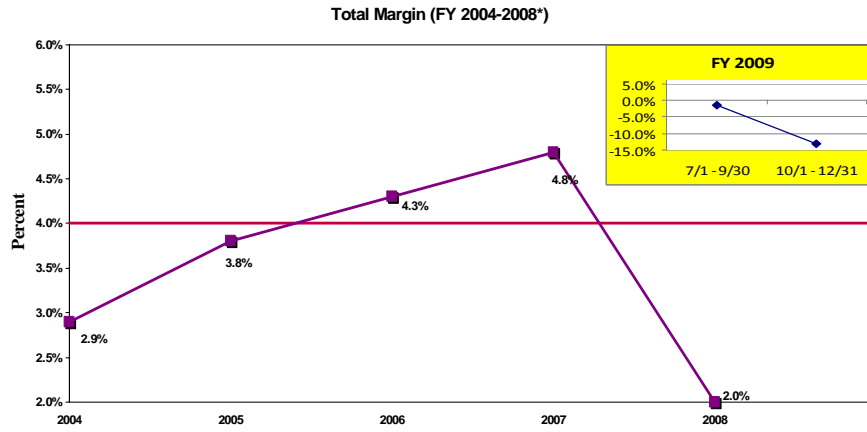


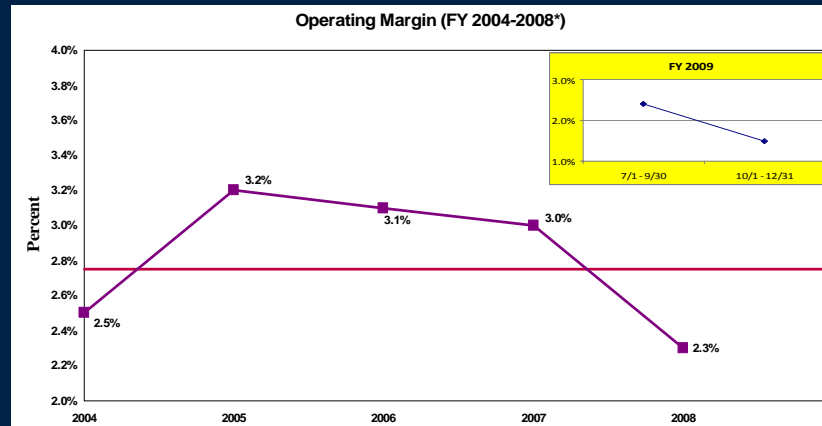
Maryland hospitals' financial health is worsening.

Total margins are dropping precipitously



Maryland hospitals' financial health is worsening.

Operating margins in FY 2008 and 2009 are down.

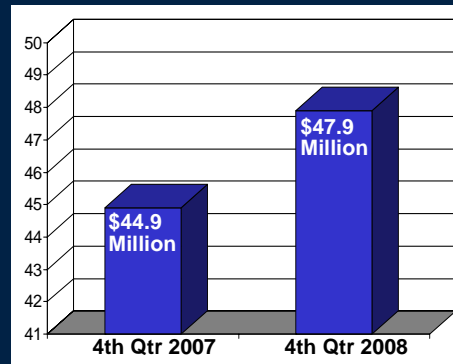
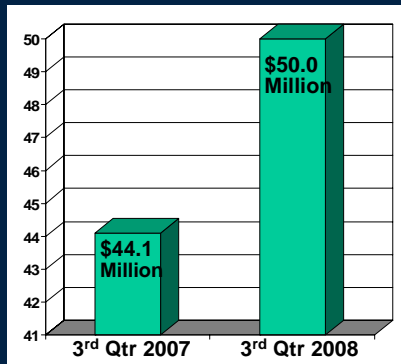


Maryland hospitals' financial health is worsening.

Interest paid on borrowed funds is increasing for Maryland hospitals relative to the same period last year.

Interest Paid on Debt

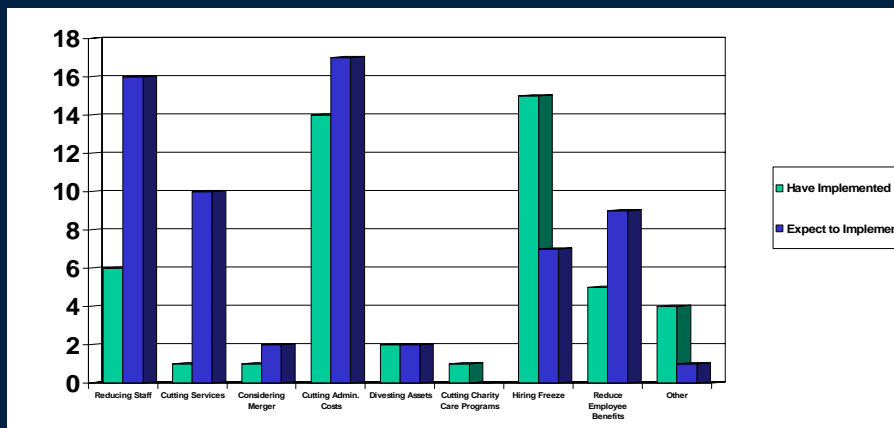
\$9 million increase ↑



Source: 2007-2008 Maryland Acute Hospitals Audited Financials; 2008 data is Unaudited

