

Report 1



**Governor's Health Summit - Finance Subcommittee**

**UNCOMPENSATED CARE GROSS PATIENT BILLINGS, COSTS AND REVENUE FUNDING THOSE COSTS**

**UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER CLINICAL OPERATIONS**

Uncompensated care is defined as those patients who qualify for charity care and/or cannot be identified with a payor source

|   | <b>Fiscal Year<br/>Ending 2011<br/>Amount</b> | <b>Fiscal Year<br/>Ending 2012<br/>Amount</b> | <b>Fiscal Year<br/>Ending 2013<br/>Amount</b> |
|---|---|---|---|
| <b>Uncompensated Care Gross Billings</b>                    |   |   |   |
| Charity Care - Bernalillo Gross Billings                    | \$ 262,390,944                                | \$ 279,531,098                                | \$ 283,596,688                                |
| Charity Care - Out of County Gross Billings                 | 38,882,689                                    | 36,035,840                                    | 42,420,116                                    |
| Uninsured Gross Billings - Bernalillo                       | 64,098,170                                    | 87,438,303                                    | 97,048,985                                    |
| Uninsured Gross Billings - Out of County                    | 36,453,158                                    | 46,524,363                                    | 58,329,951                                    |
| <b>Total Uncompensated Care Gross Billings</b>              | <b>\$ 401,824,961</b>                         | <b>\$ 449,529,604</b>                         | <b>\$ 481,395,740</b>                         |
| <b>Uncompensated Care Cost</b>                              |   |   |   |
| Charity Care - Bernalillo Cost of Care                      | \$ 129,621,754                                | \$ 138,129,564                                | \$ 140,655,449                                |
| Charity Care - Out of County Cost of Care                   | 19,312,815                                    | 18,073,689                                    | 21,708,404                                    |
| Uninsured Cost of Care - Bernalillo                         | 31,444,560                                    | 42,626,106                                    | 48,411,428                                    |
| Uninsured Cost of Care - Out of County                      | 17,913,828                                    | 22,779,079                                    | 30,881,066                                    |
| <b>Total Uncompensated Care Cost</b>                        | <b>\$ 198,292,957</b>                         | <b>\$ 221,608,438</b>                         | <b>\$ 241,656,347</b>                         |
| <b>Revenue Available to Offset Uncompensated Cost</b>       |   |   |   |
| Charity Care - Bernalillo Collections                       | \$ 941,662                                    | \$ 892,459                                    | \$ 1,090,194                                  |
| Charity Care - Out-of-County Collections                    | 2,169,053                                     | 3,856,532                                     | 1,638,531                                     |
| Out-Of-County Indigent Fund                                 | 1,116,700                                     | 949,200                                       | 664,400                                       |
| Uninsured Collections - Bernalillo                          | 7,634,361                                     | 8,134,074                                     | 8,668,482                                     |
| Uninsured Collections - Out of County                       | 6,752,550                                     | 4,254,979                                     | 5,411,334                                     |
| Net Bernalillo County Mil Levy Revenue                      | \$89,315,995 *                                | \$90,165,589 *                                | \$91,229,145 *                                |
| Net Sandoval County Mil Levy Revenue                        | -   | -   | \$20,832,519 **                               |
| Medicare Disproportionate Share Funding                     | 12,914,414                                    | 13,722,310                                    | 12,902,532                                    |
| Medicaid Disproportionate Share Funding                     | 22,260,871                                    | 22,695,209                                    | 23,359,625                                    |
| <b>Total Revenue Available to Offset Uncompensated Cost</b> | <b>\$ 143,105,606</b>                         | <b>\$ 144,670,352</b>                         | <b>\$ 165,796,762</b>                         |
| <b>Uncompensated Care Cost Gap</b>                          | <b>\$ 55,187,351</b>                          | <b>\$ 76,938,086</b>                          | <b>\$ 75,859,585</b>                          |

\*The Bernalillo County Mil Levy income is treated here as a "direct revenue" to offset uncompensated care, in order to show a conservative calculation of the uncompensated patient care cost gap. However, the Lease Agreement for Operation and Lease of County Healthcare Facilities between the Board of County Commissioners of the County of Bernalillo and the Regents of the University of New Mexico clearly states in section VI. OBLIGATIONS OF THE COUNTY, A. "The County will exercise its constitutional and statutory powers as authorized by the Hospital Funding Act to provide the University the Hospital Mil Levy and the Mental Health Center Mil Levy support authorized by the Bernalillo County electorate in the November 1992 general election for operation and maintenance of the Hospital/Mental Health Center. During the term of this agreement, and to the extent of its authority, the County will continue to impose the Hospital Mill Levy and the Mental Health Center Mill Levy (to the extent authorized by the electorate), segregate all taxes collected thereunder together with all sums received by it for operation and maintenance of the Hospital/Mental Health Center, whether by appropriation, taxation, grant, donation or otherwise, and pay all such revenues over to the University."

\*\*The Sandoval County Mil Levy income is treated here as a "direct revenue" to offset uncompensated care, in order to show a conservative calculation of the uncompensated patient care cost gap.