

**Statewide Hospital Expense Data
Fiscal Years 2017 - 2020
Connecticut's Acute Care Hospitals**

Expense Categories	FY 2017	FY 2018	FY 2019	FY 2020	1 Year % Change 2019-2020	1 Year % Change 2019-2020	3 Year % Change 2017-2020	3 Year % Change 2017-2020
Salaries & Wages	\$4,003,233,376	\$4,149,268,823	\$4,277,756,902	\$4,552,157,162	\$274,400,260	6.4%	\$548,923,786	13.7%
Fringe Benefits	\$979,279,112	\$996,106,661	\$979,596,186	\$1,190,457,966	\$210,861,780	21.5%	\$211,178,854	21.6%
Supplies	\$1,021,347,304	\$1,079,975,756	\$1,164,898,962	\$1,128,840,131	-\$36,058,831	-3.1%	\$107,492,827	10.5%
Drugs	\$743,163,508	\$837,670,349	\$968,548,613	\$1,062,094,391	\$93,545,778	9.7%	\$318,930,884	42.9%
Depreciation and Amortization	\$612,521,732	\$582,480,678	\$584,225,550	\$595,556,263	\$11,330,713	1.9%	-\$16,965,469	-2.8%
Interest Expense	\$117,689,148	\$127,675,447	\$120,998,532	\$109,826,252	-\$11,172,280	-9.2%	-\$7,862,895	-6.7%
Other Operating Expenses	\$3,671,549,357	\$4,094,518,855	\$4,459,648,770	\$5,010,589,418	\$550,940,648	12.4%	\$1,339,040,061	36.5%
Totals	\$11,148,783,536	\$11,867,696,569	\$12,555,673,515	\$13,649,521,583	\$1,093,848,068	8.7%	\$2,500,738,046	22.4%

Source: Office of Health Strategy (OHS) Hospital Reporting System Report 175 (as reported by hospitals).

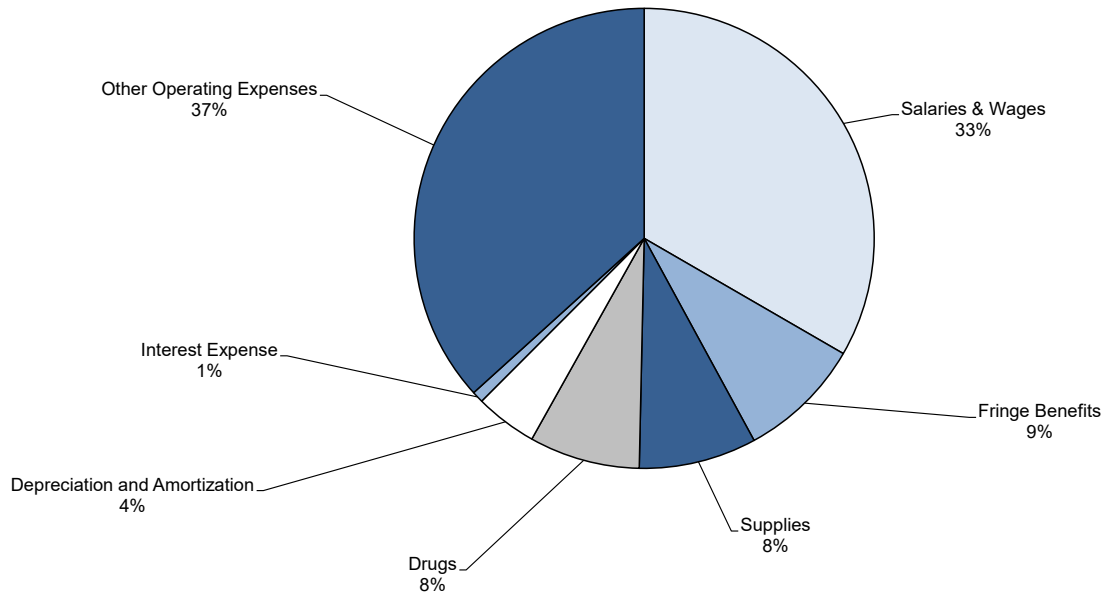
The categories above are the seven (7) categories presented, in Figure 5 of the the Annual Report on the Financial Status of Connecticut's Short Term Acute Care Hospitals for 2020.