Changes hospitals have implemented or expect to implement to weather the economic storm

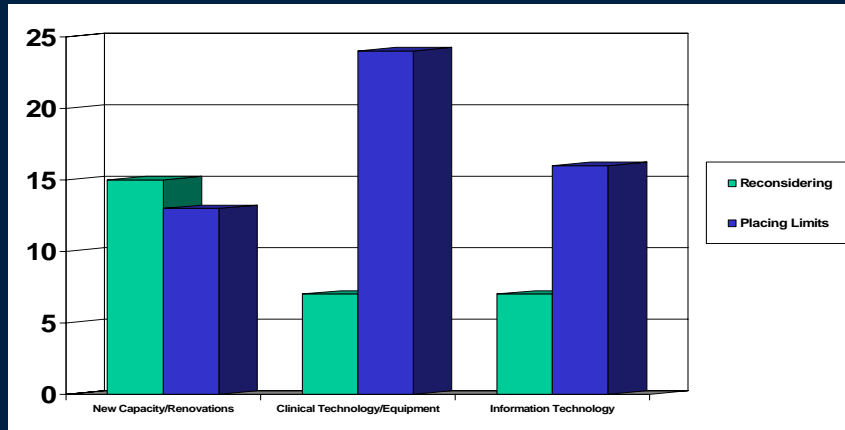
Hospitals are cutting administrative costs and implementing hiring freezes to cope.



Source: MHA Economic Impact Survey, January 2009

The economy is forcing Maryland hospitals to reconsider and implement freezes on capital expenditures of renovations and new technology

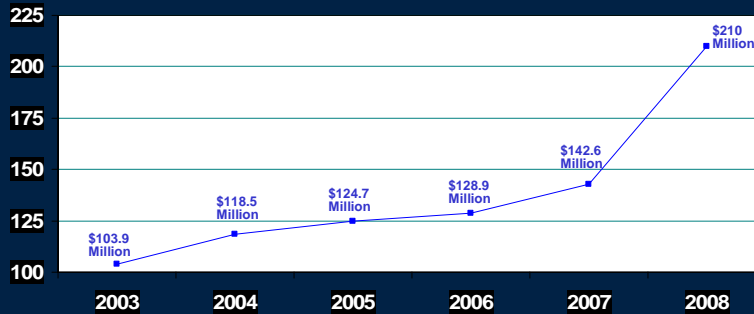
Respondents Reconsidering & Placing Limits on Capital Expenditures



Source: MHA Economic Impact Survey, January 2009

Physician Support by Hospitals Between 2003 - 2008

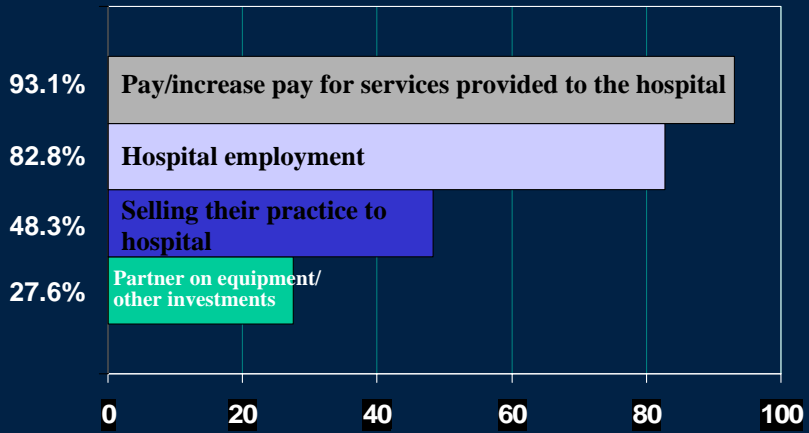
Since 2003 physician support by Maryland hospitals has more than doubled.



Sources: HSCRC Annual Filings, 2004 - 2008 (Hospital Expenditures on Physician Support - Total Adjusted Physician Supervision Expenses)

More physicians are seeking financial support from hospitals.

Types of financial support physicians are seeking from Maryland hospitals



Source: MHA Economic Impact Survey, January 2009