

ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILE 8672
2191 SCOMM 86: HEALTH RESOURCES & ACCESS TASK FORCE, 1991-93

209

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

6	7	8	9	10
36	37	32	25	24
VALLEY HOSPITAL	KETCHIKAN GENL (CLF)	SEWARD GENERAL	KODIAK ISLAND (CLF)	SITKA COMMUNITY

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	36	37	32	25	24
potential utilization days	13,140	13,505	11,680	9,125	8,760
actual utilization	6,557	5,959	1,333	3,946	2,539
occupancy rate	49.90%	44.12%	11.41%	43.24%	28.98%
national occupancy rate (AHA 89)	40.60%	40.60%	40.60%	40.60%	32.40%
percent of national rate	122.91%	108.68%	28.11%	106.51%	89.46%
beds at national occupancy rate	44	40	9	27	21
utilization at national occupancy rate	5,335	5,483	4,742	3,705	2,838
excess beds	(8)	(3)	23	(2)	3
excess available bed days	(1,222)	(476)	3,409	(241)	299
excess capacity percent of beds	-22.91%	-8.68%	71.89%	-6.51%	10.54%
outpatient visits	12,183	19,319	2,328	4,229	11,280
ratio outpatient visits/inpatient days	1.86	3.24	1.75	1.07	4.44
expenditures	\$10,795,000	\$14,299,525	\$2,558,612	\$7,251,452	\$4,908,279
% expenditures acute care	100%	81%	100%	78%	100%
expenditures for acute care	\$10,795,000	\$11,520,384	\$2,558,612	\$5,669,745	\$4,908,279
% expenditures fixed [a]	10%	10%	10%	10%	10%
item:actual capital/total	10%	6%	6%	3%	10%
item:actual depreciation/total	9%	4%	3%	5%	9%
fixed expenditures	\$1,079,500	\$1,152,038	\$255,861	\$566,975	\$490,828
variable expenditures	\$9,715,500	\$10,368,345	\$2,302,751	\$5,102,771	\$4,417,451
expenditures per inpatient day					
actual: total	\$1,646	\$1,933	\$1,919	\$1,437	\$1,933
fixed	\$165	\$193	\$192	\$144	\$193
variable	\$1,482	\$1,740	\$1,727	\$1,293	\$1,740
at national average occupancy: total	\$1,646	\$1,933	\$1,781	\$1,437	\$1,913
fixed	\$165	\$193	\$54	\$144	\$173
variable	\$1,482	\$1,740	\$1,727	\$1,293	\$1,740
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$0	\$0	\$138	\$0	\$20
total (all inpatient days) [c]	\$0	\$0	\$183,939	\$0	\$51,749
per admission	\$0	\$0	\$458	\$0	\$84
EXCESS BED PREMIUM % of Charge	0.00%	0.00%	7.19%	0.00%	1.05%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

21

15

15

13

8

11
NORTON
SOUND
(CLF)

12
SOUTH
PENINSULA
(CLF)

13
VALDEZ
COMM.

14
CORDOVA
COMM.
(CLF)

15
PETERSBURG
(CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	21	15	15	13	8
potential utilization days	7,665	5,475	5,475	4,745	4,015
actual utilization	1,813	2,211	1,377	718	479
occupancy rate	23.65%	40.38%	25.15%	15.13%	11.93%
national occupancy rate (AHA 89)	32.40%	32.40%	32.40%	32.40%	32.40%
percent of national rate	73.00%	124.64%	77.63%	46.70%	36.82%
beds at national occupancy rate	15	19	12	6	3
utilization at national occupancy rate	2,483	1,774	1,774	1,537	1,301
excess beds	6	(4)	3	7	5
excess available bed days	670	(437)	377	819	822
excess capacity percent of beds	27.00%	34.64%	22.37%	53.30%	63.18%
outpatient visits	3,056	0	9,913	0	6,162
ratio outpatient visits/inpatient days	1.69	0.00	7.20	0.00	12.66
expenditures	\$7,115,296	\$7,191,757	\$1,846,211	\$2,583,678	\$2,469,070
% expenditures acute care	77%	72%	100%	61%	53%
expenditures for acute care	\$5,454,591	\$5,199,780	\$1,846,211	\$1,579,416	\$1,302,625
% expenditures fixed (a)	10%	10%	10%	10%	10%
item: actual capital/total	6%	7%	4%	16%	14%
item: actual depreciation/total	7%	8%	4%	21%	21%
fixed expenditures	\$545,459	\$519,978	\$184,621	\$157,942	\$130,262
variable expenditures	\$4,909,132	\$4,679,802	\$1,661,590	\$1,421,474	\$1,172,362
expenditures per inpatient day					
actual: total	\$3,009	\$2,352	\$1,341	\$2,700	\$2,719
fixed	\$301	\$235	\$134	\$220	\$272
variable	\$2,708	\$2,117	\$1,207	\$1,980	\$2,448
at national average occupancy: total	\$2,927	\$2,352	\$1,311	\$2,083	\$2,548
fixed	\$220	\$235	\$104	\$103	\$100
variable	\$2,708	\$2,117	\$1,207	\$1,980	\$2,448
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day (b)	\$81	(\$0)	\$30	\$117	\$172
total (all inpatient days) (c)	\$147,258	(\$0)	\$41,308	\$84,178	\$82,297
per admission	\$219	(\$0)	ERR	\$304	\$55%
EXCESS BED PREMIUM % of Charge	2.70%	-0.00%	2.24%	5.33%	6.32%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

ACUTE CARE BEDS

9

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

16
WRANGELL
GENL
(CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	9
potential utilization days	3,285
actual utilization	359
	11.48%
occupancy rate	10.93%
national occupancy rate (AHA 89)	32.40%
percent of national rate	33.73%
beds at national occupancy rate	3
utilization at national occupancy rate	1,064
excess beds	6
excess available bed days	705
excess capacity percent of beds	66.27%
outpatient visits	0
ratio outpatient visits/inpatient days	0.00
expenditures	\$2,372,079
% expenditures acute care	59%
expenditures for acute care	\$1,392,414
% expenditures fixed [a]	10%
item:actual capital/total	9%
item:actual depreciation/total	12%
fixed expenditures	\$139,241
variable expenditures	\$1,253,173
expenditures per inpatient day	
actual: total	\$3,879
fixed	\$388
variable	\$3,491
at national average occupancy: total	\$3,622
fixed	\$131
variable	\$3,491
EXCESS BED PREMIUM (ANNUAL)	
per inpatient day [b]	\$257
total (all inpatient days) [c]	\$92,276
per admission	\$756
EXCESS BED PREMIUM % of Charge	6.63%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)AVERAGE
OR
SUMAVERAGE/SUM
NET
ANCH & FRBKSAVERAGE/SUM
ACUTE CARE
FACILITIESAVERAGE/SUM
CO-LOCATED
FACILITIES

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	1,027	695	332	899	128
potential utilization days	375,950	253,675	122,275	328,135	47,815
actual utilization	167,839	125,652	42,187	152,354	15,485
occupancy rate	44.64%	49.53%	34.50%	46.43%	32.39%
national occupancy rate (AHA 89)	58.17%	67.01%	39.84%	61.36%	36.28%
percent of national rate	76.74%	73.92%	86.59%	75.66%	89.26%
beds at national occupancy rate	798	512	285	685	113
utilization at national occupancy rate	218,703	169,984	48,719	201,356	17,348
excess beds	229	183	47	214	15
excess available bed days	50,864	44,332	6,532	49,002	1,863
excess capacity percent of beds	22.31%	26.27%	14.01%	23.81%	11.78%
outpatient visits	431,563	329,679	101,884	398,897	32,666
ratio outpatient visits/inpatient days	2.57	2.62	2.42	2.62	2.11
expenditures	\$296,313,764	\$202,223,011	\$94,090,753	\$253,030,907	\$43,282,857
% expenditures acute care	96%	100%	88%	100%	74%
expenditures for acute care	\$284,839,130	\$202,223,011	\$82,809,424	\$253,030,907	\$32,118,656
% expenditures fixed [a]	15%	15%	15%	15%	15%
item:actual capital/total	11%	12%	8%	12%	7%
item:actual depreciation/total	9%	9%	8%	9%	8%
fixed expenditures	\$42,725,870	\$30,333,452	\$12,421,414	\$37,954,636	\$4,817,798
variable expenditures	\$242,113,261	\$171,889,559	\$70,388,011	\$215,076,271	\$27,300,857
expenditures per inpatient day					
actual: total	\$1,697	\$1,609	\$1,963	\$1,661	\$2,074
fixed	\$255	\$241	\$294	\$249	\$311
variable	\$1,443	\$1,368	\$1,668	\$1,412	\$1,763
at national average occupancy: total	\$1,638	\$1,546	\$1,923	\$1,600	\$2,041
fixed	\$195	\$178	\$255	\$188	\$278
variable	\$1,443	\$1,368	\$1,668	\$1,412	\$1,763
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$59	\$63	\$39	\$61	\$33
total (all inpatient days) [c]	\$8,687,503	\$7,153,406	\$1,534,098	\$8,078,490	\$609,014
per admission	\$223	\$273	\$121	\$235	\$134
EXCESS BED PREMIUM % of Charge	3.05%	3.54%	1.85%	3.19%	1.90%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

ACUTE CARE BEDS	341	238	116	51	46
COMMUNITY HOSPITAL (CO-LOCATED FACILITY)	1 PROVIDENCE	2 HUMANA/ ALASKA	3 FAIRBANKS MEM.	4 BARTLETT MEM.	5 CENTRAL PENINSULA

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	341	238	116	51	46
potential utilization days	124,465	86,870	42,340	18,615	16,790
actual utilization	76,073	29,333	20,246	9,071	5,825
occupancy rate	61.12%	33.77%	47.82%	48.73%	34.69%
national occupancy rate (AHA 89)	69.30%	66.80%	60.70%	53.00%	40.60%
percent of national rate	89.20%	50.55%	78.78%	91.94%	85.45%
beds at national occupancy rate	301	120	91	47	39
utilization at national occupancy rate	86,254	58,029	25,700	9,866	6,817
excess beds	40	118	25	4	7
excess available bed days	10,181	28,696	5,454	795	992
excess capacity percent of beds	11.80%	49.45%	21.22%	8.06%	14.55%
outpatient visits	146,948	67,522	115,209	13,395	20,119
ratio outpatient visits/inpatient days	1.93	2.30	5.69	1.48	3.45
expenditures	\$112,832,871	\$54,553,789	\$34,836,351	\$16,470,474	\$14,229,320
% expenditures acute care	100%	100%	100%	100%	100%
expenditures for acute care	\$112,832,871	\$54,553,789	\$34,836,351	\$16,470,474	\$14,229,320
% expenditures fixed [a]	15%	15%	15%	15%	15%
item:actual capital/total	14%	11%	7%	9%	8%
item:actual depreciation/total	10%	9%	7%	8%	8%
fixed expenditures	\$16,924,931	\$8,183,068	\$5,225,453	\$2,470,571	\$2,134,398
variable expenditures	\$95,907,940	\$46,370,721	\$29,610,898	\$13,999,903	\$12,094,922
expenditures per inpatient day					
actual: total	\$1,483	\$1,860	\$1,721	\$1,816	\$2,443
fixed	\$222	\$279	\$258	\$272	\$366
variable	\$1,261	\$1,581	\$1,463	\$1,543	\$2,076
at national average occupancy: total	\$1,457	\$1,722	\$1,666	\$1,794	\$2,389
fixed	\$196	\$141	\$203	\$250	\$313
variable	\$1,261	\$1,581	\$1,463	\$1,543	\$2,076
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$26	\$138	\$55	\$22	\$53
total (all inpatient days) [c]	\$1,997,778	\$4,046,632	\$1,108,995	\$199,067	\$310,525
per admission	\$139	\$627	\$205	\$74	\$150
EXCESS BED PREMIUM % of Charge	1.77%	7.42%	3.18%	1.21%	2.18%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

36 37 32 25 24
6 7 8 9 10
VALLEY KETCHIKAN SEWARD KODIAK SITKA
HOSPITAL GENL GENERAL ISLAND COMMUNITY
(CLF) (CLF) (CLF) (CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	36	37	32	25	24
potential utilization days	13,140	13,505	11,680	9,125	8,760
actual utilization	6,557	5,959	1,333	3,946	2,539
occupancy rate	49.90%	44.12%	11.41%	43.24%	28.98%
national occupancy rate (AHA 89)	40.60%	40.60%	40.60%	40.60%	32.40%
percent of national rate	122.91%	108.68%	28.11%	106.51%	89.46%
beds at national occupancy rate	44	40	9	27	21
utilization at national occupancy rate	5,335	5,483	4,742	3,705	2,838
excess beds	(8)	(3)	23	(2)	3
excess available bed days	(1,222)	(476)	3,409	(241)	299
excess capacity percent of beds	-22.91%	-8.68%	71.89%	-6.51%	10.54%
outpatient visits	12,183	19,319	2,328	4,229	11,280
ratio outpatient visits/inpatient days	1.86	3.24	1.75	1.07	4.44
expenditures	\$10,795,000	\$14,299,525	\$2,558,612	\$7,251,452	\$4,908,279
% expenditures acute care	100%	81%	100%	78%	100%
expenditures for acute care	\$10,795,000	\$11,520,384	\$2,558,612	\$5,669,745	\$4,908,279
% expenditures fixed [a]	15%	15%	15%	15%	15%
item: actual capital/total	10%	6%	6%	3%	10%
item: actual depreciation/total	9%	4%	3%	5%	9%
fixed expenditures	\$1,619,250	\$1,728,058	\$383,792	\$850,462	\$736,242
variable expenditures	\$9,175,750	\$9,792,326	\$2,174,820	\$4,819,283	\$4,172,037
expenditures per inpatient day					
actual: total	\$1,646	\$1,933	\$1,919	\$1,437	\$1,933
fixed	\$247	\$290	\$288	\$216	\$290
variable	\$1,399	\$1,643	\$1,632	\$1,221	\$1,643
at national average occupancy: total	\$1,646	\$1,933	\$1,712	\$1,437	\$1,903
fixed	\$247	\$290	\$81	\$216	\$259
variable	\$1,399	\$1,643	\$1,632	\$1,221	\$1,643
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$0	(\$0)	\$207	\$0	\$31
total (all inpatient days) [c]	\$0	(\$0)	\$275,908	\$0	\$77,623
per admission	\$0	(\$0)	\$686	\$0	\$125
EXCESS BED PREMIUM % of Charge	0.00%	-0.00%	10.78%	0.00%	1.58%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

D-16

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

21	15	15	13	8
11 NORTON SOUND (CLF)	12 SOUTH PENINSULA (CLF)	13 VALDEZ COMM.	14 CORDOVA COMM. (CLF)	15 PETERSBURG (CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	21	15	15	13	8
potential utilization days	7,665	5,475	5,475	4,745	4,015
actual utilization	1,813	2,211	1,377	718	479
occupancy rate	23.65%	40.38%	25.15%	15.13%	11.93%
national occupancy rate (AHA 89)	32.40%	32.40%	32.40%	32.40%	32.40%
percent of national rate	73.00%	124.64%	77.63%	46.70%	36.82%
beds at national occupancy rate	15	19	12	6	3
utilization at national occupancy rate	2,483	1,774	1,774	1,537	1,301
excess beds	6	(4)	3	7	5
excess available bed days	670	(437)	397	819	822
excess capacity percent of beds	27.00%	-24.64%	22.37%	53.30%	63.18%
outpatient visits	3,056	0	9,913	0	6,062
ratio outpatient visits/inpatient days	1.69	0.00	7.20	0.00	12.66
expenditures	\$7,115,296	\$7,191,757	\$1,846,211	\$2,583,678	\$2,469,070
% expenditures acute care	77%	72%	100%	61%	53%
expenditures for acute care	\$5,454,591	\$5,199,780	\$1,846,211	\$1,579,416	\$1,302,625
% expenditures fixed (a)	15%	15%	15%	15%	15%
item:actual capital/total	6%	7%	4%	16%	14%
item:actual depreciation/total	7%	8%	4%	21%	21%
fixed expenditures	\$818,189	\$779,967	\$276,932	\$236,912	\$195,394
variable expenditures	\$4,636,403	\$4,419,813	\$1,569,279	\$1,342,504	\$1,107,231
expenditures per inpatient day					
actual: total	\$3,009	\$2,352	\$1,341	\$2,200	\$2,719
fixed	\$451	\$353	\$201	\$330	\$408
variable	\$2,557	\$1,999	\$1,140	\$1,870	\$2,312
at national average occupancy: total	\$2,887	\$2,352	\$1,296	\$2,024	\$2,462
fixed	\$329	\$353	\$156	\$154	\$150
variable	\$2,557	\$1,999	\$1,140	\$1,870	\$2,312
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day (b)	\$122	\$0	\$45	\$176	\$258
total (all inpatient days) (c)	\$220,887	\$0	\$61,962	\$126,268	\$123,446
per admission	\$328	\$0	ERR	\$456	\$834
EXCESS BED PREMIUM % of Charge	4.05%	0.00%	3.36%	7.99%	9.48%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

ACUTE CARE BEDS

9

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

16
WRANGELL
GENL
(CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	9
potential utilization days	3,285
actual utilization	359
	11.48%
occupancy rate	10.93%
national occupancy rate (AHA 89)	32.40%
percent of national rate	33.73%
beds at national occupancy rate	3
utilization at national occupancy rate	1,064
excess beds	6
excess available bed days	705
excess capacity percent of beds	66.27%
outpatient visits	0
ratio outpatient visits/inpatient days	0.00
expenditures	\$2,372,079
% expenditures acute care	59%
expenditures for acute care	\$1,392,414
% expenditures fixed [a]	15%
item: actual capital/total	9%
item: actual depreciation/total	12%
fixed expenditures	\$208,862
variable expenditures	\$1,183,552
expenditures per inpatient day	
actual: total	\$3,879
fixed	\$582
variable	\$3,297
at national average occupancy: total	\$3,493
fixed	\$196
variable	\$3,297
EXCESS BED PREMIUM (ANNUAL)	
per inpatient day [b]	\$386
total (all inpatient days) [c]	\$138,413
per admission	\$1,135
EXCESS BED PREMIUM % of Charge	9.94%

Note: Several Facilities have occupancy rates exceeding the national average.

- [a] If more patient days, how much of the costs of the hospital would remain constant--not grow.
- [b] The premium for the average patient day.
- [c] The sum of the premium over all patient days.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)AVERAGE
OR
SUM

ANCH & FRBKS

AVERAGE/SUM
NET
ANCH & FRBKSAVERAGE/SUM
ACUTE CARE
FACILITIESAVERAGE/SUM
CO-LOCATED
FACILITIES

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	1,027	695	332	899	128
potential utilization days	375,950	253,675	122,275	328,135	47,815
actual utilization	167,839	125,652	42,187	152,354	15,485
occupancy rate	44.64%	49.53%	34.50%	46.43%	32.39%
national occupancy rate (AHA 89)	58.17%	67.01%	39.84%	61.36%	36.28%
percent of national rate	76.74%	73.92%	86.59%	75.66%	89.26%
beds at national occupancy rate	798	512	285	685	113
utilization at national occupancy rate	218,703	169,984	48,719	201,356	17,348
excess beds	229	183	47	214	15
excess available bed days	50,864	44,332	6,532	49,002	1,863
excess capacity percent of beds	22.31%	26.27%	14.01%	23.81%	11.78%
outpatient visits	431,563	329,679	101,884	398,897	32,666
ratio outpatient visits/inpatient days	2.57	2.62	2.42	2.62	2.11
expenditures	\$296,313,764	\$202,223,011	\$94,090,753	\$253,030,907	\$43,282,857
% expenditures acute care	96%	100%	88%	100%	74%
expenditures for acute care	\$284,839,130	\$202,223,011	\$82,809,424	\$253,030,907	\$32,118,656
% expenditures fixed [a]	20%	20%	20%	20%	20%
item: actual capital/total	11%	12%	8%	12%	7%
item: actual depreciation/total	9%	9%	8%	9%	8%
fixed expenditures	\$56,967,826	\$40,444,602	\$16,561,885	\$50,606,181	\$6,423,731
variable expenditures	\$227,871,304	\$161,778,409	\$66,247,539	\$202,424,726	\$25,694,925
expenditures per inpatient day					
actual: total	\$1,697	\$1,609	\$1,963	\$1,661	\$2,074
fixed	\$339	\$322	\$393	\$332	\$415
variable	\$1,358	\$1,288	\$1,570	\$1,329	\$1,659
at national average occupancy: total	\$1,618	\$1,525	\$1,910	\$1,580	\$2,030
fixed	\$260	\$238	\$340	\$251	\$370
variable	\$1,358	\$1,288	\$1,570	\$1,329	\$1,659
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$79	\$84	\$53	\$81	\$45
total (all inpatient days) [c]	\$11,583,338	\$9,537,874	\$2,045,464	\$10,771,320	\$812,018
per admission	\$298	\$364	\$161	\$313	\$179
EXCESS BED PREMIUM % of Charge	4.07%	4.72%	2.47%	4.26%	2.53%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

	341	238	116	51	46
1 COMMUNITY HOSPITAL (CO-LOCATED FACILITY)	2 PROVIDENCE	3 HUMANA/ ALASKA	4 FAIRBANKS MEM.	5 BARTLETT MEM.	6 CENTRAL PENINSULA

[1] SURPLUS EXCESS CAPACITY ANALYSIS					
available beds in acute care	341	238	116	51	46
potential utilization days	124,465	86,870	42,340	18,615	16,790
actual utilization	76,073	29,333	20,246	9,071	5,825
occupancy rate	61.12%	33.77%	47.82%	48.73%	34.69%
national occupancy rate (AHA 89)	69.30%	66.80%	60.70%	53.00%	40.60%
percent of national rate	86.20%	50.55%	78.78%	91.94%	85.45%
beds at national occupancy rate	301	120	91	47	39
utilization at national occupancy rate	86,254	58,029	25,700	9,866	6,817
excess beds	40	118	25	4	7
excess available bed days	10,181	28,696	5,454	795	992
excess capacity percent of beds	11.80%	49.45%	21.22%	8.06%	14.55%
outpatient visits	146,948	67,522	115,209	13,395	20,119
ratio outpatient visits/inpatient days	1.93	2.30	5.69	1.48	3.45
expenditures	\$112,832,871	\$54,553,789	\$34,836,351	\$16,470,474	\$14,229,320
% expenditures acute care	100%	100%	100%	100%	100%
expenditures for acute care	\$112,832,871	\$54,553,789	\$34,836,351	\$16,470,474	\$14,229,320
% expenditures fixed [a]	20%	20%	20%	20%	20%
item:actual capital/total	14%	11%	7%	9%	8%
item:actual depreciation/total	10%	9%	7%	8%	8%
fixed expenditures	\$22,566,574	\$10,910,758	\$6,967,270	\$3,294,095	\$2,845,864
variable expenditures	\$90,266,297	\$43,643,031	\$27,869,081	\$13,176,379	\$11,383,456
expenditures per inpatient day					
actual: total	\$1,483	\$1,860	\$1,721	\$1,816	\$2,443
fixed	\$297	\$372	\$344	\$363	\$489
variable	\$1,187	\$1,488	\$1,377	\$1,453	\$1,954
at national average occupancy: total	\$1,448	\$1,676	\$1,648	\$1,786	\$2,372
fixed	\$262	\$188	\$271	\$334	\$417
variable	\$1,187	\$1,488	\$1,377	\$1,453	\$1,954
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$35	\$184	\$73	\$29	\$71
total (all inpatient days) [c]	\$2,663,705	\$5,395,509	\$1,478,661	\$265,422	\$414,033
per admission	\$185	\$836	\$274	\$98	\$200
EXCESS BED PREMIUM % of Charge	2.36%	9.89%	4.24%	1.61%	2.91%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

