysis of hospital and health system net assets for each of the 31 hospitals.
- Appendix B calculates the ratio of cost to charges for each of the 31 hospitals.
- Appendix C provides bad debt and free care data as a percent of total hospital expenses for each of the 31 hospitals.
- Appendix D is a state map indicating the location of each of the 31 hospitals.
- Appendix E is a chart indicating the range of hospital operating margins for each of the 31 hospitals.
- Appendix F is a chart indicating the range of hospital total margins for each of the 31 hospitals.

STATEWIDE HOSPITAL PROFILE

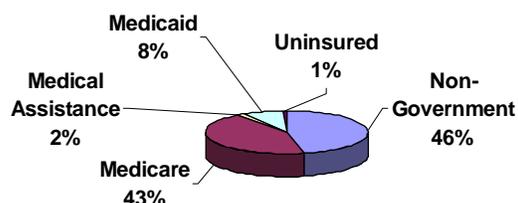
This section of the report consists of two page profiles for each Connecticut acute care hospital's financial results. The first page of each hospital profile lists the towns which the hospital primarily serves, the hospital's corporate chart, and three years of hospital total and operating margins. The second page of each profile provides a chart on the hospital's payer mix, a chart on payment to cost data, and a summary of select net asset amounts, revenue and expense summary amounts, payment to cost data amounts, financial measures, and utilization measures. The statewide profile is provided below and on the following page.

STATEWIDE HOSPITAL MARGINS (MEDIAN)



KEY RESULTS - STATEWIDE HOSPITAL PROFILE

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.98
Medicaid Payment to Cost	.75
Private Payment to Cost	1.11

NET ASSETS

	2000	2001	2002
Hospitals	\$4,128,061,102	\$4,060,001,859	\$3,837,593,448
Health System	\$6,574,242,311	\$6,246,137,054	\$5,877,300,661

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$4,065,776,287	\$4,387,867,919	\$4,813,530,269
Total expenses	\$4,161,331,244	\$4,470,125,105	\$4,901,972,171
Uncompensated Care Cost	\$151,290,138	\$155,165,966	\$153,636,376
Uncompensated care % of total expenses	3.6%	3.5%	3.1%
Average Managed Care Discounts	36%	38%	41%

COST DATA

Ratio of cost to charges	0.56	0.55	0.52
Medicare Payment to Cost	0.96	0.97	0.98
Medicaid Payment to Cost	0.76	0.77	0.75
Private Payment to Cost	1.13	1.11	1.11

FINANCIAL MEASURES

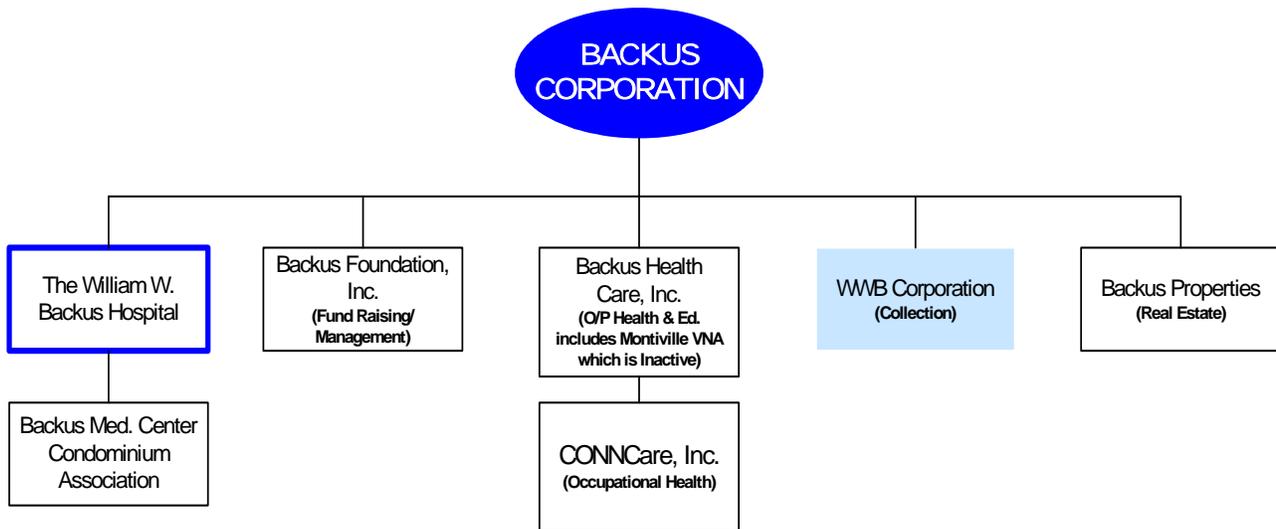
Days of expenses in accounts payable	68	66	61
Days cash on hand	19	23	26
Days of revenue in accounts receivable	60	56	50
Equity financing ratio	45%	45%	43%

UTILIZATION MEASURES

Patient Days	1,845,456	1,937,211	1,966,276
Discharges	379,038	395,661	399,815
ALOS	4.9	4.9	4.9
Staffed Beds	6,946	6,994	7,151
Occupancy of staffed beds	72.8%	75.9%	75.3%
FTE's	41,631	42,786	44,328

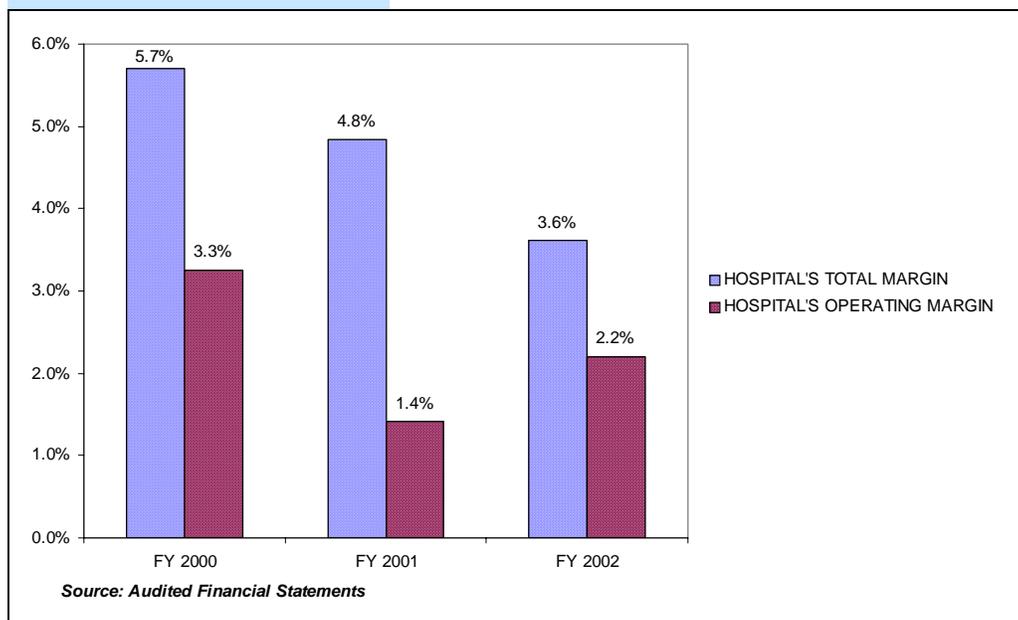
WILLIAM W. BACKUS HOSPITAL

The William W. Backus Hospital, founded in 1893, is located in Norwich and primarily serves the residents of Bozrah, Canterbury, Colchester, Franklin, Griswold, Lisbon, Montville, Norwich, Plainfield, Preston, Salem, Sprague, Sterling, and Voluntown. The William W. Backus Hospital's parent corporation is Backus Corporation. Reported below is a chart indicating all of the affiliates of Backus Corporation and three years of total margins and operating margins for the William W. Backus Hospital.



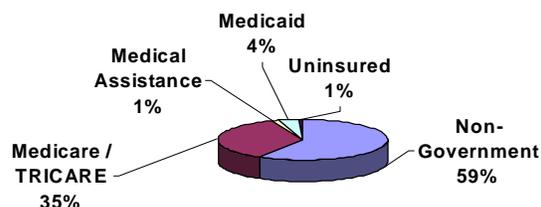
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - WILLIAM W. BACKUS HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.87
Medicaid Payment to Cost	.50
Private Payment to Cost	1.27

NET ASSETS

	2000	2001	2002
Hospital	\$74,357,893	\$114,552,656	\$113,397,701
Health System	\$118,029,326	\$117,284,925	\$116,236,777

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$118,788,048	\$127,932,387	\$134,073,840
Total expenses	\$112,900,013	\$126,655,146	\$133,777,540
Uncompensated Care Cost	\$2,929,085	\$3,798,894	\$3,584,045
Uncompensated care % of total expenses	2.6%	3.0%	2.7%
Average Managed Care Discounts	21%	23%	25%

COST DATA

Ratio of cost to charges	0.59	0.59	0.59
Medicare Payment to Cost	0.88	0.87	0.87
Medicaid Payment to Cost	0.66	0.57	0.50
Private Payment to Cost	1.35	1.28	1.27

FINANCIAL MEASURES

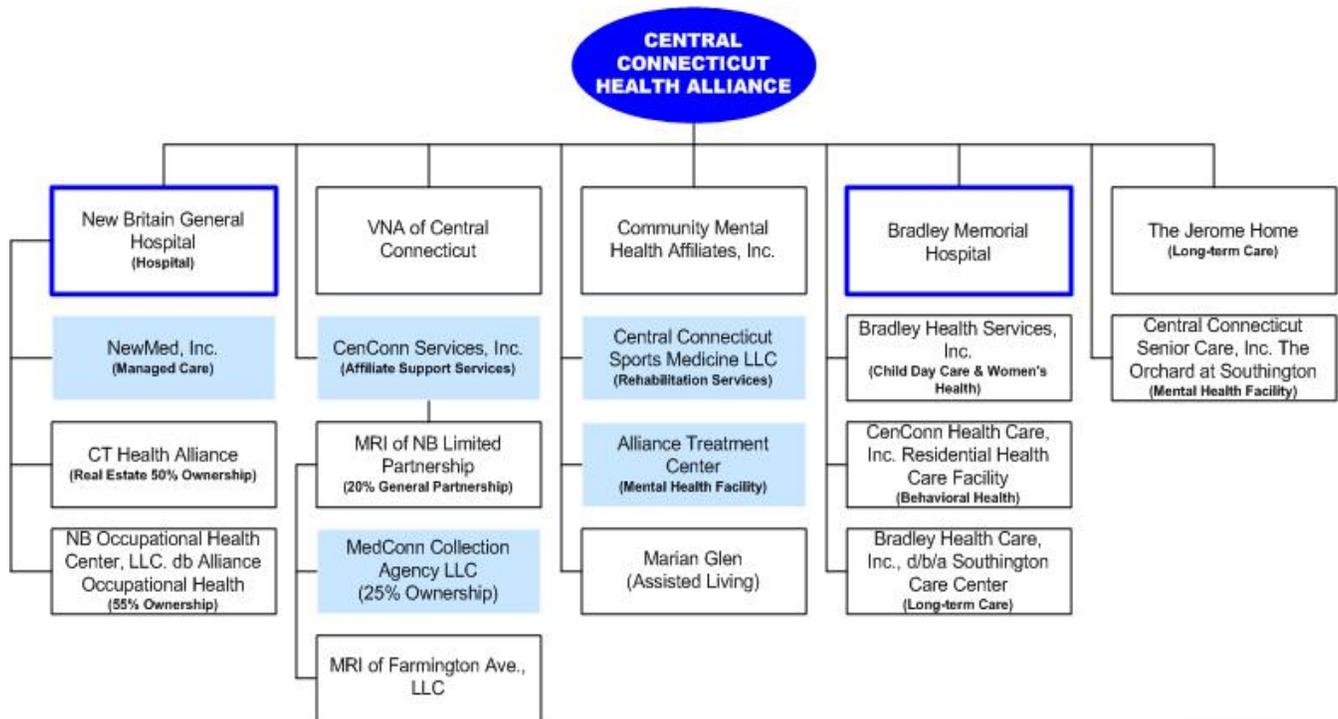
Days of expenses in accounts payable	46	36	39
Days cash on hand	27	23	34
Days of revenue in accounts receivable	55	52	50
Equity financing ratio	52%	58%	58%

UTILIZATION MEASURES

Patient Days	50,321	51,029	47,670
Discharges	11,771	12,044	11,445
ALOS	4.3	4.2	4.2
Staffed Beds	182	180	181
Occupancy of staffed beds	76%	78%	72%
FTE's	1,136	1,202	1,224

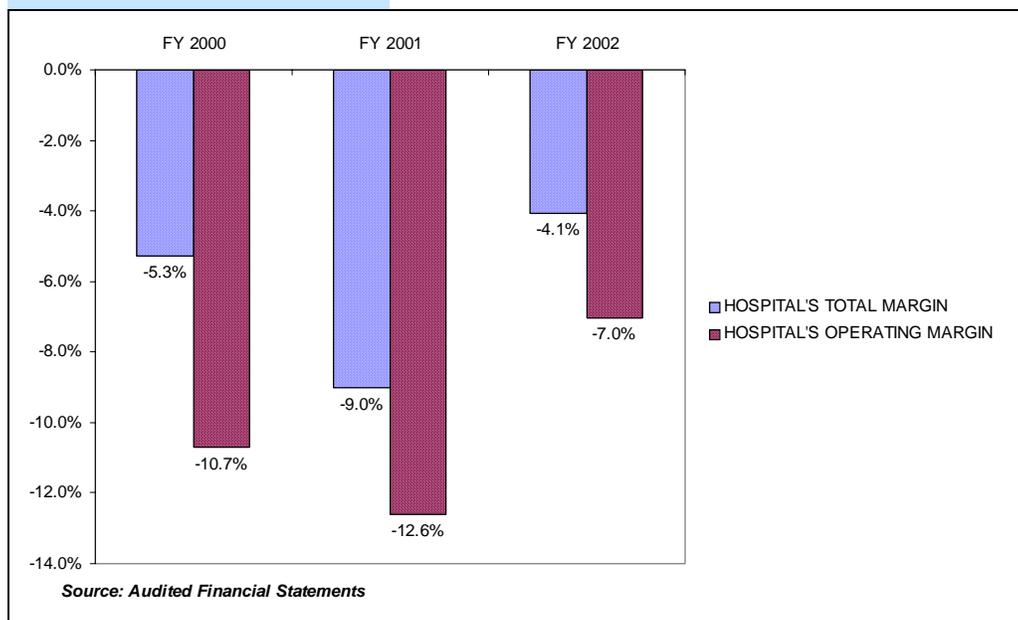
BRADLEY MEMORIAL HOSPITAL

Bradley Memorial Hospital, founded in 1938, is located in Southington and primarily serves the residents of Southington. Bradley Memorial Hospital's parent corporation is Central Connecticut Health Alliance which also includes New Britain General Hospital. Reported below is a chart indicating all of the affiliates of Central Connecticut Health Alliance and three years of total margins and operating margins for Bradley Memorial Hospital.



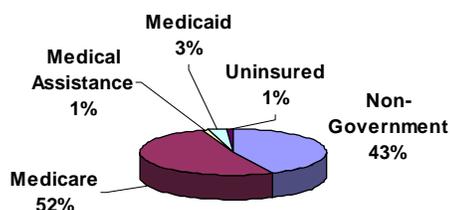
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - BRADLEY MEMORIAL HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.88
Medicaid Payment to Cost	.71
Private Payment to Cost	1.06

NET ASSETS

	2000	2001	2002
Hospital	\$51,998,354	\$45,467,305	\$39,261,850
Health System	\$229,188,671	\$201,648,387	\$167,942,730

REVENUE & EXPENSE SUMMARY

Net Patient Revenue	\$24,161,298	\$25,187,606	\$28,448,301
Total expenses	\$26,006,329	\$28,316,205	\$30,422,704
Uncompensated Care Cost	\$809,876	\$450,211	\$428,937
Uncompensated care % of total expenses	3.1%	1.6%	1.4%
Average Managed Care Discounts	30%	30%	28%

COST DATA

Ratio of cost to charges	0.63	0.69	0.68
Medicare Payment to Cost	0.89	0.85	0.88
Medicaid Payment to Cost	0.45	0.68	0.71
Private Payment to Cost	1.05	1.00	1.06

FINANCIAL MEASURES

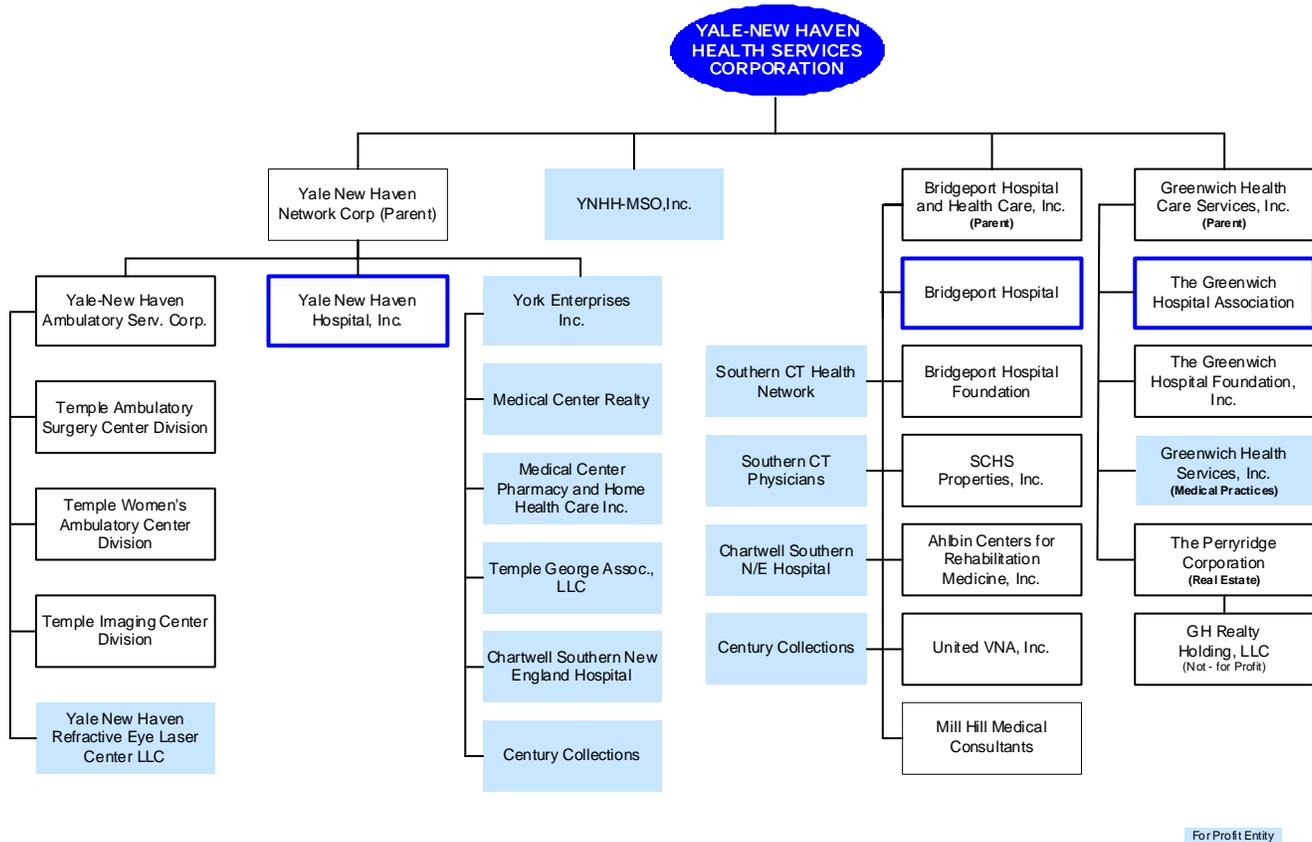
Days of expenses in accounts payable	53	55	56
Days cash on hand	13	14	4
Days of revenue in accounts receivable	42	34	34
Equity financing ratio	46%	44%	40%

UTILIZATION MEASURES

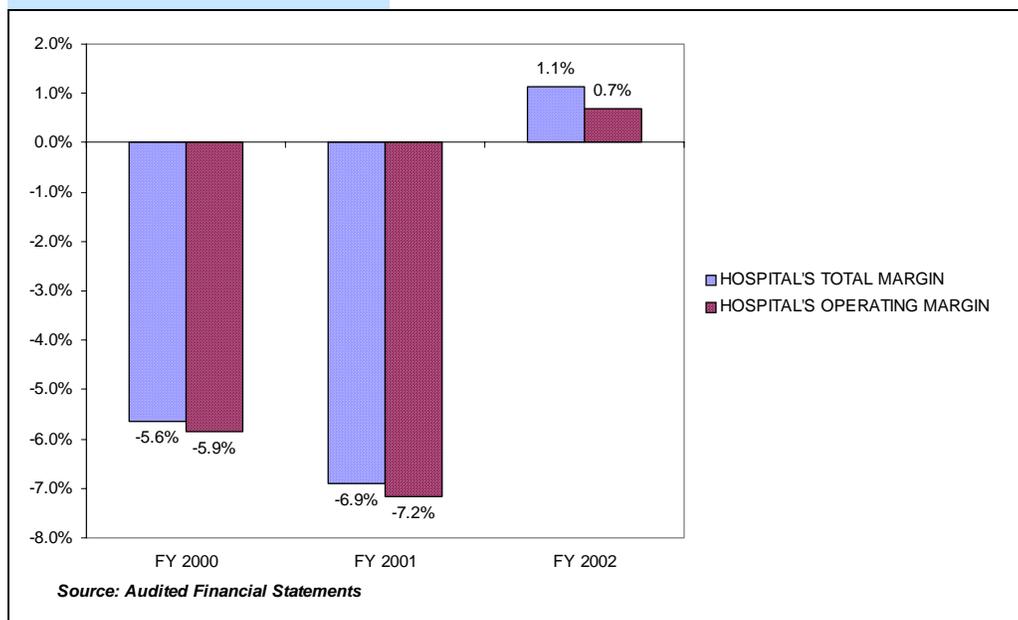
Patient Days	11,626	11,687	11,632
Discharges	2,446	2,626	2,536
ALOS	4.8	4.5	4.6
Staffed Beds	74	74	74
Occupancy of staffed beds	42%	43%	43%
FTE's	280	276	318

BRIDGEPORT HOSPITAL

Bridgeport Hospital, founded in 1878, is located in Bridgeport and primarily serves the residents of Bridgeport, Easton, Fairfield, Monroe, Stratford, and Trumbull. Bridgeport Hospital's parent corporation is Bridgeport Hospital and Health Care, Incorporated, an affiliate of the larger Yale-New Haven Health Services Corporation which includes Greenwich Hospital and Yale New Haven Hospital. Reported below is a chart indicating all of the affiliates of Yale New Haven Health Services Corporation and three years of total margins and operating margins for Bridgeport Hospital.

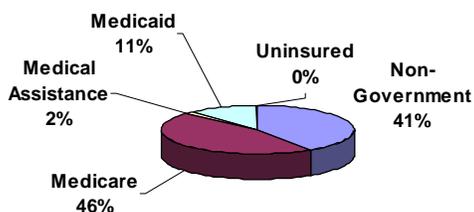


HOSPITAL MARGINS



KEY RESULTS - BRIDGEPORT HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	1.08
Medicaid Payment to Cost	.68
Private Payment to Cost	1.14

NET ASSETS

	2000	2001	2002
Hospital	\$96,082,000	\$103,970,000	\$96,284,000
Health System	\$135,296,000	\$108,524,000	\$100,569,000

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$194,948,857	\$192,473,693	\$209,827,021
Total expenses	\$192,801,317	\$210,295,523	\$213,495,462
Uncompensated Care Cost	\$5,708,590	\$6,100,563	\$7,642,921
Uncompensated care % of total expenses	3.0%	2.9%	3.6%
Average Managed Care Discounts	41%	47%	50%

COST DATA

Ratio of cost to charges	0.50	0.51	0.45
Medicare Payment to Cost	1.04	0.99	1.08
Medicaid Payment to Cost	0.72	0.62	0.68
Private Payment to Cost	1.23	1.07	1.14

FINANCIAL MEASURES

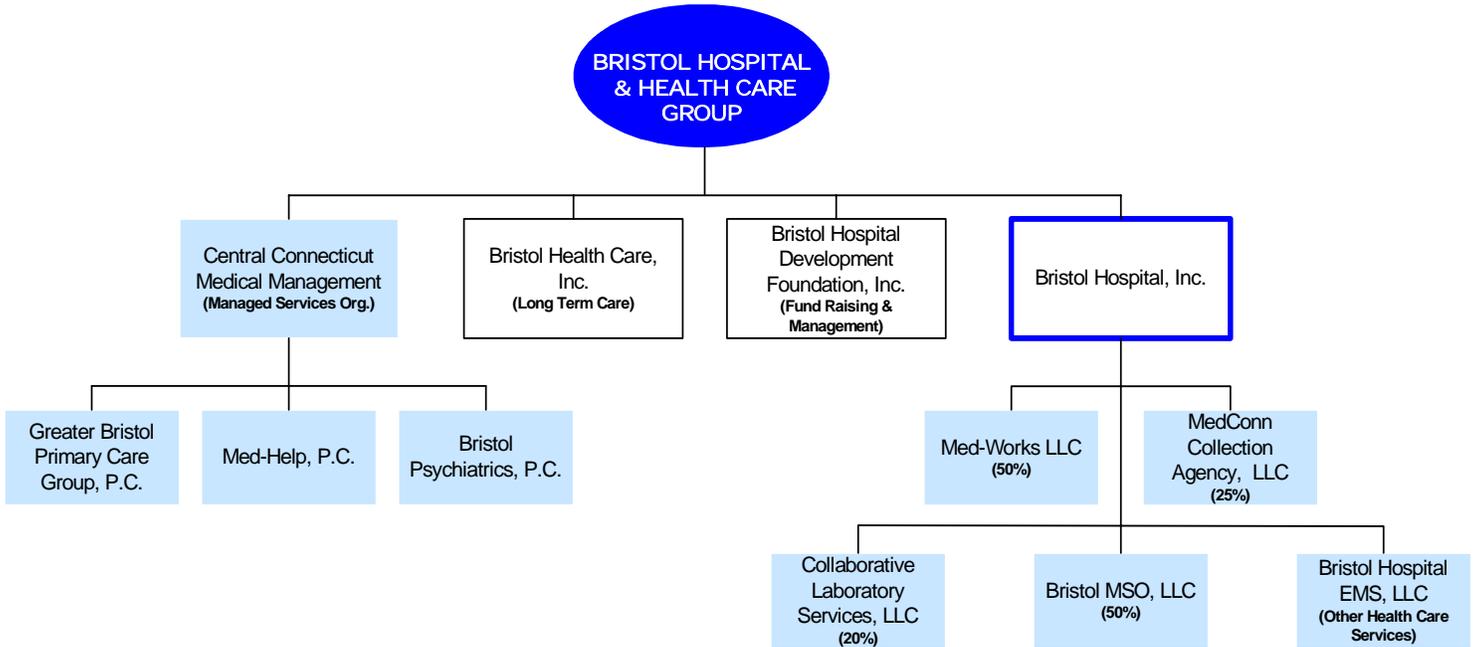
Days of expenses in accounts payable	70	76	67
Days cash on hand	11	15	27
Days of revenue in accounts receivable	76	57	55
Equity financing ratio	32%	32%	29%

UTILIZATION MEASURES

Patient Days	99,825	102,963	101,110
Discharges	19,913	20,279	19,464
ALOS	5.0	5.1	5.2
Staffed Beds	285	299	299
Occupancy of staffed beds	96%	94%	93%
FTE's	1,664	1,696	1,690

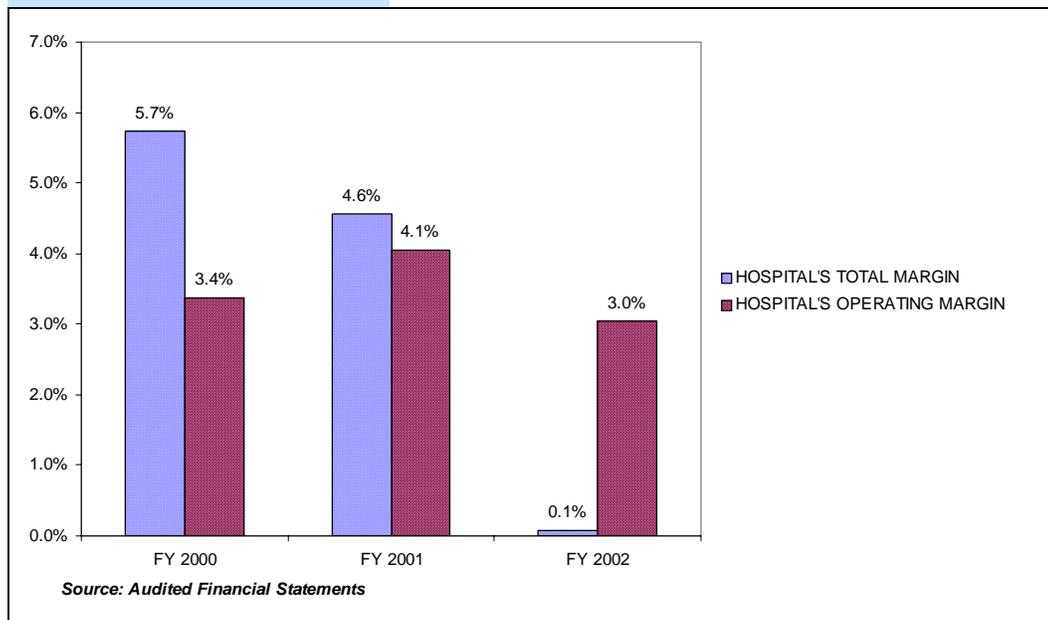
BRISTOL HOSPITAL

Bristol Hospital, founded in 1921, is located in Bristol and primarily serves the residents of Bristol and Plymouth. Bristol Hospital's parent corporation is Bristol Hospital and Health Care Group. Reported below is a chart indicating all of the affiliates of Bristol Hospital and Health Care Group and three years of total margins and operating margins for Bristol Hospital.



