Hospitals Have Mixed Year as Profits for Some Dip

Profits of 30 Biggest Drop 7%, Revenue Up

**By VITA REED**

Orange County’s largest hospitals posted mixed results on the profit side over the past year or so.

The 30 largest hospitals’ pretax profits for the 12-month period ended Sept. 30 fell 7% to $520.7 million, according to state data and Business Journal estimates.

That represented a big change from the 2013 Business Journal list, when hospitals combined for a 39% increase in pretax profits.

But the list is ranked by net patient revenue, and this year’s shows a 4% increase in that category to $6.4 billion.

Data on pretax profits and net patient revenue comes in most cases from California’s Office of Statewide Health Planning and Development. The Business Journal estimated numbers for a pair of hospitals.

Eleven hospitals reported their profits increased over the year, while 12 reported declines. Five posted back-to-back years of losses. The Business Journal didn’t have figures for two hospitals.

Eighteen hospitals reported revenue increases, and 10 had declines. Two revenue figures are estimates.

Hospital employment was virtually flat at 42,135 workers countywide.

- UC Irvine Medical Center came in at No. 1, dethroning longtime leader Hoag Memorial Hospital Presbyterian, which had held the top spot for several years.
- UC Irvine Medical’s net patient revenue grew 12% to $790.8 million.
- Its profit shot up 73% to $53.2 million. It said its increased net income came primarily from increased hospital provider fees. California’s hospital provider fee program uses money assessed on hospitals by the state to draw down federal matching funds, which are then issued as supplemental payments to hospitals that care for some of the state’s more vulnerable residents.
- Hoag, which has campuses in Newport Beach and Irvine, had a 3% net patient revenue increase to $784.6 million. Its profit was up 14% to $135.7 million.
- St. Joseph Hospital-Orange returned as the No. 3 hospital on the list in spite of declines in both net patient revenue and pretax profits.
- Its net patient revenue fell 3% to $540 million, and its profit took a steep tumble of 79% to $12 million.
- Children’s Hospital of Orange County climbed three spots to No. 4. Its revenue grew 8% to $479.1 million, although its pretax profit was down 7% to $34.7 million.
- St. Jude Medical Center in Fullerton ranked No. 5, down from No. 4 a year ago.
- Its pretax profit fell 22% to $62.2 million, and its net patient revenue was up 1% to $464.6 million.
- The Business Journal estimates that Kaiser Permanente, which operates the county’s largest health maintenance organization, had $450 million in net patient revenue.
- The HMO, which has hospitals in Anaheim and Irvine, historically hasn’t disclosed financial performance to the state. It ranked at No. 6.
- No. 7, Mission Hospital, reported a 2% net patient revenue decline to $446.4 million.

MemorialCare Health System, returned to the No. 8 spot. The hospital, which has campuses in Laguna Hills and San Clemente, reported that its net patient income was up 3% to $369.4 million. It posted a 1% pretax profit hike to $37.4 million.

- No. 9 Fountain Valley Regional Hospital & Medical Center’s net patient revenue rose 12% to $344.3 million. The Tenet Healthcare Corp.-owned facility’s pretax profit fell 21% to $19.8 million.
- Orange Coast Memorial Medical Center, also in Fountain Valley, rounded out the top 10. Its net patient revenue was up 14% to $273.1 million, and it showed a 75% pretax profit gain to $19.8 million.

The largest profit jump was that of No. 14, Garden Grove Hospital and Medical Center. The Prime Health Corp.-owned property’s pretax profit rose 10.90% to $23.4 million. Revenue at Garden Grove rose 49% to $108.7 million.

Garden Grove Hospital spokeswoman Kathleen Curran credited increased hospital provider fees for her facility’s performance.

- No. 17, College Hospital, a Costa Mesa facility that offers psychiatric and general acute-care services, had the largest revenue jump. Its revenue rose 59% to $70.1 million, its pretax profit 840% to $12.4 million.

- The largest drop in pretax profit was at No. 29, Newport Specialty Hospital, which swung to a loss of $814,855 from a year-earlier profit of $1.2 million.

