

048 Mercy Health System Corporation
 1000 Mineral Point Ave
 Janesville, WI 53547
 608-756-6000

Fiscal Year: 07/01 to 06/30
 Type: GMS
 General Medical & Surgical
 Control: Other Not-For-Profit

County: Rock
 Analysis Area: Southern (1)
 Volume Group: 7

Selected Utilization Statistics	FY 2006	All GMS Hospitals		Analysis Area 1		Volume Group 7		FY 2006 vs. 2005	
		Value	Ratio	Value	Ratio	Value	Ratio	FY 2005	Ratio
Occupancy Rate (%)									
Adult Medical-Surgical	61.8%	59.2%	1.04	58.1%	1.06	69.4%	0.89	61.9%	1.00
Obstetrics	68.9%	41.5%	1.66	43.1%	1.60	51.3%	1.34	69.3%	0.99
Pediatrics	0.0%	52.2%	N/A	48.9%	N/A	40.6%	N/A	0.0%	N/A
Total Hospital	56.7%	57.2%	0.99	57.8%	0.98	65.1%	0.87	56.3%	1.01
Average Census (Patients)									
Adult Medical-Surgical	50.7	31.4	1.61	31.9	1.59	105.1	0.48	50.8	1.00
Obstetrics	7.6	5.3	1.43	5.0	1.52	16.7	0.45	7.6	0.99
Pediatrics	0.0	2.2	N/A	1.8	N/A	4.0	N/A	0.0	N/A
Total Hospital	94.7	53.6	1.77	55.2	1.72	194.0	0.49	94.1	1.01
Average Length of Stay (Days)									
Adult Medical-Surgical	3.7	3.6	1.02	3.5	1.05	3.8	0.97	3.7	1.00
Obstetrics	2.2	2.4	0.90	1.9	1.14	2.4	0.90	2.2	0.99
Pediatrics	0.0	2.2	N/A	3.1	N/A	2.9	N/A	0.0	N/A
Total Hospital	4.0	4.3	0.92	4.3	0.92	4.7	0.84	4.0	0.98
Surgical Operations									
Inpatient	3,149	1,903	1.65	1,703	1.85	7,008	0.45	3,165	0.99
Outpatient	5,490	4,240	1.29	5,219	1.05	12,695	0.43	8,808	0.62
Inpatient as % of All Surgeries	36.5%	31.0%	1.18	24.6%	1.48	35.6%	1.02	26.4%	1.38
Outpatient Visits									
Non-Emergency Visits	867,797	89,386	9.71	124,955	6.94	291,470	2.98	946,924	0.92
Emergency Visits	29,020	15,537	1.87	15,019	1.93	38,407	0.76	33,149	0.88
Full-Time Equivalents (FTEs)									
Administrators	44.4	17.1	2.59	15.6	2.84	44.5	1.00	31.0	1.43
Nurses, Licensed	398.5	180.9	2.20	193.9	2.06	623.4	0.64	426.1	0.94
Ancillary Nursing Personnel	59.3	35.0	1.69	33.7	1.76	122.5	0.48	63.1	0.94
All Other Personnel	1,428.0	419.6	3.40	519.4	2.75	1,378.7	1.04	1,554.5	0.92
Total FTEs	1,930.1	652.6	2.96	762.7	2.53	2,169.1	0.89	2,074.7	0.93
FTEs per 100 Patient Census (Adjusted)									
Administrators	24.1	16.6	1.45	12.7	1.90	13.3	1.81	16.1	1.50
Nurses, Licensed	216.6	175.7	1.23	157.8	1.37	185.8	1.17	220.9	0.98
Ancillary Nursing Personnel	32.2	34.0	0.95	27.4	1.18	36.5	0.88	32.7	0.98
All Other Personnel	776.0	407.4	1.90	422.8	1.84	410.9	1.89	805.7	0.96
Total FTEs	1,048.9	633.7	1.66	620.7	1.69	646.4	1.62	1,075.4	0.98

Total Hospital:
 Beds Set Up & Staffed 167
 Discharges 8,710
 Inpatient Days 34,555

Contract with:
 Health Maintenance Organization (HMO) Yes
 Preferred Provider Organization (PPO) Yes

Medicare-certified Swing Beds:
 Beds Set Up & Staffed
 Discharges 0
 Inpatient Days 0

