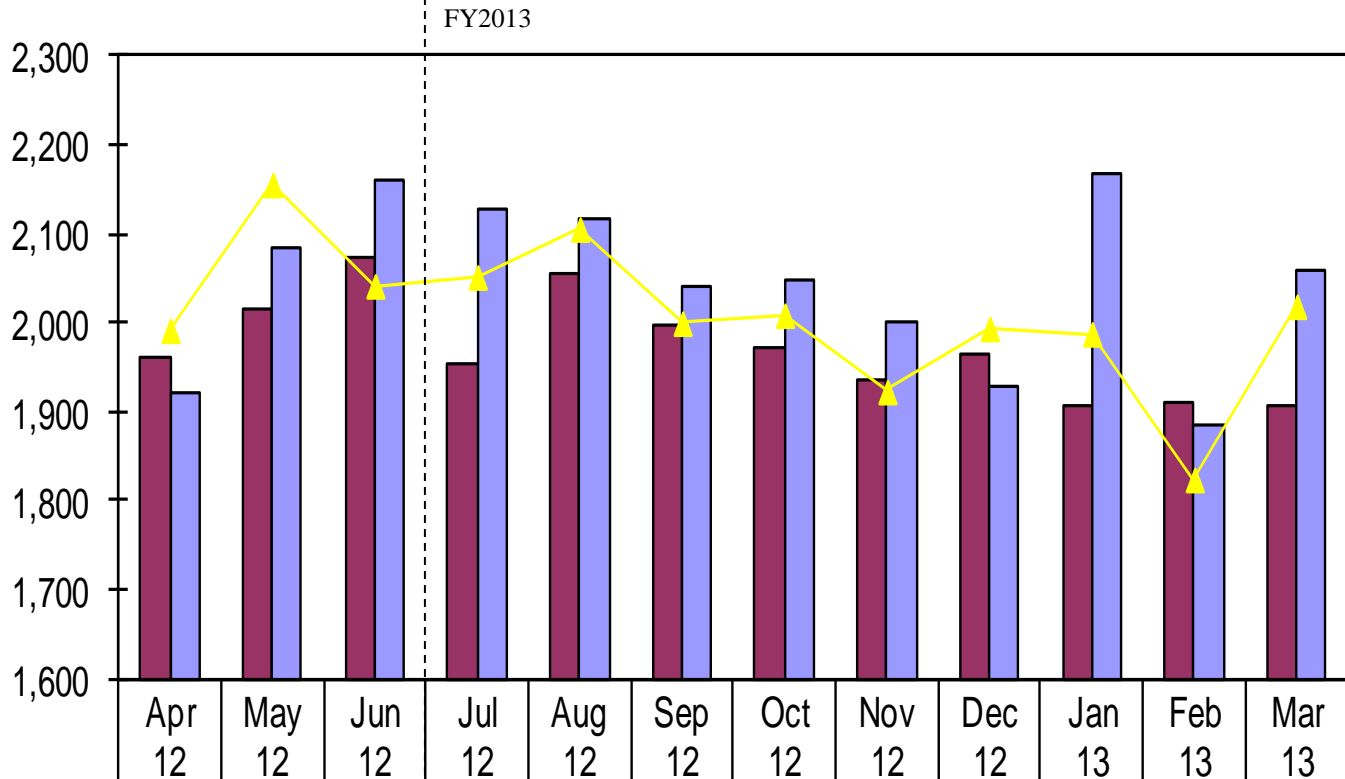


# SUMMARY OF OPERATING RESULTS

March 31, 2013

# Adult Admissions (rolling 12 months)

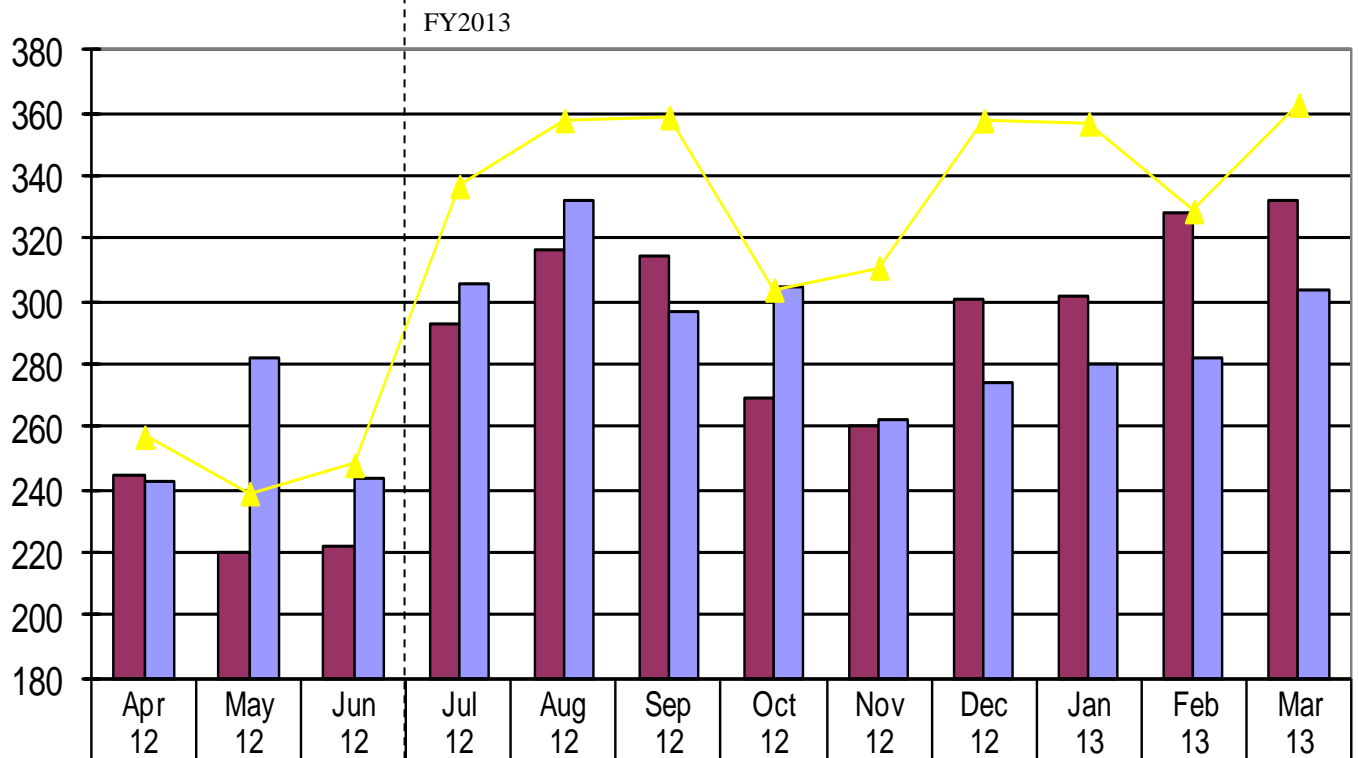


<span style="display: inline-block; width: 15px; height: 10px; background-color: maroon; border: 1px solid black;"></span> Prior Actual	1,962	2,015	2,074	1,954	2,054	1,996	1,973	1,934	1,963	1,905	1,909	1,905
<span style="display: inline-block; width: 15px; height: 10px; background-color: lightblue; border: 1px solid black;"></span> Current Actual	1,921	2,084	2,161	2,129	2,116	2,041	2,047	2,001	1,929	2,169	1,883	2,059
<span style="display: inline-block; width: 15px; height: 10px; border-bottom: 2px solid yellow; border-left: 2px solid yellow; border-right: 2px solid yellow;"></span> Current Budget	1,992	2,156	2,042	2,052	2,106	2,000	2,009	1,923	1,994	1,988	1,824	2,019