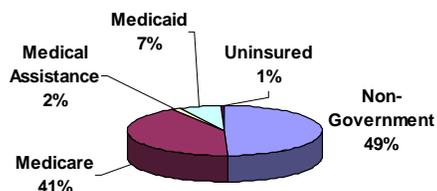
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - BRISTOL HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.95
Medicaid Payment to Cost	.82
Private Payment to Cost	1.17

NET ASSETS

	2000	2001	2002
Hospital	\$57,231,927	\$57,169,235	\$43,137,074
Health System	\$61,170,889	\$60,007,568	\$44,223,374

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$76,511,710	\$80,766,071	\$89,940,462
Total expenses	\$72,446,988	\$77,962,365	\$88,471,994
Uncompensated Care Cost	\$2,618,577	\$2,617,010	\$2,657,476
Uncompensated care % of total expenses	3.6%	3.4%	3.0%
Average Managed Care Discounts	43%	45%	45%

COST DATA

Ratio of cost to charges	0.46	0.46	0.47
Medicare Payment to Cost	0.95	0.95	0.95
Medicaid Payment to Cost	0.79	0.80	0.82
Private Payment to Cost	1.26	1.22	1.17

FINANCIAL MEASURES

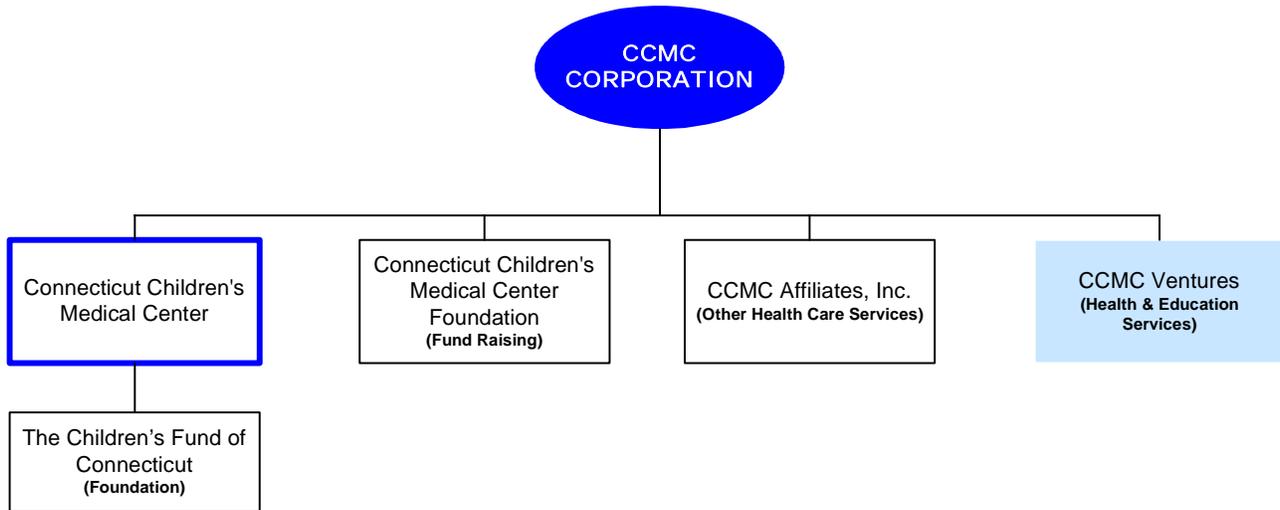
Days of expenses in accounts payable	57	62	69
Days cash on hand	47	55	66
Days of revenue in accounts receivable	50	45	45
Equity financing ratio	59%	59%	36%

UTILIZATION MEASURES

Patient Days	34,268	35,311	35,651
Discharges	8,083	8,120	8,350
ALOS	4.2	4.4	4.3
Staffed Beds	148	154	154
Occupancy of staffed beds	63%	63%	63%
FTE's	810	845	891

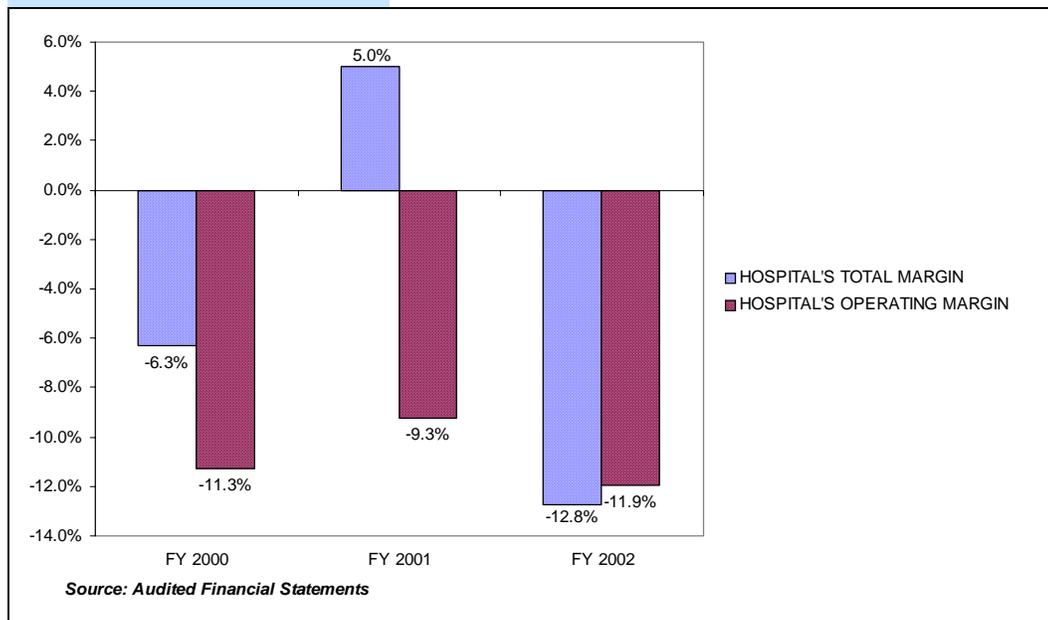
CONNECTICUT CHILDREN'S MEDICAL CENTER

Connecticut Children's Medical Center (CCMC) began operating in 1996 as the successor to Newington Children's Hospital. CCMC is a statewide referral site for pediatric care located in Hartford and primarily serves the residents of Bristol, East Hartford, Enfield, Glastonbury, Hartford, Manchester, Meriden, Middletown, New Britain, Norwich, Simsbury, South Windsor, Southington, Vernon, Waterbury, West Hartford, Wethersfield, Windham, and Windsor. CCMC's parent corporation is the CCMC Corporation. Reported below is a chart indicating all of the affiliates of CCMC Corporation and three years of total margins and operating margins for CCMC.

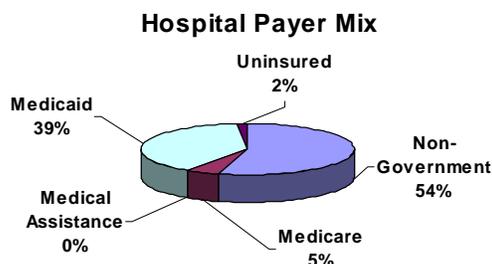


For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - CONNECTICUT CHILDREN'S MEDICAL CENTER



Cost Data:

Medicare Payment to Cost	64 .22
Medicaid Payment to Cost	.92
Private Payment to Cost	.78

NET ASSETS

	2000	2001	2002
Hospital	\$196,192,659	\$188,730,412	\$174,524,293
Health System	\$205,444,376	\$198,173,551	\$184,314,923

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$65,166,189	\$76,516,940	\$85,002,579
Total expenses	\$76,312,026	\$85,252,955	\$98,601,301
Uncompensated Care Cost	\$2,604,003	\$2,279,733	\$1,914,397
Uncompensated care % of total expenses	3.4%	2.7%	1.9%
Average Managed Care Discounts	47%	50%	54%

COST DATA

Ratio of cost to charges	0.68	0.66	0.66
Medicare Payment to Cost	0.84	26.61	64.22
Medicaid Payment to Cost	0.97	0.97	0.92
Private Payment to Cost	0.82	0.82	0.78

FINANCIAL MEASURES

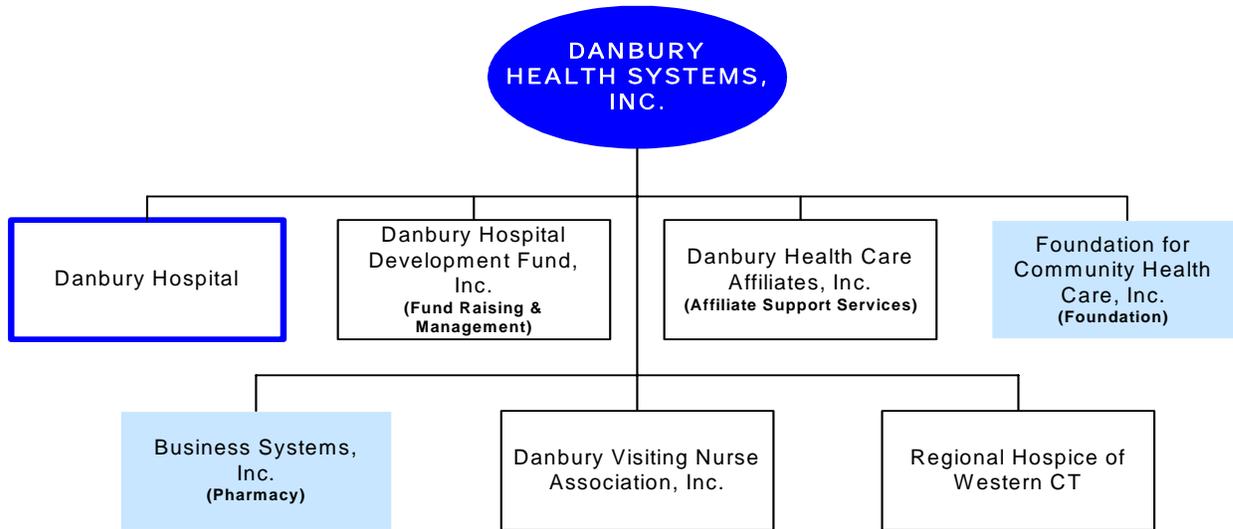
Days of expenses in accounts payable	68	86	84
Days cash on hand	3	9	9
Days of revenue in accounts receivable	54	54	43
Equity financing ratio	24%	45%	42%

UTILIZATION MEASURES

Patient Days	27,523	30,246	31,446
Discharges	4,846	5,020	4,954
ALOS	5.7	6.0	6.4
Staffed Beds	102	106	116
Occupancy of staffed beds	74%	78%	74%
FTE's	695	759	794

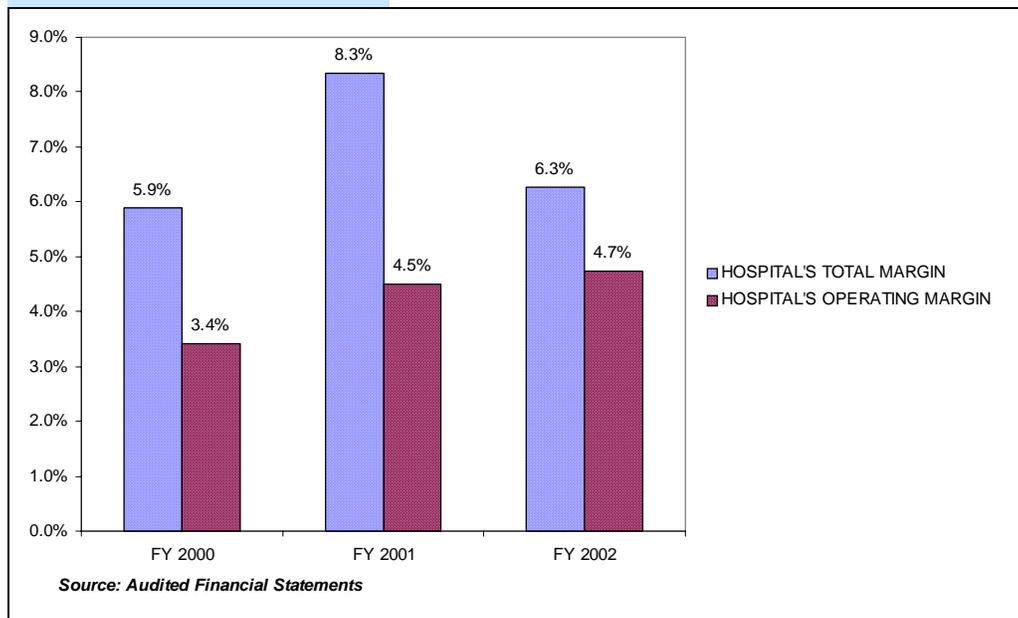
DANBURY HOSPITAL

Danbury Hospital, founded in 1885, is located in Danbury and primarily serves the residents of Bethel, Bridgewater, Brookfield, Danbury, New Fairfield, New Milford, Newtown, Redding, Ridgefield, Roxbury, Sherman, Southbury and some towns in New York State. Danbury Hospital's parent corporation is Danbury Health Systems, Incorporated. Reported below is a chart indicating all of the affiliates of Danbury Health Systems Incorporated and three years of total margins and operating margins for Danbury Hospital.

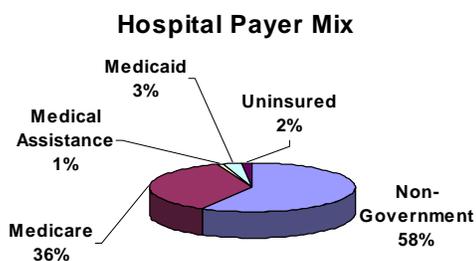


For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - DANBURY HOSPITAL



Cost Data:

Medicare Payment to Cost	.96
Medicaid Payment to Cost	.46
Private Payment to Cost	1.24

NET ASSETS	2000	2001	2002
Hospital	\$172,100,858	\$186,979,251	\$196,573,806
Health System	\$187,801,746	\$188,969,114	\$171,754,905

REVENUE & EXPENSE SUMMARY	2000	2001	2002
Net patient revenue	\$197,152,962	\$222,156,396	\$246,911,982
Total expenses	\$187,116,435	\$212,387,832	\$236,705,895
Uncompensated Care Cost	\$8,337,295	\$8,857,500	\$7,488,225
Uncompensated care % of total expenses	4.5%	4.2%	3.2%
Average Managed Care Discounts	27%	33%	33%

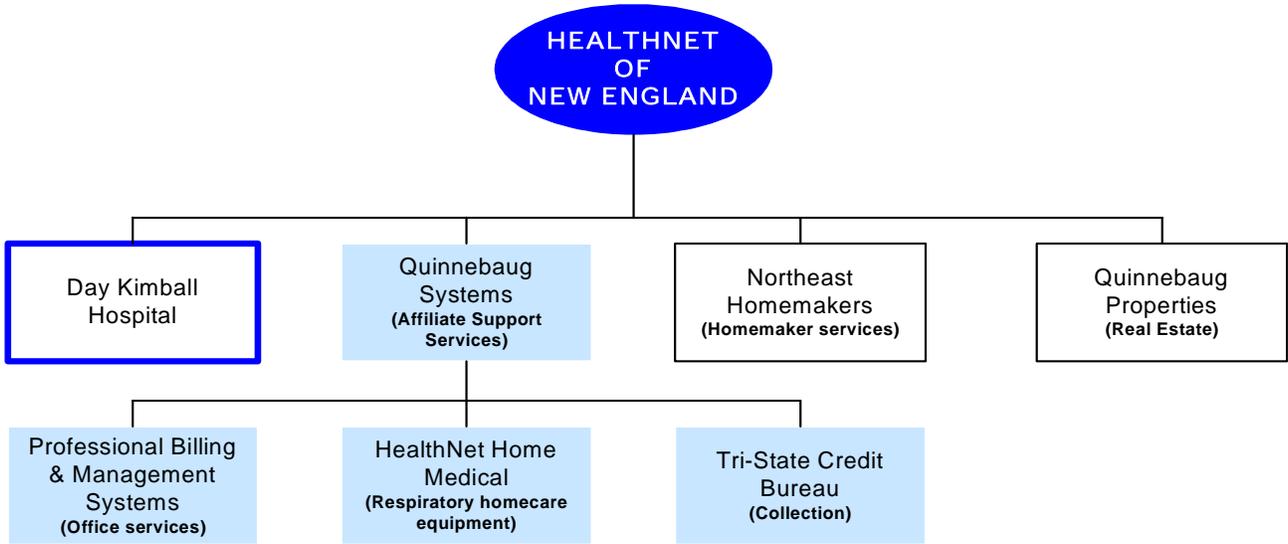
COST DATA	2000	2001	2002
Ratio of cost to charges	0.51	0.52	0.52
Medicare Payment to Cost	0.91	0.98	0.96
Medicaid Payment to Cost	0.57	0.62	0.46
Private Payment to Cost	1.31	1.21	1.24

FINANCIAL MEASURES	2000	2001	2002
Days of expenses in accounts payable	81	71	50
Days cash on hand	48	64	58
Days of revenue in accounts receivable	67	59	51
Equity financing ratio	46%	51%	54%

UTILIZATION MEASURES	2000	2001	2002
Patient Days	71,413	73,932	76,162
Discharges	17,621	17,956	18,628
ALOS	4.1	4.1	4.1
Staffed Beds	304	218	222
Occupancy of staffed beds	64%	93%	94%
FTE's	1,824	1,899	1,995

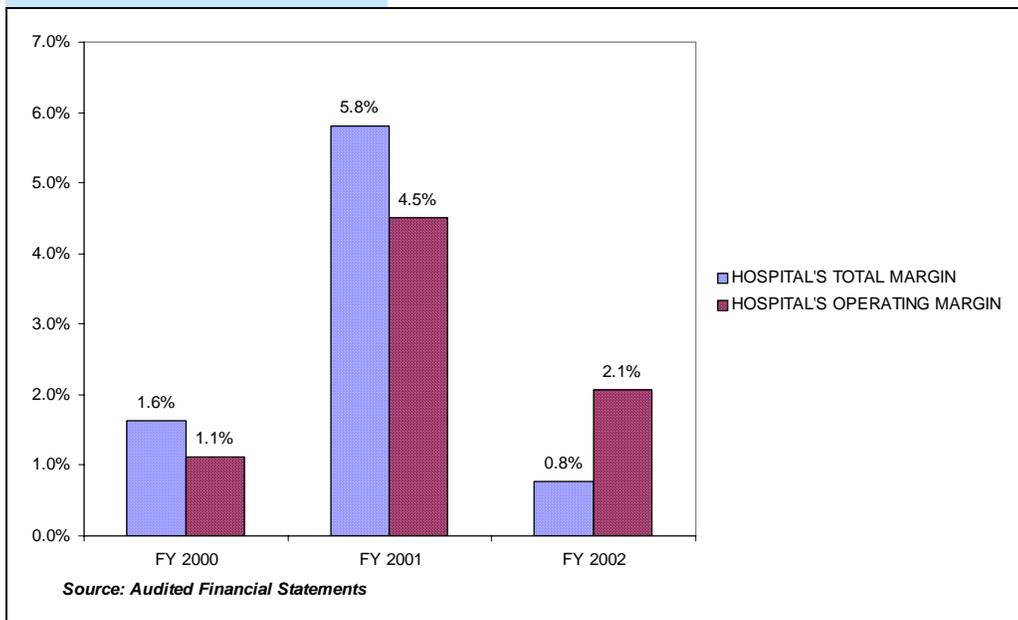
DAY KIMBALL HOSPITAL

Day Kimball Hospital, founded in 1894, is located in Putnam and primarily serves the residents of Brooklyn, Eastford, Killingly, Plainfield, Pomfret, Putnam, Sterling, Thompson, and Woodstock. Day Kimball Hospital's parent corporation is Healthnet of New England. Reported below is a chart indicating all of the affiliates of Healthnet of New England and three years of total margins and operating margins for Day Kimball Hospital.



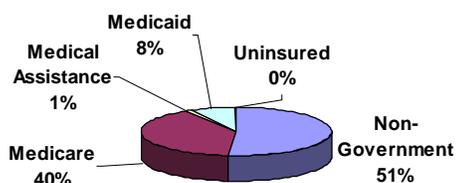
For-profit Entity

HOSPITAL MARGINS



KEY RESULTS - DAY KIMBALL HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.91
Medicaid Payment to Cost	.67
Private Payment to Cost	1.23

NET ASSETS

	2000	2001	2002
Hospital	\$42,947,063	\$44,562,762	\$37,029,303
Health System	\$44,661,076	\$46,446,955	\$39,197,071

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$58,961,321	\$65,921,166	\$73,018,348
Total expenses	\$57,930,984	\$63,822,637	\$73,607,702
Uncompensated Care Cost	\$1,855,945	\$1,925,444	\$1,377,165
Uncompensated care % of total expenses	3.2%	3.0%	1.9%
Average Managed Care Discounts	22%	22%	23%

COST DATA

Ratio of cost to charges	0.58	0.58	0.62
Medicare Payment to Cost	0.92	0.91	0.91
Medicaid Payment to Cost	0.70	0.70	0.67
Private Payment to Cost	1.29	1.31	1.23

FINANCIAL MEASURES

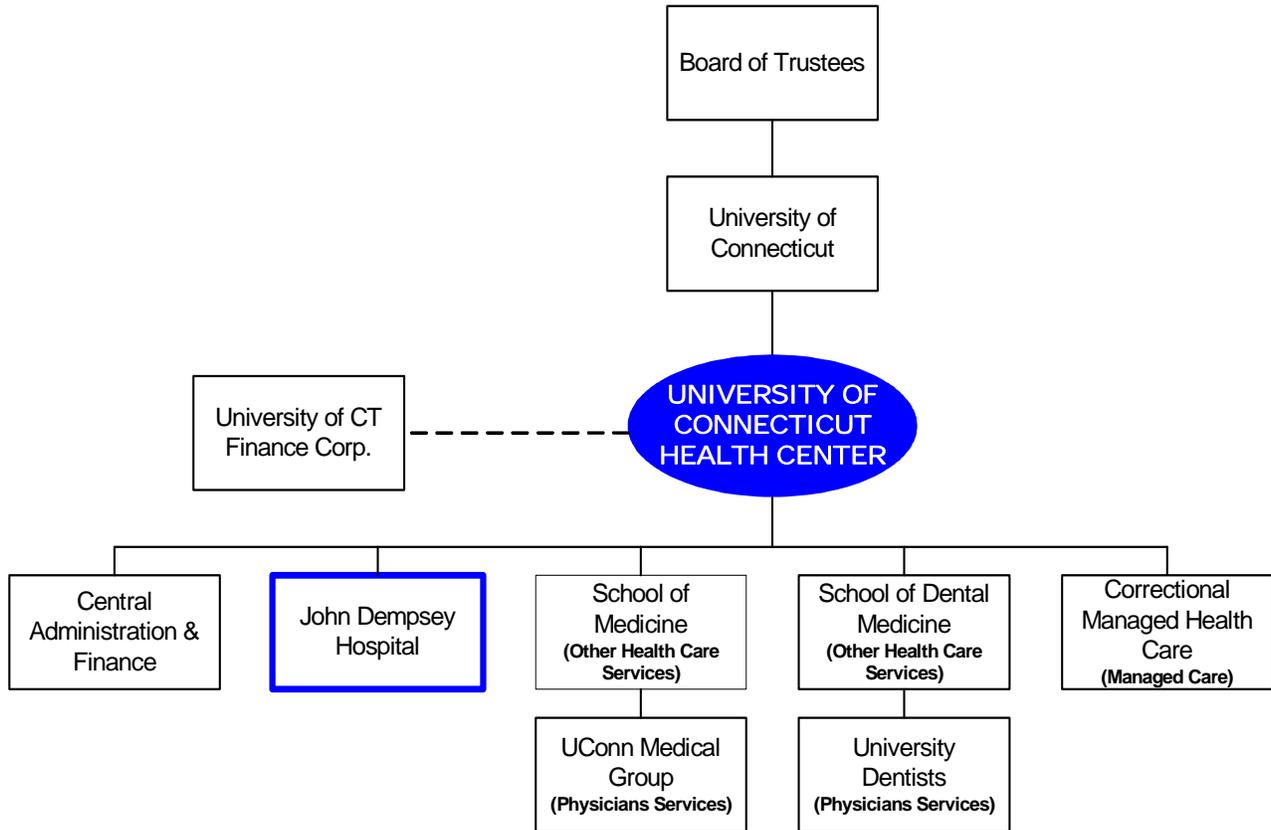
Days of expenses in accounts payable	47	63	64
Days cash on hand	74	122	103
Days of revenue in accounts receivable	56	57	48
Equity financing ratio	47%	48%	39%

UTILIZATION MEASURES

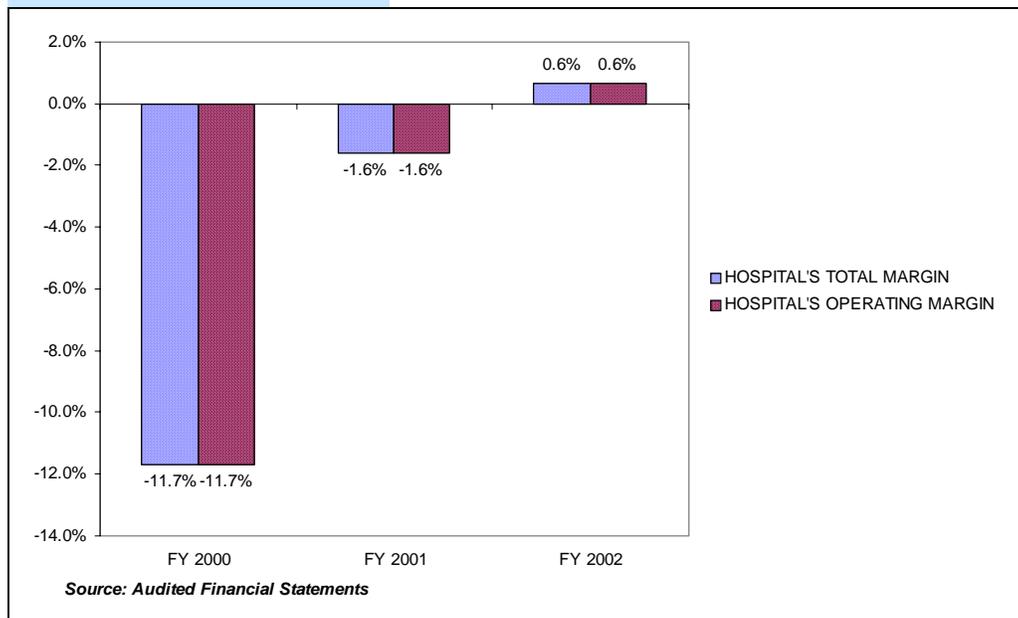
Patient Days	22,361	22,914	22,208
Discharges	5,629	6,025	5,904
ALOS	4.0	3.8	3.8
Staffed Beds	72	72	72
Occupancy of staffed beds	85%	87%	85%
FTE's	664	673	702

JOHN DEMPSEY HOSPITAL

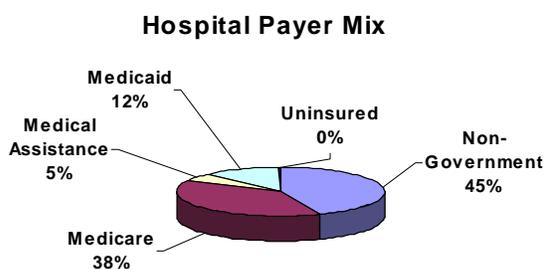
John Dempsey Hospital, located in Farmington, was founded in 1975 as the teaching hospital of the University of Connecticut Health Center and is also a statewide referral site for tertiary care. John Dempsey Hospital primarily serves the residents of Avon, Bloomfield, Bristol, East Hartford, Farmington, Hartford, Manchester, New Britain, Newington, Plainville, Rocky Hill, Simsbury, Southington, Torrington, and West Hartford. John Dempsey Hospital's parent corporation is the University of Connecticut Health Center. Reported below is a chart indicating all of the affiliates of the University of Connecticut Health Center and three years of total margins and operating margins for John Dempsey Hospital.



HOSPITAL MARGINS



KEY RESULTS - JOHN DEMPSEY HOSPITAL



Cost Data:

Medicare Payment to Cost	1.19
Medicaid Payment to Cost	.88
Private Payment to Cost	.98

NET ASSETS

	2000	2001	2002
Hospital	\$61,927,597	\$50,892,188	\$52,014,258
Health System	\$297,810,144	\$215,588,376	\$215,365,776

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$109,017,633	\$126,104,081	\$141,667,074
Total expenses	\$125,124,299	\$129,852,448	\$142,447,811
Uncompensated Care Cost	\$1,405,197	\$1,441,333	\$1,747,457
Uncompensated care % of total expenses	1.1%	1.1%	1.2%
Average Managed Care Discounts	40%	43%	45%

COST DATA

Ratio of cost to charges	0.68	0.60	0.56
Medicare Payment to Cost	0.97	1.19	1.19
Medicaid Payment to Cost	0.77	0.80	0.88
Private Payment to Cost	0.89	0.94	0.98

FINANCIAL MEASURES

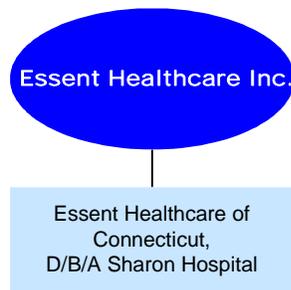
Days of expenses in accounts payable	60	64	73
Days cash on hand	0	0	0
Days of revenue in accounts receivable	51	54	61
Equity financing ratio	68%	61%	59%

UTILIZATION MEASURES

Patient Days	50,265	52,392	54,547
Discharges	6,896	7,852	8,711
ALOS	7.3	6.7	6.3
Staffed Beds	221	224	224
Occupancy of staffed beds	62%	64%	67%
FTE's	927	933	1,000

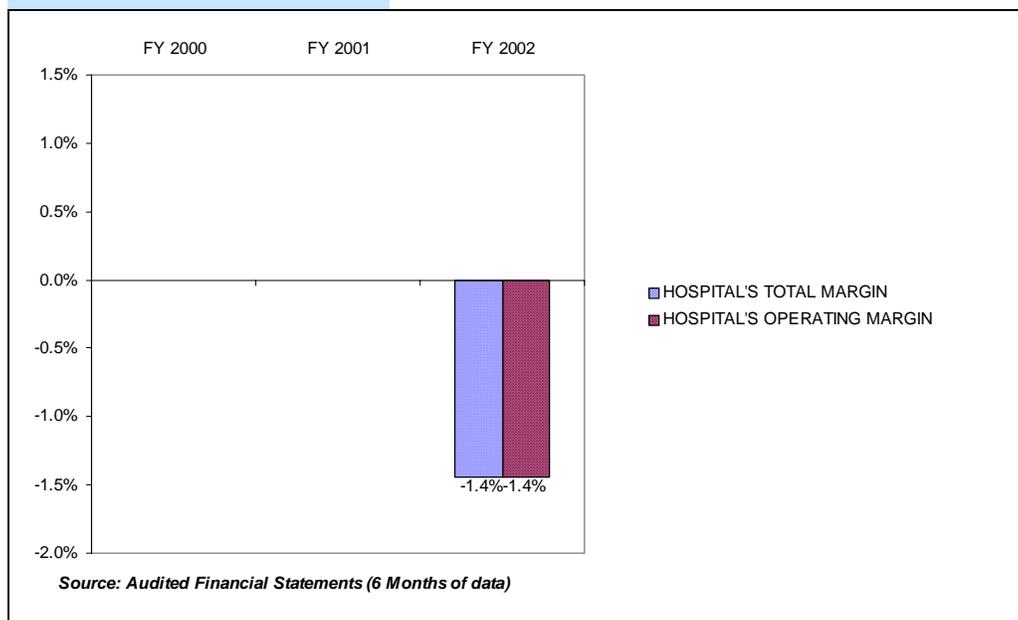
ESSENT-SHARON HOSPITAL

Sharon Hospital, founded in 1909, is located in Sharon and primarily serves the residents of Canaan, Cornwall, Warren, New York, Salisbury, and Sharon. In April of 2002, Sharon Hospital became the state's first for-profit acute care hospital when it was purchased by Essent Healthcare Incorporated of Nashville Tennessee. Sharon Hospital's parent corporation is Essent Healthcare Incorporated. Reported below is a chart indicating all of the Connecticut affiliates of Essent Healthcare Incorporated and total margins and operating margins for Sharon Hospital's first six months of ownership under Essent Healthcare Incorporated.



