

# Massachusetts Acute Hospital & Health System Financial Performance

FY 2021

September 2022



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# Introduction

The Center for Health Information and Analysis (CHIA) reports on the annual and quarterly financial performance of acute hospitals. As the financial performance of hospital health systems is important to understanding the greater contexts in which hospitals operate, CHIA has expanded its reporting to include the financial performance of hospital health systems (HHS), affiliated physician organizations (PO), and related health plans.

This report incorporates the financial impact of COVID-19 on hospitals during fiscal year (FY) 2021. Federal and state COVID relief funding was distributed to hospitals starting in April 2020. Most of this funding was received and reported in FY 2020, but some hospitals received and recognized relief funding in FY 2021. Some of this funding was reported as operating revenue and is reflected in the data as such.

In FY 2021, Massachusetts had 25 hospital health systems, which included 61 acute hospitals, 49 physician organizations, and three health plans. Hospitals are grouped into four primary cohorts based on similar characteristics: Academic Medical Centers (AMCs), teaching hospitals, community hospitals, and community-High Public Payer (HPP) hospitals. Specialty hospitals are not considered a cohort due to the unique patient population served and/or the unique sets of services provided. Specialty hospitals are included in statewide medians but are not included in the cohort analyses. This report assigns hospitals to cohorts based on FY 2020 data.

Eleven out of 25 hospital health systems operate more than one acute hospital and are classified as multi-acute systems. The remaining 14 operate one acute hospital and are classified as independent systems.

Four systems (Steward Health Care, Tenet Healthcare, Trinity Health, and Shriners Hospitals for Children) are larger systems that operate hospitals nationwide. Hospital health systems consist of all consolidated health entities, including acute hospitals, non-acute hospitals, physician organizations, and health plans. They may also include consolidated non-health care entities, such as foundations and real estate trusts.

Steward Health Care did not submit the required system level audited and standardized financial statement data; therefore, Steward Health Care system and physician organization data are not included in this report.

Heywood Healthcare's audited financial statements were not available in time for this publication and

therefore Heywood Healthcare system, hospital, and physician organization data are not included in this report for FY 2021.

This report contains 12 months of fiscal year data for FY 2021 for all systems and hospitals based on each entity's year end date. Most entities' fiscal year end is September 30, with the exception of Steward Health Care, Trinity Health, Cambridge Health Alliance, Tenet Healthcare, and Shriners Hospitals for Children.

This publication reports on the profitability, liquidity, and solvency of hospital health systems and their affiliated acute hospitals, as well as the profitability of affiliated physician organizations and health plans. ■

# Key Findings

Overall acute hospital profitability in FY 2021, as measured by the median total margin, was 5.2%, an increase of 2.6 percentage points in comparison to the prior fiscal year.

The statewide median acute hospital operating margin was 1.1%, a decrease of 0.2 percentage points compared to FY 2020. The statewide median acute hospital non-operating margin was 3.0%, an increase of 2.5 percentage points in comparison to the prior fiscal year.

Aggregate net patient service revenue, the most significant component of operating revenue, increased by \$3.5 billion (13.1%) while aggregate expenses increased \$2.4 billion (7.1%) in FY 2021 as compared to FY 2020.

All four cohorts experienced an increase in profitability when compared to the prior fiscal year. The teaching hospital cohort reported the largest increase of 2.8 percentage points, while the community-high public payer cohort reported the smallest increase of 1.4 percentage points. Changes in total margin were influenced by non-operating margins during this period.

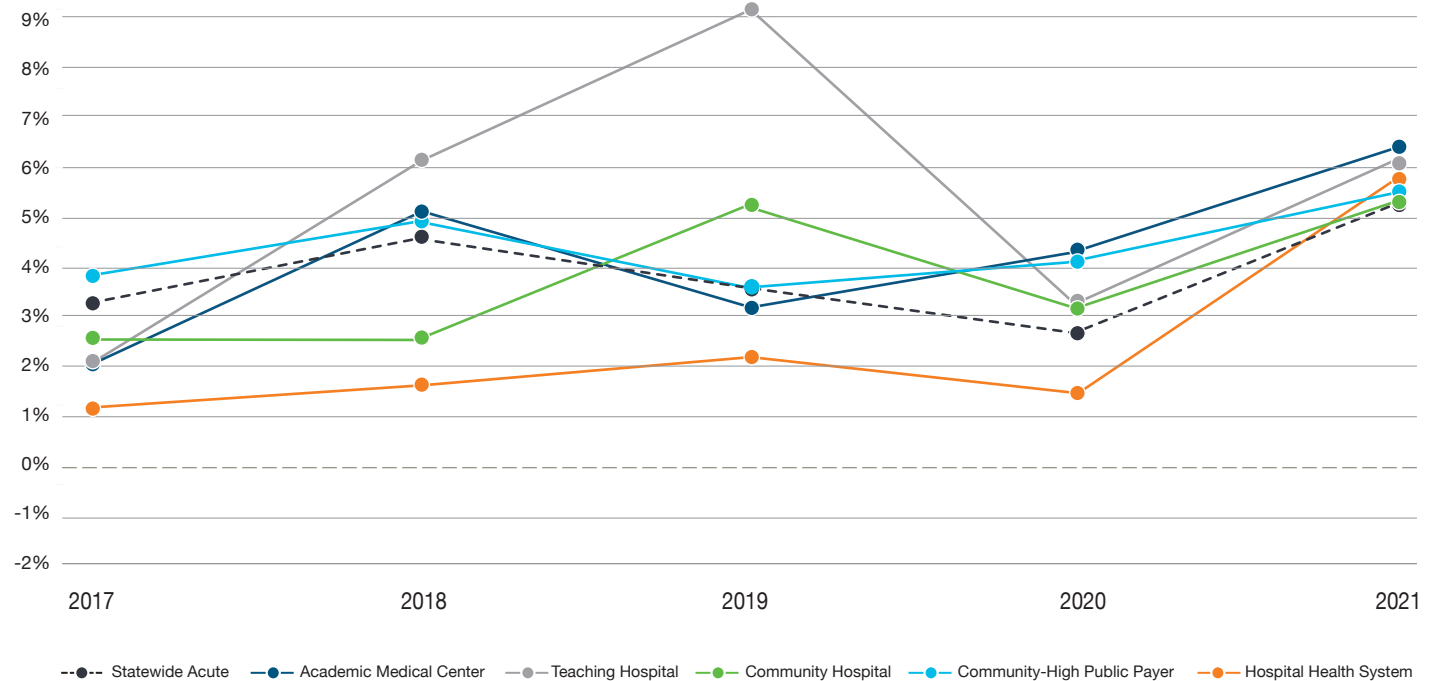
## Profitability

Total margin reflects the excess of total revenues over total expenses, including operating and non-operating activities, as a percentage of total revenue. The margins include COVID-19 relief funding reported as operating revenue.

The statewide acute hospital median total margin increased by 2.6 percentage points, from 2.6% in 2020 to 5.2% in 2021. All four cohorts reported increases in median total margin, with an increase of 2.1 percentage points for the Academic Medical Center, 2.8 percentage points for the teaching hospital, 2.1 percentage points for the community hospital, and 1.4 percentage points for the community-High Public Payer. These margins include \$386 million in COVID-19 relief funding reported as operating revenue.

The hospital health system total margin increased by 4.3 percentage points, from 1.4% in 2020 to 5.7% in 2021. Total margins reported by the hospital health systems were influenced primarily by non-operating margins during this time period.

## FY 2017-2021 Total Margin Trends by Hospital Cohort



	2017	2018	2019	2020	2021
<b>Statewide Median</b>	<b>3.2%</b>	<b>4.5%</b>	<b>3.5%</b>	<b>2.6%</b>	<b>5.2%</b>
Academic Medical Center	2.0%	5.0%	3.1%	4.2%	6.3%
Teaching Hospital	2.0%	6.0%	9.0%	3.2%	6.0%
Community Hospital	2.5%	2.5%	5.1%	3.1%	5.2%
Community-High Public Payer	3.7%	4.8%	3.5%	4.0%	5.4%
<b>Health System</b>	<b>1.1%</b>	<b>1.6%</b>	<b>2.2%</b>	<b>1.4%</b>	<b>5.7%</b>

Notes: Steward Health Care's system level data are not included in 2017, 2019, and 2021 as they did not submit audited or standardized financial statements those years. In 2018 and 2020 they did not submit audited or standardized financial statements, but their data was derived from a publicly available source and is included. Heywood Healthcare was not able to submit financial data in time to be included in this publication. The statewide acute hospital median includes specialty hospitals.

## Profitability

Operating margin reflects the excess of operating revenues over operating expenses, including patient care and other activities, as a percentage of total revenue.

The statewide acute hospital median operating margin decreased by 0.2 percentage points. Only the teaching hospital cohort reported a decrease in median operating margin, of -1.4 percentage points.

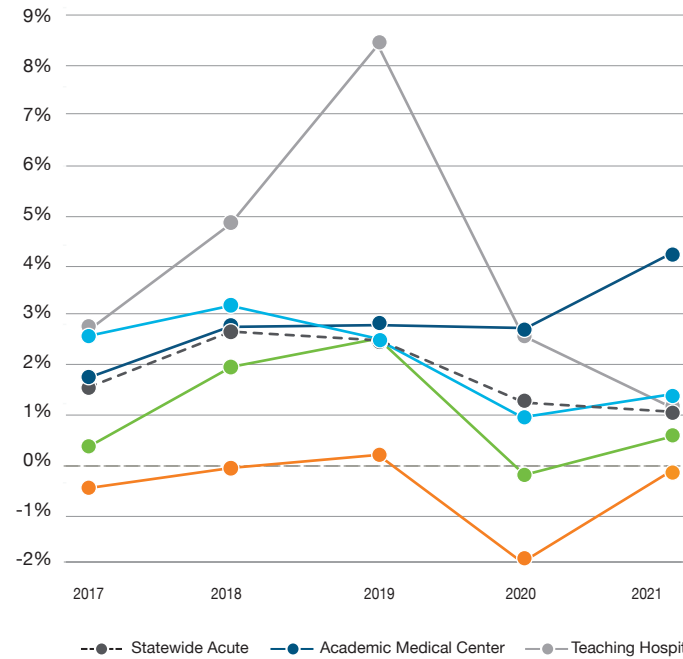
Non-operating margins include items that are not related to operations, such as investment income, contributions, gains from the sale of assets and other unrelated business activities. Non-operating margins are influenced by changes in the investment markets. Starting in FY 2020, accounting standards required realized and unrealized gains be recognized in financial performance. These results are included in the non-operating margins in this report.

