

CENTER FOR HEALTH INFORMATION AND ANALYSIS

**MASSACHUSETTS
HOSPITAL
PROFILES**

CHARTBOOK

DATA THROUGH
FISCAL YEAR 2014

NOVEMBER 2015



Number of Massachusetts Hospitals by System Affiliation and Profit Status

- 68% of hospitals are part of multi-hospital systems
- 36% of hospitals are for-profit hospitals

Category	Acute Non-Profit or Public	Acute For-Profit	Non-Acute Non-Profit	Non-Acute For-Profit	TOTAL
Multi-Hospital System	33	14	5	12	64
Individual Hospitals	20	0	2	8	30
TOTAL	53	14	7	20	94

Top Discharges Statewide (by Diagnostic Group)

Normal neonate births were the most common reasons for inpatient admissions in FY2014.

Rank	DRG	Description	Discharges*	% Total Discharges
1	640	Normal neonate birth	63,137	8%
2	560	Vaginal delivery	46,897	6%
3	720	Septicemia & disseminated infections	26,573	3%
4	540	Cesarean delivery	22,109	3%
5	194	Heart failure	21,995	3%
6	139	Other pneumonia	17,546	2%
7	302	Knee joint replacement	16,100	2%
8	140	Chronic obstructive pulmonary disease	15,904	2%
9	383	Cellulitis & other bacterial skin infections	13,643	2%
10	301	Hip joint replacement	13,115	2%
		All other Cases	528,466	67%
		Total Discharges	785,485	100%

Data Source: Hospital Discharge Database (HDD)

Note: Total discharges reported by hospitals in the HDD may vary from total discharges reported by hospitals in the Hospital 403 Cost Reports. See the technical appendix for more information.

* Discharge data does not include the acute care Kindred Hospitals as HDD data was not available for these hospitals.

Median Occupancy Rates by Cohort

Median occupancy rates decreased for academic medical centers, community hospitals, and community-DSH hospitals between FY2013 and FY2014, while median occupancy rates remained the same for teaching hospitals.

Cohort	FY2013 Occupancy Rate	FY2014 Occupancy Rate
Academic Medical Center	84%	80%
Teaching	71%	71%
Community	63%	61%
Community-DSH	64%	63%
Specialty Hospitals	63%	64%

Data Source: Hospital 403 Cost Reports

Discharges by Cohort

- Total hospital discharges declined 8% from FY2010 to FY2014
- With the exception of the teaching hospital cohort, inpatient discharges declined in each cohort from FY2010 to FY2014

Cohort	Number of Hospitals	FY2010 Discharges	FY2013 Discharges	FY2014 Discharges	% of Statewide Discharges in FY14	% Change, FY2010-2014	% Change, FY2013-2014
Academic Medical Center	6	241,043	224,757	219,458	28%	-9.0%	-2.4%
Teaching	9	145,438	144,473	145,592	18%	0.1%	0.8%
Community	14	159,760	146,557	141,874	18%	-11.2%	-3.2%
Community-DSH	30	285,845	270,718	258,382	33%	-9.6%	-4.6%
Specialty Hospitals	8	28,828	27,013	26,876	3%	-6.8%	-0.5%
TOTAL STATEWIDE	67	860,914	813,518	792,182	100%	-8.0%	-2.6%

Data Source: Hospital 403 Cost Reports

Note: Total discharges reported by hospitals in the Hospital 403 Cost Reports may vary from total discharges reported by hospitals in the Hospital Discharge Database (HDD). See the technical appendix for more information.

Change in Outpatient Visits, by Cohort

Median outpatient visits increased at the academic medical center and teaching hospital cohorts, while they decreased at community and community-DSH hospital cohorts.

