Appendix Table A1. Different Methods of Adjusting Hospital Charges
Dependent Variable: Uncompensated care costs per capita adjusted in the way specified

<table>
<thead>
<tr>
<th></th>
<th>(1) All Hospitals</th>
<th>(2) Non-Profit Hospitals</th>
<th>(3) For-Profit Hospitals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All with an ED</td>
<td>No ED</td>
<td>All with an ED</td>
</tr>
<tr>
<td>A. Charges</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>1005.01</td>
<td>1018.97</td>
<td>-13.52</td>
</tr>
<tr>
<td></td>
<td>(261.15)</td>
<td>(271.52)</td>
<td>(19.42)</td>
</tr>
<tr>
<td>R^2</td>
<td>0.893</td>
<td>0.891</td>
<td>0.503</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,200</td>
</tr>
<tr>
<td>B. Charges times hospital-specific “jackknifed” mean cost-to-charge ratio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>800.59</td>
<td>804.48</td>
<td>-4.11</td>
</tr>
<tr>
<td></td>
<td>(298.31)</td>
<td>(306.69)</td>
<td>(11.17)</td>
</tr>
<tr>
<td>R^2</td>
<td>0.871</td>
<td>0.865</td>
<td>0.478</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,200</td>
</tr>
<tr>
<td>C. Charges times hospital-specific lagged cost-to-charge ratio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>885.14</td>
<td>888.07</td>
<td>-3.31</td>
</tr>
<tr>
<td></td>
<td>(378.23)</td>
<td>(383.77)</td>
<td>(10.09)</td>
</tr>
<tr>
<td>R^2</td>
<td>0.862</td>
<td>0.856</td>
<td>0.477</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,200</td>
</tr>
<tr>
<td>D. Charges state-year mean cost-to-charge ratio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>739.86</td>
<td>736.87</td>
<td>2.62</td>
</tr>
<tr>
<td></td>
<td>(386.76)</td>
<td>(384.05)</td>
<td>(8.56)</td>
</tr>
<tr>
<td>R^2</td>
<td>0.832</td>
<td>0.826</td>
<td>0.431</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,200</td>
</tr>
<tr>
<td>E. Charges hospital-by-year cost-to-charge ratio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>616.80</td>
<td>621.00</td>
<td>-4.70</td>
</tr>
<tr>
<td></td>
<td>(353.60)</td>
<td>(360.15)</td>
<td>(10.59)</td>
</tr>
<tr>
<td>R^2</td>
<td>0.819</td>
<td>0.806</td>
<td>0.441</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,200</td>
</tr>
<tr>
<td>F. Charges times annual cost-to-charge ratio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>855.82</td>
<td>847.61</td>
<td>7.92</td>
</tr>
<tr>
<td></td>
<td>(424.55)</td>
<td>(419.99)</td>
<td>(9.05)</td>
</tr>
<tr>
<td>R^2</td>
<td>0.844</td>
<td>0.839</td>
<td>0.445</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,200</td>
</tr>
</tbody>
</table>

Notes: The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated p-values in brackets. Year and state fixed effects not shown.
Appendix Table A2. The Effect of The Loss of an ED on Uncompensated Costs

<table>
<thead>
<tr>
<th>Hospitals</th>
<th>All</th>
<th>Private, Not-for-Profit</th>
<th>Private, For-Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post ER Loss</td>
<td>-1.656</td>
<td>-2.466</td>
<td>-0.739</td>
</tr>
<tr>
<td></td>
<td>(0.471)</td>
<td>(1.450)</td>
<td>(0.343)</td>
</tr>
<tr>
<td></td>
<td>[0.000]</td>
<td>[0.089]</td>
<td>[0.031]</td>
</tr>
<tr>
<td>R²</td>
<td>0.723</td>
<td>0.678</td>
<td>0.727</td>
</tr>
<tr>
<td>N</td>
<td>179,716</td>
<td>91,921</td>
<td>34,816</td>
</tr>
</tbody>
</table>

B. Dependent variable is logarithm of uncompensated costs

| Post ER Loss       | -0.405               | -0.389                  | -0.274              |
|                    | (0.124)              | (0.310)                 | (0.115)             |
|                    | [0.001]              | [0.210]                 | [0.017]             |
| Number of ER       | 75                   | 23                      | 39                  |
| Losses in AHA data|                      |                         |                     |
| R²                 | 0.873                | 0.895                   | 0.772               |
| N                  | 164,109              | 90,978                  | 34,486              |

Notes: The sample consists of hospital-by-year observations from the AHA survey. Hospital and year fixed effects not shown. The standard errors in parentheses are robust to autocorrelation between observations from the same hospital; associated p-values in brackets.
Appendix Table A3. DSH Receipts and Exposure to Uncompensated Care

<table>
<thead>
<tr>
<th></th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
<th>(7)</th>
<th>(8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent Variable:</td>
<td>Per-capita uncompensated care</td>
<td>Uncompensated care divided by expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>481.88 (203.36) [0.02]</td>
<td>500.54 (199.54) [0.02]</td>
<td>425.13 (232.65) [0.07]</td>
<td>430.81 (215.03) [0.05]</td>
<td>0.17 (0.04) [0.00]</td>
<td>0.15 (0.04) [0.00]</td>
<td>0.14 (0.04) [0.00]</td>
<td>0.12 (0.04) [0.00]</td>
</tr>
<tr>
<td>R²</td>
<td>0.825</td>
<td>0.825</td>
<td>0.853</td>
<td>0.853</td>
<td>0.743</td>
<td>0.750</td>
<td>0.797</td>
<td>0.806</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
</tr>
</tbody>
</table>

