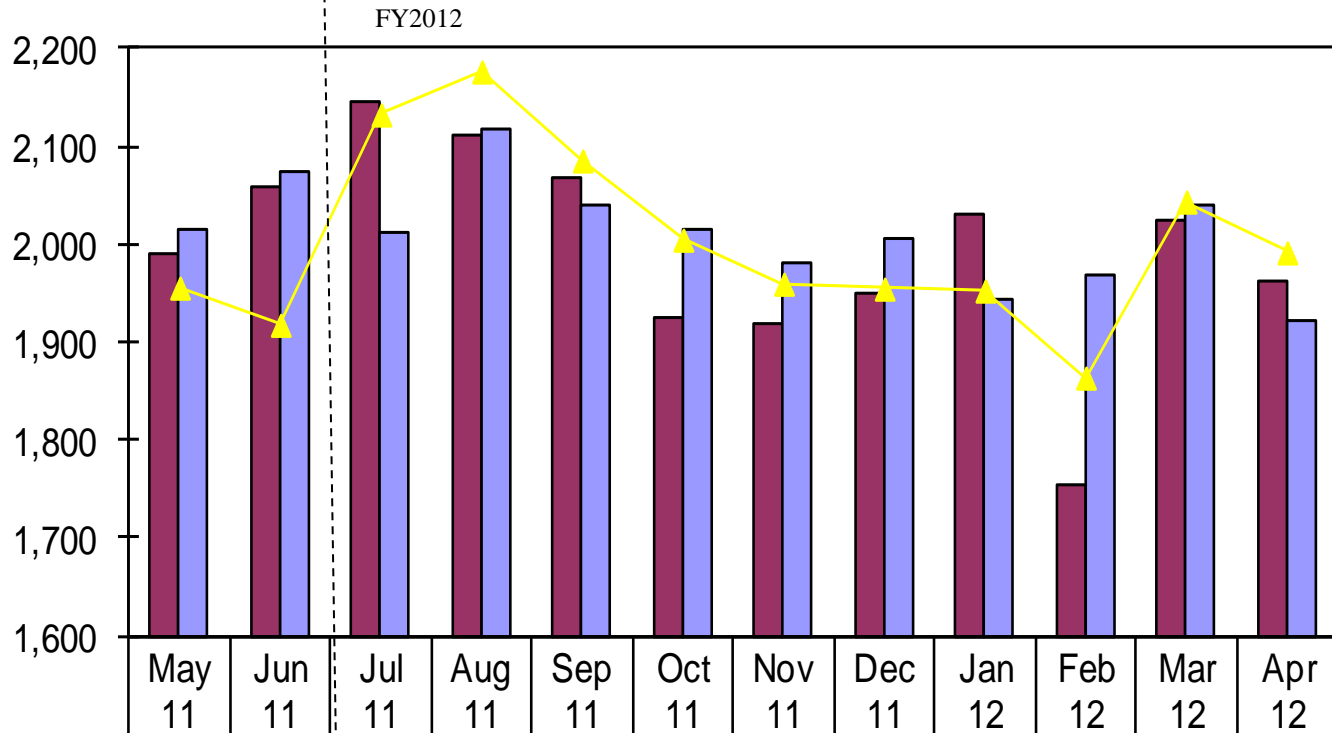


SUMMARY OF OPERATING RESULTS

April 30, 2012

Adult Admissions

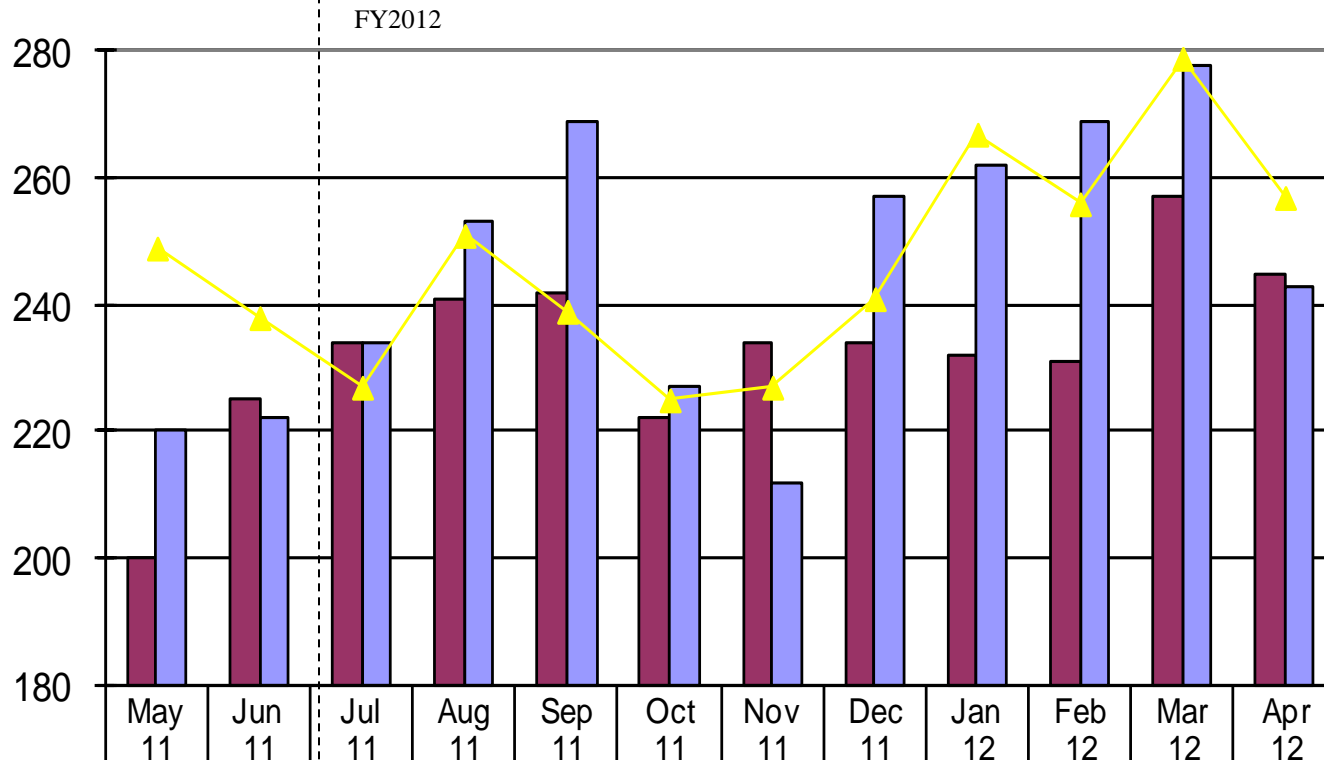
(rolling 12 months)



	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	Apr 12	YTD
■ Prior Actual	1,989	2,057	2,147	2,112	2,067	1,926	1,919	1,951	2,031	1,754	2,025	1,962	19,894
■ Current Actual	2,015	2,074	2,013	2,117	2,041	2,015	1,982	2,007	1,945	1,968	2,041	1,921	20,050
▲ Current Budget	1,956	1,918	2,133	2,177	2,086	2,005	1,960	1,955	1,953	1,864	2,044	1,992	20,169

Pediatric Admissions

(rolling 12 months)

