

# Massachusetts Acute Hospital & Health System Financial Performance

FY 2020

September 2021



# Table of Contents

<b>Introduction</b> . . . . .	<b>2</b>
Key Findings for 2020. . . . .	<b>4</b>
<b>Profitability</b>	
FY 2016-2020 Total and Operating Margin Trends by Hospital Cohort . . . . .	<b>5</b>
Median Total Margin by Hospital Cohort, with and without COVID-19 Relief Funds . . . . .	<b>6</b>
FY 2020 Total Margin for Systems with Multiple Acute Hospitals by Component Entity . . . . .	<b>7</b>
FY 2020 Total Margin for Independent Health Systems by Component Entity . . . . .	<b>8</b>
FY 2020 Total Margin with and without COVID-19 Relief Funds for Hospitals in Multiple Acute Hospital Health Systems . . . . .	<b>9</b>
FY 2020 Total Margin with and without COVID-19 Relief Funds for Hospitals in Independent Health Systems. . . . .	<b>10</b>
FY 2020 Hospital-Affiliated Physician Organization by Total Margin . . . . .	<b>11</b>
FY 2016-2020 HHS-Affiliated Health Plan Total Margin . . . . .	<b>12</b>
<b>Liquidity</b>	
FY 2016-2020 Current Ratio and Average Payment Period Trends . . . . .	<b>13</b>
<b>Solvency</b>	
FY 2016-2020 Equity Financing Ratio Trends . . . . .	<b>14</b>
<b>FY 2020 Health System, Hospital, Physician Organization and Health Plan Metrics</b> . . . . .	<b>15</b>
<b>Report Notes</b> . . . . .	<b>20</b>

# Introduction

The Center for Health Information and Analysis (CHIA) reports on the annual and quarterly financial performance of acute hospitals. As the financial performance of hospital health systems is important to understanding the greater contexts in which hospitals operate, CHIA also includes the financial performance of hospital health systems (HHS), affiliated physician organizations (PO), and related health plans.

This report incorporates the financial impact of COVID-19 on hospitals during fiscal year 2020. Governor Baker declared a state of emergency on March 10, 2020. Federal COVID relief funding was distributed to hospitals starting in April 2020 as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. State relief funds were also distributed to hospitals during this time period. A portion of this funding was reported as operating revenue and is reflected in the data as such.

In fiscal year (FY) 2020, Massachusetts had 25 hospital health systems, which included 61 acute hospitals, 49 physician organizations, and three health plans. Hospitals are grouped into four primary cohorts based on similar characteristics: Academic Medical Centers (AMCs), teaching hospitals, community hospitals, and community-High Public Payer (HPP) hospitals. Specialty hospitals are not considered a cohort due to the unique patient population served and/or the unique sets of services provided. Specialty hospitals are included in statewide medians but are not included in the cohort analyses. This report assigns hospitals to cohorts based on FY 2019 data.

Eleven out of 25 hospital health systems operate more than one acute hospital and are classified as multi-acute systems. The remaining 14 operate one acute hospital and are classified as independent systems.

Four systems (Steward Health Care, Tenet Healthcare, Trinity Health, and Shriners Hospitals for Children) are part of larger systems that operate hospitals nationwide. Hospital health systems consist of all consolidated health entities, including acute hospitals, non-acute hospitals, physician organizations, and health plans. They may also include consolidated non-health care entities, such as foundations and real estate trusts.

Steward Health Care did not submit the required system level audited financial statement data. Steward Health Care system level data included in this report was obtained from a publicly available data source.

Steward Health Care physician organization data could not be derived from the publicly available source and was therefore not able to be included in this report.

This report contains 12 months of fiscal year-end data for FY 2020 for all systems and hospitals based on each entity's year-end date. Most entities' fiscal year end is September 30, with the exception of Steward Health Care, Trinity Health, Cambridge Health Alliance, Tenet Healthcare, and Shriners Hospitals for Children.

This publication reports on the profitability, liquidity, and solvency of hospital health systems and their affiliated acute hospitals, as well as the profitability of affiliated physician organizations and health plans. ■

## Key Findings

15

Of the 25 hospital health systems, 15 reported a surplus.

39

Of the 61 acute hospitals, 39 reported a surplus.

6

Of the 49 physician organizations that reported data, six had a surplus.

2.6%

The statewide median acute hospital total margin was 2.6%, a 0.9 percentage point decrease from FY 2019.

1.3%

The statewide median acute hospital operating margin was 1.3%, a 1.2 percentage point decrease from FY 2019.

-4.5%

The statewide median acute hospital total margin would have been -4.5% without COVID-19 relief funds.

1.2

The statewide median acute hospital current ratio was 1.2, a 0.3 decrease from FY 2019.

60

Of the 61 acute hospitals that reported data, 60 had positive net assets.