The statewide acute hospital median non-operating margin increased by 2.5 percentage points. All cohorts reported an increase in median non-operating margin.

The median operating and non-operating margins for hospital health systems both increased from the prior year, by 1.6 and 4.6 percentage points, respectively.

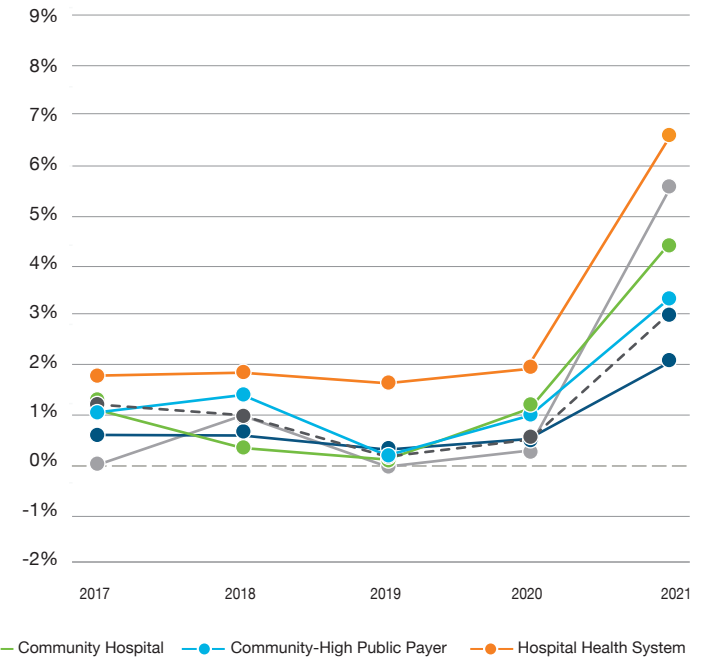
# FY 2017-2021 Operating and Non-Operating Margin Trends by Hospital Cohort

### Operating Margin Trends



	2017	2018	2019	2020	2021
<b>Statewide Median</b>	<b>1.6%</b>	<b>2.7%</b>	<b>2.5%</b>	<b>1.3%</b>	<b>1.1%</b>
Academic Medical Center	1.8%	2.8%	2.8%	2.8%	4.2%
Teaching Hospital	2.7%	4.8%	8.3%	2.6%	1.2%
Community Hospital	0.4%	2.0%	2.5%	-0.1%	0.6%
Community-High Public Payer	2.6%	3.2%	2.5%	1.0%	1.4%
<b>Health System</b>	<b>-0.4%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>-1.8%</b>	<b>-0.2%</b>

### Non-Operating Margin Trends



	2017	2018	2019	2020	2021
<b>Statewide Median</b>	<b>1.2%</b>	<b>1.0%</b>	<b>0.2%</b>	<b>0.5%</b>	<b>3.0%</b>
Academic Medical Center	0.6%	0.6%	0.3%	0.5%	2.1%
Teaching Hospital	0.0%	1.0%	0.0%	0.3%	5.5%
Community Hospital	1.3%	0.4%	0.1%	1.1%	4.4%
Community-High Public Payer	1.1%	1.4%	0.2%	1.0%	3.3%
<b>Health System</b>	<b>1.7%</b>	<b>1.8%</b>	<b>1.6%</b>	<b>1.9%</b>	<b>6.5%</b>

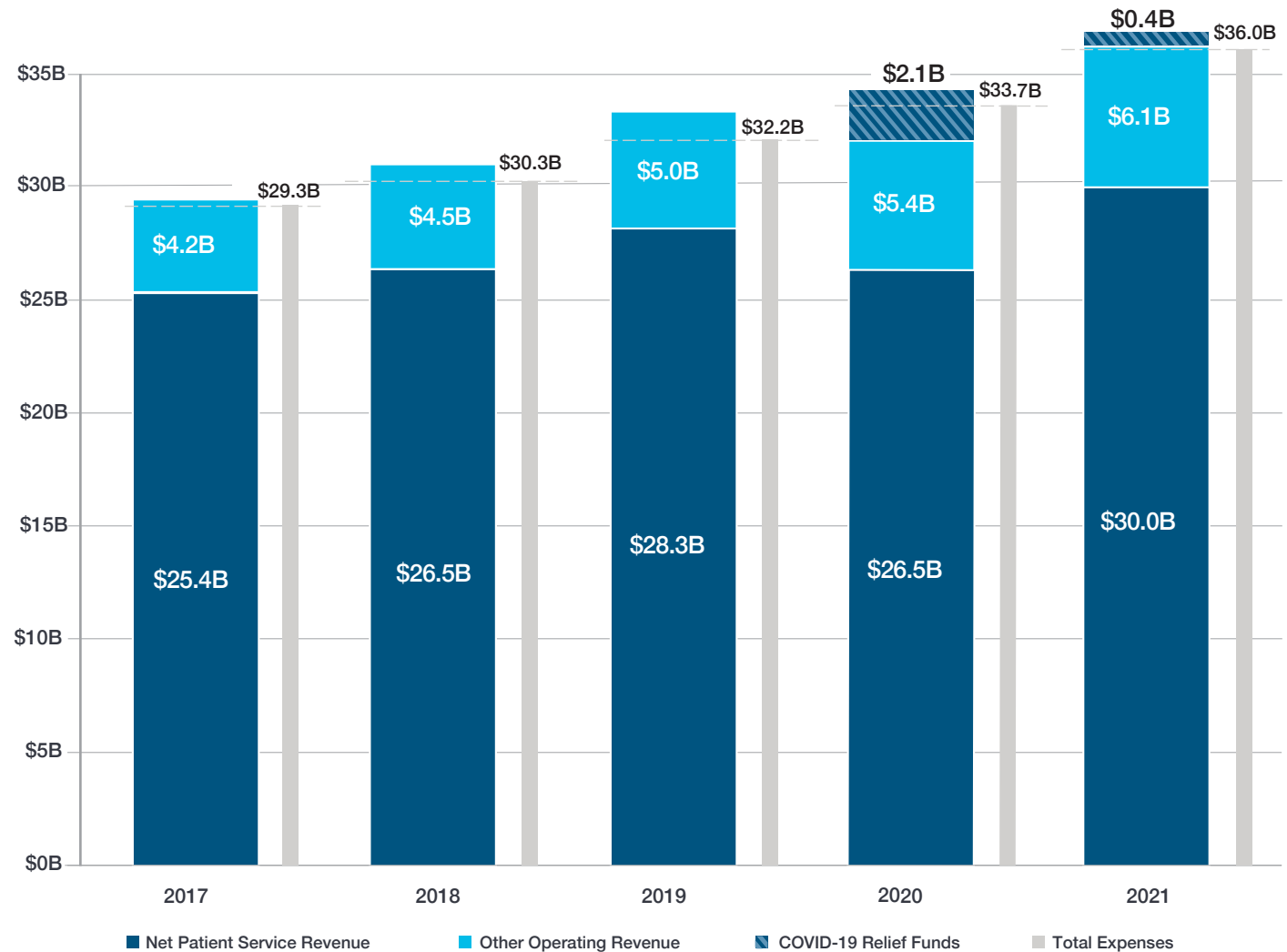
Notes: Steward Health Care's system level data are not included in 2017, 2019, and 2021 as they did not submit audited or standardized financial statements those years. In 2018 and 2020 they did not submit audited or standardized financial statements, but their data was derived from a publicly available source and is included. Heywood Healthcare was not able to submit financial data in time to be included in this publication. The statewide acute hospital median includes specialty hospitals.

## Profitability

Aggregate total operating revenue increased by \$2.5 billion (7.1%), while aggregate net patient service revenue, the most significant component of operating revenue, increased by \$3.5 billion (13.1%) when compared to the prior fiscal year. Aggregate expenses increased \$2.4 billion (7.1%) in FY 2021 as compared to the prior fiscal year.

In FY 2021, hospitals reported \$386 million in COVID-19 relief funds in operating revenue, as compared to \$2.1 billion in FY 2020.

## FY 2017-2021 Hospital Operating Revenue and Expense Trends



Notes: Heywood Healthcare was not able to submit FY 2021 financial data in time to be included in this publication. Their data is included in prior fiscal years.



## Profitability

All multi-acute health systems were profitable in 2021. The multi-acute health system that reported the lowest total margin was Cape Cod Healthcare at 3.3%, while Mass General Brigham reported the highest total margin at 16.9%.

The acute care hospital that reported the lowest total margin was Steward Norwood Hospital<sup>1</sup> (Steward Health Care) at -97.3%, while the acute care hospital that reported the highest total margin was Fairview Hospital (Berkshire Health Systems) at 18.7%.

Twenty-four of the 31 physician organizations associated with a multi-acute health system reported a loss.

AllWays Health Partners (Mass General Brigham) reported a positive total margin at 2.5% and Health New England (Baystate Health) reported a negative total margin at -2.6%.

<sup>1</sup> Steward Norwood Hospital was temporarily closed in July 2020 and remains closed as of this publication.

# FY 2021 Total Margin for Systems with Multiple Acute Hospitals by Component Entity



Notes: Shriners Hospitals for Children are not included in the analysis or graph due to reporting differences. Seventeen physician organizations and two hospitals had total margins <math><-15\%</math>. In order to display all entities in one graph, there is an axis break at -15% to account for those organizations. Detailed information is provided in the accompanying [databook](#). Heywood Healthcare was not able to submit FY 2021 financial data in time to be included in this publication. For complete definitions of acute hospital types, please see page 22.