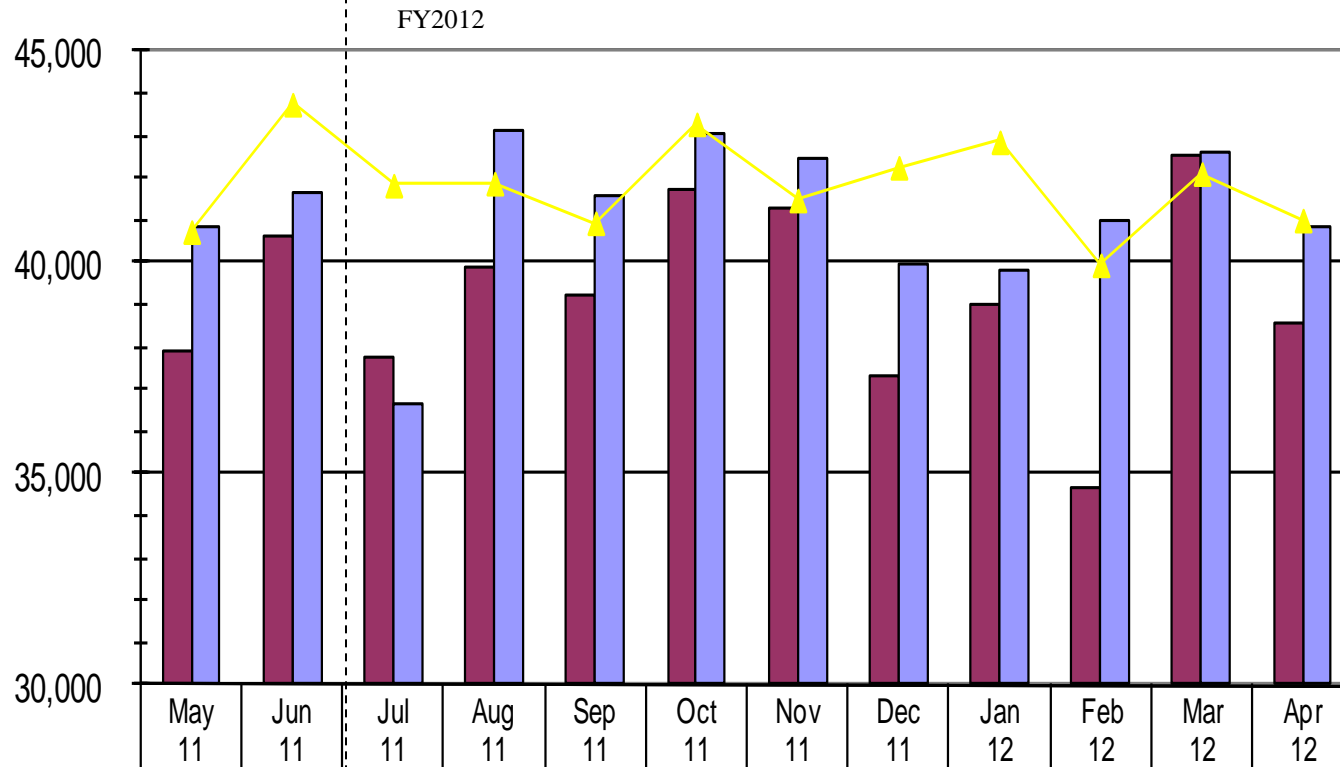


■ Prior Actual	200	225	234	241	242	222	234	234	232	231	257	245
■ Current Actual	220	222	234	253	269	227	212	257	262	269	278	243
▲ Current Budget	249	238	227	251	239	225	227	241	267	256	279	257

YTD
2,372
2,504
2,469

Adult Clinic Visits

(rolling 12 months)

