

Hospital Profile: MORTON HOSPITAL

Taunton, MA
Steward Health Care System
Community, Disproportionate Share Hospital
Metro South Region

Morton Hospital is a for-profit, acute care community hospital. It is a mid-size hospital in Massachusetts, with 110 staffed beds. Morton Hospital is located in the Metro South region and represents 18% of all acute hospital staffed beds in the region. It is a member of the Steward Health Care System. Morton Hospital qualifies as a Disproportionate Share Hospital (DSH), as more than 63% of its gross patient service revenue is derived from government programs.

PATIENTS Half of all inpatient cases treated at Morton Hospital are from Taunton.

INPATIENT SERVICES Compared with the other community-DSH hospitals, Morton Hospital treats a greater proportion of lower-severity cases. In FY12, it accounted for 20% of all inpatient discharges from acute hospitals within the Metro South region. Among its most common FY12 inpatient cases (DRGs), Morton Hospital treated 41% of all Degenerative Nervous System Disorders excluding Multiple Sclerosis cases and 29% of all Knee Joint Replacement cases in the Metro South region.

FINANCIAL PERFORMANCE Morton Hospital's total revenue in FY12 was \$125 million. Its FY12 public payer mix was 70%, higher than the average community-DSH hospital. Morton Hospital's FY12 inpatient cost[†] per case mix adjusted discharge was \$7,497, approximately 21% lower than the average community-DSH hospital, and the third lowest among all community-DSH hospitals. Morton Hospital's CY12 average commercial payer price level was at the 27th percentile, lower than the average community-DSH hospital. It had a loss of \$3.7 million (-3.0% total margin) in FY12, and also had a loss in FY11, although it had been profitable from FY08 to FY10.

AT A GLANCE

TOTAL STAFFED BEDS: 110, mid-size acute hospital

% OCCUPANCY: 75%, > cohort avg. (61%)

TOTAL REVENUE in FY12: \$125 million

PUBLIC PAYER MIX: 70% (DSH* Hospital)

SPECIAL PUBLIC FUNDING: ICB⁹

TAX STATUS: For profit

TRAUMA CENTER DESIGNATION: Not Applicable

CY12 COMMERCIAL PAYER PRICE LEVEL: 27th Percentile

CASE MIX INDEX in FY12: 0.83, < cohort avg. (0.89); < statewide (1.06)

INPATIENT:OUTPATIENT REVENUE in FY12: 26%:74%

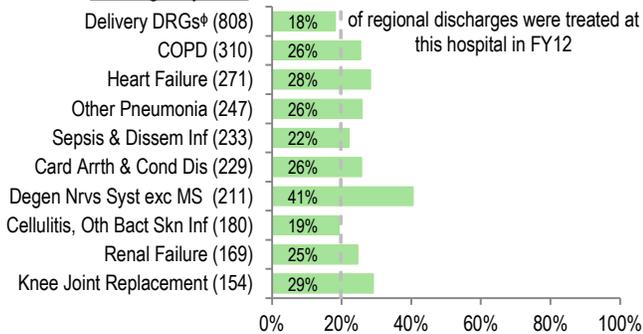
TOTAL MARGIN in FY12: -3.0% (-\$3.7 million)

CHANGE in OWNERSHIP (FY08-FY12): Steward Health Care - 2011

SERVICES

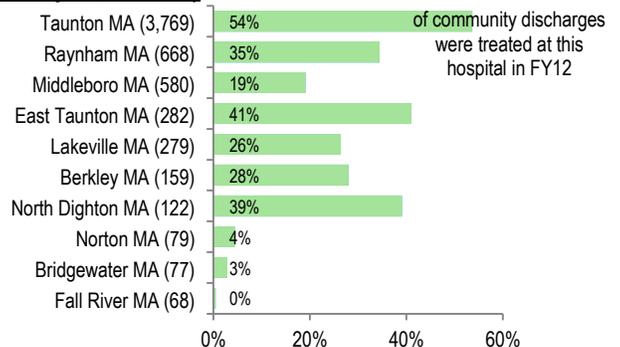
What were the most common inpatient cases (DRGs) treated at the hospital? What proportion of the region's cases did this hospital treat for each service?

Discharges by DRG



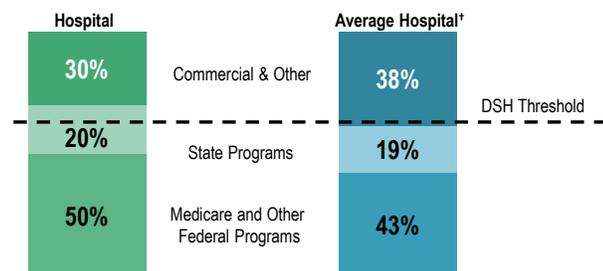
Where did most of the hospital's inpatients reside? What proportion of each community's total discharges were attributed to this hospital?