A. Hospital Received No DSH Payments

| Share of population uninsured | 263.95 (159.54) [0.10] | 251.44 (160.76) [0.12] | 389.78 (168.79) [0.03] | 359.78 (159.59) [0.03] | 0.11 (0.07) [0.12] | 0.09 (0.08) [0.25] | 0.12 (0.07) [0.11] | 0.09 (0.08) [0.24] |
| R²              | 0.834    | 0.836    | 0.864    | 0.866    | 0.807    | 0.810    | 0.847    | 0.851    |
| N               | 1,128    | 1,128    | 1,128    | 1,128    | 1,128    | 1,128    | 1,128    | 1,128    |

B. Hospital Receives Some DSH Payments

Notes: The sample consists of means of the dependent variables by state and year from 1988 through 2011 for the given types of hospitals. The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated p-values in brackets. Year and state fixed effects not shown. All hospitals in the sample are non-profit hospitals with an emergency room.
Appendix Table A4. The Effect of TennCare Disenrollment on Uncompensated Costs For Different Types of Within-Tennessee Regions

Dependent Variable: The logarithm of uncompensated costs in each region and year

<table>
<thead>
<tr>
<th>Type of Region</th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 Hospital Referral Regions</td>
<td>- 12.465</td>
<td>- 5.995</td>
<td>- 7.188</td>
</tr>
<tr>
<td>82 Hospital Service Areas</td>
<td>(3.870)</td>
<td>(2.267)</td>
<td>(2.748)</td>
</tr>
<tr>
<td>25 Commuting Zones</td>
<td>[0.010]</td>
<td>[0.010]</td>
<td>[0.015]</td>
</tr>
<tr>
<td>permutation-based ( p )-value</td>
<td>[0.022]</td>
<td>[0.014]</td>
<td>[0.042]</td>
</tr>
<tr>
<td>Estimates scaled by statewide de-enrollment per capita (compare to state-year results)</td>
<td>0.190</td>
<td>0.138</td>
<td>0.147</td>
</tr>
<tr>
<td>( R^2 )</td>
<td>0.989</td>
<td>0.987</td>
<td>0.985</td>
</tr>
<tr>
<td>( N )</td>
<td>80</td>
<td>691</td>
<td>200</td>
</tr>
</tbody>
</table>

Notes: The sample consists of region-by-year total uncompensated care. The standard errors in parenthesis are robust to autocorrelation between observations from the same region; associated \( p \)-values in brackets. We restrict the sample to 2000 through 2007. The regression presented in column 3 is weighted by each HSA’s population, because there exists substantial variation in HSA population.
## Appendix Table A5. Hospital Religious Affiliation and Exposure to Uncompensated Care

<table>
<thead>
<tr>
<th></th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
<th>(7)</th>
<th>(8)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dependent Variable:</strong></td>
<td>Per-capita uncompensated care</td>
<td>Uncompensated care divided by expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>A. Hospital has no religious affiliation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>319.34</td>
<td>312.51</td>
<td>414.95</td>
<td>406.45</td>
<td>0.19</td>
<td>0.17</td>
<td>0.18</td>
<td>0.16</td>
</tr>
<tr>
<td></td>
<td>(101.89)</td>
<td>(88.48)</td>
<td>(127.91)</td>
<td>(113.40)</td>
<td>(0.05)</td>
<td>(0.05)</td>
<td>(0.05)</td>
<td>(0.05)</td>
</tr>
<tr>
<td></td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
</tr>
<tr>
<td>R(^2)</td>
<td>0.873</td>
<td>0.875</td>
<td>0.899</td>
<td>0.899</td>
<td>0.786</td>
<td>0.789</td>
<td>0.824</td>
<td>0.829</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
</tr>
<tr>
<td><strong>B. Hospital has a religious affiliation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>142.64</td>
<td>162.65</td>
<td>129.79</td>
<td>147.57</td>
<td>0.14</td>
<td>0.12</td>
<td>0.12</td>
<td>0.11</td>
</tr>
<tr>
<td></td>
<td>(45.58)</td>
<td>(48.30)</td>
<td>(42.56)</td>
<td>(44.48)</td>
<td>(0.04)</td>
<td>(0.04)</td>
<td>(0.04)</td>
<td>(0.04)</td>
</tr>
<tr>
<td></td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.01]</td>
<td>[0.00]</td>
</tr>
<tr>
<td>R(^2)</td>
<td>0.738</td>
<td>0.743</td>
<td>0.826</td>
<td>0.831</td>
<td>0.750</td>
<td>0.752</td>
<td>0.802</td>
<td>0.807</td>
</tr>
<tr>
<td>N</td>
<td>1,133</td>
<td>1,133</td>
<td>1,133</td>
<td>1,133</td>
<td>1,133</td>
<td>1,133</td>
<td>1,133</td>
<td>1,133</td>
</tr>
</tbody>
</table>

**Notes:** The sample consists of means of the dependent variables by state and year from 1988 through 2011 for the given types of hospitals. The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated p-values in brackets. Year and state fixed effects not shown. All hospitals in the sample are non-profit hospitals with an emergency room.
Appendix Table A6. Effect of Uninsured Population on Other Profit Margins

