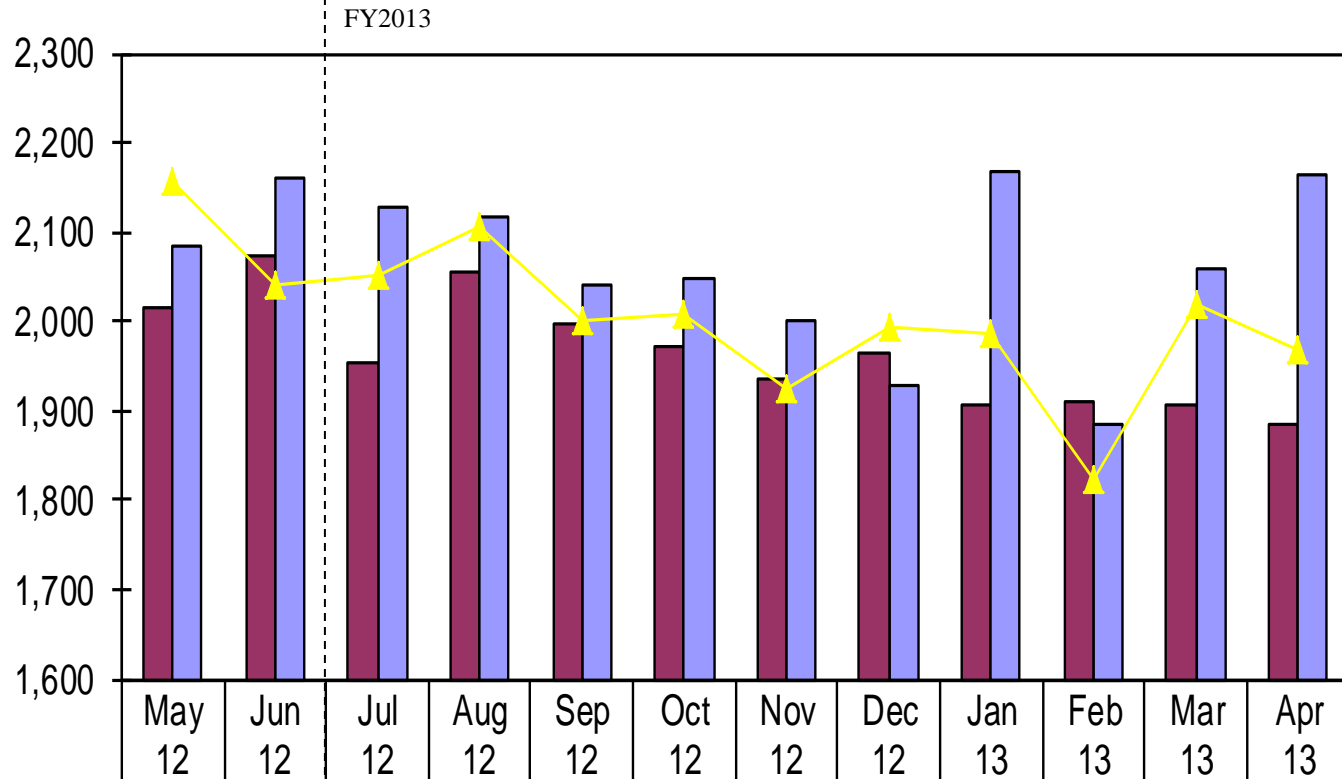


# SUMMARY OF OPERATING RESULTS

April 30, 2013

# Adult Admissions (rolling 12 months)

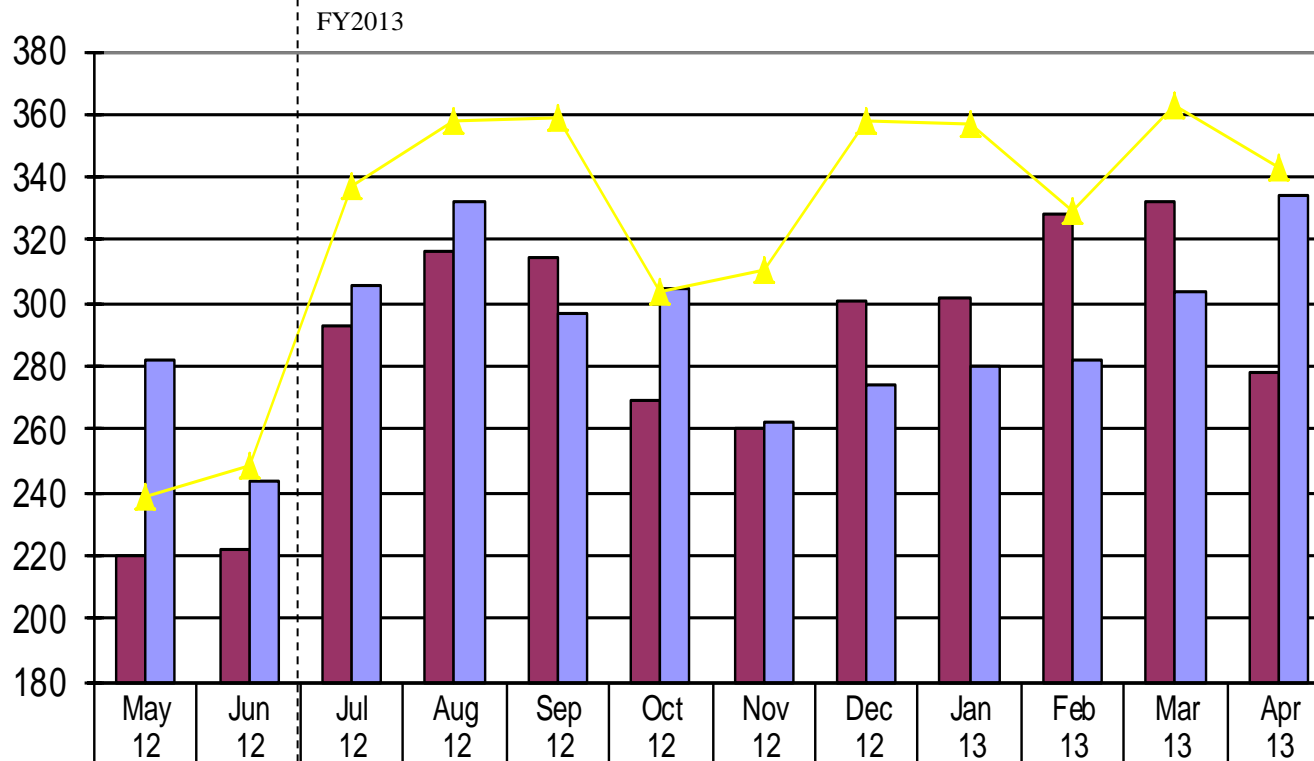


■ Prior Actual	2,015	2,074	1,954	2,054	1,996	1,973	1,934	1,963	1,905	1,909	1,905	1,886
■ Current Actual	2,084	2,161	2,129	2,116	2,041	2,047	2,001	1,929	2,169	1,883	2,059	2,165
▲ Current Budget	2,156	2,042	2,052	2,106	2,000	2,009	1,923	1,994	1,988	1,824	2,019	1,967

