

TEACHING HOSPITALS

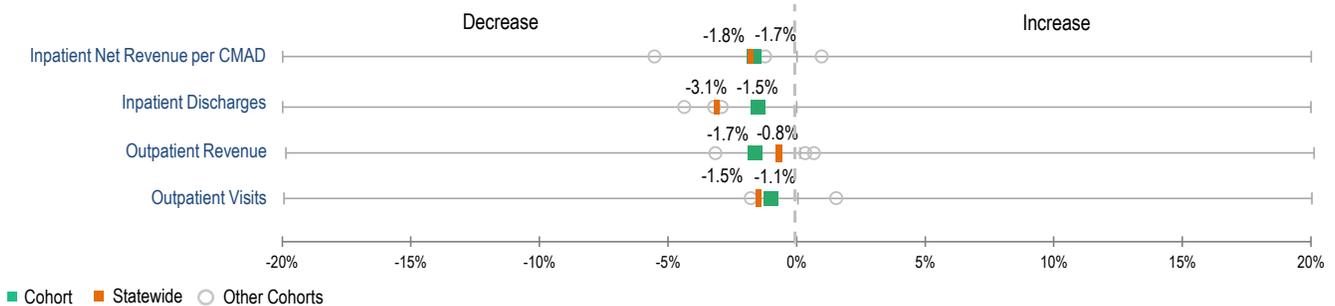
Teaching hospitals are training institutions with at least 25 full-time equivalent medical school residents per one hundred inpatient beds that are not considered academic medical centers (AMCs). The nine teaching hospitals in Massachusetts tend to be larger hospitals, collectively representing nearly one-fifth of all staffed hospital beds statewide in 2013. In FY13, teaching hospitals accounted for 16% of total acute hospital revenue statewide; total teaching hospital revenue was \$4.0 billion. Teaching hospitals tend to have a greater proportion of business from Medicaid, Medicare, and other government programs than other hospitals, with 64% of their business from these public payers in FY13. Teaching hospitals collectively earned a surplus each year from FY09 to FY13, with an aggregate surplus of \$258 million in FY13.

AT A GLANCE

TOTAL STAFFED BEDS: 2,502 in cohort, 17% of Statewide	AVERAGE CY13 COMMERCIAL PAYER PRICE LEVEL: 56th Percentile
MEDIAN % OCCUPANCY: 71%	AVERAGE PUBLIC PAYER MIX: 64%
MEDIAN CASE MIX INDEX in FY13: 0.94, greater than CMI of other hospitals* (0.84)	TOTAL REVENUE in FY13: \$4,004 million, 16% of Statewide
TOTAL DISCHARGES: 144,473 in cohort, 18% of Statewide	INPATIENT: OUTPATIENT REVENUE in FY13: 35%:65%
EMERGENCY DEPT. VISITS in FY13: 488,524, 16% of Statewide	ADJUSTED[‡] COST PER DISCHARGE: \$9,788, < statewide median (\$9,970)

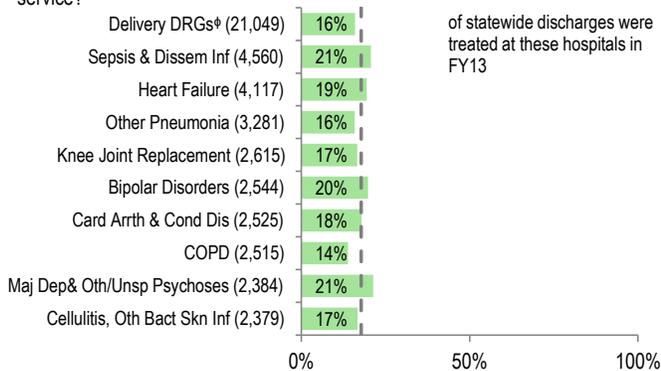
GROWTH MEASURES

What were the FY12 to FY13 growth rates for this cohort for the following measures, and how do these compare to the growth rates of all other hospitals in the state?