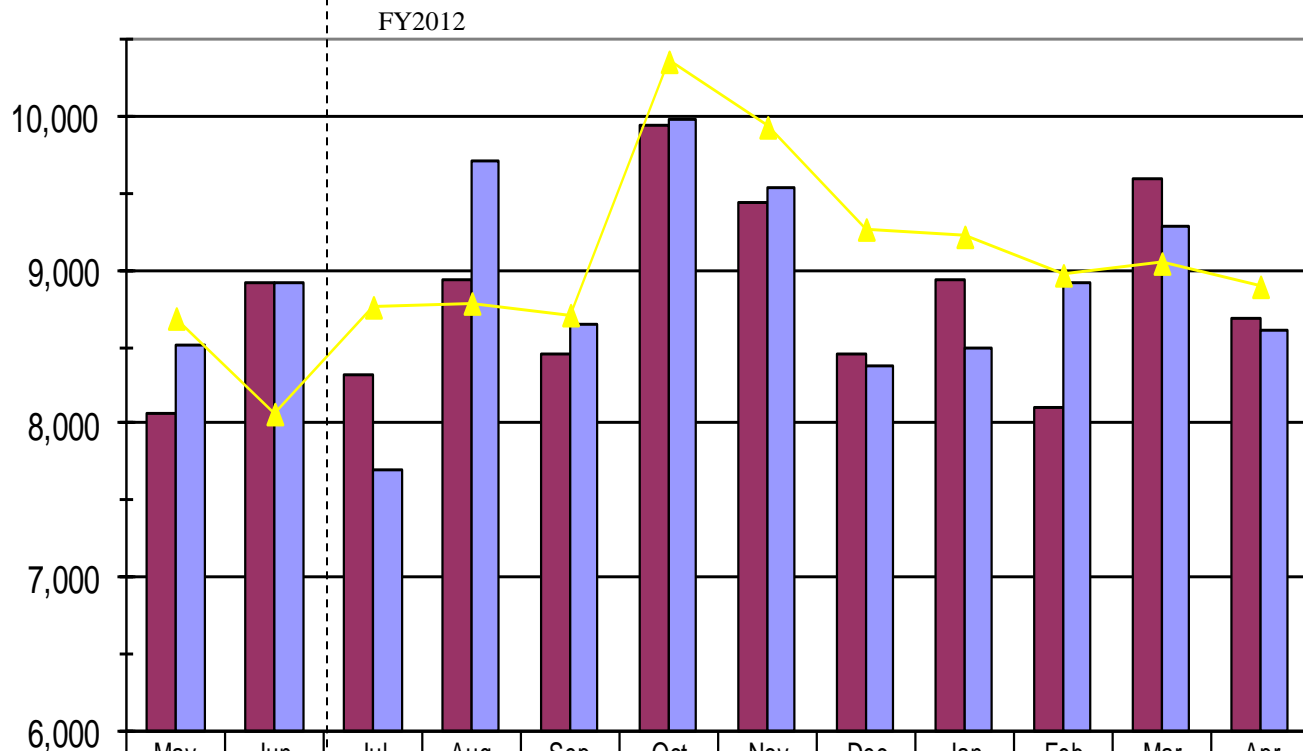


■ Prior Actual	37,906	40,617	37,733	39,864	39,205	41,736	41,314	37,320	39,032	34,649	42,539	38,591
■ Current Actual	40,849	41,661	36,662	43,123	41,566	43,031	42,427	39,939	39,845	40,964	42,641	40,834
▲ Current Budget	40,744	43,758	41,842	41,890	40,952	43,294	41,492	42,265	42,868	39,957	42,117	41,016

YTD
391,983
411,032
417,693

Pediatric Clinic Visits

(rolling 12 months)



	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	Apr 12
■ Prior Actual	8,068	8,915	8,325	8,940	8,444	9,956	9,439	8,449	8,938	8,107	9,597	8,678
■ Current Actual	8,513	8,912	7,696	9,722	8,639	9,977	9,539	8,369	8,497	8,925	9,296	8,611
▲ Current Budget	8,692	8,068	8,765	8,790	8,714	10,368	9,940	9,273	9,225	8,974	9,051	8,899

