

# RADIUS SPECIALTY HOSPITAL

Chronic Care Hospital

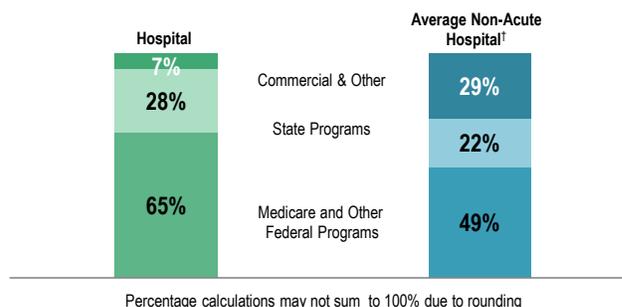
In FY13, Radius Specialty Hospital was a for-profit chronic care hospital located in Boston. On September 23, 2014, Radius announced it would transfer its patients to other facilities and cease operations within 30 days. It provided long-term acute care and rehabilitation services, focused primarily on respiratory care. In FY13, it had the highest public payer mix of all hospitals in its cohort; 93% of its gross patient service revenue was derived from government programs. From FY09 to FY13, there were 20.2% fewer inpatient days at the hospital, compared with a median decrease of 15.0% for cohort hospitals. In the five-year period, Radius Specialty Hospital earned a profit in FY10 through FY12 but reported losses in FY13. It had a -1.9% total margin in FY13, compared to a median total margin of -2.4% that year in its cohort.

## AT A GLANCE

**TOTAL BEDS:** 207; 19% of cohort beds  
**% OCCUPANCY:** 41%; < cohort avg. (67%)  
**INPATIENT DISCHARGES in FY13:** 1,088  
**PUBLIC PAYER MIX:** 93%; > avg. cohort hospital (79%)  
**TOTAL REVENUE in FY13:** \$36 million; 3% of statewide  
**TAX STATUS:** For-profit  
**INPATIENT:OUTPATIENT REVENUE in FY13:** 100%:0%  
**ADJUSTED\* COST PER INPATIENT DAY:** \$1,162  
**CHANGE in OWNERSHIP (FY09-FY13):** Not Applicable

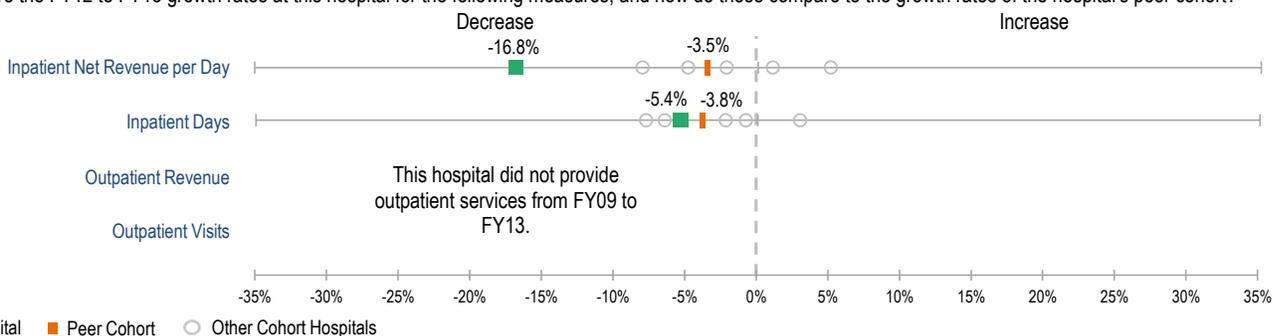
## PAYER MIX

What was the hospital's overall payer mix (gross charges) in FY13, and how does this hospital compare to the average non-acute hospital's payer mix?



## GROWTH MEASURES

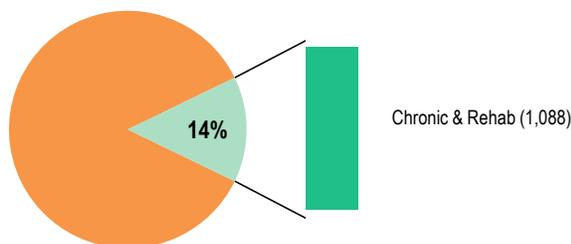
What were the FY12 to FY13 growth rates at this hospital for the following measures, and how do these compare to the growth rates of the hospital's peer cohort?



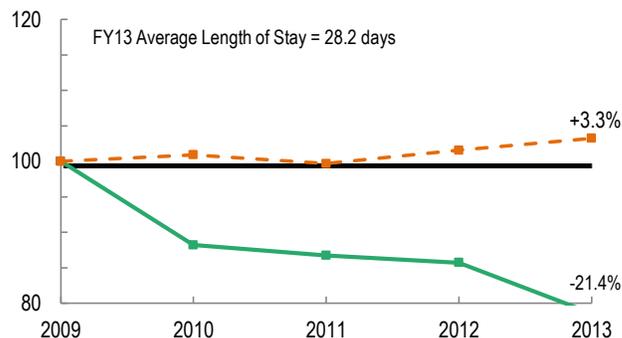
## SERVICES

What type(s) of inpatient services, categorized by bed type, did the hospital provide in FY13? What proportion of its peer cohort's inpatient cases did this hospital treat?