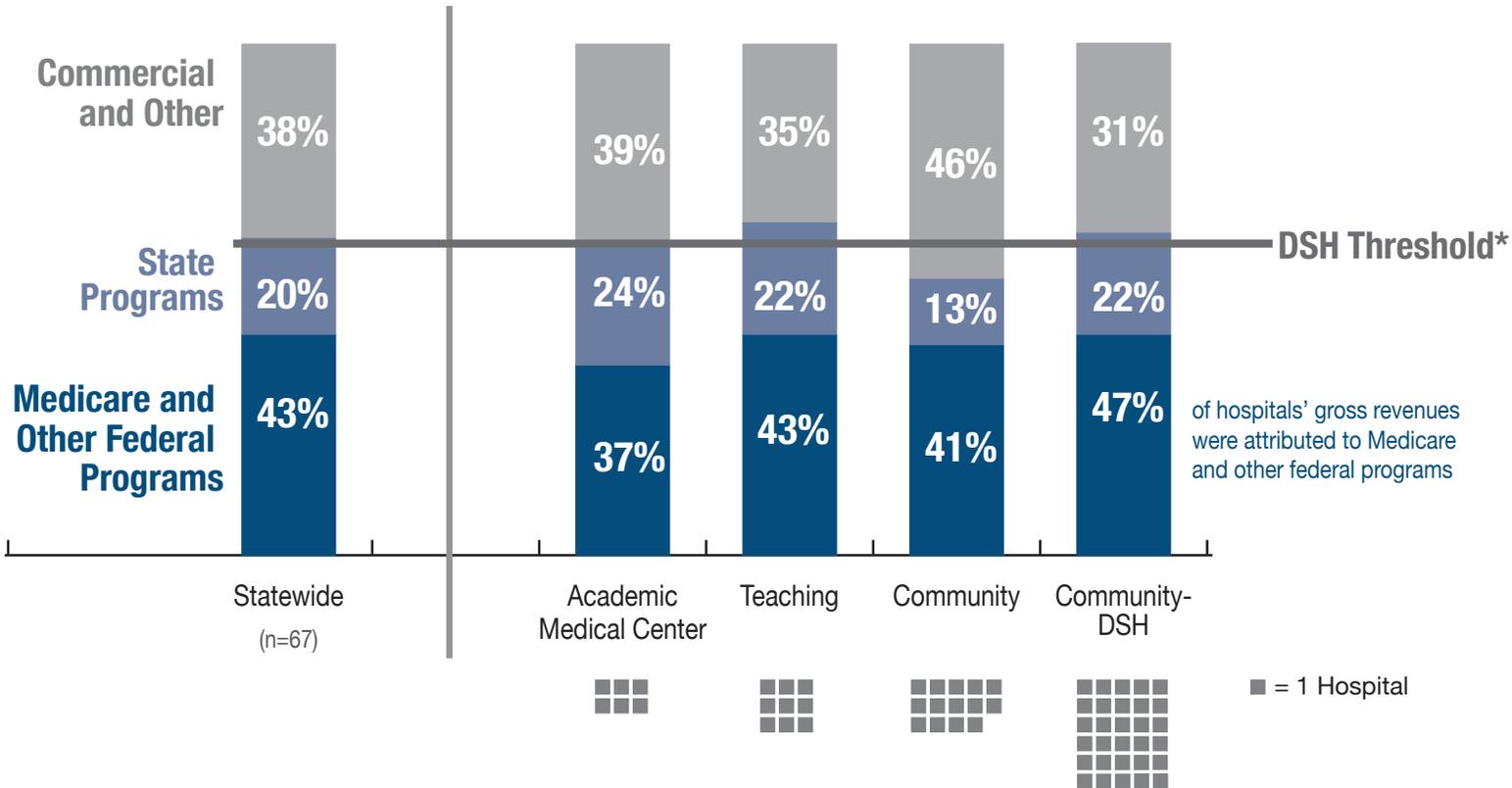
Cohort	Median % Change in Outpatient Visits - Cumulative from FY2010			
	FY2010-FY2011	FY2010-FY2012	FY2010-FY2013	FY2010-FY2014
Academic Medical Center	1.5%	3.9%	2.4%	3.2%
Teaching	-0.1%	5.7%	4.0%	6.0%
Community	-1.1%	-2.1%	-1.8%	-1.5%
Community-DSH	-1.3%	-0.5%	-2.9%	-3.6%
Specialty Hospitals*	1.9%	3.5%	4.8%	4.8%
TOTAL STATEWIDE	-0.4%	1.9%	0.2%	-0.3%

Data Source: Hospital 403 Cost Reports

* Shriners Hospitals for Children were not included in this analysis.

FY2014 Payer Mix

Community-DSH and teaching hospitals had the highest share of public payer mix.