YTD
17,593
18,374
17,915

# Pediatric Admissions

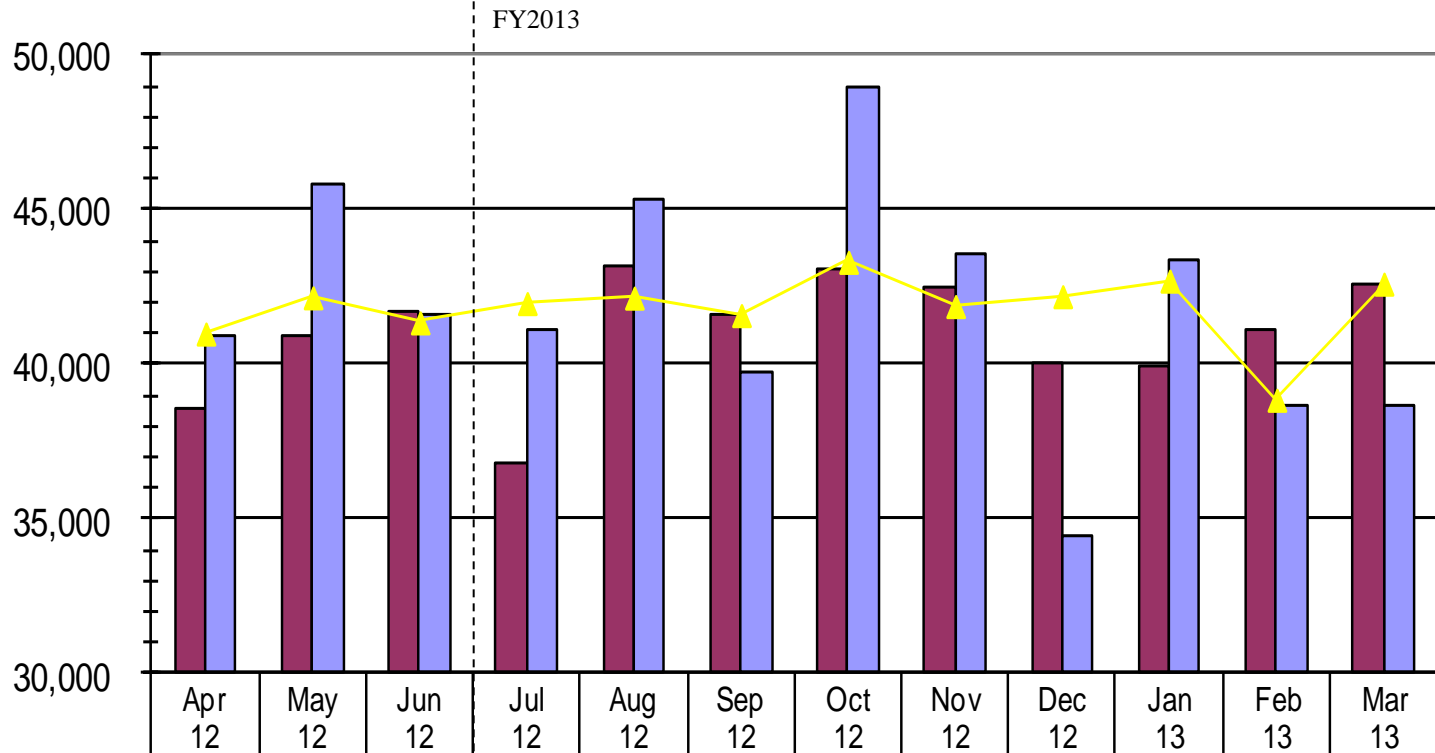
(rolling 12 months)



<div style="display: inline-block; width: 15px; height: 10px; background-color: maroon; border: 1px solid black;"></div> Prior Actual	245	220	222	293	316	314	269	260	301	302	328	332	YTD
<div style="display: inline-block; width: 15px; height: 10px; background-color: lightblue; border: 1px solid black;"></div> Current Actual	243	282	244	306	332	297	305	262	274	280	282	304	2,715
<div style="display: inline-block; width: 15px; height: 10px; border-bottom: 2px solid yellow; border-left: 2px solid yellow; border-right: 2px solid yellow;"></div> Current Budget	257	239	248	337	358	359	304	311	358	357	329	363	2,642
													3,076

# Adult Clinic Visits

(rolling 12 months)