Dependent Variable: The given profit margin

<table>
<thead>
<tr>
<th></th>
<th>All Hospitals</th>
<th>Non-Profit Hospitals</th>
<th>For-Profit Hospitals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td></td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
</tr>
<tr>
<td></td>
<td>(7)</td>
<td>(8)</td>
<td>(9)</td>
</tr>
<tr>
<td></td>
<td>(10)</td>
<td>(11)</td>
<td>(12)</td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>- 0.06</td>
<td>- 0.06</td>
<td>- 0.09</td>
</tr>
<tr>
<td></td>
<td>(0.03)</td>
<td>(0.03)</td>
<td>(0.03)</td>
</tr>
<tr>
<td></td>
<td>[0.05]</td>
<td>[0.08]</td>
<td>[0.00]</td>
</tr>
<tr>
<td>R^2</td>
<td>0.629</td>
<td>0.631</td>
<td>0.687</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
</tr>
</tbody>
</table>

**A. Total margin**

<table>
<thead>
<tr>
<th>Share of population uninsured</th>
<th>- 0.08</th>
<th>- 0.08</th>
<th>- 0.10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(0.03)</td>
<td>(0.03)</td>
<td>(0.03)</td>
</tr>
<tr>
<td></td>
<td>[0.01]</td>
<td>[0.01]</td>
<td>[0.00]</td>
</tr>
<tr>
<td>R^2</td>
<td>0.558</td>
<td>0.558</td>
<td>0.627</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
</tr>
</tbody>
</table>

**B. Operating margin**

<table>
<thead>
<tr>
<th>Share of population uninsured</th>
<th>- 0.08</th>
<th>- 0.10</th>
<th>- 0.12</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(0.03)</td>
<td>(0.03)</td>
<td>(0.03)</td>
</tr>
<tr>
<td></td>
<td>[0.00]</td>
<td>[0.00]</td>
<td>[0.00]</td>
</tr>
<tr>
<td>R^2</td>
<td>0.635</td>
<td>0.636</td>
<td>0.686</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
</tr>
</tbody>
</table>

State-year controls

✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓

Region-year fixed effects

✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓

Notes: The sample consists of means of the dependent variables by state and year from 1988 through 2011. The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated p-values in brackets. Year and state fixed effects not shown. Only hospitals with an ER are included in the sample for this table.
Appendix Table A7. The Cross-Sectional Relationship Between Health Insurance and Uncompensated Care Costs  
Dependent Variable: Uncompensated care costs per capita

<table>
<thead>
<tr>
<th>Sample:</th>
<th>1990</th>
<th>1995</th>
<th>2000</th>
</tr>
</thead>
</table>

**A. All Hospitals**

<table>
<thead>
<tr>
<th>Share of population uninsured</th>
<th>784.97</th>
<th>813.73</th>
<th>730.82</th>
</tr>
</thead>
<tbody>
<tr>
<td>[R^2]</td>
<td>[0.03]</td>
<td>[0.01]</td>
<td>[0.00]</td>
</tr>
<tr>
<td>N</td>
<td>51</td>
<td>51</td>
<td>51</td>
</tr>
</tbody>
</table>

**B. Hospitals with an ED**

<table>
<thead>
<tr>
<th>Share of population uninsured</th>
<th>758.52</th>
<th>754.00</th>
<th>668.44</th>
</tr>
</thead>
<tbody>
<tr>
<td>[R^2]</td>
<td>[0.02]</td>
<td>[0.01]</td>
<td>[0.00]</td>
</tr>
<tr>
<td>N</td>
<td>51</td>
<td>51</td>
<td>51</td>
</tr>
</tbody>
</table>

**C. Hospitals without an ED**

<table>
<thead>
<tr>
<th>Share of population uninsured</th>
<th>23.87</th>
<th>57.28</th>
<th>62.38</th>
</tr>
</thead>
<tbody>
<tr>
<td>[R^2]</td>
<td>[0.32]</td>
<td>[0.02]</td>
<td>[0.07]</td>
</tr>
<tr>
<td>N</td>
<td>50</td>
<td>50</td>
<td>51</td>
</tr>
</tbody>
</table>

*Notes:* The sample consists of state-year observations based on hospitals in the given sample. Robust standard errors in parentheses; associated p-values in brackets.
### Appendix Table A8. The Effect of Missouri and Tennessee Disenrollments on Uncompensated Costs

<table>
<thead>
<tr>
<th>Disenrollment and Sample:</th>
<th>Per-capita uncompensated care</th>
<th>Logarithm of uncompensated care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missouri, across state</td>
<td>22.804 (5.294) [0.005]</td>
<td>0.151 (-12.465 (3.870) [0.010])</td>
</tr>
<tr>
<td>Tennessee, across state</td>
<td>41.948 (6.829) [0.000]</td>
<td>0.026 (-0.175 [0.094]) [0.012]</td>
</tr>
<tr>
<td>Tennessee, within (HRR)</td>
<td></td>
<td>0.000 (-0.175 [0.094]) [0.012]</td>
</tr>
</tbody>
</table>

| 2004–2005 TennCare disenrollment in region / 2004 population × Post 2005 | -12.465 (3.870) [0.010] |
| Estimation of cost per uninsured person (compare to Table 2, Panel A, Column 4) | $556–$786 $1,048–$1,678 |
| Estimates scaled by statewide disenrollees per capita (compare to Column 3) | 0.175 |