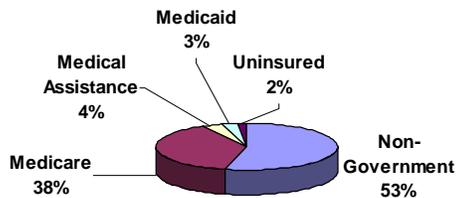
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - ESSENT SHARON HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.78
Medicaid Payment to Cost	1.15
Private Payment to Cost	1.16

NET ASSETS

	2000	2001	2002
Hospital			-\$146,985
Health System			\$12,345,745

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$17,035,839
Total expenses	\$17,702,683
Uncompensated Care Cost	\$858,975
Uncompensated care % of total expenses	4.9%
Average Managed Care Discounts	36%

COST DATA

Ratio of cost to charges	0.53
Medicare Payment to Cost	0.78
Medicaid Payment to Cost	1.15
Private Payment to Cost	1.16

FINANCIAL MEASURES

Days of expenses in accounts payable	119
Days cash on hand	19
Days of revenue in accounts receivable	49
Equity financing ratio	0%

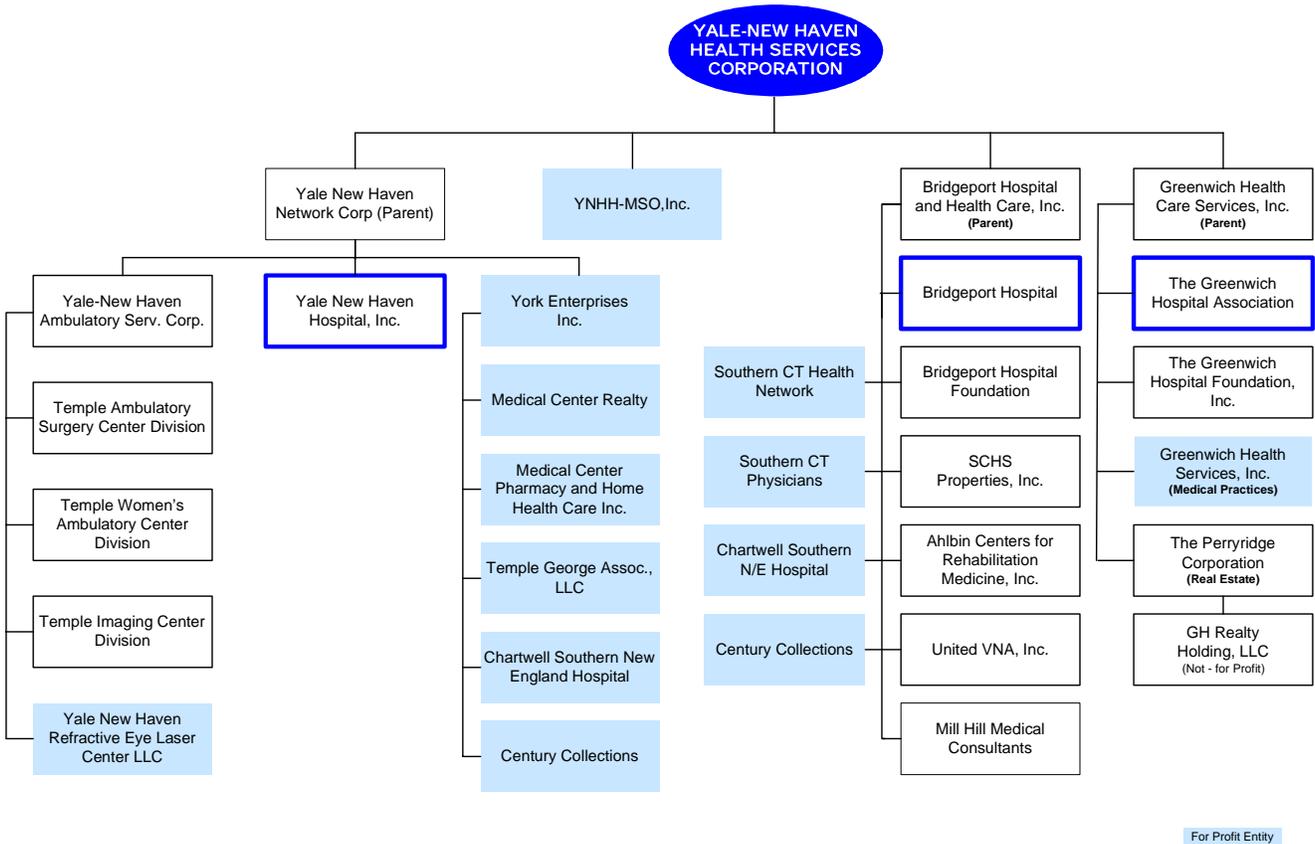
UTILIZATION MEASURES

Patient Days	5,544
Discharges	1,369
ALOS	4.1
Staffed Beds	94
Occupancy of staffed beds	16%
FTE's	280

(*Financial data is based on 6 months of activity)

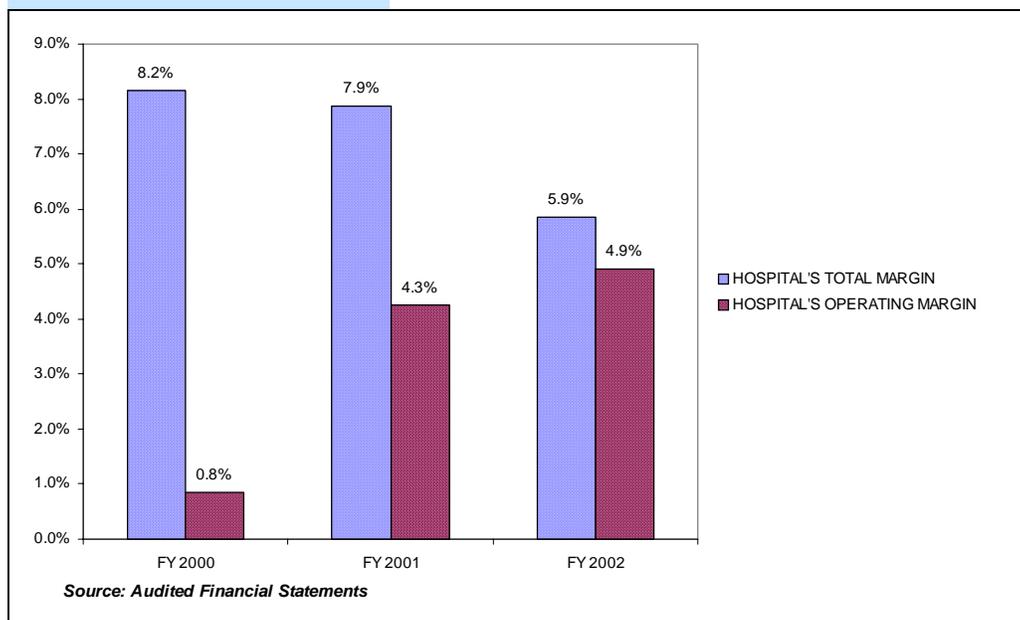
GREENWICH HOSPITAL

Greenwich Hospital, founded in 1903, is located in Greenwich and primarily serves the residents of Greenwich and Westchester County, New York. Greenwich Hospital's parent corporation is Greenwich Health Care Services Incorporated, an affiliate of the larger Yale-New Haven Health Services Corporation which includes Bridgeport Hospital and Yale New Haven Hospital. Reported below is a chart indicating all of the affiliates of Yale New Haven Health Services Corporation and three years of total margins and operating margins for Greenwich Hospital.



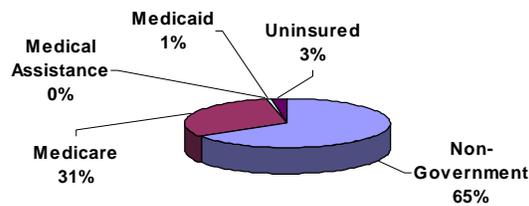
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - GREENWICH HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.82
Medicaid Payment to Cost	.48
Private Payment to Cost	1.25

NET ASSETS

	2000	2001	2002
Hospital	\$224,578,419	\$241,298,131	\$260,766,247
Health System	\$241,341,740	\$256,416,111	\$275,914,936

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$117,334,444	\$142,796,796	\$164,777,029
Total expenses	\$117,365,132	\$138,801,414	\$159,673,556
Uncompensated Care Cost	\$4,225,689	\$5,254,986	\$4,896,486
Uncompensated care % of total expenses	3.6%	3.8%	3.1%
Average Managed Care Discounts	28%	33%	37%

COST DATA

Ratio of cost to charges	0.56	0.53	0.52
Medicare Payment to Cost	0.79	0.81	0.82
Medicaid Payment to Cost	0.79	0.89	0.48
Private Payment to Cost	1.28	1.28	1.25

FINANCIAL MEASURES

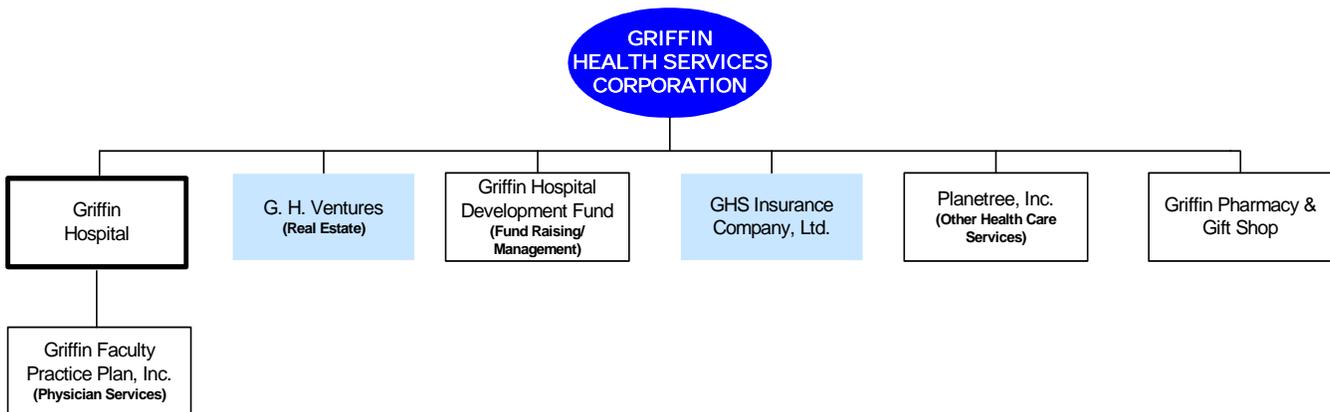
Days of expenses in accounts payable	113	108	73
Days cash on hand	28	46	48
Days of revenue in accounts receivable	55	57	55
Equity financing ratio	48%	49%	51%

UTILIZATION MEASURES

Patient Days	40,758	44,501	45,690
Discharges	8,824	10,453	10,931
ALOS	4.6	4.3	4.2
Staffed Beds	163	178	178
Occupancy of staffed beds	69%	69%	70%
FTE's	1,016	1,114	1,252

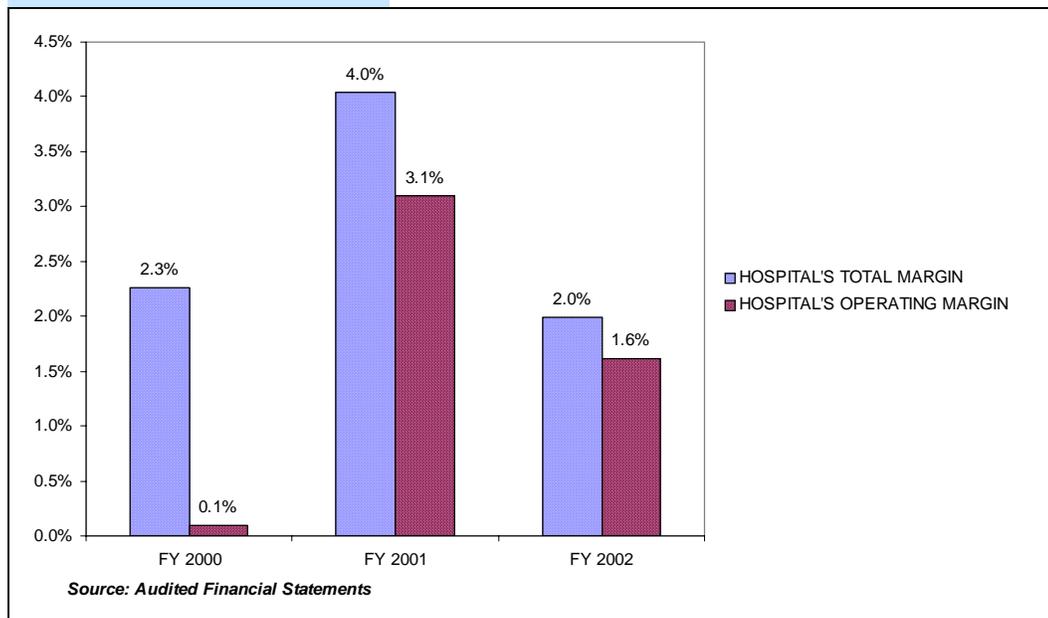
GRIFFIN HOSPITAL

Griffin Hospital was founded in 1909 as Derby Hospital and primarily serves the towns of Ansonia, Beacon Falls, Derby, Oxford, Seymour, and Shelton. Griffin Hospital's parent corporation is Griffin Health Services Corporation. Reported below is a chart indicating all of the affiliates of Griffin Health Services Corporation and three years of total margins and operating margins for Griffin Hospital.



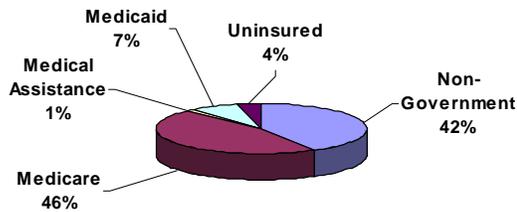
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - GRIFFIN HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.98
Medicaid Payment to Cost	.89
Private Payment to Cost	1.02

NET ASSETS

	2000	2001	2002
Hospital	\$20,952,680	\$14,347,744	\$12,338,213
Health System	\$23,647,336	\$17,281,271	\$14,008,990

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$62,012,165	\$68,020,894	\$76,068,445
Total expenses	\$61,271,305	\$66,508,927	\$75,518,264
Uncompensated Care Cost	\$2,209,981	\$1,769,075	\$1,713,382
Uncompensated care % of total expenses	3.6%	2.7%	2.3%
Average Managed Care Discounts	57%	56%	56%

COST DATA

Ratio of cost to charges	0.37	0.36	0.38
Medicare Payment to Cost	0.98	0.96	0.98
Medicaid Payment to Cost	0.76	0.69	0.89
Private Payment to Cost	1.08	1.14	1.02

FINANCIAL MEASURES

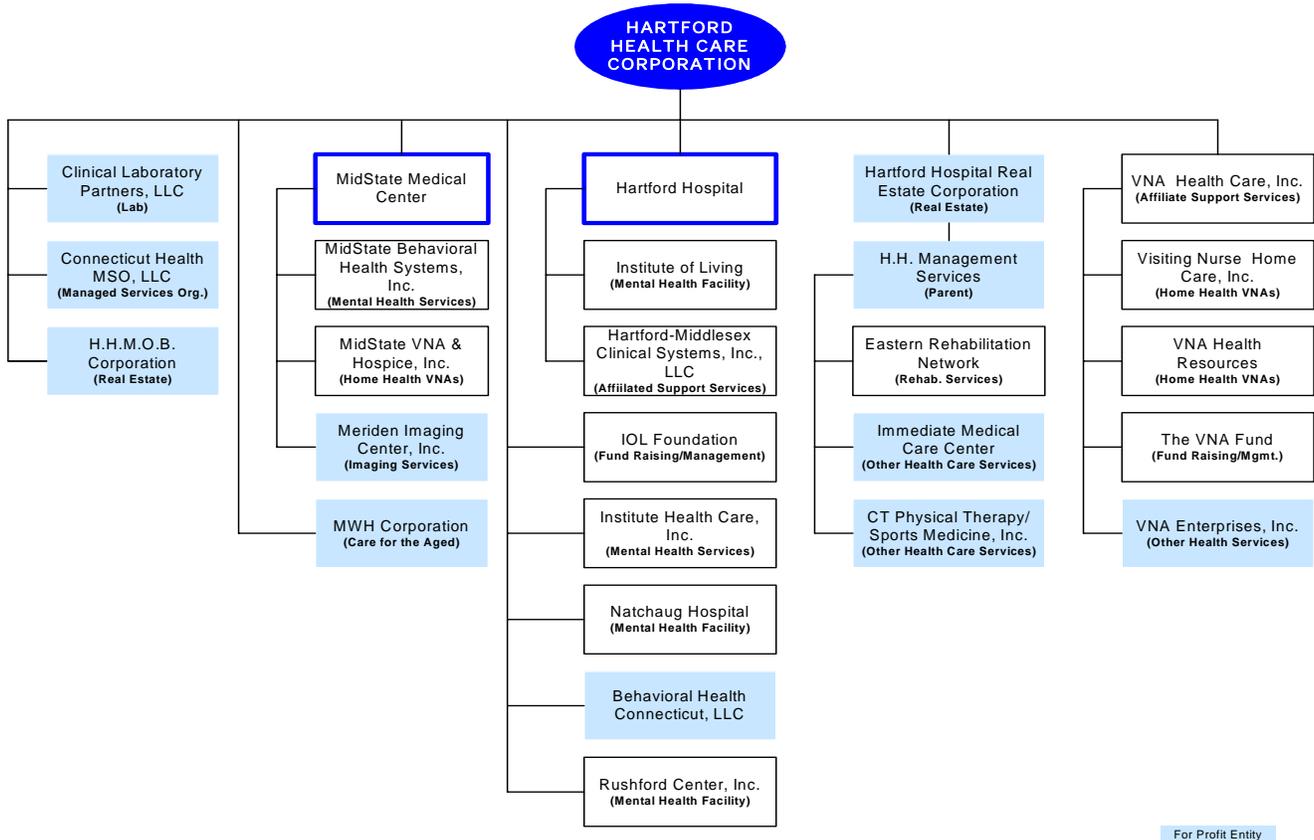
Days of expenses in accounts payable	73	57	46
Days cash on hand	8	19	31
Days of revenue in accounts receivable	65	57	47
Equity financing ratio	26%	15%	12%

UTILIZATION MEASURES

Patient Days	26,529	31,863	30,777
Discharges	6,083	7,067	7,468
ALOS	4.4	4.5	4.1
Staffed Beds	156	175	175
Occupancy of staffed beds	47%	50%	48%
FTE's	684	717	761

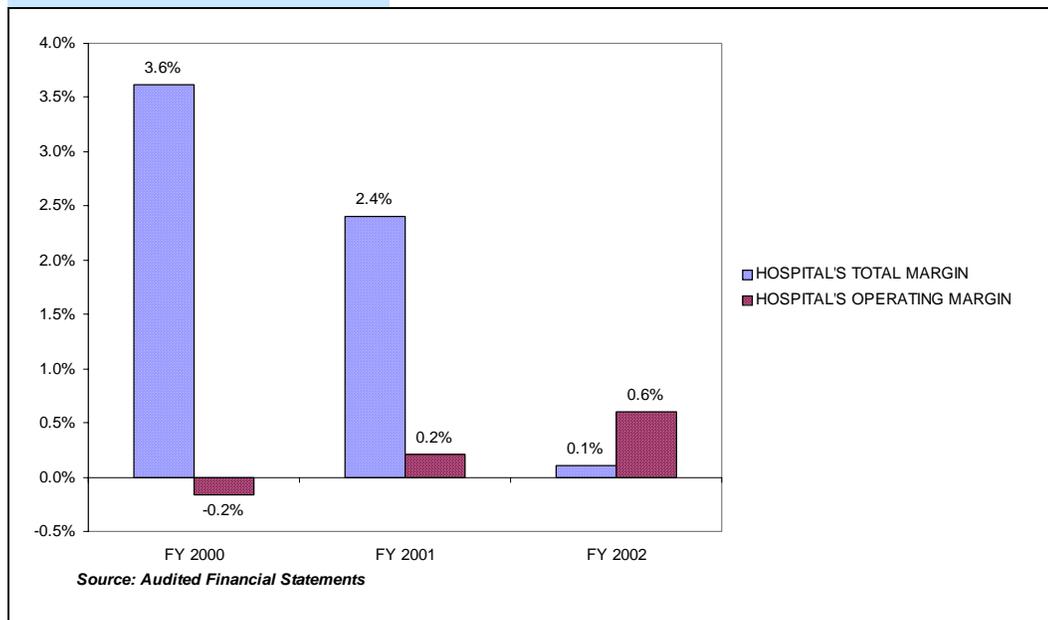
HARTFORD HOSPITAL

Hartford Hospital, founded in 1854, is located in Hartford and primarily serves the residents of Avon, Bloomfield, Canton, East Granby, East Hampton, East Hartford, East Windsor, Farmington, Glastonbury, Granby, Hartford, Hartland, Hebron, Manchester, Marlborough, New Britain, Newington, North Canaan, Rocky Hill, Simsbury, Suffield, Wallingford, West Harford, Wethersfield, and Windsor. Hartford Hospital's parent corporation is Hartford Health Care Corporation which also includes Midstate Medical Center. Reported below is a chart indicating all of the affiliates of Hartford Health Care Corporation and three years of total margins and operating margins for Hartford Hospital.



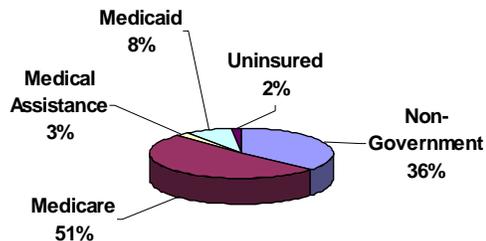
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - HARTFORD HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	1.12
Medicaid Payment to Cost	.78
Private Payment to Cost	.98

NET ASSETS	2000	2001	2002
Hospital	\$828,184,641	\$812,003,757	\$769,390,305
Health System	\$914,195,000	\$906,737,000	\$859,965,000

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$372,677,759	\$402,281,946	\$448,641,783
Total expenses	\$382,009,304	\$409,511,919	\$452,366,512
Uncompensated Care Cost	\$16,751,472	\$16,234,687	\$20,538,823
Uncompensated care % of total expenses	4.4%	4.0%	4.5%
Average Managed Care Discounts	35%	39%	41%

COST DATA

Ratio of cost to charges	0.66	0.62	0.60
Medicare Payment to Cost	1.05	1.04	1.12
Medicaid Payment to Cost	0.80	0.81	0.78
Private Payment to Cost	0.97	1.00	0.98

FINANCIAL MEASURES

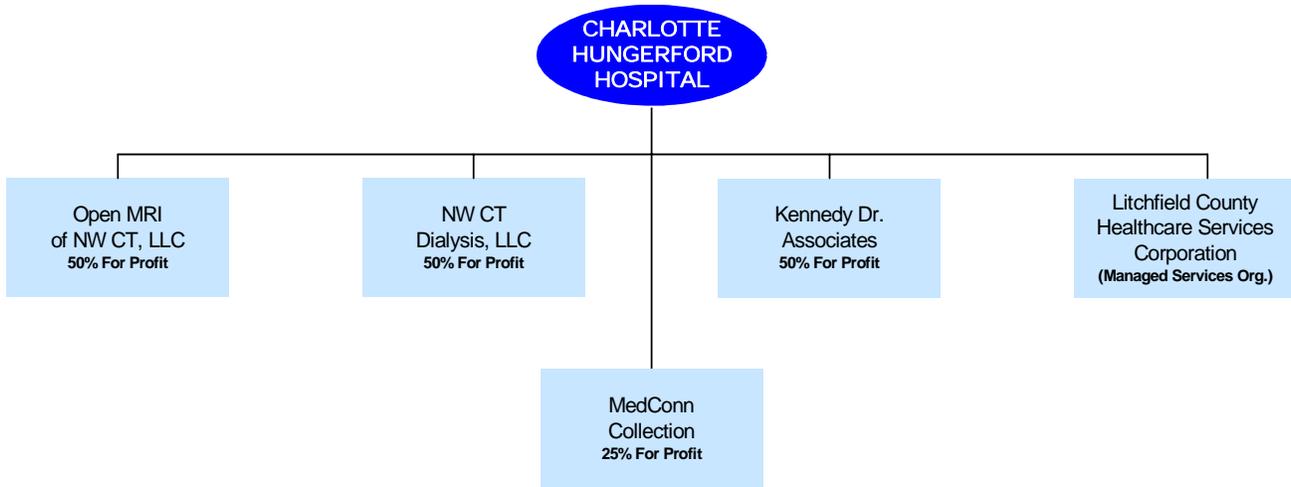
Days of expenses in accounts payable	43	46	50
Days cash on hand	0	4	-1
Days of revenue in accounts receivable	52	54	54
Equity financing ratio	52%	51%	48%

UTILIZATION MEASURES

Patient Days	194,000	204,985	210,432
Discharges	35,595	36,632	37,561
ALOS	5.5	5.6	5.6
Staffed Beds	773	762	754
Occupancy of staffed beds	69%	74%	77%
FTE's	4,468	4,721	4,859

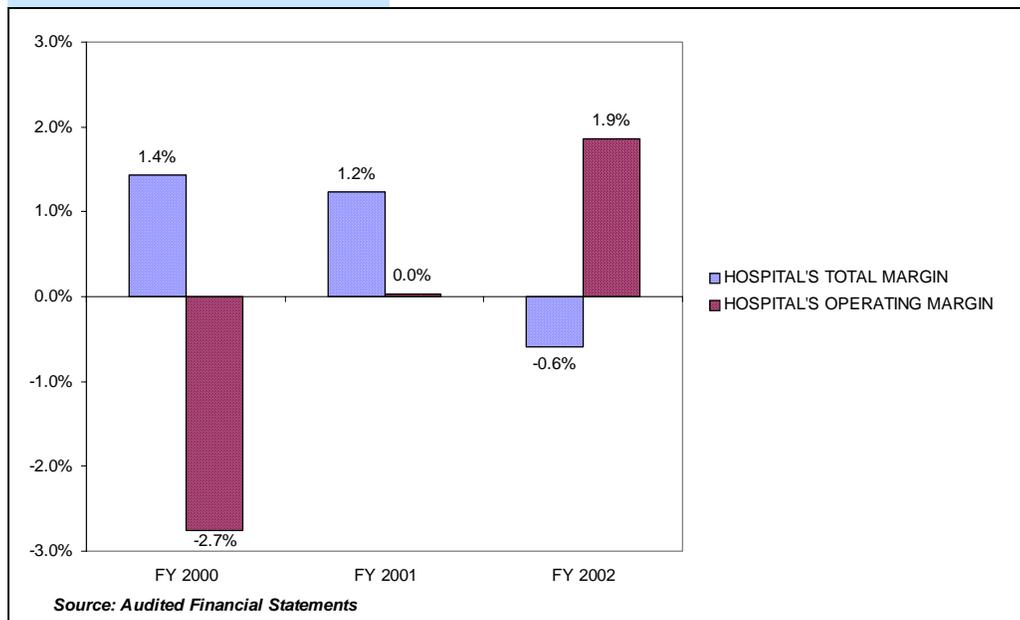
CHARLOTTE HUNGERFORD HOSPITAL

The Charlotte Hungerford Hospital, founded in 1916, is located in Torrington and primarily serves the residents of Barkhamsted, Colebrook, Goshen, Harwinton, Litchfield, Morris, New Hartford, Norfolk, Torrington, and Winchester. Charlotte Hungerford Hospital does not have a parent corporation. Reported below is a chart indicating all of the affiliates of Charlotte Hungerford Hospital and three years of total margins and operating margins for Charlotte Hungerford Hospital.



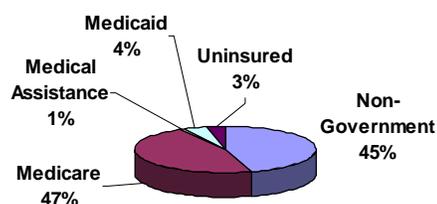
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - CHARLOTTE HUNGERFORD HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.94
Medicaid Payment to Cost	.60
Private Payment to Cost	1.14

NET ASSETS

	2000	2001	2002
Hospital	\$84,899,245	\$75,689,480	\$70,446,961
Health System	\$84,899,245	\$75,689,480	\$70,446,961

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$63,099,077	\$63,203,552	\$68,569,434
Total expenses	\$67,064,950	\$64,973,962	\$69,956,878
Uncompensated Care Cost	\$1,712,097	\$1,189,049	\$1,370,949
Uncompensated care % of total expenses	2.6%	1.8%	2.0%
Average Managed Care Discounts	27%	28%	30%

COST DATA

Ratio of cost to charges	0.64	0.64	0.62
Medicare Payment to Cost	0.91	0.94	0.94
Medicaid Payment to Cost	0.58	0.67	0.60
Private Payment to Cost	1.12	1.12	1.14

FINANCIAL MEASURES

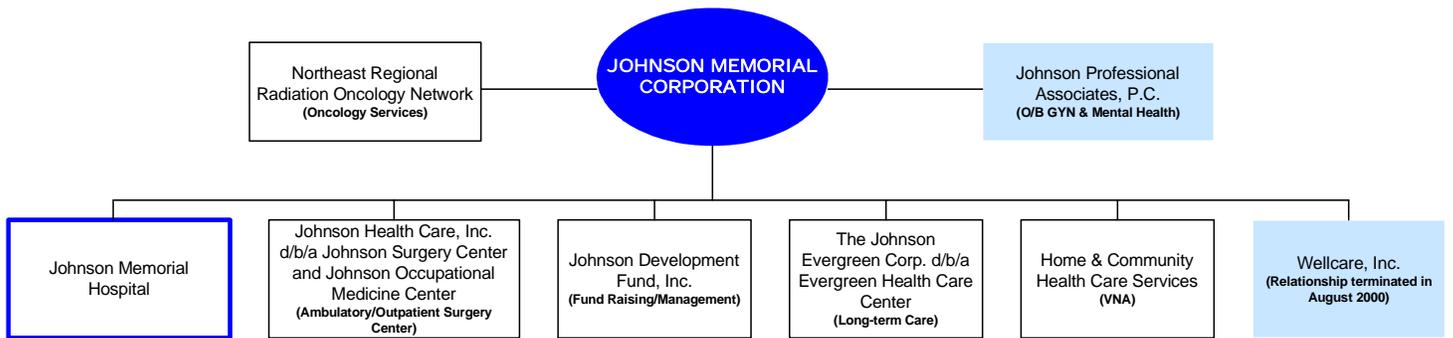
Days of expenses in accounts payable	66	60	49
Days cash on hand	5	18	15
Days of revenue in accounts receivable	61	40	36
Equity financing ratio	57%	58%	55%

UTILIZATION MEASURES

Patient Days	27,749	28,682	28,917
Discharges	6,257	6,199	6,162
ALOS	4.4	4.6	4.7
Staffed Beds	109	109	114
Occupancy of staffed beds	70%	72%	70%
FTE's	715	682	661

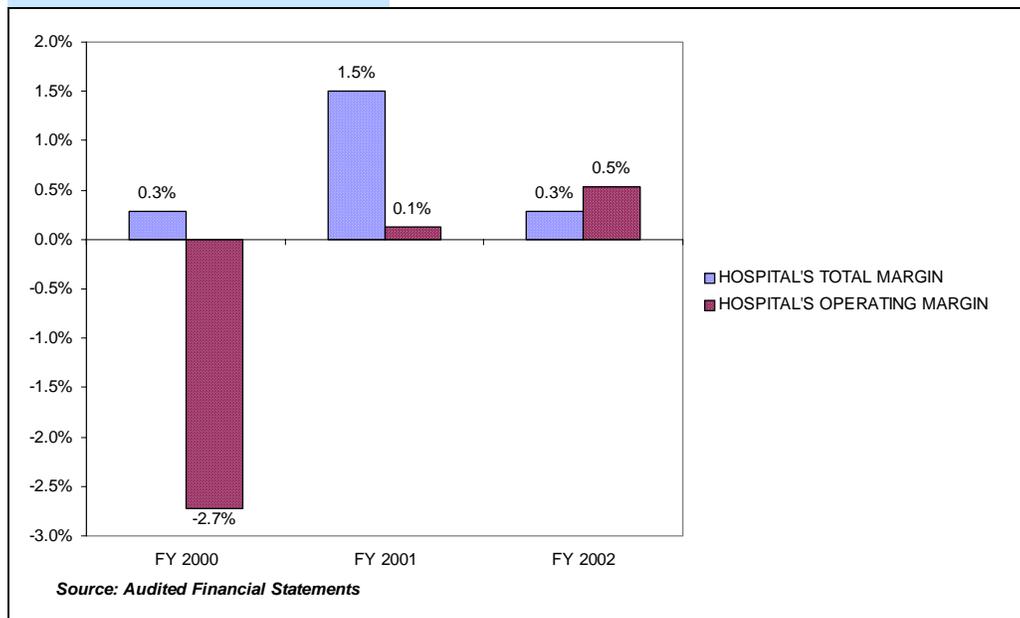
JOHNSON MEMORIAL HOSPITAL

Johnson Memorial Hospital, founded in 1912, is located in Stafford and primarily serves the towns of Enfield, Somers, Stafford, and Union. Johnson Memorial Hospital's parent corporation is Johnson Memorial Corporation. Reported below is a chart indicating all of the affiliates of Johnson Memorial Corporation and three years of total margins and operating margins for the Johnson Memorial Hospital.