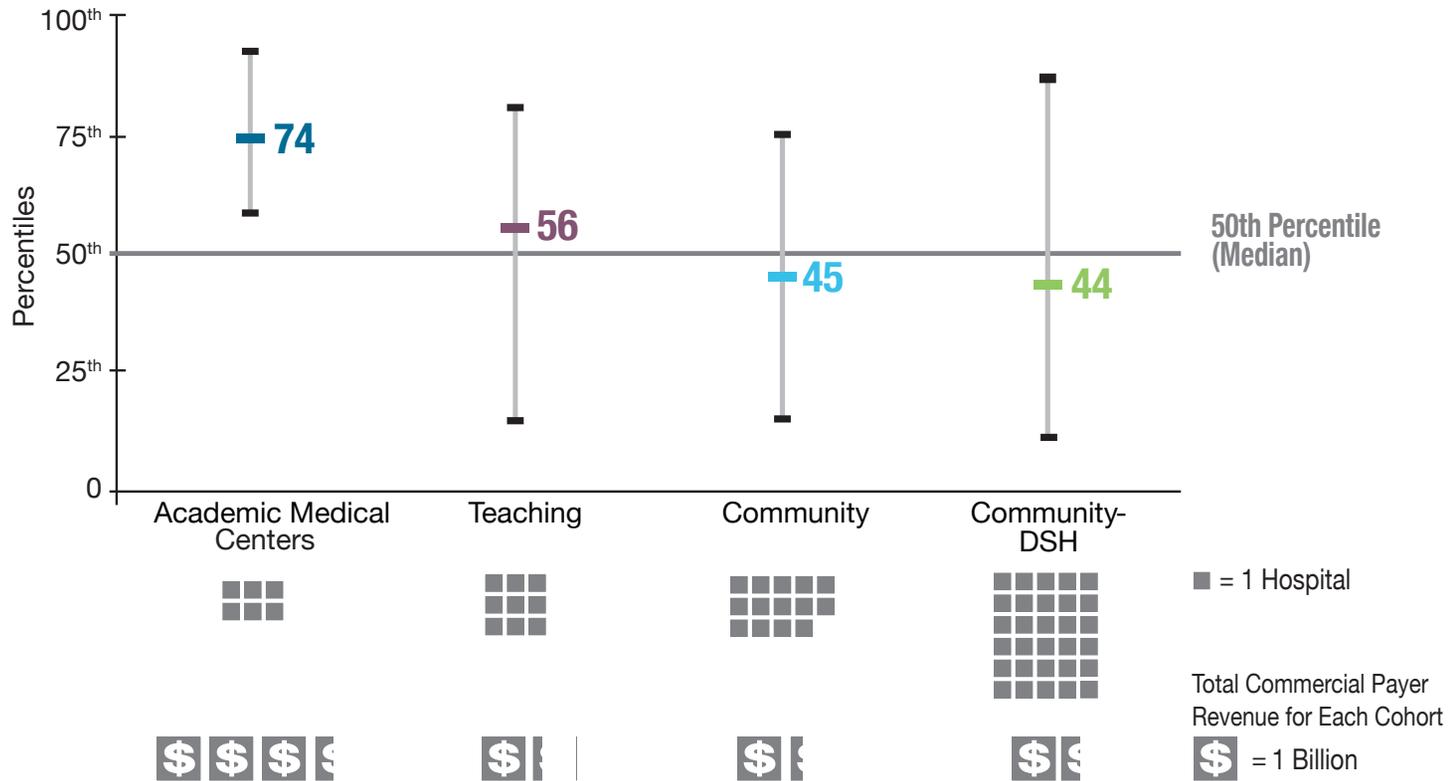


Data Source: Hospital 403 Cost Reports

* Hospitals have DSH status if they have 63% or more of gross revenues (GPSR) attributable to Medicare, Medicaid, and other government payers, including Commonwealth Care and the Health Safety Net.

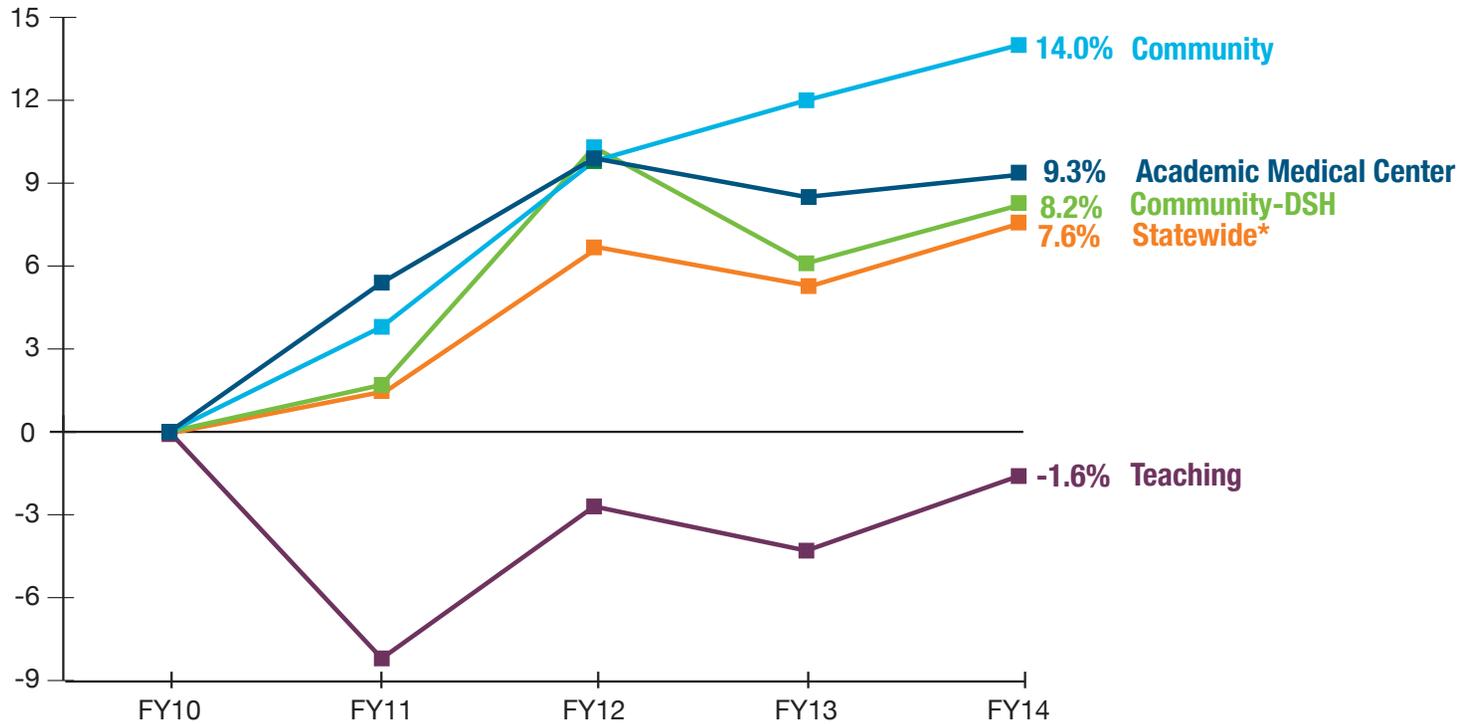
Acute Hospital Blended Composite Relative Price Percentile, by Hospital Cohort, CY2014

Academic medical centers, on average, had prices well above the median in CY2014.



Growth in Inpatient Revenue per CMAD, FY2010 - FY2014

Community hospitals had the highest growth in inpatient revenue per case mix-adjusted discharge (CMAD) from FY2010 to FY2014 of 14.0%. The teaching hospital cohort was the only cohort that experienced a decline in inpatient revenue per CMAD between FY2010 and FY2014.