# Profitability

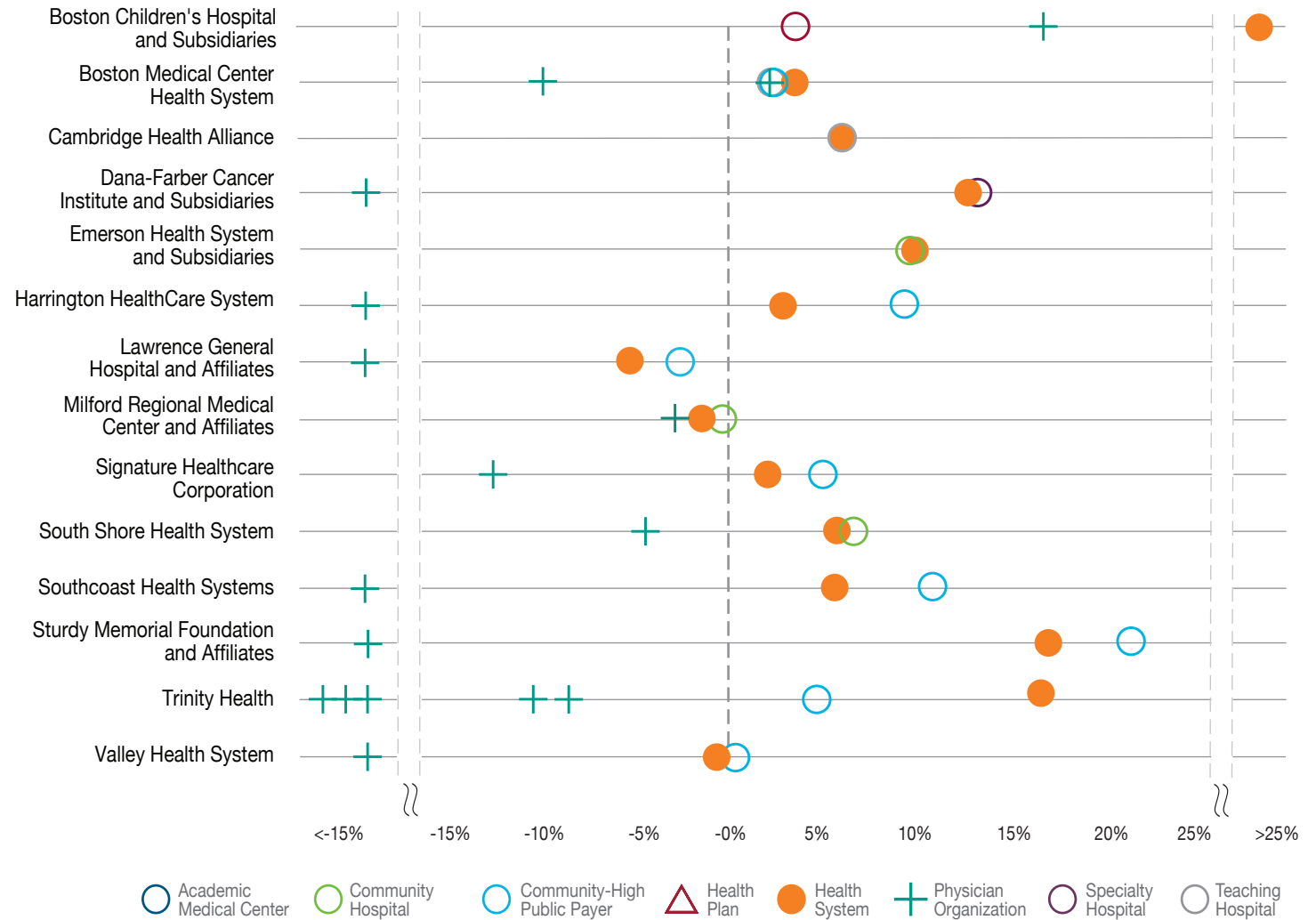
## FY 2021 Total Margin for Independent Health Systems by Component Entity

Eleven of the 14 independent health systems reported positive total margins. The total margins for independent health systems ranged from -4.9% for Lawrence General Hospital and Affiliates to 27.3% for Boston Children's Hospital and Subsidiaries.

Acute care hospital performance ranged from -2.4% for Lawrence General Hospital to 21.2% for Sturdy Memorial Hospital.

Only BMC Faculty Practice Foundation (part of Boston Medical Center Health System) and Physicians Organization at Children's Hospital reported positive total margins at 1.7% and 16.6%, respectively. The other 15 independent health system associated physician organizations reported negative total margins.

BMC Health Plan reported a positive total margin at 3.9%.



Notes: Nine physician organizations had total margins <math><-15\%</math> and one hospital health system had a total margin >25%. In order to display all entities in one graph, there is an axis break at -15% and 25% to account for those organizations. Detailed information is provided in the accompanying [databook](#).

## Profitability

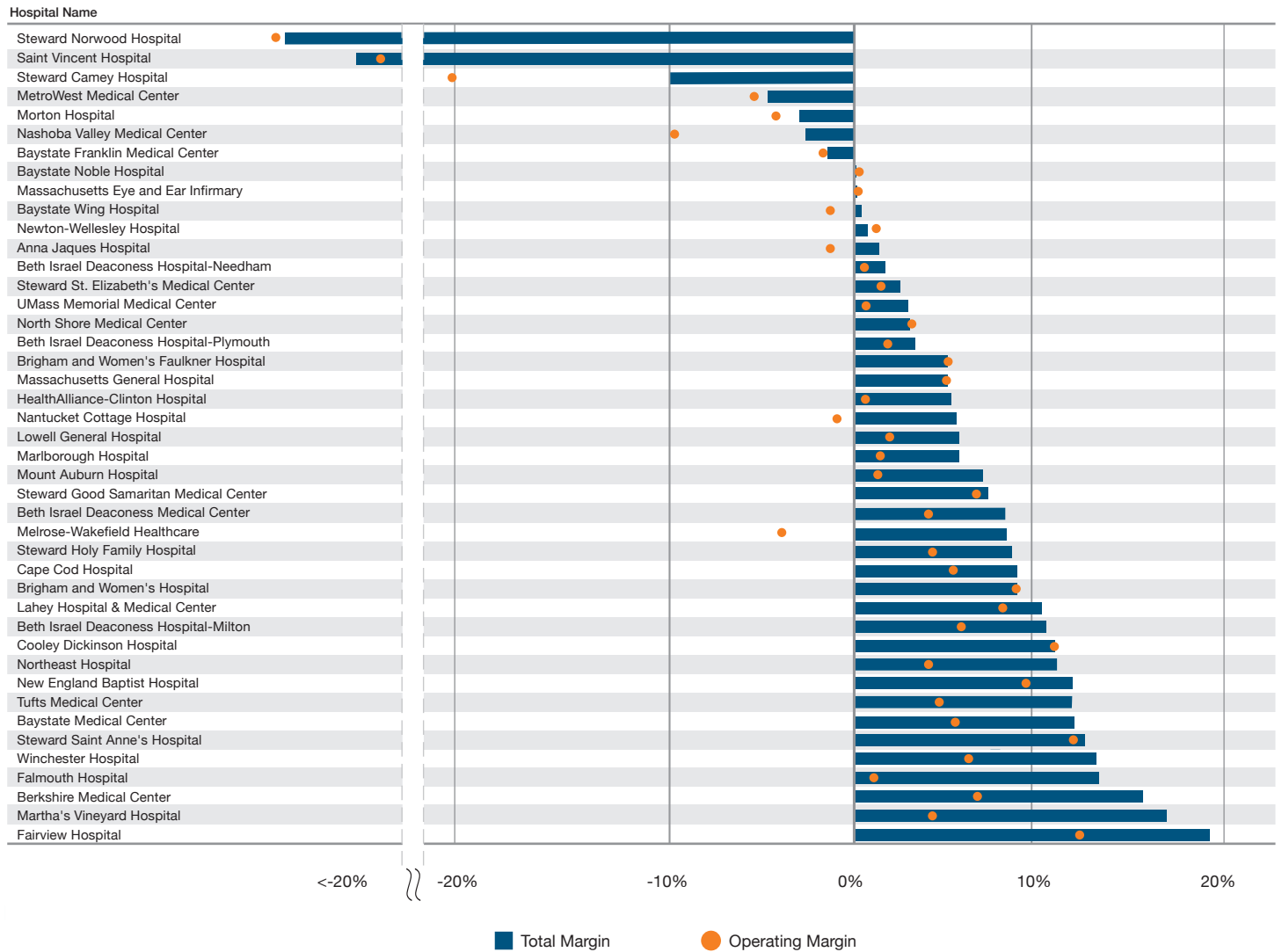
Thirty-six of the 43 hospitals that are part of multi-acute health systems reported positive total margins in 2021. The total margins include both operating and non-operating activities.

Thirty-two of the 43 hospitals reported positive operating margins in 2021. The operating margins ranged from -121.9% at Steward Norwood Hospital<sup>1</sup> to 11.7% at Fairview Hospital.

These margins include \$282 million in COVID-19 relief funding reported as operating revenue by these hospitals.

<sup>1</sup> Steward Norwood Hospital was temporarily closed in July 2020 and remains closed as of this publication.

