

# **Bond Case Briefs**

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## **S&P U.S. Not-For-Profit: Health Care Small Stand-Alone Hospital Median Financial Ratios -- 2018 vs. 2017**

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### **Key Takeaways**

- Small hospitals' ratings are skewed toward the lower end of the spectrum compared to all stand-alone hospitals given inherent risks associated with small hospitals, including small medical staffs and often small and narrow-based economies.
- The outlook distribution for small hospitals is consistent with the outlook distribution for the overall stand-alone sample.
- Compared to 2017, 2018 individual rating level results for the small hospital sample vary by rating level with a combination of improvement and declines.
- Compared to the broad stand-alone universe, balance sheet metrics including days' cash on hand, unrestricted reserves to long term debt and leverage, are significantly better. Operating margins; however, vary by rating category. Generally, small hospitals need to have stronger financial metrics than their larger stand-alone counterparts to achieve comparable ratings.

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