In FY 2020, total operating expenses increased \$1.1 billion. The top three categories, salaries and wages (\$274m), fringe benefits (\$211m), and other operating expenses (\$551m) accounted for 95% (\$1.04 billion) of the \$1.1 billion total. Total other operating expenses made up 50% of the \$1.1 billion difference in expenses between FY 2019 and FY 2020.

Since FY 2017, amounts for salaries and wages have decreased by 2.5 percentage points while other operating expenses have increased by almost four percentage points and drugs have increased by almost 8%.

The following two pages provide a further breakdown of other operating expenses reported by hospitals.

**Summary of
Hospital Expenses - FY 2020**



**Statewide Hospital Analysis of Other Operating Expenses
Fiscal Years 2017 - 2020
Connecticut's Acute Care Hospitals**

Expense Categories	FY 2017	FY 2018	FY 2019	FY 2020	1 Year \$ Change 2019-2020	1 Year % Change 2019-2020	3 Year \$ Change 2017-2020	3 Year % Change 2017-2020
Contract Labor ¹	\$1,238,870,160	\$1,333,267,943	\$897,147,854	\$1,015,166,391	\$118,018,537	13.2%	(\$223,703,769)	-18.1%
Utilities ²	\$151,114,607	\$156,637,094	\$155,550,310	\$152,069,534	(\$3,480,776)	-2.2%	\$954,927	0.6%
Malpractice Insurance	\$116,047,721	\$104,326,109	\$127,927,626	\$143,723,460	\$15,795,834	12.3%	\$27,675,739	23.8%
Business Fees and Dues ³	\$114,712,039	\$97,037,489	\$111,312,602	\$103,960,693	(\$7,351,909)	-6.6%	(\$10,751,346)	-9.4%
Leases	\$143,228,104	\$143,417,155	\$155,640,615	\$168,054,476	\$12,413,861	8.0%	\$24,826,372	17.3%
Repairs / Maintenance	\$155,278,129	\$152,108,859	\$169,119,428	\$175,771,608	\$6,652,180	3.9%	\$20,493,479	13.2%
Travel, Insurance and Taxes ⁴	\$58,131,910	\$62,077,648	\$65,549,485	\$64,571,370	(\$978,115)	-1.5%	\$6,439,459	11.1%
General Supplies	\$63,374,244	\$56,045,863	\$70,423,900	\$62,527,566	(\$7,896,334)	-11.2%	(\$846,678)	-1.3%
Corporate parent/system fees ⁵	\$490,040,461	\$663,090,044	\$1,167,654,403	\$1,464,208,882	\$296,554,479	25.4%	\$974,168,421	198.8%
Computer software and hardware	\$67,407,395	\$47,358,103	\$51,146,116	\$53,858,379	\$2,712,263	5.3%	(\$13,549,015)	-20.1%
Dietary and Food Services	\$58,685,977	\$66,898,132	\$68,283,926	\$72,248,181	\$3,964,255	5.8%	\$13,562,204	23.1%
Lab Fees / Red Cross Charges	\$69,923,927	\$65,259,247	\$76,271,847	\$92,960,303	\$16,688,456	21.9%	\$23,036,377	32.9%
Billing, Recruiting, Laundry, Waste	\$75,323,488	\$73,665,927	\$75,899,295	\$74,918,935	(\$980,360)	-1.3%	(\$404,552)	-0.5%
Professional / Physician Fees	\$139,264,225	\$154,483,601	\$153,833,234	\$209,879,134	\$56,045,900	36.4%	\$70,614,909	50.7%
Purchased services ⁶	\$458,685,306	\$521,989,215	\$601,946,552	\$685,908,200	\$83,961,648	13.9%	\$227,222,894	49.5%
Miscellaneous Other Oper. Expenses	\$271,461,666	\$396,856,426	\$511,941,577	\$470,762,306	(\$41,179,271)	-8.0%	\$199,300,640	73.4%
Totals	\$3,671,549,357	\$4,094,518,855	\$4,459,648,770	\$5,010,589,418	\$550,940,648	12.4%	\$1,339,040,061	36.5%

Source: Office of Health Strategy (OHS) Hospital Reporting System Report 175 (as reported by hospitals).