# FY 2021 Total and Operating Margin for Hospitals in Multiple Acute Hospital Health Systems



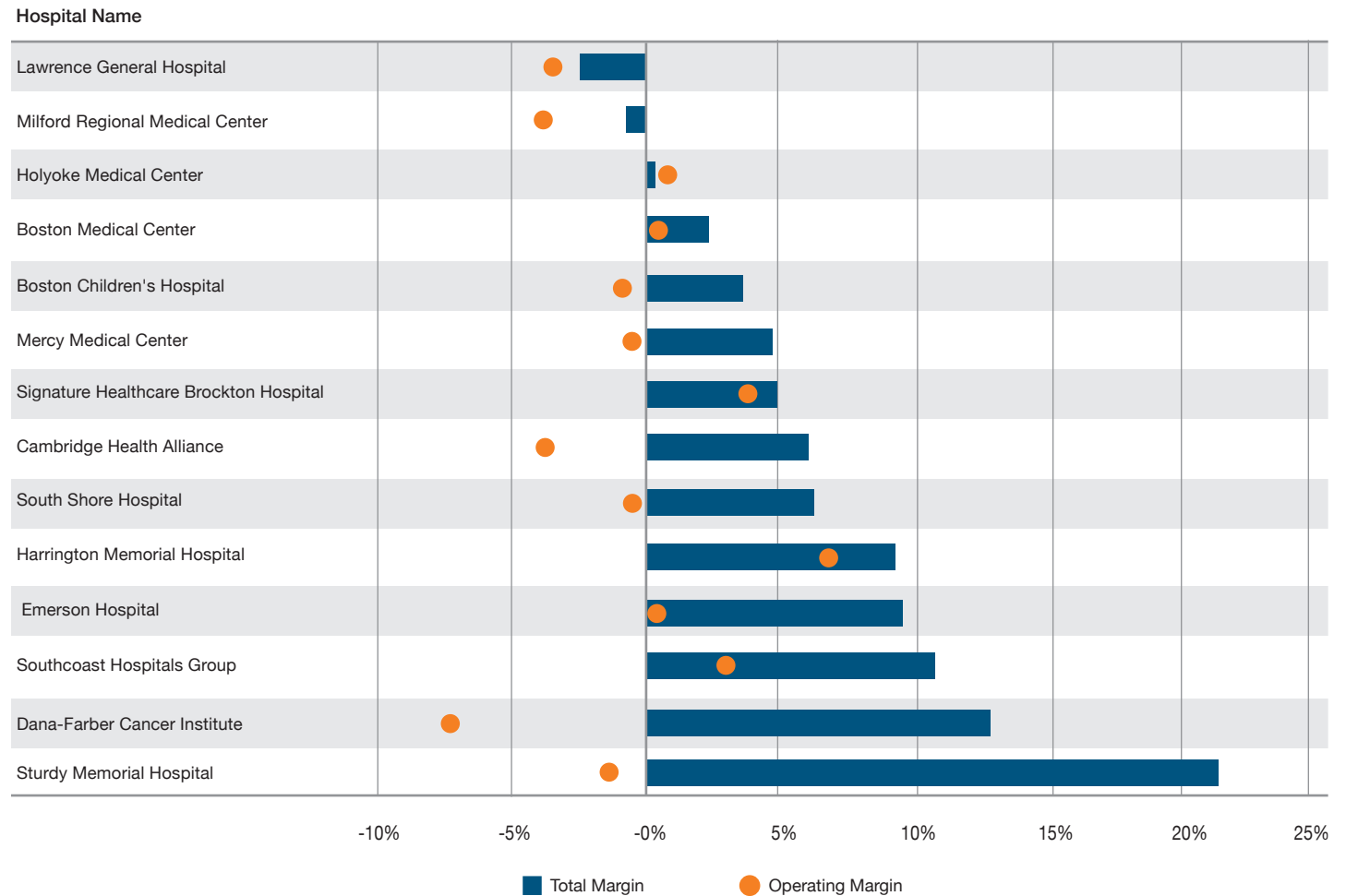
Notes: Shriners Hospitals for Children are not included in the analysis or graph due to reporting differences. Two hospitals are outliers with margins < -20%. Heywood Healthcare was not able to submit FY 2021 financial data in time to be included in this publication

## Profitability

Twelve of the 14 hospitals that are part of independent health systems reported positive total margins in 2021, while only six reported positive operating margins. The operating margins ranged from -7.2% for Dana Farber Cancer Institute to 6.8% at Harrington Memorial Hospital.

These margins include \$104 million in COVID-19 relief funding reported as operating revenue.

# FY 2021 Total and Operating Margin for Hospitals in Independent Health Systems



## Profitability

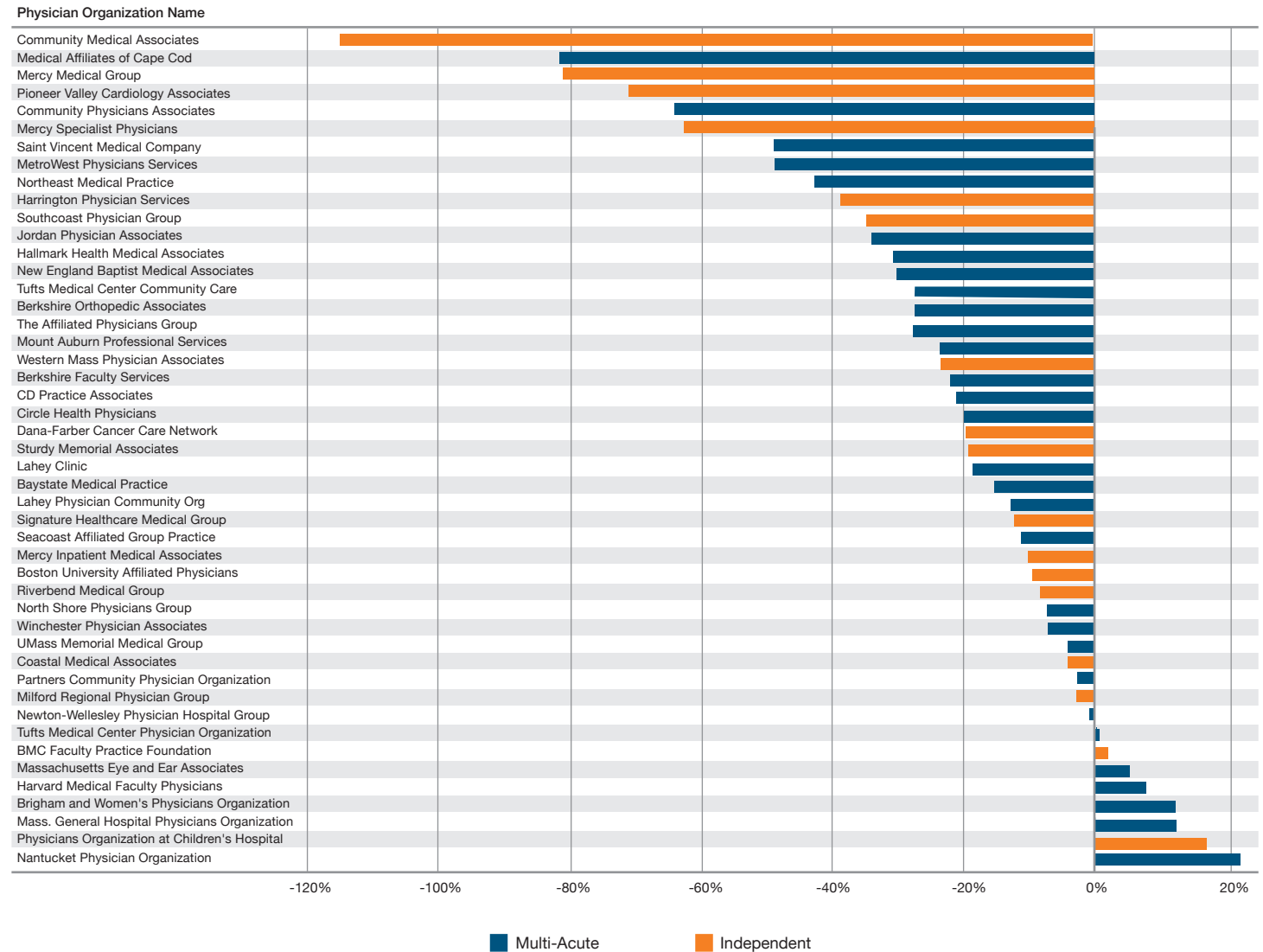
Physician organizations vary greatly in terms of size, services provided, and specialty. As a result, total margins, profits, and losses also vary.

The reported total margins ranged from -114.1% to 21.8% and the reported net patient service revenue ranged from \$227,000 to \$918.2 million.

Only eight of 49 physician organizations reported a profit, which ranged from \$147,000 to \$181.7 million. The losses ranged from \$148,000 to \$78 million.

These total margins include \$146.3 million in COVID-19 relief funds reported as operating revenue.

