

# Hospital Profile: EMERSON HOSPITAL

Community Hospital  
West Merrimack / Middlesex Region

Emerson Hospital is a non-profit, acute care community hospital. It is a mid-size hospital in Massachusetts, with 197 staffed beds. Emerson Hospital is located in the West Merrimack/Middlesex region and represents 18% of all acute hospital staffed beds in the region.

**PATIENTS** One out of every five inpatient cases treated at Emerson Hospital are from Acton and Concord.

**INPATIENT SERVICES** Compared with the other community hospitals, Emerson Hospital treats a greater proportion of lower-severity cases. In FY12, it accounted for 13% of all inpatient discharges from acute hospitals within the West Merrimack/Middlesex region. Emerson Hospital is a significant provider of behavioral health services in the region. Of note, among its most common FY12 inpatient cases (DRGs), Emerson Hospital treated 93% of all Bipolar Disorder cases, 88% of all Opioid Abuse & Dependence cases, and 86% of all Major Depressive Disorder & Other/Unspecified Psychoses cases in the West Merrimack/Middlesex region.

**FINANCIAL PERFORMANCE** Emerson Hospital's total revenue in FY12 was \$190 million. Its FY12 public payer mix was 44%, the third lowest of all community hospitals. Emerson Hospital's FY12 inpatient cost<sup>+</sup> per case mix adjusted discharge was \$9,709, approximately 5% lower than the average community hospital. Emerson Hospital's CY12 average commercial payer price level was at the 48<sup>th</sup> percentile, slightly lower than the average community hospital. It earned a surplus of \$4.5 million (2.4% total margin) in FY12, its highest since FY08. Emerson Hospital also earned surpluses in FY09 and FY11, although it experienced losses in FY08 and FY10.

## AT A GLANCE

**TOTAL STAFFED BEDS:** 197, mid-size acute hospital

**% OCCUPANCY:** 59%, < cohort avg. (62%)

**TOTAL REVENUE in FY12:** \$190 million

**PUBLIC PAYER MIX:** 44% (Non-DSH\* Hospital)

**SPECIAL PUBLIC FUNDING:** CHART\*

**TAX STATUS:** Non-profit

**TRAUMA CENTER DESIGNATION:** Not Applicable

**CY12 COMMERCIAL PAYER PRICE LEVEL:** 48th Percentile

**CASE MIX INDEX in FY12:** 0.74, < cohort avg. (0.81); < statewide (1.06)

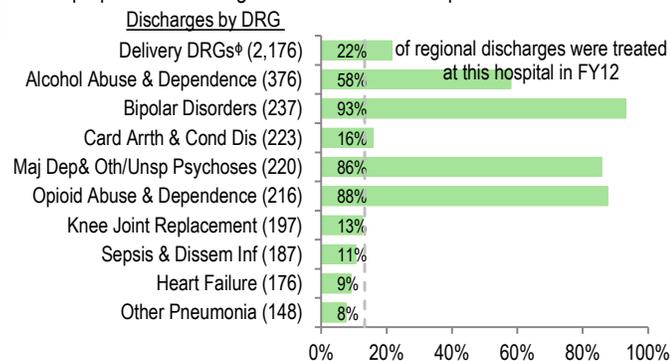
**INPATIENT:OUTPATIENT REVENUE in FY12:** 30%:70%

**TOTAL MARGIN in FY12:** 2.4% (\$4.5 million)

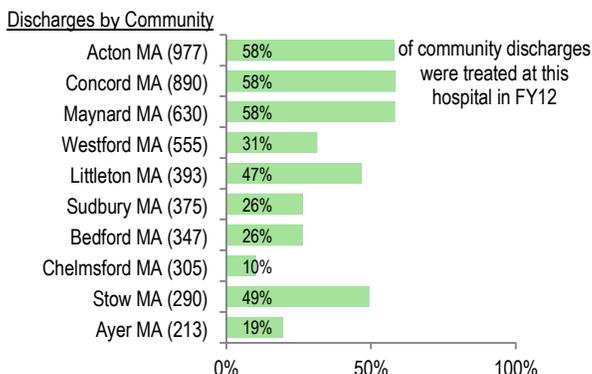
**CHANGE in OWNERSHIP (FY08-FY12):** Not Applicable

## SERVICES

What were the most common inpatient cases (DRGs) treated at the hospital? What proportion of the region's cases did this hospital treat for each service?