Amounts in () below are the percentage of the amount to the category total for FY 2020.

¹ Includes amounts reported for nursing (9%), physicians (44%), other medical personnel (8%) and non medical personnel (38%). In FY 2020, physician fees (26%) and non medical personnel (38%) made up almost two thirds of the yearly increase.

² Includes amounts reported for water (8%), gas (13%), oil (2%), electricity (58%), phone (9%), and other (10%).

³ Includes amounts reported for accounting (4%), legal (10%), consulting (26%), membership dues (24%), licenses (8%), postage (14%), and advertising (15%).

⁴ Includes amounts reported for insurance (41%), travel (8%), conferences (9%), property tax (39%) and sales tax (4%).

⁵ Approximately two-thirds of the FY 2020 expense were accounted for by four hospitals: Yale-New Haven Hospital (24%), Hartford Hospital (23%), Saint Francis Hospital and Medical Center (10%) and Bridgeport Hospital (7%). Thirteen hospitals accounted for the remaining one-third.

⁶ Includes amounts for medical (54%) and non medical (46%) purchased services.

In FY 2020, the top 3 categories (contract labor, corporate parent/system fees, and purchased services account for 90% (\$499 million) of the \$551 million increase in other operating expenses and 63% (\$3.2 billion) of the \$5.0 billion total. In FY 2020, four hospitals accounted for 56% of miscellaneous other operating expenses. The hospitals include Yale-New Haven (18%), Saint Francis Hospital and Medical Center (14%), Bridgeport (14%), and Norwalk Hospital (14%). There were 14 hospitals having declines in this category.

In FY 2020, Yale-New Haven Hospital had the largest year over year increase in contract labor expense (\$29.5 million) and purchased services (\$55 million). Hartford Hospital had the largest year-over-year increase in corporate fees (\$64 million). St. Vincent's Hospital and Medical Center had the largest decrease in misc. other operating expenses (\$56 million).

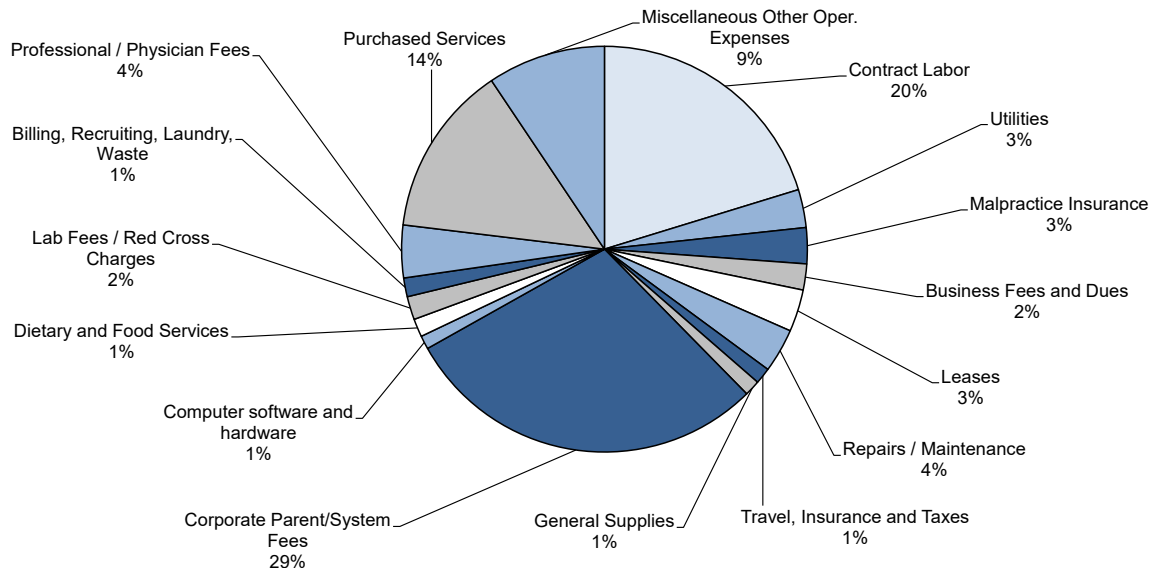
Definitions:

Corporate Parent / System Fees are expenses for management fees, corporate allocation percentage, intercompany or affiliation fees paid to a parent organization.