## FY 2021 Hospital-Affiliated Physician Organizations by Total Margin



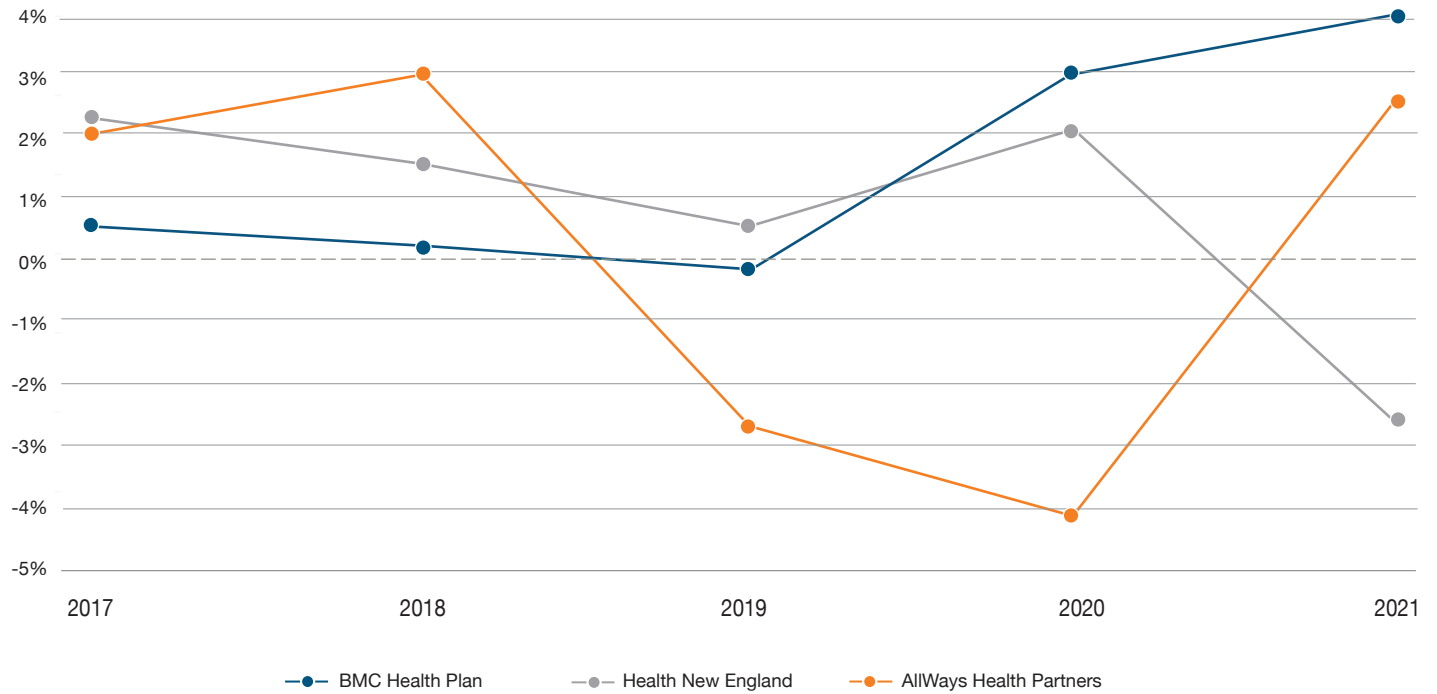
Notes: Steward Health Care and Heywood Healthcare's physician level data are not included as they did not submit audited financial statements. Cambridge Health Alliance reports its physician organization as an integrated component of the acute hospital.

## Profitability

Three hospital health systems have an associated health plan: Baystate Health, Boston Medical Center Health System, and Mass General Brigham. In FY 2021, BMC Health Plan and AllWays Health Partners (Mass General Brigham) reported a profit. The health plans reported increases in total margin between FY 2020 and FY 2021 of 1.0 and 6.6 percentage points, respectively. Health New England (Baystate Health) reported a net loss and a decrease in total margin of 4.7 percentage points compared to 2020.

The financial performance of the health plans has varied over the last five fiscal years. AllWays Health Partners reported a loss in two of the last five fiscal years. Health New England and BMC Health Plan have reported profits in four of the last five fiscal years.

## FY 2017-2021 HHS-Affiliated Health Plans Total Margin



	2017	2018	2019	2020	2021
AllWays Health Partners	2.0%	2.9%	-2.7%	-4.1%	2.5%
BMC Health Plan (BMCHP)	0.5%	0.2%	-0.2%	2.9%	3.9%
Health New England	2.2%	1.5%	0.5%	2.1%	-2.6%

# Liquidity

Current ratio measures short-term financial health and indicates whether an entity is able to meet current liabilities with current assets. A ratio of 1.0 or higher means that current liabilities could be adequately covered by existing current assets and indicates short-term financial stability.

The statewide acute hospital median current ratio increased by 0.1 between 2020 and 2021, from 1.2 to 1.3. All four cohorts experienced an increase in median current ratio between 2020 and 2021.

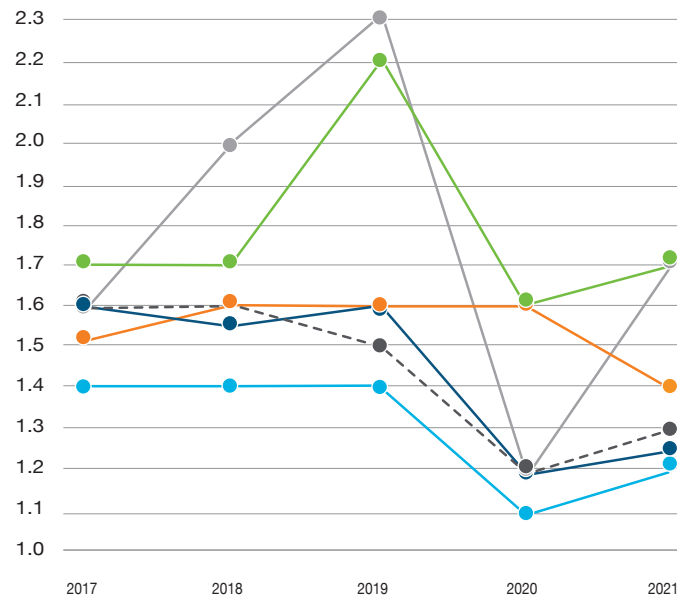
Average payment period measures the time it takes hospitals to pay current liabilities. Higher values may indicate potential liquidity problems and an inability to pay current obligations.

The statewide acute hospital median for average payment period increased by one day between 2020 and 2021, from 64 days to 65. The median payment period increased for three of the four cohorts, with the community-HPP cohort experiencing the largest increase of 24 days. The AMC cohort experienced a decrease of seven days.

The hospital health system median current ratio decreased between 2020 and 2021, while the median average payment period remained stable.

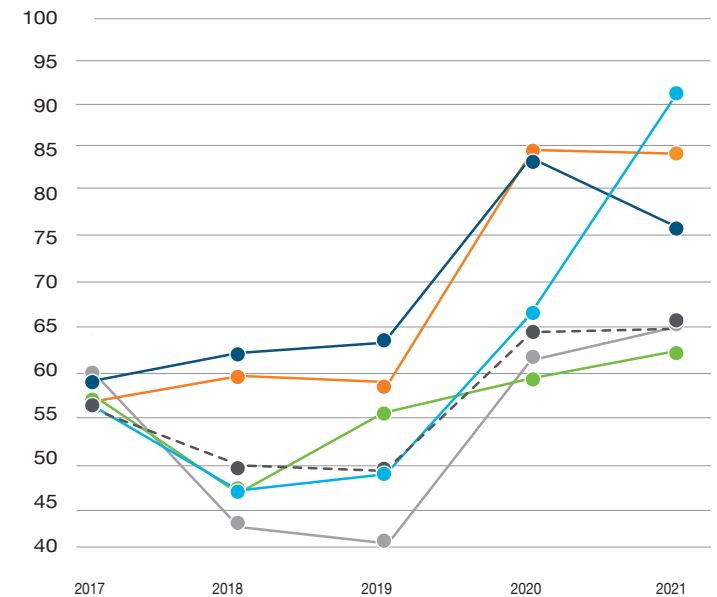
## FY 2017-2021 Current Ratio and Average Payment Period Trends

**Current Ratio Trends**



	2017	2018	2019	2020	2021
<b>Statewide Median</b>	<b>1.6</b>	<b>1.6</b>	<b>1.5</b>	<b>1.2</b>	<b>1.3</b>
Academic Medical Center	1.6	1.6	1.6	1.2	1.3
Teaching Hospital	1.6	2.0	2.3	1.2	1.7
Community Hospital	1.7	1.7	2.2	1.6	1.7
Community-High Public Payer	1.4	1.4	1.4	1.1	1.2
<b>Health System</b>	<b>1.5</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.4</b>

**Average Payment Period Trends**



	2017	2018	2019	2020	2021
<b>Statewide Median</b>	<b>56</b>	<b>49</b>	<b>49</b>	<b>64</b>	<b>65</b>
Academic Medical Center	59	62	63	83	76
Teaching Hospital	60	43	41	61	65
Community Hospital	56	47	55	59	62
Community-High Public Payer	57	47	49	66	90
<b>Health System</b>	<b>57</b>	<b>59</b>	<b>59</b>	<b>84</b>	<b>84</b>

Notes: Steward Health Care's system level data are not included in 2017, 2019, and 2021 as they did not submit audited or standardized financial statements those years. In 2018 and 2020 they did not submit audited or standardized financial statements, but their data was derived from a publicly available source and is included. Heywood Healthcare was not able to submit financial data in time to be included in this publication. The statewide acute hospital median includes specialty hospitals.

## Solvency

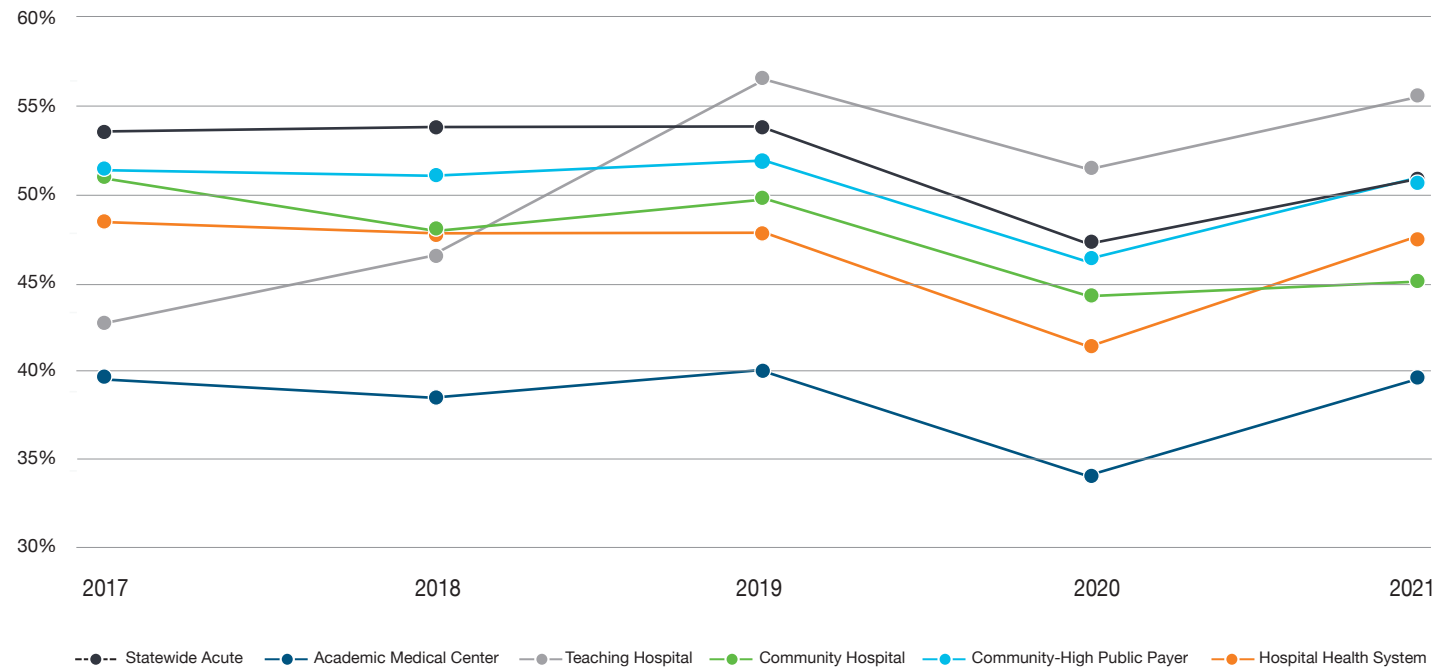
The equity financing ratio measures the proportion of total net assets financed with the health system's equity. It reflects a health system's ability to take on more debt. High values indicate health systems with little or no long-term debt. Low values indicate health systems that are highly leveraged.