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## HOSPITALS

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<th>Rank</th>
<th>Hospital</th>
<th>Address</th>
<th>Phone</th>
<th>Website</th>
<th>Email</th>
<th>Net patient revenue for 12 months ended Sept. 2013</th>
<th>12-month pre-tax net income</th>
<th>(loss)</th>
<th>12-month pre-tax net income after 2013</th>
<th>(loss)</th>
<th>Previous pre-tax net income</th>
<th>(loss)</th>
<th>Patient days</th>
<th>% yearly change</th>
<th>Outpatient visits</th>
<th>% yearly change</th>
<th>Licensed beds</th>
<th>Employees (full- and part-time)</th>
<th>Parent company</th>
<th>Top local official(s)</th>
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<tbody>
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<td>1</td>
<td>UC Irvine Medical Center</td>
<td>1201 W. La Veta Ave. Orange 92868-3201</td>
<td>(714) 456-7800</td>
<td>ucimehealth.org</td>
<td><a href="mailto:ucimehealth@uci.edu">ucimehealth@uci.edu</a></td>
<td>$760.3 million 11%</td>
<td>$63.2 million</td>
<td>$20.8 million</td>
<td>150,235</td>
<td>0%</td>
<td>476,985 10%</td>
<td>411</td>
<td>4,400 5%</td>
<td>University of California</td>
<td>Terry Belmont</td>
<td>(714) 456-7800</td>
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<td>2</td>
<td>Hoag Memorial Hospital Presbyterian</td>
<td>One Hoag Drive Newport Beach 92658-5100</td>
<td>(949) 764-4824</td>
<td>hoag.org</td>
<td><a href="mailto:feedback@hoag.org">feedback@hoag.org</a></td>
<td>$746.4 million 3%</td>
<td>$155.7 million</td>
<td>$136.2 million</td>
<td>102,400</td>
<td>-6%</td>
<td>374,448 5%</td>
<td>568</td>
<td>5,000 0%</td>
<td>Hoag Memorial Hospital Presbyterian</td>
<td>Robert Brantwitz</td>
<td>(949) 764-4824</td>
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<td>3</td>
<td>St. Joseph Hospital-Orange</td>
<td>1100 W. Steward Drive Orange 92868-0649</td>
<td>(714) 563-9111</td>
<td>sjhosp.org</td>
<td><a href="mailto:sjhosp.feedback@stjoe.org">sjhosp.feedback@stjoe.org</a></td>
<td>$440 million -3%</td>
<td>$12 million</td>
<td>$57.6 million</td>
<td>-16,896</td>
<td>-3%</td>
<td>299,961 5%</td>
<td>491</td>
<td>3,100 -18%</td>
<td>St. Joseph Health</td>
<td>Steven Moreau</td>
<td>(714) 563-9111</td>
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<td>Children’s Hospital of Orange County</td>
<td>1201 W. La Veta Ave. Orange 92868-3874</td>
<td>(714) 997-3000</td>
<td>choc.org</td>
<td><a href="mailto:kochill@choc.org">kochill@choc.org</a></td>
<td>$548.1 million 8%</td>
<td>$34.7 million</td>
<td>$37.5 million</td>
<td>85,737</td>
<td>1%</td>
<td>198,025 -4%</td>
<td>279</td>
<td>3,198 2%</td>
<td>Children’s HealthCare of California</td>
<td>Kimberly Gobe</td>
<td>(714) 997-3000</td>
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<td>St. Jude Medical Center</td>
<td>101 E. Valencia Mesa Drive Fullerton 92833-3875</td>
<td>(714) 992-3029</td>
<td>sjudemedicalcenter.org</td>