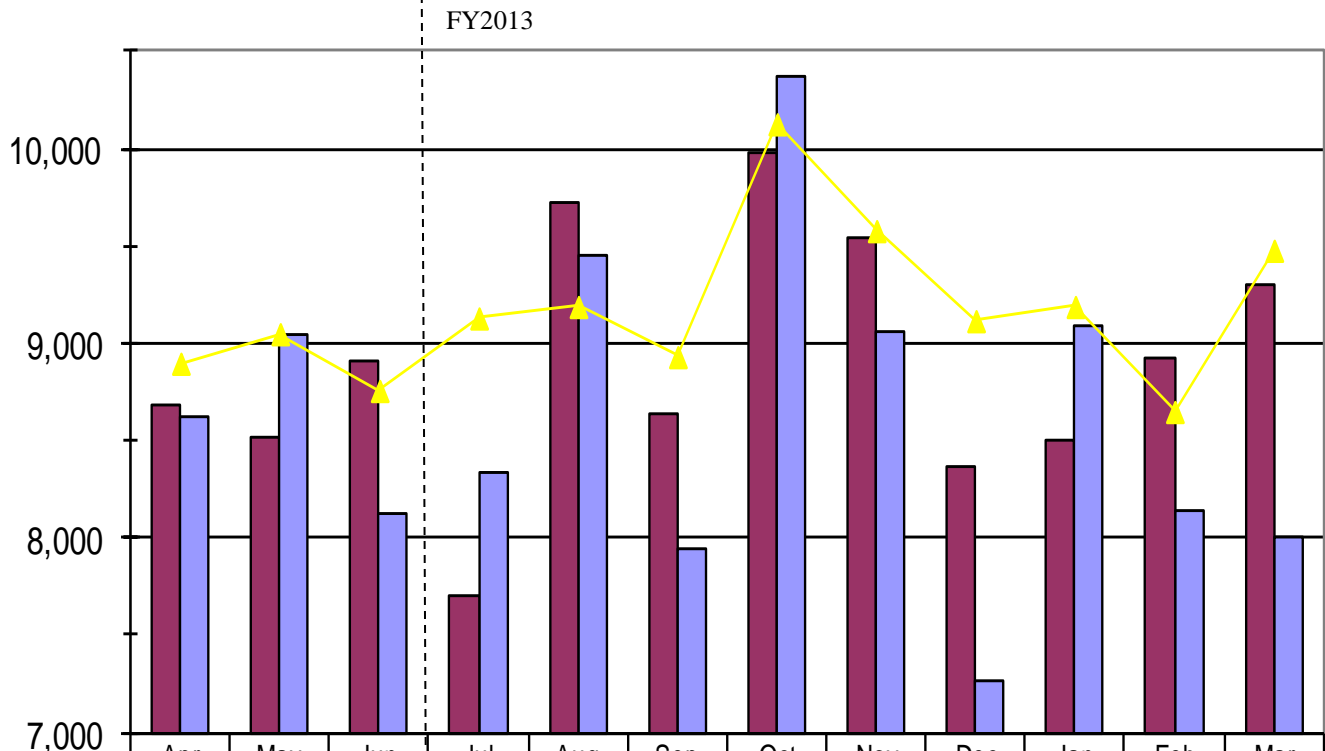


■ Prior Actual	38,591	40,887	41,713	36,775	43,214	41,663	43,127	42,520	40,053	39,980	41,112	42,622
■ Current Actual	40,926	45,801	41,614	41,117	45,303	39,770	48,967	43,593	34,423	43,426	38,724	38,644
▲ Current Budget	41,016	42,187	41,377	42,001	42,179	41,613	43,335	41,905	42,223	42,727	38,875	42,629

