A Study on the Financial Characteristics of Hospital Types

Na, Hyung Jong* • Lee, Kun Chang** • Kim, Sung Tae***

This paper categorizes general hospitals as higher-level and non-higher-level general hospitals and aims to analyze the financial characteristics between higher-level and non-higher-level general hospitals. Also, we investigate financial characteristics between university and non-university hospitals by dividing general hospitals into university and non-university hospitals. We collect financial statement from each hospital homepage and the sample period is 2016. The number of final samples of general hospitals is 65. Higher-level general hospitals are 28 and non-higher-level general hospitals are 37. And, there are university hospitals are 43 and non-university hospitals are 37. The t-test results between higher-level and non-higher-level general hospitals are as follows. First, non-higher-level general hospitals show that the total assets are significantly lower than those of the higher-level general hospitals. Second, non-higher-level general hospitals indicate that the debt ratio is significantly higher than those of the higher-level general hospitals. Third, non-higher-level general hospitals show that the ratio of non-medical income to medical income is significantly higher than those of higher-level general hospitals. Fourth, non-higher-level general hospitals present that the ratio of cash to total assets is significantly higher than those of higher-level general hospitals. Fifth, non-higher-level general hospitals show that both the ratio of tangible assets and the ratio of intangible assets are significantly lower than those of higher-level general hospitals. Meanwhile, the t-test results between university and non-university hospitals are as follows. First, non-university hospitals indicate that the total assets are significantly smaller than those of university hospitals. Second, non-university hospitals present that the debt ratio is significantly higher than those of university hospitals. Third, non-university hospitals present that the ratio of medical benefits to medical revenues is significantly lower than those of university hospitals. However, non-university hospitals show that the ratio of non-medical revenues to medical revenues is significantly higher than those of university hospitals. Fourth, non-university hospitals indicate that both the ratio of medical expenses to medical revenues and the ratio of non-medical expenses to medical revenues are significantly higher than those of university hospitals. Fifth, non-university hospitals show that both the ratio of reserve fund for essential business to total assets and the ratio of translation of reserve

* (First Author) Research Professor, SKKU Business School, Sungkyunkwan University, Seoul 03063, Republic of Korea, fresh_na_77@hanmail.net
** (Corresponding author) Professor, SKKU Business School, Sungkyunkwan University, Seoul 03063, Republic of Korea, kunchanglee@gmail.com
*** (Co-author) Ph.D. student, Dept. of Accounting and Taxation, Kyunghee University, Republic of Korea, goodthink365@naver.com