YTD	
	19,561
	20,539
	19,882

# Pediatric Admissions

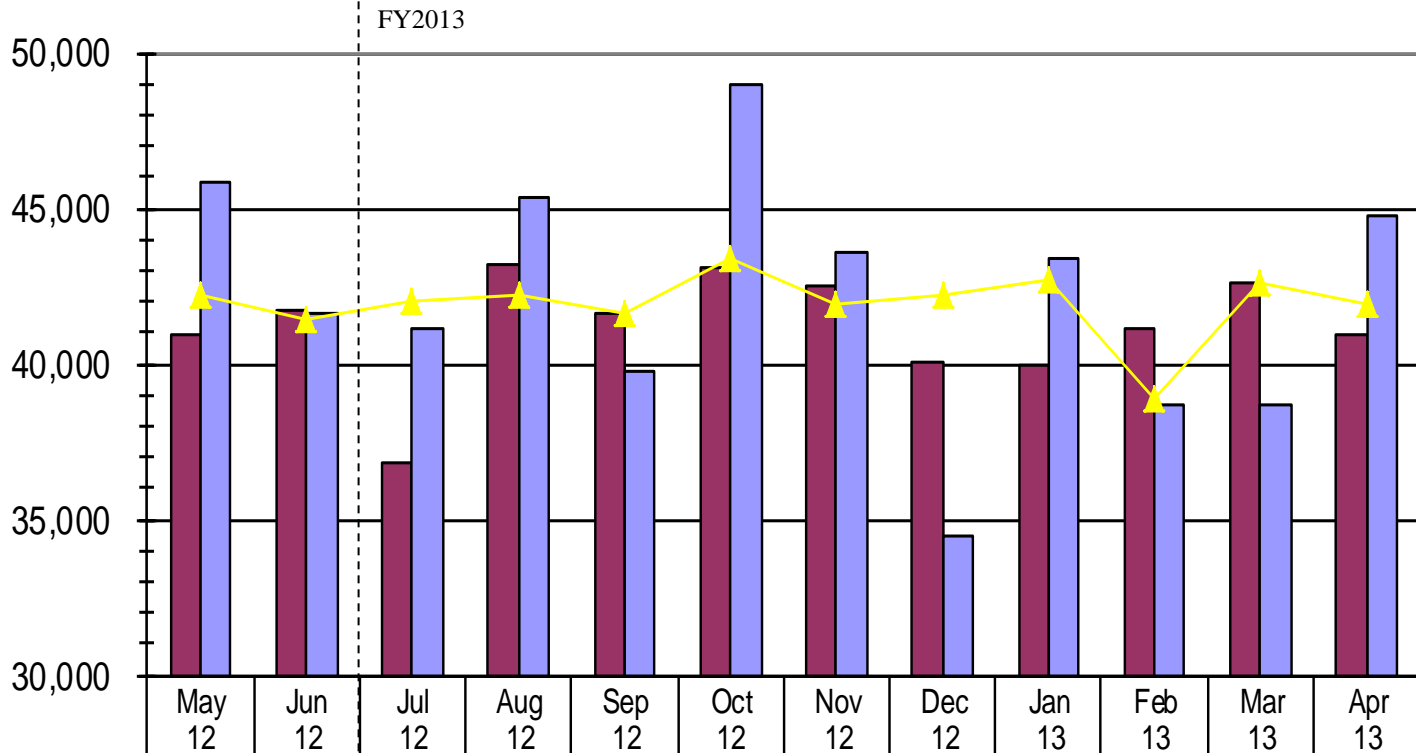
(rolling 12 months)



	May 12	Jun 12	Jul 12	Aug 12	Sep 12	Oct 12	Nov 12	Dec 12	Jan 13	Feb 13	Mar 13	Apr 13	YTD
■ Prior Actual	220	222	293	316	314	269	260	301	302	328	332	278	2,993
■ Current Actual	282	244	306	332	297	305	262	274	280	282	304	334	2,976
▲ Current Budget	239	248	337	358	359	304	311	358	357	329	363	343	3,419

# Adult Clinic Visits

(rolling 12 months)

