Statewide Hospital Solvency Ratios
Fiscal Years 2014 - 2016

Affiliated Health System Hospital or Non-Affiliated (Individual) Hospital Name (as of 9/30/2016)[1]	Equity Financing Ratio			Cash Flow to Total Debt Ratio			Long-Term Debt to Capitalization Ratio			Debt Service Coverage Ratio		
	FY 2014	FY 2015	FY 2016	FY 2014	FY 2015	FY 2016	FY 2014	FY 2015	FY 2016	FY 2014	FY 2015	FY 2016
ASCENSION HEALTH												
SAINT VINCENT'S	81	81	68	64	9	46	9	10	23	27.7	4.3	10.6
EASTERN CONNECTICUT HEALTH NETWORK												
MANCHESTER[2,3]	15	10	(4)	11	17	(17)	67	77	375	1.8	2.0	(0.1)
ROCKVILLE[3]	38	29	31	17	(3)	(51)	45	54	4	4.1	(0.2)	(0.3)
HARTFORD HEALTHCARE CORPORATION												
BACKUS	69	69	71	68	53	82	16	16	14	14.1	15.5	22.7
HARTFORD	38	36	25	24	19	17	39	47	56	1.1	8.5	8.5
HOSPITAL OF CENTRAL CT	46	48	42	79	14	41	0	21	23	11.7	6.1	11.9
MIDSTATE	39	33	32	31	22	37	45	49	49	7.9	5.9	8.5
WINDHAM[2,3]	(46)	(74)	(103)	(1)	(2)	(19)	(1903)	(172)	(95)	0.1	0.1	(3.4)
REGIONALCARE HOSPITAL PARTNERS, INC.												
SHARON[3,4]	75	76	58	61	(298)	(278)	12	0	0	489.8	(850.7)	(404.3)
TRINITY HEALTH-NEW ENGLAND, INC.												
JOHNSON[2,4]	18	8	(11)	12	(5)	(8)	0	52	(347)	3.2	(1.1)	(1.1)
SAINT FRANCIS	23	17	18	15	6	17	58	65	64	3.1	1.6	4.8
SAINT MARY'S[4]	25	25	38	63	59	113	28	19	0	9.5	4.7	14.3
WESTERN CONNECTICUT HEALTH NETWORK												
DANBURY	58	57	55	25	12	21	33	34	35	11.7	0.4	8.8
NORWALK	51	55	65	26	31	35	28	24	20	8.4	7.5	7.2
YALE-NEW HAVEN HEALTH SERVICES CORPORATION												
BRIDGEPORT	33	32	31	39	38	31	39	44	47	11.7	11.6	7.6
GREENWICH	71	71	67	68	60	62	8	7	7	21.6	17.5	19.5
L&M	42	35	32	20	24	16	39	44	46	5.3	6.3	4.1
YALE-NEW HAVEN	38	39	40	23	18	22	43	41	38	0.6	8.8	10.1
Affiliated Health System Hospital Average	**40**	**36**	**31**	**36**	**4**	**9**	**(77)**	**24**	**20**	**35.2**	**(41.7)**	**(15.0)**
Affiliated Health System Hospital Median	**39**	**35**	**35**	**26**	**18**	**22**	**30**	**37**	**23**	**8.1**	**5.3**	**8.0**
INDIVIDUAL HOSPITAL SYSTEMS												
BRISTOL	25	20	15	17	18	11	47	53	59	3.9	3.8	2.4
CT CHILDREN'S	51	52	55	8	33	42	23	21	17	1.8	5.1	6.1
DAY KIMBALL[2]	5	(12)	(16)	14	10	25	86	162	230	4.2	4.5	5.0
DEMPSEY[3,4]	55	(24)	49	1	83	549	0	0	0	0.0	0.0	0.0
GRIFFIN[2]	(14)	(26)	(26)	18	13	29	165	355	477	3.1	2.7	4.9
HUNGERFORD	63	53	39	62	47	5	0	0	18	2.8	0.0	(4.7)
MIDDLESEX	59	56	59	48	33	58	16	17	15	10.1	6.6	10.9
MILFORD[3]	(2)	(50)	(76)	(18)	(9)	15	121	(60)	(40)	(166.5)	(24.3)	46.5
STAMFORD	27	34	35	13	14	13	63	54	52	6.1	6.8	6.3
WATERBURY[3]	45	32	12	17	(4)	(20)	26	38	13	5.0	(0.6)	(0.3)
Individual Hospital Systems Average	**31**	**14**	**15**	**18**	**24**	**73**	**55**	**64**	**84**	**(13.0)**	**0.5**	**7.7**
Individual Hospital Systems Median	**36**	**26**	**25**	**16**	**16**	**20**	**37**	**29**	**18**	**3.5**	**3.2**	**5.0**
Statewide Total Average	**44**	**41**	**40**	**25**	**20**	**29**	**34**	**37**	**36**	**1.7**	**3.6**	**5.9**
Statewide Total Median	**39**	**34**	**34**	**21**	**18**	**22**	**30**	**36**	**21**	**4.6**	**4.4**	**6.2**

