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## A look at the post-reform future for non-profit hospitals

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Let's face it, nobody really knows quite how things will shake out when the reform dust settles--but we'd all like to believe someone has the answer. So this summer, when we published a story on Fitch Ratings' [predictions for the nonprofit hospital biz](#) [1], you clicked like crazy.

What did Fitch have to say about winners and losers post-reform? Nothing surprising, but here goes:

\* Non-profit hospitals with strong physician alignment strategies, the ability to effectively measure, report and deliver superior outcomes, scale and financial strength were likely to be in good shape.

\* Non-profits that know how to consolidate and improve efficiencies will be more successful.

\* Non-profit facilities that have high cost structures and lower quality scores will face more market penalties as the industry restructures.

Fitch didn't get directly into issues like disproportionate share funding, expansion of the Medicaid population and potentially high levels of uninsured patients, all of which are likely to impact non-profits over the short term. And nobody's quite sure when capital financing sources will recover, or investment returns will stabilize, of course.

Let's face it, no matter what Fitch says, we know that riding the post-reform wave is going to be tough surfing--posing new problems while not necessarily solving old ones. It's all well and good to scour predictions for guidance, but I say let's see what oracular wisdom Fitch, Moody's and S&P have to offer in mid-2010 when the chair-changing stops.

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