<td><a href="mailto:sjudmediccal@stjoe.org">sjudmediccal@stjoe.org</a></td>
<td>$464.6 million 1%</td>
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<td>$80 million</td>
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<td>443,432 46%</td>
<td>329</td>
<td>2,378 7%</td>
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<td>Liz Penrose</td>
<td>(714) 992-3029</td>
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<td>6</td>
<td>Kaiser Permanente Anaheim Medical Center</td>
<td>3445 E. La Palma Ave. Anaheim 92806-2020</td>
<td>(714) 279-5590</td>
<td>kaiserpermanente.org</td>
<td><a href="mailto:kaiserpermanente@kaiser.org">kaiserpermanente@kaiser.org</a></td>
<td>$490 million NA</td>
<td>NA</td>
<td>85,000 NA</td>
<td>165,000 350 NA</td>
<td>6,088 NA</td>
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<td>John Miller-Phillips</td>
<td>(714) 279-5590</td>
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<tr>
<td>7</td>
<td>Mission Hospital</td>
<td>27700 Medical Center Road Mission Viejo 92692-0426</td>
<td>(714) 279-5400</td>
<td>missionhealth.com</td>
<td><a href="mailto:mission.info@stjoe.org">mission.info@stjoe.org</a></td>
<td>$446.5 million -2%</td>
<td>$21.8 million</td>
<td>$63.7 million</td>
<td>44,311</td>
<td>-7%</td>
<td>187,152 3%</td>
<td>502</td>
<td>2,040 0%</td>
<td>St. Joseph Health</td>
<td>Kenneth McFarland</td>
<td>(949) 837-4000</td>
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<td>Saddleback Memorial Medical Center</td>
<td>24411 Health Center Drive Laguna Hills 92653-9699</td>
<td>(714) 279-5400</td>
<td>sbmh.org</td>
<td>sbmh.org</td>
<td>$369.4 million 3%</td>
<td>$37.4 million</td>
<td>$36.9 million</td>
<td>$9,104 -1%</td>
<td>296,855 3%</td>
<td>329</td>
<td>2,351 -3%</td>
<td>MemorialCare Health System</td>
<td>Stephen Gedt</td>
<td>(949) 837-4000</td>
<td></td>
<td></td>
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<td>9</td>
<td>Fountain Valley Regional Hospital &amp; Medical Center</td>
<td>11700 Kiski St. Fountain Valley 92708-0403</td>
<td>(714) 966-8039</td>
<td>fvrhm.org</td>
<td><a href="mailto:fvrhm@tenethealth.com">fvrhm@tenethealth.com</a></td>
<td>$344.3 million 12%</td>
<td>$19.8 million</td>
<td>$25.1 million</td>
<td>$6,414 -3%</td>
<td>65,305 3%</td>
<td>400</td>
<td>1,681 1%</td>
<td>Tenet Healthcare Corp.</td>
<td>R. Joseph Bastram</td>
<td>(714) 966-8039</td>
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<td>10</td>
<td>Orange Coast Memorial Medical Center</td>
<td>22250 Pacific Coast Hwy. Fountain Valley 92708-5103</td>
<td>(714) 378-5513</td>
<td>memorialcare.org</td>
<td>memorialcare.org</td>
<td>$273.1 million 14%</td>
<td>$19.6 million</td>
<td>$11.2 million</td>
<td>46,737 -1%</td>
<td>26,218 6%</td>
<td>218</td>
<td>1,328 2%</td>
<td>MemorialCare Health System</td>
<td>Monica Mariner</td>
<td>(714) 378-5513</td>
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3. Includes Hoag Memorial Hospital Presbyterian