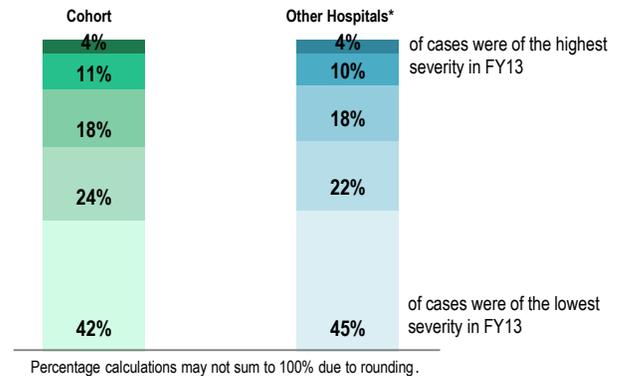


SERVICES

What were the most common inpatient cases (DRGs) treated at the cohort hospitals? What proportion of statewide DRGs did this cohort treat for each service?

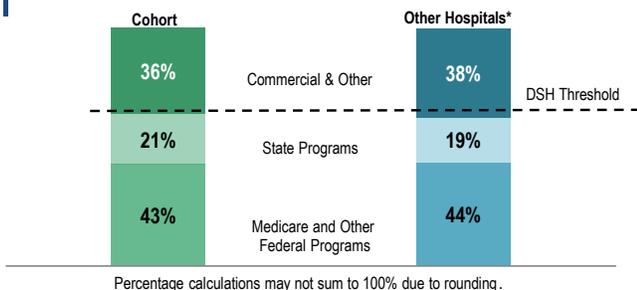


What was the inpatient severity distribution in this cohort? How does this compare to the inpatient severity distribution of other hospitals?

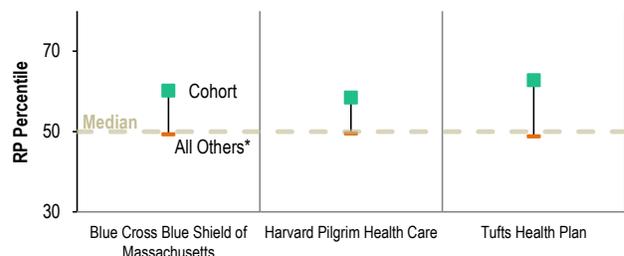


PAYER MIX

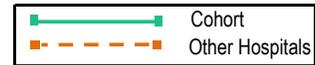
What was the average cohort hospital's payer mix (gross charges) in FY13, and how does this compare to the average of other acute hospitals' payer mix?



As a group, what were the cohort's average CY13 payer-specific relative price levels for the top three commercial payers in Massachusetts? How do these compare to the average relative price levels of other acute hospitals?

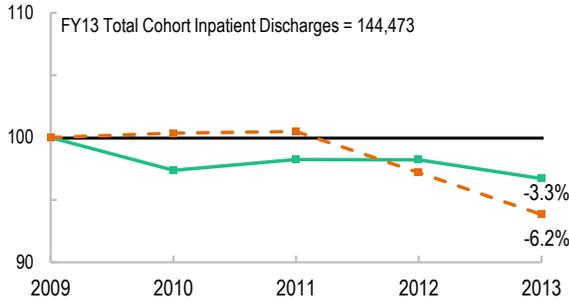


For descriptions of the metrics, please see Technical Appendix.