36 37 32 25 24
6 7 8 9 10
VALLEY KETCHIKAN SEWARD KODIAK SITKA
HOSPITAL GENL GENERAL ISLAND COMMUNITY
(CLF) (CLF) (CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	36	37	32	25	24
potential utilization days	13,140	13,505	11,680	9,125	8,760
actual utilization	6,557	5,959	1,333	3,946	2,539
occupancy rate	49.90%	44.12%	11.41%	43.24%	28.98%
national occupancy rate (AHA 89)	40.60%	40.60%	40.60%	40.60%	32.40%
percent of national rate	122.91%	108.66%	28.11%	106.51%	89.46%
beds at national occupancy rate	44	40	9	27	21
utilization at national occupancy rate	5,335	5,483	4,742	3,705	2,838
excess beds	(8)	(3)	23	(2)	3
excess available bed days	(1,222)	(476)	3,409	(241)	299
excess capacity percent of beds	-22.91%	-8.68%	71.89%	-6.51%	10.54%
outpatient visits	12,183	19,319	2,328	4,229	11,280
ratio outpatient visits/inpatient days	1.86	3.24	1.75	1.07	4.44
expenditures	\$10,795,000	\$14,299,525	\$2,558,612	\$7,251,452	\$4,908,279
% expenditures acute care	100%	81%	100%	78%	100%
expenditures for acute care	\$10,795,000	\$11,520,384	\$2,558,612	\$5,669,745	\$4,908,279
% expenditures fixed [a]	20%	20%	20%	20%	20%
item:actual capital/total	10%	6%	6%	3%	10%
item:actual depreciation/total	9%	4%	3%	5%	9%
fixed expenditures	\$2,159,000	\$2,304,077	\$511,722	\$1,133,949	\$981,656
variable expenditures	\$8,636,000	\$9,216,307	\$2,046,890	\$4,535,796	\$3,926,623
expenditures per inpatient day					
actual: total	\$1,646	\$1,933	\$1,919	\$1,437	\$1,933
fixed	\$329	\$387	\$384	\$287	\$387
variable	\$1,317	\$1,547	\$1,536	\$1,149	\$1,547
at national average occupancy: total	\$1,646	\$1,933	\$1,643	\$1,437	\$1,892
fixed	\$329	\$387	\$108	\$287	\$346
variable	\$1,317	\$1,547	\$1,536	\$1,149	\$1,547
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$0	(\$0)	\$276	(\$0)	\$41
total (all inpatient days) [c]	\$0	(\$0)	\$367,877	(\$0)	\$103,497
per admission	\$0	(\$0)	\$915	(\$0)	\$167
EXCESS BED PREMIUM % of Charge	0.00%	-0.00%	14.38%	-0.00%	2.11%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

21	15	15	13	8
11 NORTON SOUND (CLF)	12 SOUTH PENINSULA (CLF)	13 VALDEZ COMM. (CLF)	14 CORDOVA COMM. (CLF)	15 PETERSBURG (CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	21	15	15	13	8
potential utilization days	7,665	5,475	5,475	4,745	4,015
actual utilization	1,813	2,211	1,377	718	479
occupancy rate	23.65%	40.38%	25.15%	15.13%	11.93%
national occupancy rate (AHA 89)	32.40%	32.40%	32.40%	32.40%	32.40%
percent of national rate	73.00%	124.64%	77.63%	46.70%	36.82%
beds at national occupancy rate	15	19	12	6	3
utilization at national occupancy rate	2,483	1,774	1,774	1,537	1,301
excess beds	6	(4)	3	7	5
excess available bed days	670	(437)	397	819	822
excess capacity percent of beds	27.00%	-24.64%	22.37%	53.30%	63.18%
outpatient visits	3,056	0	9,913	0	6,062
ratio outpatient visits/inpatient days	1.69	0.00	7.20	0.00	12.66
expenditures	\$7,115,296	\$7,191,757	\$1,846,211	\$2,583,678	\$2,469,070
% expenditures acute care	77%	72%	100%	61%	53%
expenditures for acute care	\$5,454,591	\$5,199,780	\$1,846,211	\$1,579,416	\$1,302,625
% expenditures fixed [a]	20%	20%	20%	20%	20%
item:actual capital/total	6%	7%	4%	16%	14%
item:actual depreciation/total	7%	8%	4%	21%	21%
fixed expenditures	\$1,090,918	\$1,039,956	\$369,242	\$315,883	\$260,525
variable expenditures	\$4,363,673	\$4,159,824	\$1,476,969	\$1,263,533	\$1,042,100
expenditures per inpatient day					
actual: total	\$3,009	\$2,352	\$1,341	\$2,200	\$2,719
fixed	\$602	\$470	\$268	\$440	\$544
variable	\$2,407	\$1,881	\$1,073	\$1,760	\$2,176
at national average occupancy: total	\$2,846	\$2,352	\$1,281	\$1,965	\$2,376
fixed	\$439	\$470	\$208	\$205	\$200
variable	\$2,407	\$1,881	\$1,073	\$1,760	\$2,176
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$162	\$0	\$60	\$234	\$344
total (all inpatient days) [c]	\$294,515	\$0	\$82,616	\$168,357	\$164,595
per admission	\$438	\$0	ERR	\$608	\$1,112
EXCESS BED PREMIUM % of Charge	5.40%	0.00%	4.47%	10.66%	12.64%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

9

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

16
WRANGELL
GENL
(CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	9
potential utilization days	3,285
actual utilization	359
	11.48%
occupancy rate	10.93%
national occupancy rate (AHA 89)	32.40%
percent of national rate	33.73%
beds at national occupancy rate	3
utilization at national occupancy rate	1,064
excess beds	6
excess available bed days	705
excess capacity percent of beds	66.27%
outpatient visits	0
ratio outpatient visits/inpatient days	0.00
expenditures	\$2,372,079
% expenditures acute care	59%
expenditures for acute care	\$1,392,414
% expenditures fixed [a]	20%
item: actual capital/total	9%
item: actual depreciation/total	12%
fixed expenditures	\$278,483
variable expenditures	\$1,113,931
expenditures per inpatient day	
actual: total	\$3,879
fixed	\$776
variable	\$3,103
at national average occupancy: total	\$3,365
fixed	\$262
variable	\$3,103
EXCESS BED PREMIUM (ANNUAL)	
per inpatient day [b]	\$514
total (all inpatient days) [c]	\$184,551
per admission	\$1,513
EXCESS BED PREMIUM % of Charge	13.25%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

AVERAGE
OR
SUM

ANCH & FRBKS

AVERAGE/SUM
NET
ANCH & FRBKS

AVERAGE/SUM
ACUTE CARE
FACILITIES

AVERAGE/SUM
CO-LOCATED
FACILITIES

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	1,027	695	332	899	128
potential utilization days	375,950	253,675	122,275	328,135	47,815
actual utilization	167,839	125,652	42,187	152,354	15,485
occupancy rate	44.64%	49.53%	34.50%	46.43%	32.39%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	59.53%	66.04%	46.00%	61.91%	43.18%
beds at national occupancy rate	613	459	154	557	56
utilization at national occupancy rate	281,963	190,256	91,706	246,101	35,861
excess beds	414	236	178	342	72
excess available bed days	114,124	64,604	49,519	93,747	20,376
excess capacity percent of beds	40.35%	33.96%	53.73%	38.09%	56.18%
outpatient visits	431,563	329,679	101,884	398,897	32,666
ratio outpatient visits/inpatient days	2.57	2.62	2.42	2.62	2.11
expenditures	\$296,313,764	\$202,223,011	\$94,090,753	\$253,030,907	\$43,282,857
% expenditures acute care	96%	100%	88%	100%	74%
expenditures for acute care	\$284,839,130	\$202,223,011	\$82,809,424	\$253,030,907	\$32,118,656
% expenditures fixed [a]	10%	10%	10%	10%	10%
item:actual capital/total	11%	12%	8%	12%	7%
item:actual depreciation/total	9%	9%	8%	9%	8%
fixed expenditures	\$28,483,913	\$20,222,301	\$8,280,942	\$25,303,091	\$3,211,866
variable expenditures	\$256,355,217	\$182,000,710	\$74,528,482	\$227,727,816	\$28,906,790
expenditures per acute care inpatient day					
actual: total	\$1,697	\$1,609	\$1,963	\$1,661	\$2,074
fixed	\$170	\$161	\$196	\$166	\$207
variable	\$1,527	\$1,448	\$1,767	\$1,495	\$1,867
at national average occupancy: total	\$1,628	\$1,555	\$1,857	\$1,598	\$1,956
fixed	\$101	\$106	\$90	\$103	\$90
variable	\$1,527	\$1,448	\$1,767	\$1,495	\$1,867
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$69	\$55	\$106	\$63	\$118
total (all inpatient days) [c]	\$10,376,000	\$6,349,994	\$4,026,006	\$8,693,667	\$1,682,334
per admission	\$267	\$242	\$317	\$253	\$370
EXCESS BED PREMIUM % of Charge	3.64%	3.14%	4.86%	3.44%	5.24%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS	341	238	116	51	46
COMMUNITY HOSPITAL (CO-LOCATED FACILITY)	1 PROVIDENCE	2 HUMANA/ ALASKA	3 FAIRBANKS MEM.	4 BARTLETT MEM.	5 CENTRAL PENINSULA

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	341	238	116	51	46
potential utilization days	124,465	86,870	42,340	18,615	16,790
actual utilization	76,073	29,333	20,246	9,071	5,825
occupancy rate	61.12%	33.77%	47.82%	48.73%	34.69%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	81.49%	45.02%	63.76%	64.97%	46.26%
beds at national occupancy rate	278	107	74	33	21
utilization at national occupancy rate	93,349	65,153	31,755	13,961	12,593
excess beds	63	131	42	18	25
excess available bed days	17,276	35,820	11,509	4,890	6,768
excess capacity percent of beds	18.51%	54.98%	36.24%	35.03%	53.74%
outpatient visits	146,948	67,522	115,209	13,395	20,119
ratio outpatient visits/inpatient days	1.93	2.30	5.69	1.48	3.45
expenditures	\$112,832,871	\$54,553,789	\$34,836,351	\$16,470,474	\$14,229,320
% expenditures acute care	100%	100%	100%	100%	100%
expenditures for acute care	\$112,832,871	\$54,553,789	\$34,836,351	\$16,470,474	\$14,229,320
% expenditures fixed [a]	10%	10%	10%	10%	10%
item:actual capital/total	14%	11%	7%	9%	8%
item:actual depreciation/total	10%	9%	7%	8%	8%
fixed expenditures	\$11,283,287	\$5,455,379	\$3,483,635	\$1,647,047	\$1,422,932
variable expenditures	\$101,549,584	\$49,098,410	\$31,352,716	\$14,823,427	\$12,806,388
expenditures per acute care inpatient					
actual: total	\$1,483	\$1,860	\$1,721	\$1,816	\$2,443
fixed	\$148	\$186	\$172	\$182	\$244
variable	\$1,335	\$1,674	\$1,549	\$1,634	\$2,199
at national average occupancy: total	\$1,456	\$1,758	\$1,658	\$1,752	\$2,312
fixed	\$121	\$84	\$110	\$118	\$113
variable	\$1,335	\$1,674	\$1,549	\$1,634	\$2,199
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$27	\$102	\$62	\$64	\$131
total (all inpatient days) [c]	\$2,088,161	\$2,999,255	\$1,262,578	\$576,916	\$764,716
per admission	\$145	\$465	\$234	\$213	\$369
EXCESS BED PREMIUM % of Charge	1.85%	5.50%	3.62%	3.50%	5.37%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

6	7	8	9	10
36	37	32	25	24
VALLEY HOSPITAL	KETCHIKAN GENL (CLF)	SEWARD GENERAL	KODIAK ISLAND (CLF)	SITKA COMMUNITY

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	36	37	32	25	24
potential utilization days	13,140	13,505	11,680	9,125	8,760
actual utilization	6,557	5,959	1,333	3,946	2,539
occupancy rate	49.90%	44.12%	11.41%	43.24%	28.98%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	66.53%	58.83%	15.22%	57.66%	38.65%
beds at national occupancy rate	24	22	5	14	9
utilization at national occupancy rate	9,855	10,129	8,760	6,844	6,570
excess beds	12	15	27	11	15
excess available bed days	3,298	4,170	7,427	2,898	4,031
excess capacity percent of beds	33.47%	41.17%	84.78%	42.34%	61.35%
outpatient visits	12,183	19,319	2,328	4,229	11,280
ratio outpatient visits/inpatient days	1.86	3.24	1.75	1.07	4.44
expenditures	\$10,795,000	\$14,299,525	\$2,558,612	\$7,251,452	\$4,908,279
% expenditures acute care	100%	81%	100%	78%	100%
expenditures for acute care	\$10,795,000	\$11,520,384	\$2,558,612	\$5,669,745	\$4,908,279
% expenditures fixed [a]	10%	10%	10%	10%	10%
item:actual capital/total	10%	6%	6%	3%	10%
item:actual depreciation/total	9%	4%	3%	5%	9%
fixed expenditures	\$1,079,500	\$1,152,038	\$255,861	\$566,975	\$490,828
variable expenditures	\$9,715,500	\$10,368,345	\$2,302,751	\$5,102,771	\$4,417,451
expenditures per acute care inpatient					
actual: total	\$1,646	\$1,933	\$1,919	\$1,437	\$1,933
fixed	\$165	\$193	\$192	\$144	\$193
variable	\$1,482	\$1,740	\$1,727	\$1,293	\$1,740
at national average occupancy: total	\$1,591	\$1,854	\$1,757	\$1,376	\$1,815
fixed	\$110	\$114	\$29	\$83	\$75
variable	\$1,482	\$1,740	\$1,727	\$1,293	\$1,740
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$55	\$80	\$163	\$61	\$119
total (all inpatient days) [c]	\$361,257	\$474,265	\$216,927	\$240,066	\$301,146
per admission	\$154	\$275	\$540	\$190	\$487
EXCESS BED PREMIUM % of Charge	3.35%	4.12%	8.48%	4.23%	6.14%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

21	15	15	13	8
11 NORTON SOUND (CLF)	12 SOUTH PENINSULA (CLF)	13 VALDEZ COMM.	14 CORDOVA COMM. (CLF)	15 PETERSBURG (CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	21	15	15	13	8
potential utilization days	7,665	5,475	5,475	4,745	4,015
actual utilization	1,813	2,211	1,377	718	479
occupancy rate	23.65%	40.38%	25.15%	15.13%	11.93%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	31.54%	53.84%	33.53%	20.18%	15.91%
beds at national occupancy rate	7	8	5	3	1
utilization at national occupancy rate	5,749	4,106	4,106	3,559	3,011
excess beds	14	7	10	10	7
excess available bed days	3,936	1,895	2,729	2,841	2,532
excess capacity percent of beds	68.46%	46.16%	66.47%	79.82%	84.09%
outpatient visits	3,056	0	9,913	0	6,062
ratio outpatient visits/inpatient days	1.69	0.00	7.20	0.00	12.66
expenditures	\$7,115,296	\$7,191,757	\$1,846,211	\$2,583,678	\$2,469,070
% expenditures acute care	77%	72%	100%	61%	53%
expenditures for acute care	\$5,454,591	\$5,199,780	\$1,846,211	\$1,579,416	\$1,302,625
% expenditures fixed [a]	10%	10%	10%	10%	10%
item:actual capital/total	6%	7%	4%	16%	14%
item:actual depreciation/total	7%	8%	4%	21%	21%
fixed expenditures	\$545,459	\$519,978	\$184,621	\$157,942	\$130,262
variable expenditures	\$4,909,132	\$4,679,802	\$1,661,590	\$1,421,474	\$1,172,362
expenditures per acute care inpatient					
actual: total	\$3,009	\$2,352	\$1,341	\$2,200	\$2,719
fixed	\$301	\$235	\$134	\$220	\$272
variable	\$2,708	\$2,117	\$1,207	\$1,980	\$2,448
at national average occupancy: total	\$2,803	\$2,243	\$1,252	\$2,024	\$2,491
fixed	\$95	\$127	\$45	\$44	\$43
variable	\$2,708	\$2,117	\$1,207	\$1,980	\$2,448
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$206	\$109	\$89	\$176	\$229
total (all inpatient days) [c]	\$373,436	\$239,997	\$122,710	\$126,076	\$109,542
per admission	\$555	\$706	ERR	\$455	\$740
EXCESS BED PREMIUM % of Charge	6.85%	4.62%	6.65%	7.98%	8.41%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

9

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

16
WRANGELL
GENL
(CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	9
potential utilization days	3,285
actual utilization	359
	11.48%
occupancy rate	10.93%
Benchmark occupancy rate	75.00%
percent of national rate	14.57%
beds at national occupancy rate	1
utilization at national occupancy rate	2,464
excess beds	8
excess available bed days	2,105
excess capacity percent of beds	85.43%
outpatient visits	0
ratio outpatient visits/inpatient days	0.00
expenditures	\$2,372,079
% expenditures acute care	59%
expenditures for acute care	\$1,392,414
% expenditures fixed [a]	10%
item:actual capital/total	9%
item:actual depreciation/total	12%
fixed expenditures	\$139,241
variable expenditures	\$1,253,173
expenditures per acute care inpatient	
actual: total	\$3,879
fixed	\$388
variable	\$3,491
at national average occupancy: total	\$3,547
fixed	\$57
variable	\$3,491
EXCESS BED PREMIUM (ANNUAL)	
per inpatient day [b]	\$331
total (all inpatient days) [c]	\$118,952
per admission	\$975
EXCESS BED PREMIUM % of Charge	8.54%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)AVERAGE
OR
SUM

ANCH & FRBKS

AVERAGE/SUM
NET
ANCH & FRBKSAVERAGE/SUM
ACUTE CARE
FACILITIESAVERAGE/SUM
CO-LOCATED
FACILITIES

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	1,027	695	332	899	128
potential utilization days	375,950	253,675	122,275	328,135	47,815
actual utilization	167,839	125,652	42,187	152,354	15,485
occupancy rate	44.64%	49.53%	34.50%	46.43%	32.39%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	59.53%	66.04%	46.00%	61.91%	43.18%
beds at national occupancy rate	613	459	154	557	56
utilization at national occupancy rate	281,963	190,256	91,706	246,101	35,861
excess beds	414	236	178	342	72
excess available bed days	114,124	64,604	49,519	93,747	20,376
excess capacity percent of beds	40.35%	33.96%	53.73%	38.09%	56.18%
outpatient visits	431,563	329,679	101,884	398,897	32,666
ratio outpatient visits/inpatient days	2.57	2.62	2.42	2.62	2.11
expenditures	\$296,313,764	\$202,223,011	\$94,090,753	\$253,030,907	\$43,282,857
% expenditures acute care	96%	100%	88%	100%	74%
expenditures for acute care	\$284,839,130	\$202,223,011	\$82,809,424	\$253,030,907	\$32,118,656
% expenditures fixed [a]	15%	15%	15%	15%	15%
item:actual capital/total	11%	12%	8%	12%	7%
item:actual depreciation/total	9%	9%	8%	9%	8%
fixed expenditures	\$42,725,870	\$30,333,452	\$12,421,414	\$37,954,636	\$4,817,798
variable expenditures	\$242,113,261	\$171,889,559	\$70,388,011	\$215,076,271	\$27,300,857
expenditures per inpatient day					
actual: total	\$1,697	\$1,609	\$1,963	\$1,661	\$2,074
fixed	\$255	\$241	\$294	\$249	\$311
variable	\$1,443	\$1,368	\$1,668	\$1,412	\$1,763
at national average occupancy: total	\$1,594	\$1,527	\$1,804	\$1,566	\$1,897
fixed	\$152	\$159	\$135	\$154	\$134
variable	\$1,443	\$1,368	\$1,668	\$1,412	\$1,763
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$103	\$82	\$159	\$95	\$177
total (all in patient days) [c]	\$15,564,000	\$9,524,991	\$6,039,010	\$13,040,500	\$2,523,501
per admission	\$400	\$363	\$476	\$379	\$555
EXCESS BED PREMIUM % of Charge	5.46%	4.71%	7.29%	5.15%	7.86%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

ACUTE CARE BEDS	341	238	116	51	46
COMMUNITY HOSPITAL (CO-LOCATED FACILITY)	1 PROVIDENCE	2 HUMANA/ ALASKA	3 FAIRBANKS MEM.	4 BARTLETT MEM.	5 CENTRAL PENINSULA

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	341	238	116	51	46
potential utilization days	124,465	86,870	42,340	18,615	16,790
actual utilization	76,073	29,333	20,246	9,071	5,825
occupancy rate	61.12%	33.77%	47.82%	48.73%	34.69%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	81.49%	45.02%	63.76%	64.97%	46.26%
beds at national occupancy rate	278	107	74	33	21
utilization at national occupancy rate	93,349	65,153	31,755	13,961	12,593
excess beds	63	131	42	18	25
excess available bed days	17,276	35,820	11,509	4,890	6,768
excess capacity percent of beds	18.51%	54.98%	36.24%	35.03%	53.74%
outpatient visits	146,948	67,522	115,209	13,395	20,119
ratio outpatient visits/inpatient days	1.93	2.30	5.69	1.48	3.45
expenditures	\$112,832,871	\$54,553,789	\$34,836,351	\$16,470,474	\$14,229,320
% expenditures acute care	100%	100%	100%	100%	100%
expenditures for acute care	\$112,832,871	\$54,553,789	\$34,836,351	\$16,470,474	\$14,229,320
% expenditures fixed [a]	15%	15%	15%	15%	15%
item:actual capital/total	14%	11%	7%	9%	8%
item:actual depreciation/total	10%	9%	7%	8%	8%
fixed expenditures	\$16,924,931	\$8,183,068	\$5,225,453	\$2,470,571	\$2,134,398
variable expenditures	\$95,907,940	\$46,370,721	\$29,610,898	\$13,999,903	\$12,094,922
expenditures per inpatient day					
actual: total	\$1,483	\$1,860	\$1,721	\$1,816	\$2,443
fixed	\$222	\$279	\$258	\$272	\$366
variable	\$1,261	\$1,581	\$1,463	\$1,543	\$2,076
at national average occupancy: total	\$1,442	\$1,706	\$1,627	\$1,720	\$2,246
fixed	\$181	\$126	\$165	\$177	\$169
variable	\$1,261	\$1,581	\$1,463	\$1,543	\$2,076
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$41	\$153	\$94	\$95	\$197
total (all inpatient days) [c]	\$3,132,242	\$4,498,882	\$1,893,867	\$865,375	\$1,147,075
per admission	\$218	\$697	\$350	\$320	\$554
EXCESS BED PREMIUM % of Charge	2.78%	8.25%	5.44%	5.25%	8.06%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

36 37 32 25 24
6 7 8 9 10
VALLEY KETCHIKAN SEWARD KODIAK SITKA
HOSPITAL GENL GENERAL ISLAND COMMUNITY
(CLF) (CLF) (CLF) (CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	36	37	32	25	24
potential utilization days	13,140	13,505	11,680	9,125	8,760
actual utilization	6,557	5,959	1,333	3,946	2,539
occupancy rate	49.90%	44.12%	11.41%	43.24%	28.98%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	66.53%	58.83%	15.22%	57.66%	38.65%
beds at national occupancy rate	24	22	5	14	9
utilization at national occupancy rate	9,855	10,129	8,760	6,844	6,570
excess beds	12	15	27	11	15
excess available bed days	3,298	4,170	7,427	2,898	4,031
excess capacity percent of beds	33.47%	41.17%	84.78%	42.34%	61.35%
outpatient visits	12,183	19,319	2,328	4,229	11,280
ratio outpatient visits/inpatient days	1.86	3.24	1.75	1.07	4.44
expenditures	\$10,795,000	\$14,299,525	\$2,558,612	\$7,251,452	\$4,908,279
% expenditures acute care	100%	81%	100%	78%	100%
expenditures for acute care	\$10,795,000	\$11,520,384	\$2,558,612	\$5,669,745	\$4,908,279
% expenditures fixed [a]	15%	15%	15%	15%	15%
item:actual capital/total	10%	6%	6%	3%	10%
item:actual depreciation/total	9%	4%	3%	5%	9%
fixed expenditures	\$1,619,250	\$1,728,058	\$383,792	\$850,462	\$736,242
variable expenditures	\$9,175,750	\$9,792,326	\$2,174,820	\$4,819,283	\$4,172,037
expenditures per inpatient day					
actual: total	\$1,646	\$1,933	\$1,919	\$1,437	\$1,933
fixed	\$247	\$290	\$288	\$216	\$290
variable	\$1,399	\$1,643	\$1,632	\$1,221	\$1,643
at national average occupancy: total	\$1,564	\$1,814	\$1,675	\$1,346	\$1,755
fixed	\$164	\$171	\$44	\$124	\$112
variable	\$1,399	\$1,643	\$1,632	\$1,221	\$1,643
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$83	\$119	\$244	\$91	\$178
total (all inpatient days) [c]	\$541,886	\$711,398	\$325,391	\$360,099	\$451,719
per admission	\$232	\$412	\$809	\$285	\$730
EXCESS BED PREMIUM % of Charge	5.02%	6.18%	12.72%	6.35%	9.20%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

21	15	15	13	8
11	12	13	14	15
NORTON SOUND (CLF)	SOUTH PENINSULA (CLF)	VALDEZ COMM.	CORDOVA COMM. (CLF)	PETERSBURG (CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	21	15	15	13	8
potential utilization days	7,665	5,475	5,475	4,745	4,015
actual utilization	1,813	2,211	1,377	718	479
occupancy rate	23.65%	40.38%	25.15%	15.13%	11.93%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	31.54%	53.84%	33.53%	20.18%	15.91%
beds at national occupancy rate	7	8	5	3	1
utilization at national occupancy rate	5,749	4,106	4,106	3,559	3,011
excess beds	14	7	10	10	7
excess available bed days	3,936	1,895	2,729	2,841	2,532
excess capacity percent of beds	68.46%	46.16%	66.47%	79.82%	84.09%
outpatient visits	3,056	0	9,913	0	6,062
ratio outpatient visits/inpatient days	1.69	0.00	7.20	0.00	12.66
expenditures	\$7,115,296	\$7,191,757	\$1,846,211	\$2,583,678	\$2,469,070
% expenditures acute care	77%	72%	100%	61%	53%
expenditures for acute care	\$5,454,591	\$5,199,780	\$1,846,211	\$1,579,416	\$1,302,625
% expenditures fixed [a]	15%	15%	15%	15%	15%
item:actual capital/total	6%	7%	4%	16%	14%
item:actual depreciation/total	7%	8%	4%	21%	21%
fixed expenditures	\$818,189	\$779,967	\$276,932	\$236,912	\$195,394
variable expenditures	\$4,636,403	\$4,419,813	\$1,569,279	\$1,342,504	\$1,107,231
expenditures per inpatient day					
actual: total	\$3,009	\$2,352	\$1,341	\$2,200	\$2,719
fixed	\$451	\$353	\$201	\$330	\$408
variable	\$2,557	\$1,999	\$1,140	\$1,870	\$2,312
at national average occupancy: total	\$2,700	\$2,189	\$1,207	\$1,936	\$2,376
fixed	\$142	\$190	\$67	\$67	\$65
variable	\$2,557	\$1,999	\$1,140	\$1,870	\$2,312
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$309	\$163	\$134	\$263	\$343
total (all inpatient days) [c]	\$560,154	\$359,996	\$184,065	\$189,114	\$164,312
per admission	\$832	\$1,059	ERR	\$683	\$1,110
EXCESS BED PREMIUM % of Charge	10.27%	6.92%	9.97%	11.97%	12.61%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[b] The premium for the average patient day.