The statewide acute hospital median for equity financing increased in 2021, indicating that overall hospitals were less leveraged by debt than they were in the previous year.

All cohorts experienced an increase in median equity financing ratio between 2020 and 2021. The Academic Medical Center cohort continued to have the lowest median equity financing ratio, indicating these hospitals are more leveraged by debt. The teaching hospital cohort had the highest median equity financing ratio in 2021.

The hospital health system median equity financing ratio also increased in 2021 by 5.9 percentage points.

## FY 2017-2021 Equity Financing Ratio Trends



	2017	2018	2019	2020	2021
<b>Statewide Median</b>	<b>53.4%</b>	<b>53.8%</b>	<b>53.8%</b>	<b>47.2%</b>	<b>50.9%</b>
Academic Medical Center	39.8%	38.8%	40.3%	34.5%	39.8%
Teaching Hospital	42.9%	46.7%	56.5%	51.4%	55.4%
Community Hospital	50.9%	48.1%	49.9%	44.3%	45.3%
Community-High Public Payer	51.3%	51.1%	51.9%	46.4%	50.9%
<b>Health System</b>	<b>48.4%</b>	<b>47.9%</b>	<b>47.8%</b>	<b>41.6%</b>	<b>47.5%</b>



## FY 2021 Health System, Hospital, and Physician Organization Metrics

Entity Name	Organization Type	Months Reported	Operating Margin	Non-Operating Margin	Total Margin	COVID Funding in Operating Revenue <sup>1</sup>	Excess (Deficit) of Revenue over Expenses	Current Ratio	Net Assets
<b>Baystate Health</b>		<b>12</b>	<b>0.9%</b>	<b>3.7%</b>	<b>4.6%</b>	<b>\$0.0</b>	<b>\$133.1</b>	<b>1.9</b>	<b>\$1,422.6</b>
Baystate Franklin	Community-High Public Payer	12	-1.7%	0.3%	-1.4%	\$0.0	(\$1.5)	1.1	\$52.4
Baystate Medical Center <sup>o</sup>	Teaching Hospital	12	5.4%	6.1%	11.5%	\$0.0	\$195.7	2.6	\$1,071.3
Baystate Noble	Community-High Public Payer	12	0.1%	0.1%	0.2%	\$0.0	\$0.1	1.0	\$30.8
Baystate Wing	Community-High Public Payer	12	-1.2%	1.6%	0.3%	\$0.0	\$0.3	1.1	\$43.8
Baystate Medical Practices	Physician Organization	12	-15.3%	0.1%	-15.2%	\$0.0	(\$59.4)	—	—
<b>Berkshire Health Systems</b>		<b>12</b>	<b>2.5%</b>	<b>9.1%</b>	<b>11.6%</b>	<b>\$17.6</b>	<b>\$94.6</b>	<b>1.6</b>	<b>\$602.3</b>
Berkshire Medical Center	Community-High Public Payer	12	6.5%	8.5%	15.1%	\$13.2	\$96.7	1.4	\$540.9
Fairview Hospital	Community-High Public Payer	12	11.7%	6.9%	18.7%	\$4.2	\$15.5	1.4	\$55.3
Berkshire Faculty Services	Physician Organization	12	-32.1%	10.1%	-22.0%	\$0.2	(\$12.8)	—	—
Berkshire Orthopaedic Associates	Physician Organization	12	-27.4%	0.0%	-27.4%	\$0.0	(\$2.8)	—	—
<b>Beth Israel Lahey Health</b>		<b>12</b>	<b>1.6%</b>	<b>3.5%</b>	<b>5.0%</b>	<b>\$143.6</b>	<b>\$352.0</b>	<b>2.1</b>	<b>\$3,742.0</b>
Anna Jaques Hospital	Community Hospital	12	-1.3%	2.6%	1.3%	\$4.9	\$1.9	1.6	\$26.6
Beth Israel Deaconess Hospital - Milton	Community Hospital	12	5.6%	4.4%	10.0%	\$0.0	\$15.2	1.8	\$123.3
Beth Israel Deaconess Hospital - Needham	Community Hospital	12	0.6%	1.2%	1.7%	\$0.0	\$2.1	1.5	\$64.0
Beth Israel Deaconess Hospital - Plymouth	Community-High Public Payer	12	1.7%	1.3%	3.1%	\$0.9	\$10.0	1.4	\$122.3
Beth Israel Deaconess Medical Center	Academic Medical Center	12	3.9%	3.9%	7.8%	\$0.0	\$181.4	2.2	\$1,303.6
Lahey Hospital and Medical Center	Teaching Hospital	12	7.6%	2.0%	9.7%	\$29.3	\$110.7	1.7	\$555.7
Mount Auburn Hospital	Teaching Hospital	12	1.2%	5.5%	6.7%	\$13.4	\$23.1	1.9	\$255.6
New England Baptist Hospital	Specialty Hospital	12	8.9%	2.4%	11.2%	\$17.2	\$28.4	3.1	\$177.9
Northeast Hospital	Community-High Public Payer	12	3.9%	6.7%	10.6%	\$0.0	\$45.6	3.4	\$313.2
Winchester Hospital	Community Hospital	12	5.9%	6.7%	12.6%	\$0.0	\$42.8	4.1	\$360.2
The Affiliated Physicians Group	Physician Organization	12	-27.4%	0.0%	-27.4%	\$2.2	(\$27.9)	—	—
Community Physicians Associates	Physician Organization	12	-63.9%	0.0%	-63.9%	\$0.0	(\$2.6)	—	—
Harvard Medical Faculty Physicians	Physician Organization	12	3.3%	4.2%	7.5%	\$0.0	\$62.7	—	—
Jordan Physicians Associates	Physician Organization	12	-33.8%	0.0%	-33.8%	\$1.6	(\$10.7)	—	—
Lahey Clinic	Physician Organization	12	-16.5%	-2.1%	-18.6%	\$29.5	(\$58.4)	—	—
Lahey Physician Community Org	Physician Organization	12	-12.8%	-0.1%	-12.9%	\$0.9	(\$3.1)	—	—
Mount Auburn Professional Services	Physician Organization	12	-23.7%	0.0%	-23.7%	\$8.1	(\$22.4)	—	—

Entity Name	Organization Type	Months Reported	Operating Margin	Non-Operating Margin	Total Margin	COVID Funding in Operating Revenue <sup>1</sup>	Excess (Deficit) of Revenue over Expenses	Current Ratio	Net Assets
New England Baptist Medical Associates	Physician Organization	12	-29.9%	0.0%	-29.9%	\$0.0	(\$3.0)	—	—
Northeast Medical Practice	Physician Organization	12	-42.4%	-0.1%	-42.5%	\$2.4	(\$15.8)	—	—
Seacoast Affiliated Group Practice	Physician Organization	12	-11.0%	0.0%	-11.0%	\$1.1	(\$1.6)	—	—
Winchester Physician Association	Physician Organization	12	-7.2%	0.0%	-7.3%	\$2.1	(\$4.1)	—	—
<b>Boston Children's Hospital and Subsidiaries</b>		<b>12</b>	<b>-0.3%</b>	<b>27.6%</b>	<b>27.3%</b>	<b>\$26.5</b>	<b>\$1,088.7</b>	<b>1.4</b>	<b>\$7,909.3</b>
Boston Children's Hospital	Specialty Hospital	12	-0.8%	4.4%	3.6%	\$0.0	\$75.1	6.6	\$5,170.7
Physicians Organization at Children's Hospital and Foundation	Physician Organization	12	-3.7%	20.3%	16.6%	\$26.5	\$177.4	—	—
<b>Boston Medical Center Health System</b>		<b>12</b>	<b>1.9%</b>	<b>1.4%</b>	<b>3.4%</b>	<b>\$60.0</b>	<b>\$154.8</b>	<b>1.7</b>	<b>\$2,052.9</b>
Boston Medical Center <sup>ε</sup>	Academic Medical Center	12	0.5%	1.9%	2.3%	\$60.0	\$46.0	1.9	\$1,420.5
Boston University Affiliated Physicians	Physician Organization	12	-9.6%	0.0%	-9.6%	\$0.0	(\$0.1)	—	—
BMC Faculty Practice Foundation	Physician Organization	12	-0.9%	2.7%	1.7%	\$0.0	\$7.4	—	—
<b>Cambridge Health Alliance</b>		<b>12</b>	<b>-3.6%</b>	<b>9.6%</b>	<b>6.0%</b>	<b>\$0.0</b>	<b>\$50.1</b>	<b>4.1</b>	<b>\$299.2</b>
Cambridge Health Alliance <sup>ε</sup>	Teaching Hospital	12	-3.6%	9.6%	6.0%	\$0.0	\$50.1	4.1	\$299.2
<b>Cape Cod Healthcare</b>		<b>12</b>	<b>-1.1%</b>	<b>4.4%</b>	<b>3.3%</b>	<b>\$17.2</b>	<b>\$33.1</b>	<b>1.3</b>	<b>\$893.0</b>
Cape Cod Hospital	Community-High Public Payer	12	5.1%	3.3%	8.4%	\$11.6	\$52.7	1.5	\$513.0
Falmouth Hospital	Community-High Public Payer	12	1.1%	11.7%	12.7%	\$3.9	\$24.2	0.9	\$247.6
Medical Affiliates of Cape Cod	Physician Organization	12	-59.1%	-21.9%	-81.0%	\$0.9	(\$52.0)	—	—
<b>Dana-Farber Cancer Institute and Subsidiaries</b>		<b>12</b>	<b>-7.3%</b>	<b>19.9%</b>	<b>12.6%</b>	<b>\$24.0</b>	<b>\$323.4</b>	<b>1.1</b>	<b>\$2,900.3</b>
Dana-Farber Cancer Institute	Specialty Hospital	12	-7.2%	19.9%	12.7%	\$23.5	\$326.0	1.2	\$2,942.8
Dana-Farber Cancer Care Network, Inc	Physician Organization	12	-19.6%	0.0%	-19.5%	\$0.5	(\$1.8)	—	—
<b>Emerson Health System and Subsidiaries</b>		<b>12</b>	<b>0.6%</b>	<b>9.1%</b>	<b>9.7%</b>	<b>\$0.0</b>	<b>\$33.8</b>	<b>1.4</b>	<b>\$86.0</b>
Emerson Hospital	Community Hospital	12	0.4%	9.1%	9.5%	\$0.0	\$33.0	1.7	\$88.2
<b>Harrington HealthCare System<sup>2</sup></b>		<b>12</b>	<b>0.8%</b>	<b>2.1%</b>	<b>2.9%</b>	<b>\$0.0</b>	<b>\$5.3</b>	<b>2.1</b>	<b>\$81.2</b>
Harrington Hospital	Community-High Public Payer	12	6.8%	2.5%	9.2%	\$0.0	\$14.6	2.2	\$80.6
Harrington Physician Services	Physician Organization	12	-38.4%	-0.1%	-38.5%	\$0.0	(\$9.3)	—	—
<b>Heywood Healthcare<sup>3</sup></b>									
Athol Hospital	Community-High Public Payer								
Heywood Hospital	Community-High Public Payer								
Heywood Medical Group	Physician Organization								