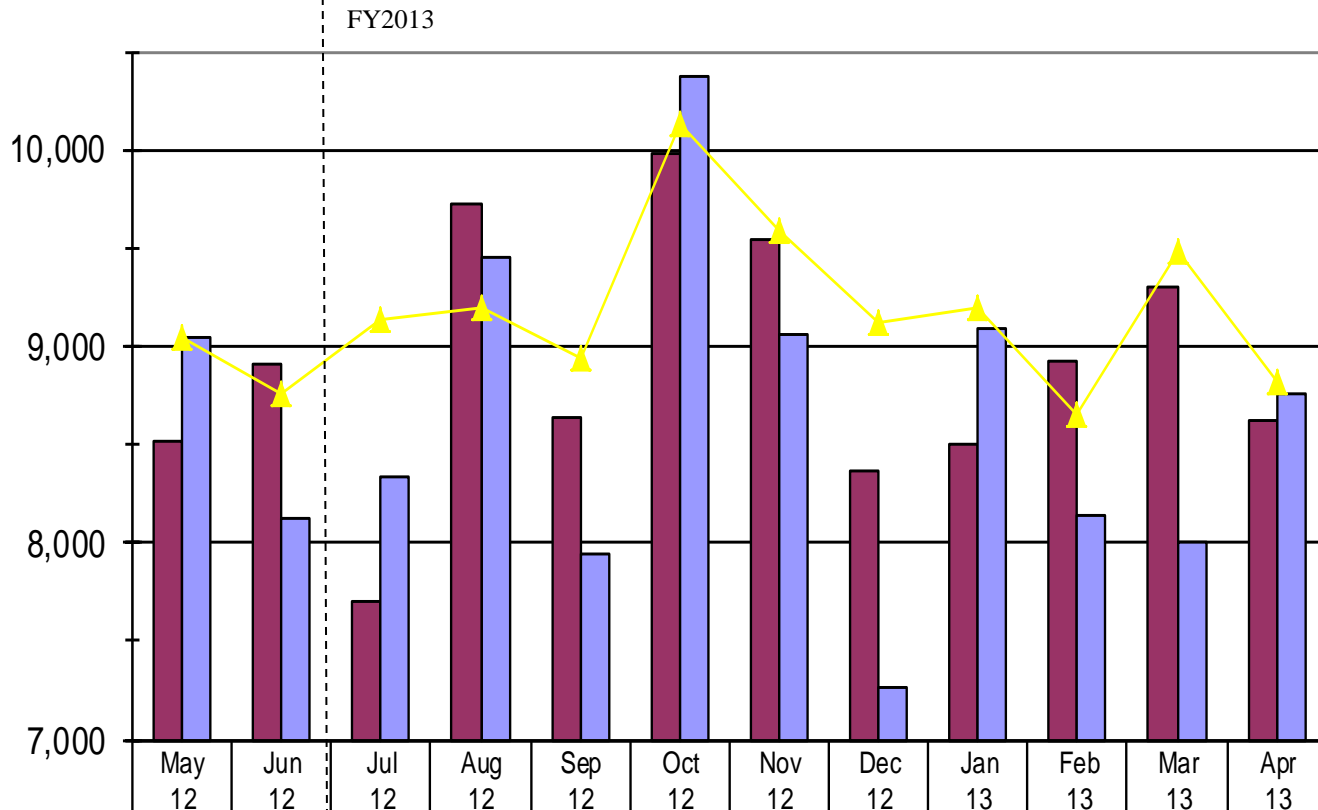


■ Prior Actual	40,887	41,713	36,775	43,214	41,663	43,127	42,520	40,053	39,980	41,112	42,622	40,926
■ Current Actual	45,801	41,614	41,117	45,303	39,770	48,967	43,593	34,423	43,426	38,724	38,644	44,720
▲ Current Budget	42,187	41,377	42,001	42,179	41,613	43,335	41,905	42,223	42,727	38,875	42,629	41,910

YTD	411,992
	418,687
	419,397