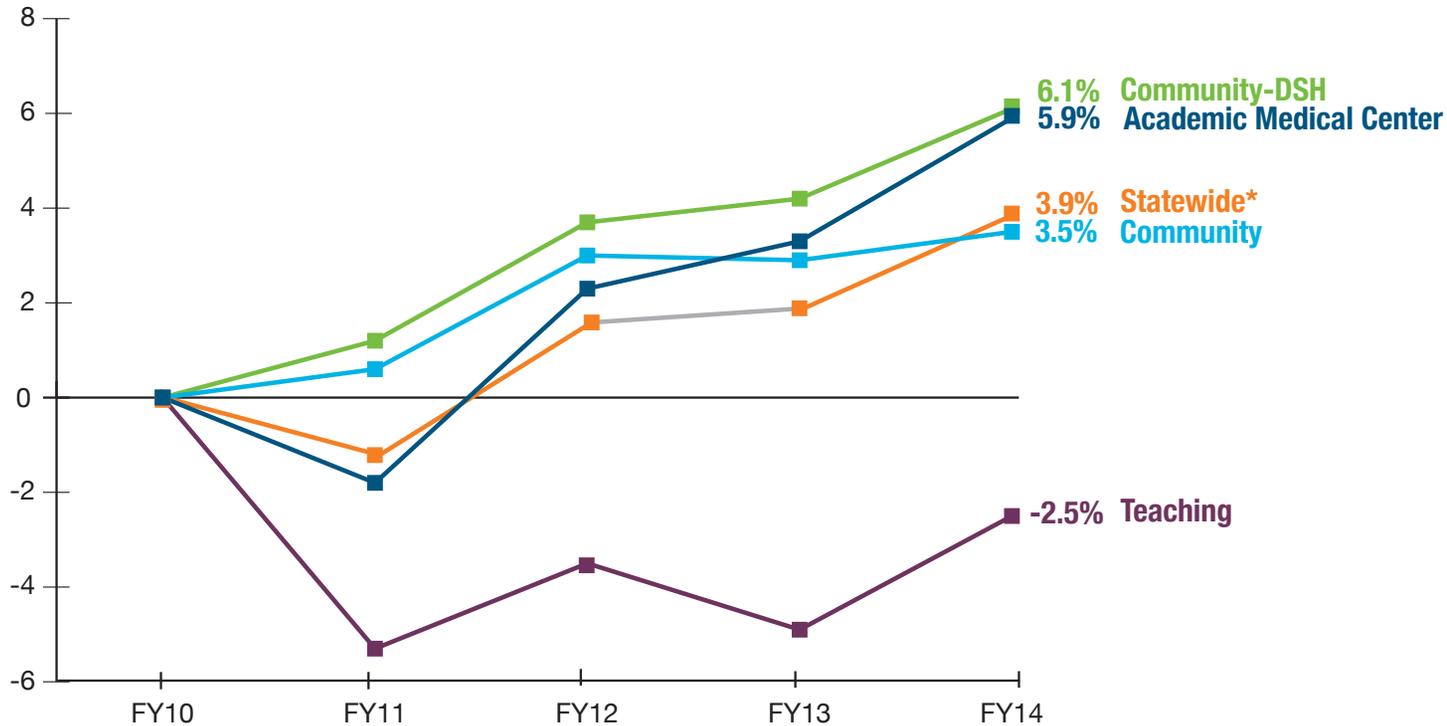


Data Source: Hospital 403 Cost Reports

* Statewide excludes Shriners Hospitals for Children and acute care Kindred hospitals.

Growth in Adjusted Cost per CMAD, FY2010 - FY2014

Community-DSH hospitals had the highest growth in inpatient adjusted cost per case mix-adjusted discharge (CMAD) from FY2010 to FY2014 of 6.1%, while teaching hospitals experienced a decline of 2.5%.