YTD	371,066
	373,967
	377,487

# Pediatric Clinic Visits

## (rolling 12 months)



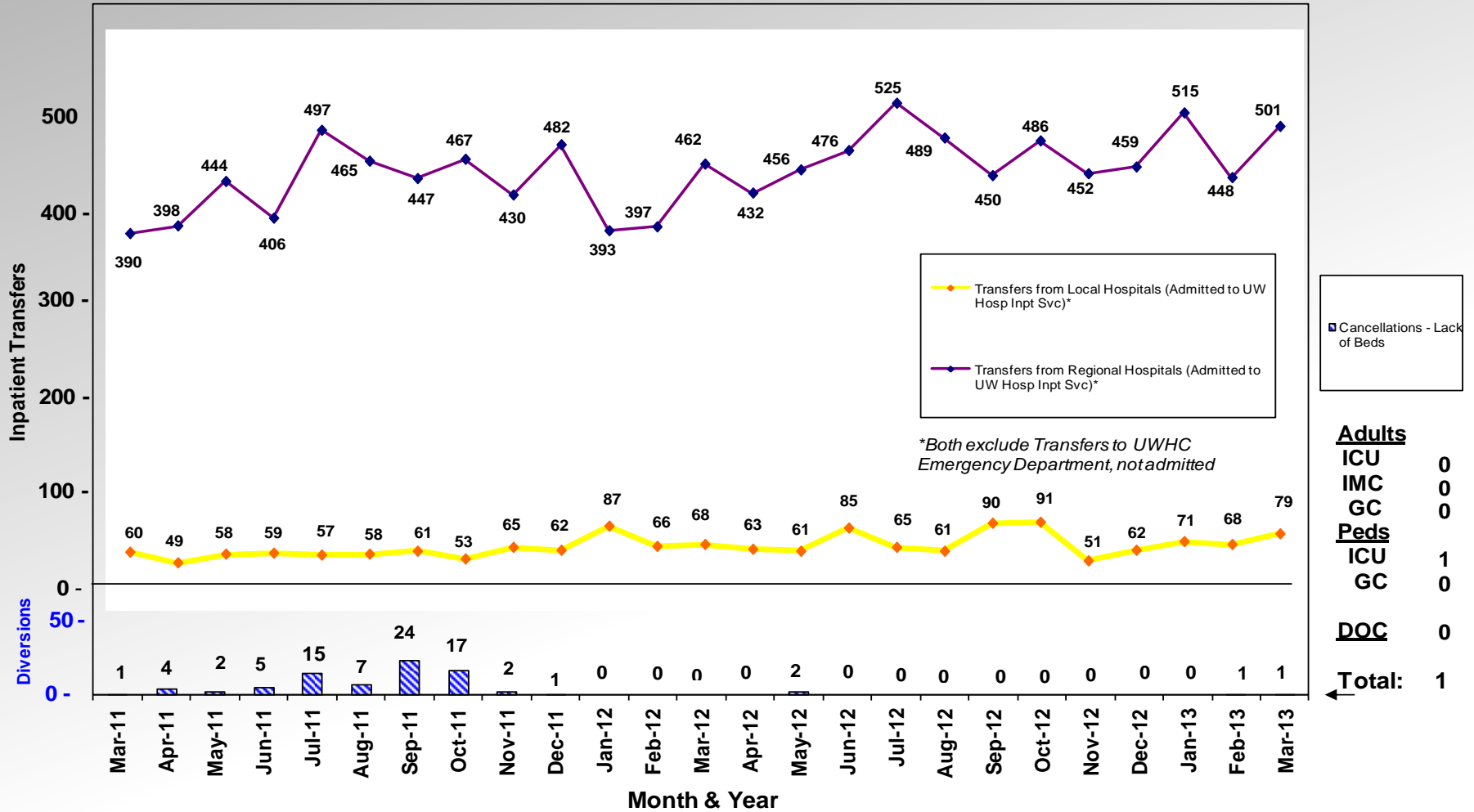
	Apr 12	May 12	Jun 12	Jul 12	Aug 12	Sep 12	Oct 12	Nov 12	Dec 12	Jan 13	Feb 13	Mar 13	YTD
■ Prior Actual	8,678	8,513	8,912	7,696	9,722	8,639	9,977	9,539	8,369	8,497	8,925	9,301	80,665
■ Current Actual	8,627	9,047	8,122	8,332	9,451	7,938	10,376	9,056	7,261	9,094	8,142	8,010	77,660
▲ Current Budget	8,899	9,051	8,759	9,132	9,191	8,933	10,130	9,581	9,118	9,191	8,651	9,480	83,407

# Other Key Ancillary Service Activity Indicators

Month of March 2013

	Actual 2013	Budget 2013	Actual 2012	% Variances Actual to Budget	2013 to 2012
<b>Inpatient Gross Revenues</b>	\$ 118,957,751	\$ 118,153,214	\$ 107,027,163	0.7%	11.1%
<b>Outpatient Gross Revenues</b>	\$ 104,930,985	\$ 107,446,841	\$ 108,588,302	-2.3%	-3.4%
<b>Surgical Procedures:</b>					
<b>Inpatient (excludes Misc/Out of OR)</b>	1,103	1,139	1,140	-3.2%	-3.2%
<b>Outpatient</b>	669	714	759	-6.3%	-11.9%
<b>AFCH</b>	447	448	451	-0.2%	-0.9%
<b>Subtotal</b>	2,219	2,301	2,350	-3.6%	-5.6%
<b>Misc./Out of OR</b>	295	267	277	10.5%	6.5%
<b>Total Surgical Procedures</b>	2,514	2,568	2,627	-2.1%	-4.3%
<b>Transplants</b>					
<b>Deceased Donor</b>	30	30	21	0.0%	42.9%
<b>Living</b>	8	9	9	-11.1%	-11.1%
<b>Total</b>	38	39	30	-2.6%	26.7%
<b>Cardiology Invasive Lab Procedures</b>					
<b>Cardiovascular Lab</b>	520	572	633	-9.1%	-17.9%
<b>Electrophysiology Lab</b>	63	126	143	-50.0%	-55.9%
<b>Total</b>	583	698	776	-16.5%	-24.9%
<b>Emergency Room Visits</b>	3,960	4,114	3,909	-3.7%	1.3%
<b>Radiology Procedures:</b>					
<b>MRI</b>	2,346	2,453	2,679	-4.4%	-12.4%
<b>CT Scans</b>	5,130	5,445	5,124	-5.8%	0.1%
<b>Other</b>	19,698	21,571	20,782	-8.7%	-5.2%
<b>Total Radiology Procedures</b>	27,174	29,469	28,585	-7.8%	-4.9%
<b>Radiation Therapy Procedures</b>	3,463	3,146	3,103	10.1%	11.6%

