

**CENTER FOR HEALTH
INFORMATION AND ANALYSIS**

MASSACHUSETTS ACUTE HOSPITAL FINANCIAL PERFORMANCE

FISCAL YEAR 2013

MAY 2014



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About this Report

This report examines hospital profitability, liquidity, and solvency in order to monitor and compare the financial status of acute care hospitals. The following metrics are examined: total margin, operating margin, non-operating margin, current ratio, days in accounts receivable, average payment period, debt service coverage, cash flow to total debt, and the equity financing ratio. Together, these metrics provide insight into each hospital's financial health.

Metrics included in this report are based on financial information from Fiscal Year (FY) 2009 to FY 2013. This reporting period reflects acute hospital financial data through September 30th each year, the year-end date for a majority of hospitals in Massachusetts. For more information on hospital reporting periods, including the alternative year-end dates for the minority of hospitals, see Report Notes.

Changes from prior acute hospital financial performance reports include new hospital cohort and regional designations. There are also new comparisons for each metric, including measuring period ranges for each cohort in place of quartile trends. All of the data used to calculate these metrics are provided in the databook released concurrently with this report. Fact sheets for individual hospitals are also available.

For data caveats and definitions of hospital cohorts and regions used in this report, see Report Notes.



Key Findings



This report presents analysis on profitability, liquidity, and solvency for each Massachusetts acute hospital, as well as industry analyses and comparisons of financial performance trends for the following acute hospital cohorts: Academic Medical Centers (AMCs), teaching hospitals, community hospitals, and community-Disproportionate Share Hospitals (DSH)¹. For hospitals with fiscal year ends outside of September 30th, their cumulative fiscal year data through September 30th is presented for the fiscal year analyses.

FY13 Acute Hospital Medians

	Profitability			Liquidity			Solvency		
	Total Margin	Operating Margin	Non-Operating Margin	Current Ratio	Days in Accounts Receivable	Average Payment Period	Cash Flow to Total Debt	Debt to Service Coverage	Equity Financing
Statewide Median* (64 hospitals)	↑ 4.1% 3.8%	↑ 2.3% 2.2%	↑ 1.2% 0.8%	↔ 1.5 1.5	↓ 41 38	↓ 59 57	↓ 21.9% 24.5%	↓ 4.5 4.7	↑ 48.6% 42.0%
Academic Medical Centers (6 hospitals)	↑ 4.6% 3.6%	↑ 2.2% 2.0%	↑ 1.0% 0.8%	↑ 1.7 1.6	↓ 46 45	↓ 62 59	↑ 19.5% 18.3%	↓ 3.2 3.4	↑ 40.2% 28.3%
Teaching Hospitals (9 hospitals)	↓ 7.6% 8.4%	↓ 4.0% 5.7%	↓ 0.0% 0.1%	↓ 1.1 1.3	↔ 38 38	↓ 53 50	↓ 29.7% 32.2%	↓ 6.1 6.3	↑ 49.5% 40.6%
Community Hospitals (22 hospitals)	↑ 3.6% 2.5%	↓ 1.8% 2.0%	↑ 1.4% 0.9%	↔ 1.6 1.6	↓ 43 40	↑ 58 59	↓ 20.0% 21.0%	↔ 3.6 3.6	↑ 44.8% 36.2%
Community-DSH Hospitals (23 hospitals)	↓ 3.6% 5.6%	↓ 2.3% 3.1%	↑ 0.8% 0.5%	↓ 1.1 1.3	↓ 40 37	↓ 64 55	↓ 20.5% 33.9%	↓ 4.7 5.8	↑ 47.7% 42.3%

Key: Results display change between FY12 and FY13 metrics ↔ Same ↑ Improved ↓ Declined
 *Statewide median includes specialty hospitals.

- Overall, Massachusetts acute hospital financial performance improved from FY12 to FY13.
- Eighty-four percent, or 54 acute hospitals reported positive total margins.
- The statewide median total margin increased from 3.8% in FY12 to 4.1% in FY13.
- Operating margins also improved; fewer hospitals had negative operating margins in FY13 compared to FY12.
- The median total margin varied by region, from the highest of 8.9% in the Fall River region to the lowest of 0.5% in the Lower North Shore region.
- The AMC cohort showed the strongest improvements in most categories.
- Liquidity remained stable, with most hospitals able to meet short-term obligations.
- Solvency improved in terms of the equity financing ratio, which increased to 48.6% in FY13 from 42.0% in FY12.

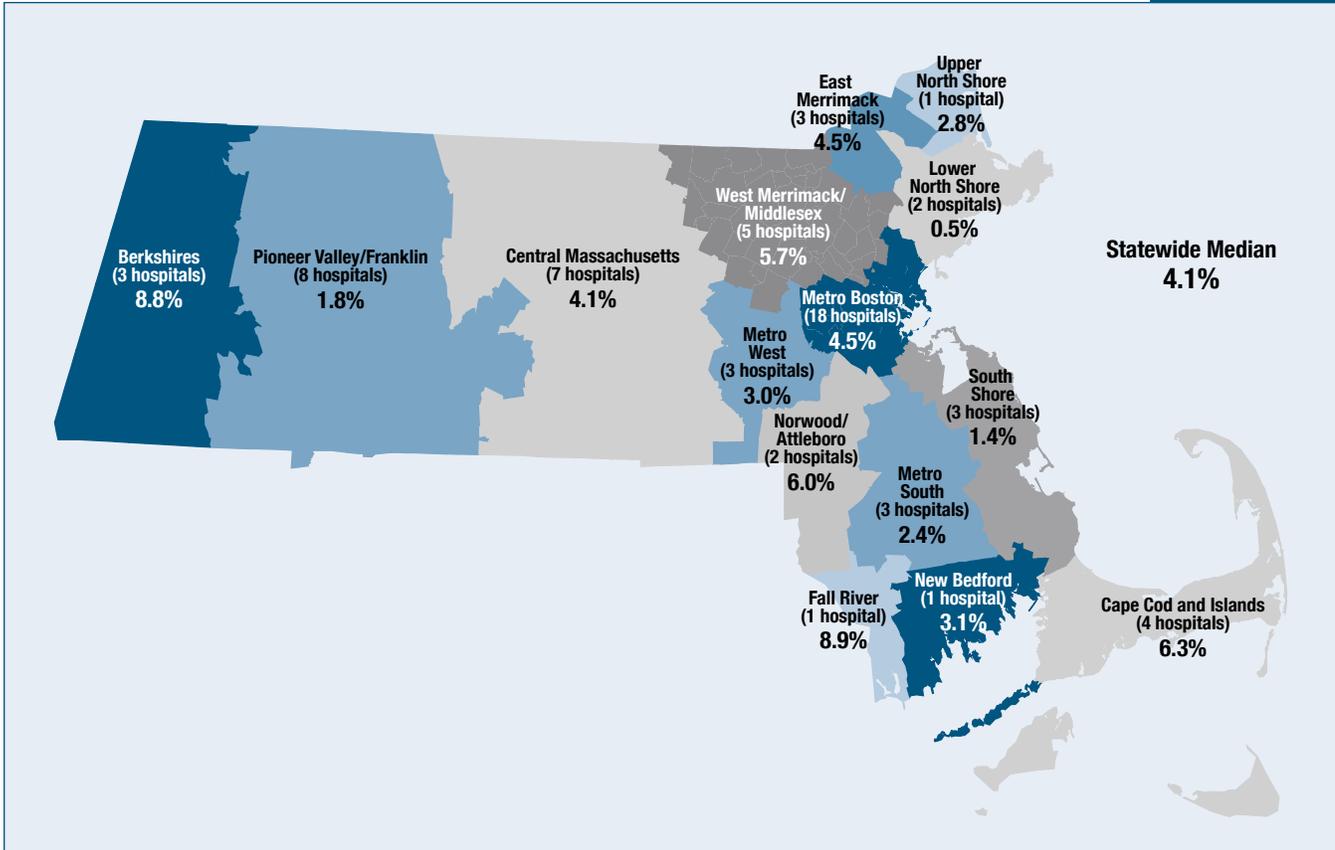
¹ See Report Notes for acute hospital cohort definitions.

Key Findings (Continued)



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FY13 MEDIAN TOTAL MARGIN BY REGION²



² See Report Notes for information on hospitals within each region.

Profitability

Liquidity

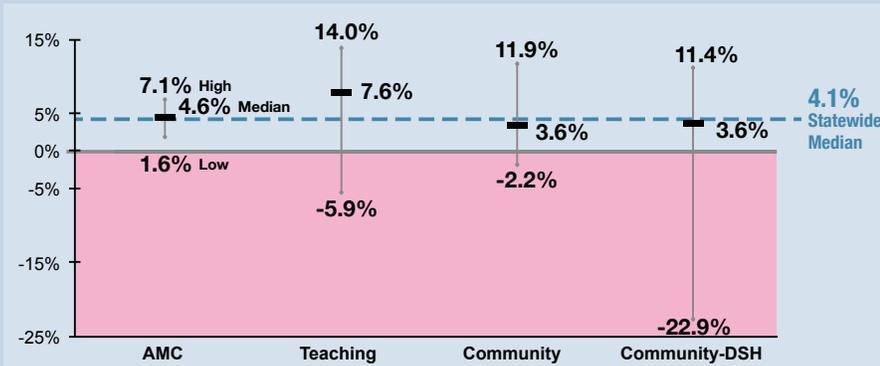
Solvency

Profitability measures a hospital's ability to generate earnings as compared to its revenues. Three profitability ratios are reported: total margin, operating margin, and non-operating margin.