# Profitability

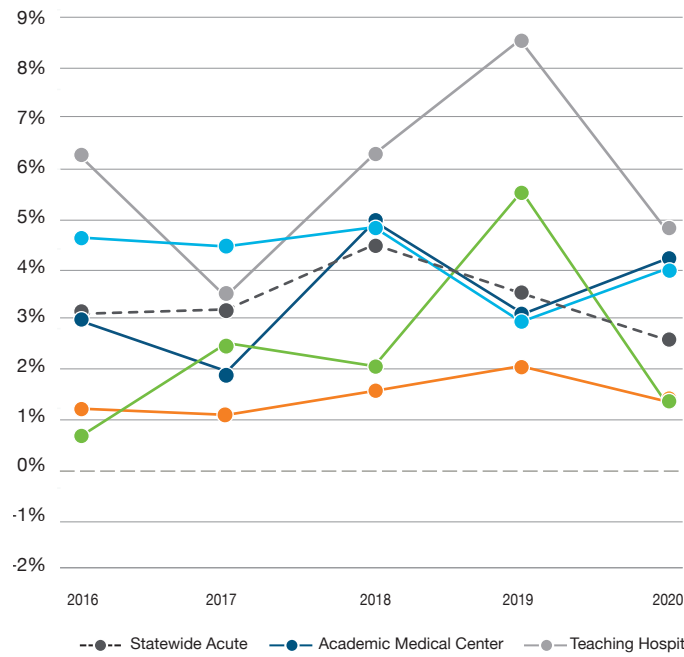
The statewide acute hospital median total margin decreased by 0.9 percentage points, from 3.5% in 2019 to 2.6% in 2020. The Academic Medical Center and community-High Public Payer cohorts reported increases in median total margins while the teaching hospital and community hospital cohorts reported decreases in median total margins.

The statewide acute hospital median operating margin decreased by 1.2 percentage points, from 2.5% in 2019 to 1.3% in 2020. The teaching hospital, community hospital, and community-HPP cohorts all reported decreases in median operating margins, while the Academic Medical Center cohort remained stable year over year. The community hospital was the only cohort to report a negative median operating margin. These operating margins also include the COVID-19 relief funding reported as operating revenue.

The median total and operating margins for hospital health systems decreased from the prior year, by 0.8 and 2.1 percentage points, respectively.

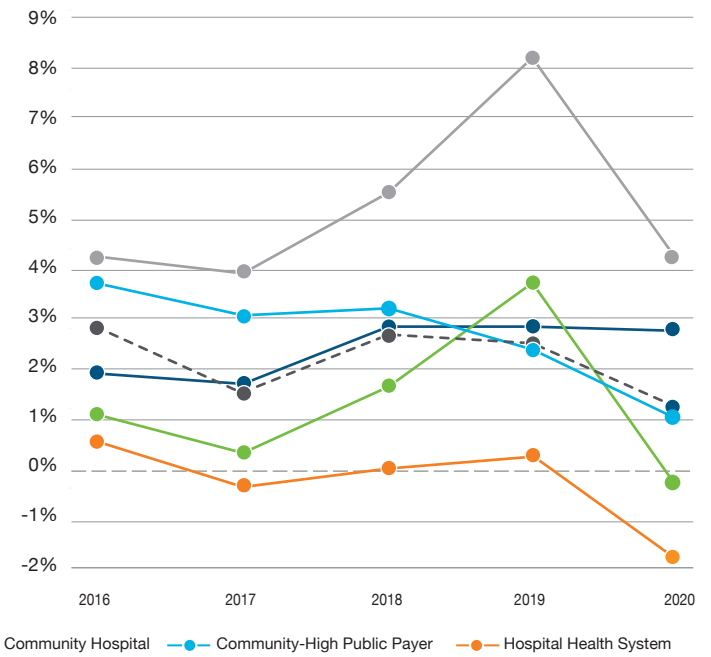
## FY 2016-2020 Total and Operating Margin Trends by Hospital Cohort

**Total Margin Trends**



	2016	2017	2018	2019	2020
<b>Statewide Median</b>	<b>3.1%</b>	<b>3.2%</b>	<b>4.5%</b>	<b>3.5%</b>	<b>2.6%</b>
Academic Medical Center	3.0%	2.0%	5.0%	3.1%	4.2%
Teaching Hospital	6.2%	3.5%	6.3%	8.6%	4.8%
Community Hospital	0.7%	2.6%	2.1%	5.6%	1.4%
Community-High Public Payer	4.7%	4.5%	4.8%	3.0%	4.0%
<b>Health System</b>	<b>1.2%</b>	<b>1.1%</b>	<b>1.6%</b>	<b>2.2%</b>	<b>1.4%</b>

**Operating Margin Trends**



	2016	2017	2018	2019	2020
<b>Statewide Median</b>	<b>2.8%</b>	<b>1.6%</b>	<b>2.7%</b>	<b>2.5%</b>	<b>1.3%</b>
Academic Medical Center	1.9%	1.8%	2.8%	2.8%	2.8%
Teaching Hospital	4.3%	3.9%	5.6%	8.2%	4.2%
Community Hospital	1.1%	0.3%	1.8%	3.7%	-0.3%
Community-High Public Payer	3.8%	3.1%	3.2%	2.4%	1.0%
<b>Health System</b>	<b>0.5%</b>	<b>-0.4%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>-1.8%</b>