Entity Name	Organization Type	Months Reported	Operating Margin	Non-Operating Margin	Total Margin	COVID Funding in Operating Revenue <sup>1</sup>	Excess (Deficit) of Revenue over Expenses	Current Ratio	Net Assets
<b>Lawrence General Hospital and Affiliates</b>		<b>12</b>	<b>-5.9%</b>	<b>1.0%</b>	<b>-4.9%</b>	<b>\$0.0</b>	<b>(\$16.3)</b>	<b>1.4</b>	<b>\$66.2</b>
Lawrence General Hospital	Community-High Public Payer	12	-3.4%	1.0%	-2.4%	\$0.0	(\$7.5)	1.3	\$72.8
Community Medical Associates	Physician Organization	12	-106.8%	-7.4%	-114.1%	\$0.0	(\$7.1)	—	—
<b>Mass General Brigham</b>		<b>12</b>	<b>2.4%</b>	<b>14.5%</b>	<b>16.9%</b>	<b>\$234.1</b>	<b>\$3,162.2</b>	<b>2.7</b>	<b>\$16,175.5</b>
Brigham & Women's Faulkner Hospital	Community Hospital	12	4.8%	0.0%	4.8%	\$6.8	\$15.9	0.7	\$68.4
Brigham & Women's Hospital	Academic Medical Center	12	8.4%	0.1%	8.5%	\$47.0	\$314.8	0.8	\$612.8
Cooley Dickinson Hospital	Community Hospital	12	10.6%	0.0%	10.6%	\$4.8	\$25.0	0.7	\$41.7
Martha's Vineyard Hospital	Community Hospital	12	4.0%	12.3%	16.3%	\$1.5	\$21.2	2.1	\$160.0
Massachusetts Eye & Ear Infirmary	Specialty Hospital	12	0.2%	0.0%	0.2%	\$7.7	\$0.6	1.1	\$19.2
Massachusetts General Hospital	Academic Medical Center	12	4.7%	0.1%	4.8%	\$82.6	\$241.2	0.8	\$3,194.2
Nantucket Cottage Hospital	Community Hospital	12	-0.9%	6.1%	5.2%	\$1.1	\$4.0	3.5	\$162.9
Newton-Wellesley Hospital	Community Hospital	12	1.2%	-0.5%	0.7%	\$2.0	\$4.2	0.7	\$87.6
North Shore Medical Center	Community-High Public Payer	12	3.1%	-0.1%	3.0%	\$3.8	\$15.7	0.7	\$212.3
Brigham and Women's Physicians Organization	Physician Organization	12	4.9%	7.2%	12.2%	\$14.5	\$142.4	—	—
CD Practice Associates	Physician Organization	12	-21.2%	0.0%	-21.2%	\$2.5	(\$13.8)	—	—
Massachusetts Eye and Ear Associates	Physician Organization	12	3.6%	1.8%	5.4%	\$3.4	\$9.5	—	—
Massachusetts General Hospital Physicians Organization	Physician Organization	12	2.8%	9.4%	12.2%	\$16.6	\$181.7	—	—
Nantucket Physician Organization	Physician Organization	12	21.8%	0.0%	21.8%	\$0.0	\$0.1	—	—
Newton-Wellesley Physician Hospital Group	Physician Organization	12	-0.4%	0.0%	-0.4%	\$0.7	(\$0.5)	—	—
North Shore Physicians Group	Physician Organization	12	-7.2%	0.0%	-7.3%	\$6.8	(\$14.0)	—	—
Partners Community Physician Organization	Physician Organization	12	-8.4%	5.6%	-2.8%	\$3.2	(\$4.4)	—	—
<b>Milford Regional Medical Center and Affiliates</b>		<b>12</b>	<b>-3.5%</b>	<b>2.2%</b>	<b>-1.3%</b>	<b>\$2.7</b>	<b>(\$4.4)</b>	<b>1.7</b>	<b>\$123.5</b>
Milford Regional Medical Center	Community Hospital	12	-3.7%	3.0%	-0.7%	\$1.9	(\$1.8)	1.8	\$119.4
Milford Regional Physician Group	Physician Organization	12	-2.7%	0.0%	-2.7%	\$0.8	(\$2.6)	—	—
<b>Shriners Hospitals for Children</b>									
Shriners Hospital for Children - Boston*	Specialty Hospital								
Shriners Hospital for Children - Springfield*	Specialty Hospital								
<b>Signature Healthcare Corporation</b>		<b>12</b>	<b>1.0%</b>	<b>1.0%</b>	<b>2.1%</b>	<b>\$19.3</b>	<b>\$8.4</b>	<b>0.8</b>	<b>\$110.4</b>
Signature Healthcare Brockton Hospital	Community-High Public Payer	12	3.8%	1.2%	4.9%	\$15.8	\$17.0	0.7	\$92.8
Signature Healthcare Medical Group	Physician Organization	12	-12.3%	0.0%	-12.3%	\$3.5	(\$9.0)	—	—