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



# Summary of Operating Results

Month of March 2013

	Actual March 2013	Budget March 2013	Variance Favorable (Unfavorable)	% Variance	Actual March 2012
Operating Revenue	\$ 100,169,225	\$ 101,755,676	\$ (1,586,451)	-1.6%	\$ 100,911,982
Operating Expenses:					
Salary & Fringe Benefits	52,694,684	51,235,535	(1,459,149)	-2.8%	48,949,577
Supplies & Other expenses	47,410,979	45,888,508	(1,522,471)	-3.3%	42,418,457
Total Operating Expenses	100,105,663	97,124,043	(2,981,620)	-3.1%	91,368,034
Income from Normal Operations	\$ 63,562	\$ 4,631,633	\$ (4,568,071)	-98.6%	\$ 9,543,948
Non-Operating Income	1,525,549	1,209,076	316,473	26.2%	1,946,811
Net Income	\$ 1,589,111	\$ 5,840,709	\$ (4,251,598)	-72.8%	\$ 11,490,759

\* Excluding accrual for payment under Annual Academic Advancement Agreement



# Non Operating Income (Loss)

Month of March 2013

	Actual March 2013	Budget March 2013	Variance Favorable (Unfavorable)	% Variance	Actual March 2012
Investment Income & Other Non-Operating Income	\$ 1,444,567	\$ 985,486	\$ 459,081	46.6%	\$ 1,025,125
Payment to University of WI School of Medicine and Public Health for capital expenditure support	-	-	-	0.0%	-
Fair Value Gain/Loss on Investments	303,901	-	303,901	100.0%	(909,415)
Fair Value Gain/Loss on Swap Agreements	200,727	-	200,727	100.0%	1,230,660
Joint Venture Income/Losses:					
Wisconsin Therapies/Chartwell	49,978	36,622	13,356	36.5%	116,231
Wisconsin Dialysis	28,817	38,219	(9,402)	-24.6%	61,662
UHC/Unity	(805,868)	(2,378)	(803,490)	> -100%	271,602
UHC/e-Care	25,043	(42,211)	67,254	> 100%	(94,351)
Madison Surgery Center	169,439	239,116	(69,677)	29.1%	264,320
Madison United Healthcare Linen	(20,806)	-	(20,806)	-100.0%	26,883
Madison Environmental Resourcing	34,623	1,699	32,924	> 100%	8,989
Generations Fertility Care	95,128	(47,477)	142,605	> 100%	(54,895)
<b>Total</b>	<b>\$ 1,525,549</b>	<b>\$ 1,209,076</b>	<b>\$ 316,473</b>	<b>26.2%</b>	<b>\$ 1,946,811</b>

\* Excluding accrual for payment under Annual Academic Advancement Agreement

# Other Key Ancillary Service Activity Indicators

Nine Months Ended March 31, 2013

	Actual FY '13	Budget FY '13	Actual FY '12	% Variances	
				Actual to Budget	FY 13 to FY 12
<b>Inpatient Gross Revenues</b>	\$ 1,061,585,898	\$ 1,047,560,043	\$ 955,620,187	1.3%	11.1%
<b>Outpatient Gross Revenues</b>	\$ 973,452,090	\$ 955,007,243	\$ 896,202,799	1.9%	8.6%
<b>Surgical Procedures:</b>					
<b>Inpatient (excludes Misc/Out of OR)</b>	10,044	9,987	9,623	0.6%	4.4%
<b>Outpatient</b>	6,196	6,254	6,269	-0.9%	-1.2%
<b>AFCH</b>	3,821	3,930	3,845	-2.8%	-0.6%
<b>Subtotal</b>	20,061	20,171	19,737	-0.5%	1.6%
<b>Misc./Out of OR</b>	2,595	2,338	2,357	11.0%	10.1%
<b>Total</b>	22,656	22,509	22,094	0.7%	2.5%
<b>Transplants</b>					
<b>Deceased Donor</b>	296	264	229	12.1%	29.3%
<b>Living</b>	73	82	74	-11.0%	-1.4%
<b>Total</b>	369	346	303	6.6%	21.8%
<b>Cardiology Invasive Lab Procedures</b>					
<b>Cardiovascular Lab</b>	5,175	5,045	5,246	2.6%	-1.4%
<b>Electrophysiology Lab</b>	1,261	1,103	1,288	14.3%	-2.1%
<b>Total</b>	6,436	6,148	6,534	4.7%	-1.5%
<b>Emergency Room Visits</b>	35,345	36,361	34,537	-2.8%	2.3%
<b>Radiology Procedures:</b>					
<b>MRI</b>	21,595	21,841	21,670	-1.1%	-0.3%
<b>CT Scans</b>	47,006	48,392	46,605	-2.9%	0.9%
<b>Other</b>	185,968	191,740	184,754	-3.0%	0.7%
<b>Total Radiology Procedures</b>	254,569	261,973	253,029	-2.8%	0.6%
<b>Radiation Therapy Procedures</b>	29,339	27,962	27,483	4.9%	6.8%