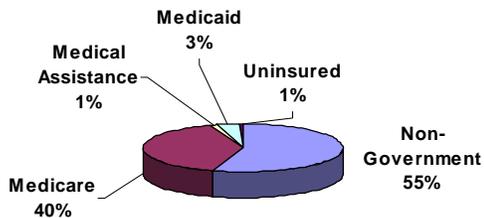
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - JOHNSON MEMORIAL HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.86
Medicaid Payment to Cost	.73
Private Payment to Cost	1.18

NET ASSETS

	2000	2001	2002
Hospital	\$29,555,466	\$27,846,091	\$26,532,575
Health System	\$34,957,002	\$32,045,713	\$25,359,411

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$32,461,213	\$37,351,313	\$39,003,235
Total expenses	\$33,553,945	\$37,532,715	\$40,074,036
Uncompensated Care Cost	\$2,222,138	\$2,039,024	\$2,211,272
Uncompensated care % of total expenses	6.6%	5.4%	5.5%
Average Managed Care Discounts	53%	52%	53%

COST DATA

Ratio of cost to charges	0.45	0.46	0.41
Medicare Payment to Cost	0.95	0.93	0.86
Medicaid Payment to Cost	0.96	0.97	0.73
Private Payment to Cost	1.08	1.13	1.18

FINANCIAL MEASURES

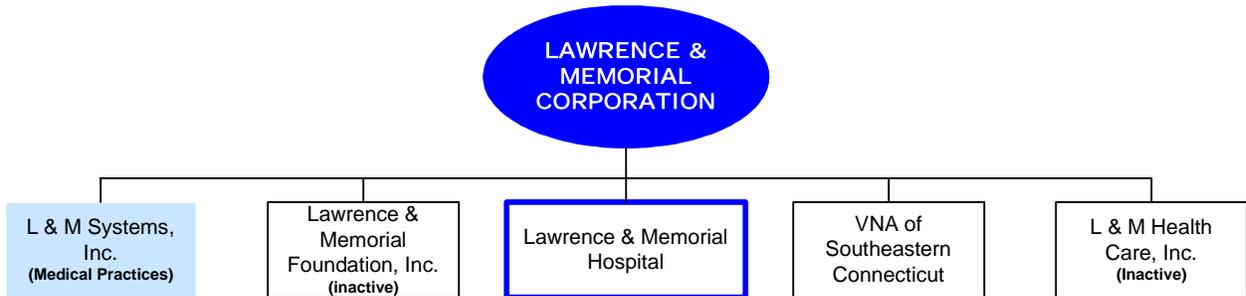
Days of expenses in accounts payable	88	51	50
Days cash on hand	12	9	3
Days of revenue in accounts receivable	68	66	69
Equity financing ratio	55%	58%	59%

UTILIZATION MEASURES

Patient Days	15,803	17,023	16,272
Discharges	3,607	3,686	3,641
ALOS	4.4	4.6	4.5
Staffed Beds	98	59	61
Occupancy of staffed beds	44%	79%	73%
FTE's	403	437	445

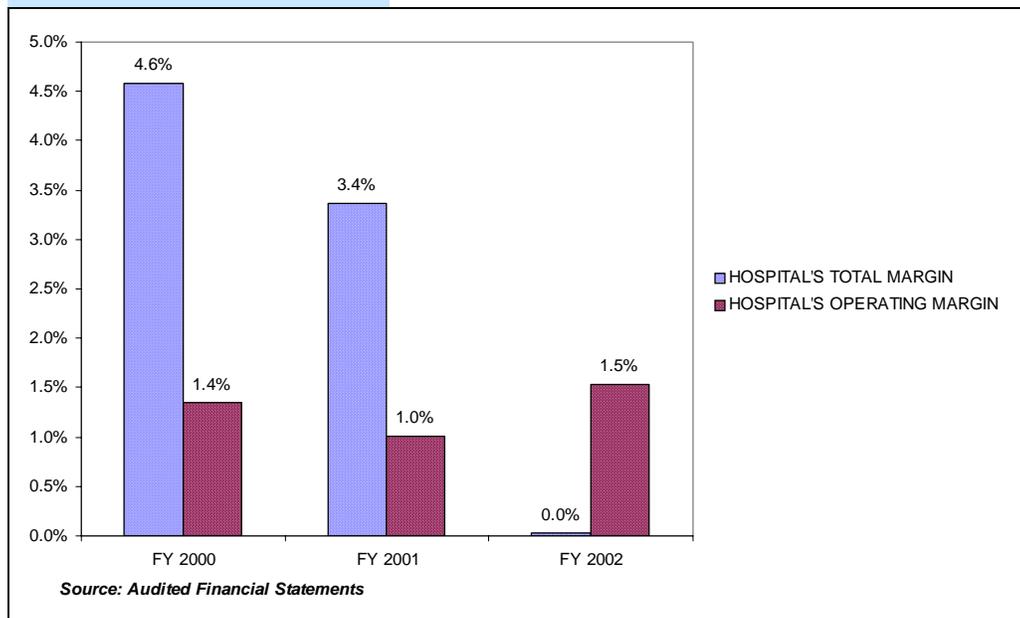
LAWRENCE & MEMORIAL HOSPITAL

Lawrence and Memorial Hospital, founded 1912, is located in New London and primarily serves the residents of East Lyme, Groton, Ledyard, Lyme, Montville, New London, North Stonington, Old Lyme, Lyme, Salem, Stonington, and Waterford. Lawrence & Memorial Hospital's parent corporation is Lawrence & Memorial Corporation. Reported below is a chart indicating all of the affiliates of Lawrence & Memorial Corporation and three years of total margins and operating margins for the Lawrence & Memorial Hospital.

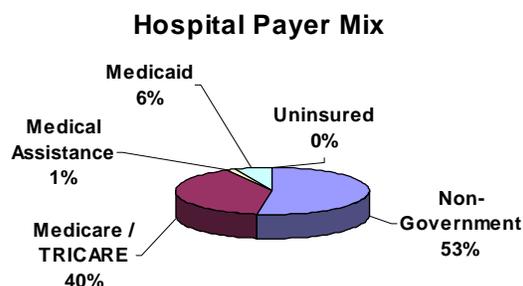


For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - LAWRENCE & MEMORIAL HOSPITAL



Cost Data:

Medicare Payment to Cost	.82
Medicaid Payment to Cost	.79
Private Payment to Cost	1.30

NET ASSETS

	2000	2001	2002
Hospital	\$115,676,778	\$105,745,641	\$97,998,502
Health System	\$135,423,116	\$134,071,480	\$135,301,887

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$152,053,715	\$151,838,649	\$172,821,140
Total expenses	\$147,492,628	\$157,467,502	\$174,455,680
Uncompensated Care Cost	\$6,609,051	\$7,160,495	\$5,992,742
Uncompensated care % of total expenses	4.5%	4.5%	3.4%
Average Managed Care Discounts	23%	24%	26%

COST DATA

Ratio of cost to charges	0.51	0.53	0.53
Medicare Payment to Cost	0.87	0.77	0.82
Medicaid Payment to Cost	0.76	0.84	0.79
Private Payment to Cost	1.34	1.27	1.30

FINANCIAL MEASURES

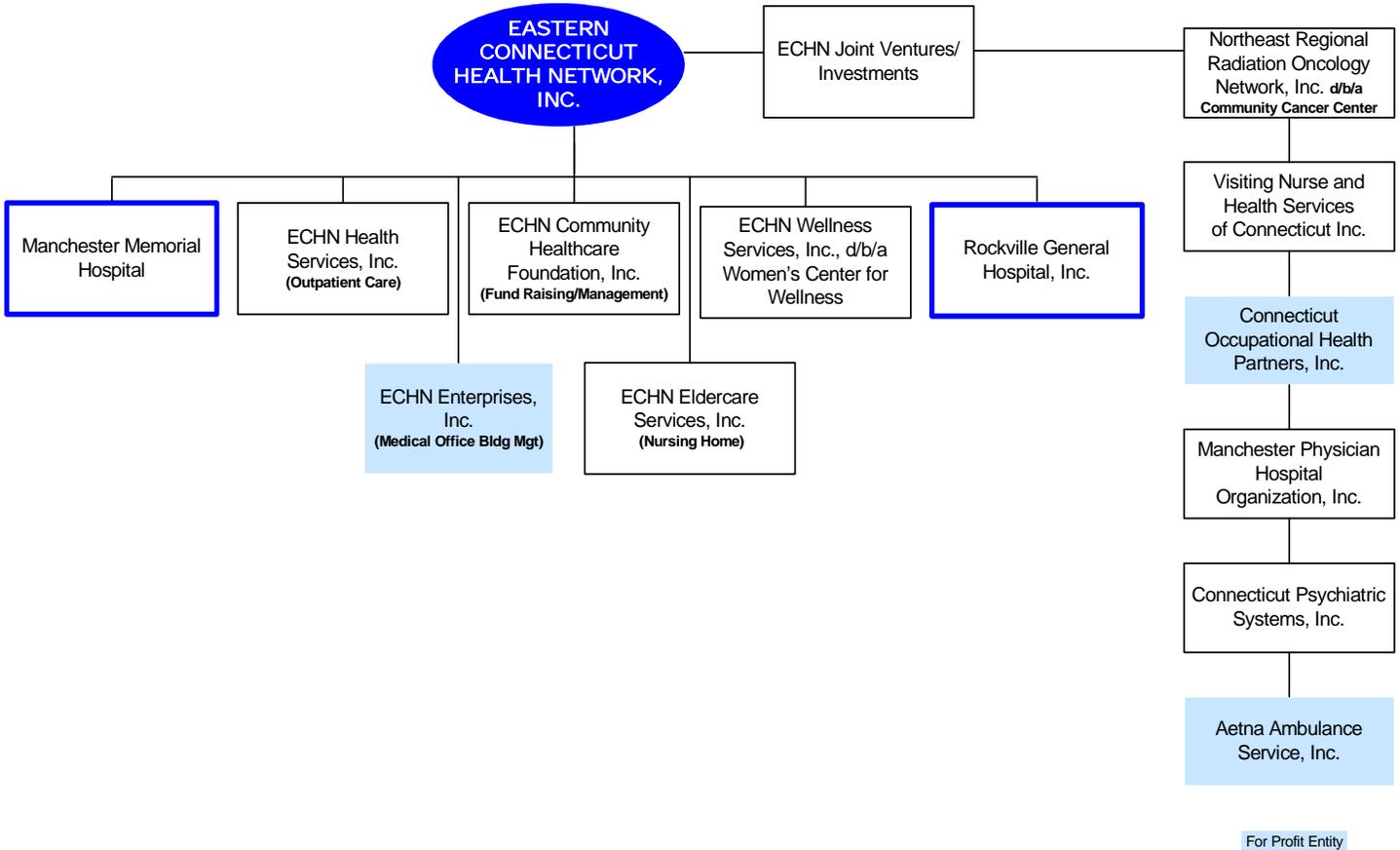
Days of expenses in accounts payable	66	77	72
Days cash on hand	42	67	56
Days of revenue in accounts receivable	57	47	45
Equity financing ratio	42%	40%	38%

UTILIZATION MEASURES

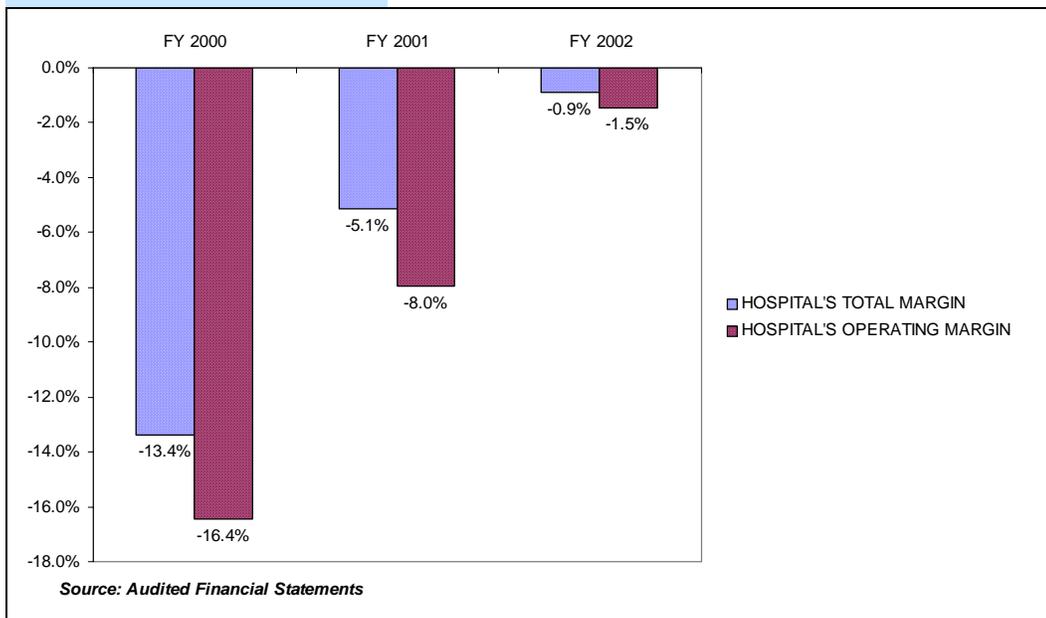
Patient Days	68,474	68,671	71,971
Discharges	14,186	14,823	15,108
ALOS	4.8	4.6	4.8
Staffed Beds	255	255	254
Occupancy of staffed beds	74%	74%	78%
FTE's	1,571	1,603	1,677

MANCHESTER MEMORIAL HOSPITAL

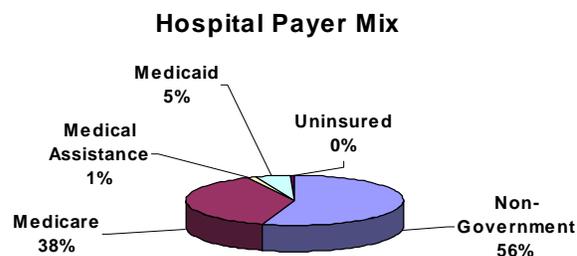
Manchester Memorial Hospital (MMH), founded in 1919, is located in Manchester and primarily serves the towns of Andover, Bolton, East Hartford, Manchester, South Windsor, and Vernon. Manchester Memorial Hospital's parent corporation is Eastern Connecticut Health Network Incorporated (ECHN) which is also the parent corporation of Rockville General Hospital. Reported below is a chart indicating all of the affiliates of Eastern Connecticut Health Network Incorporated and three years of total margins and operating margins for the Manchester Memorial Hospital.



HOSPITAL MARGINS



KEY RESULTS - MANCHESTER MEMORIAL HOSPITAL



Cost Data:

Medicare Payment to Cost	.83
Medicaid Payment to Cost	.73
Private Payment to Cost	1.11

NET ASSETS	2000	2001	2002
Hospital	\$49,424,288	\$50,271,569	\$41,560,847
Health System	\$124,789,478	\$104,728,461	\$95,060,176

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$85,756,896	\$93,122,798	\$101,595,818
Total expenses	\$99,542,543	\$104,224,203	\$110,755,870
Uncompensated Care Cost	\$3,129,729	\$2,458,261	\$1,978,626
Uncompensated care % of total expenses	3.1%	2.4%	1.8%
Average Managed Care Discounts	51%	47%	47%

COST DATA

Ratio of cost to charges	0.48	0.50	0.48
Medicare Payment to Cost	0.81	0.80	0.83
Medicaid Payment to Cost	0.80	0.74	0.73
Private Payment to Cost	1.00	1.06	1.11

LIQUIDITY MEASURES

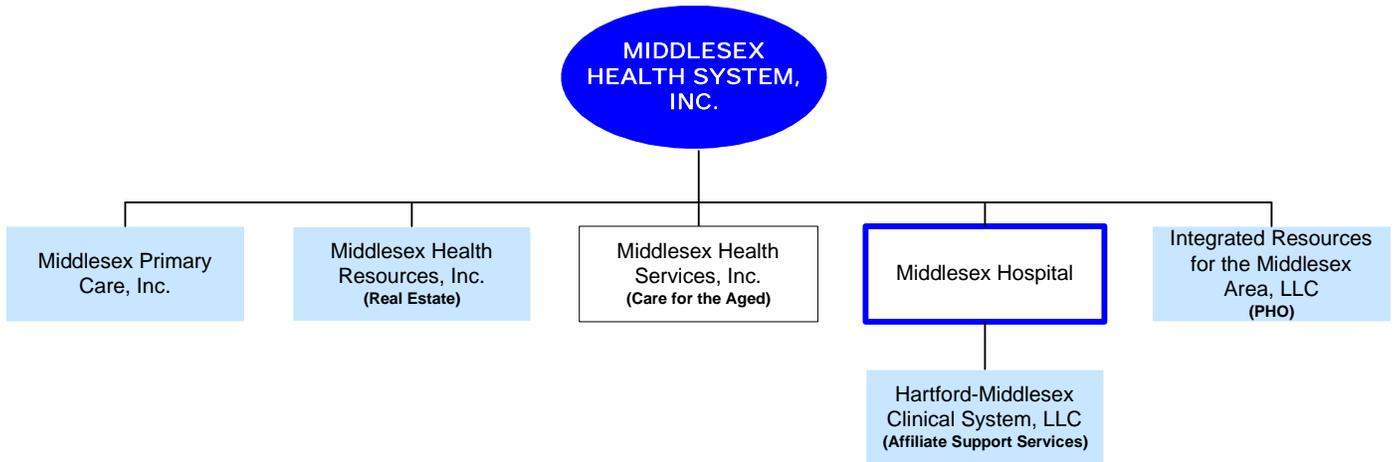
Days of expenses in accounts payable	76	77	73
Days cash on hand	8	3	2
Days of revenue in accounts receivable	55	57	58
Equity financing ratio	38%	37%	30%

UTILIZATION MEASURES

Patient Days	36,663	37,131	39,963
Discharges	7,871	8,184	8,274
ALOS	4.7	4.5	4.8
Staffed Beds	140	140	140
Occupancy of staffed beds	72%	73%	78%
FTE's	1,015	1,062	1,050

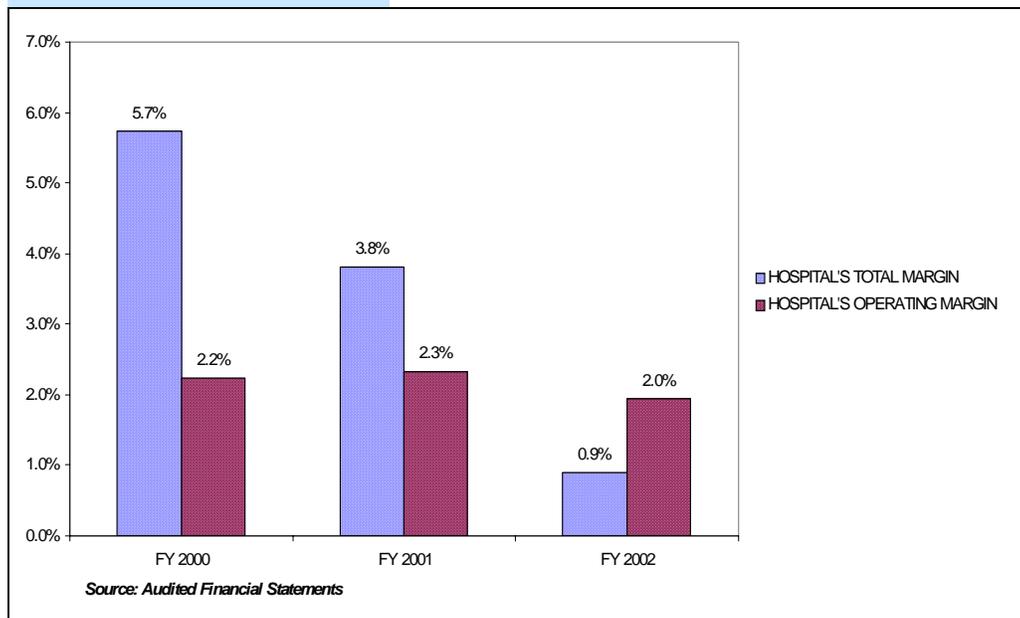
MIDDLESEX HOSPITAL

Middlesex Hospital, founded in 1904, is located in Middletown and primarily serves the residents of Chester, Clinton, Cromwell, Deep River, Durham, East Haddam, East Hampton, Essex, Haddam, Killingworth, Lyme, Middlefield, Middletown, Old Saybrook, Portland, and Westbrook. Middlesex Hospital's parent corporation is Middlesex Health Systems Incorporated. Reported below is a chart indicating all of the affiliates of Middlesex Health Systems Incorporated and three years of total margins and operating margins for the Middlesex Hospital.



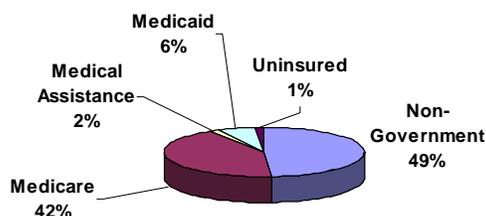
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - MIDDLESEX HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.97
Medicaid Payment to Cost	.83
Private Payment to Cost	1.12

NET ASSETS	2000	2001	2002
Hospital	\$106,898,000	\$100,801,000	\$97,195,000
Health System	\$108,320,000	\$102,753,000	\$99,348,000

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$141,366,017	\$154,666,310	\$171,510,582
Total expenses	\$137,899,824	\$150,984,815	\$169,754,070
Uncompensated Care Cost	\$4,495,627	\$4,225,487	\$3,974,168
Uncompensated care % of total expenses	3.3%	2.8%	2.3%
Average Managed Care Discounts	32%	30%	32%

COST DATA

Ratio of cost to charges	0.63	0.63	0.60
Medicare Payment to Cost	1.01	0.99	0.97
Medicaid Payment to Cost	0.86	0.97	0.83
Private Payment to Cost	1.16	1.12	1.12

FINANCIAL MEASURES

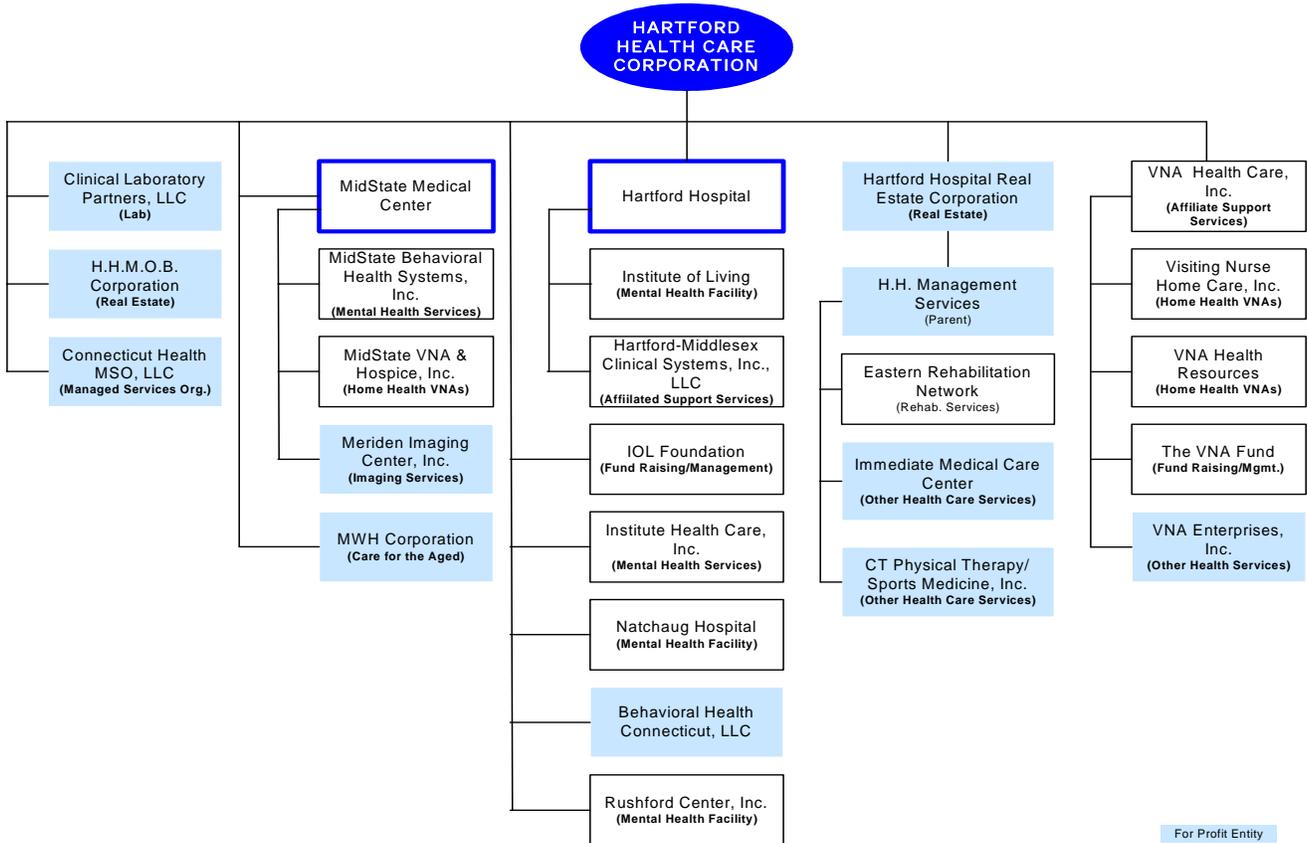
Days of expenses in accounts payable	64	59	65
Days cash on hand	29	33	35
Days of revenue in accounts receivable	67	63	58
Equity financing ratio	47%	43%	40%

UTILIZATION MEASURES

Patient Days	39,871	44,520	50,923
Discharges	10,566	11,315	12,048
ALOS	3.8	3.9	4.2
Staffed Beds	125	137	144
Occupancy of staffed beds	88%	89%	97%
FTE's	1,515	1,515	1,654

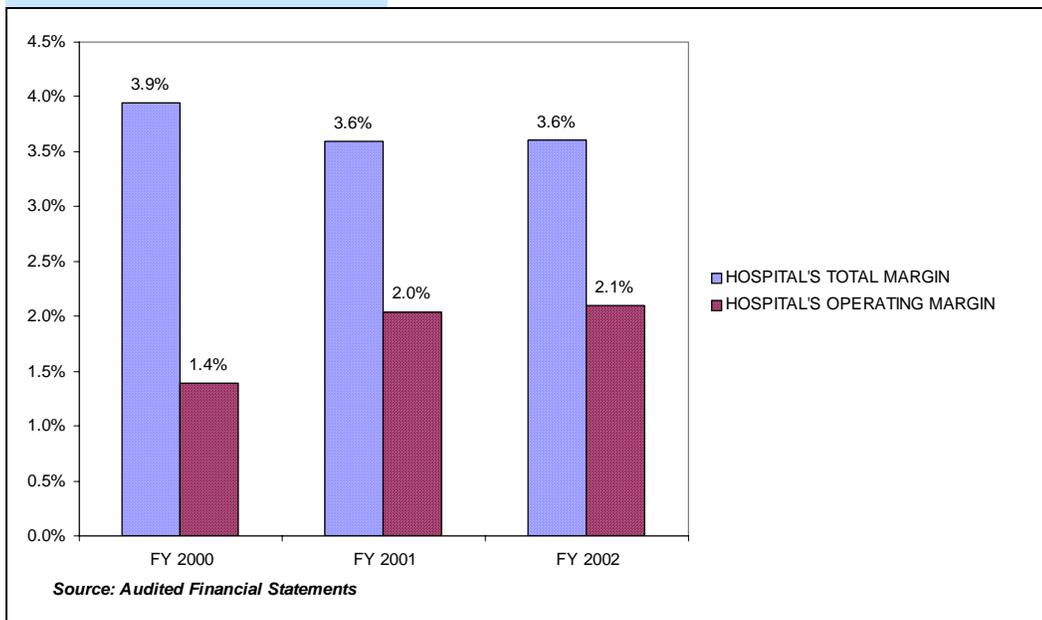
MIDSTATE MEDICAL CENTER

MidState Medical Center opened in 1998 as the successor to Veterans Memorial Medical Center in a new facility that is located in Meriden. Midstate Medical Center primarily serves the residents of Wallingford. MidState Medical Center's parent corporation is Hartford Health Care Corporation which also includes Hartford Hospital. Reported below is a chart indicating all of the affiliates of Hartford Health Care Corporation and three years of total margins and operating margins for the Midstate Medical Center.