[c] The sum of the premium over all patient days.

ACUTE CARE BEDS

9

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

16
WRANGELL
GENL
(CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	9
potential utilization days	3,285
actual utilization	359
	11.48%
occupancy rate	10.93%
Benchmark occupancy rate	75.00%
percent of national rate	14.57%
beds at national occupancy rate	1
utilization at national occupancy rate	2,464
excess beds	8
excess available bed days	2,105
excess capacity percent of beds	85.43%
outpatient visits	0
ratio outpatient visits/inpatient days	0.00
expenditures	\$2,372,079
% expenditures acute care	59%
expenditures for acute care	\$1,392,414
% expenditures fixed [a]	15%
item:actual capital/total	9%
item:actual depreciation/total	12%
fixed expenditures	\$208,862
variable expenditures	\$1,183,552
expenditures per inpatient day	
actual: total	\$3,879
fixed	\$582
variable	\$3,297
at national average occupancy: total	\$3,382
fixed	\$85
variable	\$3,297
EXCESS BED PREMIUM (ANNUAL)	
per inpatient day [b]	\$497
total (all inpatient days) [c]	\$178,428
per admission	\$1,463
EXCESS BED PREMIUM % of Charge	12.81%

Note: Several Facilities have occupancy rates exceeding the national average.

- [a] If more patient days, how much of the costs of the hospital would remain constant--not grow.
- [b] The premium for the average patient day.
- [c] The sum of the premium over all patient days.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)AVERAGE
OR
SUM

ANCH & FRBKS

AVERAGE/SUM
NET
ANCH & FRBKSAVERAGE/SUM
ACUTE CARE
FACILITIESAVERAGE/SUM
CO-LOCATED
FACILITIES

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	1,027	695	332	899	128
potential utilization days	375,950	253,675	122,275	328,135	47,815
actual utilization	167,839	125,652	42,187	152,354	15,485
occupancy rate	44.64%	49.53%	34.50%	46.43%	32.39%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	59.53%	66.04%	46.00%	61.91%	43.18%
beds at national occupancy rate	613	459	154	557	56
utilization at national occupancy rate	281,963	190,256	91,706	246,101	35,861
excess beds	414	236	178	342	72
excess available bed days	114,124	64,604	49,519	93,747	20,376
excess capacity percent of beds	40.35%	33.96%	53.73%	38.09%	56.18%
outpatient visits	431,563	329,679	101,884	398,897	32,666
ratio outpatient visits/inpatient days	2.57	2.62	2.42	2.62	2.11
expenditures	\$296,313,764	\$202,223,011	\$94,090,753	\$253,030,907	\$43,282,857
% expenditures acute care	96%	100%	88%	100%	74%
expenditures for acute care	\$284,839,130	\$202,223,011	\$82,809,424	\$253,030,907	\$32,118,656
% expenditures fixed [a]	20%	20%	20%	20%	20%
item: actual capital/total	11%	12%	8%	12%	7%
item: actual depreciation/total	9%	9%	8%	9%	8%
fixed expenditures	\$56,967,826	\$40,444,602	\$16,561,885	\$50,606,181	\$6,423,731
variable expenditures	\$227,871,304	\$161,778,409	\$66,247,539	\$202,424,726	\$25,694,925
expenditures per acute care inpatient day					
actual: total	\$1,697	\$1,609	\$1,963	\$1,661	\$2,074
fixed	\$339	\$322	\$393	\$332	\$415
variable	\$1,358	\$1,288	\$1,570	\$1,329	\$1,659
at national average occupancy: total	\$1,560	\$1,500	\$1,751	\$1,534	\$1,838
fixed	\$202	\$213	\$181	\$206	\$179
variable	\$1,358	\$1,288	\$1,570	\$1,329	\$1,659
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$137	\$109	\$212	\$127	\$236
total (all inpatient days) [c]	\$20,752,001	\$12,699,988	\$8,052,013	\$17,387,333	\$3,364,667
per admission	\$533	\$484	\$635	\$506	\$740
EXCESS BED PREMIUM % of Charge	7.29%	6.28%	9.72%	6.87%	10.48%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS	341	238	116	51	46
COMMUNITY HOSPITAL (CO-LOCATED FACILITY)	1 PROVIDENCE	2 HUMANA/ ALASKA	3 FAIRBANKS MEM.	4 BARTLETT MEM.	5 CENTRAL PENINSULA

(1) SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	341	238	116	51	46
potential utilization days	124,465	86,870	42,340	18,615	16,790
actual utilization	76,073	29,333	20,246	9,071	5,825
occupancy rate	61.12%	33.77%	47.82%	48.73%	34.69%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	81.49%	45.02%	63.76%	64.97%	46.26%
beds at national occupancy rate	278	107	74	33	21
utilization at national occupancy rate	93,349	65,153	31,755	13,961	12,593
excess beds	63	131	42	18	25
excess available bed days	17,276	35,820	11,509	4,890	6,768
excess capacity percent of beds	18.51%	54.98%	36.24%	35.03%	53.74%
outpatient visits	146,948	67,522	115,209	13,395	20,119
ratio outpatient visits/inpatient days	1.93	2.30	5.69	1.48	3.45
expenditures	\$112,832,871	\$54,553,789	\$34,836,351	\$16,470,474	\$14,229,320
% expenditures acute care	100%	100%	100%	100%	100%
expenditures for acute care	\$112,832,871	\$54,553,789	\$34,836,351	\$16,470,474	\$14,229,320
% expenditures fixed [a]	20%	20%	20%	20%	20%
item:actual capital/total	14%	11%	7%	9%	8%
item:actual depreciation/total	10%	9%	7%	8%	8%
fixed expenditures	\$22,566,574	\$10,910,758	\$6,967,270	\$3,294,095	\$2,845,864
variable expenditures	\$90,266,297	\$43,643,031	\$27,869,081	\$13,176,379	\$11,383,456
expenditures per acute care inpatient					
actual: total	\$1,483	\$1,860	\$1,721	\$1,816	\$2,443
fixed	\$297	\$372	\$344	\$363	\$489
variable	\$1,187	\$1,488	\$1,377	\$1,453	\$1,954
at national average occupancy: total	\$1,428	\$1,655	\$1,596	\$1,689	\$2,180
fixed	\$242	\$167	\$219	\$236	\$226
variable	\$1,187	\$1,488	\$1,377	\$1,453	\$1,954
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$55	\$204	\$125	\$127	\$263
total (all inpatient days) [c]	\$4,176,323	\$5,998,509	\$2,525,155	\$1,153,833	\$1,529,433
per admission	\$290	\$930	\$467	\$427	\$738
EXCESS BED PREMIUM % of Charge	3.70%	11.00%	7.25%	7.01%	10.75%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

36 37 32 25 24
6 7 8 9 10
VALLEY KETCHIKAN SEWARD KODIAK SITKA
HOSPITAL GENL GENERAL ISLAND COMMUNITY
(CLF) (CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	36	37	32	25	24
potential utilization days	13,140	13,505	11,680	9,125	8,760
actual utilization	6,557	5,959	1,333	3,946	2,539
occupancy rate	49.90%	44.12%	11.41%	43.24%	28.98%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	66.53%	58.83%	15.22%	57.66%	38.65%
beds at national occupancy rate	24	22	5	14	9
utilization at national occupancy rate	9,855	10,129	8,760	6,844	6,570
excess beds	12	15	27	11	15
excess available bed days	3,298	4,170	7,427	2,898	4,031
excess capacity percent of beds	33.47%	41.17%	84.78%	42.34%	61.35%
outpatient visits	12,183	19,319	2,328	4,229	11,280
ratio outpatient visits/inpatient days	1.86	3.24	1.75	1.07	4.44
expenditures	\$10,795,000	\$14,299,525	\$2,558,612	\$7,251,452	\$4,908,279
% expenditures acute care	100%	81%	100%	78%	100%
expenditures for acute care	\$10,795,000	\$11,520,384	\$2,558,612	\$5,669,745	\$4,908,279
% expenditures fixed [a]	20%	20%	20%	20%	20%
item:actual capital/total	10%	6%	6%	3%	10%
item:actual depreciation/total	9%	4%	3%	5%	9%
fixed expenditures	\$2,159,000	\$2,304,077	\$511,722	\$1,133,949	\$981,656
variable expenditures	\$8,636,000	\$9,216,307	\$2,046,890	\$4,535,796	\$3,926,623
expenditures per acute care inpatient					
actual: total	\$1,646	\$1,933	\$1,919	\$1,437	\$1,933
fixed	\$329	\$387	\$384	\$287	\$387
variable	\$1,317	\$1,547	\$1,536	\$1,149	\$1,547
at national average occupancy: total	\$1,536	\$1,774	\$1,594	\$1,315	\$1,696
fixed	\$219	\$227	\$58	\$166	\$149
variable	\$1,317	\$1,547	\$1,536	\$1,149	\$1,547
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$110	\$159	\$325	\$122	\$237
total (all inpatient days) [c]	\$722,515	\$948,530	\$433,854	\$480,132	\$602,291
per admission	\$309	\$550	\$1,079	\$380	\$973
EXCESS BED PREMIUM % of Charge	6.69%	8.23%	16.96%	8.47%	12.27%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

	21	15	15	13	8
COMMUNITY HOSPITAL (CO-LOCATED FACILITY)	11 NORTON SOUND (CLF)	12 SOUTH PENINSULA (CLF)	13 VALDEZ COMM.	14 CORDOVA COMM. (CLF)	15 PETERSBURG (CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS					
available beds in acute care	21	15	15	13	8
potential utilization days	7,665	5,475	5,475	4,745	4,015
actual utilization	1,813	2,211	1,377	718	479
occupancy rate	23.65%	40.38%	25.15%	15.13%	11.93%
Benchmark occupancy rate	75.00%	75.00%	75.00%	75.00%	75.00%
percent of national rate	31.54%	53.84%	33.53%	20.18%	15.91%
beds at national occupancy rate	7	8	5	3	1
utilization at national occupancy rate	5,749	4,106	4,106	3,559	3,011
excess beds	14	7	10	10	7
excess available bed days	3,936	1,895	2,729	2,841	2,532
excess capacity percent of beds	68.46%	46.16%	66.47%	79.82%	84.09%
outpatient visits	3,056	0	9,913	0	6,062
ratio outpatient visits/inpatient days	1.69	0.00	7.20	0.00	12.66
expenditures	\$7,115,296	\$7,191,757	\$1,846,211	\$2,583,678	\$2,469,070
% expenditures acute care	77%	72%	100%	61%	53%
expenditures for acute care	\$5,454,591	\$5,199,780	\$1,846,211	\$1,579,416	\$1,302,625
% expenditures fixed [a]	20%	20%	20%	20%	20%
item: actual capital/total	6%	7%	4%	16%	14%
item: actual depreciation/total	7%	8%	4%	21%	21%
fixed expenditures	\$1,090,918	\$1,039,956	\$369,242	\$315,883	\$260,525
variable expenditures	\$4,363,673	\$4,159,824	\$1,476,969	\$1,263,533	\$1,042,100
expenditures per acute care inpatient					
actual: total	\$3,009	\$2,352	\$1,341	\$2,200	\$2,719
fixed	\$602	\$470	\$268	\$440	\$544
variable	\$2,407	\$1,881	\$1,073	\$1,760	\$2,176
at national average occupancy: total	\$2,597	\$2,135	\$1,163	\$1,849	\$2,262
fixed	\$190	\$253	\$90	\$89	\$87
variable	\$2,407	\$1,881	\$1,073	\$1,760	\$2,176
EXCESS BED PREMIUM (ANNUAL)					
per inpatient day [b]	\$412	\$217	\$178	\$351	\$457
total (all inpatient days) [c]	\$746,872	\$479,994	\$245,420	\$252,152	\$219,083
per admission	\$1,110	\$1,412	ERR	\$910	\$1,480
EXCESS BED PREMIUM % of Charge	13.69%	9.23%	13.29%	15.96%	16.82%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

ACUTE CARE BEDS

9

COMMUNITY
HOSPITAL
(CO-LOCATED FACILITY)

16
WRANGELL
GENL
(CLF)

[1] SURPLUS EXCESS CAPACITY ANALYSIS

available beds in acute care	9
potential utilization days	3,285
actual utilization	359
	11.48%
occupancy rate	10.93%
Benchmark occupancy rate	75.00%
percent of national rate	14.57%
beds at national occupancy rate	1
utilization at national occupancy rate	2,464
excess beds	8
excess available bed days	2,105
excess capacity percent of beds	85.43%
outpatient visits	0
ratio outpatient visits/inpatient days	0.00
expenditures	\$2,372,079
% expenditures acute care	59%
expenditures for acute care	\$1,392,414
% expenditures fixed [a]	20%
item: actual capital/total	9%
item: actual depreciation/total	12%
fixed expenditures	\$278,483
variable expenditures	\$1,113,931
expenditures per acute care inpatient	
actual: total	\$3,879
fixed	\$776
variable	\$3,103
at national average occupancy: total	\$3,216
fixed	\$113
variable	\$3,103
EXCESS BED PREMIUM (ANNUAL)	
per inpatient day [b]	\$663
total (all inpatient days) [c]	\$237,904
per admission	\$1,950
EXCESS BED PREMIUM % of Charge	17.09%

Note: Several Facilities have occupancy rates exceeding the national average.

[a] If more patient days, how much of the costs of the hospital would remain constant--not grow.

[2] SAVINGS FROM REBUILDING HOSPITALS TO EFFICIENT SIZE

(Refer to the Downsizing Analysis Worksheet)

QUESTION--If the Alaska community hospital acute care facilities were replaced with smaller facilities that could maintain national average occupancy rates and at the same time could be operated at a cost no greater than double the national average, how would average costs per inpatient day and for the health care system as a whole be impacted?

RESULTS--The downsizing would eliminate 228 beds and the potential annual saving would be \$156 per inpatient day, and \$41.7 million annually. Half of the savings would occur in Anchorage and Fairbanks.

ASSUMPTIONS--The average cost per acute care inpatient day in Alaska community hospitals is \$1,697 compared to the national average of \$771--a difference of 120 %. The range of average daily expenditures for Alaska hospitals is from a low of \$1,483 to a high of \$3,879. As shown in Figure 1.5, the daily expenditure is inversely related to hospital size as measured by the number of beds. It is also inversely related to occupancy rates since small hospitals tend to have lower occupancy rates. Only two Alaska hospitals have costs per acute care inpatient day that are less than double the national average. The average daily inpatient expenditure includes outpatient care costs and this tends to exaggerate the cost differential between Alaska and the US average. On the other hand the cost differential for medical care in Alaska as measured by the available indices is below 100%. Consequently a target differential for planning purposes of 100% for this analysis does not seem unreasonable.

When hospitals are being designed and built all costs are variable since this is the time that the size of the hospital is determined. In fact for extremely small hospitals there will be some minimum size below which fixed costs can no longer be reduced. For example, there is a minimum number of nurses required to staff even the smallest hospital.

The national average occupancy rates were used as the benchmark for sizing the Alaska hospitals.

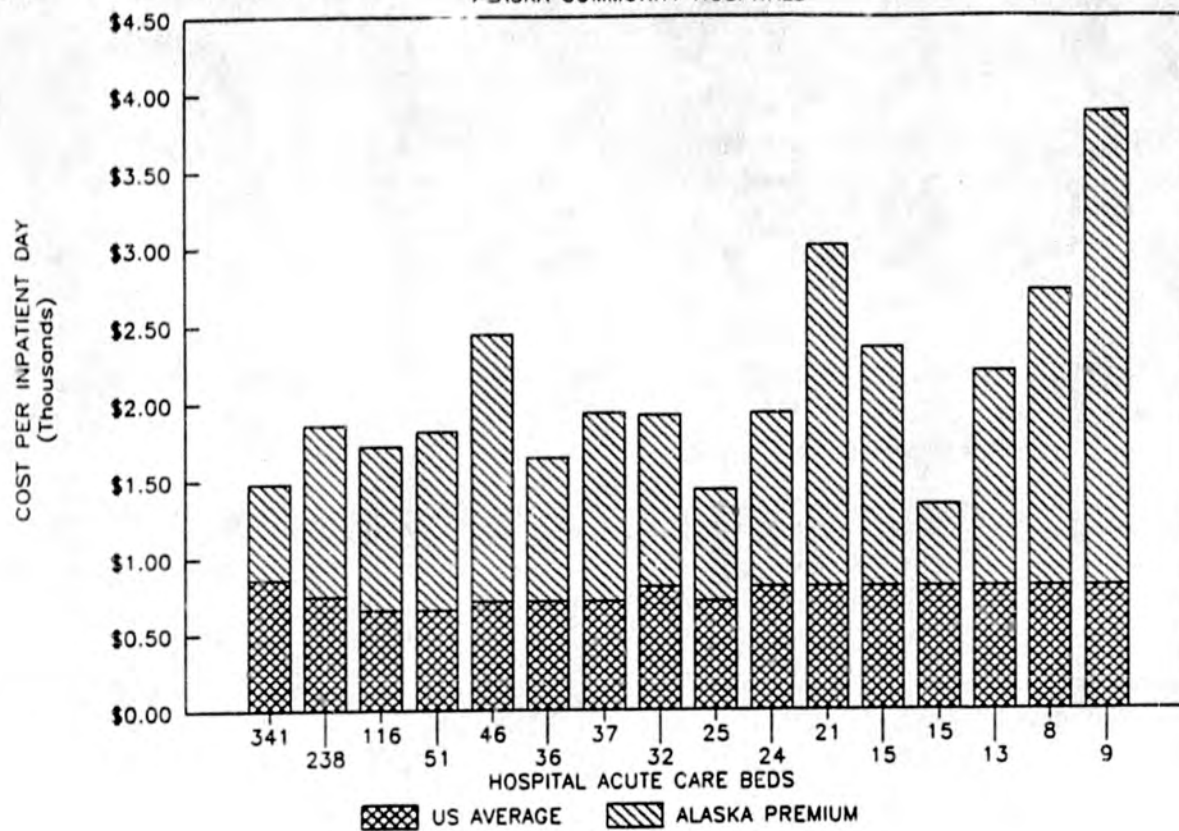
Expenses in two Alaska hospitals were calculated at less than 2 times the national average. In this analysis no savings was achieved by resizing these hospitals when in fact downsizing could lead to savings through the elimination of excess capacity for these facilities.

In assuming the national average expense per inpatient day as the standard we recognize that hospital costs are influenced by average age of facility, the types of

Figure I.5

COST PER INPATIENT DAY

ALASKA COMMUNITY HOSPITALS



services offered, etc. The data does not allow this detail in the analysis.

The analysis looks at the savings in one year. It does not take into account that demand for facility utilization is changing over time.

METHODOLOGY--The cost per inpatient day in US hospitals of a size appropriate for each Alaska location based on the national average occupancy rate was compared to the reported cost per inpatient day at Alaska hospitals. The US hospital expenses were doubled and the difference between these expenses across all inpatients and the reported Alaska expenses across all inpatients was calculated. This is the estimate of potential savings from downsizing.

DATA SOURCE--Occupancy rates for Alaska acute care hospitals as well as expenditures per inpatient day were based on information provided by the hospitals to the Medicaid Rate Setting Commission. The expenditure information excluded the costs associated with Long Term Care, but included the costs associated with outpatient care. The data was for the most recent fiscal year available, which varied somewhat among hospitals, but generally covered 1989. The data includes the 16 community hospitals in the state. Co-located facilities are indicated on the worksheet. All expenses, including replacement costs, are assumed included in the data. The national average data was obtained from the American Hospital Association.

COMMUNITY HOSPITAL (CO-LOCATED FACILITY)	AVERAGE OR SUM	AVERAGE/SUM NET ANCH & FRBKS	AVERAGE/SUM ACUTE CARE FACILITIES	AVERAGE/SUM CO-LOCATED FACILITIES
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[2] DOWNSIZING ANALYSIS

available beds	1,027	332	899	128
actual utilization	167,839	42,187	152,354	15,485
occupancy rate	44.64%	34.50%	46.43%	32.39%
national occupancy rate	58.17%			
target beds	799	287	685	114
change from current level	228	45	214	14
expenditures per inpatient day	\$1,697	\$1,963	\$1,661	\$2,074
US avg expenditures per inpatient day	\$771	\$730	\$774	\$748
ratio: Ak/US avg	2.20	2.69	2.15	2.77
US avg expenditures -- doubled	\$1,541	\$1,459	\$1,549	\$1,497
potential saving from reconstruction				
per inpatient day	\$156 ^a	\$504 ^a	\$112 ^a	\$578
annual total	\$41,733,524	\$22,413,990	\$32,632,499	\$9,101,025

^a Does not reflect fact that 2 hospitals
have costs less than double national average

HOSPITAL.WK1

ISER

12-Dec-91

COMMUNITY HOSPITAL (CO-LOCATED FACILITY)	1 PROVIDENCE	2 HUMANA/ ALASKA	3 FAIRBANKS MEM.	4 BARTLETT MEM.	5 CENTRAL PENINSULA	6 VALLEY HOSPITAL	7 KETCHIKAN GENL (CLF)	8 SEWARD GENERAL
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[2] DOWNSIZING ANALYSIS

available beds	341	238	116	51	46	36	37	32
actual utilization	76,073	29,333	20,246	9,071	5,825	6,557	5,959	1,333
occupancy rate	61.12%	33.77%	47.82%	48.73%	34.69%	49.90%	44.12%	11.41%
national occupancy rate	69.30%	66.80%	60.70%	53.00%	40.60%	40.60%	40.60%	40.60%
target beds	301	120	91	47	39	44	40	9
change from current level	40	118	25	4	7	(8)	(3)	23
expenditures per inpatient day	\$1,483	\$1,860	\$1,721	\$1,816	\$2,443	\$1,646	\$1,933	\$1,919
US avg expenditures per inpatient day	\$856	\$743	\$654	\$654	\$709	\$709	\$709	\$804
ratio: Ak/US avg	1.73	2.50	2.63	2.78	3.45	2.32	2.73	2.39
US avg expenditures--doubled	\$1,712	\$1,486	\$1,308	\$1,308	\$1,418	\$1,418	\$1,418	\$1,608
potential saving from reconstruction								
per inpatient day	\$0	\$374	\$413	\$508	\$1,025	\$228	\$515	\$311
annual total	\$0	\$10,964,951	\$8,354,583	\$4,605,606	\$5,969,470	\$1,497,174	\$3,070,522	\$415,148

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COMMUNITY HOSPITAL (CO-LOCATED FACILITY)	9 KODIAK ISLAND (CLF)	10 SITKA COMMUNITY	11 NORTON SOUND (CLF)	12 SOUTH PENINSULA (CLF)	13 VALDEZ COMM.	14 CORDOVA COMM. (CLF)	15 PETERSBURG (CLF)	16 WRANGELL GENL (CLF)
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[2] DOWNSIZING ANALYSIS

available beds	25	24	21	15	15	13	8	9
actual utilization	3,946	2,539	1,813	2,211	1,377	718	479	359
occupancy rate	43.24%	28.98%	23.65%	40.38%	25.15%	15.13%	11.93%	10.93%
national occupancy rate	40.60%	32.40%	32.40%	32.40%	32.40%	32.40%	32.40%	32.40%
target beds	27	21	15	19	12	6	4	3
change from current level	(2)	3	6	(4)	3	7	4	6
expenditures per inpatient day	\$1,437	\$1,933	\$3,009	\$2,352	\$1,341	\$2,200	\$2,719	\$3,879
US avg expenditures per inpatient day	\$709	\$804	\$804	\$804	\$804	\$804	\$804	\$804
ra' : Ak/US avg	2.03	2.40	3.74	2.93	1.67	2.74	3.38	4.82
US avg expenditures -- doubled	\$1,418	\$1,608	\$1,608	\$1,608	\$1,608	\$1,608	\$1,608	\$1,608
potential saving from reconstruction								
per inpatient day	\$19	\$325	\$1,401	\$744	\$0	\$592	\$1,111	\$2,271
annual total	\$74,317	\$825,587	\$2,539,287	\$1,644,492	\$0	\$424,872	\$532,393	\$815,142

[3] SAVINGS FROM CHANGING SERVICES PROVIDED AT UNDERUTILIZED HOSPITALS

(Refer to Facility Reconfiguration Worksheet)

QUESTION--Is there a cost savings from reconfiguration of existing facilities?