Total Margin

Total Margin reflects the excess of total revenues over total expenses, including operating and non-operating activities such as investment income, as a percentage of total revenue. The statewide median total margin improved from 3.8% in FY12 to 4.1% in FY13.

Total Margin Median and Range by Cohort



Benchmark: FY12 Northeast US median: 2.8%
(Almanac of Hospital Financial and Operating Indicators, OPTUM, 2014)

- Eighty-four percent, or 54 acute hospitals reported positive total margins in FY13.
- The median total margin by cohort varied from the highest at 7.6% for teaching hospitals to the lowest at 3.6% for community and community-DSH hospitals.
- Community-DSH hospitals had the greatest variation in total margin, ranging from 11.4% at the highest hospital to -22.9% at the lowest hospital.
- The median total margin trend by cohort shows that teaching hospitals and community-DSH hospitals had the greatest decreases in total margin from FY12 to FY13.

Median Total Margin Trend by Cohort

	FY09	FY10	FY11	FY12	FY13
Statewide Median* (64 hospitals)	2.2%	2.6%	2.1%	3.8%	4.1%
AMC (6 hospitals)	3.5%	4.6%	3.8%	3.6%	4.6%
Teaching (9 hospitals)	5.6%	5.3%	1.9%	8.4%	7.6%
Community (22 hospitals)	2.4%	2.8%	2.0%	2.5%	3.6%
Community-DSH (23 hospitals)	1.3%	1.9%	0.7%	5.6%	3.6%

*Statewide median includes specialty hospitals.

Massachusetts Acute Hospital Total Margin in FY13

Hospital Name	Total Margin
Academic Medical Centers	
Beth Israel Deaconess Medical Center	7.1%
Brigham and Women's Hospital	5.5%
UMass Memorial Medical Center^	4.6%
Massachusetts General Hospital	4.6%
Boston Medical Center^	1.9%
Tufts Medical Center	1.6%
Teaching Hospitals	
Saint Vincent Hospital^*	14.0%
Baystate Medical Center^	10.1%
Mount Auburn Hospital	9.4%
Berkshire Medical Center^	8.8%
Lahey Clinic	7.6%
Steward St. Elizabeth's Medical Center^*	4.0%
Brigham and Women's Faulkner Hospital	0.0%
Cambridge Health Alliance^*	-4.8%
Steward Carney Hospital^*	-5.9%
Community Hospitals	
Sturdy Memorial Hospital	11.9%
Beth Israel Deaconess Hospital - Milton	9.5%
Martha's Vineyard Hospital	6.6%
Winchester Hospital	5.9%
Northeast Hospital	5.8%
Lowell General Hospital	5.7%
Milford Regional Medical Center	4.8%
Hallmark Health	4.7%
South Shore Hospital	4.5%
Newton-Wellesley Hospital	4.5%
Harrington Memorial Hospital	4.1%
Marlborough Hospital	3.0%
Anna Jaques Hospital	2.8%
Beth Israel Deaconess Hospital - Needham	2.1%
Jordan Hospital	1.4%
Nantucket Cottage Hospital	1.4%
Emerson Hospital	0.6%
Cooley Dickinson Hospital	0.6%
Nashoba Valley Medical Center*	0.2%
Steward Norwood Hospital*	0.1%
MetroWest Medical Center *	-0.5%
Baystate Mary Lane Hospital	-2.2%
Community-DSH Hospitals ^	
Falmouth Hospital	11.4%
Fairview Hospital	10.1%
Steward Saint Anne's Hospital*	8.9%
Signature Healthcare Brockton Hospital	8.7%
Cape Cod Hospital	6.1%
Steward Holy Family Hospital*	5.5%
Heywood Hospital	5.1%
Lawrence General Hospital	4.5%
North Adams Regional Hospital	4.1%
HealthAlliance Hospital	4.1%
Holyoke Medical Center	3.7%
Mercy Medical Center*	3.6%
Southcoast Hospitals Group	3.1%
Wing Memorial Hospital	3.0%
Steward Good Samaritan Medical Center*	2.4%
Noble Hospital	0.4%
Athol Hospital	0.3%
Baystate Franklin Medical Center	-1.2%
Clinton Hospital	-1.3%
Morton Hospital*	-4.3%
North Shore Medical Center	-4.9%
Merrimack Valley Hospital*	-20.9%
Quincy Medical Center*	-22.9%
Specialty Hospitals	
Boston Children's Hospital	11.1%
Dana-Farber Cancer Institute	5.2%
New England Baptist Hospital	4.9%
Massachusetts Eye and Ear Infirmary	0.0%

^ Indicates hospital meets the DSH criteria. For DSH criteria, see Report Notes.

* Data reported on an alternative fiscal year.

Profitability

Liquidity

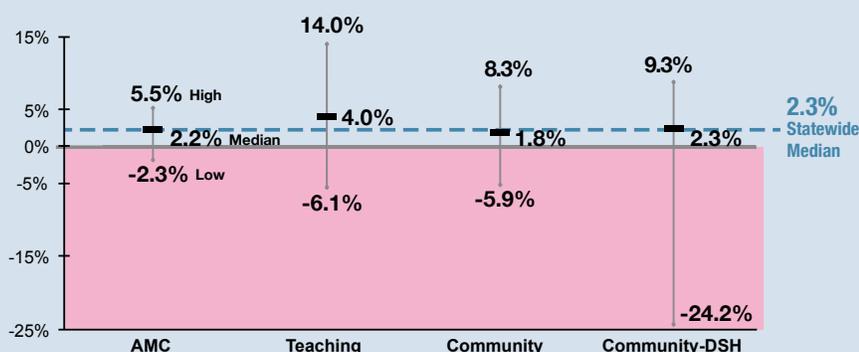
Solvency

Profitability measures a hospital's ability to generate earnings as compared to its revenues. Three profitability ratios are reported: total margin, operating margin, and non-operating margin.

Operating Margin

Operating Margin is the ratio of operating income/loss to total revenue. It reflects revenues and expenses associated with patient care activities but does not include investments, research, and other non-operating revenues or expenses.

Operating Margin Median and Range by Cohort



Benchmark: FY12 Northeast US median: 2.2%
(Almanac of Hospital Financial and Operating Indicators, OPTUM, 2014)

- Seventy-seven percent, or 49 acute hospitals reported positive operating margins in FY13.
- The median operating margin by cohort ranged from the highest at 4.0% for teaching hospitals to the lowest at 1.8% for community hospitals.
- Two of the specialty hospitals, Dana-Farber Cancer Institute and Massachusetts Eye and Ear Infirmary, reported operating losses; however, both reported positive non-operating margins, which contributed to an overall positive margin for each.
- Community-DSH hospitals had the greatest variation in operating margin, ranging from 9.3% at the highest hospital to -24.2% at the lowest hospital.
- The median operating margin trend by cohort shows that teaching hospitals and community-DSH hospitals had the greatest decreases from FY12 to FY13.

Median Operating Margin Trend by Cohort

	FY09	FY10	FY11	FY12	FY13
Statewide Median* (64 hospitals)	1.9%	2.0%	1.7%	2.2%	2.3%
AMC (6 hospitals)	2.7%	3.8%	3.4%	2.0%	2.2%
Teaching (9 hospitals)	4.6%	3.2%	1.9%	5.7%	4.0%
Community (22 hospitals)	2.4%	2.3%	1.7%	2.0%	1.8%
Community-DSH (23 hospitals)	1.3%	1.2%	0.8%	3.1%	2.3%

*Statewide median includes specialty hospitals.