<table>
<thead>
<tr>
<th>$R^2$</th>
<th>Missouri (HRR)</th>
<th>Tennessee (HRR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>42</td>
<td>102</td>
</tr>
</tbody>
</table>

Notes: The sample consists of state-by-year total uncompensated care for states in the Midwest (Missouri) or south (Tennessee). State and year fixed effects not shown. The standard errors in parentheses are robust to autocorrelation between observations from the same state; associated p-values in brackets. We restrict the sample to Midwestern states (for Missouri analysis) or Southern states (for Tennessee analysis) from 2003 through 2008.
## Appendix Table A9. Longer-Run Effects of Changes in Share of Population Uninsured

<table>
<thead>
<tr>
<th>Dependent Variable:</th>
<th>Per-capita uncompensated care</th>
<th>Uncompensated care / expenditures</th>
<th>Patient-care profit margin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>A. Three-Year Stacked Differences</td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>285.50 207.44</td>
<td>0.04 0.02</td>
<td>- 0.15 - 0.21</td>
</tr>
<tr>
<td></td>
<td>(134.56) (144.41)</td>
<td>(0.04) (0.03)</td>
<td>(0.08) (0.10)</td>
</tr>
<tr>
<td></td>
<td>[0.04] [0.16]</td>
<td>[0.25] [0.56]</td>
<td>[0.06] [0.03]</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.355 0.457</td>
<td>0.212 0.380</td>
<td>0.072 0.212</td>
</tr>
<tr>
<td>N</td>
<td>357 357</td>
<td>357 357</td>
<td>357 357</td>
</tr>
<tr>
<td></td>
<td></td>
<td>B. Five-Year Stacked Differences</td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>584.73 600.18</td>
<td>0.13 0.12</td>
<td>- 0.30 - 0.42</td>
</tr>
<tr>
<td></td>
<td>(316.16) (288.64)</td>
<td>(0.07) (0.06)</td>
<td>(0.15) (0.17)</td>
</tr>
<tr>
<td></td>
<td>[0.07] [0.04]</td>
<td>[0.09] [0.06]</td>
<td>[0.06] [0.02]</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.460 0.557</td>
<td>0.332 0.510</td>
<td>0.058 0.196</td>
</tr>
<tr>
<td>N</td>
<td>153 153</td>
<td>153 153</td>
<td>153 153</td>
</tr>
</tbody>
</table>

### Region-year fixed effects

- ✓ ✓ ✓

**Notes:** The sample consists of three-year or five-year stacked differences of the mean of the dependent variables calculated for each state and year from 1988 through 2011. Before taking differences, both dependent variable and all independent variables are averaged (either three-year or five-year average). The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated $p$-values in brackets. Year-by-region fixed effects and the baseline controls (unemployment, average age, and share foreign born) are not shown. State fixed effects are not included since the model is estimated in differences.
Appendix Table A10. Arellano-Bond Estimates
Dependent Variable: Patient-Care profit margins

<table>
<thead>
<tr>
<th></th>
<th>(1)</th>
<th>(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lag of patient-care profit margin, ( (A) )</td>
<td>0.411</td>
<td>0.400</td>
</tr>
<tr>
<td></td>
<td>(0.040)</td>
<td>(0.047)</td>
</tr>
<tr>
<td></td>
<td>[0.000]</td>
<td>[0.000]</td>
</tr>
<tr>
<td>Share of population uninsured, ( (B) )</td>
<td>-0.112</td>
<td>-0.157</td>
</tr>
<tr>
<td></td>
<td>(0.059)</td>
<td>(0.071)</td>
</tr>
<tr>
<td></td>
<td>[0.057]</td>
<td>[0.027]</td>
</tr>
<tr>
<td>Long-run effect, ( \frac{B}{1 - A} )</td>
<td>-0.191</td>
<td>-0.262</td>
</tr>
<tr>
<td></td>
<td>(0.100)</td>
<td>(0.118)</td>
</tr>
<tr>
<td></td>
<td>[0.056]</td>
<td>[0.027]</td>
</tr>
</tbody>
</table>

Year fixed effects ✓ ✓  Region-by-year fixed effects ✓ ✓

Notes: \( N = 1,122 \). This table reports results from Arellano-Bond dynamic panel models that allow for a single lag of the dependent variable (results with two lags of dependent variable are similar and not reported). Results are from two-step estimator that uses up to three lags of dependent variable and independent variable as instruments. The baseline controls (unemployment, average age, share foreign born) are included in both columns but not reported. Robust standard errors in parentheses; associated \( p \)-values in brackets.
### Appendix Table A11. Long-Run Effect of Uninsured Population on Profitability

**Dependent variable: Patient-care margin**

<table>
<thead>
<tr>
<th>Model</th>
<th>Lag for difference for patient-care margin and share of population insured:</th>
<th>First differences</th>
<th>IV with one-year-difference of share of population insured</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>One-year lag</td>
<td>Two-year lag</td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>- 0.09</td>
<td>- 0.07</td>
<td>- 0.12</td>
</tr>
<tr>
<td></td>
<td>(0.06)</td>
<td>(0.06)</td>
<td>(0.08)</td>
</tr>
<tr>
<td></td>
<td>[0.16]</td>
<td>[0.30]</td>
<td>[0.15]</td>
</tr>
<tr>
<td>R^2</td>
<td>0.659</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,173</td>
<td>1,122</td>
</tr>
</tbody>
</table>