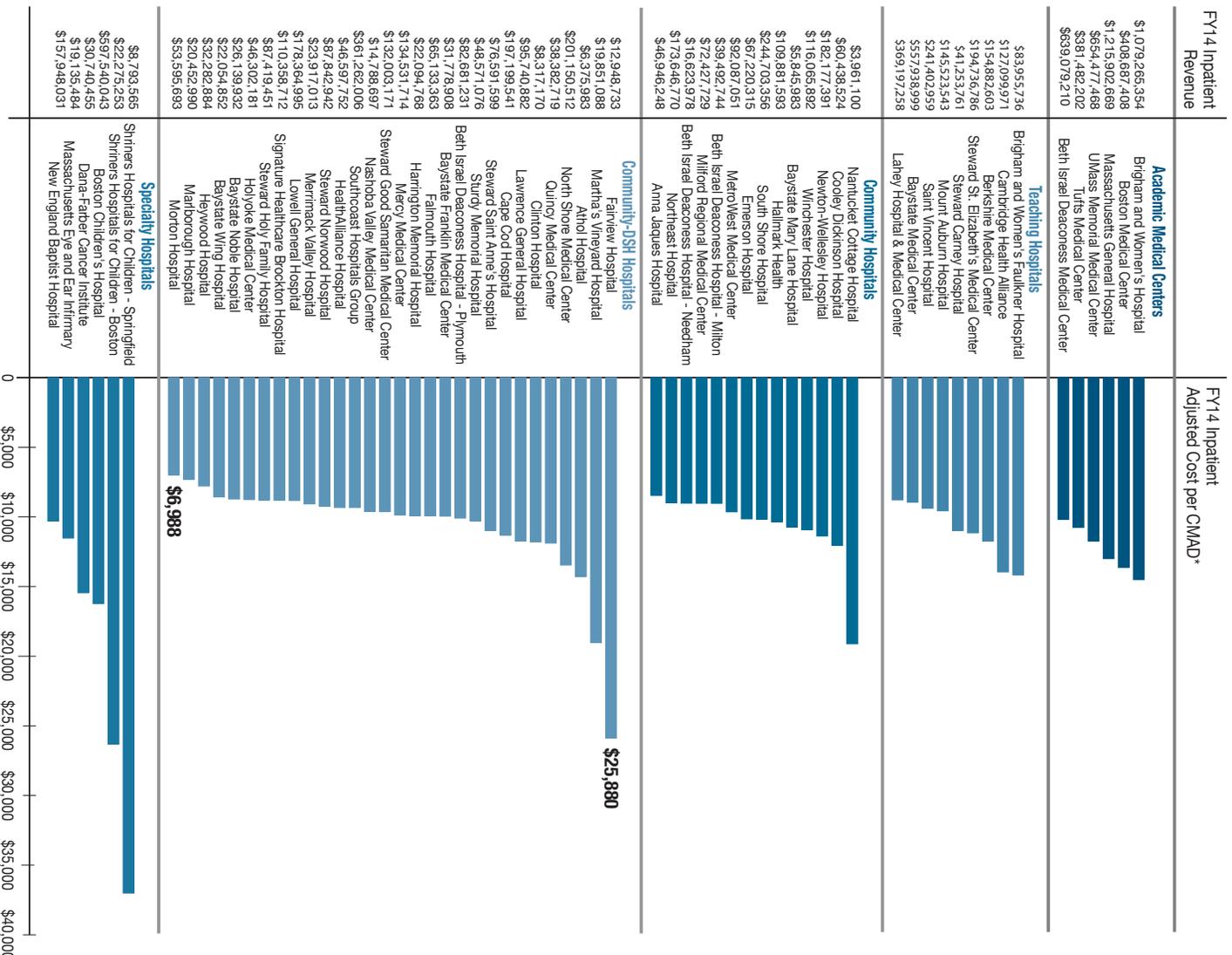


Data Source: Hospital 403 Cost Reports

* Statewide excludes Shriners Hospitals for Children and acute care Kindred hospitals.

FY2014 Adjusted Cost per CMAD

- Among non-specialty cohorts, academic medical centers had the highest average adjusted* cost per case mix-adjusted discharge (CMAD)
- Many rural hospitals had higher adjusted costs per CMAD, primarily due to their low patient volume and remote locations



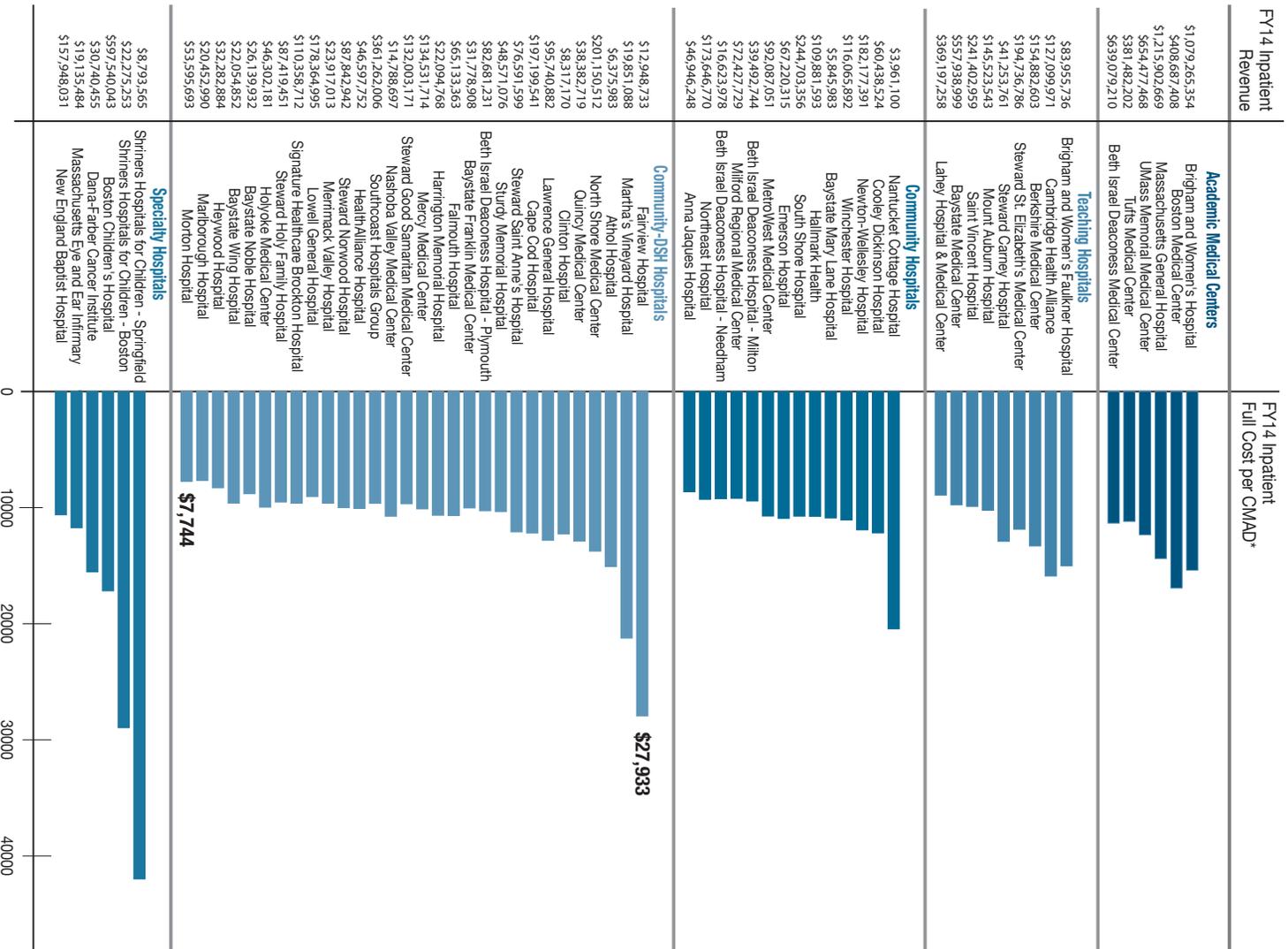
Data Source: Cost, revenue, and discharge data were sourced from the Hospital 403 Cost Reports. Case mix data was sourced from the Hospital Discharge Database.