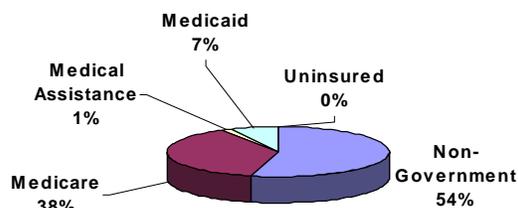
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - MIDSTATE MEDICAL CENTER

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.87
Medicaid Payment to Cost	.78
Private Payment to Cost	1.39

NET ASSETS

	2000	2001	2002
Hospital	\$58,028,191	\$60,436,671	\$52,029,979
Health System	\$914,195,000	\$906,737,000	\$859,965,000

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$104,065,797	\$104,143,162	\$111,217,370
Total expenses	\$99,257,754	\$99,497,117	\$106,277,960
Uncompensated Care Cost	\$3,320,948	\$3,642,531	\$3,611,907
Uncompensated care % of total expenses	3.3%	3.7%	3.4%
Average Managed Care Discounts	22%	24%	28%

COST DATA

Ratio of cost to charges	0.57	0.54	0.53
Medicare Payment to Cost	0.86	0.85	0.87
Medicaid Payment to Cost	0.76	0.74	0.78
Private Payment to Cost	1.42	1.42	1.39

FINANCIAL MEASURES

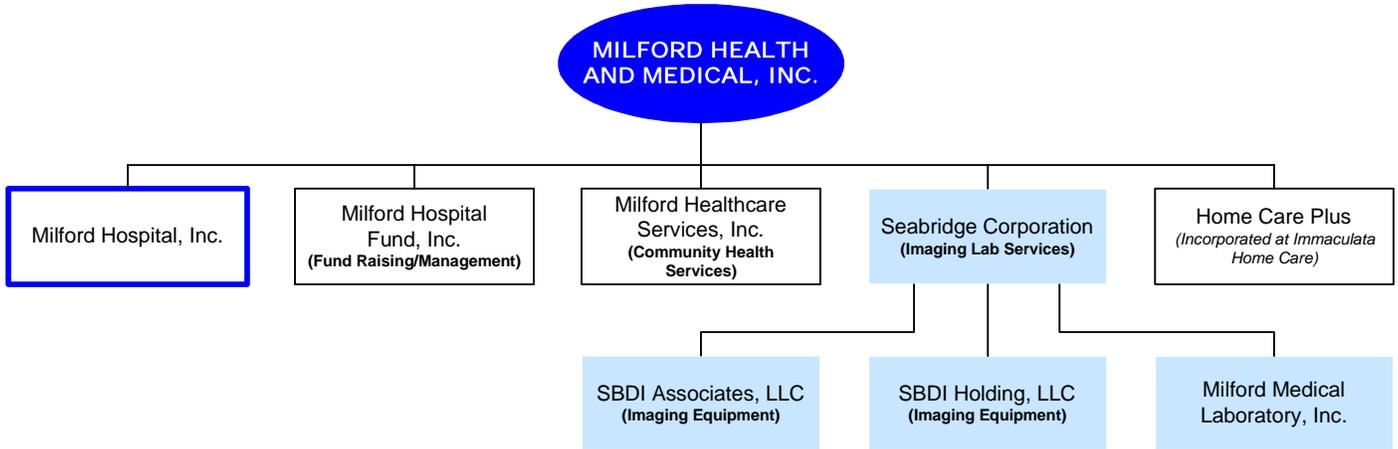
Days of expenses in accounts payable	53	42	39
Days cash on hand	56	62	73
Days of revenue in accounts receivable	59	55	45
Equity financing ratio	33%	36%	29%

UTILIZATION MEASURES

Patient Days	33,474	35,535	36,095
Discharges	8,174	8,417	8,613
ALOS	4.1	4.2	4.2
Staffed Beds	106	112	112
Occupancy of staffed beds	87%	87%	88%
FTE's	717	726	752

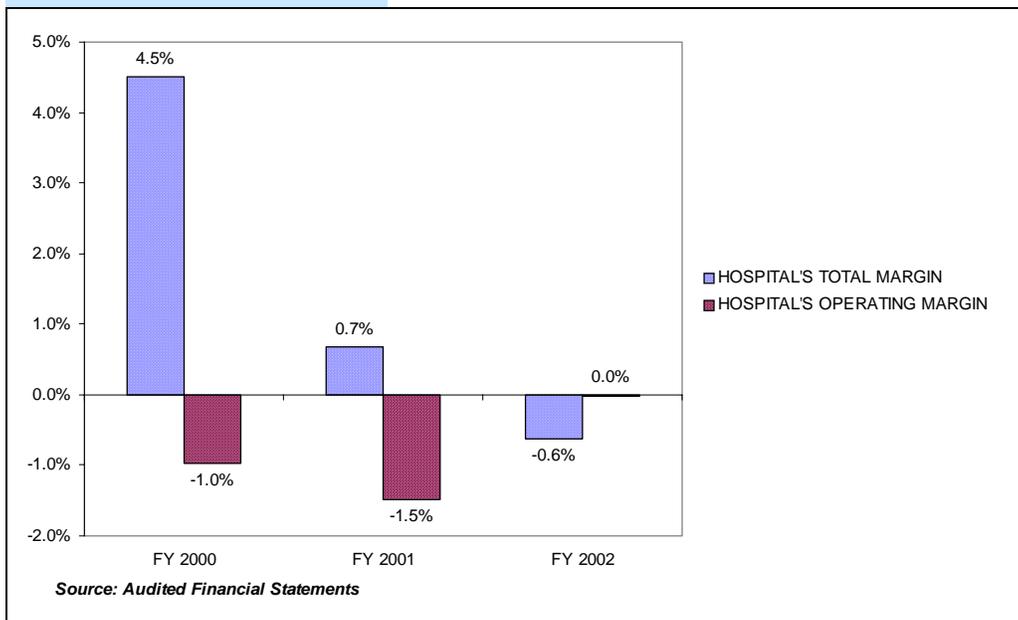
MILFORD HOSPITAL

Milford Hospital, founded in 1920, is located in Milford and primarily serves the residents of Milford and West Haven. Milford Hospital's parent corporation is Milford Health & Medical, Incorporated. Reported below is a chart indicating all of the affiliates of Milford Health and Medical Incorporated and three years of total margins and operating margins for the Milford Hospital.



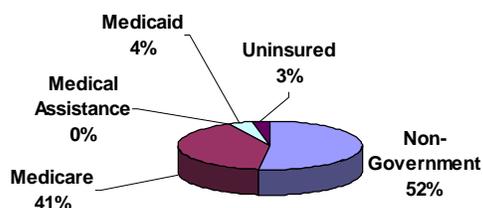
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - MILFORD HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.77
Medicaid Payment to Cost	.87
Private Payment to Cost	1.28

NET ASSETS

	2000	2001	2002
Hospital	\$65,288,676	\$63,315,770	\$62,968,367
Health System	\$66,640,021	\$64,737,425	\$64,686,649

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$45,107,448	\$48,793,697	\$55,492,856
Total expenses	\$45,170,011	\$49,421,124	\$56,249,979
Uncompensated Care Cost	\$1,090,322	\$1,314,208	\$1,562,544
Uncompensated care % of total expenses	2.4%	2.7%	2.8%
Average Managed Care Discounts	47%	46%	48%

COST DATA

Ratio of cost to charges	0.39	0.40	0.39
Medicare Payment to Cost	0.81	0.76	0.77
Medicaid Payment to Cost	0.82	0.74	0.87
Private Payment to Cost	1.34	1.35	1.28

FINANCIAL MEASURES

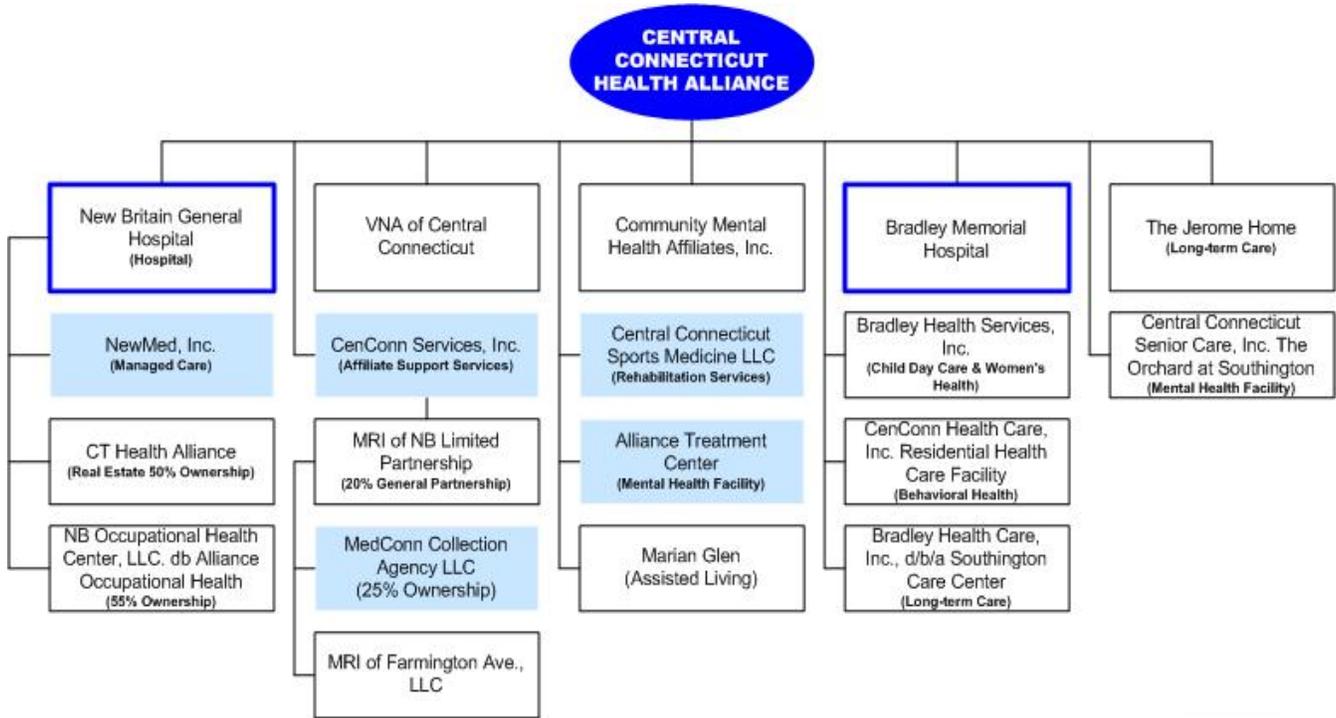
Days of expenses in accounts payable	125	114	98
Days cash on hand	175	38	143
Days of revenue in accounts receivable	54	50	56
Equity financing ratio	65%	65%	66%

UTILIZATION MEASURES

Patient Days	20,539	20,497	22,386
Discharges	4,604	4,582	4,823
ALOS	4.5	4.5	4.6
Staffed Beds	59	60	64
Occupancy of staffed beds	95%	94%	96%
FTE's	474	494	497

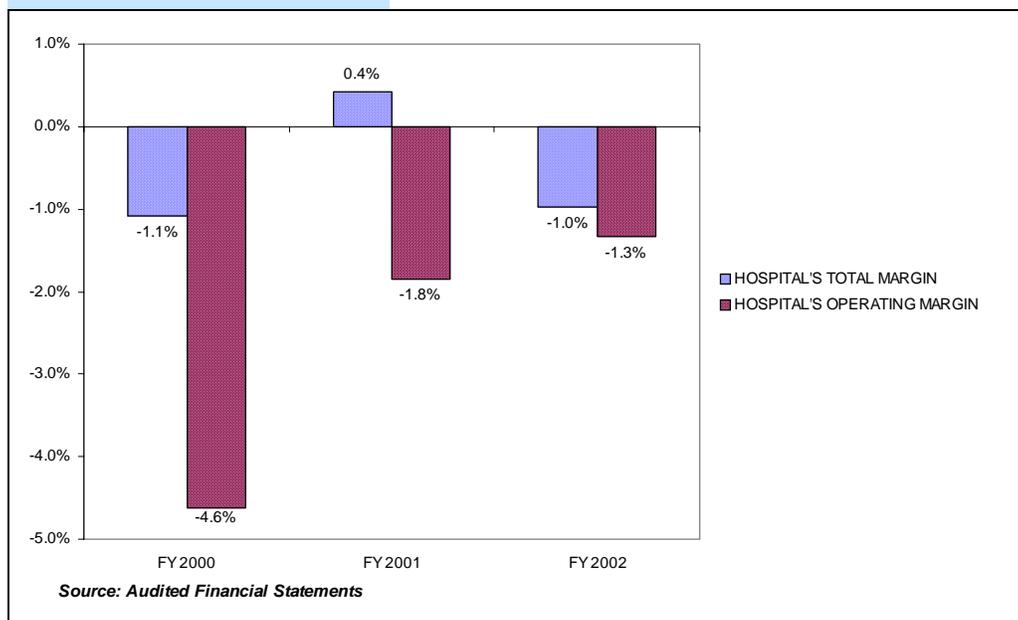
NEW BRITAIN GENERAL HOSPITAL

New Britain General Hospital, founded in 1893, is located in New Britain and primarily serves the residents of Berlin, New Britain, Newington, Plainville, and Southington. New Britain General Hospital's parent corporation is Central Connecticut Health Alliance which also includes Bradley Memorial Hospital. Reported below is a chart indicating all of the affiliates of Central Connecticut Health Alliance and three years of total margins and operating margins for the New Britain General Hospital.



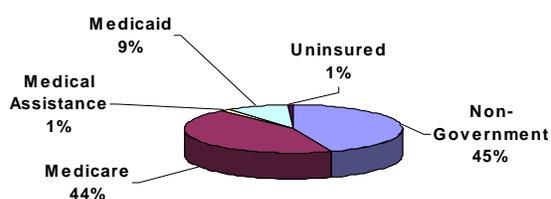
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - NEW BRITAIN GENERAL HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.93
Medicaid Payment to Cost	.73
Private Payment to Cost	1.11

NET ASSETS

	2000	2001	2002
Hospital	\$143,651,323	\$125,990,396	\$119,541,474
Health System	\$229,188,671	\$201,648,387	\$167,942,730

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$142,008,451	\$156,619,315	\$165,229,843
Total expenses	\$155,006,282	\$163,500,751	\$173,842,554
Uncompensated Care Cost	\$5,055,359	\$3,941,371	\$3,575,668
Uncompensated care % of total expenses	3.3%	2.4%	2.1%
Average Managed Care Discounts	29%	28%	31%

COST DATA

Ratio of cost to charges	0.66	0.64	0.61
Medicare Payment to Cost	0.94	0.93	0.93
Medicaid Payment to Cost	0.62	0.76	0.73
Private Payment to Cost	1.02	1.10	1.11

FINANCIAL MEASURES

Days of expenses in accounts payable	57	59	56
Days cash on hand	9	2	12
Days of revenue in accounts receivable	44	44	37
Equity financing ratio	45%	43%	43%

UTILIZATION MEASURES

Patient Days	63,528	67,015	66,945
Discharges	15,744	16,348	16,094
ALOS	4.0	4.1	4.2
Staffed Beds	286	286	286
Occupancy of staffed beds	61%	64%	64%
FTE's	1,707	1,823	1,844

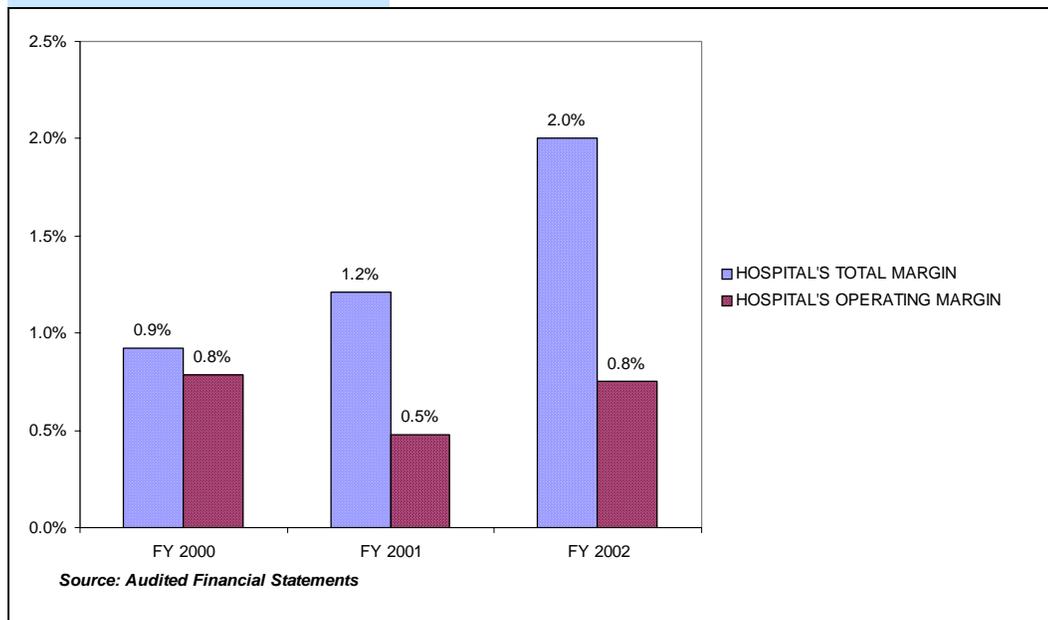
NEW MILFORD HOSPITAL

New Milford Hospital, founded in 1921, is located in New Milford and primarily serves the residents of Bridgewater, Kent, New Milford, Roxbury, Sherman, Washington and some towns in New York State. New Milford Hospital's parent corporation is New Milford Hospital Holding Corporation. The Hospital is also an affiliate of the New York Presbyterian Healthcare System. Reported below is a chart indicating all of the affiliates of New Milford Hospital Holding Corporation and three years of total margins and operating margins for New Milford Hospital.



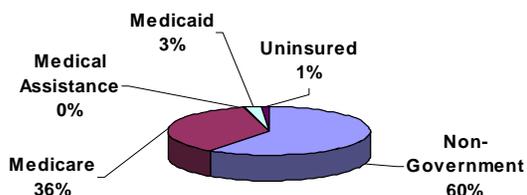
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - NEW MILFORD HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.77
Medicaid Payment to Cost	.66
Private Payment to Cost	1.29

NET ASSETS

	2000	2001	2002
Hospital	\$32,944,702	\$42,572,134	\$47,083,844
Health System	\$32,944,702	\$42,572,134	\$47,083,844

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$46,417,275	\$47,611,444	\$52,726,268
Total expenses	\$45,384,490	\$47,648,173	\$52,559,052
Uncompensated Care Cost	\$1,212,638	\$1,229,299	\$961,599
Uncompensated care % of total expenses	2.7%	2.6%	1.8%
Average Managed Care Discounts	47%	43%	39%

COST DATA

Ratio of cost to charges	0.44	0.45	0.47
Medicare Payment to Cost	0.87	0.83	0.77
Medicaid Payment to Cost	0.61	0.50	0.66
Private Payment to Cost	1.25	1.22	1.29

FINANCIAL MEASURES

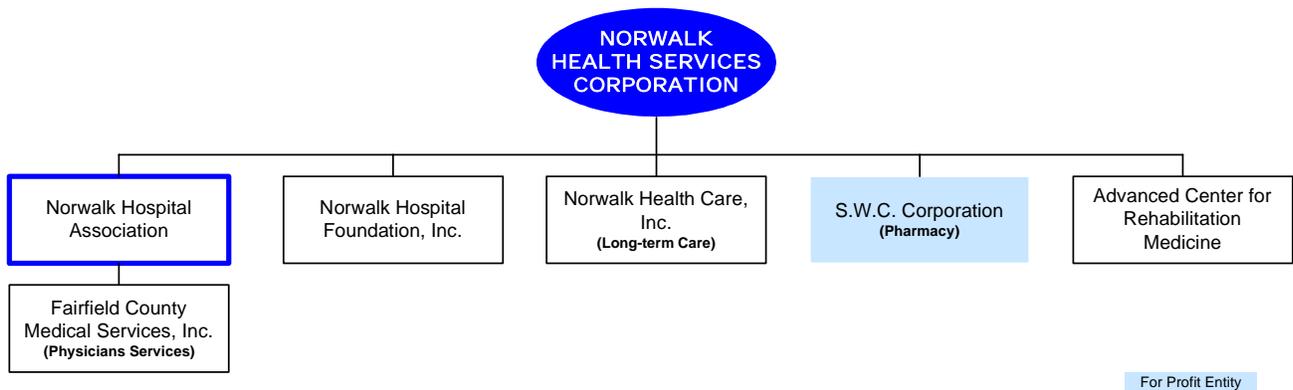
Days of expenses in accounts payable	68	60	67
Days cash on hand	9	26	16
Days of revenue in accounts receivable	72	49	41
Equity financing ratio	71%	70%	68%

UTILIZATION MEASURES

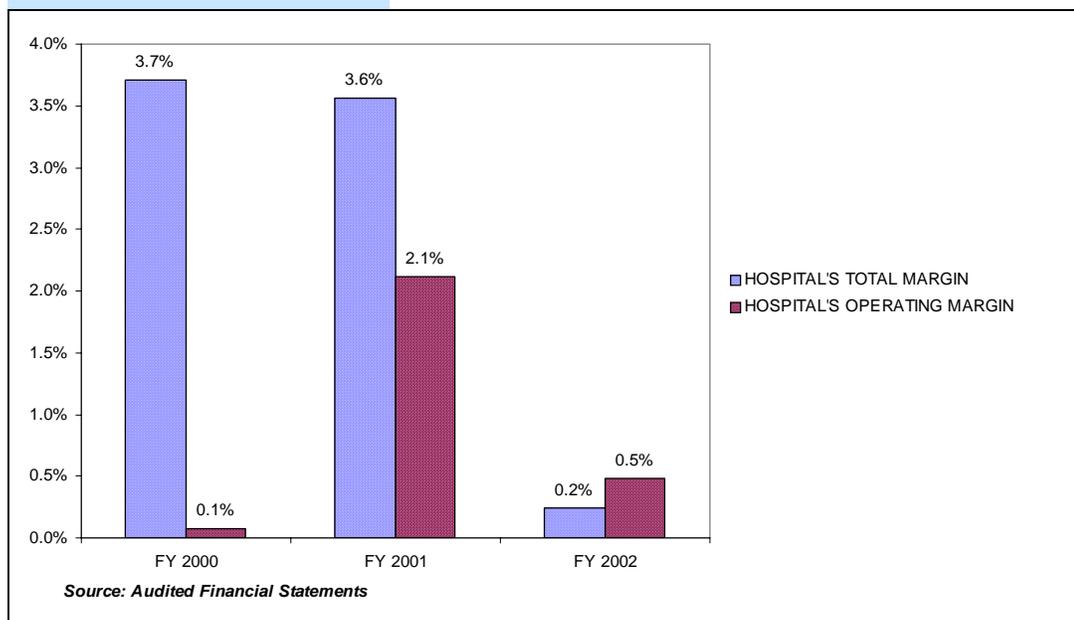
Patient Days	14,362	14,555	14,713
Discharges	3,419	3,299	3,275
ALOS	4.2	4.4	4.5
Staffed Beds	72	72	72
Occupancy of staffed beds	55%	55%	56%
FTE's	400	402	420

NORWALK HOSPITAL

Norwalk Hospital, founded in 1893, is located in Norwalk and primarily serves the residents of New Canaan, Norwalk, Weston, Westport, and Wilton. Norwalk Hospital's parent corporation is Norwalk Health Services Corporation. Reported below is a chart indicating all of the affiliates of Norwalk Health Services Corporation and three years of total margins and operating margins for Norwalk Hospital.

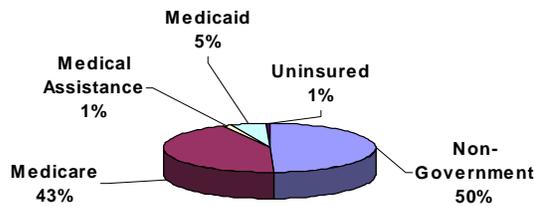


HOSPITAL MARGINS



KEY RESULTS - NORWALK HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.90
Medicaid Payment to Cost	.72
Private Payment to Cost	1.19

NET ASSETS

	2000	2001	2002
Hospital	\$151,559,310	\$145,251,044	\$129,885,619
Health System	\$183,544,100	\$173,925,252	\$157,819,491

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$154,963,915	\$167,993,722	\$181,830,921
Total expenses	\$160,317,802	\$170,190,727	\$187,464,698
Uncompensated Care Cost	\$7,519,514	\$5,923,721	\$5,885,005
Uncompensated care % of total expenses	4.7%	3.5%	3.1%
Average Managed Care Discounts	22%	27%	28%

COST DATA

Ratio of cost to charges	0.61	0.60	0.59
Medicare Payment to Cost	0.92	0.91	0.90
Medicaid Payment to Cost	0.75	0.65	0.72
Private Payment to Cost	1.20	1.24	1.19

FINANCIAL MEASURES

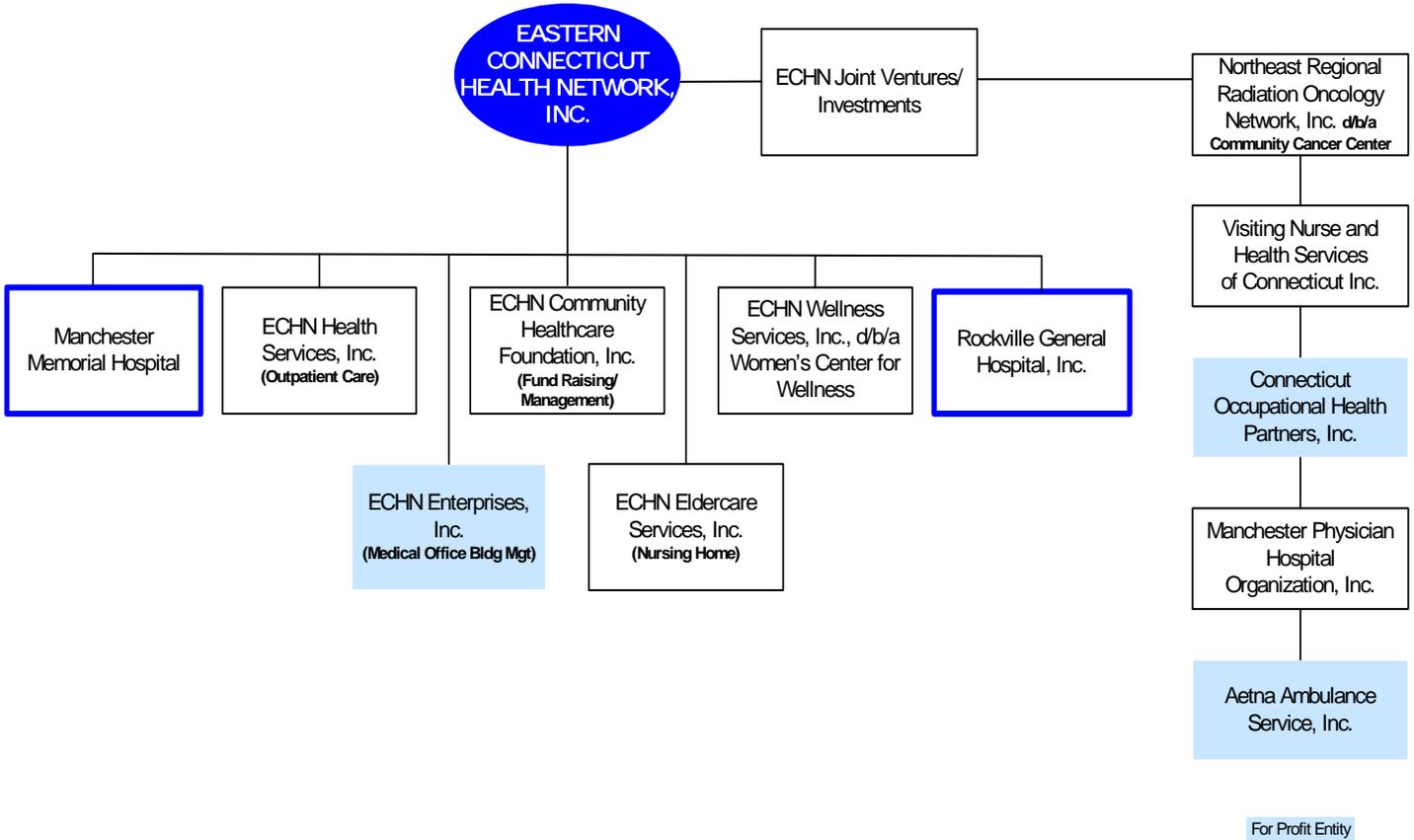
Days of expenses in accounts payable	75	81	83
Days cash on hand	22	20	24
Days of revenue in accounts receivable	43	39	35
Equity financing ratio	65%	54%	48%

UTILIZATION MEASURES

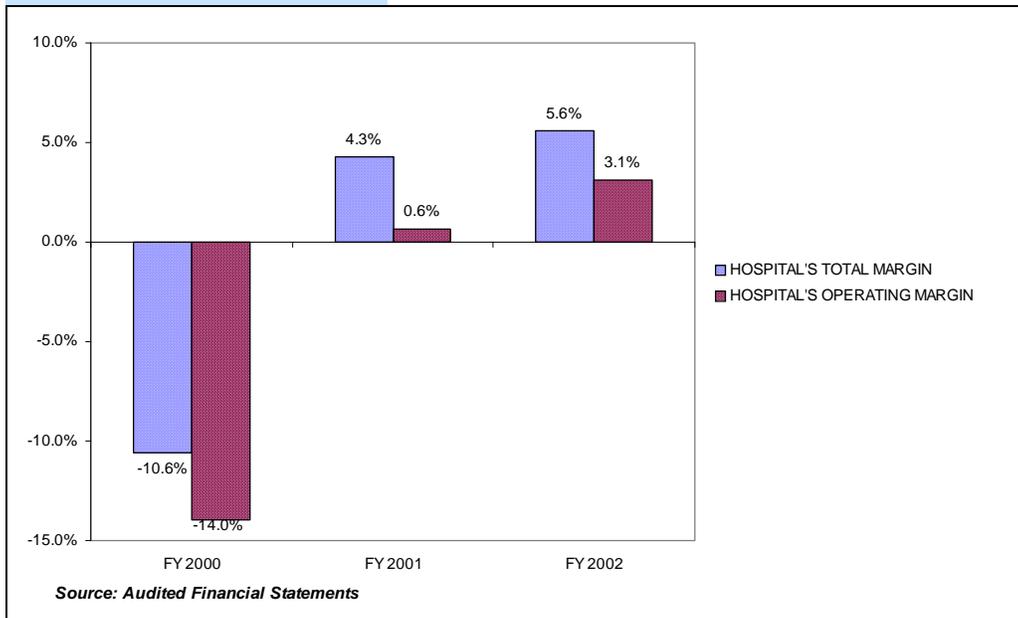
Patient Days	77,350	77,959	79,730
Discharges	14,254	14,571	14,468
ALOS	5.4	5.4	5.5
Staffed Beds	220	221	221
Occupancy of staffed beds	96%	97%	99%
FTE's	1,468	1,451	1,516

ROCKVILLE GENERAL HOSPITAL

Rockville General Hospital, founded in 1921, is located in Vernon and primarily serves the residents of Ellington, Manchester, Tolland, and Vernon. Rockville General Hospital's parent corporation is Eastern Connecticut Health Network Incorporated (ECHN) which is also the parent corporation of Manchester Memorial Hospital. Reported below is a chart indicating all of the affiliates of Eastern Connecticut Health Network Incorporated and three years of total margins and operating margins for the Rockville General Hospital.