Discharges by Community



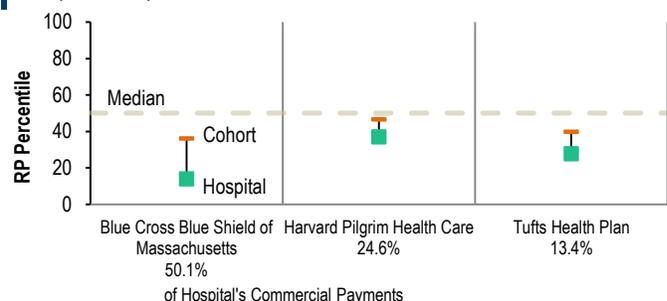
PAYER MIX

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?

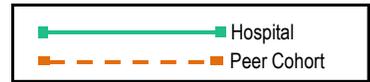


Percentage calculations may not sum to 100% due to rounding

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?

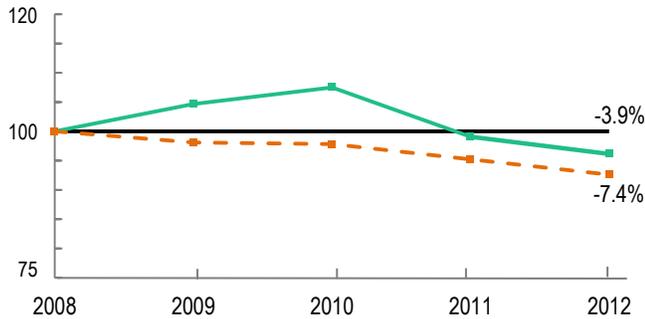


For descriptions of the metrics, please see Technical Appendix.

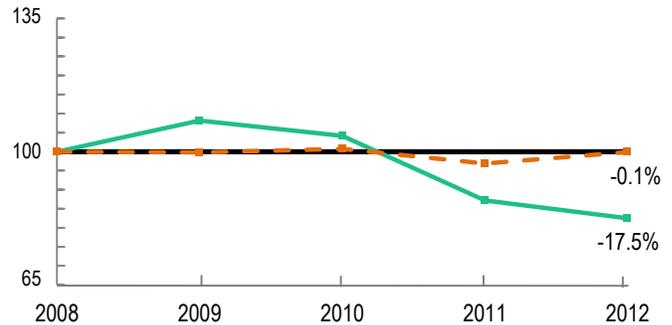


UTILIZATION TRENDS

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)

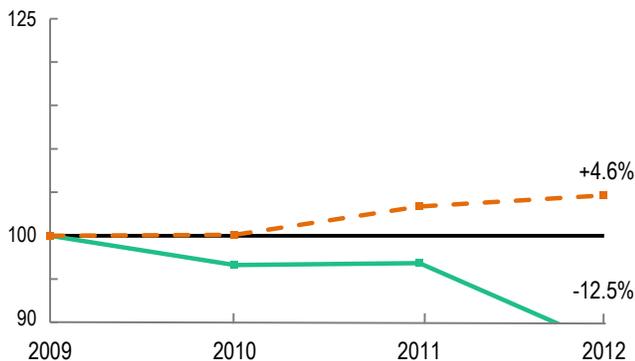


How has the volume of the hospital's outpatient visits changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

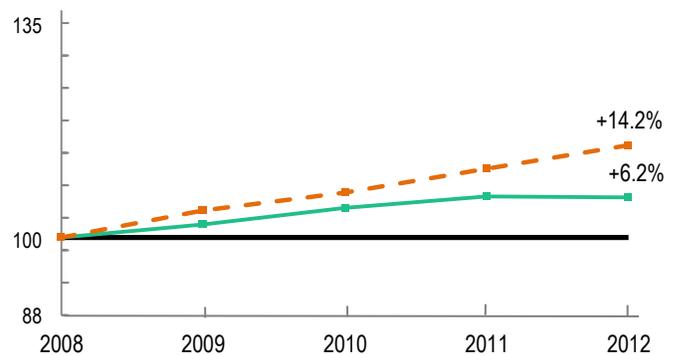


COST TRENDS

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)

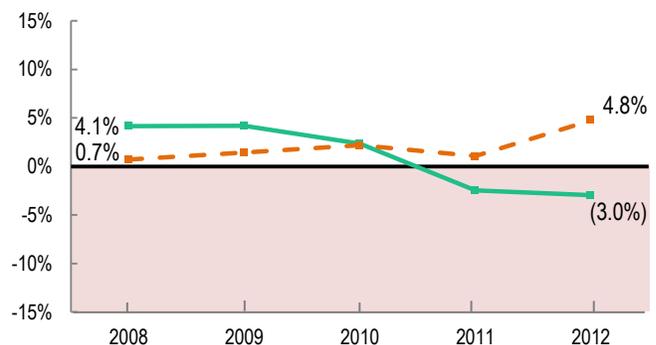


FINANCIAL PERFORMANCE

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	\$129		\$123		\$5.3
2009	\$131	2.2%	\$126	2.1%	\$5.5
2010	\$133	1.1%	\$130	3.1%	\$3.1
2011	\$126	(5.5%)	\$129	(0.8%)	(\$3.1)
2012	\$125	(0.6%)	\$129	(0.1%)	(\$3.7)

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 Infrastructure and Capacity Building (ICB) special funding, please contact the Massachusetts Executive Office of Health and Human Services (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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