Note: The acute care Kindred Hospitals were not included in this analysis, as case mix data was not available for these hospitals.

* Costs were adjusted to exclude direct medical education costs and physician compensation costs. Inpatient costs can vary among hospitals depending on a number of factors, including these cost categories. Adjusting for these cost categories facilitates better comparison between hospitals that have these costs and those that do not. Excluding these costs, however, does not reveal the true cost for inpatient care, which may be higher for hospitals with medical education costs and physician compensation costs. For more information on these cost categories, see the databook.

FY2014 Full Cost per CMAD

- Full inpatient costs per case mix-adjusted discharge (CMAD) vary widely among hospitals, even within cohorts
- Academic medical centers and teaching hospitals have higher than average full costs per CMAD, in part due to the costs of their medical residency programs

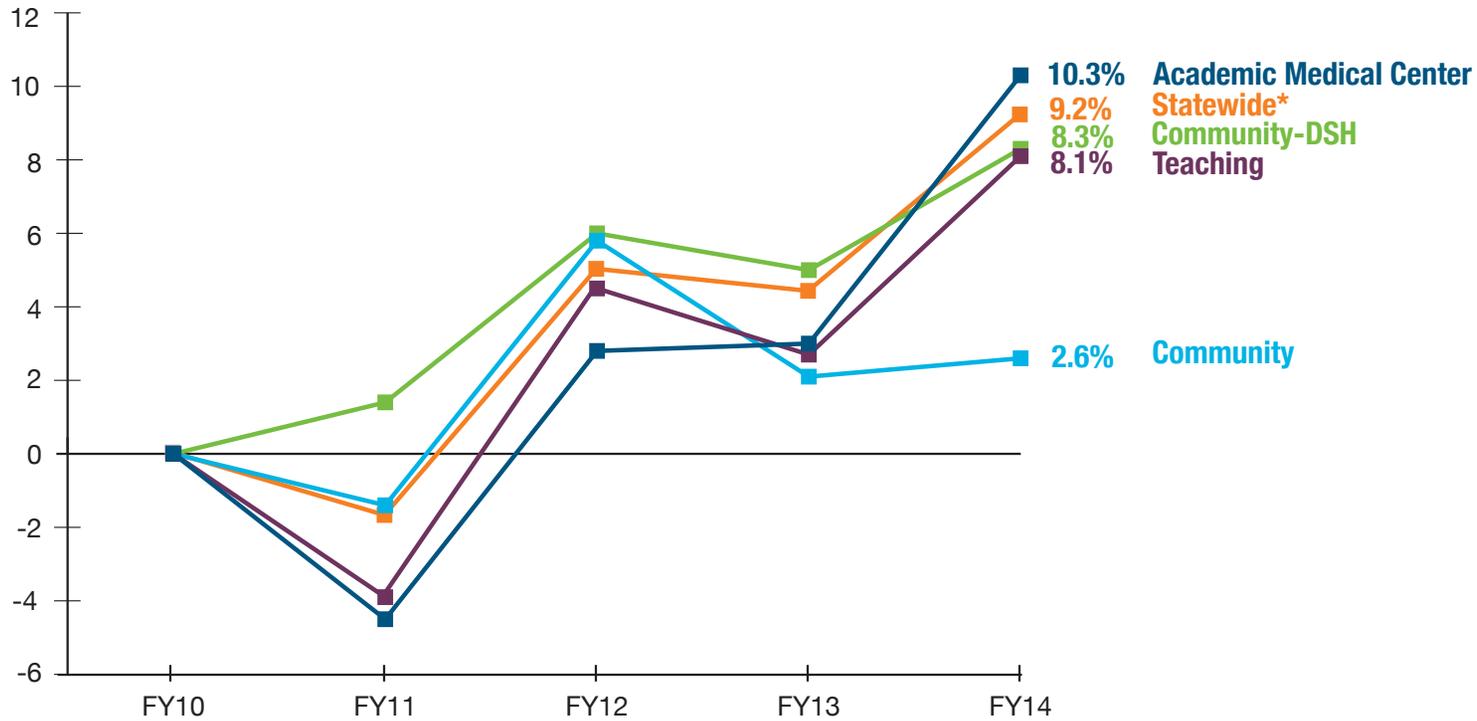


Data Source: Cost, revenue, and discharge data were sourced from the Hospital 403 Cost Reports. Case mix data was sourced from the Hospital Discharge Database.

Note: The acute care Kindred Hospitals were not included in this analysis, as case mix data was not available for these hospitals.

Growth in Outpatient Revenue, FY2010-FY2014

Academic medical centers had the highest growth in outpatient revenue from FY2010 to FY2014.

