

Hospital Profile: LAWRENCE GENERAL HOSPITAL

Community, Disproportionate Share Hospital
East Merrimack Region

Lawrence General Hospital is a non-profit, acute care community hospital. It is a mid-size hospital in Massachusetts, with 230 staffed beds. Lawrence General is located in the East Merrimack region and represents 43% of all acute hospital staffed beds in the region. Lawrence General qualifies as a Disproportionate Share Hospital (DSH), as more than 63% of its gross patient service revenue is derived from government programs.

PATIENTS Seventy-one percent of all inpatient cases treated at Lawrence General Hospital are from Lawrence, Methuen, and Haverhill.

INPATIENT SERVICES Compared with the other community-DSH hospitals, Lawrence General treats a greater proportion of lower-severity cases. In FY12, it accounted for 44% of all inpatient discharges from acute hospitals within the East Merrimack region. Of note, based on its most common FY12 inpatient cases (DRGs), Lawrence General Hospital treated 60% of all Newborn & Delivery cases and 59% of all Cardiac Catheterization for Ischemic Heart Disease cases in the East Merrimack region.

FINANCIAL PERFORMANCE Lawrence General's total revenue in FY12 was \$221 million. Its FY12 public payer mix was 69%, slightly higher than the average community-DSH hospital. Lawrence General's FY12 inpatient cost[†] per case mix adjusted discharge was \$10,748, approximately 14% higher than the average community-DSH hospital. Lawrence General's CY12 average commercial payer price level was at the 25th percentile, lower than the average community-DSH hospital. It earned a surplus of \$12.4 million (5.6% total margin) in FY12, its highest in the FY08 to FY12 period, and it earned a surplus each year in that period.

AT A GLANCE

TOTAL STAFFED BEDS: 230, mid-size acute hospital

% OCCUPANCY: 53%, < cohort avg. (61%)

TOTAL REVENUE in FY12: \$221 million

PUBLIC PAYER MIX: 69% (DSH* Hospital)

SPECIAL PUBLIC FUNDING: CHART[^], DSTI[^]

TAX STATUS: Non-profit

TRAUMA CENTER DESIGNATION: Adult: Level 3

CY12 COMMERCIAL PAYER PRICE LEVEL: 25th Percentile

CASE MIX INDEX in FY12: 0.77, < cohort avg. (0.89); < statewide (1.06)

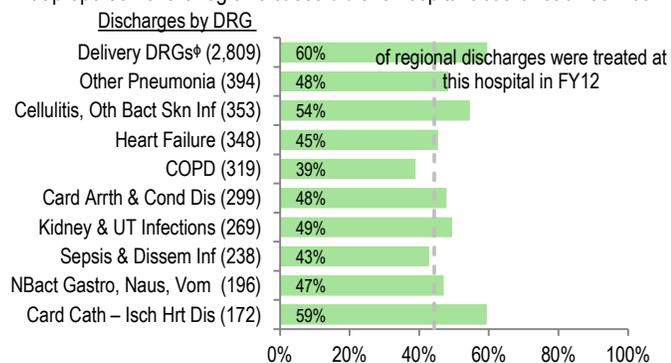
INPATIENT:OUTPATIENT REVENUE in FY12: 38%:62%

TOTAL MARGIN in FY12: 5.6% (\$12.4 million)

CHANGE in OWNERSHIP (FY08-FY12): Not Applicable

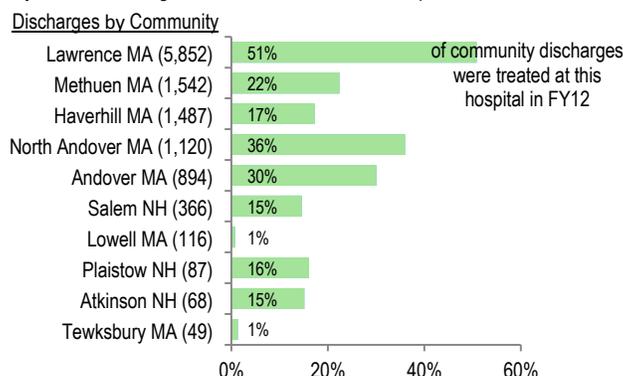
SERVICES

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?



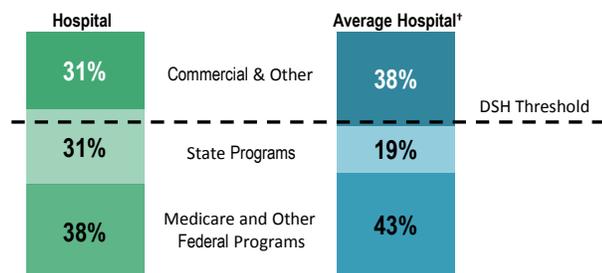
--- Hospital (12,496) = 44% of total regional discharges

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



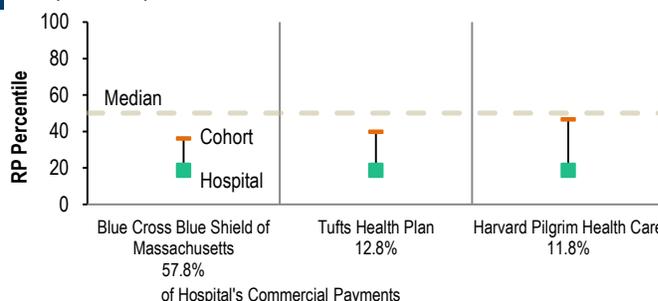
PAYER MIX

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?