Massachusetts Acute Hospital Operating Margin in FY13

Hospital Name	Operating Margin
Academic Medical Centers	
Brigham and Women's Hospital	5.5%
Massachusetts General Hospital	4.5%
Beth Israel Deaconess Medical Center	3.6%
Tufts Medical Center	0.8%
Boston Medical Center [^]	0.7%
UMass Memorial Medical Center [^]	-2.3%
Teaching Hospitals	
Saint Vincent Hospital ^{^*}	14.0%
Lahey Clinic	7.6%
Berkshire Medical Center [^]	7.4%
Baystate Medical Center [^]	6.6%
Steward St. Elizabeth's Medical Center ^{^*}	4.0%
Mount Auburn Hospital	3.6%
Brigham and Women's Faulkner Hospital	0.0%
Steward Carney Hospital ^{^*}	-5.9%
Cambridge Health Alliance ^{^*}	-6.1%
Community Hospitals	
Cooley Dickinson Hospital	8.3%
Beth Israel Deaconess Hospital - Milton	7.6%
Sturdy Memorial Hospital	6.8%
Newton-Wellesley Hospital	4.3%
Milford Regional Medical Center	4.0%
South Shore Hospital	3.1%
Northeast Hospital	2.8%
Harrington Memorial Hospital	2.6%
Martha's Vineyard Hospital	2.5%
Winchester Hospital	2.2%
Hallmark Health	1.8%
Beth Israel Deaconess Hospital - Needham	1.7%
Anna Jaques Hospital	1.5%
Marlborough Hospital	0.7%
Emerson Hospital	0.6%
Lowell General Hospital	0.5%
Nashoba Valley Medical Center*	0.2%
Jordan Hospital	0.1%
MetroWest Medical Center*	-0.7%
Steward Norwood Hospital*	-1.1%
Baystate Mary Lane Hospital	-3.1%
Nantucket Cottage Hospital	-5.9%
Community-DSH Hospitals [^]	
Falmouth Hospital	9.3%
Steward Saint Anne's Hospital*	8.7%
Signature Healthcare Brockton Hospital	7.4%
Steward Holy Family Hospital*	5.5%
Fairview Hospital	5.0%
Cape Cod Hospital	4.7%
Mercy Medical Center*	3.8%
North Adams Regional Hospital	3.6%
Holyoke Medical Center	3.4%
Lawrence General Hospital	3.4%
HealthAlliance Hospital	2.6%
Heywood Hospital	2.3%
Steward Good Samaritan Medical Center*	2.3%
Wing Memorial Hospital	2.0%
Southcoast Hospitals Group	1.1%
Noble Hospital	0.3%
Athol Hospital	0.1%
Baystate Franklin Medical Center	-1.9%
Clinton Hospital	-3.0%
Morton Hospital*	-4.3%
North Shore Medical Center	-4.9%
Merrimack Valley Hospital*	-20.9%
Quincy Medical Center*	-24.2%
Specialty Hospitals	
Boston Children's Hospital	4.3%
New England Baptist Hospital	2.7%
Massachusetts Eye and Ear Infirmary	-1.8%
Dana-Farber Cancer Institute	-4.4%

[^] Indicates hospital meets the DSH criteria. For DSH criteria, see Report Notes.

* Data reported on an alternative fiscal year.

Profitability

Liquidity

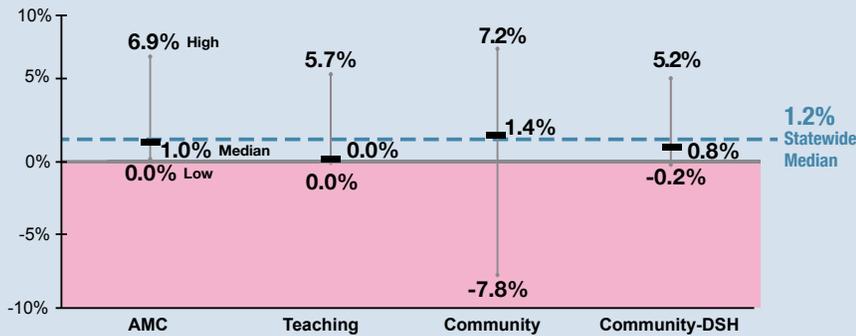
Solvency

Profitability measures a hospital's ability to generate earnings as compared to its revenues. Three profitability ratios are reported: total margin, operating margin, and non-operating margin.

Non-Operating Margin

Non-Operating Margin is the ratio of non-operating income/loss to total revenue. It includes items that are not related to operations such as investment income, contributions, gains or losses from the sale of assets, and other unrelated business activities.

Non-Operating Margin Median and Range by Cohort



Benchmark: FY12 Northeast US median: 0.1%
(Almanac of Hospital Financial and Operating Indicators, OPTUM, 2014, Medicare Cost Reports)

- The statewide median non-operating margin increased from 0.8% in FY12 to 1.2% in FY13, the highest in five years.
- In FY13, community hospitals had both the highest and lowest non-operating margins of all acute hospitals.
- Five hospitals generated sufficient non-operating gains to make up for operating losses, resulting in positive total margins. These hospitals were: Dana-Farber Cancer Institute, Massachusetts Eye and Ear Infirmiry, Nantucket Cottage Hospital, Steward Norwood Hospital, and UMass Memorial Medical Center.
- The community hospital cohort median non-operating margin has steadily increased over the last five years.

Median Non-Operating Margin Trend by Cohort

	FY09	FY10	FY11	FY12	FY13
Statewide Median* (64 hospitals)	0.2%	0.7%	0.3%	0.8%	1.2%
AMC (6 hospitals)	0.2%	0.7%	0.2%	0.8%	1.0%
Teaching (9 hospitals)	0.2%	1.2%	0.0%	0.1%	0.0%
Community (22 hospitals)	0.1%	0.5%	0.5%	0.9%	1.4%
Community-DSH (23 hospitals)	0.2%	0.6%	0.2%	0.5%	0.8%

*Statewide median includes specialty hospitals

Massachusetts Acute Hospital Non-Operating Margin in FY13

Hospital Name	Non-Operating Margin
Academic Medical Centers	
UMass Memorial Medical Center [^]	6.9%
Beth Israel Deaconess Medical Center	3.5%
Boston Medical Center [^]	1.3%
Tufts Medical Center	0.7%
Massachusetts General Hospital	0.0%
Brigham and Women's Hospital	0.0%
Teaching Hospitals	
Mount Auburn Hospital	5.7%
Baystate Medical Center [^]	3.5%
Berkshire Medical Center [^]	1.4%
Cambridge Health Alliance ^{^*}	1.3%
Steward Carney Hospital ^{^*}	0.0%
Steward St. Elizabeth's Medical Center ^{^*}	0.0%
Brigham and Women's Faulkner Hospital	0.0%
Saint Vincent Hospital ^{^*}	0.0%
Lahey Clinic	0.0%
Community Hospitals	
Nantucket Cottage Hospital	7.2%
Lowell General Hospital	5.2%
Sturdy Memorial Hospital	5.1%
Martha's Vineyard Hospital	4.0%
Winchester Hospital	3.7%
Northeast Hospital	3.0%
Hallmark Health	2.9%
Marlborough Hospital	2.3%
Beth Israel Deaconess Hospital - Milton	1.9%
Harrington Memorial Hospital	1.5%
South Shore Hospital	1.4%
Jordan Hospital	1.3%
Anna Jaques Hospital	1.2%
Steward Norwood Hospital [*]	1.2%
Baystate Mary Lane Hospital	0.9%
Milford Regional Medical Center	0.7%
Beth Israel Deaconess Hospital - Needham	0.4%
Newton-Wellesley Hospital	0.2%
MetroWest Medical Center [*]	0.2%
Nashoba Valley Medical Center [*]	0.0%
Emerson Hospital	0.0%
Cooley Dickinson Hospital	-7.8%
Community-DSH Hospitals [^]	
Fairview Hospital	5.2%
Heywood Hospital	2.8%
Falmouth Hospital	2.2%
Southcoast Hospitals Group	2.0%
Clinton Hospital	1.7%
HealthAlliance Hospital	1.5%
Cape Cod Hospital	1.4%
Quincy Medical Center [*]	1.3%
Signature Healthcare Brockton Hospital	1.2%
Lawrence General Hospital	1.1%
Wing Memorial Hospital	1.0%
Baystate Franklin Medical Center	0.8%
North Adams Regional Hospital	0.5%
Holyoke Medical Center	0.3%
Athol Hospital	0.3%
Steward Saint Anne's Hospital [*]	0.2%
Noble Hospital	0.1%
Steward Good Samaritan Medical Center [*]	0.1%
North Shore Medical Center	0.1%
Morton Hospital [*]	0.0%
Merrimack Valley Hospital [*]	0.0%
Steward Holy Family Hospital [*]	0.0%
Mercy Medical Center [*]	-0.2%
Specialty Hospitals	
Dana-Farber Cancer Institute	9.6%
Boston Children's Hospital	6.8%
New England Baptist Hospital	2.1%
Massachusetts Eye and Ear Infirmiry	1.8%

[^] Indicates hospital meets the DSH criteria. For DSH criteria, see Report Notes.

^{*} Data reported on an alternative fiscal year.

Profitability

Liquidity

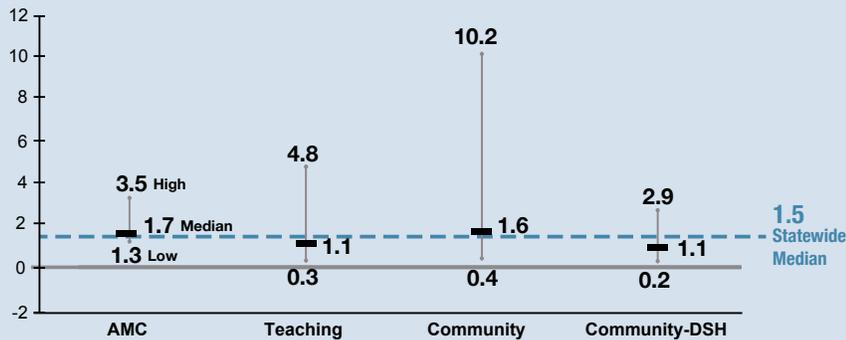
Solvency

Liquidity refers to assets readily convertible into cash. It is a measure of how quickly assets can be converted into cash to meet current liabilities. Three liquidity ratios are reported: current ratio, days in accounts receivable, and average payment period.

Current Ratio

Current Ratio measures short-term financial health and indicates whether a hospital is able to meet current liabilities with current assets. The higher the current ratio, the more financially stable a hospital is in the short-term. A ratio of 1.0 or higher indicates that current liabilities could be adequately covered by existing current assets.