# Pediatric Clinic Visits

## (rolling 12 months)



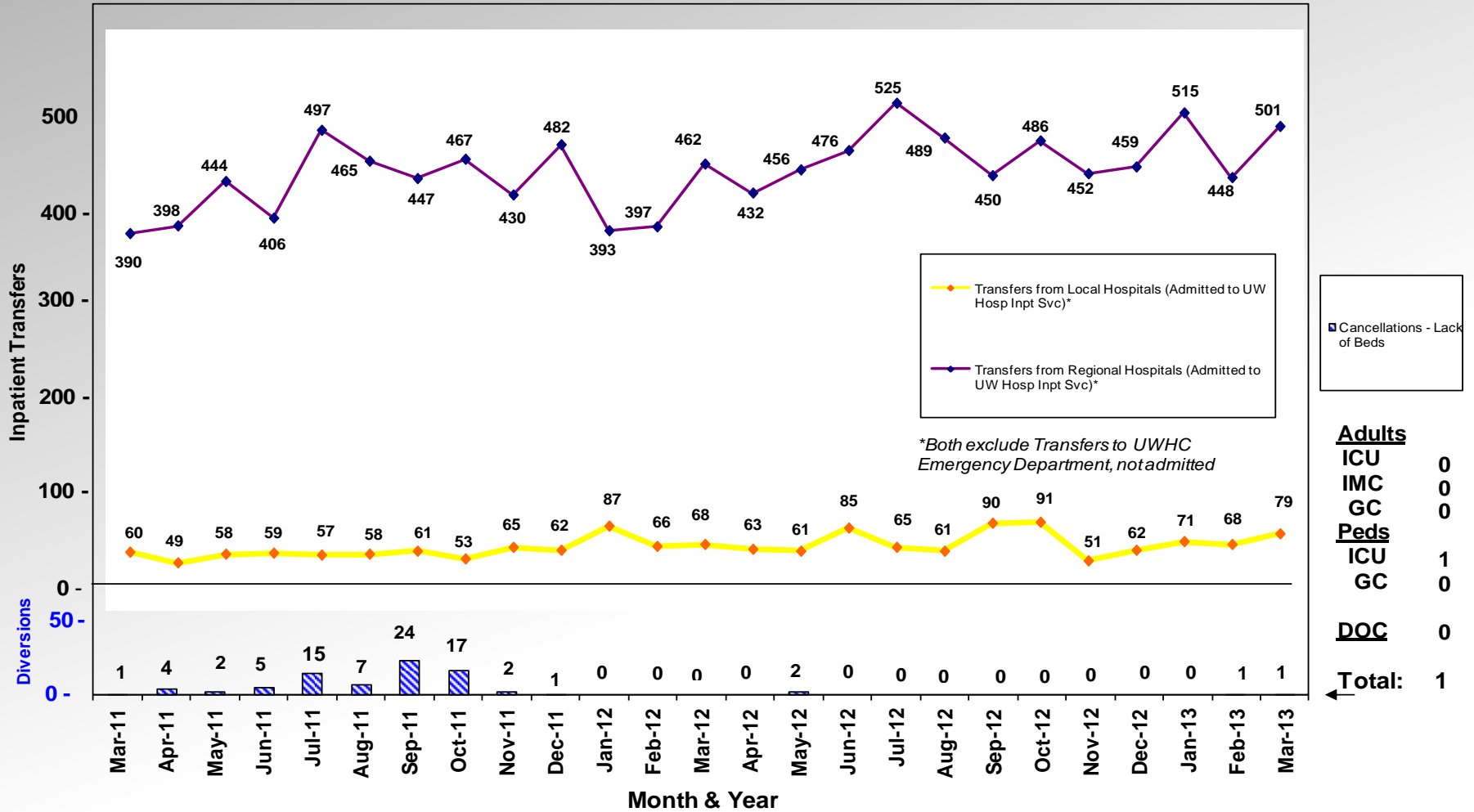
■ Prior Actual	8,513	8,912	7,696	9,722	8,639	9,977	9,539	8,369	8,497	8,925	9,301	8,627	<b>YTD</b>
■ Current Actual	9,047	8,122	8,332	9,451	7,938	10,376	9,056	7,261	9,094	8,142	8,010	8,763	89,292
▲ Current Budget	9,051	8,759	9,132	9,191	8,933	10,130	9,581	9,118	9,191	8,651	9,480	8,824	86,423
													92,231