Purchased Services are expenses for purchased services that are medically and non medically related to patient care.

Physician Fees is total compensation earned by physicians and residents on a fee for service basis for services rendered to the hospital.

**Summary of Hospital
Other Operating Expenses - FY 2020**



Analysis of the 4 largest expense categories that are part of Other Operating Expenses on HRS Report 175.

	Corporate Parent/System Fees			Contract Labor			Purchased Services			Misc. Other Operating Expenses		
	FY 2019	FY 2020	Difference	FY 2019	FY 2020	Difference	FY 2019	FY 2020	Difference	FY 2019	FY 2020	Difference
BCKUS	\$78,749,734	\$94,220,233	\$15,470,499	\$8,721,158	\$11,798,701	\$3,077,543	\$9,586,985	\$8,920,878	(\$666,107)	\$5,210,923	\$4,338,990	(\$871,933)
BRGPT	\$89,127,000	\$109,101,000	\$19,974,000	\$29,882,000	\$42,437,000	\$12,555,000	\$1,591,000	\$4,238,000	\$2,647,000	\$52,646,000	\$63,909,000	\$11,263,000
BRSTL	\$0	\$0	\$0	\$11,103,626	\$14,125,449	\$3,021,823	\$1,498,544	\$1,848,122	\$349,578	\$2,806,789	\$1,185,777	(\$1,621,012)
CTCMC	\$0	\$0	\$0	\$13,876,291	\$14,262,918	\$386,627	\$29,922,541	\$28,675,747	(\$1,246,794)	\$21,946,170	\$27,450,399	\$5,504,229
DANBY	\$24,048,103	\$61,554,725	\$37,506,622	\$103,969,551	\$114,793,480	\$10,823,929	\$25,435,905	\$21,949,816	(\$3,486,089)	\$0	\$0	\$0
DAYKM	\$0	\$0	\$0	\$5,288,883	\$5,684,727	\$395,844	\$1,036,542	\$871,514	(\$165,028)	\$10,274,510	\$12,708,134	\$2,433,624
DMPSY	\$258,727	\$233,098	(\$25,629)	\$50,171,180	\$52,726,767	\$2,555,587	\$1,957,420	\$1,622,256	(\$335,164)	\$31,277,076	\$30,252,500	(\$1,024,576)
GRENH	\$65,224,459	\$70,766,797	\$5,542,338	\$26,637,293	\$40,720,330	\$14,083,037	\$7,291,278	\$6,771,938	(\$519,340)	\$20,352,557	\$23,523,101	\$3,170,544
GRIFN	\$0	\$0	\$0	\$330,249	\$210,725	(\$119,524)	\$7,044,636	\$6,464,936	(\$579,700)	\$17,058,037	\$17,009,487	(\$48,550)
HARTF	\$266,662,364	\$330,701,746	\$64,039,382	\$12,821,658	\$15,453,042	\$2,631,384	\$52,309,078	\$68,004,407	\$15,695,329	(\$1,019,788)	(\$947,409)	\$72,379
HOCCT	\$23,146,140	\$31,635,372	\$8,489,232	\$71,568,396	\$77,435,874	\$5,867,478	\$7,107,788	\$7,876,304	\$768,516	\$1,348,233	\$1,261,907	(\$86,326)
HGRFD	\$0	\$21,888	\$21,888	\$11,206,225	\$17,131,334	\$5,925,109	\$4,341,939	\$3,331,090	(\$1,010,849)	\$493,967	\$297,094	(\$196,873)
JNSON	\$8,269,286	\$11,893,109	\$3,623,823	\$6,478,538	\$6,403,041	(\$75,497)	\$3,830,435	\$3,214,906	(\$615,529)	\$5,193,216	\$6,332,815	\$1,139,599