Current Ratio Median and Range by Cohort



Benchmark: FY12 Northeast US median: 1.6
(Almanac of Hospital Financial and Operating Indicators, OPTUM, 2014)

- Seventy-seven percent, or 49 acute hospitals reported current ratios of 1.0 or higher in FY13.
- Median current ratios for all hospital cohorts remained fairly stable between FY09 and FY13.
- The community hospital cohort had the greatest variation in current ratios, ranging from 10.2 at the highest hospital to 0.4 at the lowest hospital.
- Fifteen hospitals had current ratios of less than 1.0. Nine hospitals were in the community-DSH cohort. Most of these hospitals are part of a larger health system and may have access to funds through their parent organization.

Median Current Ratio Trend by Cohort

	FY09	FY10	FY11	FY12	FY13
Statewide Median* (64 hospitals)	1.5	1.6	1.5	1.5	1.5
AMC (6 hospitals)	1.6	1.5	1.7	1.6	1.7
Teaching (9 hospitals)	1.5	1.7	1.2	1.3	1.1
Community (22 hospitals)	1.6	1.6	1.6	1.6	1.6
Community-DSH (23 hospitals)	1.5	1.3	1.2	1.3	1.1

*Statewide median includes specialty hospitals.

Massachusetts Acute Hospital Current Ratio in FY13

Hospital Name	Current Ratio
Academic Medical Centers	
Beth Israel Deaconess Medical Center	3.5
Tufts Medical Center	2.2
Boston Medical Center [^]	1.8
Massachusetts General Hospital	1.6
Brigham and Women's Hospital	1.3
UMass Memorial Medical Center [^]	1.3
Teaching Hospitals	
Lahey Clinic	4.8
Mount Auburn Hospital	4.4
Baystate Medical Center [^]	2.8
Berkshire Medical Center [^]	1.2
Saint Vincent Hospital ^{^*}	1.1
Brigham and Women's Faulkner Hospital	1.1
Cambridge Health Alliance ^{^*}	0.9
Steward Carney Hospital ^{^*}	0.3
Steward St. Elizabeth's Medical Center ^{^*}	0.3
Community Hospitals	
Sturdy Memorial Hospital	10.2
Hallmark Health	3.8
Harrington Memorial Hospital	3.7
Milford Regional Medical Center	3.6
Anna Jaques Hospital	2.9
Martha's Vineyard Hospital	2.2
Beth Israel Deaconess Hospital - Needham	2.0
Beth Israel Deaconess Hospital - Milton	2.0
Baystate Mary Lane Hospital	1.8
Northeast Hospital	1.7
Emerson Hospital	1.6
South Shore Hospital	1.6
Lowell General Hospital	1.6
Winchester Hospital	1.5
MetroWest Medical Center*	1.5
Jordan Hospital	1.3
Cooley Dickinson Hospital	1.2
Newton-Wellesley Hospital	1.2
Nantucket Cottage Hospital	1.0
Marlborough Hospital	0.9
Nashoba Valley Medical Center*	0.4
Steward Norwood Hospital*	0.4
Community-DSH Hospitals [^]	
Mercy Medical Center*	2.9
Cape Cod Hospital	2.0
HealthAlliance Hospital	1.8
North Adams Regional Hospital	1.8
Baystate Franklin Medical Center	1.6
North Shore Medical Center	1.6
Wing Memorial Hospital	1.5
Lawrence General Hospital	1.4
Southcoast Hospitals Group	1.4
Holyoke Medical Center	1.3
Signature Healthcare Brockton Hospital	1.2
Steward Saint Anne's Hospital*	1.0
Fairview Hospital	1.0
Falmouth Hospital	1.0
Heywood Hospital	0.9
Morton Hospital*	0.7
Steward Holy Family Hospital*	0.6
Clinton Hospital	0.6
Athol Hospital	0.5
Noble Hospital	0.5
Steward Good Samaritan Medical Center*	0.4
Merrimack Valley Hospital*	0.3
Quincy Medical Center*	0.2
Specialty Hospitals	
Boston Children's Hospital	6.8
New England Baptist Hospital	3.3
Massachusetts Eye and Ear Infirmary	1.8
Dana-Farber Cancer Institute	1.6

[^] Indicates hospital meets the DSH criteria. For DSH criteria, see Report Notes.

* Data reported on an alternative fiscal year.

Profitability

Liquidity

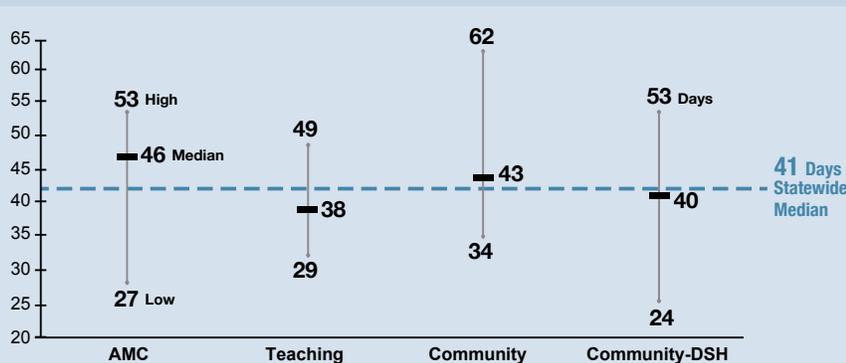
Solvency

Liquidity refers to assets readily convertible into cash. It is a measure of how quickly assets can be converted into cash to meet current liabilities. Three liquidity ratios are reported: current ratio, days in accounts receivable, and average payment period

Days in Accounts Receivable

Days in Accounts Receivable measures the average number of days hospitals take to collect patient and health insurance payments. The amount the hospital expects to receive is viewed as an asset and represents a significant portion of the hospital's balance sheet. Patient receivables that are outstanding denote cash that is unavailable for use in facility operations or investments.

Days in Accounts Receivable Median and Range by Cohort



Benchmark: FY12 Northeast US median: 42 days
(Almanac of Hospital Financial and Operating Indicators, OPTUM, 2014)

- Overall, the median days in accounts receivable increased in FY13 compared to prior periods.
- The teaching hospital cohort had a smaller variation in its range of days in accounts receivable compared to other cohorts in FY13.
- Three community hospitals took longer than 59 days to collect accounts receivables: Martha's Vineyard Hospital, Anna Jaques Hospital, and Marlborough Hospital.
- Wing Memorial Hospital, a community-DSH hospital, had the fastest collection cycle of accounts receivables, taking only 24 days to collect payments.

Median Days in Accounts Receivable Trend by Cohort

	FY09	FY10	FY11	FY12	FY13
Statewide Median* (64 hospitals)	40	37	38	38	41
AMC (6 hospitals)	47	45	45	45	46
Teaching (9 hospitals)	38	36	39	38	38
Community (22 hospitals)	39	39	39	40	43
Community-DSH (23 hospitals)	37	35	35	37	40

*Statewide median includes specialty hospitals.

Massachusetts Acute Hospital Days in Accounts Receivable in FY13

Hospital Name	Days in Accounts Receivable
Academic Medical Centers	
Beth Israel Deaconess Medical Center	53
UMass Memorial Medical Center^	52
Brigham and Women's Hospital	46
Massachusetts General Hospital	45
Tufts Medical Center	41
Boston Medical Center^	27
Teaching Hospitals	
Berkshire Medical Center^	49
Saint Vincent Hospital^*	47
Mount Auburn Hospital	44
Lahey Clinic	42
Steward Carney Hospital^*	38
Baystate Medical Center^	34
Brigham and Women's Faulkner Hospital	32
Steward St. Elizabeth's Medical Center^*	31
Cambridge Health Alliance^*	29
Community Hospitals	
Marlborough Hospital	62
Anna Jaques Hospital	61
Martha's Vineyard Hospital	60
Nantucket Cottage Hospital	55
Beth Israel Deaconess Hospital - Milton	50
Milford Regional Medical Center	50
South Shore Hospital	48
Lowell General Hospital	48
Emerson Hospital	47
Hallmark Health	46
Harrington Memorial Hospital	45
MetroWest Medical Center*	40
Northeast Hospital	40
Baystate Mary Lane Hospital	38
Nashoba Valley Medical Center*	37
Jordan Hospital	37
Winchester Hospital	36
Beth Israel Deaconess Hospital - Needham	36
Sturdy Memorial Hospital	35
Cooley Dickinson Hospital	34
Newton-Wellesley Hospital	34
Steward Norwood Hospital*	34
Community-DSH Hospitals ^	
Clinton Hospital	53
Lawrence General Hospital	47
Fairview Hospital	45
Mercy Medical Center*	45
Morton Hospital*	45
Heywood Hospital	44
Steward Good Samaritan Medical Center*	43
Steward Saint Anne's Hospital*	43
Signature Healthcare Brockton Hospital	41
Falmouth Hospital	41
North Adams Regional Hospital	40
Cape Cod Hospital	40
Southcoast Hospitals Group	40
Athol Hospital	40
Baystate Franklin Medical Center	39
Steward Holy Family Hospital*	39
Merrimack Valley Hospital*	38
Quincy Medical Center*	37
Holyoke Medical Center	36
HealthAlliance Hospital	34
North Shore Medical Center	33
Noble Hospital	28
Wing Memorial Hospital	24
Specialty Hospitals	
Dana-Farber Cancer Institute	48
Boston Children's Hospital	46
New England Baptist Hospital	44
Massachusetts Eye and Ear Infirmary	42

^ Indicates hospital meets the DSH criteria.
For DSH criteria, see Report Notes.