# Other Key Ancillary Service Activity Indicators

Month of April 2013

	Actual 2013	Budget 2013	Actual 2012	% Variances Actual to Budget	2013 to 2012
<b>Inpatient Gross Revenues</b>	\$ 121,158,371	\$ 116,821,040	\$ 98,401,429	3.7%	23.1%
<b>Outpatient Gross Revenues</b>	\$ 113,883,743	\$ 113,417,509	\$ 102,354,281	0.4%	11.3%
<b>Surgical Procedures:</b>					
<b>Inpatient (excludes Misc/Out of OR)</b>	1,125	1,194	1,011	-5.8%	11.3%
<b>Outpatient</b>	722	748	703	-3.5%	2.7%
<b>AFCH</b>	467	470	414	-0.6%	12.8%
<b>Subtotal</b>	2,314	2,412	2,128	-4.1%	8.7%
<b>Misc./Out of OR</b>	304	279	245	9.0%	24.1%
<b>Total Surgical Procedures</b>	2,618	2,691	2,373	-2.7%	10.3%
<b>Transplants</b>					
<b>Deceased Donor</b>	38	28	22	35.7%	72.7%
<b>Living</b>	6	9	7	-33.3%	-14.3%
<b>Total</b>	44	37	29	18.9%	51.7%
<b>Cardiology Invasive Lab Procedures</b>					
<b>Cardiovascular Lab</b>	635	561	578	13.2%	9.9%
<b>Electrophysiology Lab</b>	108	125	173	-13.6%	-37.6%
<b>Total</b>	743	686	751	8.3%	-1.1%
<b>Emergency Room Visits</b>	4,006	3,981	3,724	0.6%	7.6%
<b>Radiology Procedures:</b>					
<b>MRI</b>	2,572	2,525	2,471	1.9%	4.1%
<b>CT Scans</b>	5,362	5,711	5,079	-6.1%	5.6%
<b>Other</b>	21,291	22,084	19,657	-3.6%	8.3%
<b>Total Radiology Procedures</b>	29,225	30,320	27,207	-3.6%	7.4%
<b>Radiation Therapy Procedures</b>	3,510	3,273	3,225	7.2%	8.8%

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



<b>Adults</b>	
ICU	0
IMC	0
GC	0
<b>Peds</b>	
ICU	1
GC	0
<b>DOC</b>	0
<b>Total:</b>	<b>1</b>