RESULTS--Using the example of serving the acute care inpatient needs of Petersburg and Wrangell by transferring them to Ketchikan, the net savings estimate ranges from \$229 thousand to \$391 thousand annually. Savings for other reconfigurations depend upon relative costs of service in different locations (usually less at larger and more fully utilized facilities) and costs of patient transportation.

The transfer of inpatients to Ketchikan would reduce the daily inpatient cost not only for patients from Wrangell and Petersburg because they would receive care at the less costly Ketchikan hospital, but also for the current users of the Ketchikan hospital because fixed costs would be shared among a larger number of patients and thus reduce the cost per patient. The cost savings would be partially offset by the fact that residents of Wrangell and Petersburg would incur travel costs to get to and from Ketchikan for care.

ASSUMPTIONS--Fixed costs range from 10% to 20% of total expenses. Facilities which lose patients can be put to some other use, for example long term care, which would absorb these fixed costs. The outpatient services currently provided at Wrangell and Petersburg would continue to be provided in those communities at their current cost. The transportation cost associated with each admission from Wrangell and Petersburg into Ketchikan is \$400. This is an arbitrary figure.

The acute care facilities at Petersburg and Wrangell have a combined total of 17 beds with an occupancy rate of 11%. The cost per acute care inpatient day at the three facilities is as follows (the outpatient service expenditures are included in these figures):

Ketchikan	\$1,933
Petersburg	\$2,719
Wrangell	\$3,879

METHODOLOGY--The cost at Ketchikan of providing services for the patients now handled at Wrangell and Petersburg is calculated (including outpatient costs). The savings in expense from closing the acute care beds in Wrangell and Petersburg is netted out. This results in a savings in the 10% fixed cost case (assuming the fixed costs in Wrangell and Petersburg are allocated to an alternative use) of \$1.2 million annually. From this savings the transportation costs are netted out. This reduces the savings to \$1.1 million annually. Finally the cost of outpatient care provided in Wrangell and Petersburg is added back in at the current amount. This is approximately \$.9 million. This reduces the net savings to \$229 thousand which is the result of a reduction in costs

of \$918 thousand in Wrangell and Petersburg partially offset by a \$768 thousand increase in costs associated with the provision of care at Ketchikan.

DATA SOURCE--Occupancy rates for Alaska acute care hospitals as well as expenditures per inpatient day were based on data provided by the hospitals to the Medicaid Rate Setting Commission. The expenditure information excluded the costs associated with long term care, but included the costs associated with outpatient care. The data was for the most recent fiscal year available, which varied somewhat among hospitals, but generally covered 1989. The data includes the 16 community hospitals in the state. Co-located facilities are indicated on the worksheet. All expenses, including replacement costs, are assumed included in the data. The national average data was obtained from the American Hospital Association.

COMMUNITY HOSPITAL (CO-LOCATED FACILITY)		AVERAGE OR SUM	7 KETCHIKAN GENL (CLF)	15 PETERSBURG (CLF)	16 WRANGELL GENL (CLF)

[3] FACILITY RECONFIGURATION					
Facilities Moved	1 2		PETERSBURG WRANGELL		
available beds			37	8	9
potential utilization days			13,505	4,015	3,285
present utilization			5,959	479	359
ADD: transfers in			838		
MINUS: transfers out				479	359
net utilization			6,797	0	0
occupancy rate with transfers			50.33%	0.00%	0.00%
national occupancy rate			40.60%	32.40%	32.40%
percent of national rate			123.96%	0.00%	0.00%
expenditures for acute care			\$11,520,384	\$1,302,625	\$1,392,414
% expenditures fixed			10%	10%	10%
fixed expenditures			\$1,152,038	\$130,262	\$139,241
variable expenditures			\$10,368,345	\$1,172,362	\$1,253,173
expenditures per inpatient day					
local demand					
total			\$1,933	\$2,719	\$3,879
fixed			\$193	\$272	\$388
variable			\$1,740	\$2,448	\$3,491
transfer					
total			\$1,740	\$2,448	\$3,491
fixed			\$0	\$0	\$0
variable			\$1,740	\$2,448	\$3,491
transportation cost					
per patient				\$400	\$400
number of admissions		270		148	122
total		\$108,000		\$59,200	\$48,800
total system acute care expenditures					
before transfer			\$11,520,384	\$1,302,625	\$1,392,414
after transfers (with fixed costs)	\$285,149,862	\$284,182,403	\$12,978,459	\$130,262	\$139,241
after transfers (no fixed costs)	\$283,912,899				
acute care expenditure savings					
continue to pay fixed costs	\$967,459	(\$1,458,076)	\$1,172,362	\$1,253,173	
fixed costs reallocated	\$1,236,963	(\$1,458,076)	\$1,302,625	\$1,392,414	
system savings net of transportation cost					
continue to pay fixed costs	\$859,459	(\$1,458,076)	\$1,113,162	\$1,204,373	
fixed costs reallocated	\$1,128,963	(\$1,458,076)	\$1,243,425	\$1,343,614	
Outpatient expenditures	\$5,833,480	\$4,933,249	\$474,963	\$425,268	
Share of acute care		56.02%	40.04%	51.09%	
System savings net of transportation cost and outpatient cost					
continue to pay fixed costs	(\$40,772)	(\$1,458,076)	\$638,199	\$779,104	
fixed costs reallocated	\$228,732	(\$1,458,076)	\$768,462	\$918,346	
Savings per transferred inpatient day fixed costs reallocated	\$273				

COMMUNITY HOSPITAL (CO-LOCATED FACILITY)	ISER			
	AVERAGE OR SUM	7 KETCHIKAN GENL (CLF)	15 PETERSBURG (CLF)	16 WRANGELL GENL (CLF)

[3] FACILITY RECONFIGURATION				
Facilities Moved	1 2	PETERSBURG WRANGELL		
available beds		37	8	9
potential utilization days		13,505	4,015	3,285
present utilization		5,959	479	359
ADD: transfers in		838		
MINUS: transfers out			479	359
net utilization		6,797	0	0
occupancy rate with transfers		50.33%	0.00%	0.00%
national occupancy rate		40.60%	32.40%	32.40%
percent of national rate		123.96%	0.00%	0.00%
expenditures for acute care		\$11,520,384	\$1,302,625	\$1,392,414
% expenditures fixed		20%	20%	20%
fixed expenditures		\$2,304,077	\$260,525	\$278,483
variable expenditures		\$9,216,307	\$1,042,100	\$1,113,931
expenditures per inpatient day				
local demand	total	\$1,933	\$2,719	\$3,879
	fixed	\$387	\$544	\$776
	variable	\$1,547	\$2,176	\$3,103
transfer	total	\$1,547	\$2,176	\$3,103
	fixed	\$0	\$0	\$0
	variable	\$1,547	\$2,176	\$3,103
transportation cost				
per patient			\$400	\$400
number of admissions	270		148	122
total	\$108,000		\$59,200	\$48,800
total system acute care expenditures				
before transfer	\$285,149,862	\$11,520,384	\$1,302,625	\$1,392,414
after transfers (with fixed costs)	\$284,289,898	\$12,816,451	\$260,525	\$278,483
after transfers (no fixed costs)	\$283,750,890			
acute care expenditure savings				
continue to pay fixed costs	\$859,964	(\$1,296,067)	\$1,042,100	\$1,113,931
fixed costs reallocated	\$1,398,971	(\$1,296,067)	\$1,302,625	\$1,392,414
system savings net of transportation cost				
continue to pay fixed costs	\$751,964	(\$1,296,067)	\$982,900	\$1,065,131
fixed costs reallocated	\$1,290,971	(\$1,296,067)	\$1,243,425	\$1,343,614
Outpatient expenditures	\$5,833,480	\$4,933,249	\$474,963	\$425,268
Share of acute care		56.02%	40.04%	51.09%
System savings net of transportation cost				
and outpatient cost				
continue to pay fixed costs	(\$148,267)	(\$1,296,067)	\$507,937	\$639,863
fixed costs reallocated	\$390,740	(\$1,296,067)	\$768,462	\$912,346
Savings per transferred inpatient day	\$466			
fixed costs reallocated				

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II. ALASKA EMPLOYMENT BY INDUSTRY AND FIRM SIZE

The proportion of workers employed in the public sector in Alaska in 1990 was twice the national average (US Department of Commerce, Bureau of Economic Analysis). This includes both full and part time employment and consequently may include some double counting. The percentages were as follows:

	Alaska	US Average
Total Public	30.0%	15.4%
Military	9.2	2.0
Federal Civilian	5.7	2.4
State and Local	15.1	11.1

This information suggests that a smaller proportion of the population in Alaska is provided or potentially provided with employer based health insurance from private employers. This is likely true even though a larger portion of the Alaska public employment may be part time (such as the National Guard) and thus not covered by health insurance.

The proportion of Alaska workers who were self-employed in 1990 is also considerably above the national average (17.5 percent compared to 14.4 percent). This is due in large part to the importance of fish harvesting and construction in the Alaska economy. Since this data also includes part time workers who may have health insurance coverage in other jobs (teachers who fish or professors who have a consulting business), it is not clear from this data whether the health insurance problems of the self employed are more severe in Alaska than elsewhere.

Seasonality is a characteristic of several important Alaska industries including seafood harvesting and processing, forest products, construction, and tourism. The extent of variation in employment in these industries is indicated by the percent change from the minimum to the maximum monthly employment over the year. Percent changes during 1990 were (Alaska Department of Labor, Alaska Economic Trends, August 1991):

Industry	Percent Change in Employment From Minimum to Maximum Month
All Industries	24 %
Construction	70
Seafood Processing	322
Lumber and Wood Products	118
Hotels and Motels (Tourism)	56

The seasonality of employment is accompanied by a high turnover rate of employment. This is indicated by the fact that 17 percent of Alaska workers--53 thousand--were non-residents in 1988 (the last year before the oil spill cleanup economic boom). These non-resident workers were concentrated in the seasonal industries--seafood, timber, construction, and tourism. Non-residents in seafood processing comprised 51 percent (15 thousand) of all workers in the industry (Alaska Department of Labor, Nonresidents Working in Alaska).

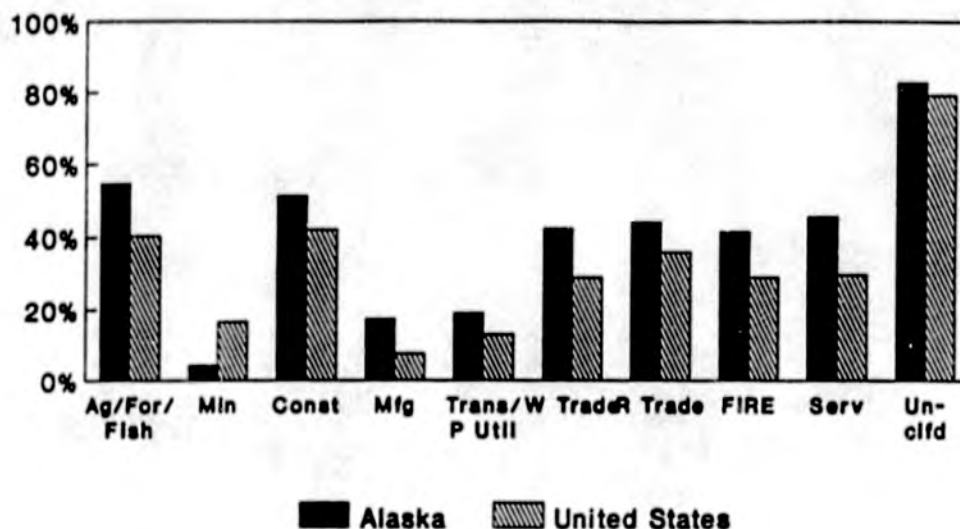
Within the private economy in Alaska the average firm size is less than the national average for all industries except mining/petroleum which in Alaska is dominated by a small number of large firms. (The data on firm size excludes the self employed such as many miners and fishermen. US Department of Commerce, County Business Patterns for 1988.)

39 percent of private employees in Alaska work in firms with fewer than 20 employees compared to the national average of 27 percent (Figure II.1). This represents about 53 thousand Alaskan workers who are primarily in the trade and service sectors but include all industries (Figure II.2 and Figure II.3).

Many of the largest firms in Alaska are in seasonal industries. In 1989 the firm with the largest number on the payroll at some time during the year was Veco Inc. which was the primary contractor for the oilspill cleanup effort. Of the 32 firms that has more than 1000 employees on the payroll during the year 11 can be identified with the seasonal industries of seafood processing, tourism, or oilspill cleanup. (Alaska Department of Labor, special computer printout of 1989 employment by firm)

Figure II.1

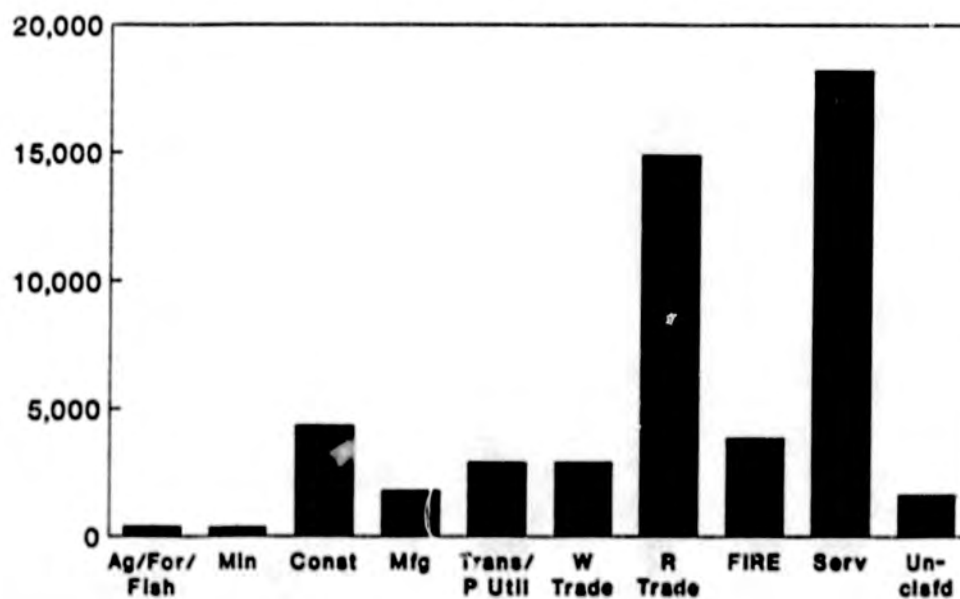
**Percent of Employees in Alaska and U.S.
That Are In Firms That Have
Fewer Than 20 Employees**



Values for Alaska are not reported for Ag/For/Fish, Trans/P Util, and W Trade where no of employees was fewer than 5.

Figure II.2

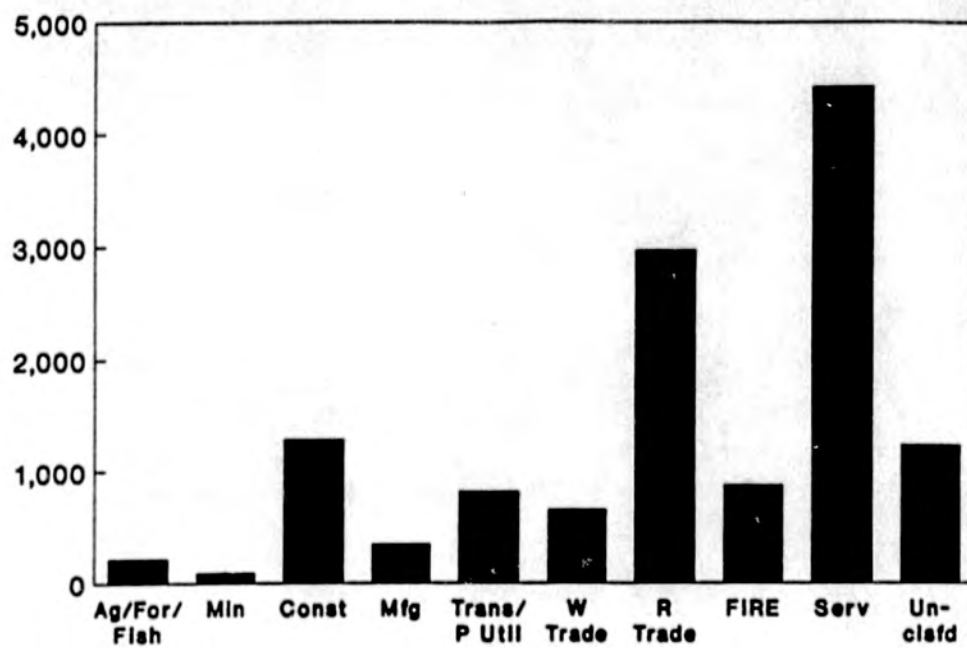
**Number of Employees in Alaska Firms
that have fewer than 20 Employees**



Values for Ag/For/Fish, Trans/P Util, and W Trade are for firms having 5-19 employees.

Figure II.3

**Number of Alaska Firms
with fewer than 20 Employees**



III. MEASURES OF THE MEDICAL COST OF LIVING DIFFERENTIAL FOR ALASKA AND MEDICAL INFLATION

Studies of the cost of living differential between Anchorage and the rest of the US consistently report that the differential is twice as large for medical care compared to the overall budget for a consumer. These studies measure the relative price for only that portion of medical expenditures paid directly by consumers, and then only for a small sample of items. They typically exclude the prices of items paid by government, such as the majority of long term care costs, and the cost of employer contributions to health insurance. Consequently they should be considered only a very imprecise measure of the differences in prices for medical care in Anchorage compared to the rest of the US. In addition they do not measure price differences between locations in Alaska outside of Anchorage and the lower 48 states.

The 1991 Anchorage cost of living differential compared to the US city average as measured by the US Chamber of Commerce was 73 percent for health care compared to 35 percent for the composite index (Figure III.1)(ACCRA INDEX for 1991:1).

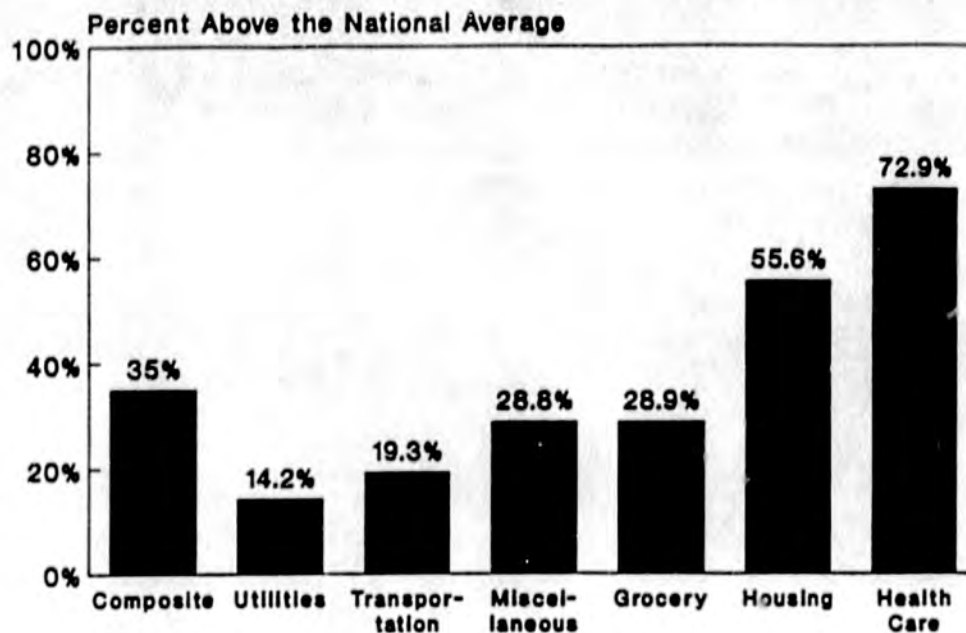
The Anchorage cost of living differential compared to Seattle for medical care was 30 percent compared to 16 percent for the total differential as reported in 1985 in the Alaska Geographic Differential Study (April 1985 by the McDowell Group for Alaska Department of Administration).

The cost of medical care for a family of 4 was estimated to be 60 percent above the US urban average in Anchorage in 1981. This compared to a differential for the entire family budget ranging from a low of 22 percent for a high income family to a high of 46 percent for a low income family (Figure III.2) (US Department of Labor, 3 Family Budgets 1981, [last published in 1981]).

The Alaska differential in the price of medical care, whatever its specific value, has remained constant over time as measured by the medical care component of the Anchorage Consumer price index. This measure of the rate of inflation in medical care costs from year to year has increased at approximately the same rate as the US average since the mid 1970s (Figure III.3) (US Department of Labor, Consumer Price Index for All Urban Consumers).