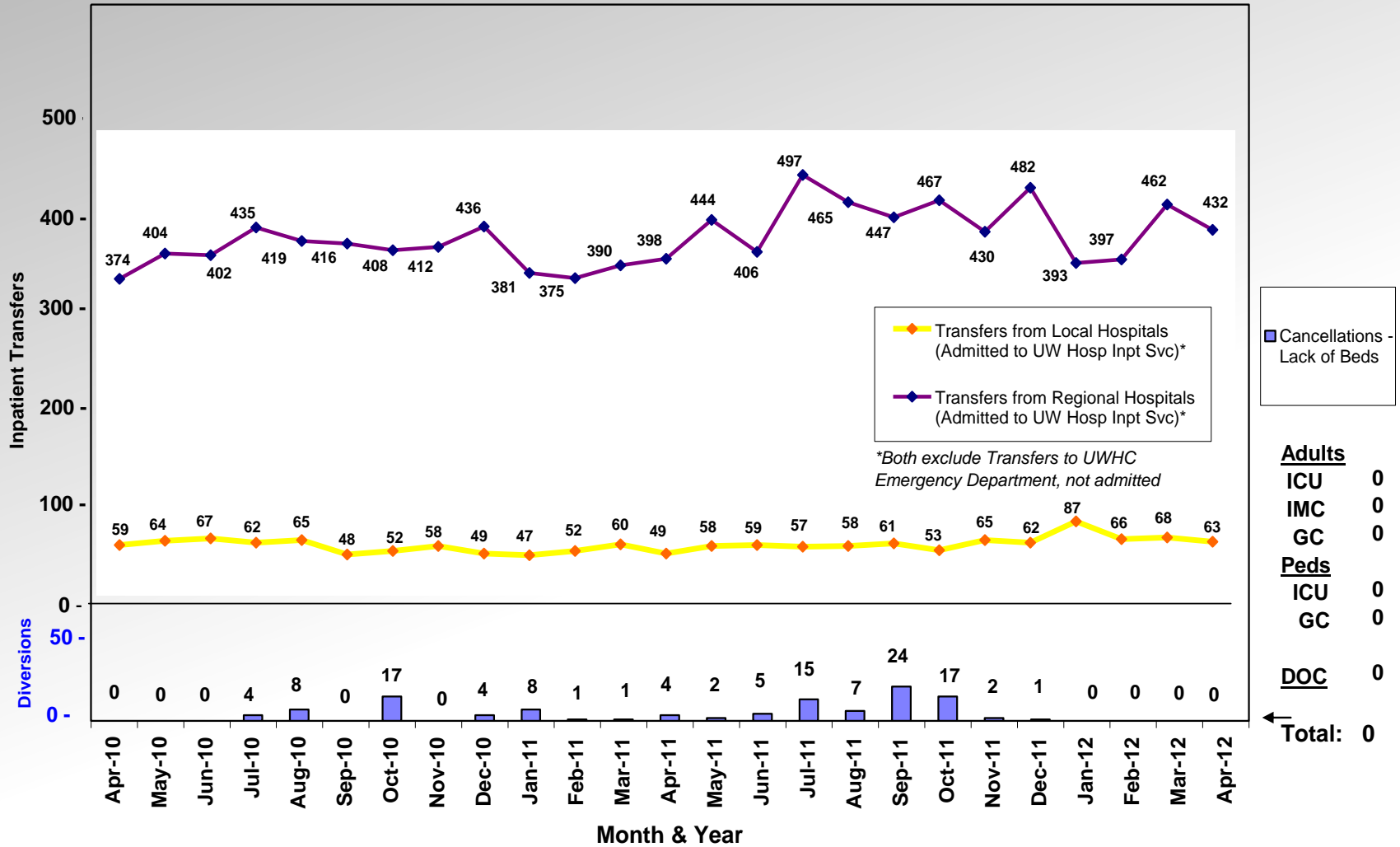
YTD
88,873
89,271
91,999

Other Key Ancillary Service Activity Indicators

Month of April 2012

	Actual 2012	Budget 2012	Actual 2011	% Variances Actual to Budget	2012 to 2011
Inpatient Gross Revenues	\$ 98,401,429	\$ 103,967,939	\$ 95,291,613	-5.4%	3.3%
Outpatient Gross Revenues	\$ 102,354,281	\$ 92,907,032	\$ 86,345,946	10.2%	18.5%
Surgical Procedures:					
Inpatient (excludes Misc/Out of OR)	1,011	1,018	961	-0.7%	5.2%
Outpatient	703	687	697	2.3%	0.9%
AFCH	414	418	466	-1.0%	-11.2%
Subtotal	2,128	2,123	2,124	0.2%	0.2%
Misc./Out of OR	245	238	223	2.9%	9.9%
Total Surgical Procedures	2,373	2,361	2,347	0.5%	1.1%
Transplants					
Deceased Donor	22	30	20	-26.7%	10.0%
Living	7	8	7	-12.5%	0.0%
Total	29	38	27	-23.7%	7.4%
Cardiology Invasive Lab Procedures					
Cardiovascular Lab	578	580	587	-0.3%	-1.5%
Electrophysiology Lab	173	132	135	31.1%	28.1%
Total	751	712	722	5.5%	4.0%
Emergency Room Visits	3,724	3,550	3,657	4.9%	1.8%
Radiology Procedures:					
MRI	2,471	2,328	2,344	6.1%	5.4%
CT Scans	5,017	4,848	4,680	3.5%	7.2%
Other	19,698	19,537	18,715	0.8%	5.3%
Total Radiology Procedures	27,186	26,713	25,739	1.8%	5.6%
Radiotherapy Procedures	3,225	2,825	2,893	14.2%	11.5%

Regional Hospital Transfers and Diversions & Cancelled Hospital Transfers Due to Lack of Beds



