

**Changes in Hospital Quality after Conversion in  
Ownership Status  
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This paper examines the effects of conversions between For-Profit and Not-For-Profit forms on quality of medical care in California hospitals. The sample includes elderly patients treated in California's private hospitals from 1990 to 1998 for Acute Myocardial Infarction and Congestive Heart Failure. The results suggest that converted hospitals have experienced quality changes before conversion and that ignoring these changes may bias the estimates of conversion effects. Both conversions are found to have some adverse consequences: Hospitals that converted to FP form show an increase in AMI mortality rates, while those converted to NFP status indicate an increase in CHF mortality outcomes.