4. Includes Kaiser Permanente Anaheim Medical Center

5. Includes Children’s HealthCare of California

6. Includes Saddleback Memorial Medical Center-San Clemente

7. Includes Mission Hospital-Laguna Beach

8. Includes Saddleback Memorial Medical Center-Laguna Hills

9. Includes Hoag Hospital Irvine

10. Business Journal estimate

11. Includes Saddleback Memorial Medical Center-San Clemente

Researched by Dana Truong

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<td>11</td>
<td>AHMC Anaheim Regional Medical Center</td>
<td>1111 W. La Palma Ave. Anaheim 92801-2804</td>
<td>ahmcregionalmc.com</td>
<td>$205.2 million</td>
<td>$205.2 million</td>
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<td>$14.8 million</td>
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<td>88,973</td>
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<td>223</td>
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<td>1,317</td>
<td>AHMC Healthcare Inc.</td>
<td>Patrick Peters</td>
<td>(714) 774-1420</td>
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<td>12</td>
<td>Los Alamitos Medical Center</td>
<td>3717 Katella Ave. Los Alamitos 90730-3164</td>
<td>losalamitosmedctr.com</td>
<td>$191.2 million</td>
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<td>$25.7 million</td>
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<td>68,573</td>
<td>-1%</td>
<td>167</td>
<td>97%</td>
<td>975</td>
<td>Tenet Healthcare Corp.</td>
<td>Michele Finney</td>
<td>(562) 598-1311/(562) 450-2812</td>
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<td>13</td>
<td>Western Medical Center Santa Ana</td>
<td>10201 E. Tustin Ave. Santa Ana 92705-3302</td>
<td>westernmedicalcenter.com</td>
<td>$157.3 million</td>
<td>$16.6 million</td>
<td>-1%</td>
<td>$1.7 million</td>
<td>-1%</td>
<td>34,862</td>
<td>1%</td>
<td>219</td>
<td>15%</td>
<td>193</td>
<td>Integrated Healthcare Holdings Inc.</td>
<td>Daniel Brotman</td>
<td>(714) 953-3504/(714) 953-3613</td>
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<td>14</td>
<td>Garden Grove Hospital &amp; Medical Center</td>
<td>12601 Garden Grove Blvd Garden Grove 92643-1959</td>
<td>gsgardengrovehospital.com</td>
<td>$156.7 million</td>
<td>$23.4 million</td>
<td>48%</td>
<td>$212,999</td>
<td>-1%</td>
<td>39,421</td>
<td>-1%</td>
<td>228</td>
<td>117%</td>
<td>915</td>
<td>Prime Healthcare Services Inc.</td>
<td>Michele Finney</td>
<td>(562) 598-1311/(562) 450-2812</td>
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<td>15</td>
<td>West Anaheim Medical Center</td>
<td>3000 W. Orange Ave. Anaheim 92805-3156</td>
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<td>$159.4 million</td>
<td>$10.8 million</td>
<td>16%</td>
<td>$6.5 million</td>
<td>-9%</td>
<td>39,320</td>
<td>0%</td>
<td>219</td>
<td>10%</td>
<td>833</td>
<td>Prime Healthcare Services Inc.</td>
<td>Virg Narbutas</td>
<td>(714) 993-2000/(714) 229-6813</td>
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<td>16</td>
<td>PLaestina-Linda Hospital</td>
<td>1204 S. Rose Drive Placentia 92870-3899</td>
<td>placentialinda.com</td>
<td>$84.1 million</td>
<td>$12.7 million</td>
<td>4%</td>
<td>$14.3 million</td>
<td>-2%</td>
<td>43,959</td>
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<td>114</td>
<td>48%</td>
<td>445</td>
<td>Tenet Healthcare Corp.</td>
<td>Kent Clayton</td>
<td>(714) 993-2000/(714) 961-8427</td>
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<td>College Hospital Costa Mesa</td>
<td>321 Victoria St. Costa Mesa 92627-1955</td>
<td>collegehospitals.com/costame</td>
<td>$10.1 million</td>
<td>$13.4 million</td>
<td>37%</td>
<td>$1.8 million</td>
<td>-1%</td>
<td>18,522</td>
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<td>122</td>
<td>40%</td>
<td>424</td>
<td>College Health Enterprises</td>
<td>Susan Tyler</td>
<td>(949) 642-2743/(949) 574-3320</td>
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<td>Kindred Hospital Westminster</td>
<td>201酥 Hospital Circle Westminster 92883-3910</td>
<td>khwestminster.com</td>
<td>$65.4 million</td>
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<td>-15%</td>
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<td>33,765</td>
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<td>109</td>
<td>49%</td>
<td>NA</td>
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<td>Adam Darvish</td>
<td>(714) 993-4041/(714) 894-3407</td>
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<td>Western Medical Center Anaheim</td>
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<td>$65.3 million</td>
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<td>$6.7 million</td>
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<td>21,929</td>
<td>6%</td>
<td>141</td>
<td>44%</td>
<td>800</td>
<td>Integrated Healthcare Holdings Inc.</td>
<td>Suzanne Richards</td>
<td>(714) 533-6220/(714) 563-2859</td>
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<td>La Palma Intercommunity Hospital</td>
<td>7901 Walker St. La Palma 90623-1764</td>
<td>lapalmaintercommunityhospital.com</td>
<td>$59.7 million</td>
<td>$7.1 million</td>
<td>15%</td>
<td>$6.8 million</td>
<td>10%</td>
<td>18,663</td>
<td>6%</td>
<td>141</td>
<td>44%</td>
<td>800</td>
<td>Prime Healthcare Services Inc.</td>
<td>Virg Narbutas</td>
<td>regional CEO (714) 610-7400/(714) 229-6813</td>
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* Business Journal estimate