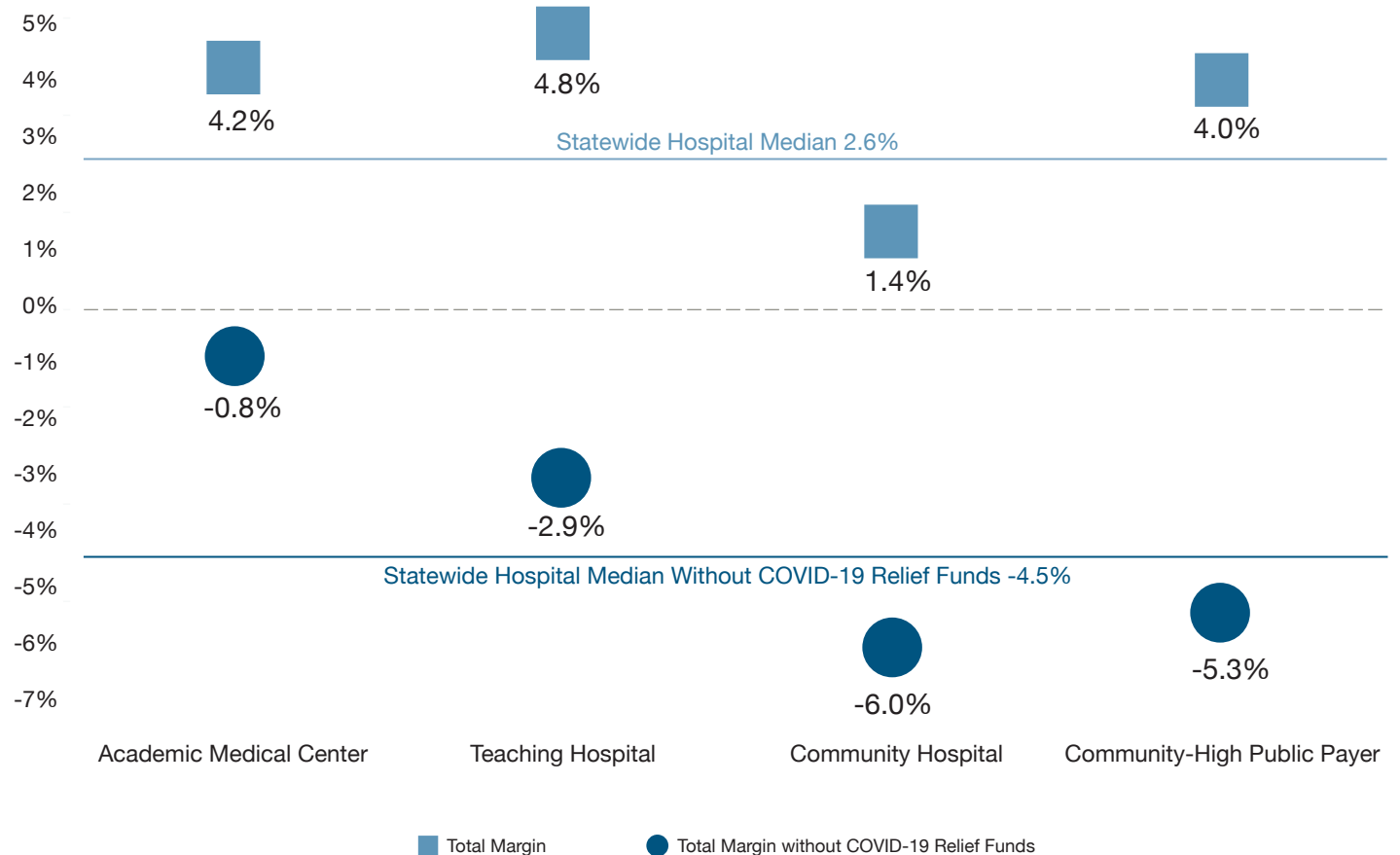
Notes: Steward Health Care's system level data are not included in 2016, 2017, and 2019 as they did not submit audited or standardized financial statements those years. In 2018 and 2020 they did not submit audited or standardized financial statements, but their data was derived from a publicly available source and is included. The statewide acute hospital median includes specialty hospitals.

## Profitability

Hospitals reported \$1.9 billion in federal funding and \$206.8 million in state funding in their operating revenue in 2020, which improved their operating income and profitability margins. If these COVID-19 relief funds had not been distributed, the statewide acute hospital median total margin would have been -4.5%, a decrease of 7.1 percentage points from the reported median total margin.

All hospital cohorts would have experienced negative median total margins without the relief funds, ranging from -0.8% for the Academic Medical Center cohort to -6.0% for the community hospital cohort.

## Median Total Margin by Hospital Cohort, with and without COVID-19 Relief Funds



# Profitability

Total margin reflects the excess of total revenues over total expenses, including operating and non-operating activities, as a percentage of total revenue. The margins include COVID-19 relief funding reported as operating revenue.