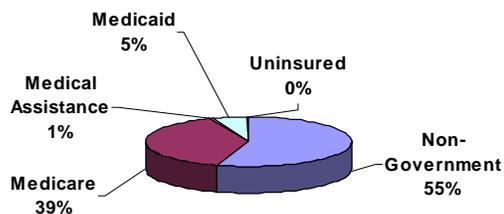


HOSPITAL MARGINS



KEY RESULTS - ROCKVILLE GENERAL HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.81
Medicaid Payment to Cost	.86
Private Payment to Cost	1.25

NET ASSETS

	2000	2001	2002
Hospital	\$58,204,584	\$47,405,368	\$44,753,419
Health System	\$124,789,478	\$104,728,461	\$95,060,176

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$43,767,843	\$50,598,637	\$51,927,049
Total expenses	\$47,350,951	\$50,347,380	\$53,395,635
Uncompensated Care Cost	\$1,279,591	\$964,233	\$848,841
Uncompensated care % of total expenses	2.7%	1.9%	1.6%
Average Managed Care Discounts	47%	46%	45%

COST DATA

Ratio of cost to charges	0.46	0.44	0.44
Medicare Payment to Cost	0.78	0.86	0.81
Medicaid Payment to Cost	0.97	0.98	0.86
Private Payment to Cost	1.13	1.22	1.25

FINANCIAL MEASURES

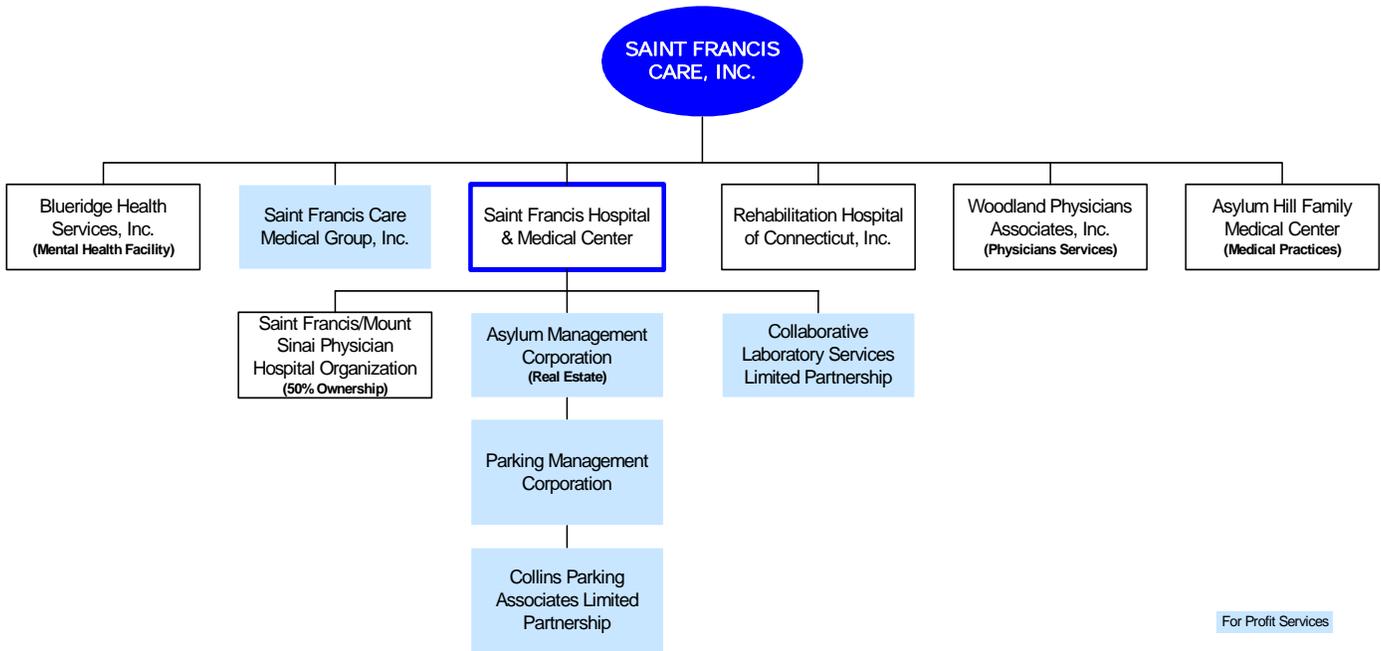
Days of expenses in accounts payable	72	66	81
Days cash on hand	21	13	30
Days of revenue in accounts receivable	71	62	60
Equity financing ratio	70%	66%	61%

UTILIZATION MEASURES

Patient Days	16,637	17,162	18,660
Discharges	4,543	4,786	4,772
ALOS	3.7	3.6	3.9
Staffed Beds	56	68	72
Occupancy of staffed beds	81%	69%	71%
FTE's	519	510	536

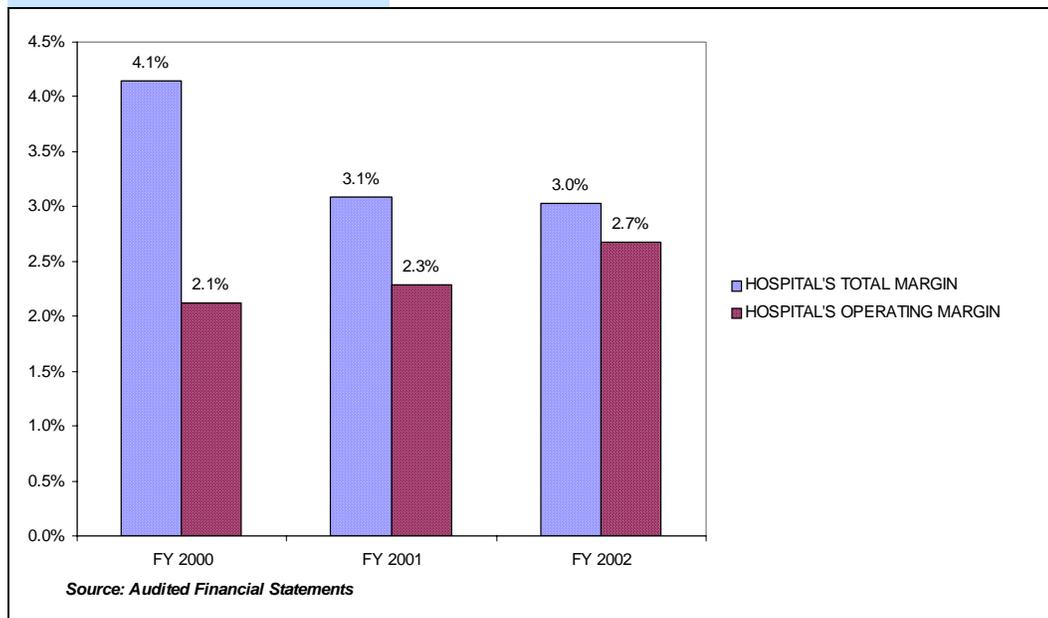
SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

St. Francis Hospital and Medical Center, founded in 1897, is located in Hartford and primarily serves the residents of Bloomfield, Canton, East Granby, East Hartford, East Windsor, Enfield, Granby, Hartford, Hartland, North Canaan, Simsbury, Suffield, West Hartford, Windsor, and Windsor Locks. It is the largest Catholic hospital in New England. St. Francis Hospital and Medical Center's parent corporation is St. Francis Care. Reported below is a chart indicating all of the affiliates of St. Francis Care and three years of total margins and operating margins for St. Francis Hospital and Medical Center.



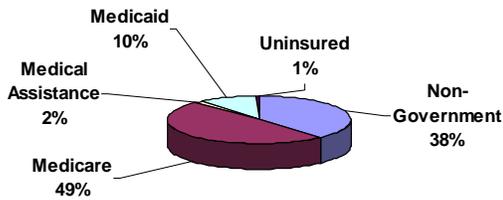
For Profit Services

HOSPITAL MARGINS



KEY RESULTS - SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	1.17
Medicaid Payment to Cost	.81
Private Payment to Cost	1.00

NET ASSETS

	2000	2001	2002
Hospital	\$285,275,153	\$288,321,202	\$254,801,230
Health System	\$321,370,520	\$319,640,683	\$277,298,316

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$308,871,189	\$328,359,509	\$360,217,496
Total expenses	\$304,447,201	\$327,361,566	\$352,604,113
Uncompensated Care Cost	\$9,487,461	\$9,932,156	\$7,461,781
Uncompensated care % of total expenses	3.1%	3.0%	2.1%
Average Managed Care Discounts	35%	36%	42%

COST DATA

Ratio of cost to charges	0.65	0.64	0.60
Medicare Payment to Cost	1.14	1.14	1.17
Medicaid Payment to Cost	0.80	0.78	0.81
Private Payment to Cost	1.03	0.99	1.00

FINANCIAL MEASURES

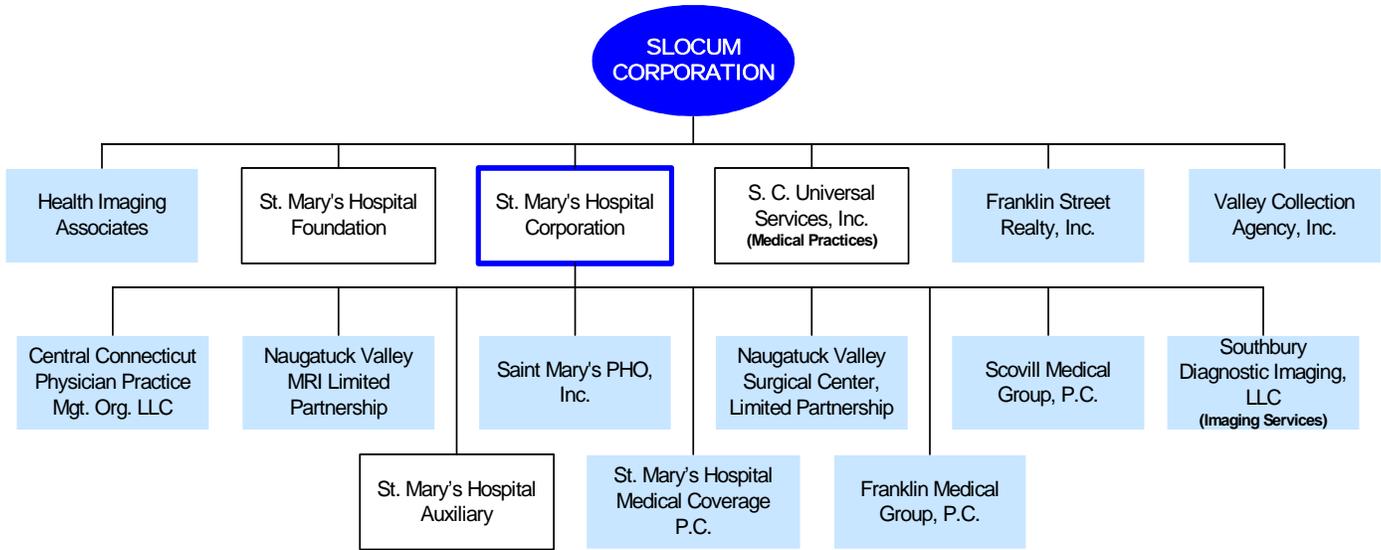
Days of expenses in accounts payable	42	34	32
Days cash on hand	32	26	14
Days of revenue in accounts receivable	51	52	39
Equity financing ratio	46%	47%	42%

UTILIZATION MEASURES

Patient Days	145,584	153,208	156,665
Discharges	30,045	31,194	31,139
ALOS	4.9	4.9	5.0
Staffed Beds	531	542	554
Occupancy of staffed beds	75%	77%	78%
FTE's	3,035	3,123	3,175

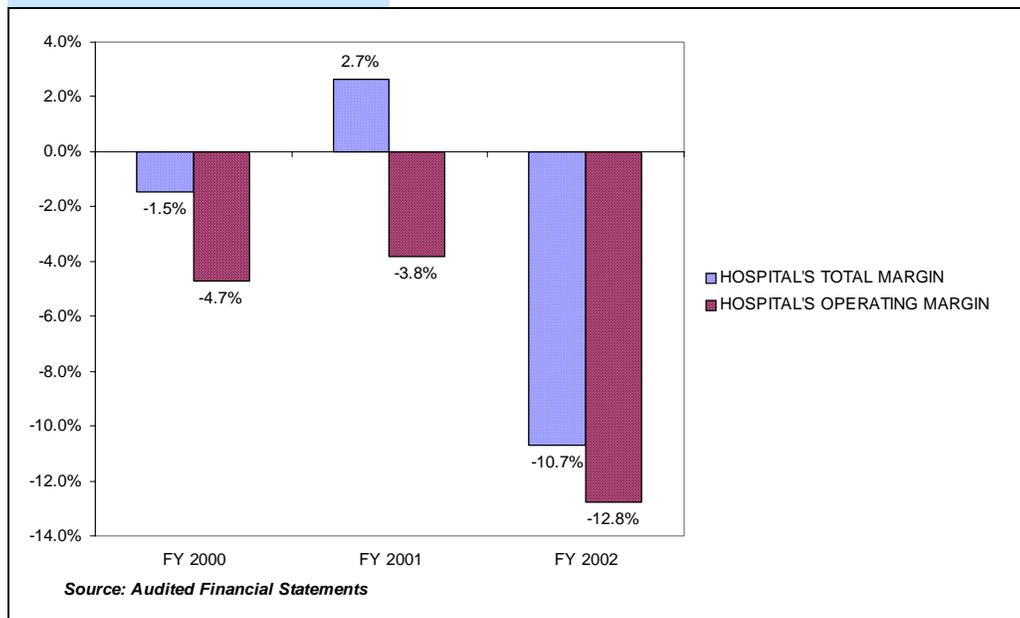
SAINT MARY'S HOSPITAL

Saint Mary's Hospital, founded in 1907, is located in Waterbury and primarily serves the residents of Naugatuck, Prospect, Waterbury, and Wolcott. St. Mary's Hospital's parent corporation is Slocum Corporation. Reported below is a chart indicating all of the affiliates of Slocum Corporation and three years of total margins and operating margins for St. Mary's Hospital.



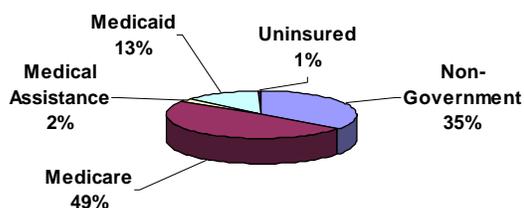
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - SAINT MARY'S HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.94
Medicaid Payment to Cost	.74
Private Payment to Cost	.86

NET ASSETS

	2000	2001	2002
Hospital	\$76,501,000	\$72,745,000	\$55,200,000
Health System	\$78,200,309	\$74,476,398	\$57,145,806

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$108,329,240	\$121,461,959	\$121,885,187
Total expenses	\$121,492,524	\$129,548,711	\$144,285,237
Uncompensated Care Cost	\$4,789,427	\$5,304,085	\$5,146,940
Uncompensated care % of total expenses	3.9%	4.1%	3.6%
Average Managed Care Discounts	47%	52%	59%

COST DATA

Ratio of cost to charges	0.51	0.49	0.47
Medicare Payment to Cost	0.95	1.06	0.94
Medicaid Payment to Cost	0.83	0.87	0.74
Private Payment to Cost	1.01	0.93	0.86

FINANCIAL MEASURES

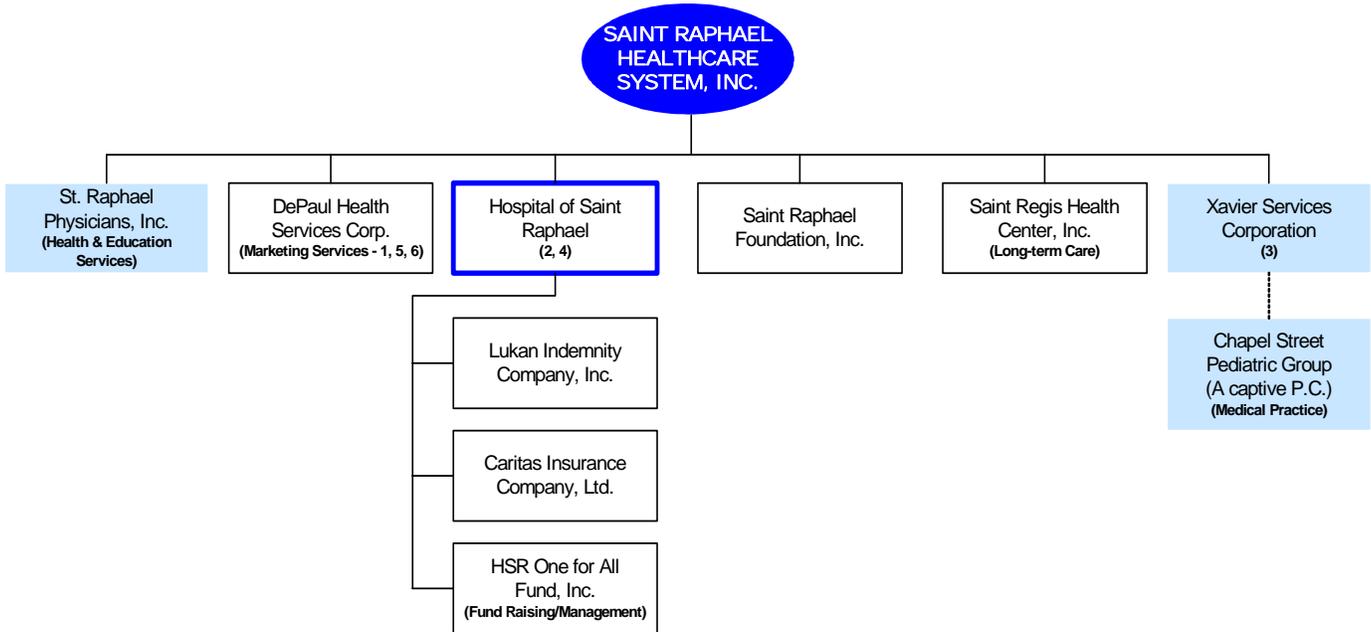
Days of expenses in accounts payable	65	62	65
Days cash on hand	7	4	3
Days of revenue in accounts receivable	63	69	57
Equity financing ratio	36%	32%	28%

UTILIZATION MEASURES

Patient Days	47,664	52,694	52,983
Discharges	11,221	11,779	11,412
ALOS	4.3	4.5	4.6
Staffed Beds	155	168	164
Occupancy of staffed beds	84%	86%	89%
FTE's	1,270	1,316	1,366

HOSPITAL OF SAINT RAPHAEL

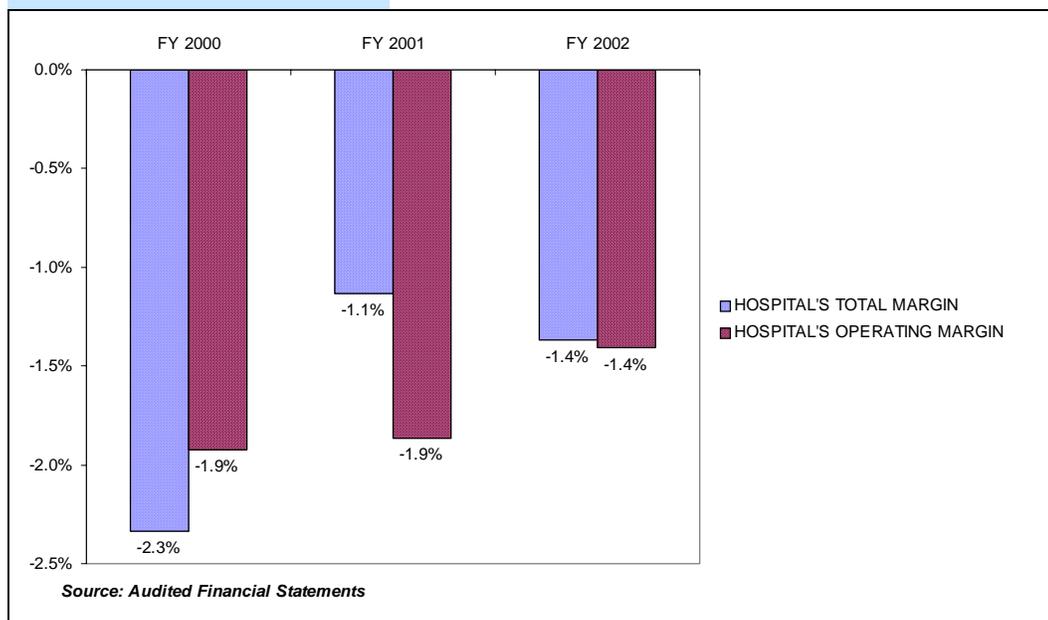
The Hospital of Saint Raphael, founded in 1907, is located in New Haven and primarily serves the residents of Branford, East Haven, Hamden, New Haven, North Branford, North Haven, Orange, West Haven, and Woodbridge. The Hospital of St. Raphael's parent corporation is St. Raphael's Health Care System Incorporated. Reported below is a chart indicating all of the affiliates of the St. Raphael's Health Care System Incorporated and three years of total margins and operating margins for the Hospital of St. Raphael.



- Key
- 1 - MRI Partnership
 - 2 - St. Raphael Physician Hospital Organization - For Profit
 - 3 - PHCS Home Infusion Therapy Joint Venture - For Profit
 - 4 - CT Hospital Laboratory Network, LLC - For Profit
 - 5 - Dialysis Venture
 - 6 - Hamden Surgery Center

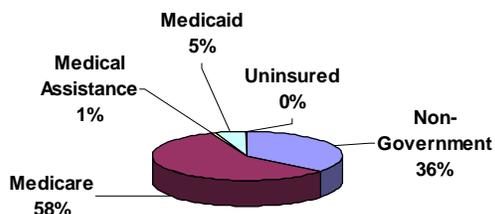
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - HOSPITAL OF SAINT RAPHAEL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	1.01
Medicaid Payment to Cost	.61
Private Payment to Cost	1.12

NET ASSETS

	2000	2001	2002
Hospital	\$60,198,000	\$63,242,000	\$61,209,000
Health System	\$81,139,000	\$75,949,000	\$73,089,000

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$264,605,727	\$267,768,744	\$294,457,379
Total expenses	\$263,846,030	\$268,605,410	\$296,688,200
Uncompensated Care Cost	\$4,784,335	\$7,404,378	\$7,399,741
Uncompensated care % of total expenses	1.8%	2.8%	2.5%
Average Managed Care Discounts	39%	46%	50%

COST DATA

Ratio of cost to charges	0.51	0.49	0.42
Medicare Payment to Cost	0.95	1.02	1.01
Medicaid Payment to Cost	0.72	0.73	0.61
Private Payment to Cost	1.23	1.10	1.12

FINANCIAL MEASURES

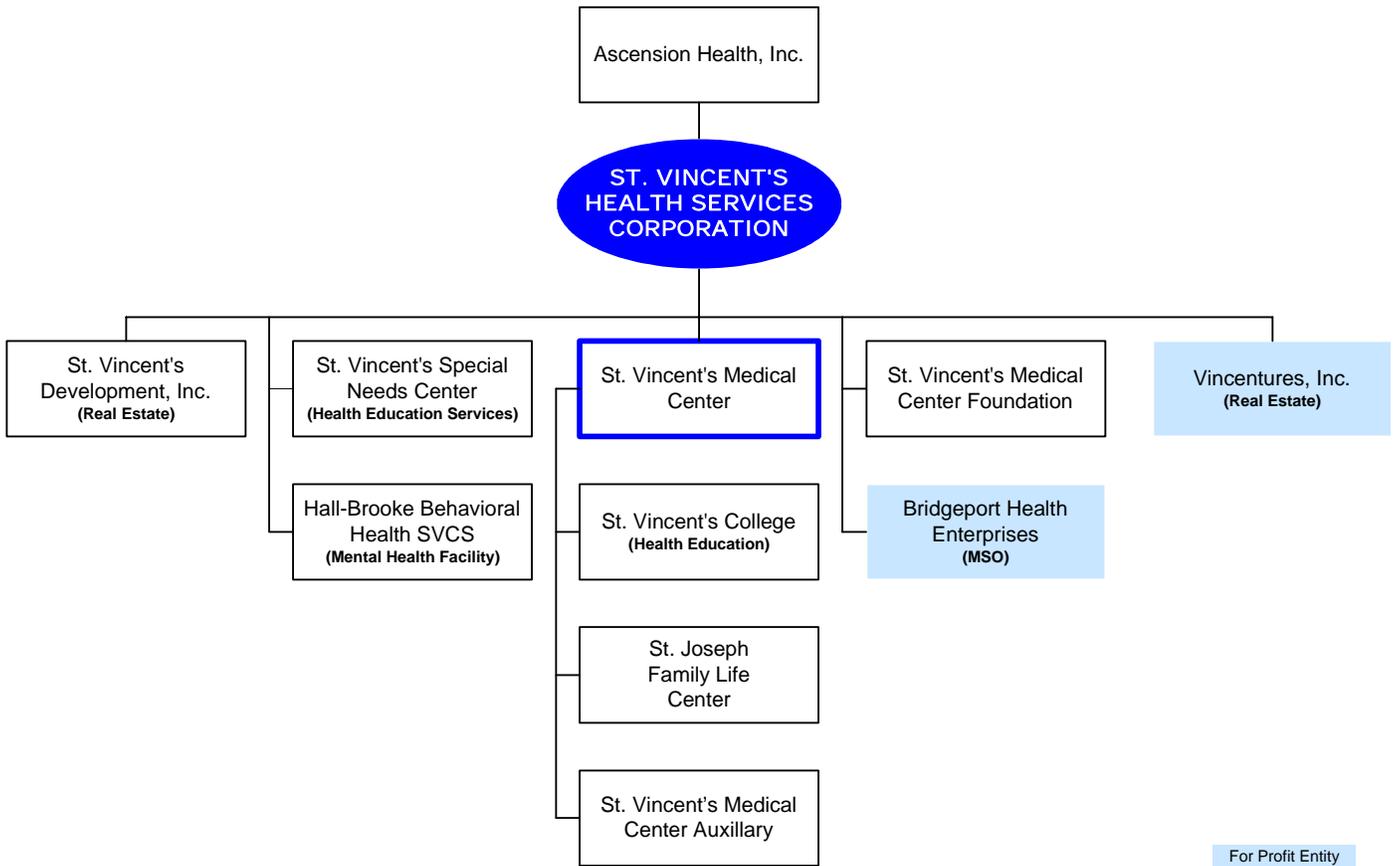
Days of expenses in accounts payable	79	69	66
Days cash on hand	7	12	36
Days of revenue in accounts receivable	69	56	46
Equity financing ratio	17%	16%	16%

UTILIZATION MEASURES

Patient Days	127,340	123,641	131,209
Discharges	23,975	23,443	24,108
ALOS	5.3	5.3	5.4
Staffed Beds	461	460	461
Occupancy of staffed beds	76%	74%	78%
FTE's	2,553	2,455	2,473

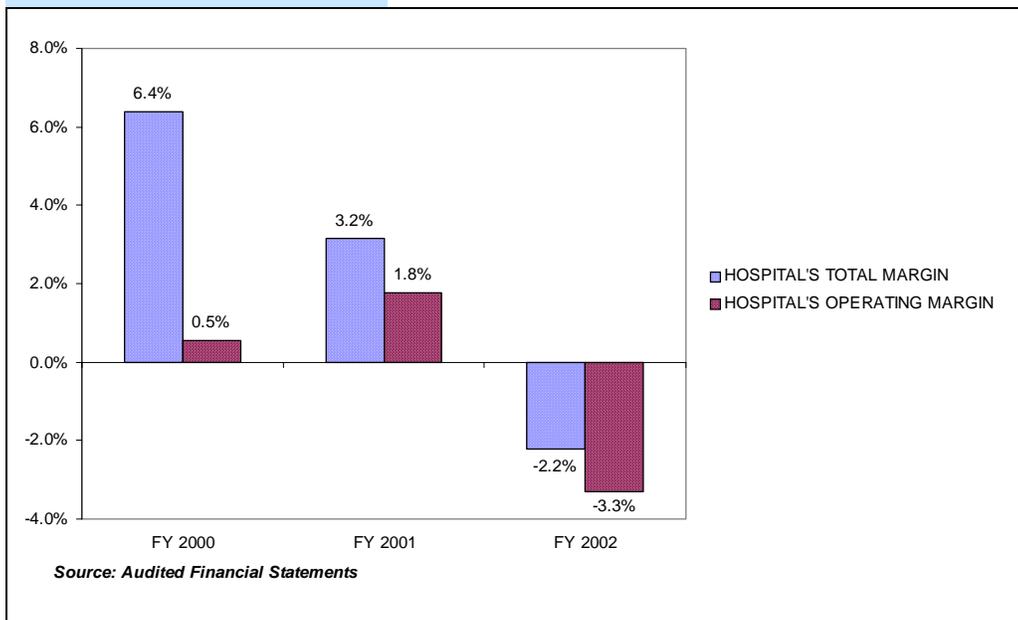
SAINT VINCENT'S MEDICAL CENTER

Saint Vincent's Medical Center, founded in 1903, is located in Bridgeport and primarily serves the residents of Bridgeport, Easton, Fairfield, Monroe, and Trumbull. St. Vincent's Medical Center's parent corporation is St. Vincent's Health Services Corporation. Saint Vincent's is also a member of Ascension Health System, a nationally based Catholic health system with 78 member hospitals. Reported below is a chart indicating all of the affiliates of St. Vincent's Health Services Corporation and three years of total margins and operating margins for St. Vincent's Hospital.



