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Wisconsin Health Systems Operating in the Red

Margins decreased nearly 120% since 2021; 55 Wisconsin hospitals had negative margins

MADISON, Wis. — The Wisconsin Hospital Association Information Center (WHAIC) today released its annual [Guide to Wisconsin Hospitals for FY2023](#), which shows Wisconsin hospitals and health systems are continuing to experience financial pressures, compounded by challenges from the previous year. The report indicates a sustained period of low margins and ongoing financial challenges.

Key Findings

Between FY2021 and FY2023, hospitals experienced a 40.8% decrease in their operating margins, with 82 out of 167 hospitals reporting a decline. Fifty-five hospitals—approximately 33% of all hospitals in the state—are now operating at a loss. Health systems also reported a 117.8% decrease in operating margins, reaching -0.8% in FY2023.

Safety net hospitals, which serve populations with higher Medicaid coverage, are also reporting losses. In FY2023, 38.1% of Wisconsin's safety net hospitals—32 out of 84 such facilities—reported financial losses, up from 33.7% in the previous year.

Additionally, hospitals are dealing with rising costs. Supply and service costs have increased by 16.6% since FY2021, while salary and fringe expenses have increased by 11.3%, largely due to workforce shortages.

Emergency department utilization has also increased, with nearly 2.4 million visits in FY2023, a 13.5% increase from FY2021.

Read the [Guide to Wisconsin Hospitals for FY2023](#).

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ABOUT THE WISCONSIN HOSPITAL ASSOCIATION INFORMATION CENTER, LLC

The [WHA Information Center](#) is dedicated to collecting, analyzing and disseminating complete, accurate and timely data and reports about charges, utilization, quality and efficiency provided by Wisconsin hospitals, ambulatory surgery centers and other health care providers. Since 2003, the vision of WHAIC has been to help health care stakeholders in Wisconsin turn data into actionable insights that enable timely and reliable decision-making. WHAIC has a strong heritage of meeting the ever-changing, broad-based needs of health care stakeholders statewide. WHAIC remains self-supporting and is committed to serving our customers at low or no cost and maximizing the value and improvement that can be realized from health care data.