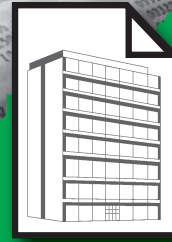


Tennessee Hospital Data



JOINT ANNUAL REPORT OF HOSPITALS

Tennessee Department of Health

Health Statistics

Introduction

Information for *Tennessee Hospital Data* was obtained from summary tabulations of the **Joint Annual Report of Hospitals 2006** (JAR-H). Individual reports are completed each year by the licensed hospitals in Tennessee and returned to the Division of Health Statistics for compilation and review. While the compiled JAR-H for all licensed hospitals is quite detailed, data summarized for this report primarily focuses on trends and changes in short-term nonfederal or general/specialty hospital utilization and finance. Summary data are omitted on hospitals that were open and reporting for a time period of less than one year.

April 2008

In 2006, data reports for a full year were completed and returned by 170 of the 171 hospitals licensed in Tennessee.

The 2006 number of mental health facilities increased over the number for the previous year, while the number of general/specialty hospitals and other long term hospitals remained the same. Beginning in 2004, the 5 federal hospitals located in Tennessee were excluded from the hospital data reports.

The total number of licensed hospitals in Tennessee increased from 167 to 171 over the 10-year period of 1997 through 2006. The number of general/specialty hospitals fluctuated from 128 to 136 during this time, while the number of mental health facilities remained fairly constant. The number of other long term care hospitals showed the greatest change increasing from 13 hospitals in 1997 to 20 hospitals in 2006.



Number of Licensed Hospitals

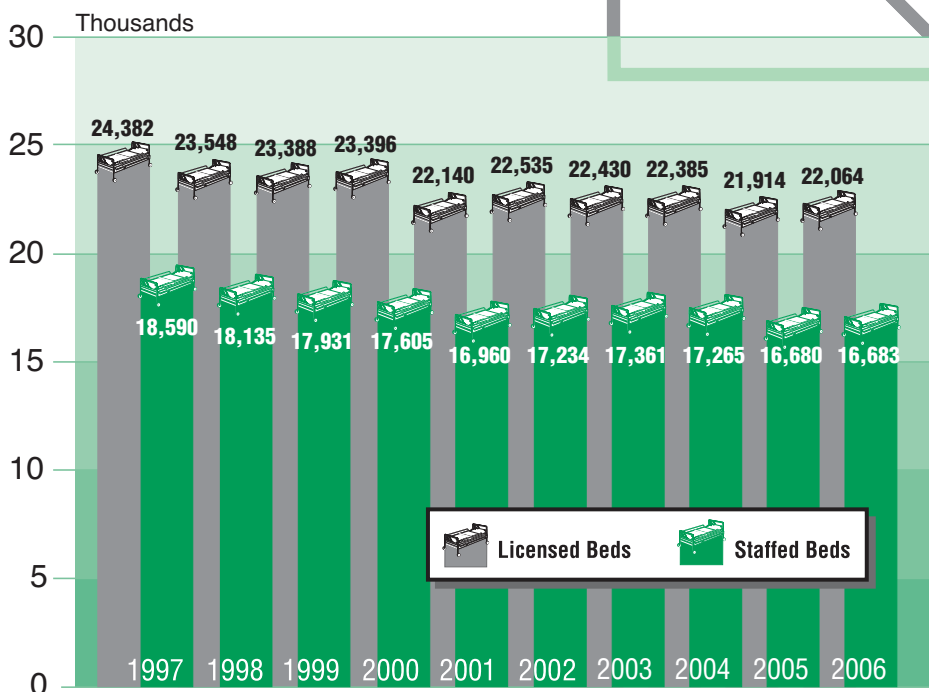
By Type, Tennessee, 1997-2006

	General/Specialty	Mental Health	Federal	Other Long Term	Total
Year					
2006	136	15	-	20	171
2005	136	14	-	20	170
2004	135	14	-	20	169
2003	131	14	5	18	168
2002	129	14	5	19	167
2001	130	15	5	18	168
2000	128	15	4	17	164
1999	130	15	5	16	166
1998	130	15	5	15	165
1997	133	16	5	13	167



The number of both licensed and staffed beds for general/specialty or short-term hospitals decreased from 1997 to 2006. In 1997, there were 24,382 licensed beds for general/specialty hospitals, but this number dropped 9.5 percent to 22,064 in 2006. The number of staffed beds declined 10.3 percent from 18,590 in 1997 to 16,683 in 2006.