Summary of Operating Results

Month of April 2012

	Actual April 2012	Budget April 2012	Variance Favorable (Unfavorable)	% Variance	Actual April 2011
Operating Revenue	\$ 90,611,400	\$ 89,884,251	\$ 727,149	0.8%	\$ 86,166,305
Operating Expenses:					
Salary & Fringe Benefits	46,387,378	47,266,612	879,234	1.9%	44,530,448
Supplies & Other expenses	41,009,202	38,544,791	(2,464,411)	-6.4%	36,966,194
Total Operating Expenses	87,396,580	85,811,403	(1,585,177)	-1.8%	81,496,642
Income from Operations (Operating Margin)	\$ 3,214,820	\$ 4,072,848	\$ (858,028)	-21.1%	\$ 4,669,663
Non-Operating Income/(Loss or Expense)	(402,520)	1,069,355	(1,471,875)	>-100%	5,133,360
Net Income/ Loss (Total Margin)	\$ 2,812,300	\$ 5,142,203	\$ (2,329,903)	-45.3%	\$ 9,803,023

Non Operating Income (Loss)

Month of April 2012

	Actual April 2012	Budget April 2012	Variance Favorable (Unfavorable)	% Variance	Actual April 2011
Investment Income & Other Non-Operating Income	\$ 1,162,743	\$ 925,133	\$ 237,610	25.7%	\$ 758,327
Payment to University of WI School of Medicine and Public Health for capital expenditure support	(2,130,976)	-	(2,130,976)	-100.0%	-
Fair Value Gain/Loss on Investments	1,393,245	-	1,393,245	100.0%	4,856,745
Fair Value Gain/Loss on Swap Agreements	(1,154,736)	-	(1,154,736)	-100.0%	(945,615)
Joint Venture Income/Losses:					
Wisconsin Therapies/Chartwell	88,549	100,410	(11,861)	-11.8%	53,861
Wisconsin Dialysis	78,418	10,246	68,172	> 100%	43,444
UHC/Unity	100,169	(9,426)	109,595	> 100%	5,989
UHC/e-Care	(45,500)	(35,041)	(10,459)	-29.8%	(48,380)
Madison Surgery Center	165,846	138,402	27,444	19.8%	410,079
Madison United Healthcare Linen	(5,143)	16	(5,159)	> -100%	12,487
Madison Environmental Resourcing	732	(3,008)	3,740	> 100%	4,531
Generations Fertility Care	(55,867)	(57,377)	1,510	2.6%	(18,108)
Total	\$ (402,520)	\$ 1,069,355	\$ (1,471,875)	>-100%	\$ 5,133,360

Other Key Ancillary Service Activity Indicators

Ten Months Ended April 30, 2012

	Actual FY '12	Budget FY '12	Actual FY '11	% Variances	
				Actual to Budget	FY 12 to FY 11
Inpatient Gross Revenues	\$ 1,054,021,615	\$ 1,053,420,850	\$ 963,902,006	0.1%	9.3%
Outpatient Gross Revenues	\$ 998,557,080	\$ 935,818,929	\$ 851,189,598	6.7%	17.3%
Surgical Procedures:					
Inpatient (excludes Misc/Out of OR)	10,634	10,087	9,963	5.4%	6.7%
Outpatient	6,972	6,804	6,774	2.5%	2.9%
AFCH	4,259	4,135	4,204	3.0%	1.3%
Subtotal	21,865	21,026	20,941	4.0%	4.4%
Misc./Out of OR	2,602	2,356	2,226	10.4%	16.9%
Total	24,467	23,382	23,167	4.6%	5.6%
Transplants					
Cadaver	251	313	281	-19.8%	-10.7%
Living	81	78	70	3.8%	15.7%
Total	332	391	351	-15.1%	-5.4%
Cardiology Invasive Lab Procedures					
Cardiovascular Lab	5,824	5,817	N/A *	0.1%	N/A
Electrophysiology Lab	1,461	1,349	N/A *	8.3%	N/A
Total	7,285	7,166	N/A	1.7%	N/A
Emergency Room Visits	38,261	37,126	36,247	3.1%	5.6%
Radiology Procedures:					
MRI	24,141	23,405	22,981	3.1%	5.0%
CT Scans	51,520	48,911	47,742	5.3%	7.9%
Other	204,452	196,810	191,221	3.9%	6.9%
Total Radiology Procedures	280,113	269,126	261,944	4.1%	6.9%
Radiotherapy Procedures	30,708	28,397	27,074	8.1%	13.4%

* Change in Chargemaster billing effective January 2011 makes prior year not applicable