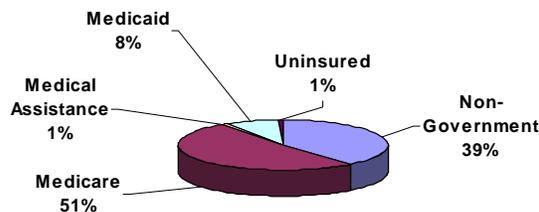
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - SAINT VINCENT'S MEDICAL CENTER

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	1.04
Medicaid Payment to Cost	.92
Private Payment to Cost	1.01

NET ASSETS

	2000	2001	2002
Hospital	\$252,047,000	\$244,097,000	\$218,642,000
Health System	\$286,828,000	\$272,231,251	\$256,818,898

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$155,822,258	\$172,698,856	\$179,605,715
Total expenses	\$162,621,253	\$172,231,662	\$186,234,693
Uncompensated Care Cost	\$9,684,166	\$9,459,677	\$12,334,363
Uncompensated care % of total expenses	6.0%	5.5%	6.6%
Average Managed Care Discounts	42%	36%	44%

COST DATA

Ratio of cost to charges	0.56	0.56	0.55
Medicare Payment to Cost	0.99	1.03	1.04
Medicaid Payment to Cost	0.62	0.74	0.92
Private Payment to Cost	1.08	1.15	1.01

FINANCIAL MEASURES

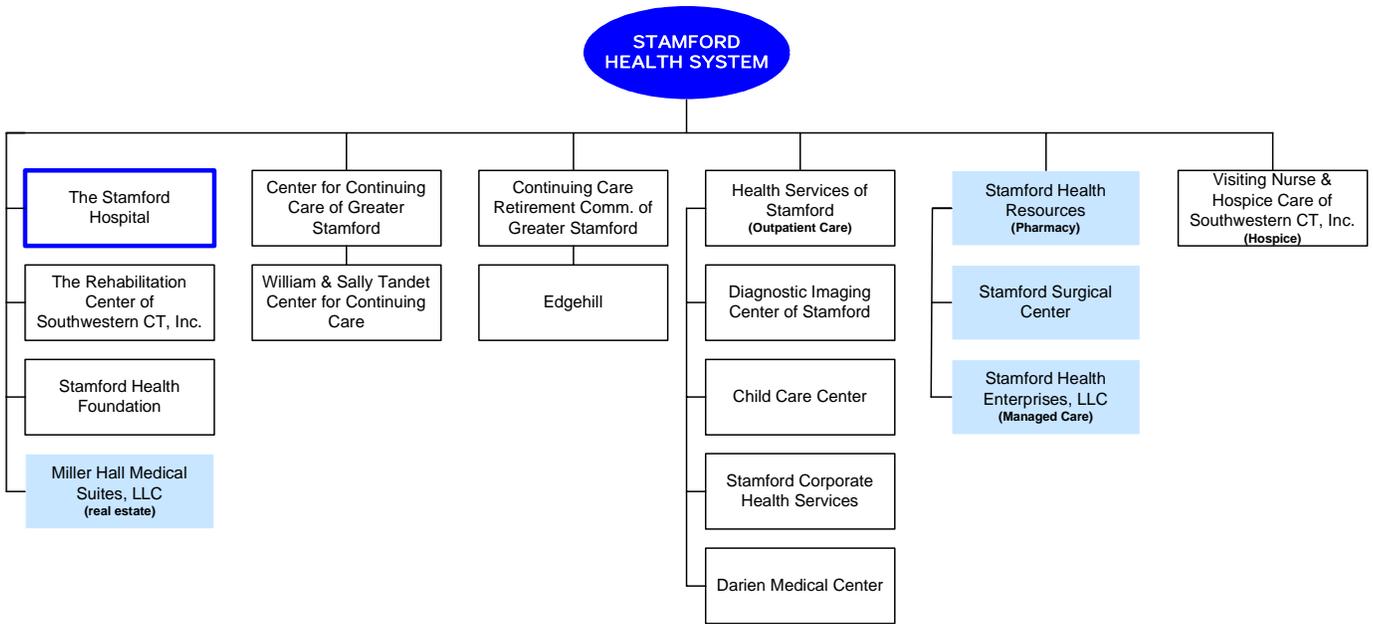
Days of expenses in accounts payable	42	43	42
Days cash on hand	9	22	20
Days of revenue in accounts receivable	86	78	51
Equity financing ratio	79%	72%	72%

UTILIZATION MEASURES

Patient Days	94,599	97,311	96,705
Discharges	17,406	17,868	18,105
ALOS	5.4	5.5	5.3
Staffed Beds	305	307	330
Occupancy of staffed beds	85%	87%	80%
FTE's	1,592	1,617	1,641

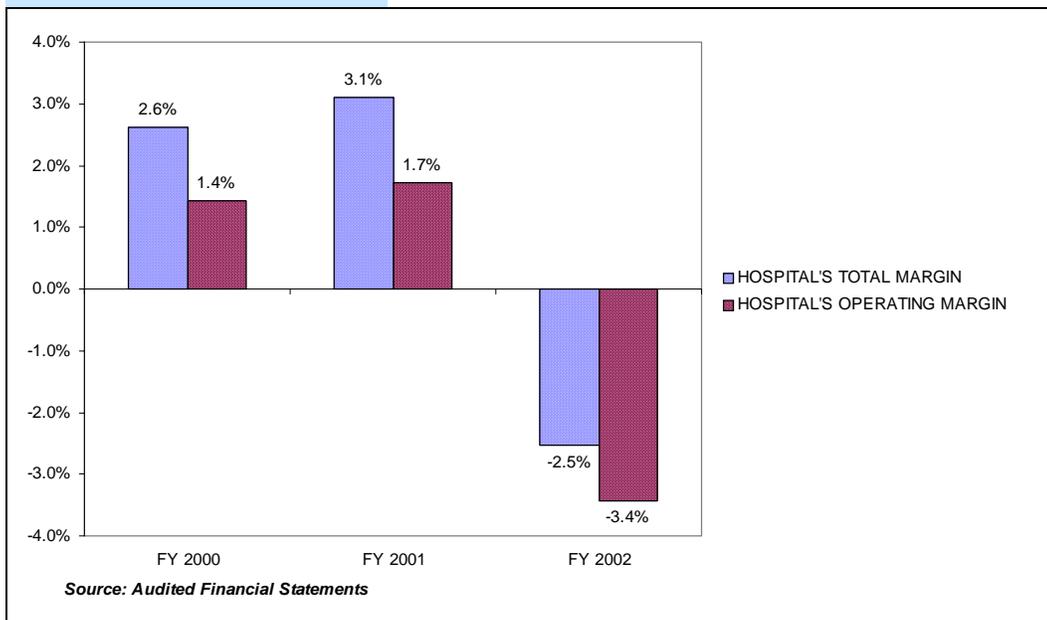
STAMFORD HOSPITAL

Stamford Hospital, founded in 1896, is located in Stamford and primarily serves the residents of Darien and Stamford. Stamford Hospital's parent corporation is the Stamford Health System. Reported below is a chart indicating all of the affiliates of the Stamford Health System and three years of total margins and operating margins for Stamford Hospital.

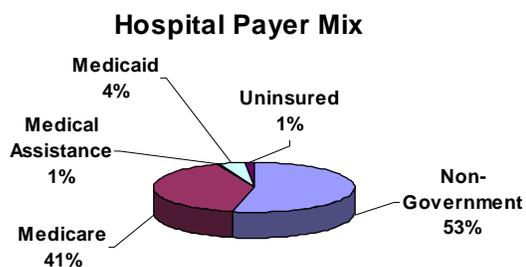


For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - STAMFORD HOSPITAL



Cost Data:

Medicare Payment to Cost	.93
Medicaid Payment to Cost	.53
Private Payment to Cost	1.13

NET ASSETS	2000	2001	2002
Hospital	\$88,042,270	\$88,901,156	\$80,448,629
Health System	\$191,197,937	\$163,622,451	\$140,967,106

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$147,898,537	\$165,027,986	\$186,669,694
Total expenses	\$161,563,527	\$172,319,529	\$200,068,812
Uncompensated Care Cost	\$8,496,854	\$12,995,384	\$12,151,485
Uncompensated care % of total expenses	5.3%	7.5%	6.1%
Average Managed Care Discounts	40%	32%	38%

COST DATA

Ratio of cost to charges	0.57	0.55	0.52
Medicare Payment to Cost	0.87	0.96	0.93
Medicaid Payment to Cost	0.59	0.60	0.53
Private Payment to Cost	1.12	1.13	1.13

FINANCIAL MEASURES

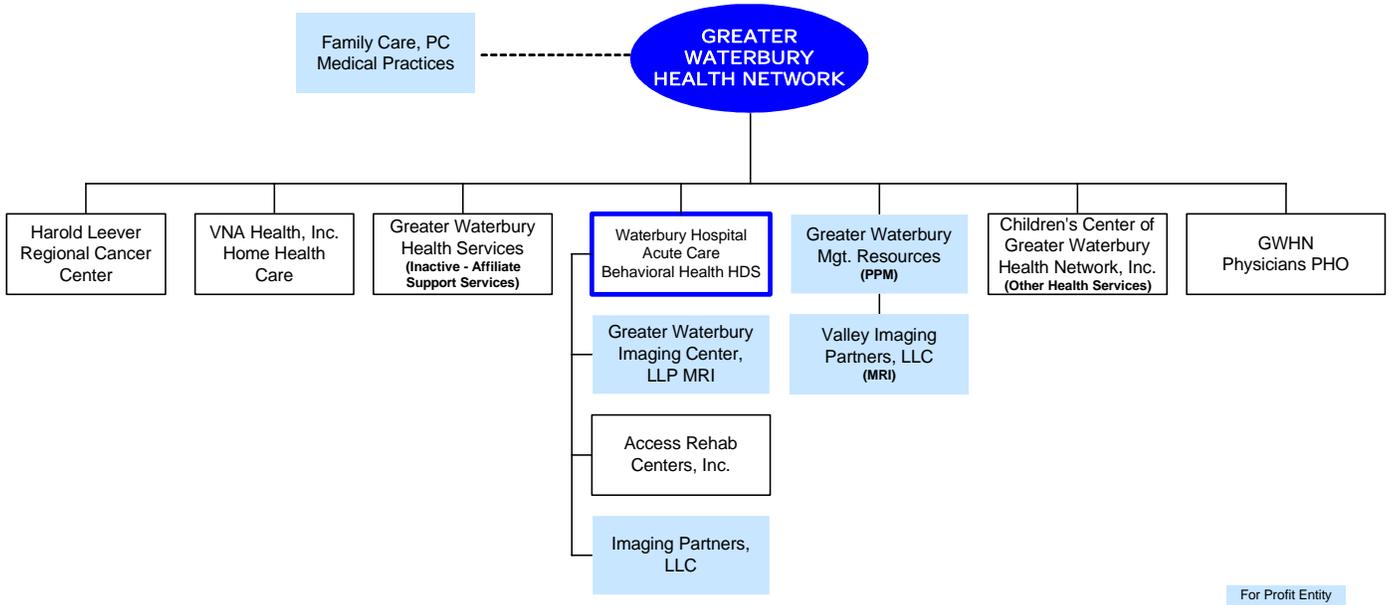
Days of expenses in accounts payable	80	64	62
Days cash on hand	0	0	1
Days of revenue in accounts receivable	69	65	51
Equity financing ratio	28%	29%	24%

UTILIZATION MEASURES

Patient Days	80,273	78,058	82,473
Discharges	16,742	16,985	17,549
ALOS	4.8	4.6	4.7
Staffed Beds	285	292	315
Occupancy of staffed beds	77%	73%	72%
FTE's	1,480	1,640	1,860

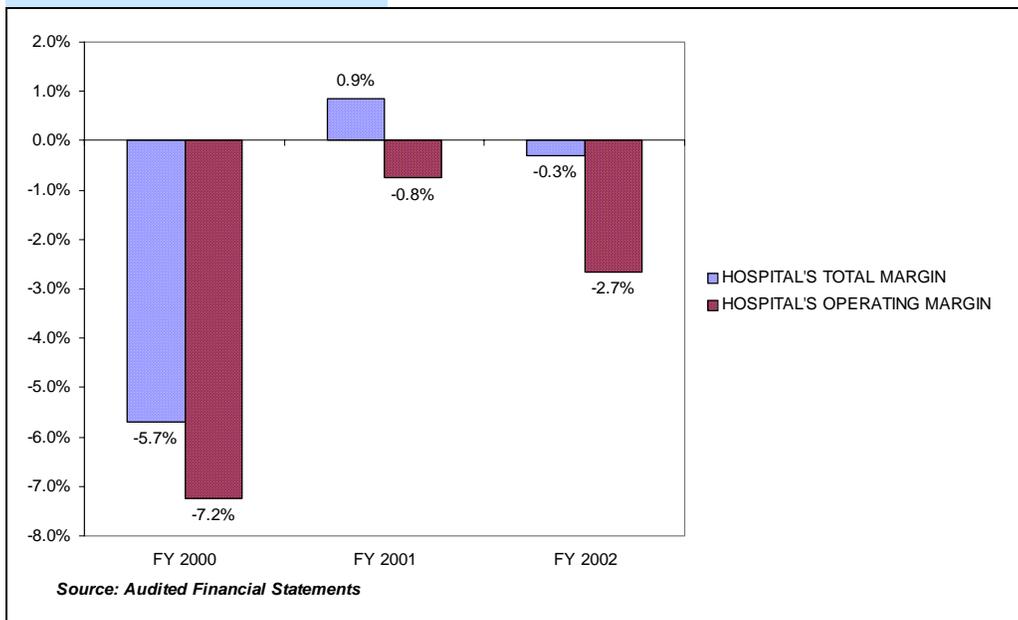
WATERBURY HOSPITAL

Waterbury Hospital, opened in 1890, is located in Waterbury and primarily serves the residents of Bethlehem, Middlebury, Naugatuck, Prospect, Southbury, Thomaston, Waterbury, Watertown, Wolcott, and Woodbury. Waterbury Hospital's parent corporation is the Greater Waterbury Health Network. Reported below is a chart indicating all of the affiliates of the Greater Waterbury Health Network and three years of total margins and operating margins for Waterbury Hospital.



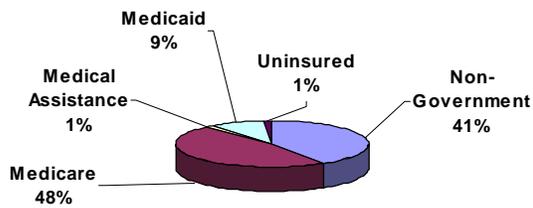
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS – WATERBURY HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	.96
Medicaid Payment to Cost	.76
Private Payment to Cost	1.00

NET ASSETS

	2000	2001	2002
Hospital	\$140,502,820	\$127,011,053	\$123,016,743
Health System	\$176,053,445	\$164,332,733	\$156,165,789

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$119,169,169	\$130,230,888	\$150,806,679
Total expenses	\$139,268,949	\$139,602,754	\$165,239,052
Uncompensated Care Cost	\$6,736,989	\$5,205,594	\$4,499,921
Uncompensated care % of total expenses	4.8%	3.7%	2.7%
Average Managed Care Discounts	42%	43%	46%

COST DATA

Ratio of cost to charges	0.56	0.51	0.55
Medicare Payment to Cost	0.90	0.99	0.96
Medicaid Payment to Cost	0.79	0.70	0.76
Private Payment to Cost	0.88	1.03	1.00

FINANCIAL MEASURES

Days of expenses in accounts payable	48	55	48
Days cash on hand	10	48	56
Days of revenue in accounts receivable	54	48	42
Equity financing ratio	33%	36%	37%

UTILIZATION MEASURES

Patient Days	58,421	68,687	70,544
Discharges	13,698	14,360	14,925
ALOS	5.6	4.8	4.7
Staffed Beds	234	260	300
Occupancy of staffed beds	68%	72%	64%
FTE's	1,433	1,414	1,540

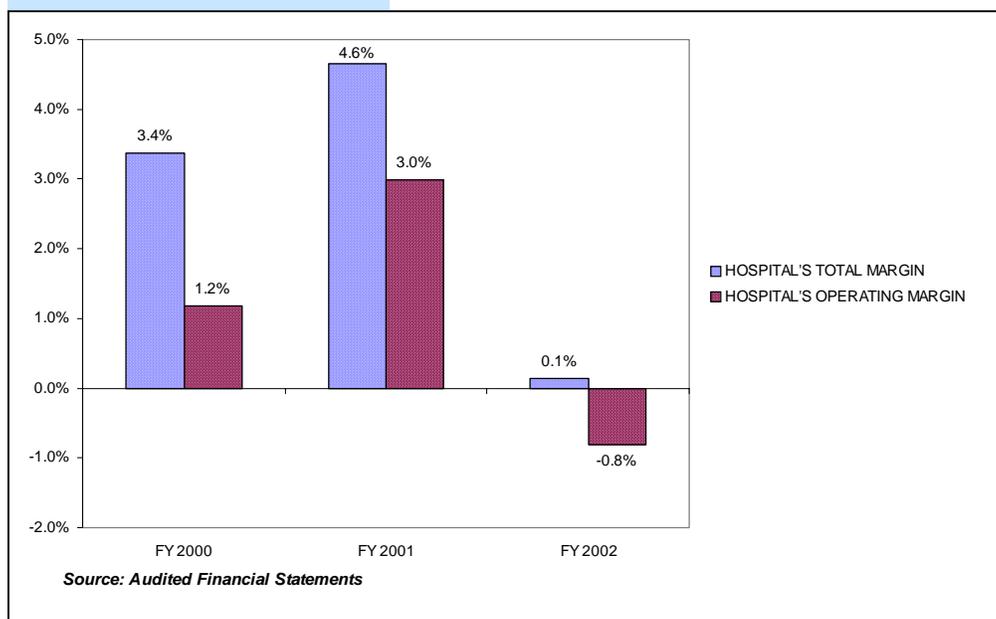
WINDHAM COMMUNITY MEMORIAL HOSPITAL

Windham Community Memorial Hospital, founded in 1908, is located in Willimantic and primarily serves the towns of Chaplin, Columbia, Coventry, Hampton, Lebanon, Mansfield, Scotland, and Windham. Reported below is a chart indicating all of the affiliates of the Windham Community Memorial Hospital and three years of total margins and operating margins for the Windham Community Memorial Hospital.

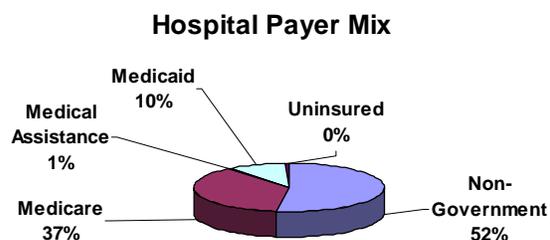


For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - WINDHAM COMMUNITY MEMORIAL HOSPITAL



Cost Data:

Medicare Payment to Cost	.86
Medicaid Payment to Cost	.77
Private Payment to Cost	1.17

NET ASSETS	2000	2001	2002
Hospital	\$26,122,705	\$29,900,714	\$22,828,194
Health System	\$26,122,705	\$29,900,714	\$22,828,194

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$51,174,474	\$55,004,048	\$58,424,795
Total expenses	\$49,430,743	\$53,184,666	\$60,416,073
Uncompensated Care Cost	\$2,173,408	\$1,634,035	\$1,987,320
Uncompensated care % of total expenses	4.4%	3.1%	3.3%
Average Managed Care Discounts	33%	42%	47%

COST DATA

Ratio of cost to charges	0.49	0.47	0.48
Medicare Payment to Cost	0.94	0.89	0.86
Medicaid Payment to Cost	0.57	0.95	0.77
Private Payment to Cost	1.34	1.24	1.17

FINANCIAL MEASURES

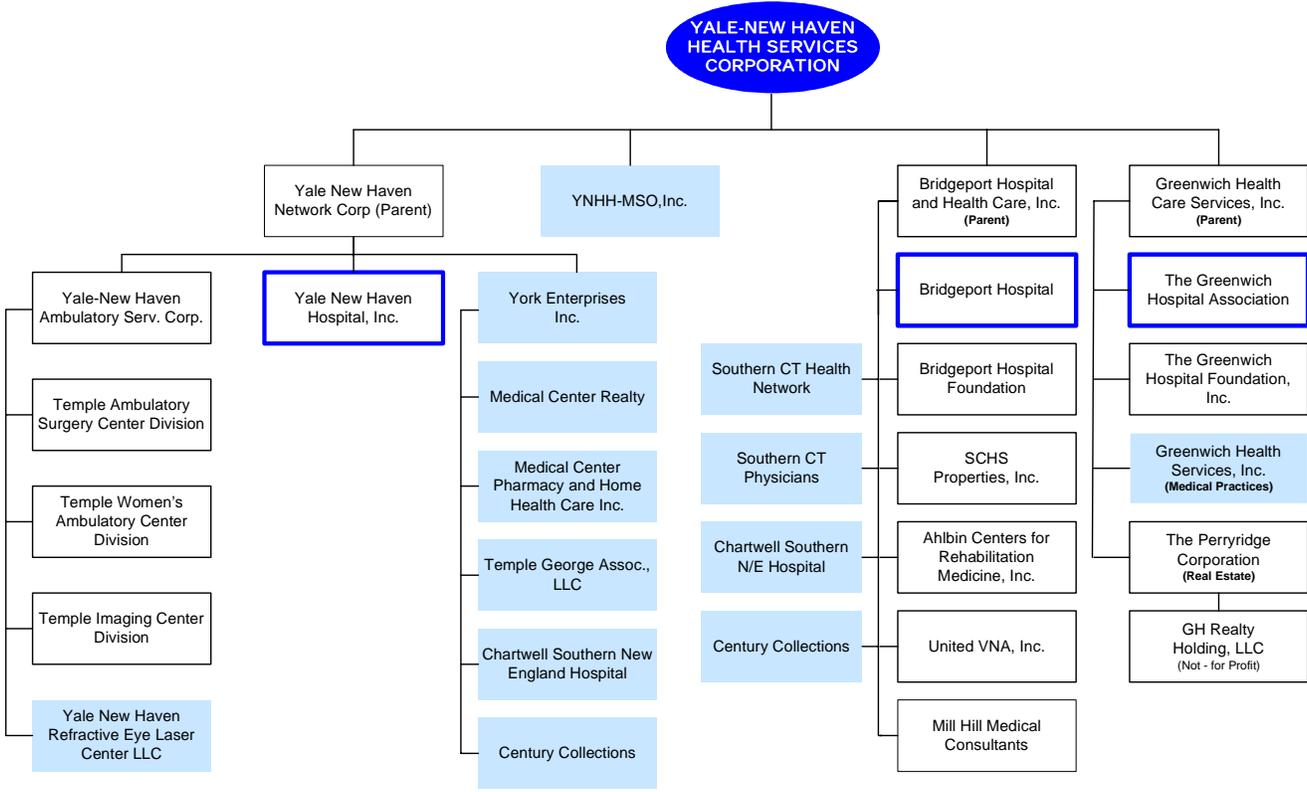
Days of expenses in accounts payable	62	61	51
Days cash on hand	67	53	35
Days of revenue in accounts receivable	61	75	81
Equity financing ratio	35%	38%	27%

Utilization Measures

Patient Days	19,082	19,490	20,789
Discharges	4,923	5,122	5,146
ALOS	3.9	3.8	4.0
Staffed Beds	92	92	92
Occupancy of staffed beds	57%	58%	62%
FTE's	522	538	573

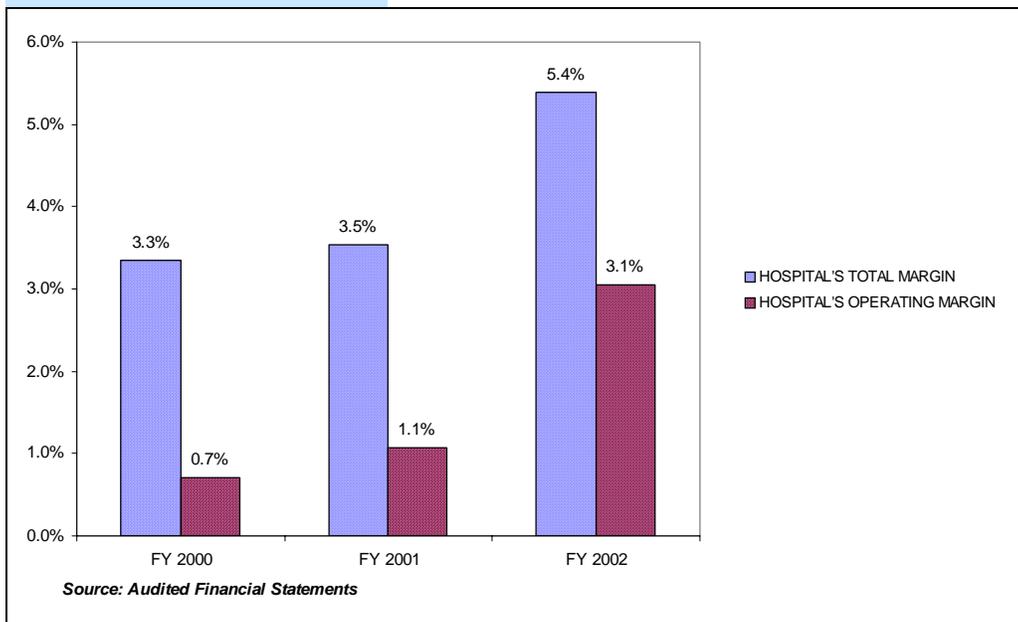
YALE-NEW HAVEN HOSPITAL

Yale-New Haven Hospital, founded in 1826, is located in New Haven and primarily serves the residents of Bethany, Branford, Bridgeport, Clinton, East Haven, Guilford, Hamden, Killingworth, Madison, Milford, New Haven, North Branford, North Haven, Orange, Wallingford, West Haven, and Woodbridge. Yale-New Haven Hospital's parent corporation is Yale New Haven Network Corporation an affiliate of the larger Yale-New Haven Health Services Corporation which includes Greenwich Hospital and Bridgeport Hospital. Reported below is a chart indicating all of the affiliates of Yale New Haven Health Services Corporation and three years of total margins and operating margins for Yale New Haven Hospital.



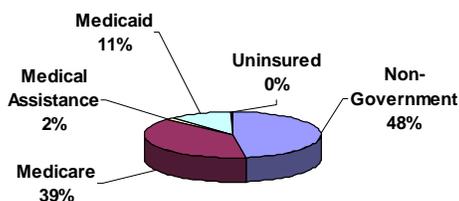
For Profit Entity

HOSPITAL MARGINS



KEY RESULTS - YALE-NEW HAVEN HOSPITAL

Hospital Payer Mix



Cost Data:

Medicare Payment to Cost	1.11
Medicaid Payment to Cost	.71
Private Payment to Cost	1.08

NET ASSETS

	2000	2001	2002
Hospital	\$457,368,000	\$424,073,000	\$436,881,000
Health System	\$879,610,000	\$854,535,000	\$873,074,000

REVENUE & EXPENSE SUMMARY

Net patient revenue	\$473,709,950	\$509,014,733	\$557,089,600
Total expenses	\$476,979,579	\$524,848,000	\$559,974,000
Uncompensated Care Cost	\$16,663,306	\$17,599,252	\$14,999,933
Uncompensated care % of total expenses	3.5%	3.4%	2.7%
Average Managed Care Discounts	35%	38%	45%

COST DATA

Ratio of cost to charges	0.56	0.53	0.48
Medicare Payment to Cost	1.06	1.00	1.11
Medicaid Payment to Cost	0.70	0.74	0.71
Private Payment to Cost	1.11	1.08	1.08

FINANCIAL MEASURES

Days of expenses in accounts payable	96	95	79
Days cash on hand	11	11	10
Days of revenue in accounts receivable	67	62	58
Equity financing ratio	39%	41%	43%

UTILIZATION MEASURES

Patient Days	215,180	238,187	235,464
Discharges	40,066	41,401	42,832
ALOS	5.4	5.8	5.5
Staffed Beds	792	827	852
Occupancy of staffed beds	74%	79%	76%
FTE's	4,771	4,869	4,884

APPENDIX A: CHANGE IN HOSPITAL AND PARENT NET ASSETS

Hospital Name	Change in		Hospital		Hospital		Hospital		Hospital	
	Unrestricted Net Assets Or Equity	9/30/2002	Total Net Assets Or Equity	9/30/2002	Total Net Assets	9/30/2001	Total Net Assets	9/30/2000	2001-2002 Change	2000-2002 Change
BACKUS	\$202,359		\$113,397,701		\$114,552,656		\$74,357,893		-1.0%	52.5%
BRADLEY	(\$4,088,169)		\$39,261,850		\$45,467,305		\$51,998,354		-13.6%	-24.5%
BRIDGEPORT	(\$6,732,000)		\$96,284,000		\$103,970,000		\$96,082,000		-7.4%	0.2%
BRISTOL	(\$13,318,656)		\$43,137,074		\$57,169,235		\$57,231,927		-24.5%	-24.6%
CTCMC	(\$12,318,633)		\$174,524,293		\$188,730,412		\$196,192,659		-7.5%	-11.0%
DANBURY	\$10,941,905		\$196,573,806		\$186,979,251		\$172,100,858		5.1%	14.2%
DAY KIMBALL	\$7,184,842)		\$37,029,303		\$44,562,762		\$42,947,063		-16.9%	-13.8%
DEMPSEY	\$3,304,241		\$52,014,258		\$50,892,188		\$61,927,597		2.2%	-16.0%
ESSENT-SHARON*	(\$10,469,921)		(\$146,985)		\$16,412,129		\$19,319,500		-100.9%	-100.8%
GREENWICH	\$17,086,615		\$260,766,247		\$241,298,131		\$224,578,419		8.1%	16.1%
GRIFFIN	(\$2,130,767)		\$12,338,213		\$14,347,744		\$20,952,680		-14.0%	-41.1%
HARTFORD	(\$11,610,592)		\$769,390,305		\$812,003,757		\$828,184,641		-5.2%	-7.1%
HUNGERFORD	(\$5,068,058)		\$70,446,961		\$75,689,480		\$84,899,245		-6.9%	-17.0%
JOHNSON	(\$559,850)		\$26,532,575		\$27,846,091		\$29,555,466		-4.7%	-10.2%
LAWRENCE MEMORIAL	(\$6,122,200)		\$97,998,502		\$105,745,641		\$115,676,778		-7.3%	-15.3%
MANCHESTER	(\$9,477,823)		\$41,560,847		\$50,271,569		\$49,424,288		-17.3%	-15.9%
MIDSTATE	(\$7,027,615)		\$52,029,979		\$60,436,671		\$58,028,191		-13.9%	-10.3%
MIDDLESEX	(\$4,134,000)		\$97,195,000		\$100,801,000		\$106,898,000		-3.6%	-9.1%
MILFORD	\$1,396,870		\$62,968,367		\$63,315,770		\$65,288,676		-0.5%	-3.6%
NEW BRITAIN	(\$4,798,287)		\$119,541,474		\$125,990,396		\$143,651,323		-5.1%	-16.8%
NEW MILFORD**	\$1,610,915		\$47,083,844		\$42,572,134		\$32,944,702		10.6%	42.9%
NORWALK	(\$14,726,254)		\$129,885,619		\$145,251,044		\$151,559,310		-10.6%	-14.3%
ROCKVILLE	(\$1,970,668)		\$44,753,419		\$47,405,368		\$58,204,584		-5.6%	-23.1%
SAINT FRANCIS	(\$24,337,867)		\$254,801,230		\$288,321,202		\$285,275,153		-11.6%	-10.7%
SAINT MARY***	(\$16,133,000)		\$55,200,000		\$72,745,000		\$76,501,000		-24.1%	-27.8%
SAINT RAPHAEL	(\$2,565,000)		\$61,209,000		\$63,242,000		\$60,198,000		-3.2%	1.7%
SAINT VINCENT	(\$18,681,000)		\$218,642,000		\$244,097,000		\$252,047,000		-10.4%	-13.3%
STAMFORD	(\$12,422,971)		\$80,448,629		\$88,901,156		\$88,042,270		-9.5%	-8.6%
WATERBURY	\$3,427,948		\$123,016,743		\$127,011,053		\$140,502,820		-3.1%	-12.4%
WINDHAM	(\$6,747,581)		\$22,828,194		\$29,900,714		\$26,122,705		-23.7%	-12.6%
YALE-NEW HAVEN	\$18,430,000		\$436,881,000		\$424,073,000		\$457,368,000		3.0%	-4.5%
STATEWIDE TOTAL	(\$146,224,901)		\$3,837,593,448		\$4,060,001,859		\$4,128,061,102		-5.5%	-7.0%
Source: FY 2002 Statement of Changes in Net Assets										
* Sharon Hospital was acquired by Essent Healthcare, Inc., of Nashville, TN on April 12, 2002 to become Essent-Sharon Hospital, Inc.										
**Net Asset balances are hospital only. New Milford Hospital Holding Company (NMHHC) acts only as a governing board with no assets, liabilities or funds and no transactions either monetary or non-monetary take place between the hospital and NMHHC [Source: New Milford Hospital FY 2002 Annual Reporting]										
***System wide net assets balance for St Mary's Hospital Corporation which includes the Hospital and its six affiliates.										