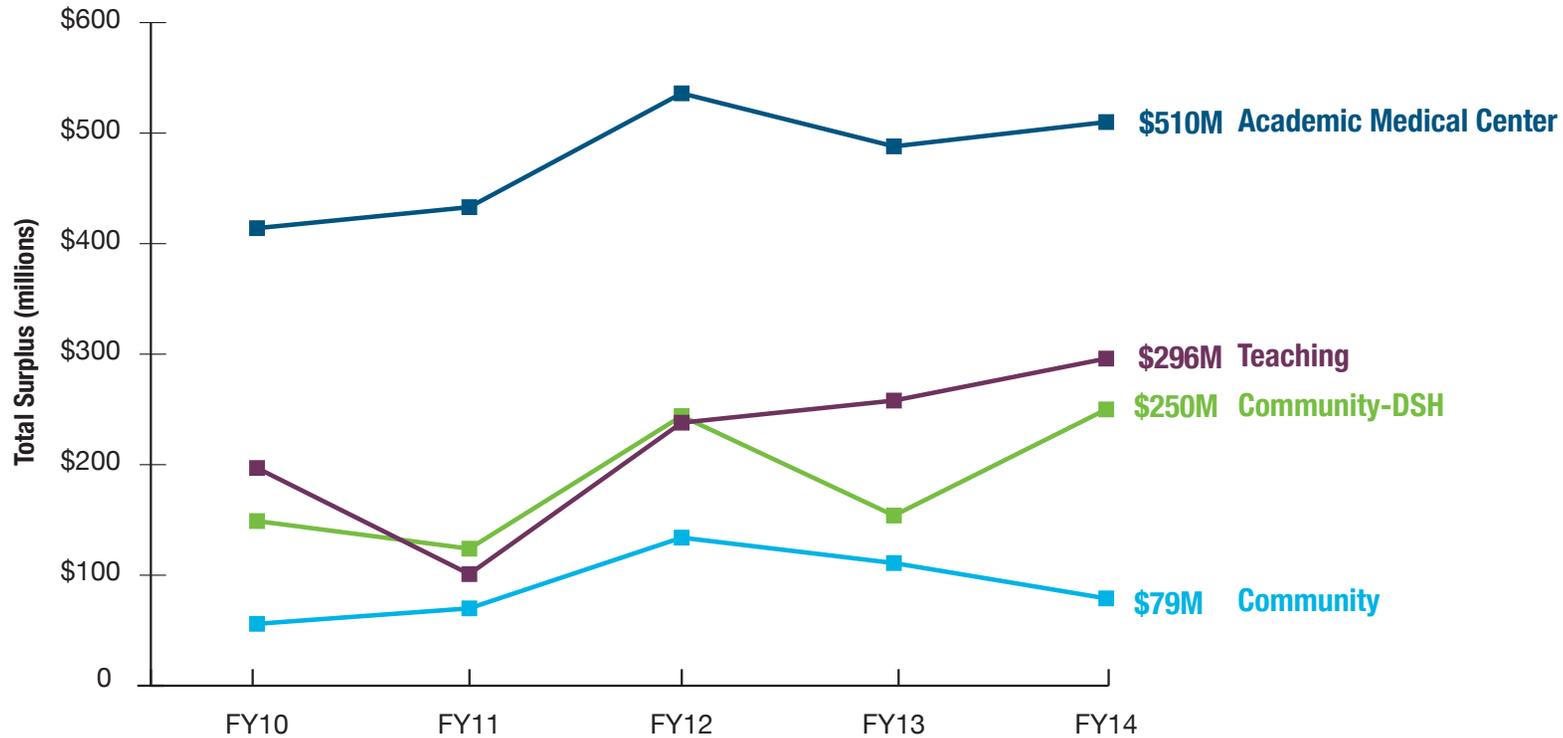


Data Source: Hospital 403 Cost Reports

* Statewide excludes Shriners Hospitals for Children and acute care Kindred hospitals.

Surplus by Cohort

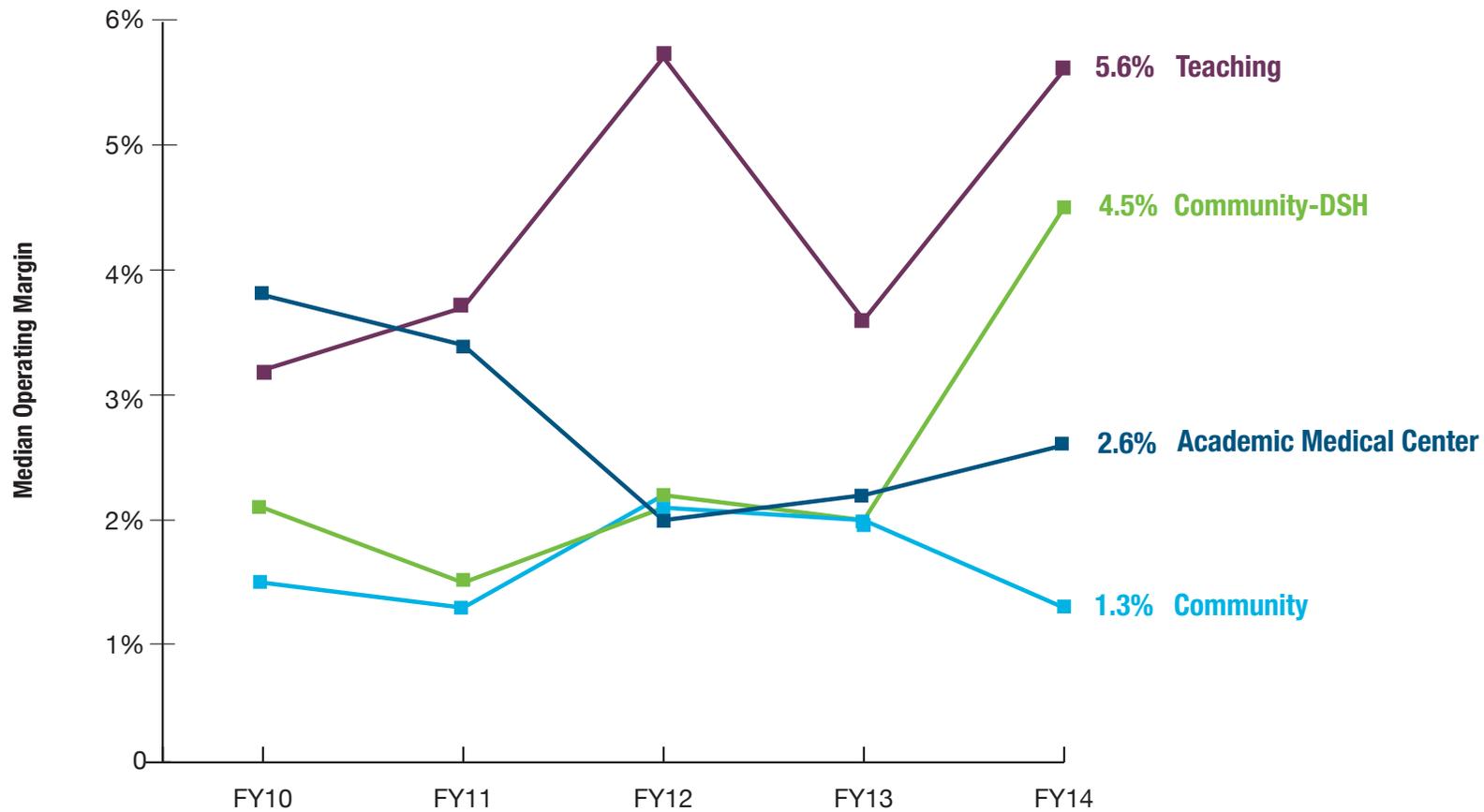
Academic medical centers collectively had the largest surplus in absolute dollars every year from FY2010 to FY2014.



