



American Hospital
Association

Hospital Facts to Know

Services

- More than 35 million patients are admitted to the hospital each year.
- Hospitals treat more than 127 million patients in their emergency departments and provide care to more than 514 million other outpatients each year.
- Hospitals deliver 4 million babies each year.
- In 2009, hospitals provided care at a cost of more than \$39 billion of care for which no payment was received.

Contribution to the Economy

- Hospitals employ more than 5.4 million people.
- Behind restaurants, hospitals are the second largest private sector employer.
- When also accounting for hospital purchases of goods and services from other businesses, hospitals support nearly one of every 9 jobs in the U.S and more than \$2 trillion dollars of economic activity.

Finances

- One-third of hospitals lose money on operations.
- Hospital operating margins were 4.4% in 2009, up from 2008 but about the same as in 2007, prior to the recession.

Payment for Medicare and Medicaid Services

- Together Medicare and Medicaid represent 56% of care provided by hospitals.
- Medicare payment falls short of the cost of caring for Medicare patients.
 - ✓ Medicare pays only 90 cents for each dollar spent caring for Medicare patients.
 - ✓ 60% of hospitals are paid less than the costs of services provided to Medicare patients.
 - ✓ The Medicare funding shortfall for hospital care exceeds \$25 billion dollars.
- Medicaid payment falls short of the cost of caring for Medicaid patients.
 - ✓ Hospitals receive an average of 89 cents for each dollar spent caring for Medicaid patients.
 - ✓ 70% of hospitals are paid less than the costs of services to Medicaid patients.
 - ✓ The Medicaid funding shortfall for hospital care exceeds \$11 billion dollars.