Newborn Nursery:
 Bassinets 24
 Total Births 1,250
 Newborn Days 2,562

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Inpatient Service Area	Level of Service*	Beds Set Up & Staffed 06/30/2006	Discharges & Transfers**	Patient Days of Care	Occupancy Rate (%)	Average Census (Patients)	Average Length of Stay (Days)
General Medical-Surgical							
Adult Medical-Surgical, Acute	1	82	5,037	18,498	61.8%	50.7	3.7
Orthopedic	1	24	1,172	4,073	46.5%	11.2	3.5
Rehabilitation & Physical Medicine	1	14	149	1,888	36.9%	5.2	12.7
Hospice	2	0	0	0	0.0%	0.0	0.0
Acute Long-Term Care	4	0	0	0	0.0%	0.0	0.0
Other Acute	5	0	0	0	0.0%	0.0	0.0
Pediatric, acute	2	0	0	0	0.0%	0.0	0.0
Obstetrics	1	11	1,278	2,767	68.9%	7.6	2.2
Psychiatric	1	12	523	2,143	48.9%	5.9	4.1
Alcoholism/chemical dependency	2	0	0	0	0.0%	0.0	0.0
ICU/CCU							
Medical-Surgical Intensive Care	2	0	0	0	0.0%	0.0	0.0
Cardiac Intensive Unit	2	0	0	0	0.0%	0.0	0.0
Pediatric Intensive Care	2	0	0	0	0.0%	0.0	0.0
Burn Care	4	0	0	0	0.0%	0.0	0.0
Mixed Intensive Care	1	14	194	3,160	61.8%	8.7	16.3
Step-Down (Special Care)	1	10	357	2,026	55.5%	5.6	5.7
Neonatal Intensive/Intermediate Care	4	0	0	0	0.0%	0.0	0.0
Other Intensive Care	5	0	0	0	0.0%	0.0	0.0
Subacute care	3	0	0	0	0.0%	0.0	0.0
Other inpatient	5	0	0	0	0.0%	0.0	0.0

Note: data should be used only in rows; do not summarize columns.

* 1 = Provided-Distinct Unit, 2 = Provided-Not Distinct Unit, 3 = Available in Network
4 = Contracted, 5 = Service Not Provided

** Transfers, which may be estimated, refer only to those between units.

Occupation	Number Full-Time	Number Part-Time	Number FTE	Occupation	Number Full-Time	Number Part-Time	Number FTE
Administrators/Assistant Administrators	40	10	44.4	Radiological Services Personnel	21	47	37.2
Physicians & Dentists	126	26	139.3	Respiratory Therapists	12	7	15.0
Medical & Dental Residents	20	2	20.0	Occupational Therapists	6	17	11.7
Registered Nurses	241	259	365.5	Occupational Therapy Assistants/Aides	2	3	3.3
Certified Nurse Midwives	0	0	0.0	Physical Therapists	13	6	16.0
Licensed Practical Nurses	15	17	25.2	Physical Therapy Assistants/Aides	6	8	9.7
Ancillary Nursing Personnel	26	97	59.3	Recreational Therapists	0	0	0.0
Physician Assistants	12	9	12.5	Dietitians & Nutritionists	1	6	5.3
Nurse Practitioners	6	3	7.9	Psychologists	1	3	2.7
Medical Records Personnel	12	1	12.0	Social Workers	7	4	8.9
Pharmacy Personnel	27	46	42.4	All Other Health Professionals	271	249	367.7
Clinical Laboratory Personnel	22	4	23.8	All Other Personnel	573	305	680.8
Surgical Personnel	18	4	19.9				
				Total	1,478	1,133	1,930.1