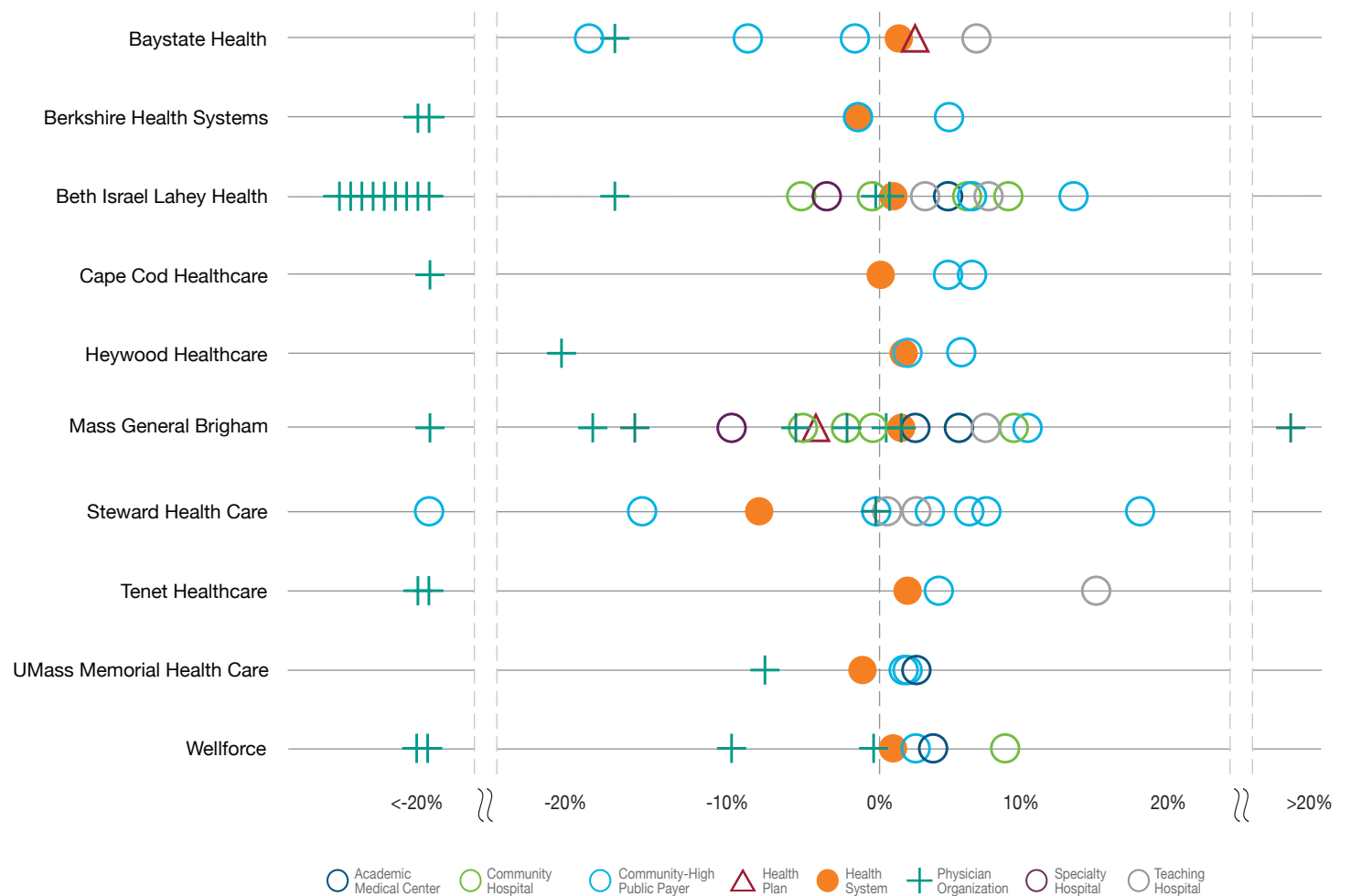
Seven of the 10 multi-acute health systems were profitable in 2020. The multi-acute health system that reported the lowest total margin was Steward Health Care at -7.6%, while the system that reported the highest total margin was Tenet Healthcare at 2.2%.

The acute care hospital that reported the lowest total margin was Nashoba Valley Medical Center (Steward Health Care) at -31.5%, while the acute care hospital that reported the highest total margin was Steward Good Samaritan Medical Center at 17.2%.

Most of the 32 physician organizations associated with a multi-acute health system reported a loss.

Health New England (Baystate Health) reported a positive total margin at 2.1% and Allways Health Partners (Mass General Brigham) reported a negative total margin at -4.1%.

## FY 2020 Total Margin for Systems with Multiple Acute Hospitals by Component Entity



Notes: Shriners Hospitals for Children are not included in the analysis or graph due to reporting differences. Eighteen physician organizations and one hospital had total margins <-20% or >20%. Detailed information is provided in the accompanying [databook](#). For complete definitions of acute hospital types, please see page 21.