Summary of Operating Results

Ten Months Ended April 30, 2012
(000) Omitted

	Actual FY '12	Budget FY '12	Actual FY '11	% Variances	
				Actual to Budget	FY 12 to FY 11
Operating Revenue	\$947,260	\$908,542	\$863,002	4.3%	9.8%
Operating Expenses:					
Salary & Fringe Benefits	474,270	478,254	443,981	0.8%	6.8%
Supplies & Other expenses	397,229	386,457	367,104	-2.8%	8.2%
Total Operating Expenses	871,499	864,711	811,085	-0.8%	7.4%
Income from Operations (Operating Margin of 8.0%)	\$ 75,761	\$ 43,831	\$ 51,917	72.8%	45.9%
Non-Operating Income/(Loss or Expense)	2,995	4,219	26,440	-29.0%	-88.7%
Net Income	\$78,756	\$48,050	\$78,357	63.9%	0.5%

Non Operating Income (Loss)

Ten Months Ended April 30, 2012
(000) Omitted

	Actual FY '12	Budget FY '12	Actual FY '11	% Variances	
				Actual to Budget	FY 12 to FY 11
Investment Income & Other Non-Operating Income	\$ 13,639	\$ 9,253	\$ 9,333	47.4%	46.1%
Payment to University of WI School of Medicine and Public Health for capital expenditure support	(8,579)	(6,500)	(2,500)	-32.0%	> -100%
Fair Value Gain (Loss) on Investments	1,249	-	12,683	100.0%	> -100%
Fair Value Gain (Loss) on Swap agreements	(5,612)	-	2,457	-100.0%	> -100%
UWHC portion of Joint Venture Income/Losses:					
Wisconsin Therapies/Chartwell	574	1,021	791	-43.8%	-27.4%
Wisconsin Dialysis	669	104	205	> 100%	> 100%
UHC/Unity	43	(96)	2,613	> 100%	> -100%
UHC/e-Care	(768)	(356)	(704)	> -100%	-9.1%
Madison Surgery Center	2,083	1,407	1,838	48.0%	13.3%
Madison United Healthcare Linen	194	-	208	100.0%	-6.7%
Madison Environmental Resourcing	18	(31)	27	> 100%	-33.3%
Generations Fertility Care	(515)	(583)	(511)	11.7%	-0.8%
Total	\$ 2,995	\$ 4,219	\$ 26,440	-29.0%	-88.7%

Performance Ratios

	Favorable Direction	FY 12	Budget or Target	Industry Comparisons			UWHCA Bond Covenant
				S&P 500 "A" Rated	Moody's "A" Rated	Fitch "A" Rated	
Operating Margin	↑	8.0%	4.8%	2.8%	2.6%	2.6%	
Total Margin **	↑	8.7%	5.3%	4.6%	5.3%	4.1%	
Days Cash on Hand *	↑	220	183	202	180	194	90, 75 & 45
Days in Accounts Receivable	↓	39	48	44	44	44	
Debt Service Coverage Ratio **	↑	8.6	6.3	4.2	4.6	2.9	2.0, 1.25 & 1.0
Long Term Debt to Capitalization	↓	24.0%	24.0%	32.6%	38.6%	41.9%	65%
Operating Cash Flow	↑	12.6%	9.7%	10.1%	10.0%	11.0%	
Cash-to-Debt	↑	272.5%	223.5%	145.2%	127.3%	113.8%	

* Days Cash on Hand calculated as a rolling 12 month average

** Excludes unrealized gain/loss on investments

Accounts Receivable Monitoring Program

	Net Accounts Receivable	Net Days Revenue Outstanding
April 11	112,755,932	40
May 11	113,154,847	39
June 11	125,692,595	43
July 11	132,783,942	45
August 11	138,635,907	45
September 11	143,462,902	47
October 11	143,334,591	46
November 11	149,398,672	49
December 11	146,725,562	48
January 12	139,900,481	47
February 12	134,929,011	45
March 12	130,269,352	43
April 12	121,953,391	39