Entity Name	Organization Type	Months Reported	Operating Margin	Non-Operating Margin	Total Margin	COVID Funding in Operating Revenue <sup>1</sup>	Excess (Deficit) of Revenue over Expenses	Current Ratio	Net Assets
<b>South Shore Health System Inc.</b>		<b>12</b>	<b>-0.7%</b>	<b>6.4%</b>	<b>5.7%</b>	<b>\$6.6</b>	<b>\$51.9</b>	<b>1.3</b>	<b>\$491.0</b>
South Shore Hospital	Community Hospital	12	-0.4%	6.7%	6.2%	\$0.3	\$49.9	1.0	\$403.5
Coastal Medical Associates	Physician Organization	12	-4.2%	0.0%	-4.2%	\$6.3	(\$4.5)	—	—
<b>Southcoast Health Systems</b>		<b>12</b>	<b>-2.8%</b>	<b>8.5%</b>	<b>5.6%</b>	<b>\$6.2</b>	<b>\$70.6</b>	<b>1.1</b>	<b>\$950.7</b>
Southcoast Hospital Group	Community-High Public Payer	12	3.0%	7.7%	10.7%	\$6.2	\$106.5	1.1	\$697.0
Southcoast Physician Group	Physician Organization	12	-34.4%	0.0%	-34.4%	\$0.0	(\$78.0)	—	—
<b>Steward Health Care <sup>4</sup></b>									
Morton Hospital	Community-High Public Payer	12	-4.1%	1.3%	-2.8%	\$0.0	(\$4.2)	1.3	\$37.5
Nashoba Valley Medical Center	Community-High Public Payer	12	-9.3%	6.9%	-2.4%	\$0.0	(\$1.6)	1.3	\$8.3
Steward Carney Hospital <sup>ε</sup>	Teaching Hospital	12	-20.8%	11.2%	-9.6%	\$0.0	(\$12.3)	1.1	\$37.3
Steward Good Samaritan Medical Center	Community-High Public Payer	12	6.2%	0.9%	7.1%	\$0.0	\$22.1	1.2	\$46.1
Steward Holy Family Hospital	Community-High Public Payer	12	4.1%	4.2%	8.3%	\$0.0	\$24.8	1.4	\$41.5
Steward Norwood Hospital	Community-High Public Payer	12	-121.9%	24.6%	-97.3%	\$0.0	(\$35.6)	0.1	-\$4.3
Steward Saint Anne's Hospital	Community-High Public Payer	12	11.4%	0.7%	12.1%	\$0.0	\$39.3	1.3	\$49.3
Steward St. Elizabeth's Medical Center <sup>ε</sup>	Teaching Hospital	12	1.4%	1.1%	2.5%	\$0.0	\$10.9	1.1	\$131.1
Steward Medical Group	Physician Organization								
<b>Sturdy Memorial Foundation and Affiliates</b>		<b>12</b>	<b>-4.0%</b>	<b>20.3%</b>	<b>16.2%</b>	<b>\$0.0</b>	<b>\$56.8</b>	<b>1.3</b>	<b>\$591.1</b>
Sturdy Memorial Hospital	Community-High Public Payer	12	-1.4%	22.6%	21.2%	\$0.0	\$61.5	1.2	\$514.9
Sturdy Memorial Associates	Physician Organization	12	-18.5%	-0.7%	-19.2%	\$0.0	(\$11.6)	-	-
<b>Tenet Healthcare</b>		<b>12</b>	<b>8.0%</b>	<b>-3.2%</b>	<b>4.7%</b>	<b>\$191.0</b>	<b>\$914.0</b>	<b>1.4</b>	<b>\$4,257.0</b>
MetroWest Medical Center	Community-High Public Payer	12	-5.0%	0.3%	-4.6%	(\$4.9)	(\$10.5)	0.8	\$24.9
Saint Vincent Hospital <sup>ε</sup>	Teaching Hospital	12	-24.6%	-1.3%	-25.9%	(\$14.3)	(\$105.6)	1.0	\$247.4
Metrowest Physician Services	Physician Organization	12	-48.6%	0.0%	-48.6%	\$0.0	(\$6.1)	—	—
Saint Vincent Medical Company	Physician Organization	12	-48.8%	0.0%	-48.8%	\$0.1	(\$17.3)	—	—
<b>Trinity Health</b>		<b>12</b>	<b>2.8%</b>	<b>13.7%</b>	<b>16.5%</b>	<b>\$632.4</b>	<b>\$3,852.0</b>	<b>2.1</b>	<b>\$18,508.3</b>
Mercy Medical Center	Community-High Public Payer	12	-0.4%	5.1%	4.7%	(\$3.4)	\$15.8	1.8	\$199.5
Mercy Inpatient Medical Associates	Physician Organization	12	-10.1%	0.0%	-10.1%	\$0.0	(\$2.8)	—	—
Mercy Medical Group	Physician Organization	12	-80.4%	0.0%	-80.4%	(\$0.0)	(\$3.2)	—	—
Mercy Specialist Physicians	Physician Organization	12	-62.1%	0.0%	-62.1%	\$0.5	(\$1.7)	—	—
Pioneer Valley Cardiology Associates	Physician Organization	12	-70.7%	0.0%	-70.7%	\$0.0	(\$6.0)	—	—
Riverbend Medical Group	Physician Organization	12	-8.4%	0.0%	-8.4%	\$14.7	(\$6.5)	—	—

Entity Name	Organization Type	Months Reported	Operating Margin	Non-Operating Margin	Total Margin	COVID Funding in Operating Revenue <sup>1</sup>	Excess (Deficit) of Revenue over Expenses	Current Ratio	Net Assets
<b>UMass Memorial Health Care</b>		<b>12</b>	<b>-2.1%</b>	<b>8.7%</b>	<b>6.6%</b>	<b>\$38.7</b>	<b>\$220.7</b>	<b>1.4</b>	<b>\$1,457.8</b>
HealthAlliance-Clinton Hospital	Community-High Public Payer	12	0.4%	4.7%	5.0%	\$1.3	\$11.6	1.1	\$178.4
Marlborough Hospital	Community-High Public Payer	12	1.4%	4.0%	5.4%	\$0.8	\$6.0	1.3	\$58.4
UMass Memorial Medical Center $\epsilon$	Academic Medical Center	12	0.7%	2.2%	2.9%	\$22.3	\$64.4	1.1	\$479.3
UMass Memorial Medical Group Inc.	Physician Organization	12	-5.4%	1.1%	-4.3%	\$1.8	(\$27.8)	—	—
<b>Valley Health System</b>		<b>12</b>	<b>-0.4%</b>	<b>0.0%</b>	<b>-0.5%</b>	<b>\$0.0</b>	<b>(\$1.0)</b>	<b>1.4</b>	<b>\$22.8</b>
Holyoke Medical Center	Community-High Public Payer	12	0.8%	-0.4%	0.4%	\$0.0	\$0.8	1.3	\$10.5
Western Mass Physician Associates	Physician Organization	12	-23.3%	0.0%	-23.3%	\$0.0	(\$1.6)	—	—
<b>Wellforce</b>		<b>12</b>	<b>0.1%</b>	<b>6.6%</b>	<b>6.7%</b>	<b>\$17.9</b>	<b>\$165.2</b>	<b>1.1</b>	<b>\$966.9</b>
Lowell General Hospital	Community-High Public Payer	12	1.7%	3.7%	5.4%	\$11.5	\$27.9	1.2	\$160.4
MelroseWakefield Health	Community-High Public Payer	12	-3.6%	11.5%	7.9%	\$1.5	\$21.3	0.7	\$191.1
Tufts Medical Center $\epsilon$	Academic Medical Center	12	4.5%	6.7%	11.2%	\$7.6	\$135.3	1.4	\$387.9
Circle Health Physicians	Physician Organization	12	-19.6%	-0.2%	-19.8%	(\$4.3)	(\$13.4)	—	—
Hallmark Health Medical Associates	Physician Organization	12	-30.7%	0.0%	-30.7%	(\$0.8)	(\$16.1)	—	—
Tufts Medical Center Community Care	Physician Organization	12	-27.5%	0.0%	-27.5%	\$0.0	(\$2.5)	—	—
Tufts Medical Center Physician Organization	Physician Organization	12	0.7%	0.0%	0.7%	\$0.0	\$2.1	—	—

All dollar values are in millions.

<sup>1</sup> Sum of amounts reported as Other Operating Revenue: Federal COVID-19 Relief Funds and Other Operating Revenue: State & Other COVID-19 Relief Funds. This value does not include COVID-19 relief funds reported on other line items.

<sup>2</sup> Harrington Hospital and Harrington Physician Services became part of UMass Memorial Health Care in July 2021. This will be reflected in all future publications.

<sup>3</sup> Heywood HealthCare's system level, hospital, and physician organization data are not included as they did not submit audited or standardized financial statements.

<sup>4</sup> Steward Health Care's system level and physician organization data are not included as they did not submit audited or standardized financial statements.

\* Shriners Hospital Boston (SHB) and Shriners Hospital Springfield (SHS) are part of the national Shriners Hospitals for Children system (SHC) and are reliant upon support from the SHC endowment to cover the costs associated with fulfilling their mission to provide care to patients regardless of their ability to pay. This support is provided through transfers from the SHC's endowment to the hospitals, as these transfers are not considered revenue for the purpose of calculating profitability margin, SHB's and SHS's profitability margins are not comparable to other acute hospitals. Therefore, they have been excluded from the graphics but are included in the statewide median and the [databook](#).

- Indicates current ratio and net assets are not collected from the physician organization.

$\epsilon$  Indicates a hospital meets the High Public Payer threshold.

# Report Notes

### Acute Hospital and Health System

#### Fiscal Year-End Dates

The fiscal year 2021 analysis is based on 12 months of financial data for all entities. The majority of health systems and hospitals have a fiscal year-end date of September 30; however, Cambridge Health Alliance and Mercy Medical Center have a June 30 year-end date, and MetroWest Medical Center, Saint Vincent Hospital, Shriners – Boston, Shriners – Springfield, and Steward Health Care System’s eight hospitals have a December 31 year-end date.

Hospitals	Fiscal Year End	FY 2021 Data Period
Majority of Hospitals (47)	9/30	10/1/20 – 9/30/21
Cambridge Health Alliance Mercy Medical Center	6/30	7/1/20 – 6/30/21
MetroWest Medical Center Saint Vincent Hospital Shriners Hospitals for Children Boston Shriners Hospitals for Children Springfield Steward Health Care System Hospitals (8)	12/31	1/1/20 – 12/31/21

### Data Caveats

Steward Health Care did not submit the required audited or standardized financial statements for the system or physician organization in FY 2021 and therefore their data could not be included.

In 2018 and 2020, Steward Health Care system level data was derived from publicly available audited financial statements that were standardized by CHIA using the same method as the other health systems. Additionally, Steward Health Care did not report any of the COVID relief funding received by their eight hospitals as operating revenue. After obtaining the publicly available audited financial statements, their 2020 data was revised by CHIA to include the Provider Relief Funds received by each of the hospitals in their operating revenue.

Heywood Health Care did not submit the required system level audited or standardized financial statements in time to be included in this publication and therefore their FY 2021 data is not included.

### **Acute Hospital Cohort Definitions**

Acute hospitals were assigned to one of the following cohorts according to the criteria below. Please note that some AMCs and teaching hospitals have High Public Payer (HPP) status; this has been noted throughout the report where applicable. For this report, FY 2020 Hospital Cost Report data is used to determine cohorts.

**Academic Medical Centers (AMCs)** are a subset of teaching hospitals. AMCs are characterized by (1) extensive research and teaching programs, and (2) extensive resources for tertiary and quaternary care, and are (3) principal teaching hospitals for their respective medical schools, and (4) full service hospitals with case mix intensity greater than 5% above the statewide average.

**Teaching hospitals** are those hospitals that report at least 25 full-time equivalent medical school residents per 100 inpatient beds in accordance with Medicare Payment Advisory Commission and which do not meet the criteria to be classified as AMCs.

**Community hospitals** are hospitals that do not meet the 25 full-time equivalents medical school residents per 100 beds criteria to be classified as a teaching hospital and have a public payer mix of less than 63%.

**Community-High Public Payer (HPP)** are community hospitals that are disproportionately reliant upon public revenues by virtue of a public payer mix of 63% or greater. Public payers include Medicare, MassHealth and other government payers, including the Health Safety Net.

**Specialty hospitals** are not included in any cohort comparison analysis due the unique patient populations they serve and/or the unique sets of services they provide. However, specialty hospitals are included in all statewide median calculations. ■



For more information, please contact:

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