

Bond Case Briefs

Municipal Finance Law Since 1971

S&P U.S. Not-For-Profit Acute Health Care 2024 Medians: Positive Operating Performance Resumes

Key Median Takeaways

- Operating and cash flow margins improved, supporting a return to pre-pandemic maximum annual debt service (MADS) coverage. That said, profitability measures remain well below the decade's historical baseline, with some unevenness in certain organizations.
- Unrestricted reserves increased, yet days' cash on hand were flat. Median absolute unrestricted reserves rose faster than in the previous year, with improvement in cash flow and strong investment returns. However, expense growth continued to pressure operating liquidity, with median days' cash on hand remaining near 200, but still down relative to most years in the past decade.
- Leverage remained sound, with strengthening median debt-related metrics. Median debt measures continued to improve in fiscal 2024 with stronger median debt to capitalization, debt burden, and unrestricted reserves to long-term debt. Defined-benefit pension plan funding levels remain strong. We anticipate some worsening in debt metrics in the coming year as providers increase borrowing.
- Sector view is stable. Supported by median operating income and debt service coverage improvements as well as sound reserve and liquidity metrics, our sector view remains stable, but headwinds could exacerbate the sector's slow recovery and future stabilization in performance.

[Continue reading.](#)

07-Aug-2025 | 09:51 EDT

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com