LAMEM	\$29,787,555	\$41,299,778	\$11,512,223	\$1,752,504	\$5,016,036	\$3,263,532	\$14,589,814	\$17,918,050	\$3,328,236	\$16,911,666	\$24,656,402	\$7,744,736
MANCH	\$0	\$0	\$0	\$0	\$0	\$0	\$7,468,694	\$10,720,369	\$3,251,675	\$632,366	(\$3,599,142)	(\$4,231,508)
MIDST	\$14,481,756	\$20,776,860	\$6,295,104	\$62,758,622	\$75,146,923	\$12,388,301	\$0	\$0	\$0	\$2,838,658	\$1,831,405	(\$1,007,253)
MIDSX	\$0	\$0	\$0	\$8,474,305	\$10,955,183	\$2,480,878	\$27,925,928	\$29,807,740	\$1,881,812	\$34,772,038	\$26,655,841	(\$8,116,197)
MILFD	\$0	\$0	\$0	\$1,545,003	\$0	(\$1,545,003)	\$1,857,009	\$0	(\$1,857,009)	\$349,267	\$0	(\$349,267)
NRWLK	\$15,772,091	\$42,000,960	\$26,228,869	\$19,303,611	\$24,295,811	\$4,992,200	\$17,932,998	\$14,026,211	(\$3,906,787)	\$54,945,143	\$48,857,229	(\$6,087,914)
RKVLE	\$0	\$0	\$0	\$0	\$0	\$0	\$3,665,042	\$3,153,072	(\$511,970)	\$1,043,892	\$538,293	(\$505,599)
SAFNS	\$135,848,627	\$152,188,096	\$16,339,469	\$95,042,436	\$100,803,471	\$5,761,035	\$17,313,351	\$11,988,361	(\$5,324,990)	\$68,711,926	\$65,148,906	(\$3,563,020)
SAMRY	\$41,014,486	\$48,814,434	\$7,799,948	\$18,816,921	\$20,396,382	\$1,579,461	\$5,285,861	\$6,033,796	\$747,935	\$24,803,606	\$24,946,327	\$142,721
SAVCT	\$30,560,000	\$66,400,000	\$35,840,000	\$10,849,000	\$4,890,000	(\$5,959,000)	\$17,194,000	\$18,507,000	\$1,313,000	\$59,031,000	\$2,984,000	(\$56,047,000)
SHARN	\$1,285,983	\$1,957,366	\$671,383	\$2,529,541	\$1,174,695	(\$1,354,846)	\$3,167,474	\$4,014,238	\$846,764	\$119,832	\$359,236	\$239,404
STMFD	\$0	\$0	\$0	\$29,891,046	\$34,281,907	\$4,390,861	\$32,845,332	\$39,983,548	\$7,138,216	\$4,913,478	\$4,730,451	(\$183,027)
WATBY	\$0	\$0	\$0	\$11,649,342	\$13,161,965	\$1,512,623	\$32,820,708	\$44,416,989	\$11,596,281	\$1,130,091	\$1,147,409	\$17,318
WNDHM	\$20,499,092	\$24,995,420	\$4,496,328	\$6,932,475	\$6,768,630	(\$163,845)	\$2,242,250	\$2,024,912	(\$217,338)	\$350,924	\$431,153	\$80,229
YNHAV	\$322,919,000	\$355,648,000	\$32,729,000	\$275,548,000	\$305,092,000	\$29,544,000	\$264,684,000	\$319,524,000	\$54,840,000	\$73,800,000	\$84,753,000	\$10,953,000
statewide	\$1,167,654,403	\$1,464,208,882	\$296,554,479	\$897,147,854	\$1,015,166,391	\$118,018,537	\$601,946,552	\$685,908,200	\$83,961,648	\$511,941,577	\$470,762,306	(\$41,179,271)

Source: Hospital Reporting System Report 175 (as reported by hospitals)

Contract Labor - the sum of amounts reported for contract labor categories Nursing Fees, Physician Fees, Other Medical Personnel and Non Medical Personnel.

Purchased services - includes amounts reported for the categories purchased services medical and purchased services non medical.