Figure III.1

**Anchorage Cost of Living Differential
According to the US Chamber of Commerce**



ACCRA 1991:1

Figure III.2

**3 Family Budgets in Anchorage
Total Consumption and Medical Care
Percent Above the US City Average, 1981**

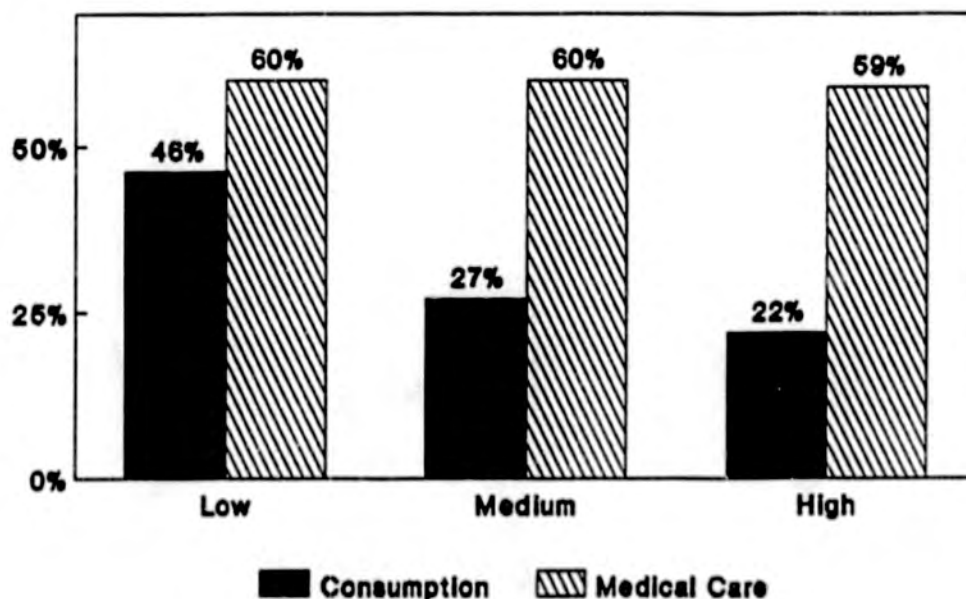
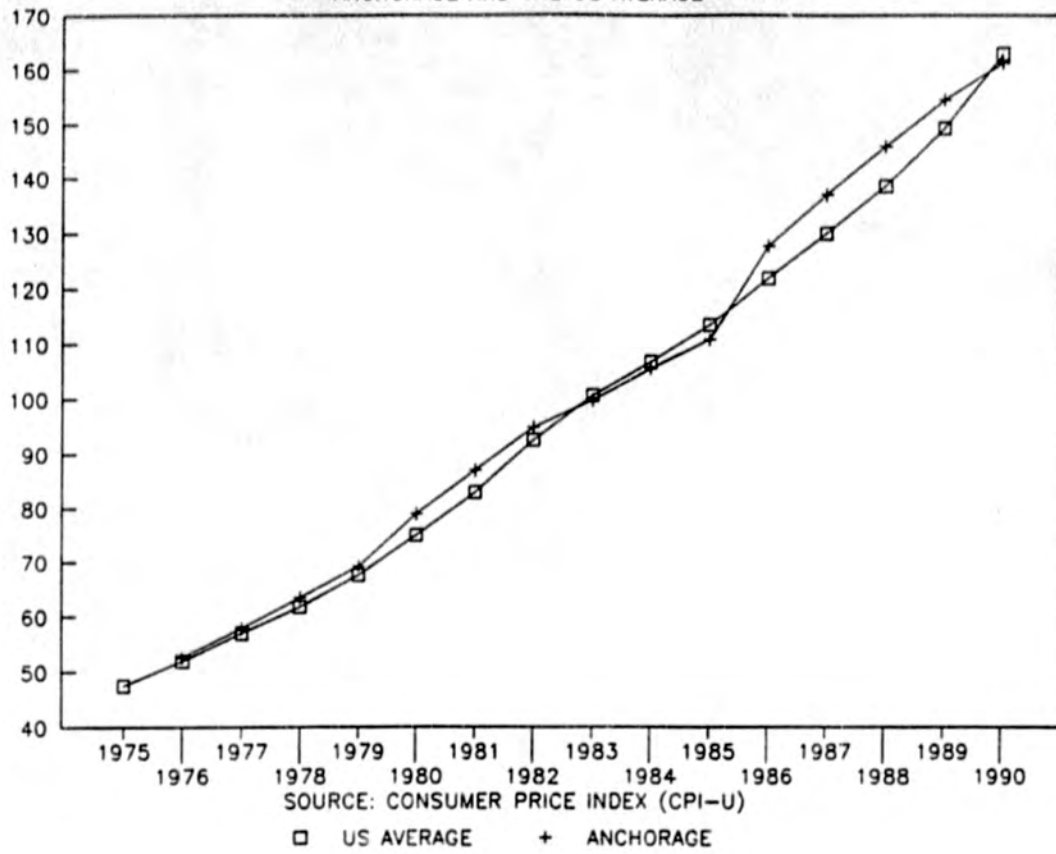


Figure III.3

MEDICAL CARE CONSUMER PRICE INDEX

ANCHORAGE AND THE US AVERAGE

1982-84=100



IV. DEMOGRAPHIC CHANGE IN ALASKA AND ITS INFLUENCE ON HEALTH CARE EXPENDITURES

The population of Alaska has grown at three times the national average since Alaska became a state. The annual growth rate averaged 3 percent between 1960 and 1990 in Alaska. During the same period the average annual growth rate of the US population was 1.1 percent. In the most recent decade Alaska population increased 37 percent--a 3.2 percent average annual rate of growth.

As important for medical care expenditures as the growth in the total population has been the aging of the Alaska population. This is because average health care expenditures by the elderly are about three times the average for the entire population. Data from the Health Care Financing Administration shows that health care spending per capita is related to age. Specifically the annual per capita expenditure for the entire population on health care in 1987 was \$1,776 but \$5,360 for the over 65 population (Health Care Financing Review, Summer 1989, Volume 10, Number 4).

The over 65 population is a small percentage of the total population in Alaska, particularly in relation to the US as a whole. In 1990 4.1 percent of the Alaska population was 65+ compared to 12.3 percent for the US.

More significant however is the rate of growth of the 65+ population in the state. During the first decade of statehood the 65+ population grew at a slower rate than the total--2.1 percent. In the 1970s the 65+ population began increasing at a faster rate than the total population--5.6 percent. In the decade of the 1980s the 65+ population grew at the annual average rate of 6.8 percent--twice as fast as the total population. In contrast, in the US as a whole the 65+ population grew at the rate of 2.1 percent annually during the 1980s.

The net result of this growth is that the age structure of the Alaska population is approaching that of the nation as a whole. Not only is 65+ population becoming a larger portion of the total, the average age of the population is increasing. In particular between 1980 and 1990 the population aged 35-44 increased the most--49 thousand--while the population aged 19-24 declined by 4 thousand. The average age of males in Alaska is now 28.4 compared to 31.5 for the total US. The average age of females in Alaska is 28.5 compared to 33.8 for the total US.

V. PROJECTING ALASKA HEALTH CARE EXPENDITURES

Health care expenditures in a population increase over time as a result of 4 factors--general inflation, medical inflation in excess of the general inflation rate, increases in population, and increases in utilization and the intensity of use.

If the rate of medical inflation in the 1990s is the same as it has been for the last 15 years and nothing else changes health care expenditures in Alaska will more than double by 2000 to \$3 billion annually.

Population growth and aging will add to the increase. Economic projections suggest that the rate of population growth in the 1990s will be less than in prior decades (see for example Economic Projections for Southcentral Alaska:1990-2015, ISER 1991). If that is the case and the population increases only 100 thousand during the 1990s this will engender \$500 million in additional health care expenditures annually. On the other hand if we assume a continuation of the historical rate of population increase, an additional 241 thousand Alaskans will reside in the state in 2000. These Alaskans will add \$1.5 billion to health care expenditures in the state at that time.

These projections assume that each age cohort of the population grows at the historical rate or, in the lower case, at a fixed percentage of the historical rate. As a consequence the 65+ population increases at a faster rate than the overall population and contributes to increased expenditures through greater utilization of health services than the average resident. The projections make no other assumptions about changes in utilization rates for health care services or for the intensity of use. If age specific utilization rates increase, or if the intensity of care for particular health problems increases total health care expenditures would be higher than projected here.

VI. HISTORICAL PERFORMANCE STATISTICS OF ALASKA COMMUNITY ACUTE CARE HOSPITALS

Community acute care hospitals in Alaska can be historically compared with similar sized hospitals in the rest of the United States using information collected and disseminated by the American Hospital Association.

When interpreting these comparisons two important factors must be kept in mind.

First, several of the Alaska community hospitals are co-located facilities which means that they contain long term care beds in addition to acute care beds. (Of the total of 1148 beds in the 16 community acute care hospitals in Alaska 121, 10.5 percent, are not acute care beds. [Medicaid Rate Setting Commission data]) In the nation as a whole co-located facilities are not as common as in Alaska. Therefore although the national data contains some long term care beds mixed in with the acute care beds, the proportion is smaller than for Alaska. This is important because the occupancy rate of long term care beds is generally higher than for acute care beds, and the cost per inpatient day of long term care is generally much lower than for acute care beds.

Second, the average number of beds per hospital is much smaller in Alaska than in the United States as a whole. In comparing Alaska to the US the US data has been weighted by the actual Alaska hospital bed size distribution. This results in data that is directly comparable to Alaska. For example the utilization rate for all US hospitals in 1989 was 66.2 percent. But if the US had the same size distribution of hospitals as Alaska the occupancy rate would have been 57.4 percent. This later figure is used for comparison with the Alaska occupancy rate of 48.9 percent.

INPATIENT DAYS PER CAPITA (Figure VI.1)--After subtracting out the large military and Native components of the Alaska population, inpatient days per capita in Alaska community hospitals (.53 days in 1989) have remained at about half the national average (.92 in 1989) since the early 1970s. This is probably explained by the young age of the Alaska population and the fact that some Alaskans travel to other states for their hospitalization.

OUTPATIENT VISITS PER CAPITA (Figure VI.2)--After subtracting out the large military and Native components of the Alaska population, outpatient visits per capita in Alaska community hospitals (.99 visits per capita in 1989) are less than the national average (1.17 visits per capita in 1989). However Alaskans are more comparable to the US average in their use of outpatient services than in their use of inpatient services.

AVERAGE LENGTH OF STAY (Figure VI.3)--The average length of stay in Alaska hospitals is less than the US average although it is increasing while the average stay in

Figure VI.1
ALASKA COMMUNITY HOSPITALS
INPATIENT DAYS PER CAPITA

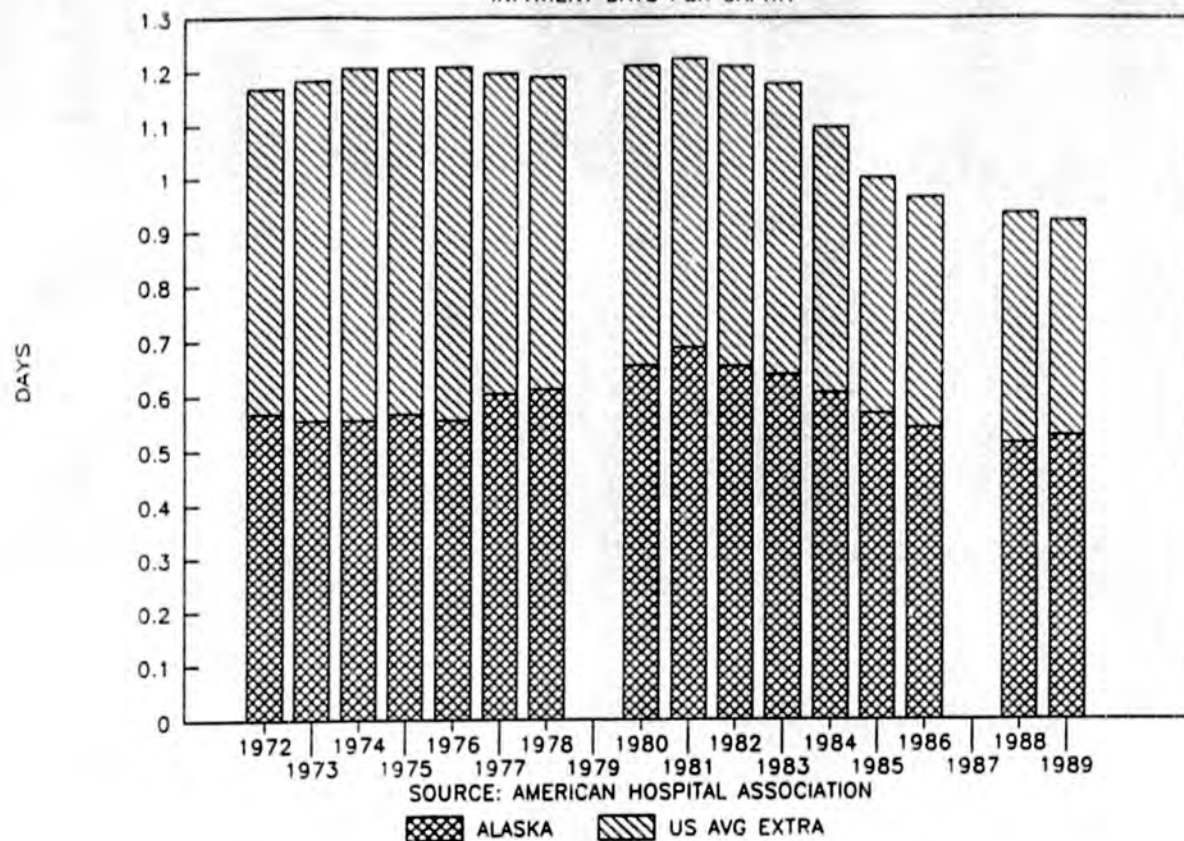


Figure VI.2
ALASKA COMMUNITY HOSPITALS
OUTPATIENT VISITS PER CAPITA

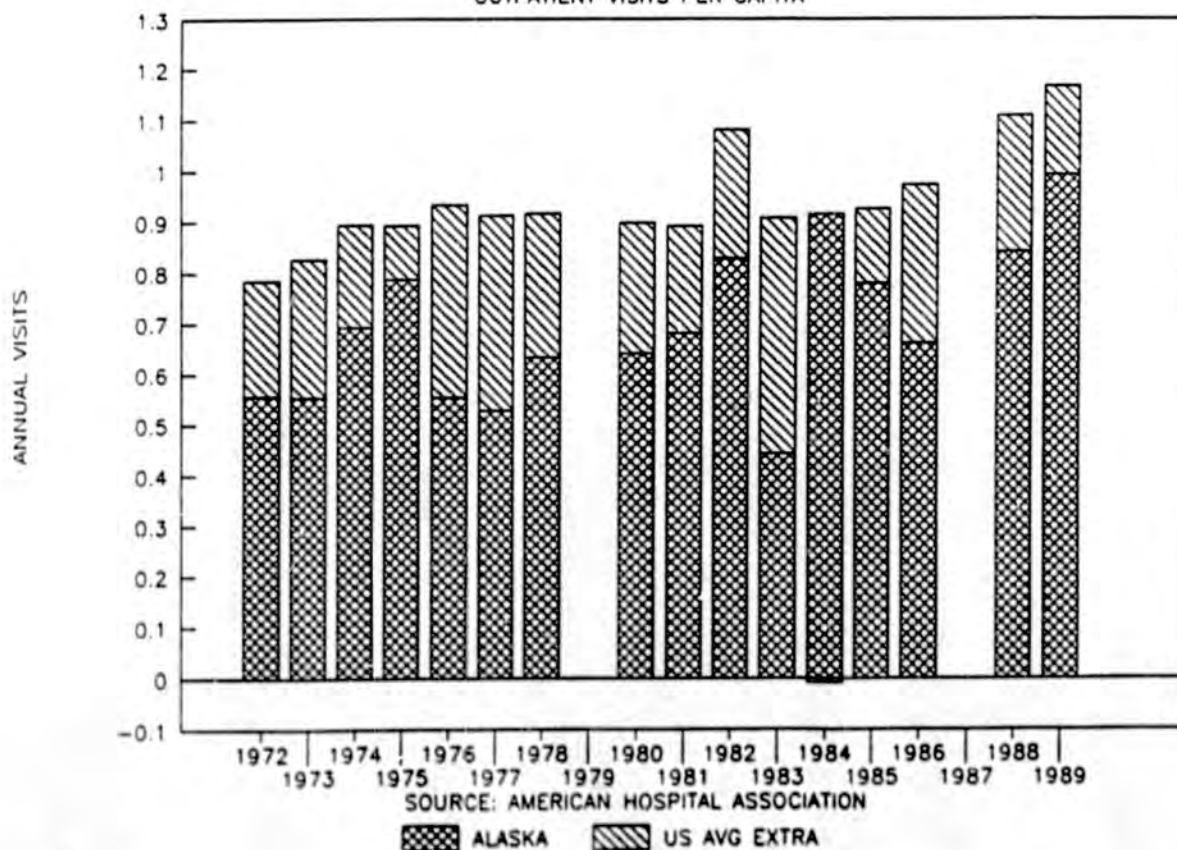


Figure VI.3
ALASKA COMMUNITY HOSPITALS
 AVERAGE LENGTH OF STAY

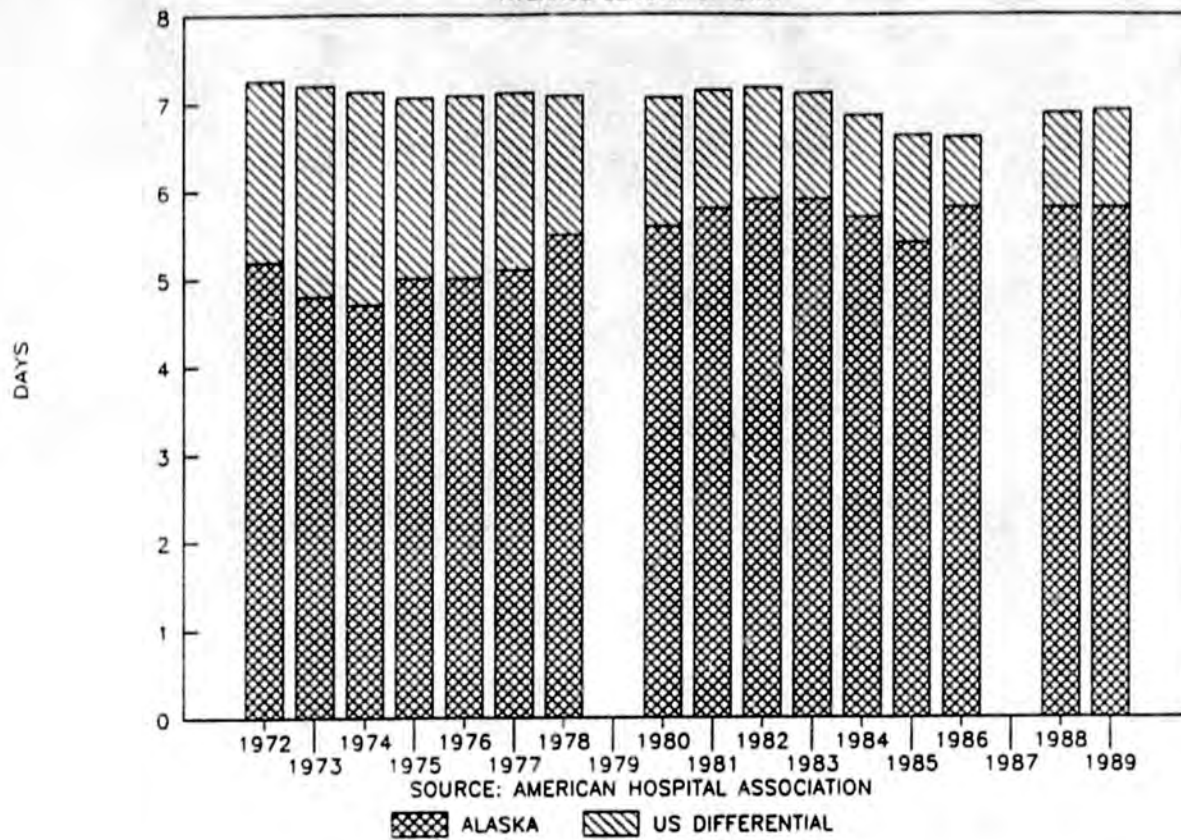
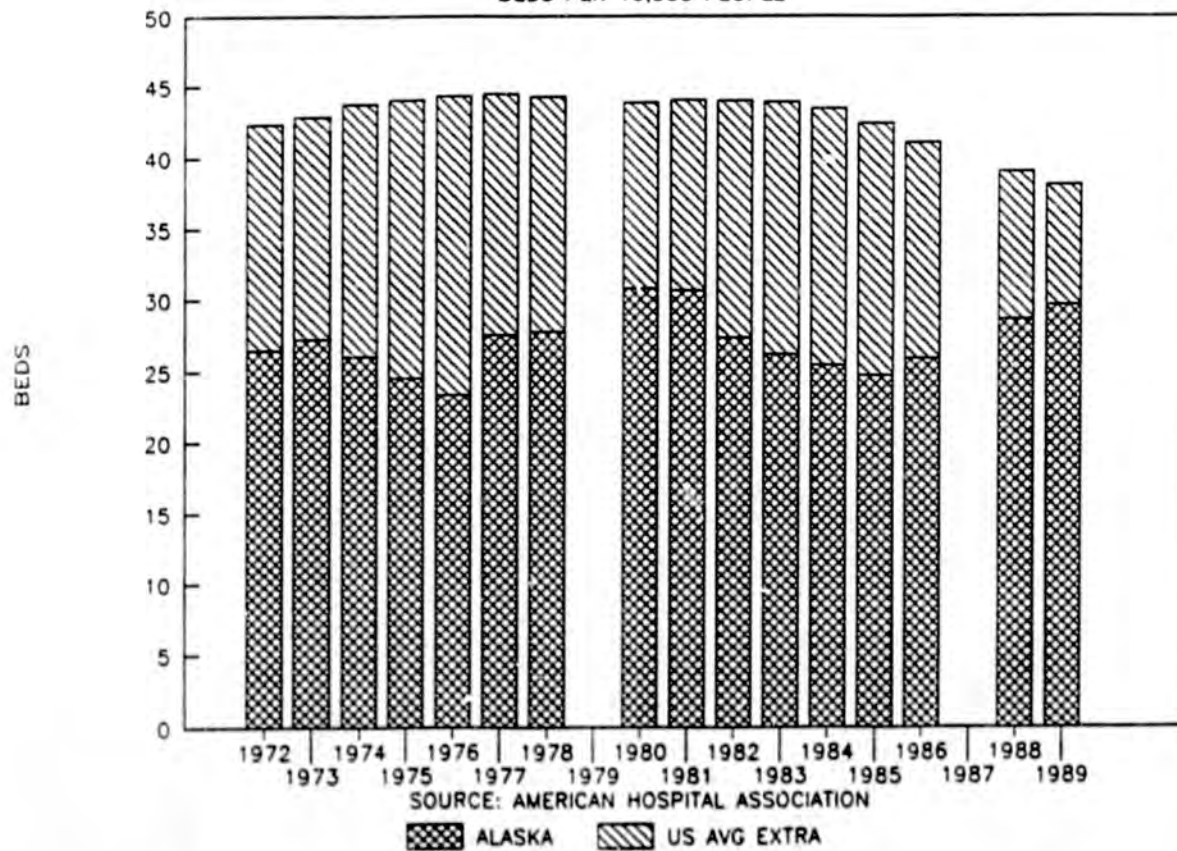


Figure VI.4
ALASKA COMMUNITY HOSPITALS
 BEDS PER 10,000 PEOPLE



hospitals across the US is declining. In 1989 the average length of stay in Alaska hospitals was 5.8 days. The US average was 6.9 days.

BEDS PER 10,000 POPULATION (Figure VI.4)--After subtracting out the large military and Native components of the Alaska population, the number of beds per 10,000 population is considerably below the national average. There are 30 beds in Alaska for 10,000 population. In the US as a whole there are 38 beds for every 10,000 population. This is consistent with lower than average inpatient and outpatient visits per capita. The number of beds per capita in the US have been falling since the mid 1980s. In Alaska there is no such trend.

INPATIENT DAYS (Figure VI.5)--The number of inpatient days has fallen in Alaska in recent years after increasing sharply in the 1970s. In the US inpatient days has also fallen in recent years.

OCCUPANCY RATE (Figure VI.6)--The occupancy rate in Alaska community hospitals has in recent years been below the national average. In 1989 the rate for Alaska was 48.9 percent compared to 57.4 percent for the nation as a whole. The occupancy rate in Alaska hospitals was above the national average for 4 years in the mid 1980s. Occupancy rates both in Alaska and the nation as a whole have fallen since the mid 1980s. This is consistent with the fact that both admissions and inpatient days are lower in Alaska than in the mid 1980s. Occupancy rate is defined as the number of inpatient days (excluding newborns) divided by total beds multiplied by 365 (excluding newborn bassinets).

EXPENSES PER ADJUSTED PATIENT DAY (Figure VI.7. & Figure VI.8)--Expenses in Alaska hospitals per adjusted patient day are considerably above the US average. In 1989 the facility cost per adjusted patient day in Alaska hospitals was \$996--76 percent above the national average of \$565. Historically this differential has ranged from 60 to over 100 percent. Long term care costs are included for Alaska co-located facilities in this comparison. Because of the lower cost and higher occupancy rate for long term care beds (a 91% occupancy rate in 1989 based on Medicaid Rate Setting Commission data), the Alaska figure underestimates the cost for acute care per adjusted patient day.

The cost per adjusted patient day has increased at a rate in excess of the rate of medical inflation as measured by the medical care component of the Anchorage consumer price index. The average growth rate in cost has been 13.8 percent.

The use of an adjusted patient day takes into account outpatient utilization of hospitals by combining inpatient days with an estimate of outpatient visits converted to patient days. This is done by dividing outpatient visits by the ratio of the average cost for an inpatient day to the average cost of an outpatient visit.