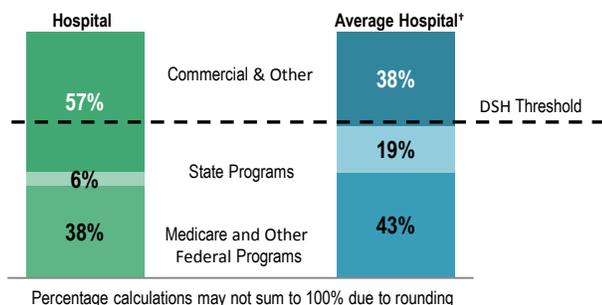


Where did most of the hospital's inpatients reside? What proportion of each community's total discharges were attributed to this hospital?

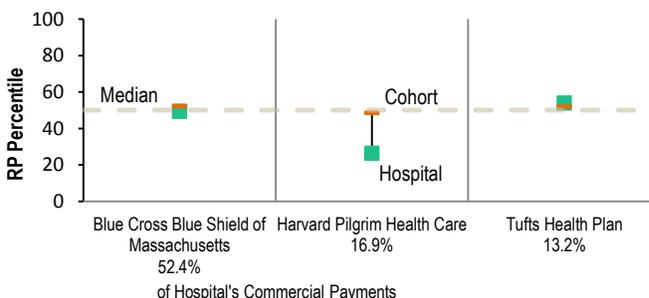


## PAYER MIX

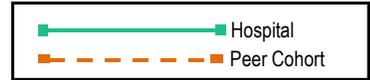
What was the hospital's overall payer mix (gross charges) in FY12, and how does this hospital compare to the average acute hospital's payer mix?



What were the hospital's CY12 payer-specific relative price levels for its top three commercial payers? How does this hospital compare to the average hospital in its peer cohort?

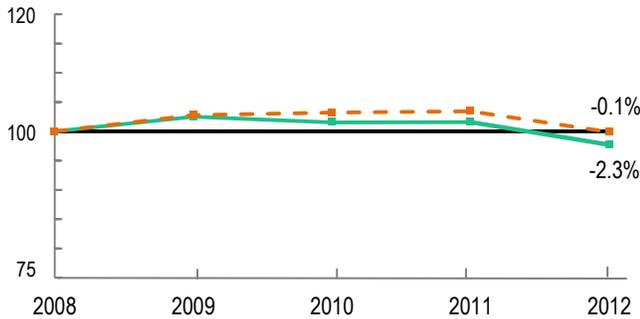


For descriptions of the metrics, please see Technical Appendix.

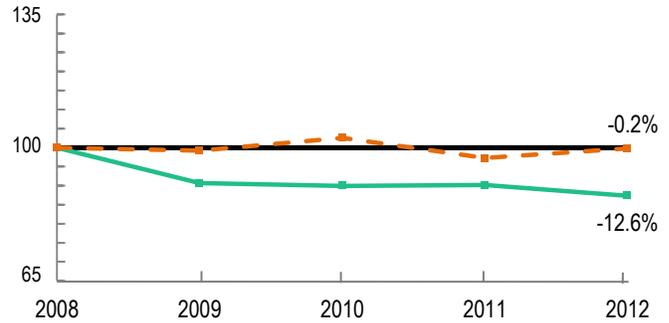


**UTILIZATION TRENDS**

How has the volume of the hospital's inpatient discharges changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