## Profitability

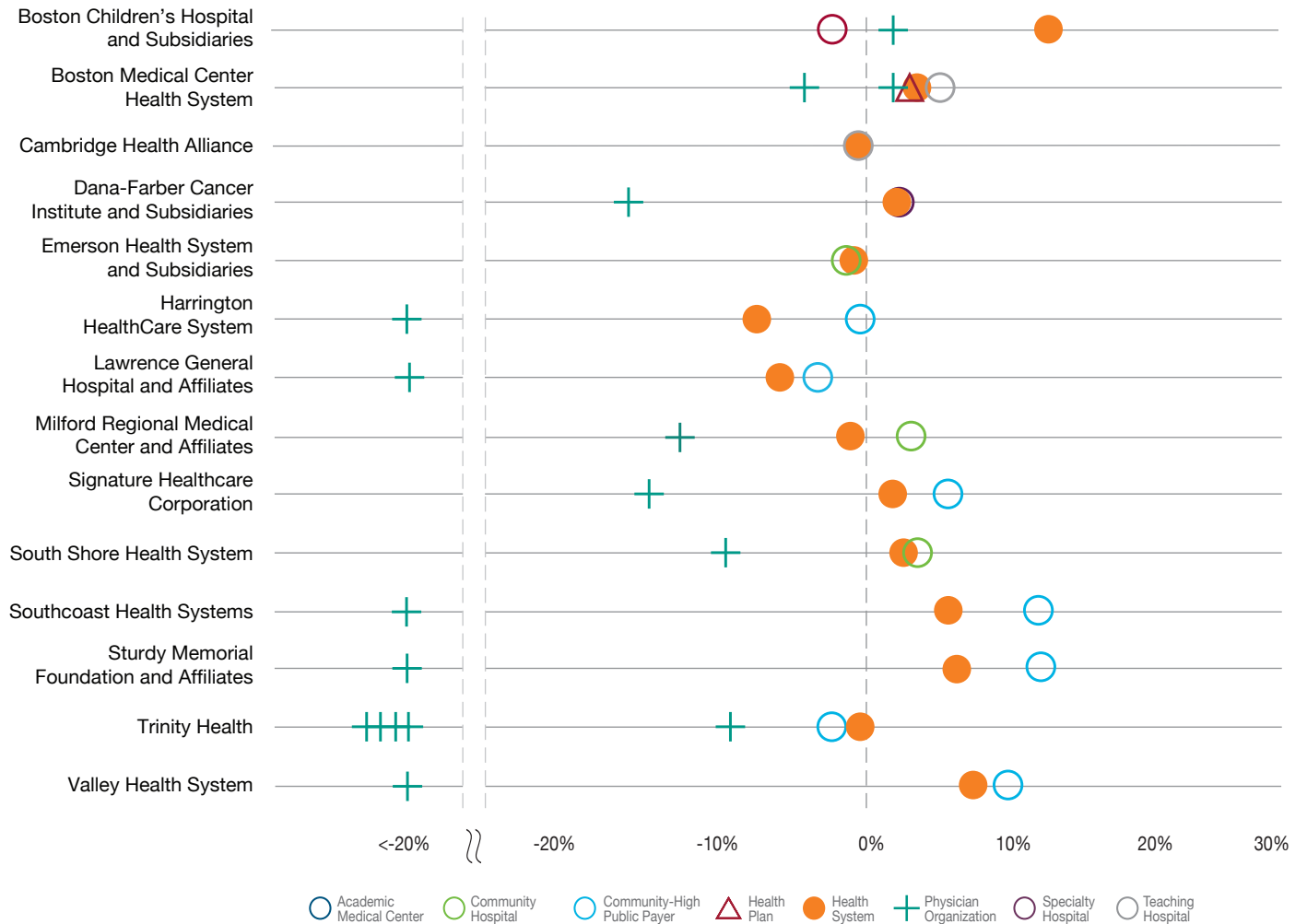
Eight of the 14 independent health systems reported positive total margins. The total margins for independent health systems ranged from -7.2% for Harrington HealthCare System to 12.1% for Boston Children's Hospital and Subsidiaries.

Acute care hospital performance ranged from -3.3% for Lawrence General Hospital to 11.6% for Sturdy Memorial Hospital.

Fifteen of the 17 independent health system associated physician organizations reported negative total margins, with only Boston University Affiliated Physicians (part of Boston Medical Center Health System) and Physicians Organization at Children's Hospital reporting positive total margins of 1.8% each.

BMC Health Plan reported a positive total margin at 2.9%.