For example assume that the average cost of an inpatient day is \$1000 and the

Figure VI.5
INPATIENT DAYS: ALASKA AND THE US
COMMUNITY HOSPITALS

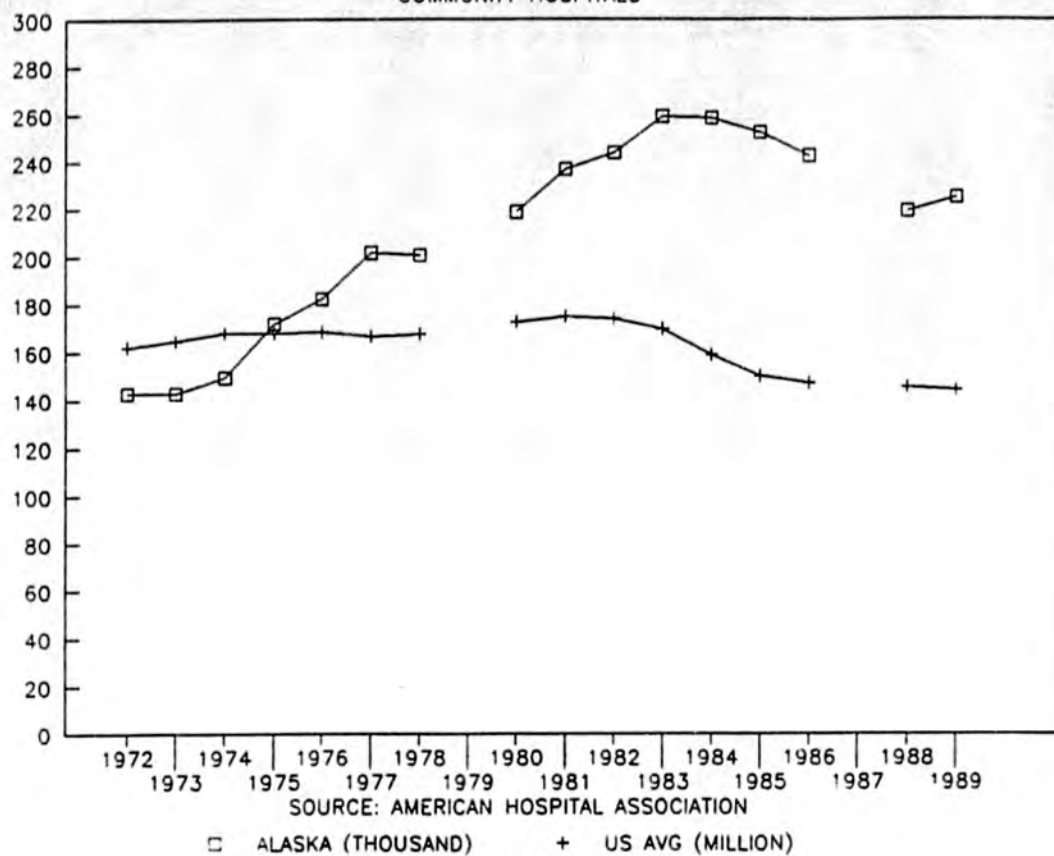


Figure VI.6
ALASKA COMMUNITY HOSPITALS
OCCUPANCY RATE

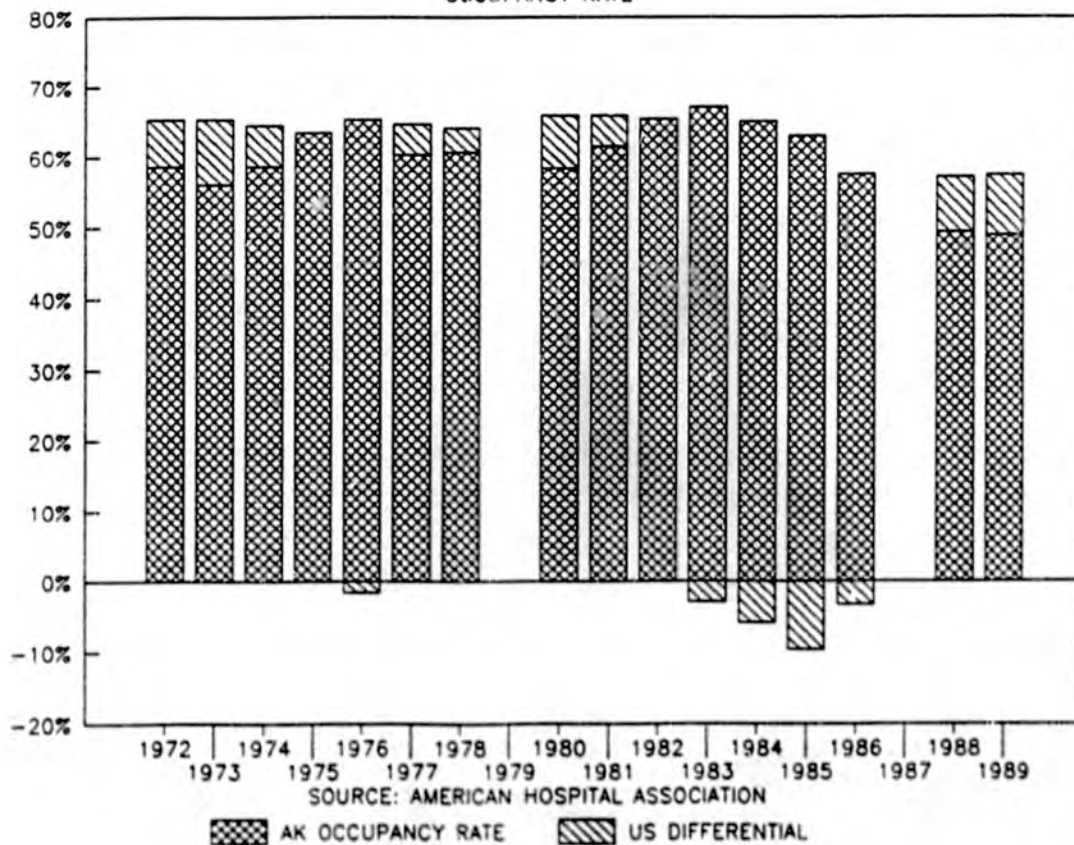


Figure VI.7
ALASKA COMMUNITY HOSPITALS
 EXPENSES PER ADJUSTED PATIENT DAY

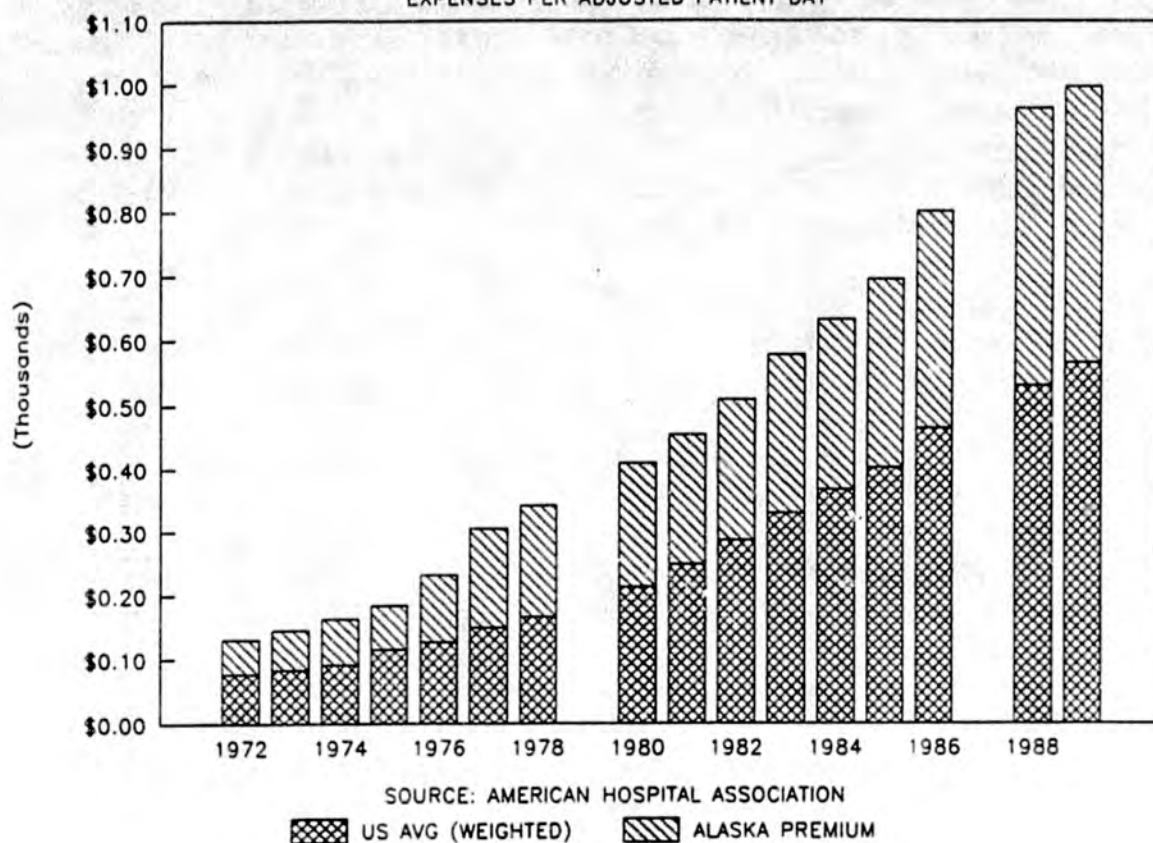
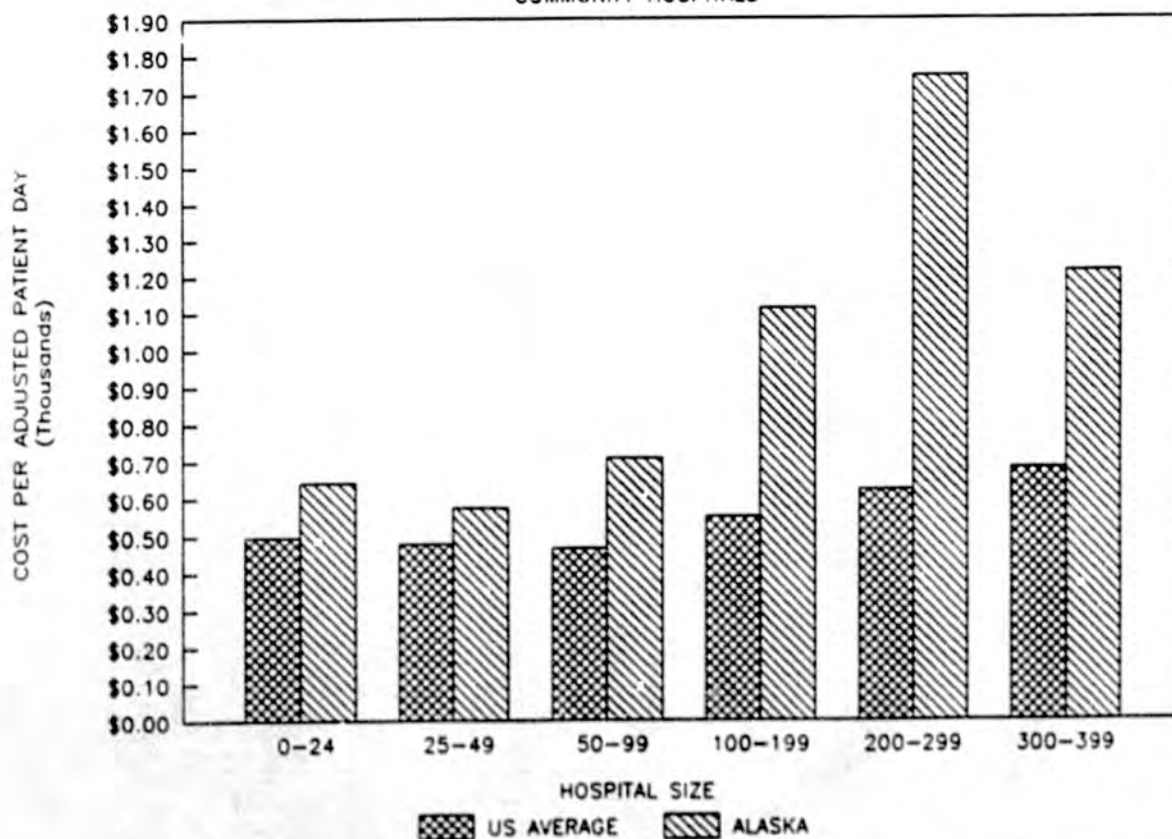


Figure VI.8
COST PER ADJUSTED PATIENT DAY
 COMMUNITY HOSPITALS



average cost of an outpatient visit is \$200 so that the ratio of the two is 5. This suggests that the cost of treating 5 outpatients is equal to the cost of one inpatient day. Outpatient visits can then be converted to patient days for direct comparison with inpatient days by dividing the total number of outpatient visits by 5. If there are 800 inpatient days and 1500 outpatient visits, the number of adjusted patient days in this example would be 800 plus 300 ($1500/5$) equals 800. If total hospital costs are divided among adjusted patient days, some of the cost of providing services is allocated to outpatients.

The Alaska differential in cost appears to be a function of the size of the hospital with larger hospitals having a larger cost differential. This result is due to the fact that the small hospitals are the co-located facilities with long term care beds.

AVERAGE PAYROLL (Figure VI.9)--The average payroll in Alaska community hospitals is considerably above the national average. The average annual payroll in 1989 in Alaska, excluding benefits, was \$36 thousand compared to \$23 thousand for the US as a whole. The differential, which is currently 55 percent, has historically ranged between 37 and 72 percent. Payroll and benefits account for more than half of total hospital expenses but average payroll which is growing at an average rate of 9.8 percent is not increasing at as rapid a rate as total hospital costs.

STAFF (Figure VI.10)--The hospital staffing level per 1000 adjusted patient days in Alaska is above the US average. In 1989 the Alaska staffing level was 11.9 per 1000 compared to 10.9 for the US as a whole. The staff per 1000 adjusted patient days has been increasing over time both in Alaska and in the US as a whole. In Alaska it has grown at an average annual rate of 2.3 percent.

Figure VI.9
ALASKA COMMUNITY HOSPITALS
AVERAGE PAYROLL

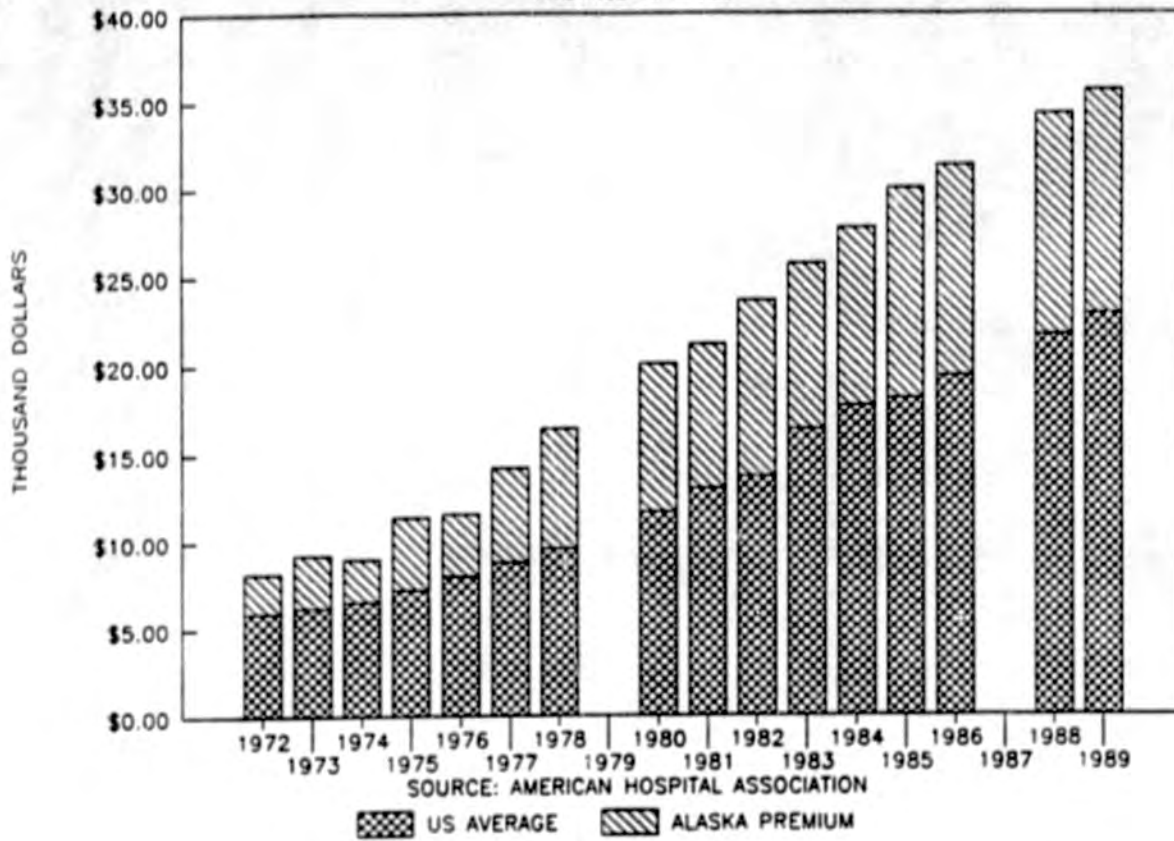
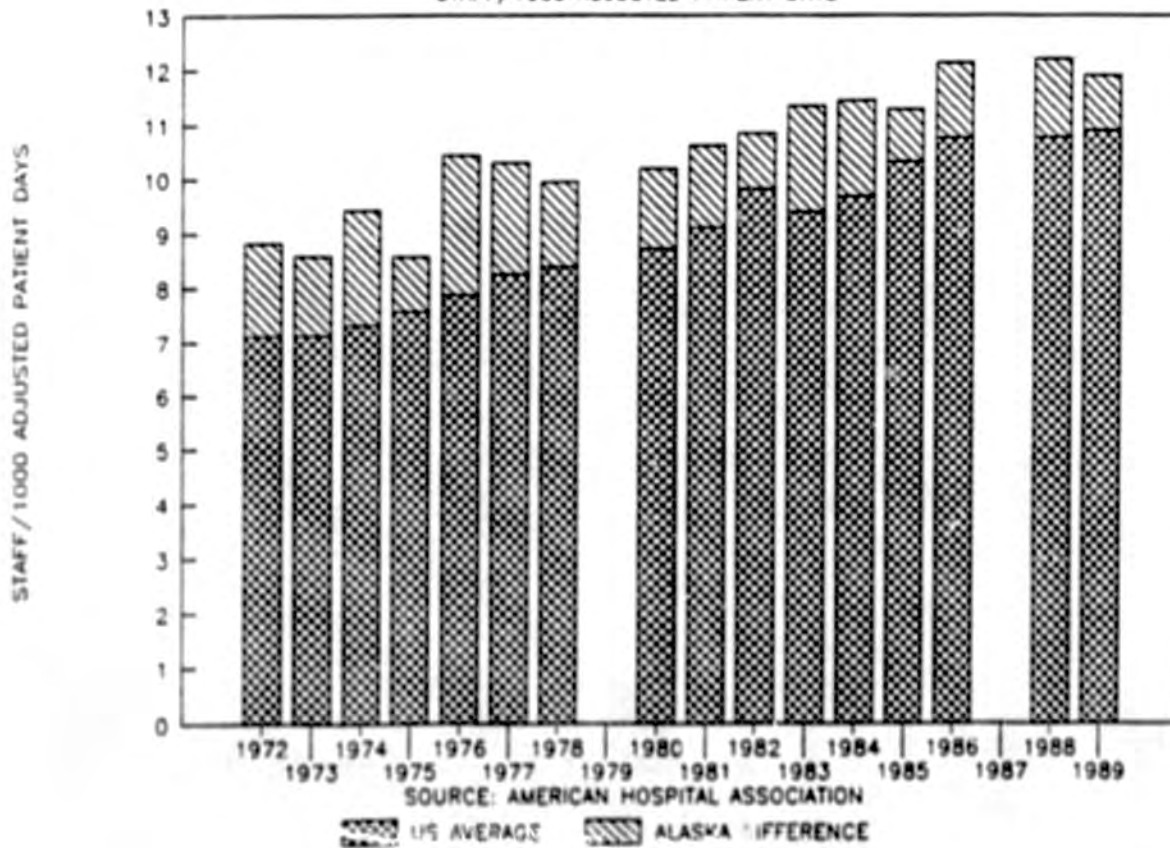


Figure VI.10
ALASKA COMMUNITY HOSPITALS
STAFF/1000 ADJUSTED PATIENT DAYS



Memo

To: Health Resources and Access Task Force

From: Scott Goldsmith
Institute of Social and Economic Research
University of Alaska Anchorage

Subject: Additional Findings for Inclusion in Draft Interim Report

Date: January 10, 1992

Charges/Prices for Health Services in Alaska

The state average for expenses per adjusted patient day in Alaska community hospitals as reported by the American Hospital Association has historically ranged from 60 to 100 percent above the national average. The Alaska differential in 1989 was 76 percent above the national average. The average annual growth rate in this measure of cost has been 13.8 percent.

Average payroll in Alaska community hospitals as reported by the American Hospital Association has historically been from 37 to 72 percent above the national average. The Alaska differential in 1989 was 55 percent above the national average. The average annual growth rate in this measure of cost has been 9.8 percent.

Patient Utilization Patterns in Alaska

Inpatient days per capita as reported by the American Hospital Association have historically been considerably less than the national average. After subtracting out the Native and military from the Alaskan population, the number of inpatient days per capita in Alaska community hospitals was .53 compared to the national average of .92. The young average age of the population and the selection of out of state hospital care by some Alaskans explain this phenomenon.

Outpatient days per capita as reported by the American Hospital Association have historically been below the national average. After subtracting out the Native and military from the Alaskan population, the number of outpatient visits per capita in Alaska community hospitals was .99 in 1989 compared to the national average of 1.17 visits.

Average length of stay as reported by the American Hospital Association has historically been below the national average. The average length of stay in Alaska community hospitals in 1989 was 5.8 days compared to the national average of 6.9 days.

MEMO

TO: Health Resources and Access Task Force

FROM: Scott Goldsmith

SUBJECT: Summary of Analysis of Cost of Excess Capacity in Alaska
Community Acute Care Facilities

DATE: January 10, 1992--Revised on January 22, 1992

Occupancy rates in Alaska community acute care facilities have historically been below the national average for comparable sized hospitals except during the economic boom of the mid 1980's. In 1989 the Alaska rate was 45% compared to the US average of 57%.

Using the national average occupancy rate as a benchmark, 12 of the 16 Alaska acute care facilities had surplus beds in 1989.

These 229 surplus beds represent 22% of the total 1,027 beds. 183 are located in the Anchorage/Fairbanks area (26% of that market) with 47 in the remainder of the state (14% of that market).

The annual cost of maintaining the beds defined as surplus in this way is conservatively estimated at between \$5.8 and \$11.6 million, adding 2% to 4% to total hospital costs.

Using a 75% target occupancy rate--a more rigorous standard than the current national average--increases the estimate of excess capacity cost to the range of \$10.4 to \$20.8 million annually.

Reduction of the excess capacity costs requires that hospitals be reconfigured to the appropriate size to serve their market. This can only be accomplished after a case by case evaluation to determine whether it is cost effective to eliminate, downsize, or reallocate resources to other health related needs.

The reallocation of resources currently tied up in excess capacity could simultaneously reduce the cost and increase the quality of health care in the state.

APPENDIX E

"Memo to Nancy Cornwell regarding Summary of Utilization
Rates for the 1990 Alaska Hospital Survey and
comparison to U.S. Averages"

from Bradley J. Whistler, Planning Section,
Alaska Department of Health and Social Services

October 9, 1991

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF ADMINISTRATIVE SERVICES

WALTER J. HICKEL, GOVERNOR

THEODORE A. MALA, COMMISSIONER

P.O. BOX 110650

JUNEAU, ALASKA 99811-0650

PHONE: (907) 465-3082

MEMORANDUM

DATE: October 9, 1991

TO: Nancy Cornwell, Project Director
Health Resources and Access Task Force

FROM:  Bradley J. Whistler, Research Analyst
Department of Health & Social Services
Division of Admin. Services - Planning Section

SUBJECT: Summary of Utilization Rates from the "1990 Alaska Hospital Survey" and comparison to U.S. averages

This memorandum is to respond to the Health Resources and Access Task Force request for information on utilization of Alaska health care facilities. I have attached eight tables which summarize utilization information on Alaska acute and long-term care facilities from the 1983 Annual Alaska Hospital Survey and the 1990 Alaska Hospital Survey. I have not included utilization information on Alaska's four specialized care facilities.