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Selected Financial Statistics	FY 2006	All GMS Hospitals		Analysis Area		Volume Group		FY 2006 vs. 2005		
		Value	Ratio	Value	Ratio	Value	Ratio	FY 2005	Ratio	
Gross Revenue as % of Total Gross Patient Revenue										
Medicare	\$130,668,078	39.9%	41.4%	0.96	38.5%	1.04	41.2%	0.97	37.7%	1.06
Medical Assistance	\$34,771,207	10.6%	10.3%	1.03	8.2%	1.29	10.4%	1.02	10.0%	1.06
Commercial	\$145,346,129	44.4%	41.8%	1.06	46.1%	0.96	41.2%	1.08	47.0%	0.94
All Other	\$16,698,645	5.1%	6.5%	0.78	7.2%	0.71	7.1%	0.72	5.3%	0.96
Deductions as % of Total Gross Patient Revenue										
Medicare	\$83,155,267	25.4%	25.6%	0.99	22.5%	1.13	25.9%	0.98	23.4%	1.09
Medical Assistance	\$29,668,416	9.1%	7.7%	1.18	6.2%	1.46	7.8%	1.16	7.9%	1.15
Commercial	\$41,576,791	12.7%	10.6%	1.20	12.5%	1.02	11.3%	1.12	12.9%	0.98
Charity Care	\$5,709,209	1.7%	1.6%	1.09	1.8%	0.97	1.8%	0.97	1.7%	1.00
All Other	\$3,017,414	0.9%	1.4%	0.66	1.9%	0.48	1.6%	0.58	0.6%	1.60
Total Deductions	\$163,127,097	49.8%	47.0%	1.06	45.0%	1.11	48.5%	1.03	46.5%	1.07
Other Revenue & Net Gains or Losses										
Other Revenue as % of Total Revenue		48.0%	4.5%	10.67	8.5%	5.65	5.3%	9.06	46.0%	1.04
Net Gains/Losses as % of Net Income		-2.0%	20.7%	N/A	26.0%	N/A	18.3%	N/A	6.9%	N/A
Expenses as % of Total Expenses										
Salary/Fringe Benefits	\$86,693,242	28.9%	47.5%	0.61	49.7%	0.58	45.7%	0.63	28.6%	1.01
Supplies & Services	\$190,264,053	63.5%	40.1%	1.58	39.5%	1.61	42.9%	1.48	64.2%	0.99
Capital Component	\$14,317,031	4.8%	9.0%	0.53	8.0%	0.60	7.9%	0.60	4.7%	1.01
Bad Debt	\$8,319,378	2.8%	3.5%	0.79	2.8%	0.99	3.5%	0.79	2.5%	1.10
Fiscal Statistics										
Operating Margin (%)		5.2%	5.9%	0.89	7.0%	0.75	5.7%	0.92	5.3%	0.98
Total Hospital Net Income (%)		5.1%	7.3%	0.70	9.2%	0.56	6.9%	0.74	5.7%	0.90
Return on Equity (%)		6.0%	6.1%	0.98	7.8%	0.77	6.1%	0.98	7.1%	0.84
Current Ratio		2.0	3.0	0.66	2.5	0.79	2.9	0.68	1.9	1.03
Days in Net Patient Accounts Receivable		58.0	51.6	1.12	46.9	1.24	46.7	1.24	109.1	0.53
Average Payment Period		53.4	51.3	1.04	50.3	1.06	51.3	1.04	46.7	1.14
Equity Financing (%)		34.8%	60.2%	0.58	51.0%	0.68	60.4%	0.58	31.3%	1.11
Long-Term Debt to Equity Ratio		1.0	0.4	2.38	0.7	1.36	0.4	2.38	1.2	0.80
Times Interest Earned		5.2	6.1	0.85	7.5	0.69	7.0	0.74	6.1	0.85
Total Asset Turnover		1.2	0.8	1.46	0.8	1.46	0.9	1.30	1.2	0.94
Average Age of Plant (Years)		12.6	8.6	1.47	9.4	1.34	9.9	1.27	11.5	1.09
Increase (Decrease) Total Net Patient Revenue		-1.6%	6.2%	N/A	9.2%	N/A	5.7%	N/A	8.5%	N/A
Outpatient Gross Revenue (% of Total GPR)		48.6%	48.0%	1.01	47.1%	1.03	42.2%	1.15	51.2%	0.95
Net Revenue Statistics										
Inpatient Net Revenue per Discharge		\$9,420	\$10,323	0.91	\$11,083	0.85	\$11,980	0.79	\$9,063	1.04
Inpatient Net Revenue per Day		\$2,374	\$2,382	1.00	\$2,562	0.93	\$2,574	0.92	\$2,249	1.06
Outpatient Net Revenue per Visit		\$92	\$450	0.20	\$335	0.27	\$413	0.22	\$92	1.00

Income Statement		Assets		Liabilities & Fund Balances	
Gross Patient Revenue (GPR)	\$327,484,059	Cash & Cash Equivalents	\$17,177,179	Current Liabilities	\$42,577,127
Less Deductions	\$163,127,097	Net Patient Receivables	\$26,115,234	Long-Term Debt	\$89,592,502
Net Patient Revenue	\$164,356,962	Other Receivables	\$29,182,721	Other Liabilities	\$44,225,738
Plus Other Revenue	\$151,750,791			Subtotal	\$176,395,367
Total Revenue	\$316,107,753	Land, Buildings & Equipment (Net)	\$134,054,237	Unrestricted Fund Balance	\$94,100,574
Less Expenses	\$299,593,704	Other Assets	\$63,966,570	Restricted Fund Balance	\$0
Non-Operating Gains/Losses	-\$320,868			Total Liabilities & Fund Balance	\$270,495,941
Net Income	\$16,193,181	Total Assets	\$270,495,941		