# Summary of Operating Results

Nine Months Ended March 31, 2013

(000) Omitted

	Actual FY '13	Budget FY '13	Actual FY '12	% Variances	
				Actual to Budget	FY 13 to FY 12
Operating Revenue	\$ 947,200	\$ 915,897	\$ 856,649	3.4%	10.6%
Operating Expenses:					
Salary & Fringe Benefits	444,118	451,544	427,883	1.6%	-3.8%
Supplies & Other expenses	414,178	406,838	356,220	-1.8%	-16.3%
Total Operating Expenses	858,296	858,382	784,103	0.0%	-9.5%
Income from Operations <i>(Operating Margin of 9.4%)</i>	\$ 88,904	\$ 57,515	\$ 72,546	54.6%	22.5%
Non-Operating Income	24,111	5,797	3,398	>100%	>100%
Net Income	\$ 113,015	\$ 63,312	\$ 75,944	78.5%	48.8%

\* Excluding accrual for payment under Annual Academic Advancement Agreement

# Non-Operating Income (Loss)

Nine Months Ended March 31, 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	\$ 17,599	\$ 8,711	\$ 12,476	> 100%	41.1%
Payment to University of WI School of Medicine and Public Health for capital expenditure support	(3,514)	(4,890)	(6,448)	28.1%	45.5%
Fair Value Gain (Loss) on Investments	6,662	-	(144)	100.0%	>100%
Fair Value Gain (Loss) on Swap agreements	1,409	-	(4,458)	100.0%	>100%
UWHC portion of Joint Venture Income/Losses:					
Wisconsin Therapies/Chartwell	408	324	486	25.9%	-16.0%
Wisconsin Dialysis	376	338	591	11.2%	-36.4%
UHC/Unity	(816)	(21)	(57)	> -100%	> -100%
UHC/e-Care	(262)	(373)	(723)	29.8%	63.8%
Madison Surgery Center	2,501	2,113	1,917	18.4%	30.5%
Madison United Healthcare Linen	44	-	200	100.0%	-78.0%
Madison Environmental Resourcing	21	15	18	40.0%	16.7%
Generations Fertility Care	(317)	(420)	(460)	24.5%	31.1%
<b>Total</b>	<b>\$ 24,111</b>	<b>\$ 5,797</b>	<b>\$ 3,398</b>	<b>&gt; 100%</b>	<b>&gt; 100%</b>

\* Excluding accrual for payment under Annual Academic Advancement Agreement

# Performance Ratios

	Favorable Direction	FY 13	Budget or Target	Industry Comparisons		UWHCA Bond Covenant
				S&P "A+" Rated	Moody's "A1" Rated	
Operating Margin	↑	9.4%	6.3%	3.7%	3.6%	
Total Margin**	↑	11.6%	6.9%	6.3%	6.4%	
Days Cash on Hand *	↑	233	201	246	204	90
Days in Accounts Receivable	↓	47	45	44	45	
Debt Service Coverage Ratio**	↑	7.2	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**	↑	13.7%	10.4%	10.5%	10.7%	
Cash-to-Debt	↑	148.7%	153.4%	183.7%	146.9%	