Notes:

[1]All Hospital affiliations displayed as of 9/30/16.

[2]**Negative unrestricted net assets** balances are the cause of hospitals' equity financing ratios being negative. Some cash flow to total debt and long term debt to capitalization ratios were also adversely affected by hospitals that reported negative unrestricted net assets creating irregular results for several hospitals. In FY 2016, negative unrestricted net assets affected the equity financing ratio for *Day Kimball, Griffin, Johnson Memorial, Manchester Memorial, Milford* and *Windham Community Memorial Hospitals* .

[3]**Large losses in total margin** were the primary cause behind cash flow to total debt and debt service coverage ratios resulting in negative or no values for some hospitals. In FY 2016, large losses in total margin affected the cash flow to total debt and debt service coverage ratios of *Charlotte Hungerford, Johnson Memorial* , *Manchester Memorial, Rockville General* , *Sharon, Waterbury* and *Windham Community Memorial Hospitals* . In FY 2016, large gains in total margin as well as no principal payments or long term debt *(John Dempsey Hospital)* alternatively resulted in a value of zero for this ratio.

[4]**Zero principal payments** uniformally results in a Long-Term Debt to Capitalization ratio of 0. This happens when a hospital has no long term debt recorded on its FY 2016 Audited Financial Statements as in the case of *John Dempsey Hospital, St. Mary's Hospital* and *Sharon Hospital.* Negative Unrestricted Net Assets balances, if high enough, will result in a negative value for this ratio as in the case of *Johnson Memorial* , *Milford* and *Windham Community Memorial Hospitals* because of the diminishing of capital on a hospital's balance sheet.

Definitions:
Equity Financing Ratio: the ratio related to capital structure that indicates the percentage of net assets to total assets. A higher ratio is preferred, since it indicates utilization of a higher proportion of equity and a lower proportion of debt financing in the acquisition of the hospital's resources.
Formula: Net Assets / Total Assets

Cash Flow to Total Debt Ratio: an indicator of potential future debt repayment difficulty or insolvency. It is calculated by dividing excess of revenues over expenses plus depreciation by current liabilities plus long term debt. A decrease in the value of the ratio may indicate a future debt repayment problem.
Formula: (Excess Revenue Over Expense + Depreciation) / (Current Liability + Long Term Debt)

Long-Term Debt to Capitalization Ratio: the measure of the proportion of Long-Term Debt in a hospital's capital structure. A lower proportion or percentage is desirable because it allows for obtaining of more favorable terms. (i.e., lower interest rates) and the capacity to take on more debt if the need exists.
Formula: Long Term Debt / (Long Term Debt + Net Assets)

Debt Service Coverage Ratio: this ratio measures the hospital's capacity to take on more debt. A higher ratio is more favorable because it improves a hospital's chances of meeting its current bond covenants and obligations and also improves its chances to be issued additional debt for future capital improvements.
Formula: (Excess Revenues over Expenses + Interest + Depreciation and Amortization) / (Debt Principal Payments + Interest Expense)