## FY 2020 Total Margin for Independent Health Systems by Component Entity



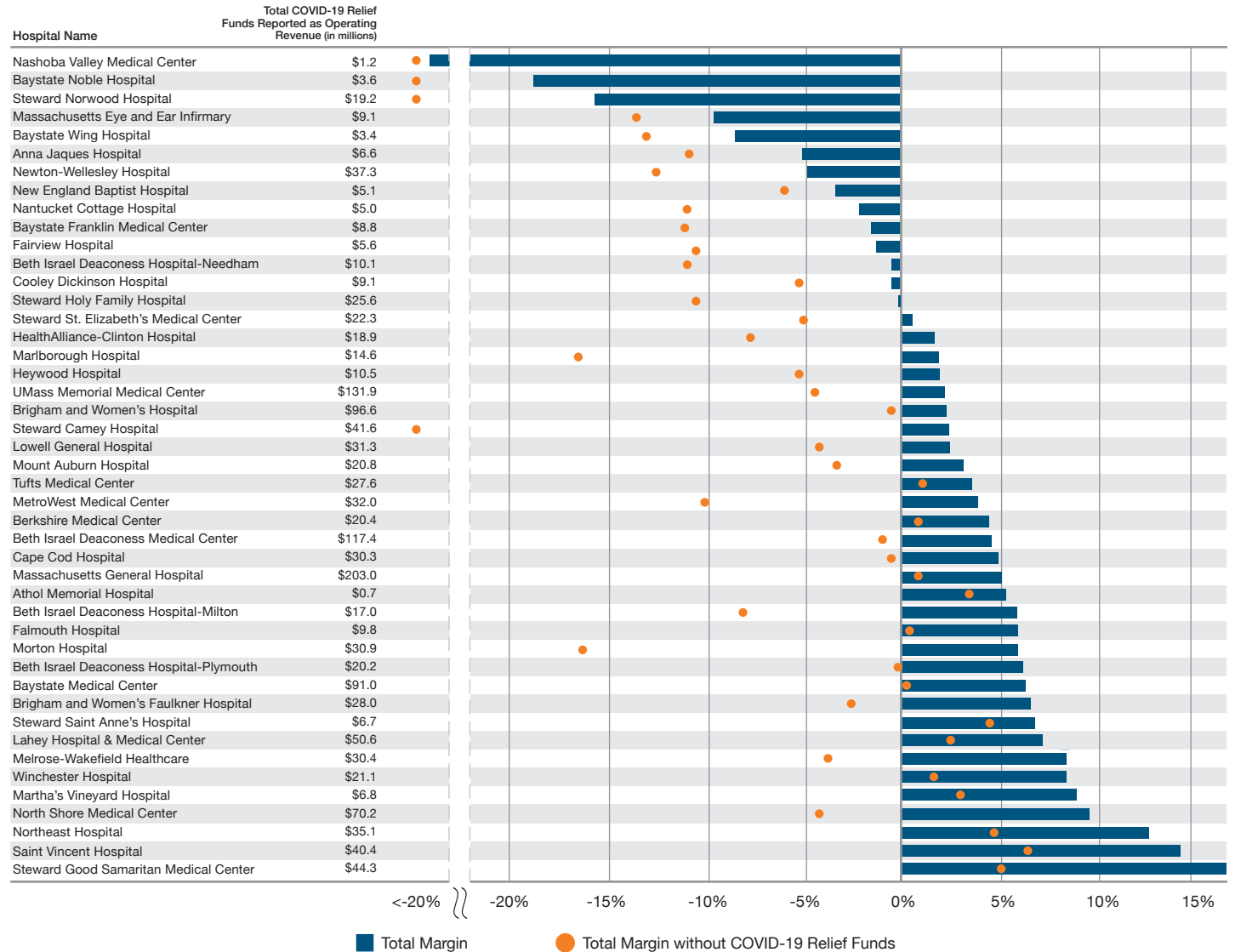
Notes: Nine physician organizations had total margins < -20%. In order to display all entities in one graph, there is an axis break at -20% to account for those organizations. Detailed information is provided in the accompanying [databook](#).

## Profitability

Thirty-one of the 45 hospitals that are part of multi-acute hospital health systems reported positive total margins in 2020. The margins include \$1.5 billion in COVID-19 relief funding reported as operating revenue by these hospitals.

Without the relief funds, 13 of the 45 hospitals would have reported positive total margins.

# FY 2020 Total Margin with and without COVID-19 Relief Funds for Hospitals in Multiple Acute Hospital Health Systems



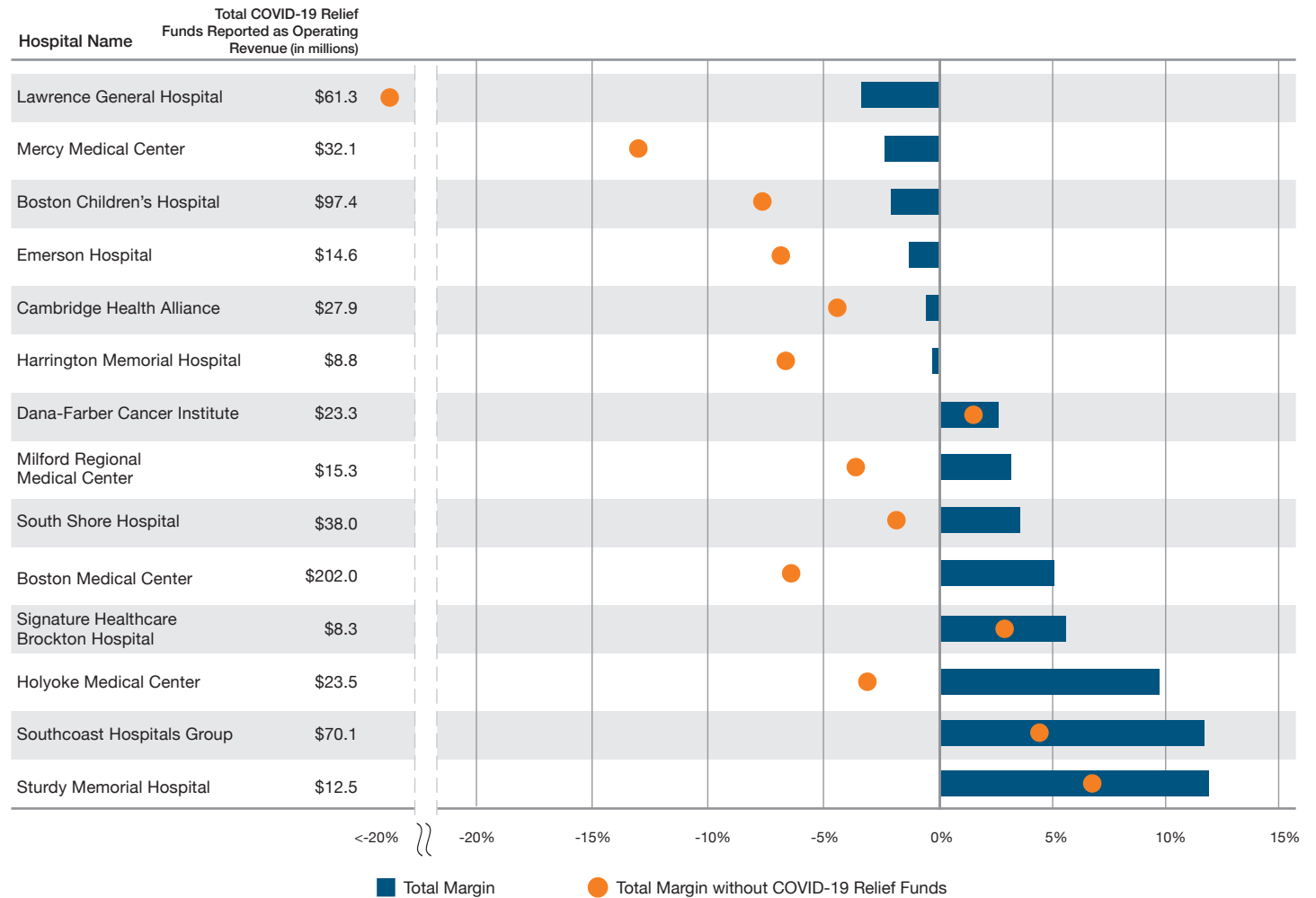
Notes: Shriners Hospitals for Children are not included in the analysis or graph due to reporting differences. Four hospitals are outliers with margins < -20%.