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

\*\* Excluding accrual for payment under Annual Academic Advancement Agreement

# Accounts Receivable Monitoring Program

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

# Comparison of Charity Care & Bad Debt Expense

	FY 13 Actual	FY 13 Budget	Variance	% Variance	FY 12 Actual	Variance	% Variance
Charity	\$ 40,586,003	\$ 46,059,048	\$ (5,473,045)	-11.9%	\$ 38,656,083	\$ 1,929,920	5.0%
% of Revenue	1.99%	2.30%			2.09%		
Bad Debt	21,194,158	24,096,240	(2,902,082)	-12.0%	32,204,463	(\$11,010,305)	-34.2%
% of Revenue	1.04%	1.20%			1.74%		
<b>Total</b>	<b>\$ 61,780,161</b>	<b>\$ 70,155,288</b>	<b>\$ (8,375,127)</b>	<b>-11.9%</b>	<b>\$ 70,860,546</b>	<b>\$ (9,080,385)</b>	<b>-12.8%</b>
Gross Revenue	\$ 2,035,037,988	\$ 2,002,567,286	\$ 32,470,702	1.6%	\$ 1,851,822,986	\$ 183,215,002	9.9%
Total Bad Debt & Charity as % of Revenue	3.0%	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*	\$108,459	\$68,202
Depreciation	32,500	31,804
Interest Expense	8,128	6,187
<b>EBITDA</b>	<b>\$ 149,087</b>	<b>\$ 106,193</b>
<b><u>Cash (Used) for Capital Expenditures, Debt Service and Working Capital:</u></b>		
Capital Expenditures	(71,171)	(98,850)
Est Annual Debt Service	(10,053)	(8,035)
Capital Contribution to UW for Capital Expenditures	(3,514)	(4,890)
Capital Contribution in Joint Ventures	(3,212)	(2,710)
Decrease (increase) in Working Capital	13,742	4,628
<b>Total (Used) Provided</b>	<b>(\$74,208)</b>	<b>(\$109,857)</b>
<b>Cash Available for Temporary Investment and Future Capital Expenditures</b>	<b>\$ 74,879</b>	<b>\$ (3,664)</b>

\* Excluding accrual for payment under Annual Academic Advancement Agreement



# Summary of Changes in Net Assets

Nine Months Ended March 31, 2013

<b>Net assets at beginning of period</b>	<b><u>\$774,796,822</u></b>
<b>Net income, excluding change in fair value gains/losses and payments to UWMSPH</b>	<b>108,458,223</b>
<b>Change in Fair value of investments</b>	<b>6,661,929</b>
<b>Change in Fair value of swap agreements</b>	<b>1,409,428</b>
<b>Payments to UW School of Medicine and Public Health</b>	<b>(3,514,463)</b>
<b>Capital grants, gifts and donations</b>	<b>2,261,166</b>
<b>Additions to permanent gift endowments</b>	<b>(54,373)</b>
<b>Increase in net assets</b>	<b><u>\$115,221,910</u></b>
<b>Net assets at end of period</b>	<b><u><u>\$890,018,732</u></u></b>

\* Excluding accrual for payment under Annual Academic Advancement Agreement

# Comparison to Local Competitors

## February 28, 2013 vs. 2012

	<u>UWHC</u>	<u>Meriter</u>	<u>St. Mary's</u>	<u>Total</u>
<b>% Change in Admissions</b>				
<b>Current Month</b>	<b>(3.2)%</b>	<b>(2.8)%</b>	<b>(5.8)%</b>	<b>(3.9)%</b>
<b>3 Month Rolling Average</b>	<b>1.6%</b>	<b>(5.9)%</b>	<b>(1.9)%</b>	<b>(1.5)%</b>
<b>12 Month Rolling Average</b>	<b>3.0%</b>	<b>(6.1)%</b>	<b>(4.3)%</b>	<b>(1.8)%</b>
<b>% Change in Average Daily Census</b>				
<b>Current Month</b>	<b>8.6%</b>	<b>7.0%</b>	<b>0.2%</b>	<b>5.7%</b>
<b>3 Month Rolling Average</b>	<b>8.7%</b>	<b>1.2%</b>	<b>1.4%</b>	<b>4.7%</b>
<b>12 Month Rolling Average</b>	<b>3.3%</b>	<b>(2.6)%</b>	<b>(4.7)%</b>	<b>(0.6)%</b>

# UWHC Investment Balances & Returns

<u>Account</u>	<u>March Market Value Balances</u>	<u>Investment Allocation</u>	<u>March YTD Investment Return</u>	<u>Benchmark</u>
<b>Operating Account and Commercial Paper</b>				
US Bank	\$ 59,475,347	8.5%	0.30%	0.10% (A)
<b>Short Term Bond Fund</b>				
USBank/Nuveen	\$ 152,563,041	21.7%	2.47%	-0.94% (B)
<b>Intermediate Bond Fund</b>				
USBank/Baird	\$ 227,533,294	32.4%	3.08%	0.74% (C)
<b>Capital Replacement Fund</b>				
Account - UW Foundation	\$ 157,000,249	22.3%	0.24%	0.22% (D)
<b>Endowment Fund</b>				
<b>Securities</b>				
UW Foundation	\$106,621,776	15.2%	8.79%	12.31% (E)
<b>Total Unrestricted Funds</b>	<b>\$ 703,193,707</b>	<b>100.0%</b>	<b>2.9%</b>	<b>2.0%</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