Acute Care Facilities

Tables 1 and 2 list utilization data for each acute care facility for 1982, the last time the hospital survey was conducted, and 1989. During this time frame, available statewide acute care beds increased from 1,475 in 1982 to 1,645 beds in 1989. During this same period, the statewide average occupancy rates declined from 59.2% to 45.8%. Although starting at a lower base point, this reflects a national trend of lower acute care occupancy rate. This has occurred as third party payers have implemented measures to limit hospital admissions and reduce the length of stay in these facilities. Further, as a cost containment measure, many procedures which were previously performed in these facilities are done on an outpatient basis.

From 1982 to 1989, average U.S. hospital occupancy rates decreased from 77.4% to 69.6%. Community hospital occupancy rates followed this same trend, although the occupancy rates were slightly lower, 75.3% to 66.2%. I have attached a table, Table 3, which compares Alaska acute care occupancy rates with U.S. averages for hospitals Health Resource and of similar size and type of ownership. Tables 4 and 5 provide a graphical representation of these acute care utilization trends. The utilization data by facility size and ownership provides a better comparison to national averages since small, rural hospitals generally have lower occupancy rates than their larger, urban counterparts. Nevertheless, many facilities in Alaska are significantly below U.S. averages. This is likely a reflection of the smaller size of the communities, the younger age of the general population and the number of inpatient beds in these facilities. Lastly, it is important to remember the U.S. averages are not the same as optimal utilization standards. The trend has been for hospitals to reduce the number of inpatient beds, as inpatient occupancy rates have dropped, and expand outpatient services. The national averages likely reflect that this process is not complete.

Hospital utilization information for the United States is from the American Hospital Association (AHA) publication entitled, Hospital Statistics: A Comprehensive Summary of U.S. Hospitals, 1990-1991. The data is from AHA registered hospitals in the United States. The publication does not indicate if mean, mode or median measures are used for U.S. occupancy rates. As stated above, the comparisons are enlightening on how Alaska facilities compare to other U.S. facilities, however it does not supplant the need for developing utilization standards.

The construction and/or renovation of many of these facilities has been subsidized by the State through capital grants and to a greater extent by Medicaid reimbursement (reimbursement rates include facility depreciation). In some cases, it may be more appropriate (cost effective) for these communities to be served by alternative (emergency care) facilities. Montana and California have recently established state-sponsored demonstration projects for alternative health facilities to their failing small, rural hospitals.

In Alaska, hospitals have been a priority for many of the municipalities due to the distances between major cities in the State and inclement weather which can restrict travel. Further, travel and lodging expenses incurred by patients generally are not reimbursed by third-party payment sources. This has served as a catalyst for the expansion of health care services in the local area, rather than referring to higher level medical service areas. The facilities also serve to help municipalities recruit health care professionals, especially specialists, into the area. Lastly, in many of the communities the hospital is a major employer. Capturing health care dollars in the community has become an important economic issue as communities are searching for economic diversification and more revenue. It is likely there would be resistance by the municipalities to downsize the facilities to "alternative" acute care facilities.

Long-Term Care Facilities

Tables 6 and 7 list 1982 and 1989 utilization data for each long-term care facility. Statewide nursing care beds increased from 954 in 1982, to 1,114 in 1989 for a 16.8% increase. During the same period, statewide average occupancy rates have dropped from 90.0% to 86.7%, however, as Table 8 illustrates, the average occupancy rate in Alaska remains slightly above the national average. It is worth noting, that there is variation in the occupancy rates between facilities, however not to the extent seen in the acute care facilities. The average occupancy rate is skewed by the high demand for nursing care beds at State Pioneers' Homes.

Lastly, it is important to note that even small changes in occupancy rates at long-term care facilities are important, since long-term care is a labor intensive, expensive health service. Further, Medicaid is the major reimbursement source for these services. The average Medicaid reimbursement rate for nursing care beds increased from \$130 per day, in 1982, to \$202 per day, in 1989 (an increase of 55.4%). Guide to the Nursing Home Industry, published by Health Care Investment Analysts, lists the 1988 U.S. average net patient revenue at nursing homes as \$51.27 per day. The highest average net patient revenue was in Hawaii at \$88.69 per day (Alaska was not listed). The average net patient revenue in Washington State \$58.82 per day and Oregon's average was \$54.32 per day. Although, the daily Medicaid reimbursement rate and net patient revenue are not identical terms, the comparison indicates Alaska's per diem charges for nursing care beds is substantially higher than the national average.

Attachments

cc Larry J. Streuber, Planning Section Chief

Table 1
Acute Care Facilities Utilization Summary
1982

Area	Facility	Acute Care Beds	Total Discharges	Total Patient Days	Average Daily Census (# of Patients)	Average Length of Stay (# of Days)	Occupancy Rate (Percent)
SOUTHEAST							
	Bartlett Memorial Hospital	64	2742	11431	31.3	4.17	48.9%
	Ketchikan General Hospital	46	1839	8345	22.9	4.54	49.7%
	Mt. Edgecumbe/SEARHC	70	1171	12064	33.1	10.30	47.2%
	Petersburg General Hospital	13	264	831	2.3	2.93	17.5%
	SIka Community Hospital	24	862	3215	8.8	3.73	36.7%
	Wrangell General Hospital	9	261	862	2.4	3.30	26.2%
SOUTHCENTRAL							
	Anchorage ANS/PHS Hospital	170	4315	37405	102.5	8.67	60.3%
	Branch Naval Hospital Adak	16	514	1267	3.6	2.46	23.1%
	Bristol Bay PHS/ANS Hospital	28	714	2422	6.6	3.39	23.7%
	Central Peninsula Hospital	30	1803	6896	18.9	3.62	63.0%
	Cordova Community Hospital	12	287	1046	2.9	3.64	23.9%
	Elmendorf AFB Hospital	85	4971	25309	0.0	5.09	73.0%
	Fakh Hospital	8	415	986	2.7	2.38	45.0%
	Humana/Alaska	199	0	42184	115.6	ERR	58.1%
	Kodiak Island Hospital	25	1315	4807	12.8	3.50	50.5%
	Providence Hospital	250	12850	75732	207.5	5.85	63.0%
	Seward General Hospital	32	384	1594	4.4	4.15	13.6%
	South Peninsula Hospital	13	0	2926	8.0	ERR	61.7%
	Valdez Community Hospital	15	229	823	1.7	2.72	11.4%
	Valley Hospital	19	1115	3669	10.1	3.31	53.2%
	Yukon-Kuskokwim Delta PHS/ANS Hosp.	60	1688	7336	20.1	3.69	40.2%
NORTH							
	Bassett ARMY Hospital	82	0	0	0.0	ERR	0.0%
	Barrow PHS/ANS Hospital	17	600	1911	5.2	3.19	30.8%
	Fairbanks Memorial Hospital	145	8536	42368	116.1	4.96	80.1%
	Kotzebue PHS/ANS Hospital	31	781	2974	6.1	3.81	26.3%
	Norton Sound Regional Hospital	15	768	2938	8.0	3.83	53.7%
	TOTAL:	1475	48844	300961	824.6	5.24	59.2%

Notes: Average Daily Census does not include patients at Bassett Army Hospital
Average Length of Stay does not include Humana/Alaska, South Peninsula and Bassett Army Hospitals
Occupancy Rate does not include Bassett Army Hospital

Source: 1983 Annual Alaska Hospital Survey

Prepared by: Planning Section, Division of Administrative Services
Department of Health and Social Services
July 10, 1991

Table 2
Acute Care Facilities Utilization Summary
1989

Area	Facility	Acute Care Beds	Total Discharges	Total Patient Days	Average Daily Census (# of Patients)	Average Length of Stay (# of Days)	Occupancy Rate (Percent)
SOUTHEAST							
	Bartlett Memorial Hospital	51	2879	9859	27.0	3.31	53.0%
	Ketchikan General Hospital	48	1728	5288	14.5	3.06	31.5%
	Mt. Edgecumbe/BEARHC	78	2037	14248	39.0	6.99	50.0%
	Petersburg General Hospital	11	140	489	1.3	3.35	11.7%
	Sitka Community Hospital	24	727	2641	7.2	3.63	30.1%
	Wrangell General Hospital	9	128	307	0.8	2.40	6.3%
SOUTHCENTRAL							
	Anchorage ANS/PHS Hospital	170	4473	32744	89.7	7.32	52.8%
	Branch Naval Hospital Adak	15	523	1375	3.8	2.83	25.1%
	Bristol Bay PHS/ANS Hospital	15	488	1338	3.7	2.85	24.4%
	Central Peninsula Hospital	46	2874	9344	25.6	3.49	55.7%
	Cordova Community Hospital	13	226	830	1.7	2.79	13.3%
	Elmendorf AFB Hospital	75	5387	23147	83.4	4.30	84.8%
	Humana/Alaska	238	7534	34583	84.7	4.59	39.8%
	Kodiak Island Hospital	25	1505	4389	12.0	2.80	47.9%
	Providence Hospital	365	14219	87477	239.7	6.15	65.7%
	Seward General Hospital	32	392	1218	3.3	3.10	10.4%
	South Peninsula Hospital	20	778	2530	6.9	3.25	34.7%
	Valdez Community Hospital	15	257	733	2.0	2.85	13.4%
	Valley Hospital	36	229	1308	3.6	5.71	10.0%
	Yukon-Kuskokwim Delta PHS/ANS Hosp.	51	1928	6878	18.3	3.46	35.9%
NORTH							
	Bassett ARMY Hospital	69	1383	4336	11.8	3.14	17.2%
	Barrow PHS/ANS Hospital	14	510	1800	4.4	3.14	31.3%
	Fairbanks Memorial Hospital	177	6905	25073	68.7	3.83	38.8%
	Kotzebue PHS/ANS Hospital	31	781	2283	6.2	2.97	20.0%
	Norton Sound Regional Hospital	19	673	1741	4.8	2.59	25.1%
	TOTAL:	1645	58582	275291	754.2	4.70	45.8%

Source: 1990 Alaska Hospital Survey

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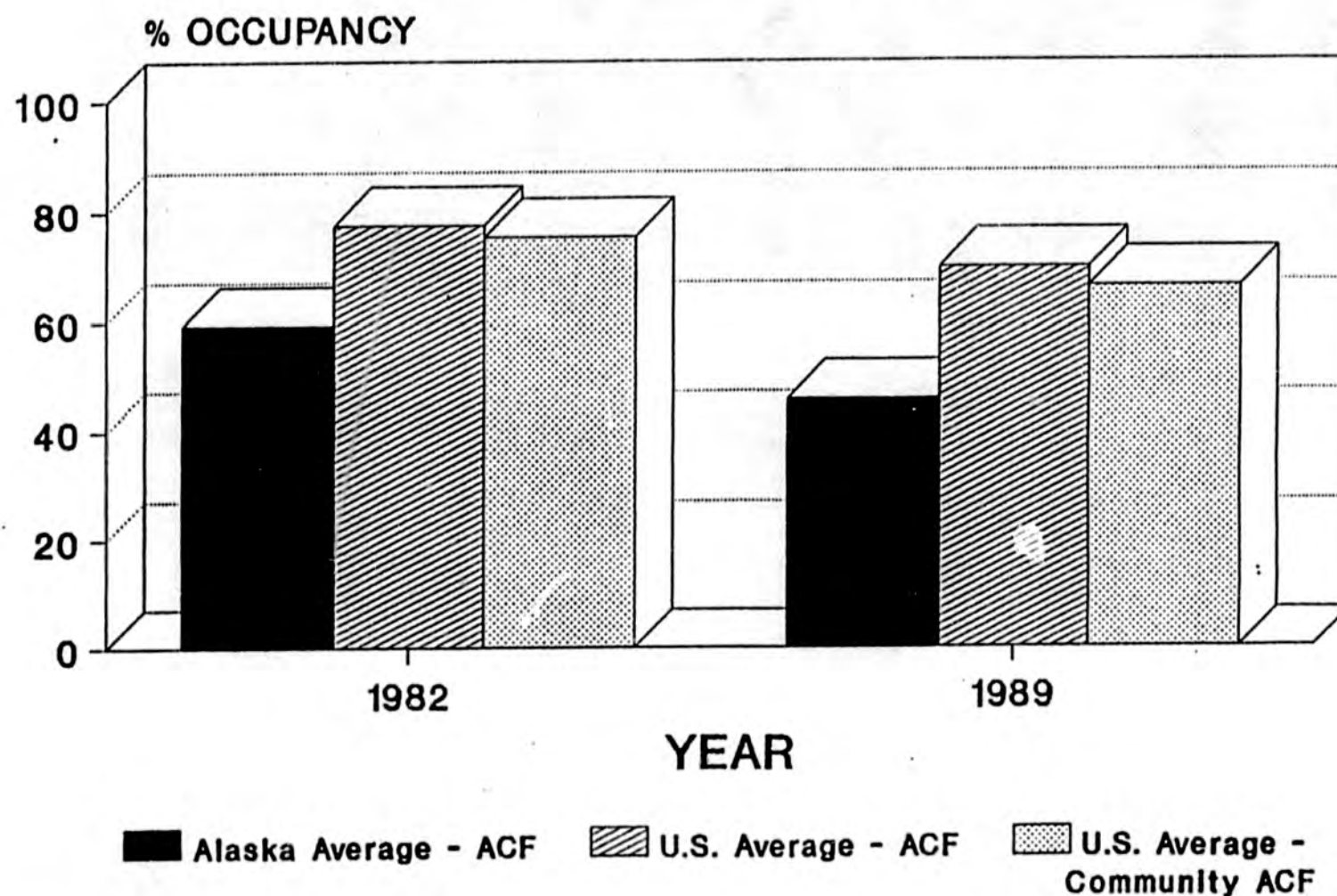
Prepared by: Planning Section, Division of Administrative Services
Department of Health and Social Services
July 10, 1991

Table 3
Acute Care Facilities Utilization
Comparison to U.S. Average for Facilities of Similar Size and Type of Ownership
1989

Size	Facility	TYPE OF OWNERSHIP	Occupancy Rate (Percent)	Occupancy Rate - U.S. Average by Number of Beds & Type of Ownership	Occupancy Rate Difference Actual - U.S. Average
1-24 Beds	Barrow ANS/PHS Hospital	Federal Government	31.3%	43.8%	-12.5%
	Branch Naval Hospital - Adak	Federal Government	25.1%	43.8%	-18.7%
	Bristol Bay ANS/PHS Hospital	Federal Government	24.4%	43.8%	-19.4%
	Cordova Community Hospital	Local Government	13.3%	30.6%	-17.3%
	Norton Sound Regional Hospital	Private - Non-profit	25.1%	33.1%	-8.0%
	Petersburg General Hospital	Local Government	11.7%	30.6%	-18.9%
	Sitka Community Hospital	Local Government	30.1%	30.6%	-0.5%
	South Peninsula Hospital	Private - Non-profit	34.7%	33.1%	1.6%
	Valdez Community Hospital	Private - Non-profit	13.4%	33.1%	-19.7%
	Wrangell General Hospital	Private - Non-profit	9.3%	33.1%	-23.8%
25-49 Beds	Central Peninsula Hospital	Local Government	55.7%	38.2%	17.5%
	Ketchikan General Hospital	Local Government	31.5%	38.2%	-6.7%
	Kodlak Island Hospital	Local Government	47.9%	38.2%	9.7%
	Kotzebue ANS/PHS Hospital	Federal Government	20.0%	45.7%	-25.7%
	Seward General Hospital	Local Government	10.4%	38.2%	-27.8%
	Valley Hospital	Private - Non-profit	10.0%	41.6%	-31.6%
50-99 Beds	Bartlett Memorial Hospital	Local Government	53.0%	53.4%	-0.4%
	Bassett Army Hospital	Federal Government	17.2%	53.6%	-36.4%
	Elmendorf AFB Hospital	Federal Government	84.6%	53.6%	31.0%
	Mt. Edgecumbe/SEARHC	Federal Government	50.0%	53.6%	-3.6%
	Yukon Kuskokwim Delta ANS/PHS Hosp.	Federal Government	35.9%	53.6%	-17.7%
100+ Beds	Anchorage ANS/PHS Hospital	Federal Government	52.8%	63.2%	-10.4%
	Fairbanks Memorial Hospital	Private - Non-profit	38.8%	63.1%	-24.3%
	Humana/Alaska Hospital	Investor Owned (For Profit)	39.8%	50.1%	-10.3%
	Providence Hospital	Private - Non-profit	65.7%	68.5%	-2.8%

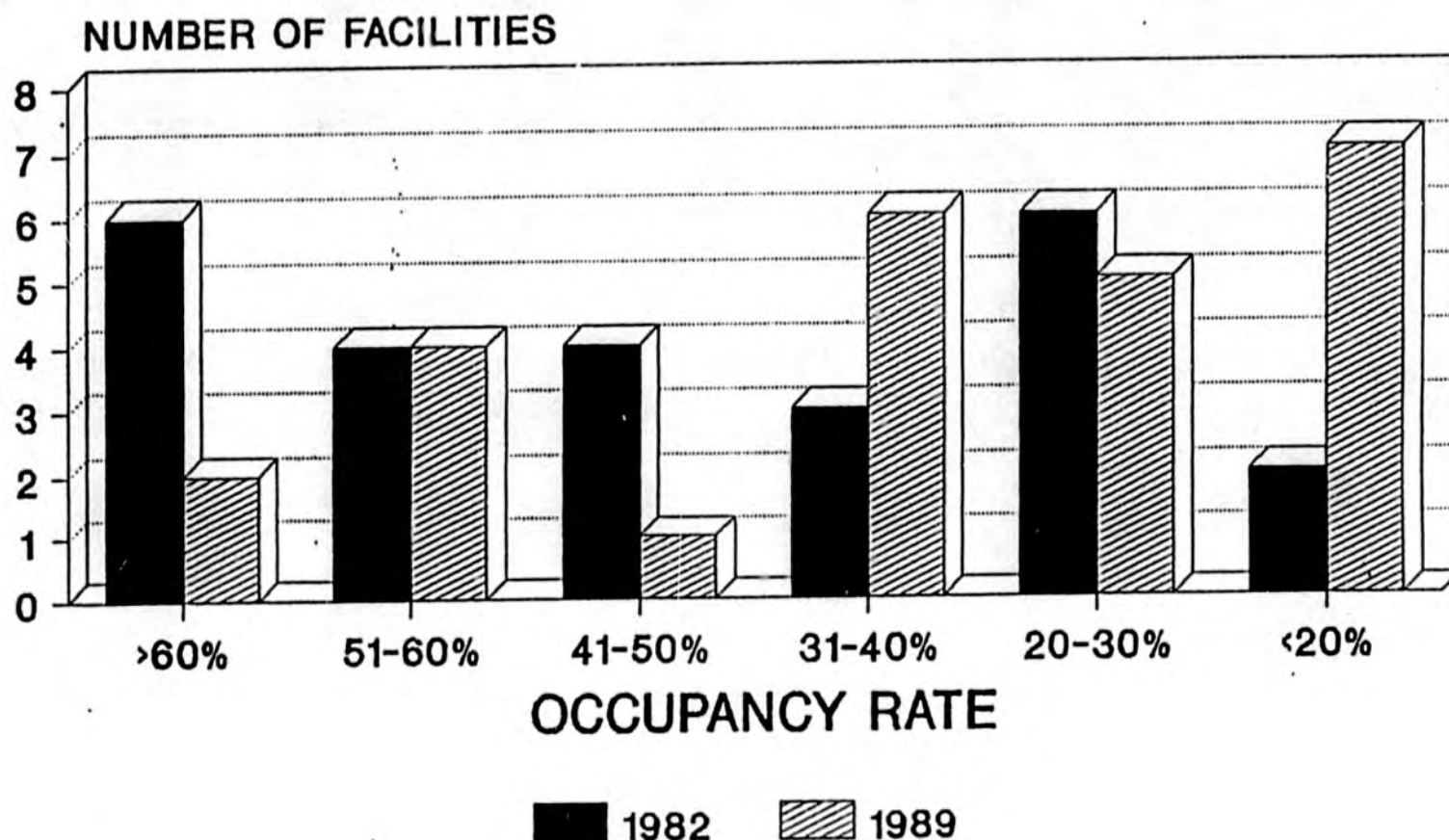
Note: *AHA Hospital Statistics - A Comprehensive Summary of U.S. Hospitals, 1990-1991* is the source for U.S. Average Occupancy Rates.

Table 4
Acute Care Facility (ACF) Utilization
1982 & 1989 Occupancy Rates



Source: U.S. Averages are from the American Hospital Assoc.
publication, "Hospital Statistics", 1990.

Table 5
Alaska Acute Care Facilities
Distribution of Occupancy Rates



NOTE: U.S. AVERAGE OCCUPANCY RATE FOR
COMMUNITY HOSPITALS WAS 75.3% IN 1982
AND 66.2% IN 1989.

Prepared by: Planning Section, Division of Administrative Services
Department of Health and Social Services
July 10, 1991

Table 6
Long-Term Care Facility Utilization
1982

Area	Facility	Long-Term Care Beds	Total Patient Days	Average Daily Census (# of Patients)	Occupancy Rate (Percent)
SOUTHEAST					
	Island View Manor	46	13,260	36.3	79.0%
	Ketchikan Pioneers' Home*	30	10,665	29.2	97.4%
	Mt. Edgecumbe - PHS	8	1,076	2.9	36.8%
	Petersburg General Hospital	12	4,138	11.3	94.5%
	Sitka Pioneers' Home*	50	17,776	48.7	97.4%
	St. Ann's Nursing Home	42	13,527	37.1	88.2%
	Wrangell General Hospital	14	5,045	13.8	98.7%
SOUTHCENTRAL					
	Anchorage Pioneers' Home*	95	33,773	92.5	97.4%
	Cordova Community Hospital	8	2,461	6.7	84.3%
	Harborview	96	31,381	86.0	89.6%
	Hope Park Cottages	30	10,815	29.6	98.8%
	Kodiak Island Hospital	19	6,033	16.5	87.0%
	Nakotia	216	68,195	186.8	86.5%
	Norton Sound Hospital	6	1,712	0.0	78.2%
	Palmer Pioneers' Home*	55	19,553	53.6	97.4%
	South Peninsula General Hospital	4	1,415	3.9	96.9%
	Valley Hospital	4	595	1.6	40.8%
	Wesleyan Nursing Home	64	23,340	63.9	99.9%
NORTH					
	Careage North	101	29,652	81.2	80.4%
	Fairbanks Pioneers' Home	54	18,980	52.0	96.3%
	TOTAL:	954	313,392	858.6	90.0%

*Note: These Pioneers' Homes did not report patient days for the nursing care beds. The listed data are estimated from historical utilization trends from the "Monthly Pioneers' Homes Occupancy Reports".