**Notes:** The sample consists of the mean of the dependent variables calculated for each state and year from 1988 through 2011. The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated *p*-values in brackets. Year fixed effects are included and not shown. State fixed effects are not included since all models are in differences.
**Appendix Table A12. Revenue-to-Charge Ratio for Most Common Clinical Codes in the MEPS**

<table>
<thead>
<tr>
<th>Clinical Code Description</th>
<th>Average revenue-to-charge ratio for privately insured visits</th>
<th>Standard deviation</th>
<th>Share of visits uninsured</th>
</tr>
</thead>
<tbody>
<tr>
<td>196 Pregnancy</td>
<td>0.565</td>
<td>0.241</td>
<td>0.096</td>
</tr>
<tr>
<td>244 External injury</td>
<td>0.591</td>
<td>0.285</td>
<td>0.161</td>
</tr>
<tr>
<td>232 Sprains and strains</td>
<td>0.598</td>
<td>0.280</td>
<td>0.163</td>
</tr>
<tr>
<td>122 Pneumonia</td>
<td>0.551</td>
<td>0.282</td>
<td>0.083</td>
</tr>
<tr>
<td>236 Open wounds of extremities</td>
<td>0.642</td>
<td>0.273</td>
<td>0.174</td>
</tr>
<tr>
<td>229 Fracture of upper limb</td>
<td>0.562</td>
<td>0.259</td>
<td>0.121</td>
</tr>
<tr>
<td>126 Upper respiratory infections</td>
<td>0.611</td>
<td>0.342</td>
<td>0.180</td>
</tr>
<tr>
<td>205 Back problems</td>
<td>0.524</td>
<td>0.279</td>
<td>0.174</td>
</tr>
<tr>
<td>235 Open wounds of head; neck; and trunk</td>
<td>0.622</td>
<td>0.297</td>
<td>0.139</td>
</tr>
<tr>
<td>128 Asthma</td>
<td>0.603</td>
<td>0.281</td>
<td>0.128</td>
</tr>
<tr>
<td>135 Intestinal infection</td>
<td>0.568</td>
<td>0.296</td>
<td>0.129</td>
</tr>
<tr>
<td>102 Nonspecific chest pain</td>
<td>0.554</td>
<td>0.298</td>
<td>0.101</td>
</tr>
<tr>
<td>230 Fracture of lower limb</td>
<td>0.571</td>
<td>0.271</td>
<td>0.166</td>
</tr>
<tr>
<td>239 Superficial injury; contusion</td>
<td>0.582</td>
<td>0.274</td>
<td>0.151</td>
</tr>
<tr>
<td>127 Chronic obstructive pulmonary disease</td>
<td>0.556</td>
<td>0.298</td>
<td>0.128</td>
</tr>
<tr>
<td>98 Essential hypertension</td>
<td>0.526</td>
<td>0.284</td>
<td>0.145</td>
</tr>
<tr>
<td>159 Urinary tract infections</td>
<td>0.547</td>
<td>0.283</td>
<td>0.155</td>
</tr>
<tr>
<td>133 Other lower respiratory disease</td>
<td>0.548</td>
<td>0.307</td>
<td>0.080</td>
</tr>
<tr>
<td>100 Acute myocardial infarction</td>
<td>0.499</td>
<td>0.274</td>
<td>0.100</td>
</tr>
<tr>
<td>109 Acute cerebrovascular disease</td>
<td>0.489</td>
<td>0.282</td>
<td>0.070</td>
</tr>
</tbody>
</table>

Note: This table presents means for the top-20 most common clinical codes reported for hospitalizations or ED visits captured by the MEPS. See text for details.
Appendix Table A13. Results when Measuring Share Uninsured for Entire Under-65 Population

Dependent Variable: Per-capita uncompensated care costs

<table>
<thead>
<tr>
<th></th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of entire under-65 population uninsured</td>
<td>755.37</td>
<td>762.03</td>
<td>886.21</td>
<td>865.79</td>
</tr>
<tr>
<td></td>
<td>(322.62)</td>
<td>(314.04)</td>
<td>(350.70)</td>
<td>(313.86)</td>
</tr>
<tr>
<td></td>
<td>[0.02]</td>
<td>[0.02]</td>
<td>[0.01]</td>
<td>[0.01]</td>
</tr>
<tr>
<td>R²</td>
<td>0.867</td>
<td>0.868</td>
<td>0.888</td>
<td>0.891</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
<td>1,224</td>
</tr>
<tr>
<td>State-year controls</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Region-year fixed effects</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

Notes: The sample consists of the dependent variable calculated for each state and year from 1988 through 2011. The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated p-values in brackets. Year and state fixed effects not shown.
Appendix Table A14. Effect of Uninsured Population on Uncompensated Care at All Hospitals