Discharges by Category



How has the hospital's average length of stay changed compared to FY09, and how does this hospital compare to its peer cohort median? (FY09=100)



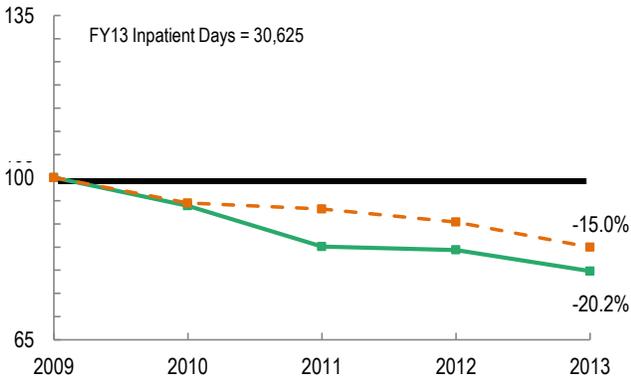
For descriptions of the metrics, please see Technical Appendix.

Legend: Hospital (solid green line), Peer Cohort (dashed orange line)

**UTILIZATION TRENDS**

How has the volume of the hospital's inpatient days changed compared to FY09, and how does this hospital compare to its peer cohort median? (FY09=100)

How has the volume of the hospital's outpatient visits changed compared to FY09, and how does this hospital compare to its peer cohort median? (FY09=100)

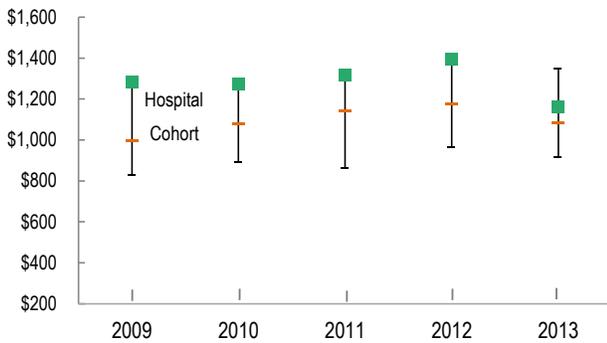


This hospital did not provide outpatient services from FY09 to FY13.

**PATIENT REVENUE TRENDS**

What was the hospital's net inpatient service revenue per inpatient day between FY09 and FY13, and how does this hospital compare to its peer cohort median?

How has the hospital's total outpatient revenue changed compared to FY09, and how does this hospital compare to its peer cohort median? (FY09=100)



FY13 Net Inpatient Revenue per Day = \$1,159 Full Cost per Day = \$1,181

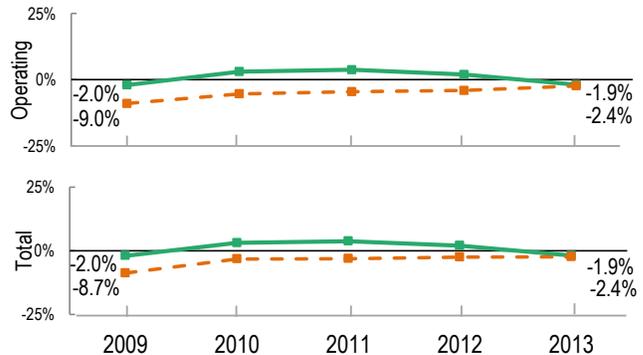
This hospital did not provide outpatient services from FY09 to FY13.

**FINANCIAL PERFORMANCE**

How have the hospital's total revenue and costs changed between FY09 and FY13?

What were the hospital's operating and total margins between FY09 and FY13, and how do these compare to the medians of its peer cohort hospitals?

Revenue, Cost & Profit/Loss (in millions)					
FY	Total Revenue	Operating Revenue	Non-Operating Revenue	Costs	Total Profit/Loss
2009	\$42	\$42	\$0	\$43	(\$0.8)
2010	\$41	\$41	\$0	\$40	\$1.3
2011	\$38	\$38	\$0	\$37	\$1.4
2012	\$39	\$39	\$0	\$38	\$0.8
2013	\$36	\$36	\$0	\$37	(\$0.7)



For descriptions of the metrics, please see Technical Appendix.

Non-acute hospitals in Massachusetts are typically identified as psychiatric, rehabilitation, and chronic care facilities. CHIA has defined non-acute hospitals in this publication using the Massachusetts Department of Public Health (DPH) and Department of Mental Health (DMH) license criteria.

‡ Costs were adjusted to exclude direct medical education costs and physician compensation.

† Average Hospital does not include Specialty hospitals.