Source: 1983 Annual Alaska Hospital Survey

Prepared by: Planning Section, Division of Administrative Services
Department of Health and Social Services
July 10, 1991

Table 7
Long-Term Care Facility Utilization
1989

Area	Facility	Long-Term Care Beds	Total Patient Days	Average Daily Census (# of Patients)	Occupancy Rate (Percent)
SOUTHEAST					
	Island View Manor	46	11,424	31.3	68.0%
	Junesu Pioneers' Home	34	11,680	32.0	94.1%
	Ketchikan Pioneers' Home	30	10,220	28.0	93.3%
	Petersburg General Hospital	14	5,110	14.0	100.0%
	Sitka Pioneers' Home	41	9,525	28.1	63.8%
	St. Ann's Nursing Home	45	13,864	38.0	84.5%
	Wrangell General Hospital	14	4,374	12.0	85.6%
SOUTHCENTRAL					
	Anchorage Pioneers' Home	94	33,580	92.0	97.9%
	Cordova Community Hospital	10	3,181	8.7	88.6%
	Harborview - Sourdough Place	80	26,184	71.7	89.6%
	Heritage Place	45	10,383	28.4	63.2%
	Hope Park Cottages	40	14,414	39.5	98.7%
	Kodiak Island Hospital	19	6,621	18.1	95.5%
	Mary Conrad Center	68	22,828	62.5	94.8%
	Our Lady of Compassion	224	78,895	0.0	94.0%
	Palmer Pioneers' Home	55	19,285	52.8	98.1%
	South Peninsula General Hospital	18	5,781	15.8	88.0%
	Wesleyan Nursing Home	88	17,865	48.9	74.2%
NORTH					
	Denali Center	101	27,325	74.9	74.1%
	Fairbanks Pioneers' Home	48	18,425	45.0	93.8%
	Kotzebue Senior Center*	9	1,069	2.9	32.5%
	Quyaana Care Center	15	4,377	12.0	78.9%
TOTAL:		1,114	352,388	985.4	86.7%

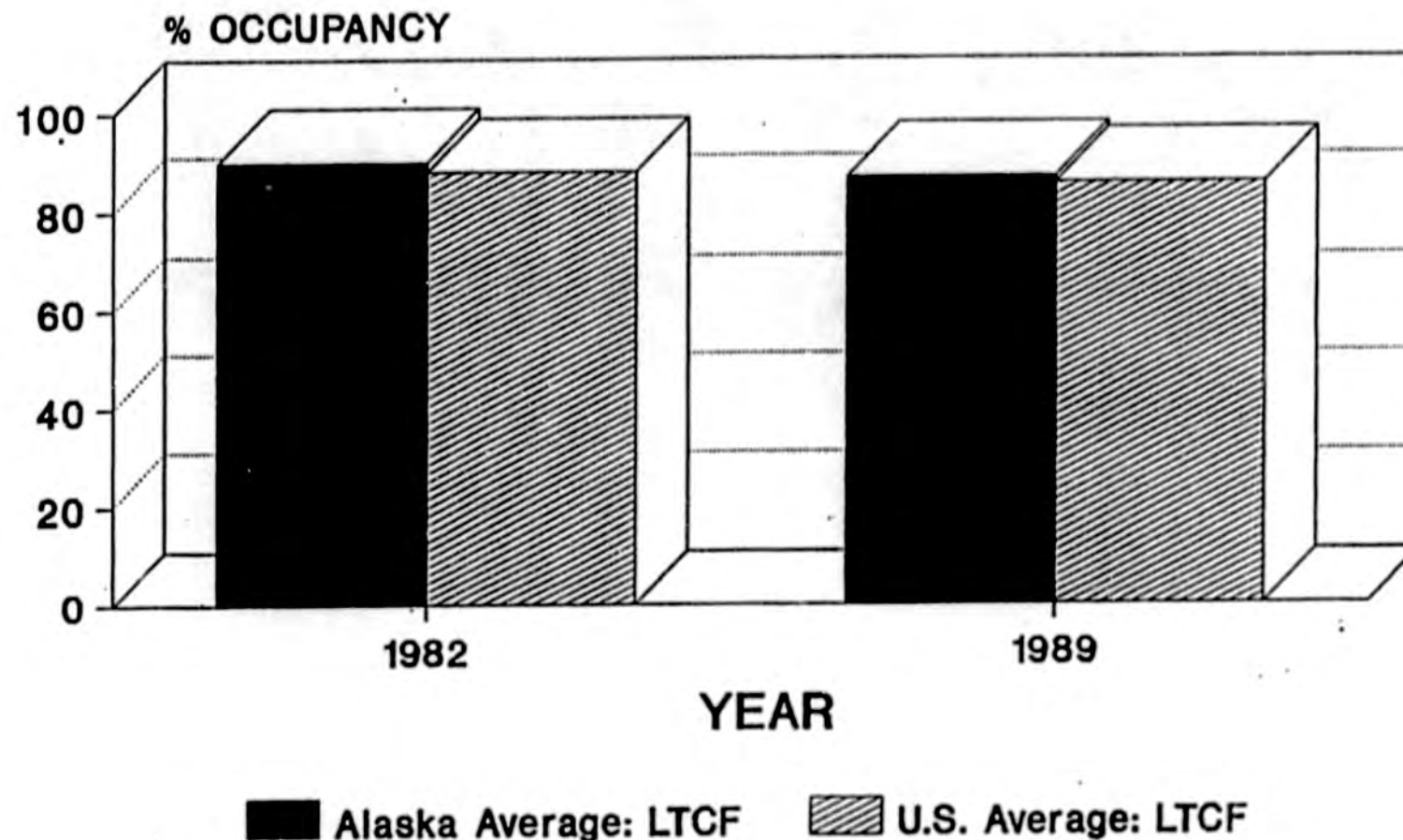
* Note: Actual utilization was higher since this facility opened on August 4, 1989. The occupancy rate for the time period the facility was open is 79.2%.

Source: 1990 Alaska Hospital Survey Report

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Table 8

Long-Term Care Facility (LTCF) Utilization 1982 & 1989 Occupancy Rates



Source: U.S. Averages are from the
American Hospital Assoc. publication
"Hospital Statistics", 1990.

APPENDIX F

"Memo to the Health Resources and Access Task Force" from

Bradley J. Whistler, Planning Section,

Alaska Department of Health and Social Services

October 21, 1991

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF ADMINISTRATIVE SERVICES

WALTER J. HICKEL, GOVERNOR

THEODORE A. MALA, COMMISSIONER

P.O. BOX 110650
JUNEAU, ALASKA 99811-0650
PHONE: (907) 465-3082

MEMORANDUM

DATE: October 21, 1991

TO: Health Resources and Access Task Force
The Honorable Jim Duncan, Co-Chair
The Honorable Johnny Ellis, Co-Chair

THRU: Larry J. Streuber, Planning Section Chief
Division of Admin. Services - Planning

FROM: *Br* Bradley J. Whistler, Health Planner
Division of Admin. Services - Planning

SUBJECT: High-Tech Equipment and Hospital Procedures

Per your request, attached is a listing of some of the costs and charges of high-tech medical equipment and services. Also, I have included a short explanation of each type of equipment/service.

Introduction

Literally, medical technology is the application of medical knowledge for practical purposes. High-tech is generally considered to be more advanced or sophisticated technology. Many of the medical services we consider as high-tech are medical applications of instruments developed for the physical sciences (such as Magnetic Resonance Imaging-MRIs and lasers). Other equipment, such as respirators and heart/lung machines, were developed for surgical applications.

Much of what we associate as the quality of care we receive in the United States is exemplified by high-tech medical services. Computerized tomography (CT) scans have reduced the need for exploratory surgery. MRI systems have reduced the need for the injection of contrast media, often necessary with CT scans and other radiology procedures. Technological advancements in medicine have often reduced or replaced more invasive procedures and improved the quality of care.

However, there is little doubt that high-tech medical services contribute to the increasing cost of health care. One study, published in the January 1989 issue of Business and Health, estimated the contribution of new technology (equipment and procedures) to total health care cost increases at 11%.

What high-tech equipment/procedures are provided in Alaska?

The first page of the handout (see attached) lists some information on selected hi-tech procedures in Alaska. Definitions of the equipment and services is provided on the next page. There are four points to be made from this chart:

- 1 - The equipment is expensive. Of the equipment listed, costs run from 1 to several million dollars. Remodeling, construction, and installation costs can increase the cost of the service by another 30-50%.
- 2- The useful life of hi-tech equipment is pretty short. I have listed the American Hospital Association's estimated useful life periods for the equipment. This is because maintenance costs and upgrades for the equipment escalate quickly and after five years it is usually less expensive to replace the equipment.
- 3- The table illustrates that most of Alaska's high-tech medical services are located in Anchorage. This is not surprising because of the population distribution in the State. Further, because of the cost of hi-tech equipment it is usually only available at larger medical facilities.
- 4 - Utilization patterns for the equipment pretty much parallel the population size of the communities served.

We have little information on procedure charges as the Department has little involvement with the monitoring of fees. Medicaid or commercial insurance companies would likely be a better source for this information.

What new high-tech medicine can we expect in Alaska?

The next step in diagnostic imaging seems to be positron emission tomography (PET) scanners. These scanners offer advantages in the diagnosis of diseases of cardiovascular and central nervous systems. Currently, these scanners are located at research hospitals in the United States.

As for other procedures, we do not have a lot of information for the Task Force. The Planning Section's contact with new procedures is usually through "letters of intent" filed by the facilities when they are considering a project or through literature, as other state programs deal with these issues. The hospital and medical associations are likely a better source for this information.

Good news/bad news for Alaska:

Given the desire to control medical costs, the public must decide on the proper balance of access, quality of care and cost of services. What is good news from the perspective of reduced medical costs is likely bad news for access to the services. Further, especially with high-tech procedures increased access can reduce the quality of care. I will approach the good news/bad news scheme from the point of our goal being to reduce medical costs.

Health Resources and Access Task Force
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Good news for Alaska:

There is not a lot of high tech medical procedures in the State, although this may change. Given the population density in the state and the size of the municipalities, few hospitals have purchased high-tech equipment. Patients usually travel to Anchorage or the lower 48 for these services.

Alaska has a young population, with a median age of 28.5 years. Traditionally, the high birth rate and immigration of young adults have kept Alaska's median age one of the lowest in the nation. Older adults usually have emigrated from Alaska and this trend could be seen as early as the 40-45 age group. Although, Alaska's age adjusted rates are always good, deaths due to heart disease, cancer, cerebrovascular and chronic obstructive pulmonary disease are well below national averages. Since many high tech services are used for the detection and treatment of these diseases, Alaska's demand for high-tech services is reduced.

Bad news for Alaska:

Alaska's population is aging. Like the national trend Alaska's population age 65 and above is increasing. Although the number of elderly in Alaska, 4.1% is one of the lowest in the nation, the rate of increase, 94.5% from 1980-1990, is one of the highest in the nation. This rate of growth is expected to continue as adults in lower age brackets are remaining in the State.

Facilities which have been largely subsidized by state-funding, through capital appropriations and Medicaid, will have to look for alternative revenue sources if these programs are reduced. Lower hospital occupancy rates, nationwide, have put pressure on facilities to evaluate services for potential revenue. Although, expensive to implement, high tech procedures often bring in revenue as medical fees for the procedures are expensive and more patients remain in the community for treatment. Once referred out for diagnosis, it is likely the patients will remain in the referral area for treatment of the diagnosed problem. Further, in many states the high-tech procedures are reimbursed at higher Medicaid rates than primary care medical services. As an example of revenue from high tech procedures, in the Certificate of Need application for a new MRI at Humana Hospital, the facility estimated a yearly average net income from the service of \$570,000 for the first three years of operation.

High tech procedures are also attractive to facilities and the communities for a number of other reasons:

- It helps the facility to compete with other facilities for patients as there are fewer referrals and it raises the perceived quality of care;
- it aids in attracting physicians, especially specialists into the community;
- it provides training and career opportunities for staff and makes retaining staff easier;

Health Resources and Access Task Force
Page 4

- physicians in the community are very supportive, and may pressure facilities to purchase equipment, as more patients will remain in the community for treatment; and
- many of the hospitals in Alaska are owned by the municipalities, further, they are some of the largest private employers in their communities, generally what is in the best financial interest of the facility is also in the best financial interest of the community.

However, there are several problems with the addition of high-tech procedures to smaller communities. These problems include:

- Duplication of expensive services in the state
- Overuse of equipment - once purchased, physicians are more likely to refer patients for hi-tech services. This is for a variety of reasons including: intrinsic reasons - the availability of the equipment creates a need to use it, malpractice/liability reasons, and in some part to justify the purchase of the equipment.
- Adequate training on the services are usually not available in the communities. Recruitment of experienced personnel may be a problem.
- Most important - Quality of care: Medical research has demonstrated, specifically with many high tech services, that quantity correlates with patient outcomes. Practice with the equipment and volume of procedures make it more likely pathology in early stages will be detected. For surgical procedures, like open heart surgery, the volume of procedures performed makes the surgeons better and patient outcomes are improved.

The distances between communities and between the communities and tertiary care hospitals in Alaska, has often helped justify expanded medical services in these communities. It is no different with high tech services. The problem is compounded by the fact that transportation and lodging costs for medical procedures, when a patient is referred outside the community, are often at the patients expense and are often not reimbursed by third party payers.

What Alaska is doing to contain high-tech costs?

The major regulatory control of high tech services in Alaska is through the State's Certificate of Need program. Larry Streuber, Planning Section Chief, discussed many of the points on the Certificate of Need Program with the Task Force. To summarize:

The addition of new services is subject to Certificate of Need review only if expenditures are \$1 million or greater.

Health Resources and Access Task Force
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Of states which regulate the medical services, Alaska is at the high end of the spectrum at the \$1 million threshold for new services.

Only medical services offered at hospitals are subject to review. Non-facility providers, such as physicians groups, may offer the service without Certificate of Need review. This has occurred to a greater degree in other states, but it has happened in Alaska.

Cost of the equipment generally decreases with time, to the point that it no longer meets the CON threshold. For example, the purchase of CT Scanners is generally no longer subject to review, unless there are substantial construction and installation costs. Another example is the purchase of used equipment, like Bartlett and Ketchikan General Hospitals are considering with the purchased of "second hand" MRIs.

The Department decision making process is hindered by a lack of guidelines and standards. Many of the standards in the State Health Plan, prepared in 1984, are out of date. Some new services, such as the MRI, were not addressed in the health plan. There is a need to develop standards, specific to the distribution of the population, for Alaska.

What are other states doing?

Other states have implemented additional measures to place controls on high-tech services. Besides population and utilization standards for the addition of new services, states have implemented:

- controls to monitor the appropriate use of equipment and procedures;
- state review of fees and fee increases to be sure the fees are reasonable; and
- some states are considering expanding state review to non-facility providers including group and private physician practices.

These controls have often been coupled with mandatory fee and utilization reporting mechanisms. The reporting requirements give the regulatory agencies access to information which allow trend and comparative analysis of the data.

The Department has not been involved in rate setting other than for the State Medicaid program. Further, utilization review has been sporadic. Last year, the Department began collecting utilization information for selected medical services in the Hospital Survey. This survey was last done in 1983. Although, response from the facilities has been very good, there still are problems in collecting the information through a voluntary process. Not all facilities are supplying all of the requested information and response times are slow.

Further, the Department has not seen any information from other sources to determine how Alaska's utilization rates for these services relate to other states or national averages. Nor have we seen a method, to determine if any of these procedures were inappropriate. Without this additional analysis, it is hard to determine if additional regulation of these services in Alaska is warranted.

Summary:

I believe high tech medical procedures are a factor in increasing health care costs, but these procedures are not a major influence on health care costs in Alaska, at this time. However, analysis of fees and utilization should be done to determine the appropriateness of current high tech costs. Demographic and economic pressures will likely increase the future amount of high tech services in the State, therefore now is the appropriate time to determine what actions the State should take assure adequate access to the services, establish guidelines as to where and when the services should be made available, and determine the extent to which the State regulation of these services is appropriate. Further, these guidelines need to take into account the distribution of the population in Alaska and remoteness of many of the municipalities in the State. Lastly, if access to high-tech services is reduced as a cost management strategy, evaluation of increased funding/coverage for transportation for these services should be considered.

Attachment

HIGH TECH EQUIPMENT AND UNITS

Type of Equipment/Services	Equipment Cost*	AHA Estimated Useful Life	Hospital	Hospital Location	**Utilization	Average Price Per Procedure	Other
CT Scanners		5 years	Bartlett Memorial Ketchikan General AK Area Native Med Humana Providence Valley Fairbanks Memorial	Juneau Ketchikan Anchorage Anchorage Anchorage Palmer Fairbanks	548 574 1943 3449 7932 1166 2827		
MRI Systems	\$2.5 \$2.0 \$0.3-0.6 \$0.3-0.6	5 years	Humana Providence Fairbanks Memorial Bartlett Ketchikan General	Anchorage Anchorage Fairbanks Juneau Ketchikan	3135 3205 1400 550 proj.	\$800 \$847 (range: \$336-1260) (range: \$700-1243) (range: \$750-850)	1.5 Tesla MRI 1.5 Tesla MRI 1.5 Tesla MRI - Projected first year utilization Bartlett Hospital Board is moving towards the purchase of a used/new 0.5 Tesla MRI. Ketchikan General is considering the purchase of a 0.5 Tesla MRI.
PET Scans	\$2.0-5.0	5 years	NONE		—		Cost varies between units with or without cyclotrons.
Cardiac Catheterization Labs	\$2.2	7-8 years	Humana Providence	Anchorage Anchorage	375 1135	Approximately \$2,500 - \$8,800	Costs vary: Diagnostic v. Therapeutic
Extracorporeal Shock Wave Lithotriptors	\$1.0-2.0	5 years	Providence	Anchorage	89		Began operating in August 1990. Equipment was not purchased, rather it is operated in a fee for service arrangement.
Neonatal ICU	—	—	Humana Providence Fairbanks Memorial	Anchorage Anchorage Fairbanks	149 301 206		
Open Heart Surgery Unit	—	—	Providence	Anchorage	292		
Organ Transplant Unit	—	—	NONE		—		

NOTE: The equipment cost, listed above, does not include construction and installation costs. Construction and installation of the equipment often increases the overall cost of the project by another 30-50%.

* Equipment cost in millions of dollars.

** Equipment utilization is reported by number of procedures and service utilization is reported by inpatient discharges.

CT Scanner: Computerized tomography (CT) or computer axial tomography (CAT) is a diagnostic technique which combines the use of x-ray equipment and computers to produce images of tissue structures at predetermined depths. The images are in the form cross sections.

MRI System: Magnetic Resonance Imaging (MRI) is a diagnostic technique in which the patient's body is subjected to a strong magnetic field which causes hydrogen ions to align within the magnetic field. A sequence of radiofrequency pulses are briefly applied to the area to be imaged. The hydrogen nuclei absorb energy from the radiofrequency pulses and when the pulse is terminated the tissue emits a weak radiofrequency signal which is received by an antenna within the MRI device. A series of computerized operations are performed to convert the signal into a visual image. MRI procedures reduce the need for contrast materials to visual tissues and hard tissues of the body do not obscure the image from the MRI. This often makes the MRI the diagnostic procedure of choice for imaging the brain, spinal cords and joints. The MRI can be used to visualize single or multiple tissue slices in the sagittal, axial or coronal planes.

PET Scanner: Positron Emission Tomography (PET) is a diagnostic technique based on the detection of positrons. Labeled substances (carbon 11, nitrogen 13, or oxygen 15) are introduced into the body. These isotopes are taken up by tissues in relation to the metabolic activity of the tissue. In the tissue these substances emit positrons which ultimately emit photons. Detectors surrounding the patient are linked to a computer which constructs an image built upon the distribution of the radioisotopes within body tissues. The PET scan is valuable for images of the brain and heart since the images produced provide information on the structure and metabolic activity of these tissues.

Cardiac Catheterization Lab: A cardiovascular imaging system consists of a generator, specialized x-ray equipment, a film changer, high speed movie film, and video cameras. Cardiac imaging is used in three types of procedures:

- **Cardiac Catheterization:** In this procedure a catheter and imaging equipment is used to determine the function and extent of pathology of the heart and coronary arteries.
- **Percutaneous Transluminal Coronary Angioplasty:** In this procedure a catheter, imaging equipment and a balloon are used to dilate narrowed coronary arteries. Once the balloon is in the area of the constriction it is inflated several times to widen the lumen of the blood vessel. This procedure is also known as "balloon angioplasty" and reduces the need for coronary bypass surgery.
- **Vascular Studies:** This procedure is similar to cardiac catheterization and is used to look for blockages of blood vessels other than those of the heart.

Extracorporeal Shock Wave (ESW) Lithotripter: This equipment in which shock waves are focused upon renal or gall stones to shatter the stones. The fragments are then passed through the ducts and eliminated from the body. The ESW lithotripters are generally used on stones less than 2 cm and eliminates the need for more invasive procedures.

Neonatal ICU: A neonatal intensive care unit is a unit within a hospital which contains a variety of sophisticated mechanical devices and special equipment for the management and care of premature and seriously ill newborn infants. The unit is staffed by specially trained nurses and neonatologists who are highly trained in the pathophysiology of newborns.

Open Heart Surgery: Open heart surgery is a surgery on the heart in which the heart chambers are fully open and visible. A heart/lung machine is used to divert blood around the heart during the procedure. Open heart surgery is often used to correct congenital or acquired pathologies of the heart wall(s), septum or valves.

Organ Transplant: Organ or tissue transplantation is a surgical procedure in which a diseased organ is replaced with a healthy, living substitute. The donor organ is usually taken from a person who has just died, however up to one third of transplanted kidneys are taken from living relatives of the patient. The following transplants are performed in the United States (in descending order of frequency): cornea, kidney, heart, liver, pancreas, and heart-lung.

APPENDIX G

(Untitled) Data and Information Presented to the
Health Resources and Access Task Force

November 18, 1991

by Steve LeBrun, Aetna Life Insurance Company

Alaskan's Covered by Aetna Plans

Alaskan's covered by Aetna Plans, 1990:	46,700 (Employees)
(est. in-state residents)	<u>60,710 (Dependents)</u>
	107,410 (Total)

"Conventional" Plan Enrollment: 37,500 (Employees)

"Self Insured/Administrative Service" Enrollment: 9,200 (Employees)

<u>Number of Employees</u>	<u>Number of Plans</u>
----------------------------	------------------------

Less than 10 employees	25
10 - 25 employees	42
25 - 99	24
100 - 499	8
500 - 999	3
1,000 or more employees	9

Notes

- Dependent coverage actuarially assumed to be 130% of employee total (i.e. 1.3 dependents per employee)
- Aetna does not underwrite individual plans other than individual group conversion plans
- All self-insured customers are in 500 employee or larger employer size category

COMPARISON OF COST LEVEL PERCENTAGES

<u>COVERAGE</u>	<u>995</u>	<u>997</u>	<u>998</u>	<u>999</u>	<u>ALASKA</u>
SURGICAL	119%	145%	118%	113%	123%
RADIOLOGY	112	122	101	110	110
LABORATORY	119	119	125	129	118
MEDICAL	141	162	138	131	142
DENTAL	131	144	133	109	132

DR14:DALE8:tjm

Average Charge Comparison - Medical Services/Procedures

CPT Codes	Zip Codes				All Alaska	All WA State	National
	995 to 996	997	998	999			
Physician Office - New Patient							
90015 Intermediate	\$80	\$101	\$81	\$85	\$82	\$62	\$57
90020 Comprehensive	\$145	\$180	\$136	\$109	\$144	\$122	\$101
Physician Office - Established Patient							
90060 Intermediate	\$58	\$70	\$57	\$58	\$60	\$43	\$28
90080 Comprehensive	\$128	\$170	\$120	\$113	\$132	\$96	\$78
Hospital Medical Services							
90220 Initial, Comprehensive	\$192	\$207	\$198	\$180	\$195	\$132	\$134
90250 Subsequent Visit, Intermediate	\$64	\$64	\$57	\$57	\$63	\$43	\$44
Consultations							
90620 Initial, Comprehensive	\$177	\$206	\$183	\$160	\$178	\$141	\$129
Psychotherapy							
90844 Individual, 45-50 minutes	\$93	\$98	\$83	\$84	\$92	\$79	\$67

Average Charge Comparison - Surgical Services/Procedures

CPT Codes	Alaska	Washington State	National
Integumentary			
10060 Incision & Drainage Abscess, Simpl.	\$87	\$53	\$62
11100 Biopsy of Skin, One Lesion	\$109	\$67	\$75
19120 Excision Benign Breast Tumor	\$709	\$468	\$586
Musculoskeletal			
20610 Arthrocentesis, Major Joint	\$90	\$49	\$59
29881 Arthroscopy, w/Biopsy, Flexible	\$1,962	\$1,627	\$2,027
Respiratory			
31625 Bronchoscopy, w/Biopsy, Flexible	\$630	\$478	\$533
Cardiovascular			
33513 Coronary, Artery Bypass, 4 Arteries	\$8,440	\$5,250	\$6,091
92982 Coronary Angioplasty	\$2,097	\$1,631	\$2,335
Digestive			
43235 Upper GI Endoscopy	\$507	\$360	\$445
44950 Appendectomy	\$1,279	\$937	\$1,034
45300 Proctosigmoidoscopy, Diagnostic	\$109	\$65	\$74
Male Genital			
55700 Needle Biopsy of Prostate	\$278	\$148	\$239
Female Genital			
58120 Dilation and Curettage	\$528	\$443	\$609
58150 Total Hysterectomy	\$2,402	\$1,902	\$2,221
Maternity			
59400 Normal Delivery w/Pre & Post-Natal Care	\$1,500	\$2,035	\$1,985
Other			
72131 CT Scan - Spine	\$322	\$383	\$470
72141 MRI - Spine	\$733	\$893	\$871

G-1

INPATIENT UTILIZATION

Ætna Alaska vs. Ætna National