# Summary of Operating Results

Month of April 2013

	Actual April 2013	Budget April 2013	Variance Favorable (Unfavorable)	% Variance	Actual April 2012
Operating Revenue	\$ 102,627,198	\$ 101,117,236	\$ 1,509,962	1.5%	\$ 90,611,400
Operating Expenses:					
Salary & Fringe Benefits	50,687,508	49,726,016	(961,492)	-1.9%	46,387,378
Supplies & Other expenses	48,473,676	45,595,427	(2,878,249)	-6.3%	41,009,202
Total Operating Expenses	99,161,184	95,321,443	(3,839,741)	-4.0%	87,396,580
Income from Operations (Operating Margin)	\$ 3,466,014	\$ 5,795,793	\$ (2,329,779)	-40.2%	\$ 3,214,820
Non-Operating Income/(Loss or Expense)	4,827,269	1,170,074	3,657,195	>100%	(402,520)
Net Income/ Loss (Total Margin)	\$ 8,293,283	\$ 6,965,867	\$ 1,327,416	19.1%	\$ 2,812,300



# Non Operating Income (Loss)

Month of April 2013

	Actual April 2013	Budget April 2013	Variance Favorable (Unfavorable)	% Variance	Actual April 2012
Investment Income & Other Non-Operating Income	\$ 1,384,633	\$ 953,696	\$ 430,937	45.2%	\$ 1,162,743
Payment to University of WI School of Medicine and Public Health for capital expenditure support	(93,780)	-	(93,780)	-100.0%	(2,130,976)
Change in Fair Value Gain/Loss on Investments	3,780,188	-	3,780,188	100.0%	1,393,245
Change in Fair Value Gain/Loss on Swap Agreements	(433,933)	-	(433,933)	-100.0%	(1,154,736)
Joint Venture Income/Losses:					
Wisconsin Therapies/Chartwell	78,767	35,440	43,327	>100%	88,549
Wisconsin Dialysis	35,876	36,986	(1,110)	-3.0%	78,418
UHC/Unity	55,000	(2,301)	57,301	>100%	100,169
UHC/e-Care	(27,129)	(40,849)	13,720	33.6%	(45,500)
Madison Surgery Center	56,787	231,403	(174,616)	75.5%	165,846
Madison United Healthcare Linen	23,419	-	23,419	100.0%	(5,143)
Madison Environmental Resourcing	465	1,644	(1,179)	-71.7%	732
Generations Fertility Care	(33,024)	(45,945)	12,921	28.1%	(55,867)
<b>Total</b>	<b>\$ 4,827,269</b>	<b>\$ 1,170,074</b>	<b>\$ 3,657,195</b>	<b>&gt;100%</b>	<b>\$ (402,520)</b>

# Other Key Ancillary Service Activity Indicators

Ten Months Ended April 30, 2013

	Actual FY '13	Budget FY '13	Actual FY '12	% Variances	
				Actual to Budget	FY 13 to FY 12
Inpatient Gross Revenues	\$ 1,182,744,268	\$ 1,164,381,083	\$ 1,054,021,615	1.6%	12.2%
Outpatient Gross Revenues	\$ 1,087,335,833	\$ 1,068,424,752	\$ 998,557,080	1.8%	8.9%
<b>Surgical Procedures:</b>					
Inpatient (excludes Misc/Out of OR)	11,169	11,181	10,634	-0.1%	5.0%
Outpatient	6,918	7,002	6,972	-1.2%	-0.8%
AFCH	4,288	4,400	4,259	-2.5%	0.7%
Subtotal	22,375	22,583	21,865	-0.9%	2.3%
Misc./Out of OR	2,899	2,617	2,602	10.8%	11.4%
Total	25,274	25,200	24,467	0.3%	3.3%
<b>Transplants</b>					
Cadaver	334	292	251	14.4%	33.1%
Living	79	91	81	-13.2%	-2.5%
Total	413	383	332	7.8%	24.4%
<b>Cardiology Invasive Lab Procedures</b>					
Cardiovascular Lab	5,810	5,606	5,824	3.6%	-0.2%
Electrophysiology Lab	1,369	1,228	1,461	11.5%	-6.3%
Total	7,179	6,834	7,285	5.0%	-1.5%
Emergency Room Visits	39,351	40,342	38,261	-2.5%	2.8%
<b>Radiology Procedures:</b>					
MRI	24,167	24,366	24,141	-0.8%	0.1%
CT Scans	52,325	54,103	51,640	-3.3%	1.3%
Other	206,856	213,824	204,282	-3.3%	1.3%
Total Radiology Procedures	283,348	292,293	280,063	-3.1%	1.2%
Radiation Therapy Procedures	32,849	31,235	30,708	5.2%	7.0%