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<th>Employees (full- and part-time)</th>
<th>Parent company</th>
<th>Top local official(s)</th>
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</table>
| 21   | Huntington Beach Hospital | 17772 Beach Blvd., Huntington Beach 92647-6819 | hbhospital.org
 info@hbhoc.com | $57.3 million | $10.1 million | $586,275 | 11,887 | 32,356 | 131 | 438 | Prime Healthcare Services Inc. | Virg Narbutas CEO | (714) 843-5000/(714) 229-6813 |
| 22   | CHOC Children's at Mission Hospital | 27700 Medical Center Road, fifth floor, Mission Viejo 92691-6426 | choc.org
comh
kruppert@choc.org | $50.8 million | $8.4 million | $8.9 million | 7,952 | 32,256 | 54 | 133 | Children's Healthcare of California | Kimberly Cripe
CEO/president | (949) 364-1400 |
| 23   | Coastal Communities Hospital | 2791 S. Bristol St., Santa Ana 92704-6301 | coastalcommhospital.com | $54.5 million | $8.8 million | $3.7 million | 33,701 | 178 | 590 | Integrated Healthcare Holdings Inc. | Craig Myers
CEO | (714) 754-5454/(714) 754-5538 |
| 24   | Chapman Medical Center | 2601 E. Chapman Ave., Orange 92669-3296 | chapmanmedicalcenter.com | $44.9 million | $1.7 million | $2.6 million | 20,918 | 170 | 550 | Integrated Healthcare Holdings Inc. | Don Kreitz
CEO | (714) 633-0011/(714) 532-4345 |
| 25   | Kindred Hospital Brea | 8731 E. Brea Blvd, Brea 92821-5806 | kindredhospitalbrea.com | $25.2 million | $1.8 million | $222,889 | 36,713 | 0 | 99 | Kindred Healthcare Inc. | Dane Zeoli
CEO | (714) 529-6842/(714) 256-1041 |
| 26   | Kindred Hospital Santa Ana | 1901 S. College Ave, Santa Ana 92706-2354 | kindredabcantaana.com | $20 million | $20 million | $20 million | 10,156 | 0 | 54 | Kindred Healthcare Inc. | Adam Danish
chief operating officer | (714) 650-9750/(714) 650-9751 |
| 27   | HealthSouth Tustin Rehabilitation Hospital | 14851 Yorba St., Tustin 92780-2925 | tustinrehab.com
feedback_tustin@healthsouth.com | $53.4 million | $4 million | $4.4 million | 10,116 | 0 | 232 | HealthSouth Corp. | Dane Hanyak
CEO | (714) 832-9200/(714) 734-4851 |
| 28   | Anaheim General Hospital | 12712 Beach Blvd, Anaheim 92804-9968 | | $10.4 million | $10.9 million | $8.2 million | 8,216 | 143 | NA | Pacific Health Corp. | NA |
| 29   | Newport Specialty Hospital | 18962 Newport Ave., Tustin 92780-6984 | newportspecialtyhospital.com | $14.7 million | $1.2 million | $10.2 million | 10,024 | 177 | 126 | Pacific Health Corp. | Lawrence Rotmuller
chief nursing officer/CEO | (714) 619-7700/(714) 678-7724 |
| 30   | Newport Bay Hospital | 1204 E. 15th St., Newport Beach 92663-5924 | newportbayhospital.com
info@beaconhealthcare.com | $10.8 million | $861,431 | $217,865 | 11,211 | 0 | 34 | 87 | Beacon Healthcare Services Inc. | James Parkhurst
CEO/president | (949) 650-9750/(949) 650-9751 |

Sources: Office of Statewide Health Planning and Development and the hospitals.
Abbreviations: NA: not applicable; wnd: would not disclose
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(3) Business Journal estimate
(6) Anaheim General Hospital is no longer in business as of May 2013

Researched by Dana Truong