

# Massachusetts Acute Hospital Financial Performance Fiscal Year Data through June 30, 2015



September 2015

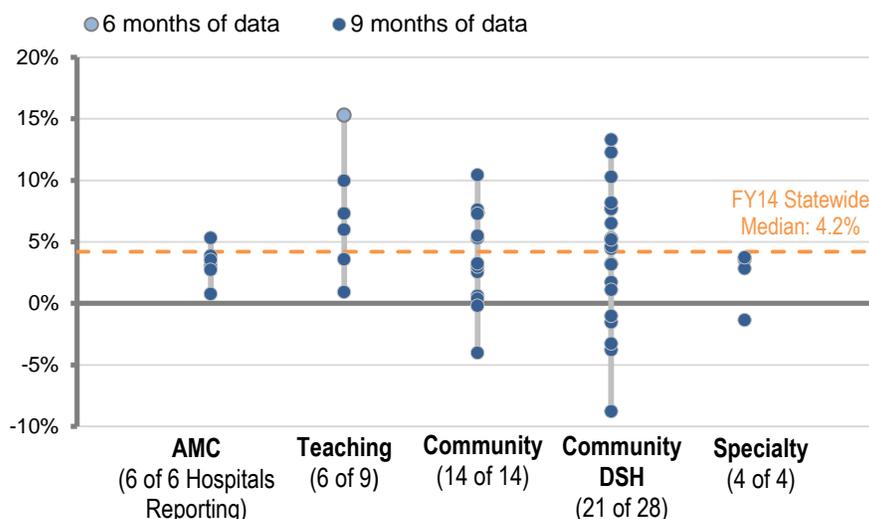
## About this Report

This report provides an update on the profitability, liquidity, and solvency of acute care hospitals for the fiscal period ending June 30, 2015 (current period). Fifty one of sixty one acute hospitals in Massachusetts are included in this publication. Two hospitals were not required to report by the date of this publication. This report compares hospital financial performance in the current period to the same point in time in the prior year for the same group of hospitals, and to the prior year's statewide performance. Acute hospitals are grouped into the following cohorts: Academic Medical Centers (AMCs), teaching hospitals, community hospitals, and community-Disproportionate Share Hospitals (DSH). Specialty hospitals are not considered a cohort but are displayed and included in statewide medians.

## Key Findings

- Profitability for the hospitals reporting in the current period (51 of 61) remained stable compared to the same period in the prior year ending June 30, 2014. Forty three hospitals reported positive total margins, while eight hospitals reported losses in the current period. Six of the eight hospitals are part of larger health systems. The current period total margin among reporting hospitals of 3.7% is 0.5 percentage points lower than the FY14 statewide median for all hospitals.
- The median current ratio of reporting hospitals did not change from the prior period, remaining at 1.7.
- Two acute hospitals reported negative net assets in the current period.

Acute Hospital Total Margins (Data as of 06/30/15)



## Profitability

Acute hospital profitability, as measured by median total margin, increased in the community and community-DSH hospital cohorts. Teaching hospitals had the largest decrease in median total margin, yet remained the most profitable compared to the other three cohorts. Community hospitals had the largest increase in median total margin between the period ending June 30, 2014 and the current period, but were still less profitable than the teaching and community-DSH hospital cohorts.

Median Total Margin Trend by Cohort

	6/30/2013	6/30/2014	6/30/2015
<b>Statewide Median</b> (51 of 61 hospitals)	3.5%	3.7%	3.7%
<b>AMC</b> (6 of 6 hospitals)	4.7%	3.6%	3.3%
<b>Teaching</b> (6 of 9 hospitals)	7.6%	8.8%	6.6%
<b>Community</b> (14 of 14 hospitals)	3.1%	2.7%	4.3%
<b>Community-DSH</b> (21 of 28 hospitals)	2.8%	4.2%	4.6%

## Liquidity

Acute hospital liquidity, as measured by the median current ratio, remained consistent with prior periods examined in this report. A current ratio above 1.0 indicates a hospital has current assets sufficient to meet current liabilities. The teaching hospital cohort median current ratio decreased from 4.8 to 2.0 between the period ending June 30, 2013 and the current period. Three of four cohorts median current ratios remained stable during the same two year time period. Three hospitals reported current ratios below 1.0, consistent with the prior period ending June 30, 2014. All three hospitals in the current period are part of larger health systems.

## Solvency

Net assets are the difference between a hospital's total assets and total liabilities and can be used to assess solvency. Two hospitals, one in the community and the other in the community-DSH cohort, reported negative net assets in the current period. Both hospitals are part of larger health systems.