Number of Licensed and Staffed Beds General/Specialty Hospitals Tennessee, 1997-2006

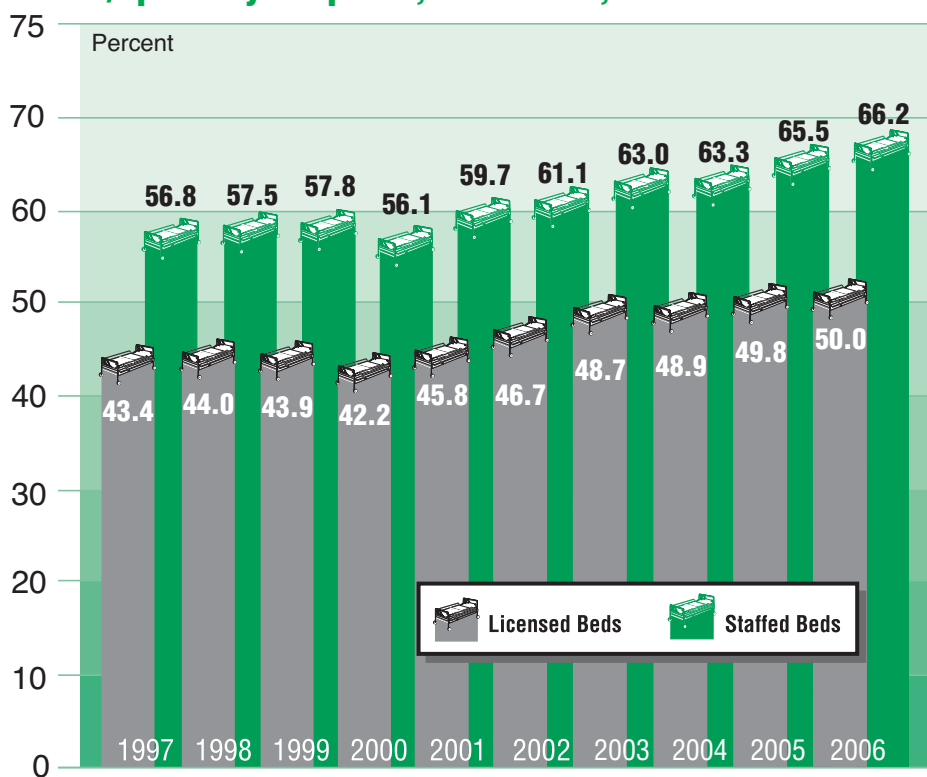


Definitions

Licensed beds - The maximum number of beds authorized by the state licensing agency or regulated by a federal agency. This figure is broken down into adult and pediatric beds and licensed bassinets (neonatal intensive or intermediate care).

Staffed beds - The total number of adult and pediatric beds set up, staffed, and in use at the end of the reporting period. This number should be less than or equal to the number of licensed beds.

Percent Occupancy for Licensed and Staffed Beds General/Specialty Hospitals, Tennessee, 1997-2006



Percent occupancy for Tennessee short-term or general/specialty hospitals based on licensed beds in 2006 was 50.0 and based on staffed beds was 66.2. Overall the occupancy rates generally increased from 1997 to 2006. Utilization of inpatient resources has dropped to a point where many licensed beds are not being staffed, and those that are staffed are being under used. In 2006, only 75.6 percent of licensed beds were being staffed, while in 1997, 76.2 percent of licensed beds were staffed.



Tennessee JAR-H data includes admissions, inpatient days, discharges, and discharge patient days. Admissions are the number of adult and pediatric patients (excluding newborns) admitted to the facility during the reporting period. Inpatient days are the number of adult and pediatric days of care rendered during the entire reporting period. Discharges are the number of adult and pediatric discharges (excluding newborns) plus all deaths. Discharge patient days are the total number of days of care rendered to patients discharged during the reporting period (including days of care rendered prior to the beginning of the reporting period). This figure excludes newborns, but includes neonates, patients in swing beds, and deaths. The number of admissions or discharges increased from 1997 to 2006, while inpatient/discharge days reported for Tennessee's general/specialty hospitals also increased for the same period.