## Profitability

Eight of the 14 hospitals that are part of independent health systems reported positive total margins. The margins include \$635 million in COVID-19 relief funding reported as operating revenue.

Without the relief funds, four of the 14 hospitals would have reported positive total margins.

# FY 2020 Total Margin with and without COVID-19 Relief Funds for Hospitals in Independent Health Systems



Notes: One hospital had a total margin (without relief funds) < -20%. In order to display all entities in one graph, there is an axis break at -20% to account for that hospital.

# Profitability

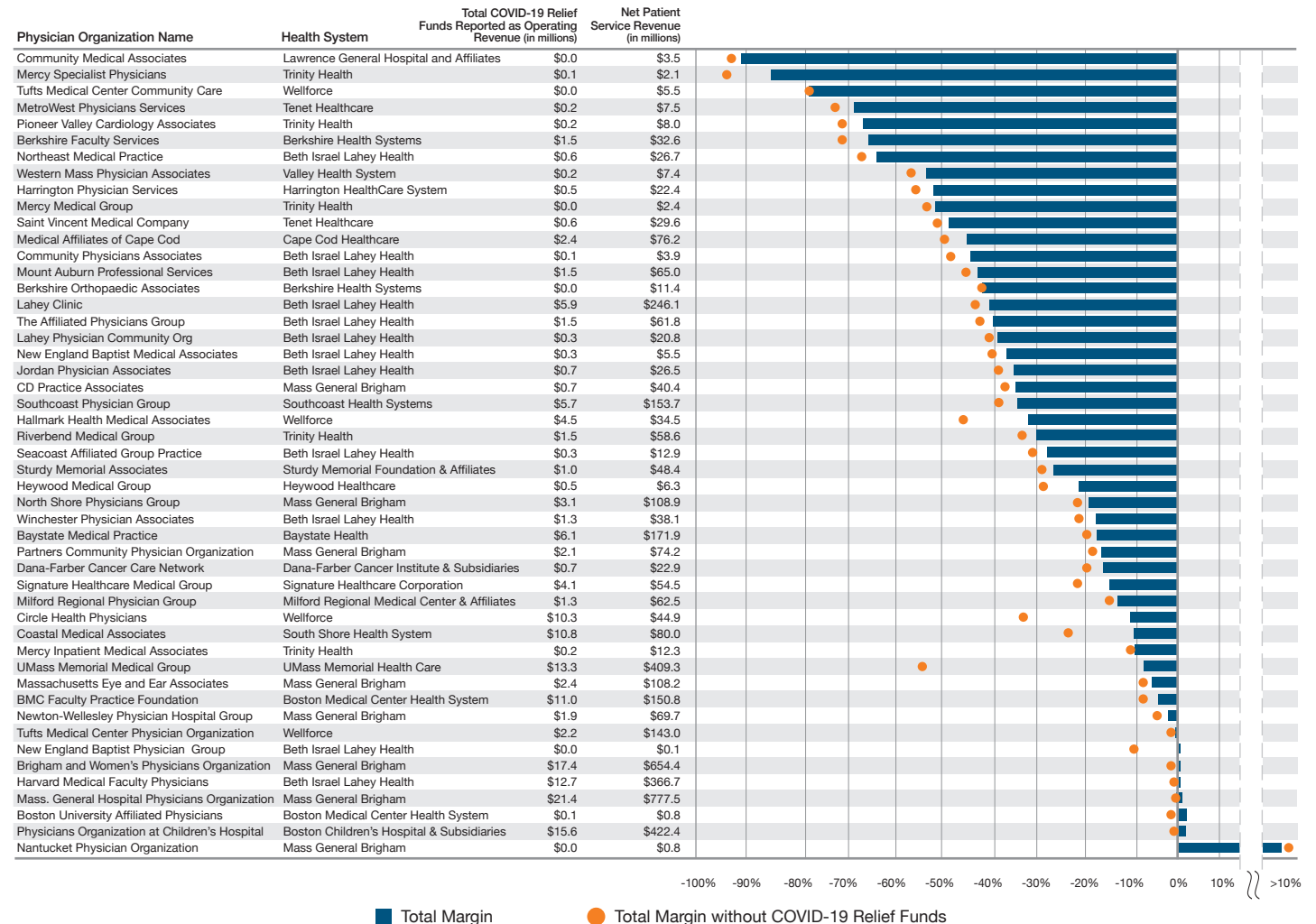
Physician organizations vary greatly in terms of size, services provided, and specialty. As a result, total margins, profits, and losses also vary.