For additional information and descriptions of the metrics, please see Technical Appendix and Databook.

59 hospitals were required to report data as of 6/30/15. Statewide medians include specialty hospitals.

**Massachusetts Acute Hospital Financial Performance**

**Fiscal Year Data through June 30, 2015**

Hospital Name	Cohort	System Affiliation	Months Reported	Profitability			Liquidity	Solvency	Profit (Loss) in Millions
				Total Margin	Operating Margin	Non-Operating Margin	Current Ratio	Net Assets in Millions	
<b>These hospitals (10) have a 12/31/15 fiscal year end and this report contains 6 months of data:</b>									
Morton Hospital	D	Steward Health Care	6						
Nashoba Valley Medical Center	D	Steward Health Care	6						
Steward Carney Hospital^	T	Steward Health Care	6						
Steward Good Samaritan Medical Center	D	Steward Health Care	6	The data for these hospitals were not reported in time for inclusion in this report					
Steward Holy Family Hospital	D	Steward Health Care	6						
Steward Norwood Hospital	D	Steward Health Care	6						
Steward Saint Anne's Hospital	D	Steward Health Care	6						
Steward St. Elizabeth's Medical Center^	T	Steward Health Care	6						
MetroWest Medical Center	C	Tenet Healthcare	6	7.4%	7.3%	0.1%	1.6	(\$43.6)	\$9.6
Saint Vincent Hospital^	T	Tenet Healthcare	6	15.3%	15.4%	-0.1%	1.6	\$373.9	\$32.8
<b>These hospitals (49) have a 9/30/15 fiscal year end and this report contains 9 months of data:</b>									
Baystate Franklin Medical Center	D	Baystate Health	9	6.5%	6.0%	0.5%	2.0	\$48.6	\$4.6
Baystate Mary Lane Hospital	C	Baystate Health	9	-4.0%	-5.6%	1.6%	1.7	\$18.5	(\$0.8)
Baystate Medical Center^	T	Baystate Health	9	6.0%	5.2%	0.7%	3.3	\$692.3	\$50.6
Baystate Noble Hospital	D	Baystate Health	9	1.1%	0.8%	0.3%	0.4	(\$7.6)	\$0.5
Baystate Wing Hospital	D	Baystate Health	9	-3.8%	-4.4%	0.6%	1.5	\$44.9	(\$2.2)
Berkshire Medical Center^	T	Berkshire Health	9	7.3%	5.0%	2.3%	1.1	\$303.2	\$21.2
Fairview Hospital	D	Berkshire Health	9	7.6%	5.6%	2.0%	1.0	\$22.4	\$2.7
Cape Cod Hospital	D	Cape Cod Healthcare	9	7.7%	5.8%	1.9%	1.4	\$299.3	\$27.0
Falmouth Hospital	D	Cape Cod Healthcare	9	10.3%	6.4%	3.9%	1.2	\$188.7	\$12.2
Beth Israel Deaconess Hospital - Milton	C	CareGroup	9	7.6%	6.0%	1.6%	2.0	\$78.5	\$5.5
Beth Israel Deaconess Hospital - Needham	C	CareGroup	9	5.3%	4.1%	1.2%	2.0	\$40.7	\$3.1
Beth Israel Deaconess Hospital - Plymouth	D	CareGroup	9	4.4%	2.9%	1.5%	1.9	\$84.7	\$7.1
Beth Israel Deaconess Medical Center	A	CareGroup	9	3.1%	1.9%	1.1%	3.3	\$938.2	\$34.6
Mount Auburn Hospital	T	CareGroup	9	10.0%	7.8%	2.2%	4.9	\$276.7	\$25.6
New England Baptist Hospital	S	CareGroup	9	3.7%	2.2%	1.5%	3.4	\$125.6	\$7.0
Athol Memorial Hospital	D	Heywood Healthcare	9	-1.6%	-1.8%	0.3%	0.6	\$4.1	(\$0.3)
Heywood Hospital	D	Heywood Healthcare	9	5.2%	4.3%	0.9%	1.2	\$54.7	\$4.2
Lahey Hospital & Medical Center	T	Lahey Health System	9	3.6%	3.7%	-0.2%	2.3	\$180.2	\$21.9