<table>
<thead>
<tr>
<th>Dependent Variable:</th>
<th>Per-capita uncompensated care</th>
<th>Uncompensated care divided by expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A. All Hospitals</td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>793.37 (299.71) [0.01]</td>
<td>660.84 (157.15) [0.00]</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.870 (0.04) [0.00]</td>
<td>0.896 (0.05) [0.00]</td>
</tr>
<tr>
<td></td>
<td>1,224 (1,224)</td>
<td>1,224 (1,224)</td>
</tr>
<tr>
<td></td>
<td>B. Hospitals with an ED</td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>797.34 (308.06) [0.01]</td>
<td>636.80 (165.38) [0.00]</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.864 (0.04) [0.00]</td>
<td>0.892 (0.05) [0.00]</td>
</tr>
<tr>
<td></td>
<td>1,224 (1,224)</td>
<td>1,224 (1,224)</td>
</tr>
<tr>
<td></td>
<td>C. Hospitals without an ED</td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>- 4.21 (11.14) [0.71]</td>
<td>23.98 (14.54) [0.11]</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.480 (0.04) [0.00]</td>
<td>0.501 (0.05) [0.00]</td>
</tr>
<tr>
<td></td>
<td>1,200 (1,200)</td>
<td>1,200 (1,200)</td>
</tr>
<tr>
<td></td>
<td>D. Acute-Care Hospitals with an ED</td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>764.80 (280.74) [0.01]</td>
<td>687.06 (157.25) [0.00]</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.869 (0.04) [0.00]</td>
<td>0.887 (0.05) [0.00]</td>
</tr>
<tr>
<td></td>
<td>1,224 (1,224)</td>
<td>1,224 (1,224)</td>
</tr>
</tbody>
</table>

State-specific linear trends

✓ ✓

Notes: The sample consists of the dependent variables calculated for each state and year from 1988 through 2011, for the given hospitals. The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated p-values in brackets. Year and state fixed effects not shown.
Appendix Table A15. Effect of Uninsured Population on Uncompensated Care, Different Methods of Adjusting Charges

Dependent Variable:
Per-capita uncompensated care charges adjusted with given ratio

<table>
<thead>
<tr>
<th></th>
<th>(1)</th>
<th>(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Main Specification for Hospitals that can be Matched to Medicaid</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>533.13</td>
<td>625.32</td>
</tr>
<tr>
<td></td>
<td>(147.59)</td>
<td>(133.10)</td>
</tr>
<tr>
<td></td>
<td>[0.00]</td>
<td>[0.00]</td>
</tr>
<tr>
<td>R²</td>
<td>0.893</td>
<td>0.899</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
</tr>
</tbody>
</table>

| **B. Charges adjusted by Medicaid** |
| Share of Population Uninsured | 431.62  | 357.83  |
|                               | (133.33) | (93.33) | |
|                               | [0.00]   | [0.00]   |
| R²                              | 0.847    | 0.902    |
| N                               | 1,224    | 1,224    |

| **C. Share of MEPS Expenditures** |
| Expected health care charges of the uninsured | 0.555  | 0.627 |
|                                               | (0.131) | (0.136) |
|                                               | [0.000] | [0.000] |
| R²                              | 0.895    | 0.906    |
| N                               | 1,224    | 1,224    |

State-specific linear trends ✓

Notes: The sample consists of the dependent variables calculated for each state and year from 1988 through 2011. For Panels A and B, only hospitals that could merged to Medicaid revenue from Medicare Cost Reports are included. The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated p-values in brackets. Year and state fixed effects not shown.
Appendix Table A16. The Effect of a Hospital Closure on Uncompensated Care at Neighboring Hospitals

Dependent Variable: The logarithm of uncompensated care or patient revenue

<table>
<thead>
<tr>
<th>Sample</th>
<th>Remaining hospitals</th>
<th>Total for commuting zone</th>
<th>Remaining non-profit hospitals</th>
<th>Remaining for-profit hospitals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
</tr>
<tr>
<td>Post Closure</td>
<td>0.147</td>
<td>- 0.064</td>
<td>0.155</td>
<td>- 0.048</td>
</tr>
<tr>
<td></td>
<td>(0.050)</td>
<td>(0.053)</td>
<td>(0.065)</td>
<td>(0.200)</td>
</tr>
<tr>
<td></td>
<td>[0.003]</td>
<td>[0.227]</td>
<td>[0.018]</td>
<td>[0.810]</td>
</tr>
<tr>
<td>A. Uncompensated Care</td>
<td>0.962</td>
<td>0.962</td>
<td>0.946</td>
<td>0.876</td>
</tr>
<tr>
<td>N</td>
<td>12,952</td>
<td>12,953</td>
<td>10,139</td>
<td>3,250</td>
</tr>
<tr>
<td>Post Closure</td>
<td>0.065</td>
<td>- 0.100</td>
<td>0.086</td>
<td>- 0.047</td>
</tr>
<tr>
<td></td>
<td>(0.031)</td>
<td>(0.028)</td>
<td>(0.058)</td>
<td>(0.129)</td>
</tr>
<tr>
<td></td>
<td>[0.039]</td>
<td>[0.000]</td>
<td>[0.137]</td>
<td>[0.717]</td>
</tr>
<tr>
<td>B. Patient Revenue</td>
<td>0.988</td>
<td>0.988</td>
<td>0.969</td>
<td>0.918</td>
</tr>
<tr>
<td>N</td>
<td>12,963</td>
<td>12,963</td>
<td>10,152</td>
<td>3,263</td>
</tr>
</tbody>
</table>