The average daily census is the average number of patients in a facility on any day of the reporting calendar year. The average length of stay is the average number of days of service rendered to each inpatient before discharge from a facility during a given period (usually a calendar year). In 2006, the average daily census for general/specialty hospitals (11,036) was the highest for the period of 1997 to 2006. The average length of stay shows a declining trend during the 10-year period.

Financial data for the period 1997-2006 shows that the total operating cost for general/specialty hospitals increased from \$6,555,087,158 to \$11,440,598,827. The cost per adjusted patient day increased from \$1,120 to \$1,676, and total net revenue increased from \$6,991,067,220 to \$11,994,414,036 over the 10-year period.

Number of Admissions or Discharges and Inpatient/Discharge Days

Tennessee General/Specialty Hospitals, 1997-2006		
Year	Admissions or Discharges	Inpatient/Discharge Days
2006	823,301	4,028,267
2005	812,638	3,986,249
2004	811,329	4,002,381
2003	801,018	3,990,596
2002	773,598	3,841,963
2001	744,197	3,685,157
2000	723,439	3,610,873
1999	737,998	3,737,736
1998	731,622	3,754,897
1997	743,033	3,855,565

Average Daily Census and Average Length of Stay

Tennessee General/Specialty Hospitals, 1997-2006		
Year	Average Daily Census	Average Length of Stay
2006	11,036	4.9
2005	10,921	4.9
2004	10,935	4.9
2003	10,933	5.0
2002	10,526	5.0
2001	10,096	5.0
2000	9,893	5.0
1999	10,240	5.1
1998	10,287	5.1
1997	10,563	5.2

Selected Financial Data

Tennessee General/Specialty Hospitals, 1997-2006			
Year	Total Operating Cost	Cost Per Adjusted Patient Day	Total Net Revenue
2006	\$11,440,598,827	\$1,676	\$11,994,414,036
2005	\$10,753,714,108	\$1,593	\$11,211,079,120
2004	\$10,235,122,024	\$1,482	\$10,625,168,440
2003	\$9,528,218,334	\$1,465	\$10,043,666,940
2002	\$8,921,974,169	\$1,406	\$9,270,867,820
2001	\$8,068,084,635	\$1,258	\$8,318,176,351
2000	\$7,570,803,740	\$1,190	\$7,870,161,877
1999	\$7,157,691,018	\$1,210	\$7,303,644,793
1998	\$6,834,065,402	\$1,171	\$6,956,876,228
1997	\$6,555,087,158	\$1,120	\$6,991,067,220

Operating cost - The monetary expense related to running a facility.

Adjusted patient day - An adjustment of inpatient days to allow production of a measure of gross revenue as a ratio to patient care. Gross patient revenue includes inpatient revenue as well as outpatient and newborn revenue. In order for patient day information to be realistically related to gross revenue, inpatient days are adjusted by applying the ratio of gross revenue to inpatient revenue to the reported inpatient days. This is calculated by multiplying inpatient days by gross patient revenue divided by inpatient revenue.

Net patient revenue - Total gross patient charges minus adjustments to charges.

Total net revenue - Net patient revenue plus revenue from sources other than patient services.



In recent years, the source of revenue for Tennessee hospitals has begun to shift from inpatient to outpatient services. In 2006, hospitals derived 57.8 percent of their net patient revenue from inpatient services and 42.2 percent from outpatient services. For 2005, these percentages were 59.0 and 41.0 respectively. In 2004, the percentage of net patient revenue from inpatient services was 59.9, while the percentage from outpatient services was 40.1. Of the hospitals reporting in 1997, 66 percent of net patient revenue came from inpatient sources. From 1997 to 2006, the percentage of revenue from inpatient services decreased 12 percent, while the percentage of revenue from outpatient services increased 24 percent.

In 2006 net patient revenue from governmental sources constituted 49.0 percent of total net revenue compared to 52.3 percent in 2005 and 51.8 percent in 2004. This percentage was 55.0 percent in 1997. While net patient revenue from government sources remains a major source of revenue for hospitals, it decreased slightly in 2006.

In general, it appears that hospital utilization indicators have remained fairly constant during the most recent time period. At the same time hospital costs have been increasing over

this same time period. Utilization and revenue have accordingly been shifting from inpatient to outpatient sources.

More detailed data on Tennessee hospital statistics and on individual hospitals may be obtained from the Tennessee Department of Health, Division of Health Statistics or by visiting our web site at the address below.

Please visit the Tennessee Department of Health Web site: tennessee.gov/health

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