* Data reported on an alternative fiscal year.

Profitability

Liquidity

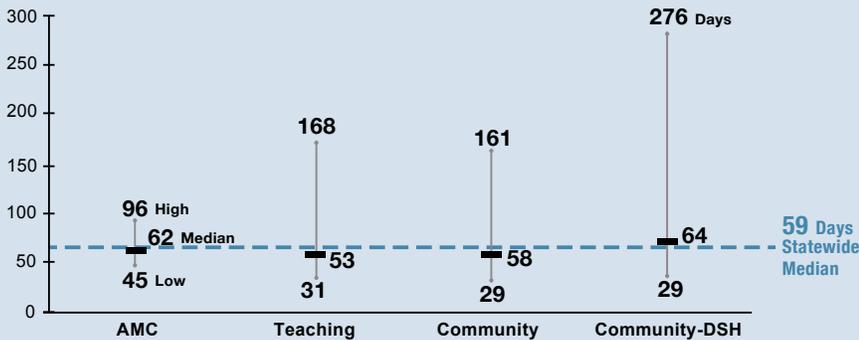
Solvency

Liquidity refers to assets readily convertible into cash. It is a measure of how quickly assets can be converted into cash to meet current liabilities. Three liquidity ratios are reported: current ratio, days in accounts receivable, and average payment period.

Average Payment Period

Average Payment Period measures the time it takes hospitals to pay current liabilities. Higher values may indicate potential liquidity problems and an inability to pay current obligations.

Average Payment Period Median and Range by Cohort



Benchmark: FY12 Northeast US median: 66 days
(Almanac of Hospital Financial and Operating Indicators, OPTUM, 2014)

- The median average payment period increased each year between FY11 and FY13, indicating that hospitals are taking longer to pay their bills.
- The community-DSH cohort had the greatest variation in average payment period, from a high of 276 days to a low of 29 days.
- The median average payment period of the community hospital cohort shortened in FY13 while the other cohorts' median average payment periods were longer than in prior years.
- The median average payment period for all cohorts in FY13 was 59 days, less than the FY12 Northeast US benchmark of 66 days.

Median Average Payment Period Trend by Cohort

	FY09	FY10	FY11	FY12	FY13
Statewide Median* (64 hospitals)	57	56	53	57	59
AMC (6 hospitals)	59	70	54	59	62
Teaching (9 hospitals)	54	49	47	50	53
Community (22 hospitals)	57	54	54	59	58
Community-DSH (23 hospitals)	58	57	54	55	64

*Statewide median includes specialty hospitals.

Massachusetts Acute Hospital Average Payment Period in FY13

Hospital Name	Average Payment Period
Academic Medical Centers	
Boston Medical Center [^]	96
UMass Memorial Medical Center [^]	93
Tufts Medical Center	66
Brigham and Women's Hospital	59
Beth Israel Deaconess Medical Center	58
Massachusetts General Hospital	45
Teaching Hospitals	
Steward Carney Hospital ^{^*}	168
Steward St. Elizabeth's Medical Center ^{^*}	139
Berkshire Medical Center [^]	62
Mount Auburn Hospital	53
Saint Vincent Hospital ^{^*}	53
Cambridge Health Alliance ^{^*}	48
Brigham and Women's Faulkner Hospital	46
Baystate Medical Center [^]	42
Lahey Clinic	31
Community Hospitals	
Marlborough Hospital	161
Steward Norwood Hospital*	135
Nashoba Valley Medical Center*	116
Lowell General Hospital	100
Emerson Hospital	75
Hallmark Health	69
Jordan Hospital	68
Cooley Dickinson Hospital	68
Harrington Memorial Hospital	67
Beth Israel Deaconess Hospital - Milton	64
Beth Israel Deaconess Hospital - Needham	59
Newton-Wellesley Hospital	57
Winchester Hospital	55
Milford Regional Medical Center	51
Northeast Hospital	48
South Shore Hospital	48
Baystate Mary Lane Hospital	42
Sturdy Memorial Hospital	38
Anna Jaques Hospital	33
Martha's Vineyard Hospital	33
MetroWest Medical Center*	29
Nantucket Cottage Hospital	29
Community-DSH Hospitals [^]	
Clinton Hospital	276
Quincy Medical Center*	188
Merrimack Valley Hospital*	166
Steward Good Samaritan Medical Center*	134
Steward Holy Family Hospital*	107
Athol Hospital	90
North Shore Medical Center	86
Wing Memorial Hospital	85
Morton Hospital*	80
Noble Hospital	77
Southcoast Hospitals Group	69
HealthAlliance Hospital	64
North Adams Regional Hospital	62
Falmouth Hospital	62
Heywood Hospital	58
Lawrence General Hospital	55
Steward Saint Anne's Hospital*	54
Mercy Medical Center*	52
Holyoke Medical Center	49
Baystate Franklin Medical Center	48
Cape Cod Hospital	44
Signature Healthcare Brockton Hospital	42
Fairview Hospital	29
Specialty Hospitals	
Boston Children's Hospital	87
Massachusetts Eye and Ear Infirmary	59
Dana-Farber Cancer Institute	48
New England Baptist Hospital	41

[^] Indicates hospital meets the DSH criteria.
For DSH criteria, see Report Notes.

* Data reported on an alternative fiscal year.

Profitability

Liquidity

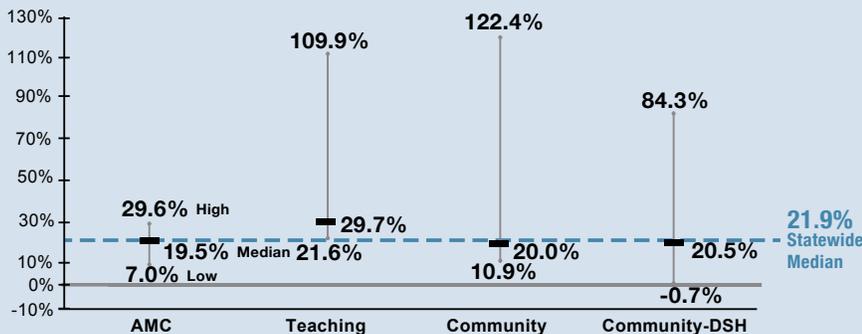
Solvency

Solvency measures the ability of a hospital to meet its total debt obligations and is generally an indicator of long-term financial health. Three solvency ratios are reported: cash flow to total debt, debt service coverage, and equity financing.

Cash Flow to Total Debt

Cash Flow to Total Debt is the ratio of current cash flow to total long-term debt. The lower the ratio, the more likely a hospital may find it difficult to meet current and long-term financing needs.

Cash Flow to Total Debt Median and Range by Cohort



Benchmark: FY12 Northeast US median: 19.0%
(Almanac of Hospital Financial and Operating Indicators, OPTUM, 2014)

- The statewide median cash flow to total debt ratio decreased from 24.5% in FY12 to 21.9% in FY13.
- Cash flow to total debt ratios varied considerably across acute hospital cohorts, ranging from a high of 122.4% in the community hospital cohort to a low of -0.7% in the community-DSH hospital cohort.
- Two hospitals had ratios in excess of 100%, Sturdy Memorial Hospital and Saint Vincent Hospital.
- The AMC cohort had an improved median cash flow to total debt ratio from FY12 to FY13, rising from 18.3% to 19.5%.
- The community-DSH hospital cohort's cash flow to total debt ratio had the largest decline, from 33.9% in FY12 to 20.5% in FY13, lowering its ratio by 13.4 percentage points in absolute terms.

Median Cash Flow to Total Debt Trend by Cohort

	FY09	FY10	FY11	FY12	FY13
Statewide Median* (52 hospitals)	20.4%	17.0%	14.9%	24.5%	21.9%
AMC (6 hospitals)	18.6%	19.7%	21.9%	18.3%	19.5%
Teaching (6 hospitals)	20.6%	21.6%	12.2%	32.2%	29.7%
Community (20 hospitals)	17.5%	15.3%	14.9%	21.0%	20.0%
Community-DSH (16 hospitals)	20.0%	14.2%	11.9%	33.9%	20.5%

*Statewide median includes specialty hospitals.