Notes: The sample consists of commuting zones. Commuting zone and year fixed effects not shown. The standard errors in parentheses are robust to autocorrelation between observations from the same commuting zone; associated \( p \)-values in brackets. Patient revenue refers to “net patient revenue,” revenue received by the hospital for patient care irrespective of charges. These results add state-specific linear time trends to specification in Table 3.
Appendix Table A17. Effect of Uninsured Population on Uncompensated Care By Hospital Ownership

<table>
<thead>
<tr>
<th>Dependent Variable:</th>
<th>Per-capita uncompensated care</th>
<th>Uncompensated care divided by expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A. Non-profit hospitals</td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>517.26 (158.84) [0.00]</td>
<td>0.19 (0.05) [0.00]</td>
</tr>
<tr>
<td>R^2</td>
<td>0.870 (0.05) [0.00]</td>
<td>0.803 (0.04) [0.00]</td>
</tr>
<tr>
<td>N</td>
<td>1,224 (54.59) [0.54]</td>
<td>1,224 (28.23) [0.02]</td>
</tr>
</tbody>
</table>

|                     | B. For-profit hospitals       |                                          |
| Share of population uninsured | -34.09 (54.59) [0.54] | 0.11 (0.04) [0.01] | 0.12 (0.04) [0.01] |
| R^2                 | 0.745 (0.04) [0.01]           | 0.715 (0.04) [0.01] | 0.721 (0.04) [0.01] |
| N                   | 984 (60.06) [0.46]            | 984 (20.51) [0.05] | 984 (20.51) [0.05] |

|                     | C. Non-profit hospitals with a nearby for-profit hospital |                                          |
| Share of population uninsured | 236.78 (116.81) [0.05] | 0.15 (0.06) [0.01] | 0.13 (0.06) [0.01] |
| R^2                 | 0.885 (0.06) [0.01]           | 0.691 (0.06) [0.01] | 0.783 (0.06) [0.01] |
| N                   | 880 (60.06) [0.46]            | 880 (20.51) [0.05] | 880 (20.51) [0.05] |

|                     | D. For-profit hospitals with a nearby non-profit hospital |                                          |
| Share of population uninsured | -44.93 (60.06) [0.46] | 0.03 (0.05) [0.51] | 0.08 (0.05) [0.51] |
| R^2                 | 0.611 (0.05) [0.01]           | 0.579 (0.05) [0.01] | 0.602 (0.05) [0.01] |
| N                   | 850 (60.06) [0.46]            | 850 (20.51) [0.05] | 850 (20.51) [0.05] |

State-specific linear trends: ✓ ✓

Notes: The sample consists of the dependent variables calculated for each state and year from 1988 through 2011, for the given hospitals. The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated p-values in brackets. Year and state fixed effects not shown. We define a non-profit hospital as having a nearby for-profit hospital if at least one for-profit hospital exists in the same HSA. All hospitals in the sample are acute-care hospitals with an emergency room.
Appendix Table A18. Effect of Uninsured Population on Profit Margins  
Dependent Variable: Patient-care profit margin

<table>
<thead>
<tr>
<th></th>
<th>(1)</th>
<th>(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. All hospitals</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of population uninsured</td>
<td>- 0.089</td>
<td>- 0.051</td>
</tr>
<tr>
<td></td>
<td>(0.062)</td>
<td>(0.060)</td>
</tr>
<tr>
<td></td>
<td>[0.158]</td>
<td>[0.400]</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.659</td>
<td>0.794</td>
</tr>
<tr>
<td>N</td>
<td>1,224</td>
<td>1,224</td>
</tr>
</tbody>
</table>

| **B. Non-profit hospitals** |             |             |
| Share of population uninsured | - 0.102     | - 0.092     |
|                       | (0.043)     | (0.052)     |
|                       | [0.023]     | [0.081]     |
| $R^2$                 | 0.666       | 0.746       |
| N                    | 1,224       | 1,224       |

| **C. For-profit hospitals** |             |             |
| Share of population uninsured | - 0.090     | - 0.200     |
|                       | (0.147)     | (0.098)     |
|                       | [0.542]     | [0.047]     |
| $R^2$                 | 0.599       | 0.724       |
| N                    | 1,049       | 1,049       |

State-specific linear trends ✓

Notes: The sample consists of the dependent variables calculated for each state and year from 1988 through 2011, for the given hospitals. The standard errors in parentheses are robust to auto-correlation between observations from the same state; associated p-values in brackets. Year and state fixed effects not shown. All hospitals in the sample are hospitals with an emergency room.
Appendix Figure A1. Comparison of JAR and AHA Uncompensated Care Numbers

Note: The data for this figure come from both the AHA survey and the JAR data. See text for details.
Appendix Figure A2. Changes in Uncompensated Care Costs within Tennessee, Before and After TennCare Disenrollment, By Hospital Referral Region

Change in uncompensated care costs from 2004 and 2005 to 2006 and 2007

2004-2005 Change in TennCare enrollment divided by 2004 population

Note: The scale of each marker indicates the population of each HRR. We drop one HRR from the figure to improve visibility, but it is included in the regression line and in the associated appendix table.

Appendix Figure A3. Changes in Uncompensated Care Costs within Tennessee, Before and After TennCare Disenrollment, By Health Service Area

Change in uncompensated care costs from 2004 and 2005 to 2006 and 2007

2004-2005 Change in TennCare enrollment divided by 2004 population

Note: The scale of each marker indicates the population of each HSA. We drop three HSAs from the figure to improve visibility, but they are included in the regression line and in the associated appendix table.
Note: This figure presents the number of privately insured inpatient visits in Tennessee, as recorded in the JAR data. The dashed line plots a linear projection based solely on years 2002 through 2005.