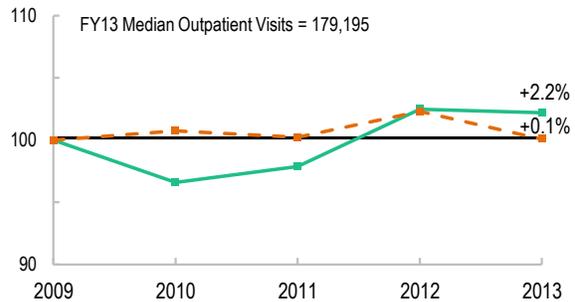


UTILIZATION TRENDS

As a group, how has the volume of the cohort's total inpatient discharges changed compared to FY09, and how does this compare to the volume of other acute hospitals? (FY09=100)

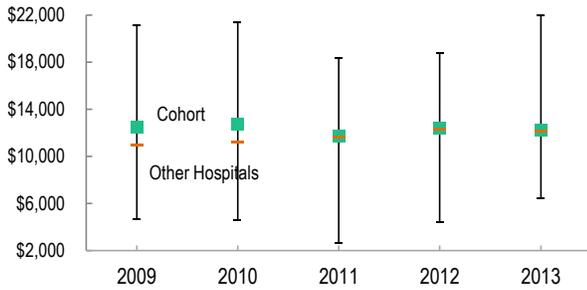


How has the median volume of the cohort's outpatient visits changed compared to FY09, and how does this compare to the median change of other hospitals? (FY09=100)



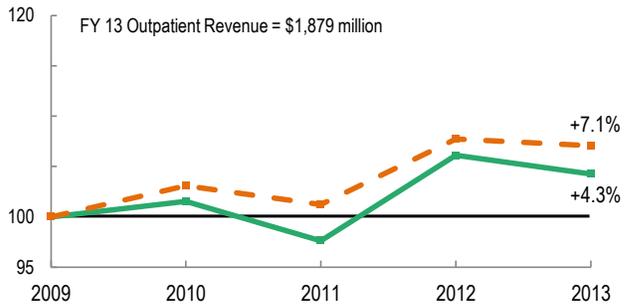
PATIENT REVENUE TRENDS

As a group, what was the cohort's net inpatient service revenue per case mix adjusted discharge between FY09 and FY13, and how does this compare to other acute hospitals?



FY13 Inpatient Revenue per CMAD = \$12,181 | Full Cost per CMAD = \$10,668

As a group, how has the cohort's total outpatient revenue changed compared to FY09, and how does this compare to the total outpatient revenue of other acute hospitals? (FY09=100)

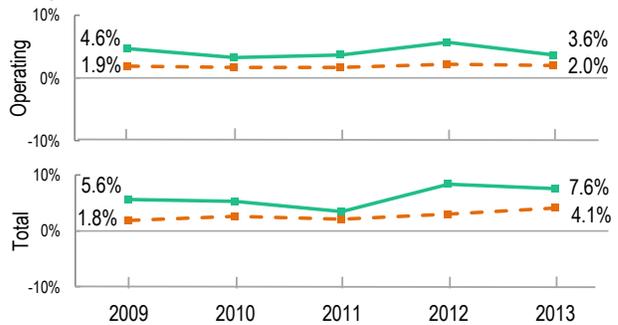


FINANCIAL PERFORMANCE

As a group, how have the cohort hospitals' aggregate revenues and costs changed between FY09 and FY13?

Revenue, Cost & Profit/Loss (in millions)					
FY	Total Revenue	Operating Revenue	Non-Operating Revenue	Total Costs	Total Profit/Loss
2009	\$3,898	\$3,884	\$13	\$3,749	\$148
2010	\$3,990	\$3,932	\$59	\$3,793	\$197
2011	\$3,670	\$3,654	\$15	\$3,569	\$101
2012	\$3,991	\$3,931	\$59	\$3,752	\$239
2013	\$4,004	\$3,939	\$66	\$3,747	\$258

What was the cohort's median total margin and operating margin between FY09 and FY13? How do these compare to the medians of other acute hospitals?



For descriptions of the metrics, please see Technical Appendix.

* Other hospitals comparative does not include Specialty hospitals.

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

‡ Delivery DRG includes Cesarean and Vaginal Deliveries, and Neonate DRG.