# Summary of Operating Results

Ten Months Ended April 30, 2013

(000) Omitted

	Actual FY '13	Budget FY '13	Actual FY '12	% Variances	
				Actual to Budget	FY 13 to FY 12
Operating Revenue	\$1,049,827	\$1,017,014	\$947,260	3.2%	10.8%
Operating Expenses:					
Salary & Fringe Benefits	494,805	501,270	474,270	1.3%	-4.3%
Supplies & Other expenses	462,652	452,433	397,229	-2.3%	-16.5%
Total Operating Expenses	957,457	953,703	871,499	-0.4%	-9.9%
Income from Operations <i>(Operating Margin of 8.8%)</i>	\$ 92,370	\$ 63,311	\$ 75,761	45.9%	21.9%
Non-Operating Income/(Loss or Expense)	28,937	6,967	2,995	>100%	>100%
Net Income	\$121,307	\$70,278	\$78,756	72.6%	54.0%

# Non-Operating Income (Loss)

Ten Months Ended April 30, 2013

(000) Omitted

	Actual FY '13	Budget FY '13	Actual FY '12	% Variances	
				Actual to Budget	FY 13 to FY 12
Investment Income & Other Non-Operating Income	\$ 18,983	\$ 9,664	\$ 13,639	96.4%	39.2%
Payment to University of WI School of Medicine and Public Health for capital expenditure support	(3,608)	(4,890)	(8,579)	26.2%	57.9%
Change in Fair Value Gain (Loss) on Investments	10,442	-	1,249	100.0%	>100%
Change in Fair Value Gain (Loss) on Swap agreements	975	-	(5,612)	100.0%	>100%
UWHC portion of Joint Venture Income/Losses:					
Wisconsin Therapies/Chartwell	487	359	574	35.7%	-15.2%
Wisconsin Dialysis	412	375	669	9.9%	-38.4%
UHC/Unity	(760)	(23)	43	>-100%	>-100%
UHC/e-Care	(289)	(414)	(768)	30.2%	62.4%
Madison Surgery Center	2,557	2,345	2,083	9.0%	22.8%
Madison United Healthcare Linen	67	-	194	100.0%	-65.5%
Madison Environmental Resourcing	21	17	18	23.5%	16.7%
Generations Fertility Care	(350)	(466)	(515)	24.9%	32.0%
<b>Total</b>	<b>\$ 28,937</b>	<b>\$ 6,967</b>	<b>\$ 2,995</b>	<b>&gt;100%</b>	<b>&gt;100%</b>

# Performance Ratios

	Favorable Direction	FY 13	Budget or Target	Industry Comparisons		
				S&P 500 "A+" Rated	Moody's "A1" Rated	UWHCA Bond Covenant
Operating Margin	↑	8.8%	6.2%	3.7%	3.6%	
Total Margin **	↑	7.8%	6.9%	6.3%	6.4%	
Days Cash on Hand *	↑	230	201	246	204	90
Days in Accounts Receivable	↓	45	45	44	45	
Debt Service Coverage Ratio **	↑	5.1	7.6	4.9	5.1	1.25
Long Term Debt to Capitalization	↓	36.0%	32.0%	29.4%	33.7%	65%
Operating Cash Flow	↑	13.1%	10.4%	10.5%	10.7%	
Cash-to-Debt	↑	151.1%	153.4%	183.7%	146.9%	

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

\*\* Excludes unrealized gain/loss on investments

# Accounts Receivable Monitoring Program

	<u>Net Accounts Receivable</u>	<u>Net Days Revenue Outstanding</u>
March 12	130,269,352	43
April 12	121,953,391	39
May 12	126,177,981	40
June 12	149,863,427	44
July 12	149,854,133	43
August 12	145,041,891	41
September 12	149,307,660	46
October 12	145,739,946	44
November 12	148,992,105	42
December 12	147,177,847	42
January 13	156,947,749	45
February 13	156,973,659	49
March 13	157,122,579	47
April 13	151,039,643	45