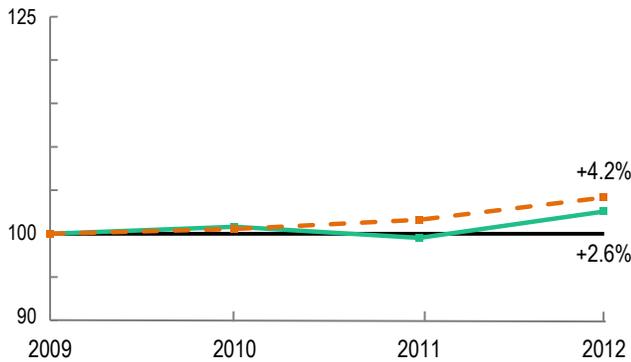


How has the volume of the hospital's outpatient visits changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

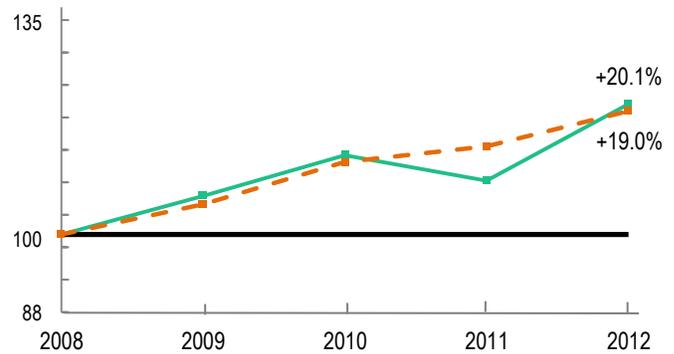


**COST TRENDS**

How has the hospital's inpatient cost<sup>†</sup> per case mix adjusted discharge changed compared to FY09, and how does this hospital compare to the average hospital in its peer cohort? (FY09=100)



How have the hospital's total outpatient costs changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

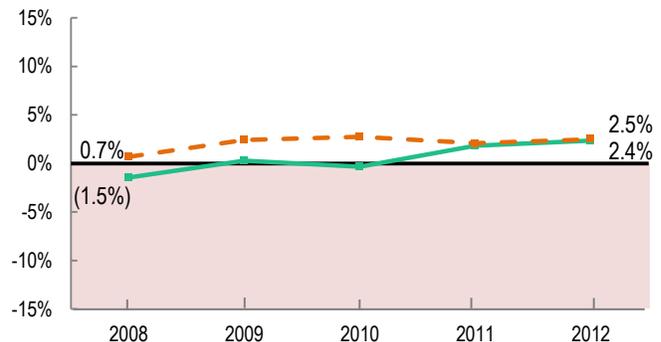


**FINANCIAL PERFORMANCE**

How have the hospital's total revenue and costs changed between FY08 and FY12?

Revenue, Cost & Profit/Loss (in millions)					
FY	Total Revenue	% Change	Total Cost	% Change	Total Profit/Loss
2008	\$167		\$169		(\$2.4)
2009	\$178	6.7%	\$178	4.8%	\$0.5
2010	\$184	3.2%	\$184	3.8%	(\$0.6)
2011	\$180	(1.8%)	\$177	(3.9%)	\$3.3
2012	\$190	5.2%	\$185	4.6%	\$4.5

What was the hospital's total margin between FY08 and FY12, and how does this compare to the median of its peer cohort hospitals?



For descriptions of the metrics, please see Technical Appendix.

<sup>†</sup> Costs were adjusted to exclude direct medical education costs and physician compensation.  
<sup>\*</sup> Disproportionate Share Hospitals (DSH) receive a minimum of 63% of gross patient service revenue from public payers.  
<sup>^</sup> For more information on Community Hospital Acceleration, Revitalization and Transformation (CHART) special funding, please contact the Health Policy Commission (HPC).  
<sup>\*</sup> Delivery DRG includes Cesarean and Vaginal Deliveries, and Neonate DRG.  
<sup>†</sup> Average Hospital does not include Specialty hospitals.

For more information, please contact:

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