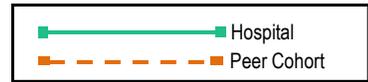


Percentage calculations may not sum to 100% due to rounding

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?

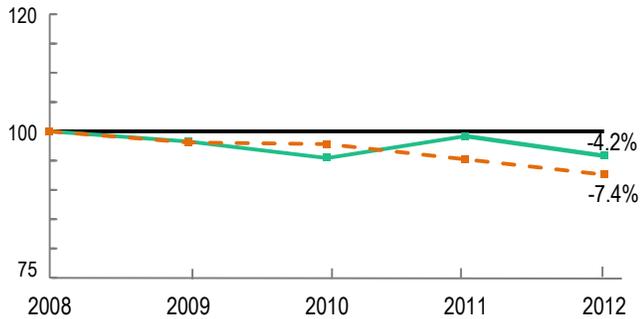


For descriptions of the metrics, please see Technical Appendix.

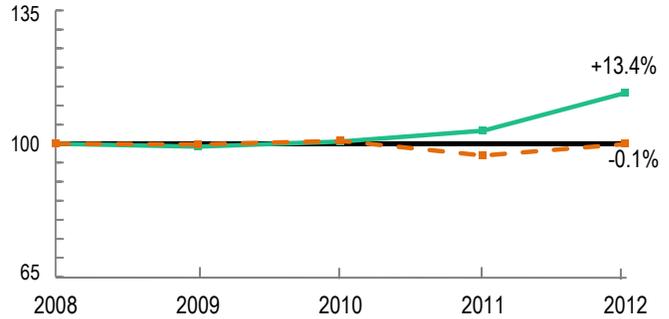


UTILIZATION TRENDS

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)

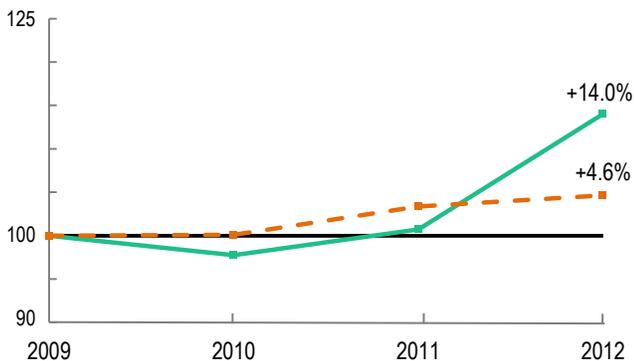


How has the volume of the hospital's outpatient visits changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

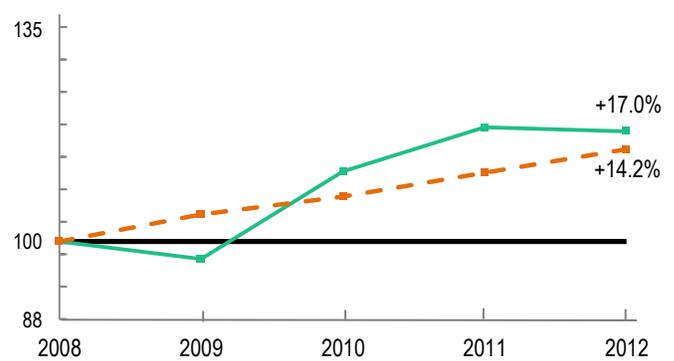


COST TRENDS

How has the hospital's inpatient cost[‡] 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)

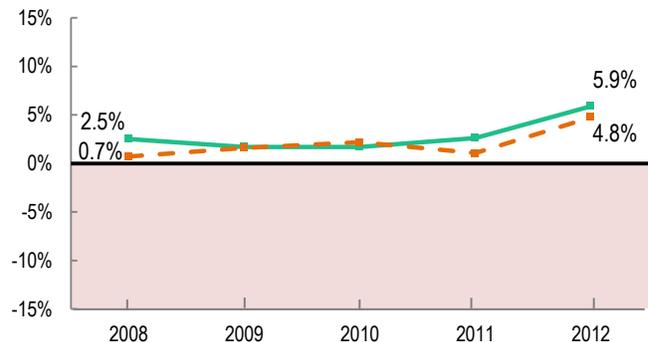


FINANCIAL PERFORMANCE

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	\$163		\$159		\$4.1
2009	\$172	5.3%	\$169	6.6%	\$2.3
2010	\$179	4.2%	\$176	3.7%	\$3.3
2011	\$190	6.2%	\$185	5.6%	\$4.4
2012	\$220	15.7%	\$207	11.7%	\$12.5

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.

[‡] Costs were adjusted to exclude direct medical education costs and physician compensation.
^{*} Disproportionate Share Hospitals (DSH) receive a minimum of 63% of gross patient service revenue from public payers.
[^] For more information on Community Hospital Acceleration, Revitalization and Transformation (CHART) special funding, please contact the Health Policy Commission (HPC).
[†] For more information on Delivery System Transformation Initiative (DSTI) special funding, please contact the Massachusetts Executive Office of Health and Human Service (EOHHS).
[§] Delivery DRG includes Cesarean and Vaginal Deliveries, and Neonate DRG.
[†] Average Hospital does not include Specialty hospitals.

For more information, please contact:

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