Massachusetts Acute Hospital Cash Flow to Total Debt in FY13

Hospital Name	Cash Flow to Total Debt
Academic Medical Centers	
Beth Israel Deaconess Medical Center	29.6%
Massachusetts General Hospital	29.5%
UMass Memorial Medical Center [^]	20.2%
Brigham and Women's Hospital	18.8%
Boston Medical Center [^]	12.5%
Tufts Medical Center	7.0%
Teaching Hospitals	
Saint Vincent Hospital ^{^s}	109.9%
Lahey Clinic	93.2%
Mount Auburn Hospital	30.9%
Berkshire Medical Center [^]	28.6%
Baystate Medical Center [^]	26.3%
Brigham and Women's Faulkner Hospital	21.6%
Cambridge Health Alliance ^{^*}	
Steward Carney Hospital ^{^*}	
Steward St. Elizabeth's Medical Center ^{^*}	
Community Hospitals	
Sturdy Memorial Hospital	122.4%
Martha's Vineyard Hospital	98.7%
Nantucket Cottage Hospital	41.2%
MetroWest Medical Center ^s	34.3%
Harrington Memorial Hospital	31.4%
Beth Israel Deaconess Hospital - Milton	28.2%
Northeast Hospital	25.2%
Anna Jaques Hospital	22.6%
South Shore Hospital	22.2%
Winchester Hospital	21.2%
Hallmark Health	18.8%
Newton-Wellesley Hospital	18.6%
Milford Regional Medical Center	16.9%
Lowell General Hospital	16.8%
Baystate Mary Lane Hospital	15.4%
Beth Israel Deaconess Hospital - Needham	12.8%
Emerson Hospital	12.3%
Cooley Dickinson Hospital	12.2%
Jordan Hospital	11.3%
Marlborough Hospital	10.9%
Nashoba Valley Medical Center [*]	
Steward Norwood Hospital [*]	
Community-DSH Hospitals [^]	
Signature Healthcare Brockton Hospital	84.3%
Fairview Hospital	47.7%
HealthAlliance Hospital	41.4%
Falmouth Hospital	40.2%
Lawrence General Hospital	39.7%
Holyoke Medical Center	29.7%
Heywood Hospital	24.1%
Cape Cod Hospital	22.1%
Wing Memorial Hospital	18.8%
Southcoast Hospitals Group	17.6%
Baystate Franklin Medical Center	17.1%
Noble Hospital	12.2%
Athol Hospital	12.1%
North Adams Regional Hospital	11.9%
Clinton Hospital	4.3%
North Shore Medical Center	-0.7%
Merrimack Valley Hospital [*]	
Steward Holy Family Hospital [*]	
Steward Saint Anne's Hospital [*]	
Morton Hospital [*]	
Mercy Medical Center [*]	
Quincy Medical Center [*]	
Steward Good Samaritan Medical Center [*]	
Specialty Hospitals	
Boston Children's Hospital	26.5%
New England Baptist Hospital	26.1%
Dana-Farber Cancer Institute	21.7%
Massachusetts Eye and Ear Infirmary	16.0%

[^] Indicates hospital meets the DSH criteria.
For DSH criteria, see Report Notes.

^{*} Data reported on an alternative fiscal year. Hospitals with fewer than 12 months of data were excluded.

^s Data reported on an alternative fiscal year; however, 12 months of data were reported.

Profitability

Liquidity

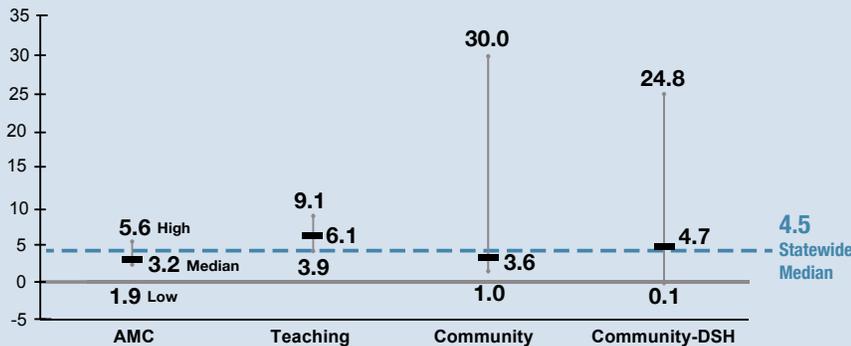
Solvency

Solvency measures the ability of a hospital to meet its total debt obligations and is generally an indicator of long-term financial health. Three solvency ratios are reported: cash flow to total debt, debt service coverage, and equity financing.

Debt Service Coverage

Debt Service Coverage measures the ability of a hospital to cover current debt obligations with funds derived from operating and non-operating activities. Higher ratios indicate greater ability to meet financing commitments. A ratio of 1.0 indicates that average income would just cover current interest and principal payments on long-term debt.

Debt Service Coverage Median and Range by Cohort



Benchmark: FY12 Northeast US median: 3.6
(Almanac of Hospital Financial and Operating Indicators, OPTUM, 2014)

- The community hospital cohort's median debt service coverage ratio remained stable between FY12 and FY13. All other cohorts' debt service coverage ratios decreased.
- Community and community-DSH hospital cohorts had the widest ranges of debt service coverage ratios.
- The teaching hospital cohort's FY13 median debt service coverage ratio was nearly two times higher than that of the AMC cohort.
- The community-DSH hospital cohort's median debt service coverage had the largest decline in FY13, falling to 4.7 from 5.8 in FY12. Despite this large decline, it remained higher than the community hospital cohort's ratio of 3.6.

Median Debt Service Coverage Trend by Cohort

	FY09	FY10	FY11	FY12	FY13
Statewide Median* (47 hospitals)	3.0	3.1	3.2	4.7	4.5
AMC (6 hospitals)	3.3	3.8	3.7	3.4	3.2
Teaching (5 hospitals)	3.5	4.0	4.5	6.3	6.1
Community (17 hospitals)	2.9	3.1	3.2	3.6	3.6
Community-DSH (15 hospitals)	3.0	1.8	2.1	5.8	4.7

*Statewide median includes specialty hospitals.

Massachusetts Acute Hospital Debt Service Coverage in FY13

Hospital Name	Debt Service Coverage
Academic Medical Centers	
Massachusetts General Hospital	5.6
Beth Israel Deaconess Medical Center	5.0
Brigham and Women's Hospital	3.5
Boston Medical Center [^]	3.0
Tufts Medical Center	2.3
UMass Memorial Medical Center [^]	1.9
Teaching Hospitals	
Lahey Clinic	9.1
Baystate Medical Center [^]	8.3
Mount Auburn Hospital	6.1
Berkshire Medical Center [^]	5.9
Brigham and Women's Faulkner Hospital	3.9
Cambridge Health Alliance ^{^*}	
Saint Vincent Hospital ^{^*¥}	
Steward St. Elizabeth's Medical Center ^{^*}	
Steward Carney Hospital ^{^*}	
Community Hospitals	
Martha's Vineyard Hospital	30.0
Nantucket Cottage Hospital	8.8
Anna Jaques Hospital	8.5
Northeast Hospital	8.2
Marlborough Hospital	6.8
Beth Israel Deaconess Hospital - Milton	4.6
Winchester Hospital	4.5
South Shore Hospital	3.7
Harrington Memorial Hospital	3.6
Lowell General Hospital	3.5
Beth Israel Deaconess Hospital - Needham	3.0
Hallmark Health	2.9
Milford Regional Medical Center	2.7
Cooley Dickinson Hospital	2.6
Newton-Wellesley Hospital	2.6
Jordan Hospital	2.4
Emerson Hospital	1.0
Baystate Mary Lane Hospital [¥]	
MetroWest Medical Center ^{*¥}	
Nashoba Valley Medical Center [*]	
Steward Norwood Hospital [*]	
Sturdy Memorial Hospital [¥]	
Community-DSH Hospitals [^]	
Lawrence General Hospital	24.8
HealthAlliance Hospital	14.0
Fairview Hospital	13.4
Falmouth Hospital	9.8
Heywood Hospital	7.4
Baystate Franklin Medical Center	6.2
Wing Memorial Hospital	4.9
Southcoast Hospitals Group	4.7
Cape Cod Hospital	3.7
Holyoke Medical Center	2.8
Athol Hospital	2.1
North Adams Regional Hospital	1.8
Noble Hospital	1.3
Signature Healthcare Brockton Hospital	0.6
North Shore Medical Center	0.1
Clinton Hospital [¥]	
Mercy Medical Center [*]	
Merrimack Valley Hospital [*]	
Morton Hospital [*]	
Quincy Medical Center [*]	
Steward Good Samaritan Medical Center [*]	
Steward Holy Family Hospital [*]	
Steward Saint Anne's Hospital [*]	
Specialty Hospitals	
Dana-Farber Cancer Institute	10.7
Boston Children's Hospital	9.2
New England Baptist Hospital	4.5
Massachusetts Eye and Ear Infirmary	3.3

[^] Indicates hospital meets the DSH criteria.

^{*} Data reported on an alternative fiscal year. Hospitals with fewer than 12 months of data were excluded.

[¥] Indicates a hospital with no current portion of long-term debt.

Profitability

Liquidity

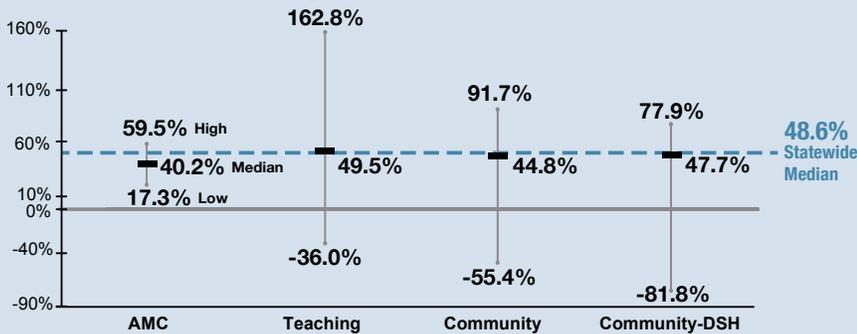
Solvency

Solvency measures the ability of a hospital to meet its total debt obligations and is generally an indicator of long-term financial health. Three solvency ratios are reported: cash flow to total debt, debt service coverage, and equity financing.

