



December 2, 2025

Ms. Andrea Strong  
Chief  
Financial Data Administration & Rate Regulation  
Health Services Cost Review Commission  
4160 Patterson Avenue  
Baltimore, MD 21215

Dear Andrea:

Attached please find a copy of the fiscal year 2025 audited financial statements for Kennedy Krieger Institute, Inc., and Subsidiaries. These statements include the operating results for Kennedy Krieger Children's Hospital, Inc. (KKCH). Refer to the supplemental consolidating financial statements starting on page 35. We have also e-mailed a copy of the audited financial statements to [hscrc.audited@maryland.gov](mailto:hscrc.audited@maryland.gov).

Also attached is a copy of the HSCRC revenue test calculation for KKCH. The HSCRC revenue test documents that approximately 87% of KKCH's gross patient revenue is generated from Medicare/Medicaid and other unregulated revenue sources.

I trust that information meets the needs of the Commission. Please do not hesitate to contact me should you have any questions or require additional information. I can be reached at 443-923-1886 or via e-mail at [oppitz@kennedykrieger.org](mailto:oppitz@kennedykrieger.org).

Sincerely,

Stephen Oppitz  
Assistant Vice President  
Financial Planning & Analysis

**Kennedy Krieger Children's Hospital (KKCH)**  
**HSCRC Revenue Test**  
**FY 2025**

	Gross Patient Service Revenue	Government and Unregulated Revenue						
		Gross Medicaid Revenue	Gross Medicare Revenue	Gross Tricare Revenue	Foreign Embassy Revenue	Gross Unregulated Revenue	Total Government & Unreg Revenue	%
<b><u>Inpatient:</u></b>								
All-inclusive per diem	76,129,035	24,933,415	389,336	8,582,864	901,286		34,806,901	
Attending physician	4,513,041	-	-	-	-	4,513,041	4,513,041	
Disproportionate Share / GME	1,226,541	1,226,541	-	-	-	-	1,226,541	
GME / IME	791,064	-	-	-	-	791,064	791,064	
Total inpatient revenue - KKCH	82,659,681	26,159,956	389,336	8,582,864	901,286	5,304,105	41,337,547	50%
<b><u>Outpatient:</u></b>								
Hospital-based services	9,121,332	2,990,885	16,418	1,164,794	16,418	-	4,188,516	
Hospital-based off-site clinic services	236,828,302	-	-	-	-	236,828,302	236,828,302	
Specialized lab billing and other	3,409,957	-	-	-	-	3,409,957	3,409,957	
Physician professional services	10,917,501	-	-	-	-	10,917,501	10,917,501	
Total Outpatient Revenue - KKCH	260,277,092	2,990,885	16,418	1,164,794	16,418	251,155,760	255,344,276	98%
<b>Total KKCH patient service revenue</b>	<b>342,936,773</b>	<b>29,150,840</b>	<b>405,754</b>	<b>9,747,658</b>	<b>917,705</b>	<b>256,459,865</b>	<b>296,681,822</b>	<b>87%</b>

<u>Reconciliation of Patient Service Revenue to Audited Consolidated Financial Statements (Note #3):</u>				
	Gross	Deductions	Net Patient Revenue	
Patient Service Revenue - KKCH Inpatient	82,659,681	22,259,374	60,400,307	Audited CFS (Note 3)
Patent Service Rev - KKCH Outpatient	260,277,092	50,232,143	210,044,949	
Patent Service Rev - Non-Hospital Outpatient:				
School related medical services	5,977,715	(77,209)	6,054,924	
PACT day care medical services	789,221	75,910	713,311	
Research clinical trials/service center	3,960,907	-	3,960,907	
Total Patient Service Revenue - KKI (Outpatient)	271,004,935	50,230,844	220,774,091	Audited CFS (Note 3)
Total Patient Service Revenue - KKI (Combined)	353,664,616	72,490,218	281,174,398	Audited CFS (Note 3)