Note: This figure presents the number of ED visits in Tennessee, as recorded in the JAR data. The dashed line plots a linear projection based solely on years 2002 through 2005.
Appendix Figure A6. Change in Uncompensated Care in an HSA After a Hospital Closure

A. Uncompensated Costs in Remaining Hospitals

B. Total Uncompensated Care in HSA

C. Uncompensated Costs in Remaining Non-Profit Hospitals

D. Uncompensated Costs in Remaining For-Profit Hospitals

Note: This figure plots point estimates from a regression of hospital uncompensated care in each HSA on a series of exhaustive indicator variables for the years since the closure of a large hospital. The year before the closure is the omitted category. The data consist of GAO records of hospital closures combined with the AHA survey. See text for details. The dashed lines connect 95-percent confidence intervals.
Note: This figure plots point estimates from a regression of uncompensated care costs on a series of exhaustive indicator variables for the years since the closure of a hospital. We categorize hospital closures as large if the hospital provided greater than 7 percent of the region’s uncompensated care before closure, given that 7 percent is the median share. The year before the closure is the omitted category. The data consist of GAO records of hospital closures combined with the AHA survey. See text for details.
Appendix Figure A8. Change in Hospital Revenue in a County After a Hospital Closure

A. Revenue at Remaining Hospitals in County

B. Total Hospital Revenue in County

Note: This figure plots point estimates from a regression of hospital revenue in each county on a series of exhaustive indicator variables for the years since the closure of a large hospital. The year before the closure is the omitted category. The data consist of GAO records of hospital closures combined with the AHA survey. See text for details. The dashed lines connect 95-percent confidence intervals.
Appendix Figure A9. Changes in TennCare Enrollment by Tennessee Counties

Note: This map indicates changes in Medicaid enrollment for each county in Tennessee as reported in the 2004–2005 and 2005–2006 annual reports for TennCare.

Appendix Figure A10. Uncompensated Care Costs in a Hospital Before and After ED Closure

Note: This figure presents a re-centered time series with average uncompensated care costs in the years before and after a hospital closes its ED.
Appendix Figure A11. Change in Number of Hospitals in Commuting Zone After a Hospital Closure

Note: This figure plots point estimates from a regression of number of hospitals in each commuting zone on a series of exhaustive indicator variables for the years since the closure of a large hospital. The year before the closure is the omitted category. The data consist of GAO records of hospital closures combined with the AHA survey. See text for details. The dashed lines connect 95-percent confidence intervals.

Appendix Figure A12. Change in Number of Hospitals in County After a Hospital Closure

Note: This figure plots point estimates from a regression of number of hospitals in each county on a series of exhaustive indicator variables for the years since the closure of a large hospital. The year before the closure is the omitted category. The data consist of GAO records of hospital closures combined with the AHA survey. See text for details. The dashed lines connect 95-percent confidence intervals.
Appendix Figure A13. Changes in Uncompensated Care Costs within Tennessee, Before and After TennCare Disenrollment

Percent change in uncompensated care, 2004 and 2005 to 2006 and 2007

Note: This figure presents uncompensated care costs for HRR’s that contain a hospital in Tennessee, as recorded in the AHA survey. See text for details.

Appendix Figure A14. Placebo Test: Changes in Uncompensated Care Costs within Tennessee, Before and After 2002

Percent change in uncompensated care, 2000 and 2001 to 2002 and 2003

Note: This figure presents uncompensated care costs for HRR’s that contain a hospital in Tennessee, as recorded in the AHA survey. See text for details.
Appendix Figure A15. Changes in Uncompensated Care Costs within Tennessee, Before and After TennCare Disenrollment

Percent change in uncompensated care, 2004 and 2005 to 2006 and 2007

Note: This figure presents uncompensated care costs for HSA's that contain a hospital in Tennessee, as recorded in the AHA survey. See text for details.

Appendix Figure A16. Placebo Test: Changes in Uncompensated Care Costs within Tennessee, Before and After 2002

Percent change in uncompensated care, 2000 and 2001 to 2002 and 2003

Note: This figure presents uncompensated care costs for HSA's that contain a hospital in Tennessee, as recorded in the AHA survey. See text for details.
Appendix Figure A17. Medicaid Visits within Tennessee, JAR Data

Note: This figure presents the natural logarithm of TennCare-covered visits for HRR's with a hospital in Tennessee, as recorded in the AHA survey. For each HRR, we calculate the change in TennCare enrollment between 2004 and 2005 divided by the 2004 population. HRR's with that number greater than the median are categorized as highly exposed. See text for details.

Appendix Figure A18. Self-Pay Visits within Tennessee, JAR Data

Note: This figure presents the natural logarithm of self-pay visits for HRR’s with a hospital in Tennessee, as recorded in the AHA survey. For each HRR, we calculate the change in TennCare enrollment between 2004 and 2005 divided by the 2004 population. HRR's with that number greater than the median are categorized as highly exposed. See text for details.
Appendix Figure A19. Revenue-to-Charges in the MEPS

Revenue divided by charges for privately insured encounters

Slope of regression line: 0.068 (p-value: 0.455)

Note: This figure mean revenue-to-charges for each clinical code. The sample consists of all hospitalizations and ED visits captures by the MEPS.