Equity Financing

Equity Financing measures the proportion of total net assets financed with the hospital's equity and reflects the ability of a hospital to take on more debt. High values indicate hospitals with little or no long-term liabilities. Lower values indicate hospitals that are highly leveraged and may have difficulty securing access to debt financing in the future.

Equity Financing Median and Range by Cohort



Benchmark: FY12 Northeast US median: 44.0%
(Almanac of Hospital Financial and Operating Indicators, OPTUM, 2014)

- The median equity financing ratio for all acute hospitals improved between FY12 and FY13, increasing from 42.0% to 48.6%.
- In FY13, acute hospitals had a wide range of equity financing ratios. Saint Vincent Hospital, a teaching hospital, had the highest equity financing ratio at 162.8%, while Merrimack Valley Hospital, a community-DSH hospital, had the lowest at -81.8%.
- The AMC cohort's median equity financing ratio improved the most of all cohorts, from 28.3% in FY12 to 40.2% in FY13.
- The community-DSH hospital cohort's median equity financing ratio has been higher than the community hospital cohort's ratio for the past two fiscal years.

Median Equity Financing Trend by Cohort

	FY09	FY10	FY11	FY12	FY13
Statewide Median* (64 hospitals)	37.9%	39.2%	39.6%	42.0%	48.6%
AMC (6 hospitals)	35.1%	36.1%	33.1%	28.3%	40.2%
Teaching (9 hospitals)	42.4%	44.7%	40.1%	40.6%	49.5%
Community (22 hospitals)	34.7%	35.2%	33.9%	36.2%	44.8%
Community-DSH (23 hospitals)	29.5%	43.7%	22.5%	42.3%	47.7%

*Statewide median includes specialty hospitals.

Massachusetts Acute Hospital Equity Financing in FY13

Hospital Name	Equity Financing
Academic Medical Centers	
Boston Medical Center^	59.5%
Beth Israel Deaconess Medical Center	55.8%
Massachusetts General Hospital	54.8%
UMass Memorial Medical Center^	25.5%
Brigham and Women's Hospital	19.2%
Tufts Medical Center	17.3%
Teaching Hospitals	
Saint Vincent Hospital^*	162.8%
Mount Auburn Hospital	59.4%
Berkshire Medical Center^	58.7%
Brigham and Women's Faulkner Hospital	49.7%
Baystate Medical Center^	49.5%
Lahey Clinic	37.1%
Cambridge Health Alliance^*	29.5%
Steward St. Elizabeth's Medical Center^*	-26.0%
Steward Carney Hospital^*	-36.0%
Community Hospitals	
Sturdy Memorial Hospital	91.7%
Nantucket Cottage Hospital	89.8%
Martha's Vineyard Hospital	88.7%
Baystate Mary Lane Hospital	74.6%
Harrington Memorial Hospital	62.6%
Winchester Hospital	59.9%
Beth Israel Deaconess Hospital - Milton	55.5%
Northeast Hospital	50.4%
Hallmark Health	49.1%
Milford Regional Medical Center	48.1%
Cooley Dickinson Hospital	45.5%
Beth Israel Deaconess Hospital - Needham	44.2%
South Shore Hospital	41.4%
Marlborough Hospital	36.1%
Lowell General Hospital	34.9%
Anna Jaques Hospital	34.0%
Newton-Wellesley Hospital	31.8%
Jordan Hospital	30.2%
Emerson Hospital	26.9%
Nashoba Valley Medical Center*	-19.1%
Steward Norwood Hospital*	-49.0%
MetroWest Medical Center*	-55.4%
Community-DSH Hospitals ^	
HealthAlliance Hospital	77.9%
Falmouth Hospital	75.0%
Lawrence General Hospital	70.7%
Baystate Franklin Medical Center	60.8%
Wing Memorial Hospital	58.5%
Cape Cod Hospital	56.9%
Southcoast Hospitals Group	55.8%
Mercy Medical Center*	55.5%
Heywood Hospital	52.2%
Fairview Hospital	51.8%
Signature Healthcare Brockton Hospital	51.4%
Clinton Hospital	47.7%
Steward Saint Anne's Hospital*	46.9%
Athol Hospital	22.6%
Holyoke Medical Center	13.3%
North Adams Regional Hospital	1.5%
North Shore Medical Center	-2.5%
Noble Hospital	-7.6%
Steward Holy Family Hospital*	-8.0%
Steward Good Samaritan Medical Center*	-12.2%
Quincy Medical Center*	-26.0%
Morton Hospital*	-28.3%
Merrimack Valley Hospital*	-81.8%
Specialty Hospitals	
Boston Children's Hospital	70.6%
Dana-Farber Cancer Institute	66.0%
Massachusetts Eye and Ear Infirmary	55.2%
New England Baptist Hospital	53.9%

^ Indicates hospital meets the DSH criteria.
For DSH criteria, see Report Notes.

* Data reported on an alternative fiscal year.

Acute Hospital Financial Performance, By Hospital System: FY13



Multi-Hospital Systems					
Hospital Name	Cohort	Total Margin	Operating Margin	Non-Operating Margin	Profit (Loss)
Baystate Health					\$103,202,000
Baystate Franklin Medical Center	D	-1.2%	-1.9%	0.8%	(\$905,000)
Baystate Mary Lane Hospital	C	-2.2%	-3.1%	0.9%	(\$559,000)
Baystate Medical Center^	T	10.1%	6.6%	3.5%	\$104,666,000
Berkshire Health Systems					\$36,142,280
Berkshire Medical Center^	T	8.8%	7.4%	1.4%	\$31,297,598
Fairview Hospital	D	10.1%	5.0%	5.2%	\$4,844,682
Cape Cod Healthcare					\$43,308,512
Cape Cod Hospital	D	6.1%	4.7%	1.4%	\$25,707,183
Falmouth Hospital	D	11.4%	9.3%	2.2%	\$17,601,329
CareGroup					\$150,923,292
Beth Israel Deaconess Hospital - Needham	C	2.1%	1.7%	0.4%	\$1,356,419
Beth Israel Deaconess Medical Center	A	7.1%	3.6%	3.5%	\$100,151,000
Beth Israel Deaconess Hospital - Milton	C	9.5%	7.6%	1.9%	\$8,134,873
Mount Auburn Hospital	T	9.4%	3.6%	5.7%	\$30,362,000
New England Baptist Hospital	S	4.9%	2.7%	2.1%	\$10,919,000
Lahey Health System					\$79,222,688
Lahey Clinic	T	7.6%	7.6%	-0.0%	\$60,102,688
Northeast Hospital	C	5.8%	2.8%	3.0%	\$19,120,000
Partners HealthCare System					\$292,253,000
Brigham and Women's Faulkner Hospital	T	-0.0%	-0.0%	0.0%	(\$32,000)
Brigham and Women's Hospital	A	5.5%	5.5%	-0.0%	\$139,047,000
Cooley Dickinson Hospital	C	0.6%	8.3%	-7.8%	\$825,000
Martha's Vineyard Hospital	C	6.6%	2.5%	4.0%	\$4,266,000
Massachusetts General Hospital	A	4.6%	4.5%	0.0%	\$149,171,000
Nantucket Cottage Hospital	C	1.4%	-5.9%	7.2%	\$473,000
Newton-Wellesley Hospital	C	4.5%	4.3%	0.2%	\$18,775,000
North Shore Medical Center	D	-4.9%	-4.9%	0.1%	(\$20,272,000)
Steward Health Care System					\$5,659,716
Merrimack Valley Hospital*	D	-20.9%	-20.9%	-0.0%	(\$7,479,353)
Morton Hospital*	D	-4.3%	-4.3%	0.0%	(\$3,684,391)
Nashoba Valley Medical Center*	C	0.2%	0.2%	0.0%	\$56,860
Quincy Medical Center*	D	-22.9%	-24.2%	1.3%	(\$13,782,175)
Steward Carney Hospital^*	T	-5.9%	-5.9%	0.0%	(\$4,537,193)
Steward Good Samaritan Medical Center*	D	2.4%	2.3%	0.1%	\$4,228,480
Steward Holy Family Hospital*	D	5.5%	5.5%	-0.0%	\$7,471,985
Steward Norwood Hospital*	C	0.1%	-1.1%	1.2%	\$123,011
Steward Saint Anne's Hospital*	D	8.9%	8.7%	0.2%	\$13,814,431
Steward St. Elizabeth's Medical Center^*	T	4.0%	4.0%	0.0%	\$9,448,061
UMass Memorial Health Care					\$80,432,720
Clinton Hospital	D	-1.3%	-3.0%	1.7%	(\$322,000)
HealthAlliance Hospital	D	4.1%	2.6%	1.5%	\$6,600,668
Marlborough Hospital	C	3.0%	0.7%	2.3%	\$2,425,000
UMass Memorial Medical Center^	A	4.6%	-2.3%	6.9%	\$68,934,052
Wing Memorial Hospital	D	3.0%	2.0%	1.0%	\$2,795,000
Vanguard Health Systems					\$48,945,643
MetroWest Medical Center*	C	-0.5%	-0.7%	0.2%	(\$1,390,292)
Saint Vincent Hospital^*	T	14.0%	14.0%	0.0%	\$50,335,935

Note: Profitability percentages may not add due to rounding.