Data Source: Hospital Standardized Financial Statements

Median Operating Margin

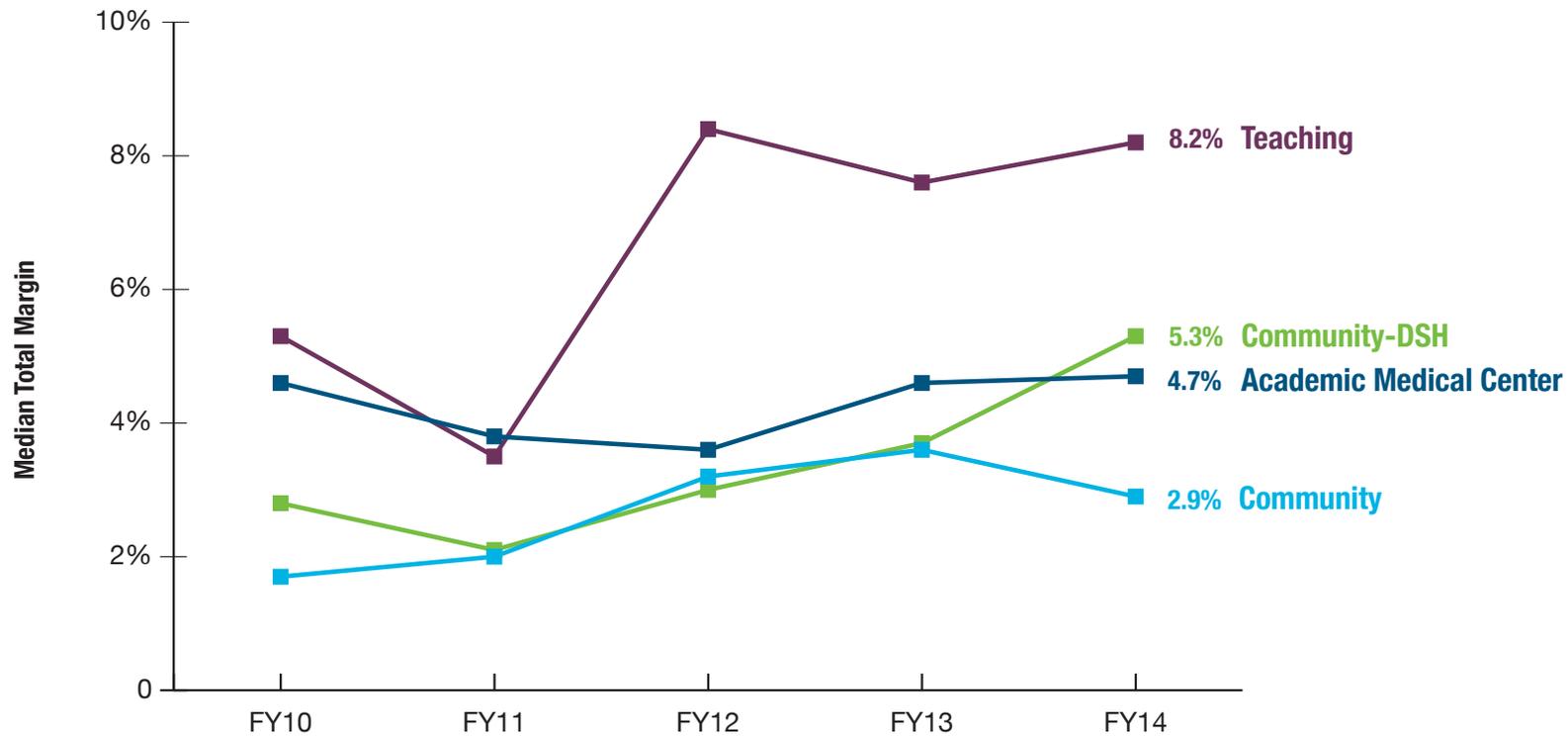
All cohorts have had positive median operating margins since FY2010. Teaching hospitals tended to have the highest median operating margin over this period, including a 5.6% median operating margin in FY2014.



Data Source: Hospital Standardized Financial Statements

Median Total Margin

Teaching hospitals had the highest median total margin in FY2014, at 8.2%.



Data Source: Hospital Standardized Financial Statements



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