

# Acute Hospital Financial Performance Trends

| Hospital                                   | City/Town         | County         | Hospital Type                                     | Fiscal Year End | Number of Months Data |
|--|-------------------|----------------|---|-----------------|-----------------------|
| <b>Baystate Wing Hospital <sup>1</sup></b> | <b>Palmer, MA</b> | <b>Hampden</b> | <b>Community, Disproportionate Share Hospital</b> | <b>09/30/14</b> | <b>12</b>             |

| Financial Performance Indicators | FY10               | FY11               | FY12               | FY13               | FY14               | MA Industry Median FY14 | North East US Median FY13 |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|---------------------------|
| <b>PROFITABILITY</b>             |                    |                    |                    |                    |                    |                         |                           |
| Operating Margin                 | 1.1%               | 1.8%               | 3.1%               | 2.0%               | 1.3%               | 2.6%                    | 2.9%                      |
| Non-Operating Margin             | 0.2%               | 0.3%               | 4.7%               | 1.0%               | 0.9%               | 0.8%                    | 0.1%                      |
| Total Margin                     | 1.3%               | 2.1%               | 7.8%               | 3.0%               | 2.1%               | 4.2%                    | 3.8%                      |
| <b>Operating Surplus (Loss)</b>  | <b>\$1,009,000</b> | <b>\$1,652,000</b> | <b>\$2,992,000</b> | <b>\$1,824,000</b> | <b>\$1,107,000</b> | --                      | --                        |
| <b>Total Surplus (Loss)</b>      | <b>\$1,181,000</b> | <b>\$1,908,000</b> | <b>\$7,576,000</b> | <b>\$2,795,000</b> | <b>\$1,881,000</b> | --                      | --                        |

## LIQUIDITY

|                             |     |     |     |     |     |     |     |
|-----------------------------|-----|-----|-----|-----|-----|-----|-----|
| Current Ratio               | 1.6 | 2.4 | 2.6 | 1.5 | 1.6 | 1.6 | 1.6 |
| Days in Accounts Receivable | 17  | 16  | 16  | 24  | 36  | 40  | 49  |
| Average Payment Period      | 72  | 38  | 40  | 85  | 48  | 59  | 65  |

## SOLVENCY/CAPITAL STRUCTURE

|                               |       |       |       |       |       |       |       |
|-------------------------------|-------|-------|-------|-------|-------|-------|-------|
| Debt Service Coverage (Total) | 3.6   | 4.0   | 8.0   | 4.9   | 5.6   | 5.6   | 4.0   |
| Cash Flow to Total Debt       | 14.2% | 22.9% | 46.6% | 18.8% | 19.1% | 20.2% | 13.6% |
| Equity Financing              | 51.3% | 59.5% | 64.0% | 58.5% | 60.3% | 51.1% | 46.6% |

## OTHER

|                             |              |              |              |              |              |    |    |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|----|----|
| Total Net Assets            | \$37,835,000 | \$40,374,000 | \$49,679,000 | \$52,716,000 | \$47,065,000 | -- | -- |
| Assets Whose Use is Limited | \$128,000    | \$106,000    | \$495,000    | \$724,000    | \$13,056,000 | -- | -- |
| Net Patient Service Revenue | \$88,459,000 | \$90,280,000 | \$90,375,000 | \$90,891,000 | \$84,429,000 | -- | -- |

For descriptions of the metrics, please see the Massachusetts Hospital Financial Performance Technical Appendix

<sup>1</sup> Wing Memorial Hospital became part of Baystate Health System in FY14.