A Academic Medical Center C Community Hospital D Community-DSH Hospital T Teaching Hospital S Specialty Hospital

^ Indicates Hospital meets the DSH criteria.

* Data reported on an alternative fiscal year. See Report Notes for more information.

Acute Hospital Financial Performance, Individual Hospitals: FY13



Individual Hospitals					
Hospital Name	Cohort	Total Margin	Operating Margin	Non-Operating Margin	Profit (Loss)
Anna Jaques Hospital	C	2.8%	1.5%	1.2%	\$3,160,269
Athol Hospital	D	0.3%	0.1%	0.3%	\$66,269
Boston Children's Hospital	S	11.1%	4.3%	6.8%	\$157,692,000
Boston Medical Center^	A	1.9%	0.7%	1.3%	\$20,043,000
Cambridge Health Alliance^*	T	-4.8%	-6.1%	1.3%	(\$6,331,406)
Dana-Farber Cancer Institute	S	5.2%	-4.4%	9.6%	\$56,176,751
Emerson Hospital	C	0.6%	0.6%	-0.0%	\$1,139,496
Hallmark Health	C	4.7%	1.8%	2.9%	\$12,772,000
Harrington Memorial Hospital	C	4.1%	2.6%	1.5%	\$4,631,048
Heywood Hospital	D	5.1%	2.3%	2.8%	\$5,353,421
Holyoke Medical Center	D	3.7%	3.4%	0.3%	\$4,516,007
Jordan Hospital	C	1.4%	0.1%	1.3%	\$2,809,252
Lawrence General Hospital	D	4.5%	3.4%	1.1%	\$9,855,000
Lowell General Hospital	C	5.7%	0.5%	5.2%	\$24,309,143
Massachusetts Eye and Ear Infirmary	S	0.0%	-1.8%	1.8%	\$51,803
Mercy Medical Center*	D	3.6%	3.8%	-0.2%	\$2,245,083
Milford Regional Medical Center	C	4.8%	4.0%	0.7%	\$8,791,185
Noble Hospital	D	0.4%	0.3%	0.1%	\$236,183
North Adams Regional Hospital	D	4.1%	3.6%	0.5%	\$2,462,475
Signature Healthcare Brockton Hospital	D	8.7%	7.4%	1.2%	\$19,605,657
South Shore Hospital	C	4.5%	3.1%	1.4%	\$21,661,706
Southcoast Hospitals Group	D	3.1%	1.1%	2.0%	\$22,352,700
Sturdy Memorial Hospital	C	11.9%	6.8%	5.1%	\$20,208,939
Tufts Medical Center	A	1.6%	0.8%	0.7%	\$10,246,000
Winchester Hospital	C	5.9%	2.2%	3.7%	\$16,799,677

Note: Profitability percentages may not add due to rounding.

A Academic Medical Center C Community Hospital D Community-DSH Hospital T Teaching Hospital S Specialty Hospital

^ Indicates Hospital meets the DSH criteria.

* Data reported on an alternative fiscal year. See Report Notes for more information.

ACUTE HOSPITAL FISCAL YEAR-END DATES

For most hospitals, the fiscal year analysis is based on twelve months of financial data, ending September 30th. Cambridge Health Alliance and Mercy Medical Center have June 30th year ends; this report reflects three months of their data. MetroWest Medical Center and Saint Vincent Hospital recently changed their year-end date; this report reflects 12 months of data ending June 30, 2013, as this is the most recent data available. Steward Health Care System’s ten hospitals have a December 31st year end; this report reflects nine months of their data. North Adams Regional Hospital’s data is included in this report; however, it should be noted that the hospital closed in March 2014.

Hospitals	Fiscal Year End	Period of Data Included for FY13 Analysis
50 Hospitals	9/30	12 months of FY13 data
Cambridge Health Alliance Mercy Medical Center	6/30	3 months of FY14 data
MetroWest Medical Center Saint Vincent Hospital	6/30	12 months of FY13 data, due to change in fiscal year reporting
10 Steward Health Care System Hospitals	12/31	9 months of FY13 data

DATA CAVEATS

The Financial Accounting Standards Board recently updated the reporting criteria for the provision for bad debt. In FY12 and earlier periods, the provision was reported as an expense item, while in FY13 the provision is reported as a deduction from patient service revenue. The Center has determined that this change will have a minimal impact on the comparability of metrics reported.

Depending on the organization of each hospital, data may exclude other aspects of financial health, such as the financial performance of endowments, or the financial health of parent companies or other affiliated organizations.

ACUTE HOSPITAL COHORT DEFINITIONS

Since the last published Massachusetts Acute Hospital Financial Performance report, the Center has revised hospital cohort classifications. Acute hospitals were assigned to one of the following cohorts according to the criteria below. Please note that some AMCs and teaching hospitals have Disproportionate Share Hospital (DSH)³ status; this has been noted throughout the report where applicable.

Academic medical centers (AMCs) are a subset of teaching hospitals. AMCs are characterized by (1) extensive research and teaching programs and (2) extensive resources for tertiary and quaternary care, and are (3) principal teaching hospitals for their respective medical schools and (4) full service hospitals with case mix intensity greater than 5% above the statewide average.

Teaching hospitals are those hospitals that report at least 25 full-time equivalent medical school residents per one hundred inpatient beds in accordance with Medicare Payment Advisory Commission and which do not meet the criteria to be classified as AMCs.

Community hospitals are hospitals that do not meet the 25 full-time equivalents medical school residents per one hundred beds criteria to be classified as a teaching hospital and have a public payer mix of less than 63%.

Community-Disproportionate Share Hospitals (DSH) are community hospitals that are disproportionately reliant upon public revenues by virtue of a public payer mix of 63% or greater. Public payers include Medicare, MassHealth, and other government payers, including Commonwealth Care and the Health Safety Net.

Specialty hospitals were not included in any cohort comparison analysis due the unique patient populations they serve and/or the unique sets of services they provide. However, specialty hospitals were included in all statewide median calculations.

³ M.G.L. c. 6D, Section 1 defines a Disproportionate Share Hospital (DSH) as a hospital with a minimum of 63% of patient charges attributed to Medicare, Medicaid, and other government payers, including Commonwealth Care and the Health Safety Net.

Below are the fifteen geographic regions developed by the Health Policy Commission. In cases where a hospital had campuses in more than one region, the Center assigned the hospital to a single region. This assignment affected two hospitals, Steward Good Samaritan and Southcoast Hospitals Group.

Massachusetts Region	Acute Hospital Assigned to Region
Metro Boston	Beth Israel Deaconess Hospital - Needham Beth Israel Deaconess Medical Center Boston Children's Hospital Boston Medical Center Brigham and Women's Hospital Cambridge Health Alliance Dana-Farber Cancer Institute Brigham and Women's Faulkner Hospital Hallmark Health Massachusetts Eye and Ear Infirmary Massachusetts General Hospital Beth Israel Deaconess - Milton Hospital Mount Auburn Hospital New England Baptist Hospital Newton-Wellesley Hospital Steward Carney Hospital Steward St. Elizabeth's Medical Center Tufts Medical Center
Pioneer Valley / Franklin	Baystate Franklin Medical Center Baystate Mary Lane Hospital Baystate Medical Center Cooley Dickinson Hospital Holyoke Medical Center Mercy Medical Center Noble Hospital Wing Memorial Hospital
Central Massachusetts	Athol Hospital Clinton Hospital Harrington Memorial Hospital HealthAlliance Hospital Heywood Hospital Saint Vincent Hospital UMass Memorial Medical Center

(Continued)

Massachusetts Region	Acute Hospital Assigned to Region
West Merrimack / Middlesex	Emerson Hospital Lahey Clinic Lowell General Hospital Nashoba Valley Medical Center Winchester Hospital
Cape and Islands	Cape Cod Hospital Falmouth Hospital Martha's Vineyard Hospital Nantucket Cottage Hospital
Metro West	Marlborough Hospital MetroWest Medical Center Milford Regional Medical Center
Berkshires	Berkshire Medical Center Fairview Hospital North Adams Regional Hospital
East Merrimack	Lawrence General Hospital Steward Holy Family Hospital Merrimack Valley Hospital
Metro South	Signature Healthcare Brockton Hospital Steward Good Samaritan Medical Center Morton Hospital
South Shore	Jordan Hospital South Shore Hospital Quincy Medical Center
Lower North Shore	North Shore Medical Center Northeast Hospital
Norwood / Attleboro	Steward Norwood Hospital Sturdy Memorial Hospital
Fall River	Steward Saint Anne's Hospital
New Bedford	Southcoast Hospitals Group
Upper North Shore	Anna Jaques Hospital

Individual hospital fact sheets and the databook are available on the Center's website at www.mass.gov/chia/hospitals.



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