Comparison of Charity Care & Bad Debt Expense

	FY 12 Actual	FY 12 Budget	Variance	% Variance	FY 11 Actual	Variance	% Variance
Charity	\$ 42,741,237	\$ 49,732,558	\$ (6,991,321)	-14.1%	\$ 37,677,419	\$ 5,063,818	13.4%
% of Revenue	2.08%	2.50%			2.08%		
Bad Debt	34,867,903	29,838,597	5,029,306	16.9%	25,338,639	\$9,529,264	37.6%
% of Revenue	1.70%	1.50%			1.40%		
Total	\$ 77,609,140	\$ 79,571,155	\$ (1,962,015)	-2.5%	\$ 63,016,058	\$ 14,593,082	23.2%
Gross Revenue	\$ 2,052,578,695	\$ 1,989,239,778	\$ 63,338,917	3.2%	\$ 1,815,091,604	\$ 237,487,091	13.1%
Total Bad Debt & Charity as % of Revenue	3.8%	4.0%			3.5%		

EBITDA Compared to Debt Service & Capital Expenditures

(000 omitted)

	<u>Actual</u>	<u>Budget</u>
<u>Cash Provided:</u>		
Net Income, excluding Fair Value gains/losses & payment to UWSMPH for capital expenditure support	\$91,698	\$54,550
Depreciation	36,045	37,007
Interest Expense	7,163	7,210
EBITDA	<u>\$ 134,906</u>	<u>\$ 98,767</u>
<u>Cash (Used) for Capital Expenditures, Debt Service and Working Capital:</u>		
Capital Expenditures	(40,380)	(61,667)
Est Annual Debt Service	(14,782)	(16,367)
Capital Contribution to UW for Capital Expenditures	(8,579)	(6,500)
Capital Contribution in Joint Ventures	(2,200)	(1,300)
Decrease (increase) in Working Capital	31,627	1,117
Total (Used) Provided	<u>(\$34,314)</u>	<u>(\$84,717)</u>
Cash Available for Temporary Investment and Future Capital Expenditures	<u>\$ 100,592</u>	<u>\$ 14,050</u>

Summary of Changes in Net Assets

Ten Months Ended April 30, 2012

Net assets at beginning of period	<u>\$668,819,748</u>
Net income, excluding fair value gains/losses and payments to UWMSPH for capital expenditure support	91,698,844
Fair value of investments	1,249,021
Fair value of swap agreements	(5,612,487)
Payments to UW School of Medicine and Public Health for capital expenditure support	(8,578,772)
Capital grants, gifts and donations	3,245,191
Additions to permanent gift endowments	27,578
Increase in net assets	<u>\$82,029,375</u>
Net assets at end of period	<u><u>\$750,849,123</u></u>

Comparison to Local Competitors

April 30, 2012 vs. 2011

	<u>UWHC</u>	<u>Meriter</u>	<u>St. Mary's</u>	<u>Total</u>
% Change in Admissions				
Current Month	(1.9)%	(9.2)%	(7.1)%	(5.6)%
3 Month Rolling Average	3.8%	(3.9)%	(0.5)%	0.3%
12 Month Rolling Average	1.3%	0.9%	2.4%	1.5%
% Change in Average Daily Census				
Current Month	(5.6)%	(14.4)%	(10.0)%	(9.1)%
3 Month Rolling Average	0.9%	(6.4)%	(8.1)%	(3.7)%
12 Month Rolling Average	(0.2)%	(1.8)%	(1.4)%	(0.9)%

UWHC Investment Balances & Returns

<u>Account</u>	<u>April Market Value Balances</u>	<u>Investment Allocation</u>	<u>April YTD Investment Return</u>	<u>Benchmark</u>
Operating Account and Commercial Paper				
US Bank	\$ 143,171,144	23.1%	0.18%	0.08% (A)
Intermediate Bond Fund				
USBank/ Baird	\$ 219,079,878	35.3%	5.68%	3.34% (B)
Capital Replacement Fund				
Account - UW Foundation	\$ 156,684,292	25.3%	0.24%	0.24% (C)
Endowment Fund - Equity Securities				
UW Foundation	\$100,843,632	16.3%	1.33%	-0.61% (D)
Total Unrestricted Funds	<u>\$ 619,778,947</u>	<u>100.0%</u>		

(A) 90-day Treasury Bills

(B) Barclays Capital Intermediate Gov/ Credit less fees

(C) Average 1 Month LIBOR

(D) 75% of Russell Global plus 25% of Barclays Global Aggregate Bond less fees