Northeast Hospital	C	Lahey Health System	9	7.3%	4.6%	2.7%	2.3	\$225.3	\$19.4
Winchester Hospital	C	Lahey Health System	9	3.0%	2.3%	0.7%	1.3	\$264.4	\$6.1
Brigham and Women's Faulkner Hospital	T	Partners HealthCare	9	0.9%	0.8%	0.1%	0.8	\$75.6	\$1.5
Brigham and Women's Hospital	A	Partners HealthCare	9	3.5%	3.6%	0.0%	1.3	\$480.9	\$68.8
Cooley Dickinson Hospital	C	Partners HealthCare	9	2.5%	2.5%	0.0%	1.0	\$76.4	\$3.1
Martha's Vineyard Hospital	D	Partners HealthCare	9	1.7%	0.8%	0.9%	1.9	\$103.6	\$0.9
Massachusetts General Hospital	A	Partners HealthCare	9	5.3%	5.4%	-0.1%	1.7	\$2,165.3	\$136.4
Nantucket Cottage Hospital	C	Partners HealthCare	9	-0.2%	-11.7%	11.4%	1.4	\$63.6	(\$0.1)
Newton-Wellesley Hospital	C	Partners HealthCare	9	5.5%	6.0%	-0.5%	1.3	\$199.1	\$18.4
North Shore Medical Center	D	Partners HealthCare	9	-8.8%	-8.6%	-0.2%	2.0	\$21.0	(\$27.6)
Clinton Hospital	D	UMass Memorial HC	9	-3.3%	-4.9%	1.6%	1.9	\$18.0	(\$0.7)
HealthAlliance Hospital	D	UMass Memorial HC	9	4.6%	3.9%	0.7%	1.8	\$157.0	\$5.8
Marlborough Hospital	D	UMass Memorial HC	9	5.3%	3.4%	1.9%	1.5	\$31.9	\$3.3
UMass Memorial Medical Center^	A	UMass Memorial HC	9	2.7%	2.4%	0.3%	1.7	\$331.3	\$30.6
Lowell General Hospital	D	Wellforce	9	3.2%	2.9%	0.2%	1.7	\$172.3	\$10.1
Tufts Medical Center	A	Wellforce	9	0.7%	-0.6%	1.3%	1.4	\$139.6	\$4.0
Anna Jaques Hospital	C	Individual	9	0.6%	-0.2%	0.8%	2.6	\$27.2	\$0.5
Boston Children's Hospital	S	Individual	9	2.9%	3.3%	-0.5%	8.9	\$3,192.1	\$29.9
Boston Medical Center^	A	Individual	9	3.9%	1.4%	2.5%	2.0	\$1,221.0	\$33.1
Dana-Farber Cancer Institute	S	Individual	9	2.8%	-3.8%	6.6%	1.0	\$1,367.7	\$24.4
Emerson Hospital	C	Individual	9	0.4%	0.5%	-0.1%	2.1	\$51.1	\$0.5
Hallmark Health	C	Individual	9	5.3%	1.3%	4.0%	4.2	\$186.0	\$10.8
Harrington Memorial Hospital	D	Individual	9	8.2%	6.2%	1.9%	3.5	\$77.5	\$7.8
Holyoke Medical Center	D	Individual	9	3.2%	3.1%	0.2%	1.5	\$5.9	\$3.1
Lawrence General Hospital	D	Individual	9	-1.1%	-1.8%	0.8%	2.1	\$125.0	(\$1.8)
Massachusetts Eye and Ear Infirmary	S	Individual	9	-1.4%	-1.6%	0.2%	1.3	\$222.1	(\$2.4)
Milford Regional Medical Center	C	Individual	9	3.2%	2.5%	0.7%	3.6	\$119.7	\$4.8
Signature Healthcare Brockton Hospital	D	Individual	9	5.2%	4.5%	0.7%	1.6	\$57.2	\$10.0
South Shore Hospital	C	Individual	9	10.4%	3.7%	6.7%	1.9	\$244.2	\$44.4
Southcoast Hospitals Group	D	Individual	9	12.3%	8.9%	3.3%	1.8	\$521.8	\$75.8
Sturdy Memorial Hospital	D	Individual	9	13.3%	7.8%	5.5%	13.8	\$374.4	\$17.2
<b>These hospitals (2) have a 6/30/15 fiscal year. The data for these hospitals are due October 10, 2015:</b>									
Cambridge Health Alliance^	T	Individual	12						
Mercy Medical Center	D	Individual	12						

A: Academic Medical Center C: Community Hospital D: Community-DSH Hospital T: Teaching Hospital S: Specialty Hospital ^: Hospital meets DSH criteria.

**Note:** Profitability percentages may not add due to rounding.

**For additional information and descriptions of the metrics, please see Technical Appendix and Databook.**