APPENDIX A: CHANGE IN HOSPITAL AND PARENT NET ASSETS

Parent Name	Change in		Consolidated		Consolidated		Consolidated		Consolidated		Consolidated	
	Unrestricted Net Assets Or Equity		Parent Total Net Assets Or Equity		Parent Total Net Assets		Parent Total Net Assets		Parent Total Net Assets		Parent Total Net Assets	
	9/30/2002		9/30/2002		9/30/2001		9/30/2000		2001-2002 Change		2000-2002 Change	
Backus Corporation	\$3,057,255	\$116,236,777	\$117,284,925	\$118,029,326					-0.9%			-1.5%
Central Connecticut Health Alliance	(\$8,081,895)	\$167,942,730	\$201,648,387	\$229,188,671					-16.7%			-26.7%
Bridgeport Hosp.& Healthcare Serv., Inc.	(\$6,933,000)	\$100,569,000	\$108,524,000	\$135,296,000					-7.3%			-25.7%
Bristol Hospital and Health Care Group	(\$15,115,927)	\$44,223,374	\$60,007,568	\$61,170,889					-26.3%			-27.7%
CCMC Corporation	(\$11,993,632)	\$184,314,923	\$198,173,551	\$205,444,376					-7.0%			-10.3%
Danbury Health Systems, Inc.	\$4,786,301	\$171,754,905	\$188,969,114	\$187,801,746					-9.1%			-8.5%
Health Network of New England, Inc.	(\$6,901,267)	\$39,197,071	\$46,446,955	\$44,661,076					-15.6%			-12.2%
University of Connecticut Health Center	(\$19,778,192)	\$215,365,776	\$215,588,376	\$297,810,144					-0.1%			-27.7%
Essent Healthcare, Inc.*	(\$9,375,187)	\$12,345,745	\$30,734,773	\$35,443,278					-59.8%			-13.3%
Green Health Care Services, Inc.	\$17,117,324	\$275,914,936	\$256,416,111	\$241,341,740					7.6%			14.3%
Griffin Health Services Corporation	(\$3,393,517)	\$14,008,990	\$17,281,271	\$23,647,336					-18.9%			-40.8%
Hartford Health Care Corporation	(\$13,518,000)	\$859,965,000	\$906,737,000	\$914,195,000					-5.2%			-5.9%
No Corporate Parent or Holding Company	(\$5,068,058)	\$70,446,961	\$75,689,480	\$84,899,245					-6.9%			-17.0%
Johnson Memorial Corporation	(\$5,783,651)	\$25,359,411	\$32,045,713	\$34,957,002					-20.9%			-27.5%
Lawrence & Memorial Corporation	\$4,220,047	\$135,301,887	\$134,071,480	\$135,423,116					0.9%			-0.1%
Eastern Connecticut Health Network	(\$9,742,653)	\$95,060,176	\$104,728,461	\$124,789,478					-9.2%			-23.8%
Hartford Health Care Corporation	(\$13,518,000)	\$859,965,000	\$906,737,000	\$914,195,000					-5.2%			-5.9%
Middlesex Health System, Inc.	(\$3,933,000)	\$99,348,000	\$102,753,000	\$108,320,000					-3.3%			-8.3%
Milford Health & Medical, Inc.	\$153,548	\$64,686,649	\$64,737,425	\$66,640,021					-0.1%			-2.9%
Central Connecticut Health Alliance	(\$8,081,895)	\$167,942,730	\$201,648,387	\$229,188,671					-16.7%			-26.7%
New Milford Hospital Holding Corp.**	\$1,610,915	\$47,083,844	\$42,572,134	\$32,944,702					10.6%			42.9%
Norwalk Health Services Corporation	(\$14,495,985)	\$157,819,491	\$173,925,252	\$183,544,100					-9.3%			-14.0%
Eastern Connecticut Health Network	(\$9,742,653)	\$95,060,176	\$104,728,461	\$124,789,478					-9.2%			-23.8%
Saint Francis Care, Inc.	(\$34,704,341)	\$277,298,316	\$319,640,683	\$321,370,520					-13.2%			-13.7%
Slocum Corporation***	(\$15,918,592)	\$57,145,806	\$74,476,398	\$78,200,309					-23.3%			-26.9%
St. Raphael Health Care System, Inc.	(\$3,025,000)	\$73,089,000	\$75,949,000	\$81,139,000					-3.8%			-9.9%
St. Vincent's Health Services	(\$17,628,871)	\$256,818,898	\$272,231,251	\$286,828,000					-5.7%			-10.5%
Stamford Health System	(\$26,677,968)	\$140,967,106	\$163,622,451	\$191,197,937					-13.8%			-26.3%
Greater Waterbury Health Network, Inc.	\$258,241	\$156,165,789	\$164,332,733	\$176,053,445					-5.0%			-11.3%
Windham Comm. Memorial Hosp, Inc.	(\$6,747,581)	\$22,828,194	\$29,900,714	\$26,122,705					-23.7%			-12.6%
Yale-New Health Services Corporation	\$22,801,000	\$873,074,000	\$854,535,000	\$879,610,000					2.2%			-0.7%
Statewide Total	(\$216,154,234)	\$5,877,300,661	\$6,246,137,054	\$6,574,242,311					-5.9%			-10.6%
Source: FY 2002 Statement of Changes in Net Assets												
*Sharon Hospital was acquired by Essent Healthcare, Inc., of Nashville, TN on April 12, 2002 to become Essent-Sharon Hospital, Inc.												
**Net Asset balances are hospital only, New Milford Hospital Holding Company (NMHHC) acts only as a governing board with no assets, liabilities or funds and no transactions either monetary or non-monetary take place between the hospital and NMHHC [Source: New Milford Hospital FY 2002 Annual Reporting]												
***System wide net assets balance for St Mary's Hospital Corporation which includes the Hospital and its six affiliates.												

APPENDIX B: RATIO OF COST TO CHARGE DATA

FY2002	Total Expenses	Total Gross Revenue	Total Other Operating Revenue	Ratio of Cost to Charge (RCC)		Medicare Charges	Medicare Payments	Medicare Ratio of Cost to Charge
	OHCA's HBS Schedule UCA	OHCA's HBS Schedule UCA	OHCA's HBS Schedule UCA	Total Oper Exp/(Gross Rev + Other Oper Rev)	OHCA's HBS Schedule UCA	OHCA's HBS Schedule UCA	OHCA's HBS Schedule UCA	Medicare Payments/(Medicare Charges * RCC)
	\$133,777,540	\$226,971,410	\$657,415	0.59	\$87,171,980	\$44,323,261	0.87	
BRADLEY	\$30,422,704	\$44,954,368	(\$29,133)	0.68	\$24,669,170	\$14,699,864	0.88	
BRIDGEPORT	\$213,495,462	\$476,937,001	\$2,607,959	0.45	\$199,448,739	\$95,575,925	1.08	
BRISTOL	\$88,471,994	\$187,673,935	\$0	0.47	\$82,545,662	\$37,107,010	0.95	
CT CHILDREN'S	\$98,601,301	\$147,281,885	\$2,405,925	0.66	\$98,988	\$4,187,369	64.22	
DANBURY	\$236,705,895	\$458,307,414	\$0	0.52	\$181,307,286	\$89,762,805	0.96	
DAY KIMBALL	\$73,607,702	\$118,492,060	\$751,234	0.62	\$51,268,634	\$28,932,065	0.91	
DEMPSEY	\$142,447,811	\$252,970,913	\$1,195,235	0.56	\$80,391,446	\$53,594,124	1.19	
ESSENT SHARON	\$17,702,683	\$33,183,743	\$102,450	0.53	\$15,535,158	\$6,479,914	0.78	
GREENWICH	\$159,673,556	\$308,115,705	\$1,855,248	0.52	\$119,553,946	\$50,611,072	0.82	
GRIFFIN	\$75,518,264	\$200,365,691	\$129,050	0.38	\$93,650,047	\$34,688,583	0.98	
HARTFORD	\$452,366,512	\$757,095,736	\$139,259	0.60	\$343,952,478	\$229,762,776	1.12	
HUNGERFORD	\$69,956,878	\$112,582,099	\$742,228	0.62	\$54,063,630	\$31,523,627	0.94	
JOHNSON	\$40,074,036	\$98,099,870	\$673,387	0.41	\$44,323,788	\$15,483,193	0.86	
LAWRENCE	\$174,455,680	\$328,732,156	\$301,649	0.53	\$150,363,843	\$65,248,376	0.82	
MANCHESTER	\$110,755,870	\$228,324,883	\$7,328,559	0.47	\$98,052,501	\$38,764,644	0.84	
MIDSTATE	\$106,277,960	\$201,481,574	\$0	0.53	\$90,900,133	\$41,919,588	0.87	
MIDDLESEX	\$169,754,070	\$281,334,884	\$579,007	0.60	\$122,530,206	\$71,540,365	0.97	
MILFORD	\$56,249,979	\$143,295,832	\$208,539	0.39	\$74,867,856	\$22,634,746	0.77	
NEW BRITAIN	\$173,842,554	\$283,936,829	\$2,103,181	0.61	\$129,009,308	\$73,017,653	0.93	
NEW MILFORD	\$52,559,052	\$112,930,370	\$0	0.47	\$53,161,288	\$19,034,034	0.77	
NORWALK	\$187,464,698	\$313,681,912	\$3,121,681	0.59	\$147,521,166	\$78,834,490	0.90	
ROCKVILLE	\$53,395,635	\$118,099,479	\$1,936,414	0.44	\$55,940,569	\$20,039,959	0.81	
ST. FRANCIS	\$352,604,113	\$592,347,036	\$15,362	0.60	\$254,850,820	\$176,762,703	1.17	
ST. MARY'S	\$144,285,237	\$301,913,554	\$2,353,352	0.47	\$134,022,728	\$59,555,347	0.94	
ST. RAPHAEL	\$296,688,200	\$713,186,872	\$0	0.42	\$401,503,725	\$169,099,108	1.01	
ST. VINCENT'S	\$186,234,693	\$334,983,632	\$1,224,276	0.55	\$160,153,955	\$92,010,197	1.04	
SHARON	\$18,884,155	\$30,127,230	\$240,535	0.62	\$14,218,086	\$7,941,057	0.90	
STAMFORD	\$200,068,812	\$385,664,558	\$2,046,202	0.52	\$157,898,675	\$75,795,442	0.93	
WATERBURY	\$165,239,052	\$292,554,207	\$5,720,722	0.55	\$133,362,411	\$70,763,760	0.96	
WINDHAM	\$60,416,073	\$127,152,955	\$0	0.48	\$52,540,900	\$21,419,712	0.86	
YALE-NEW HAVEN	\$559,974,000	\$1,155,284,773	\$3,387,000	0.48	\$402,318,500	\$215,426,000	1.11	
STATEWIDE	\$4,901,972,171	\$9,368,064,566	\$41,796,736	0.52	\$4,011,197,622	\$2,056,538,769	0.98	
MEDIAN				0.53			0.93	

APPENDIX B: RATIO OF COST TO CHARGE DATA

FY2002	Medicaid Charges	Medicaid Payments	Medicaid Ratio of Cost to Charge	Total Non Govt Charges	Total Non Govt Payments	Total Uninsured Charges	Total Uninsured Payments	Private Payt Ratio of Cost to Charge
BACKUS	\$17,528,074	\$5,177,756	0.50	\$109,553,579	\$79,631,299	\$4,311,150	\$1,077,787	1.27
BRADLEY	\$1,962,619	\$944,532	0.71	\$17,834,642	\$12,575,332	\$757,739	\$327,515	1.06
BRIDGEPORT	\$78,057,596	\$23,478,198	0.68	\$182,861,702	\$86,432,650	\$14,948,512	\$856,848	1.14
BRISTOL	\$16,225,482	\$6,272,876	0.82	\$83,688,804	\$44,917,462	\$2,976,559	\$550,059	1.17
CT CHILDREN'S	\$54,904,370	\$33,110,051	0.92	\$91,812,622	\$47,467,216	\$2,406,365	\$1,378,357	0.78
DANBURY	\$30,336,899	\$7,156,068	0.46	\$237,583,970	\$147,457,736	\$13,613,773	\$4,084,132	1.24
DAY KIMBALL	\$13,460,796	\$5,592,554	0.67	\$51,157,082	\$37,622,542	\$1,940,411	\$165,666	1.23
DEMPSEY	\$34,226,765	\$16,974,095	0.88	\$116,458,860	\$62,770,924	\$2,526,330	\$420,677	0.98
ESSENCE SHARON	\$809,615	\$494,032	1.15	\$15,818,571	\$9,454,147	\$985,732	\$285,897	1.16
GREENWICH	\$5,093,811	\$1,255,355	0.48	\$182,479,811	\$112,970,619	\$13,709,398	\$4,203,951	1.25
GRIFFIN	\$16,675,394	\$5,581,275	0.89	\$85,761,898	\$34,606,205	\$3,013,432	\$2,853,597	1.02
HARTFORD	\$79,658,198	\$36,947,864	0.78	\$305,506,344	\$170,223,535	\$26,553,411	\$7,733,229	0.98
HUNGERFORD	\$8,158,587	\$3,004,993	0.60	\$48,163,494	\$33,220,135	\$4,128,760	\$2,209,245	1.14
JOHNSON	\$4,449,912	\$1,323,646	0.73	\$47,485,897	\$21,579,494	\$2,837,120	\$243,004	1.18
LAWRENCE	\$26,110,106	\$10,915,508	0.79	\$136,818,735	\$90,626,602	\$5,444,967	\$0	1.30
MANCHESTER	\$15,748,015	\$5,435,138	0.73	\$109,721,293	\$55,961,038	\$4,880,290	\$481,539	1.13
MIDSTATE	\$18,734,755	\$7,724,440	0.78	\$87,359,511	\$59,887,584	\$5,830,089	\$54,555	1.39
MIDDLESEX	\$21,030,457	\$10,527,404	0.83	\$131,168,658	\$86,329,502	\$7,110,795	\$2,423,160	1.12
MILFORD	\$7,046,507	\$2,390,689	0.87	\$61,210,090	\$30,406,039	\$3,889,223	\$1,661,994	1.28
NEW BRITAIN	\$34,133,513	\$15,177,970	0.73	\$114,526,159	\$74,656,067	\$5,271,745	\$1,248,448	1.11
NEW MILFORD	\$4,578,536	\$1,415,354	0.66	\$54,684,176	\$32,032,731	\$2,383,332	\$594,031	1.29
NORWALK	\$22,082,814	\$9,466,593	0.72	\$136,305,839	\$91,001,286	\$8,860,339	\$1,058,169	1.19
ROCKVILLE	\$7,069,175	\$2,710,576	0.86	\$53,769,154	\$28,708,118	\$2,318,404	\$213,250	1.25
ST. FRANCIS	\$76,603,544	\$36,954,130	0.81	\$242,837,769	\$139,767,799	\$11,741,898	\$1,941,125	1.00
ST. MARY'S	\$44,462,321	\$15,532,037	0.74	\$114,307,160	\$43,778,000	\$9,398,494	\$769,923	0.86
ST. RAPHAEL	\$57,773,697	\$14,729,264	0.61	\$237,294,363	\$106,855,083	\$10,570,131	\$850,476	1.12
ST. VINCENT'S	\$29,213,519	\$14,852,296	0.92	\$137,541,405	\$71,337,531	\$12,934,187	\$1,293,418	1.01
SHARON	\$571,263	\$290,050	0.82	\$14,446,402	\$8,191,788	\$1,142,395	\$155,403	0.97
STAMFORD	\$29,016,757	\$7,877,668	0.53	\$192,990,727	\$101,889,093	\$22,291,736	\$2,409,986	1.13
WATERBURY	\$33,176,675	\$13,919,890	0.76	\$118,317,562	\$63,784,631	\$6,725,869	\$1,986,303	1.00
WINDHAM	\$15,783,565	\$5,766,005	0.77	\$57,384,455	\$30,657,118	\$2,684,202	\$268,420	1.17
YALE-NEW HAVEN	\$183,865,336	\$63,259,624	0.71	\$527,222,000	\$265,521,000	\$20,667,193	\$1,835,868	1.08
STATEWIDE	\$988,548,673	\$386,257,930	0.75	\$4,104,072,734	\$2,282,320,305	\$238,853,982	\$45,636,032	1.11
MEDIAN			0.75					1.14

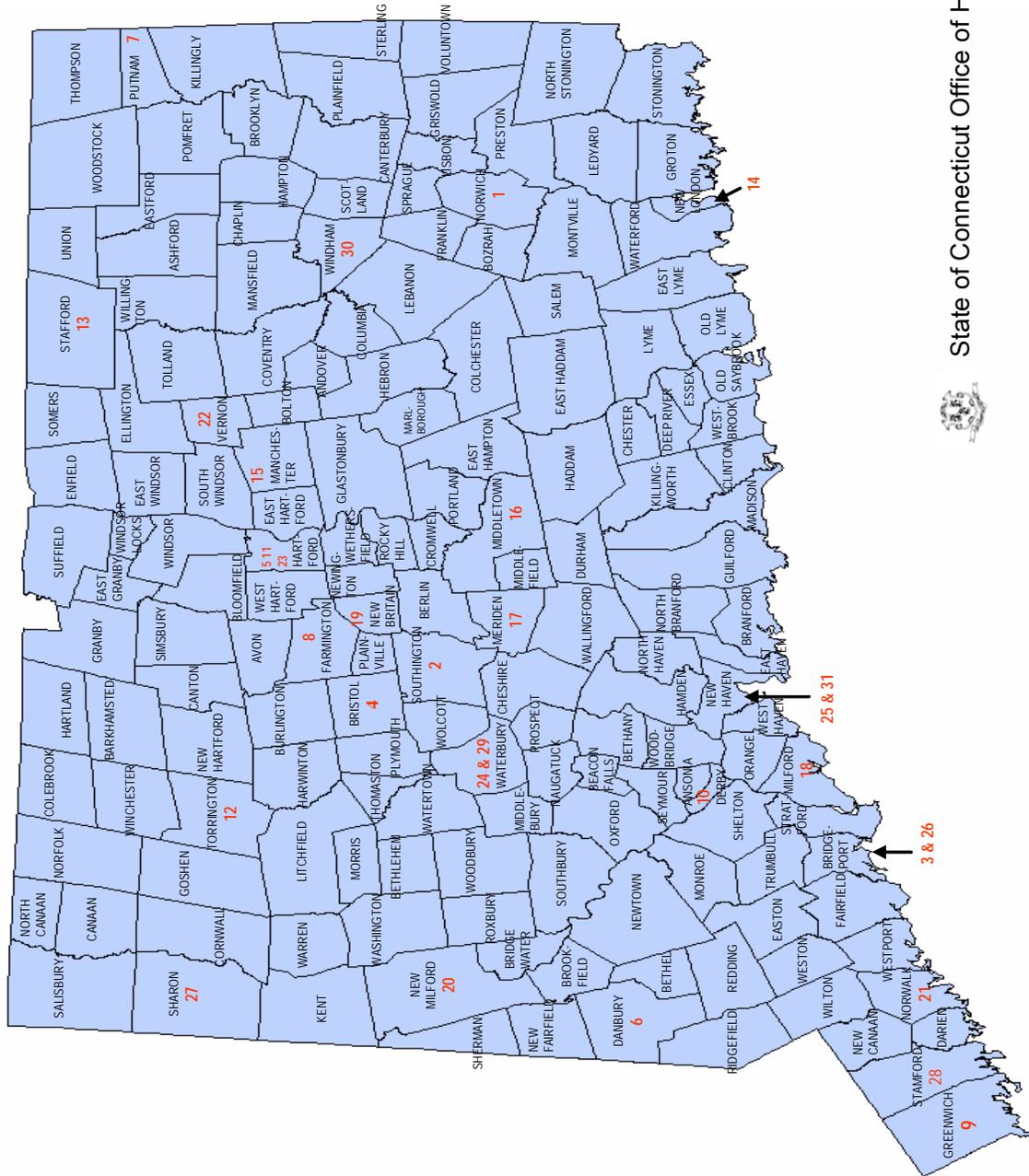
APPENDIX C: UNCOMPENSATED CARE DATA

	Uncompensated Care	Uncompensated Care Cost	Total Expenses	Uncomp as a % of Total Expense
	<i>(Bad Debts + Free Care)</i>	<i>(Bad Debts + Free Care)* RCC</i>	<i>N/A</i>	<i>Uncomp Care Cost/Total Expenses</i>
	<i>OHCA's HBS Schedule UCA</i>	<i>OHCA's HBS Schedule UCA</i>	<i>OHCA's HBS Schedule UCA</i>	<i>OHCA's HBS Schedule UCA</i>
BACKUS	\$6,098,422	\$3,584,045	\$133,777,540	2.68%
BRADLEY	\$633,412	\$428,937	\$30,422,704	1.41%
BRIDGEPORT	\$17,167,224	\$7,642,921	\$213,495,462	3.58%
BRISTOL	\$5,637,253	\$2,657,476	\$88,471,994	3.00%
CT CHILDREN'S	\$2,906,269	\$1,914,397	\$98,601,301	1.94%
DANBURY	\$14,498,621	\$7,488,225	\$236,705,895	3.16%
DAY KIMBALL	\$2,230,985	\$1,377,165	\$73,607,702	1.87%
DEMPSEY	\$3,117,945	\$1,747,457	\$142,447,811	1.23%
ESSENT SHARON	\$1,615,123	\$858,975	\$17,702,683	4.85%
GREENWICH	\$9,505,447	\$4,896,486	\$159,673,556	3.07%
GRIFFIN	\$4,548,888	\$1,713,382	\$75,518,264	2.27%
HARTFORD	\$34,380,785	\$20,538,823	\$452,366,512	4.54%
HUNGERFORD	\$2,220,824	\$1,370,949	\$69,956,878	1.96%
JOHNSON	\$5,450,276	\$2,211,272	\$40,074,036	5.52%
LAWRENCE	\$11,302,668	\$5,992,742	\$174,455,680	3.44%
MANCHESTER	\$4,158,851	\$1,954,638	\$110,755,870	1.76%
MIDSTATE	\$6,847,447	\$3,611,907	\$106,277,960	3.40%
MIDDLESEX	\$6,599,979	\$3,974,168	\$169,754,070	2.34%
MILFORD	\$3,986,345	\$1,562,544	\$56,249,979	2.78%
NEW BRITAIN	\$5,883,394	\$3,575,668	\$173,842,554	2.06%
NEW MILFORD	\$2,066,129	\$961,599	\$52,559,052	1.83%
NORWALK	\$9,945,289	\$5,885,005	\$187,464,698	3.14%
ROCKVILLE	\$1,908,235	\$848,841	\$53,395,635	1.59%
ST. FRANCIS	\$12,535,527	\$7,461,781	\$352,604,113	2.12%
ST. MARY'S	\$10,853,802	\$5,146,940	\$144,285,237	3.57%
ST. RAPHAEL	\$17,787,692	\$7,399,741	\$296,688,200	2.49%
ST. VINCENT'S	\$22,267,120	\$12,334,363	\$186,234,693	6.62%
SHARON	\$1,378,581	\$857,269	\$18,884,155	4.54%
STAMFORD	\$23,548,206	\$12,151,485	\$200,068,812	6.07%
WATERBURY	\$8,122,860	\$4,499,921	\$165,239,052	2.72%
WINDHAM	\$4,182,555	\$1,987,320	\$60,416,073	3.29%
YALE-NEW HAVEN	\$31,037,153	\$14,999,933	\$559,974,000	2.68%
STATEWIDE	\$294,423,307	\$153,636,376	\$4,901,972,171	3.13%
MEDIAN				2.75%

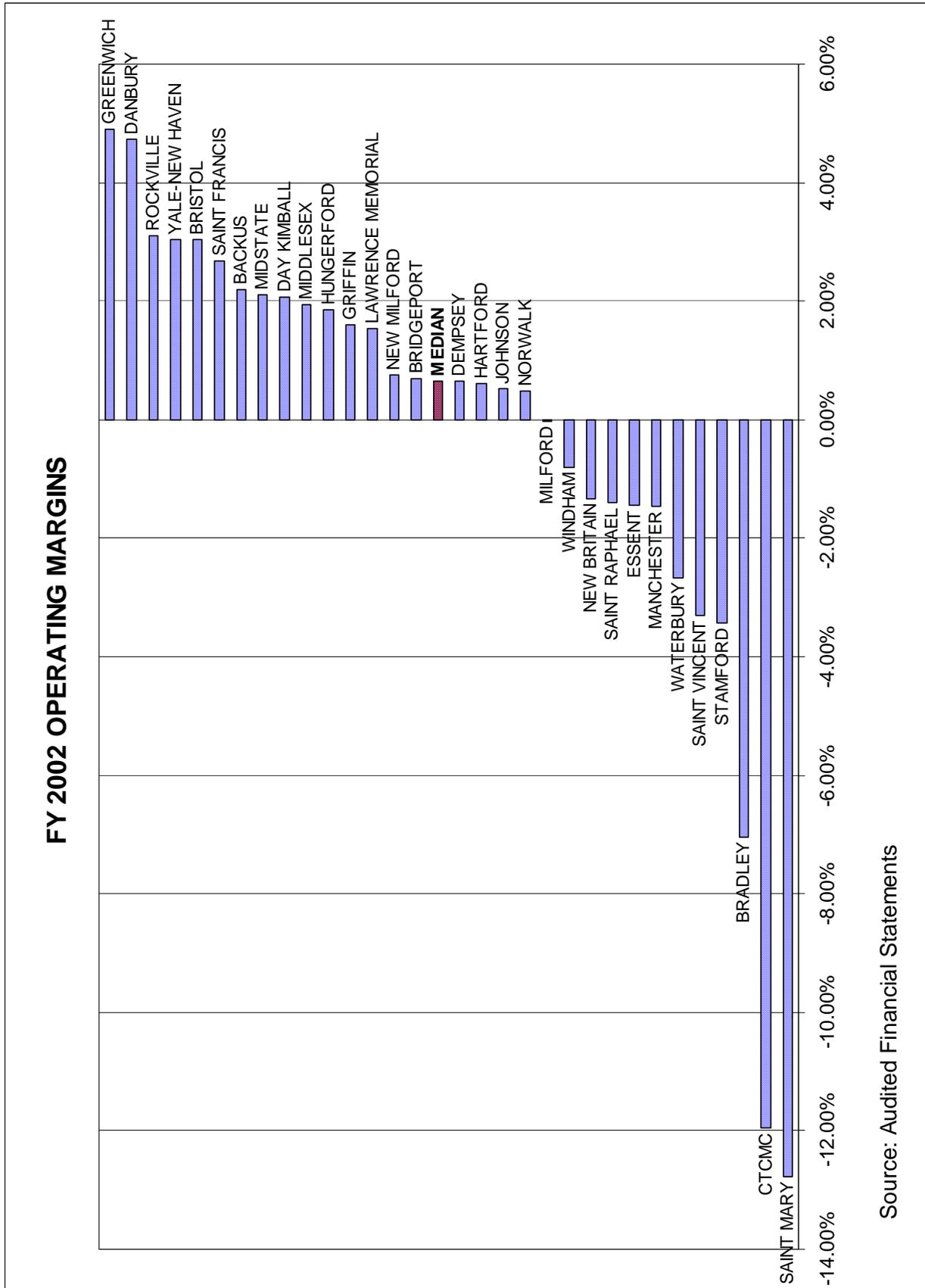
APPENDIX D: HOSPITAL LOCATIONS

Connecticut Acute Care Hospitals and Medical Centers

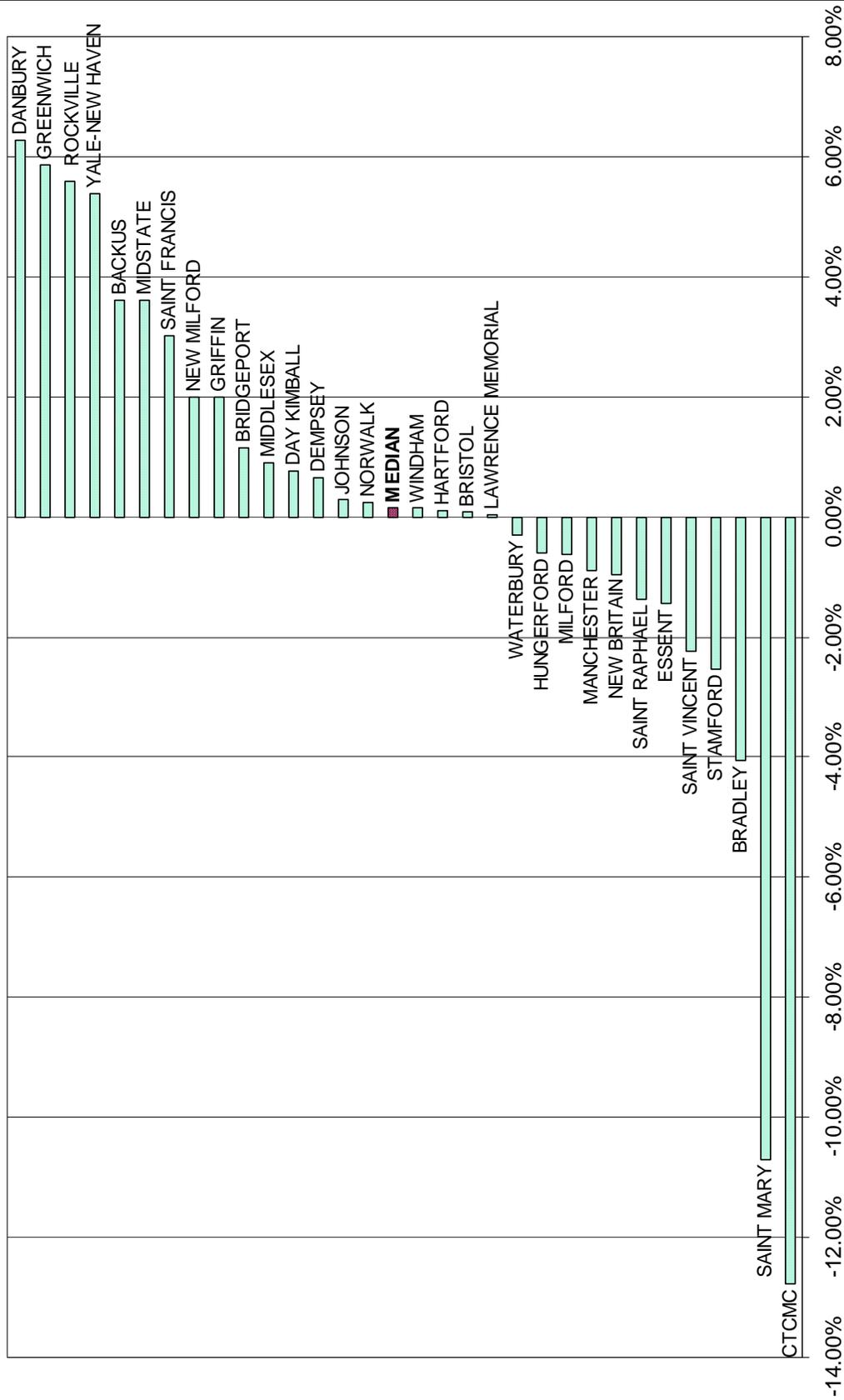
1. William W. Backus Hospital
2. Bradley Memorial Hospital & Medical Center
3. Bridgeport Hospital
4. Bristol Hospital
5. Connecticut Children's Medical Center
6. Danbury Hospital
7. Day Kimball Hospital
8. John Dempsey Hospital
9. Greenwich Hospital
10. Griffin Hospital
11. Hartford Hospital
12. Charlotte Hungerford Hospital
13. Johnson Memorial Hospital
14. Lawrence & Memorial Hospital
15. Manchester Memorial Hospital
16. Middlesex Memorial Hospital
17. MidState Medical Center
18. Milford Hospital
19. New Britain General Hospital
20. New Milford Hospital
21. Norwalk Hospital
22. Rockville General Hospital
23. Saint Francis Hospital & Medical Center
24. Saint Mary's Hospital
25. Hospital of Saint Raphael
26. Saint Vincent's Medical Center
27. Essent-Sharon Hospital
28. Stamford Hospital
29. Waterbury Hospital
30. Windham Community Memorial Hospital
31. Yale-New Haven Hospital



State of Connecticut Office of Health Care Access



FY 2002 TOTAL MARGINS



Source: Audited Financial Statements

STATE OF CONNECTICUT



OFFICE OF HEALTH CARE ACCESS

John G. Rowland
Governor

Christine A. Vogel
Commissioner

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