# Comparison of Charity Care & Bad Debt Expense

	FY 13 Actual	FY 13 Budget	Variance	% Variance	FY 12 Actual	Variance	% Variance
Charity	\$ 49,673,617	\$ 51,354,534	\$ (1,680,917)	-3.3%	\$ 42,741,237	\$ 6,932,380	16.2%
% of Revenue	2.19%	2.30%			2.08%		
Bad Debt	21,025,533	26,837,581	(5,812,048)	-21.7%	34,867,903	(\$13,842,370)	-39.7%
% of Revenue	0.93%	1.20%			1.70%		
<b>Total</b>	<b>\$ 70,699,150</b>	<b>\$ 78,192,115</b>	<b>\$ (7,492,965)</b>	<b>-9.6%</b>	<b>\$ 77,609,140</b>	<b>\$ (6,909,990)</b>	<b>-8.9%</b>
Gross Revenue	\$ 2,270,080,101	\$ 2,232,805,834	\$ 37,274,267	1.7%	\$ 2,052,578,695	\$ 217,501,406	10.6%
Total Bad Debt & Charity as % of Revenue	3.1%	3.5%			3.8%		

# EBITDA Compared to Debt Service & Capital Expenditures

(000) Omitted

	Actual	Budget
<b><u>Cash Provided:</u></b>		
Net Income, excluding change in fair value gains/losses & payment to UWSMPH for capital expenditure support	\$113,498	\$75,168
Depreciation	36,200	35,338
Interest Expense	9,043	6,852
<b>EBITDA</b>	<b>\$ 158,741</b>	<b>\$ 117,358</b>
<b><u>Cash (Used) for Capital Expenditures, Debt Service and Working Capital:</u></b>		
Capital Expenditures	(78,545)	(109,833)
Est Annual Debt Service	(18,934)	(16,808)
Capital Contribution to UW for Capital Expenditures	(3,608)	(4,890)
Capital Contribution in Joint Ventures	(3,350)	(2,710)
Decrease (increase) in Working Capital	16,131	5,143
<b>Total (Used) Provided</b>	<b>(\$88,306)</b>	<b>(\$129,098)</b>
<b>Cash Available for Temporary Investment and Future Capital Expenditures</b>	<b>\$ 70,435</b>	<b>\$ (11,740)</b>



# Summary of Changes in Net Assets

Ten Months Ended April 30, 2013

Net assets at beginning of period	<u>\$774,796,822</u>
Net income, excluding change in fair value gains/losses and payments to UWMSPH for capital expenditure support	113,499,031
Change in Fair value of investments	10,442,117
Change in Fair value of swap agreements	975,495
Payments to UW School of Medicine and Public Health for capital expenditure support	(3,608,243)
Capital grants, gifts and donations	2,384,262
Additions to permanent gift endowments	(54,323)
Increase in net assets	<u>\$123,638,339</u>
Net assets at end of period	<u><u>\$898,435,161</u></u>

# Comparison to Local Competitors

## April 30, 2013 vs. 2012

	<u>UWHC</u>	<u>Meriter</u>	<u>St. Mary's</u>	<u>Total</u>
<b>% Change in Admissions</b>				
Current Month	15.5%	5.7%	9.5%	11.0%
3 Month Rolling Average	4.6%	(1.7)%	(0.9)%	1.2%
12 Month Rolling Average	4.4%	(5.3)%	(3.3)%	(0.7)%
<b>% Change in Average Daily Census</b>				
Current Month	12.0%	10.1%	5.2%	9.5%
3 Month Rolling Average	8.2%	6.1%	1.9%	5.8%
12 Month Rolling Average	4.6%	(0.4)%	(2.6)%	1.3%

# 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>
<b>Operating Account and Commercial Paper</b>				
US Bank	\$ 43,343,498	6.2%	0.27%	0.08% (A)
<b>Short Term Bond Fund</b>				
USBank/Nuveen	\$ 162,998,433	23.2%	2.73%	-0.99% (B)
<b>Intermediate Bond Fund</b>				
USBank/Baird	\$ 229,098,329	32.6%	3.75%	1.23% (C)
<b>Capital Replacement Fund</b>				
Account - UW Foundation	\$ 157,026,359	22.4%	0.21%	0.21% (D)
<b>Endowment Fund</b>				
<b>Securities</b>				
UW Foundation	\$ 109,755,279	15.6%	11.77%	14.60% (E)
<b>Total Unrestricted Funds</b>	<b>\$ 702,221,898</b>	<b>100.0%</b>	<b>3.8%</b>	<b>2.5%</b>

(A) 90-day Treasury Bills

(B) Barclays 1-3 year Gov/ Credit less fees

(C) Barclays Capital Intermediate Gov/ Credit less fees

(D) Average 1 Month LIBOR

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