Only six of 49 physician organizations reported a profit, which ranged from \$62,000 to \$16 million. The losses ranged from \$511,000 to \$108 million.

The reported net patient service revenue ranged from \$66,000 to \$777.5 million.

These total margins include \$168.6 million in COVID-19 relief funds reported as operating revenue. The relief funds received ranged from \$0 to \$21.4 million. Without the relief funds, only one physician organization would have reported a positive total margin.

## FY 2020 Hospital-Affiliated Physician Organization by Total Margin



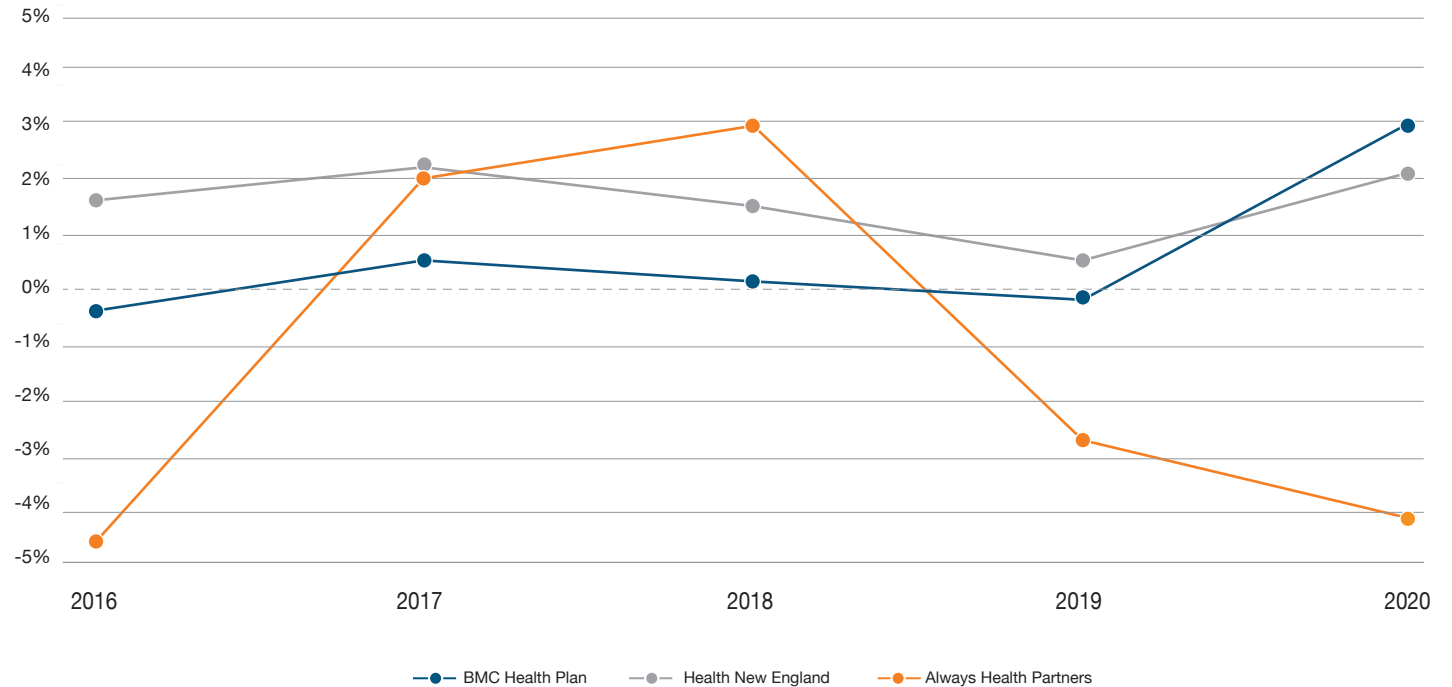
Notes: Steward Health Care's physician level data are not included as they did not submit audited financial statements. Cambridge Health Alliance reports its physician organization as an integrated component of the acute hospital. One physician organization had a total margin >10%. In order to display all entities in one graph, there is an axis break at 10% to account for that physician organization.

## Profitability

Three hospital health systems have an associated health plan: Baystate Health, Boston Medical Center Health System, and Mass General Brigham. In FY 2020, BMC Health Plan and Health New England (Baystate Health) reported a profit. Additionally, both health plans reported increases in total margin between FY 2019 and FY 2020 of 3.1 and 1.6 percentage points, respectively. