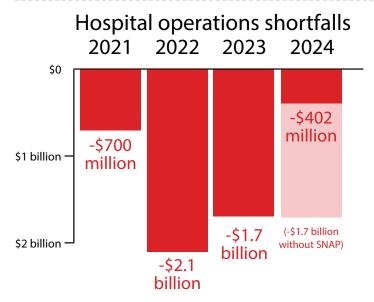


Hospital Finances: Losses from 2021-2024



Growth in expenses: 2021-2024







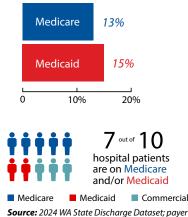


\$473 million in charity care in 2023

Source: WSHA Hospital/Health System Financial Surveys, 2021-2024, representing 97% of licensed beds.

Growth in expenses source: WSHA Hospital/Health System Financial Surveys, 2021–2024. **Charity care source:** 2023 Medicare Cost Reports and DOH Year End Reports for children's hospitals.

Losses/costs not covered



mix by billed charges

0-30 days

31-89 days

Source: WSHA 2024 financial survey, representing 97% of licensed beds. 2023

DOH End of Year and Hospital Compensation Reports used to disaggregate
et; payer salaries into executive and non-executive and inform the proportion of spending on Purchased Services, Leases & Rentals.

What are Washington hospital expenses? Washington hospitals employ 130,000 workers

Salaries & Benefits.

& Rentals, (16%)

Depreciation (3%)

Staff (2%)

Salaries (1%)

200+ days

Traveler/Temporary

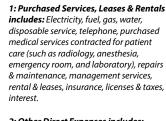
Senior Executive/CEO

Non-Executive (52%)

Supplies/Drugs (16%)

Purchased Services, Leases

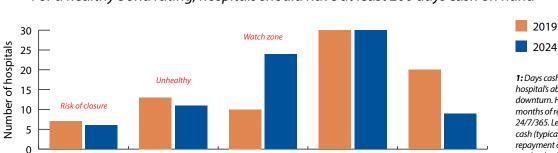
Other Direct Expenses, (11%)



2: Other Direct Expenses includes: Staff recruitment, training cost, dues & subscriptions, travel, amortization of intangible assets, provision for bad debt, blood supplies, information technology -licensing and maintenance, laundry services, internal laboratory services.

Washington hospitals'/health systems' days cash on hand decreasing For a healthy bond rating, hospitals should have at least 200 days cash on hand

121-200 days



90-120 days

Source: WSHA financial survey, Jan. 1-Dec. 31, 2019; Jan. 1-Dec. 31, 2024. Hospital financial information represents 96% of total licensed beds.

1: Days cash on hand is important, as it measures a hospital's ability to operate in an emergency or economic downturn. Hospitals, just like individuals, need at least 3-6 months of reserves to help ensure operations continue 24/7/365. Lenders require a minimum number of days cash (typically 60) in debt covenants and may requirement repayment of debt if cash falls below minimums, which can lead to bankruptcy.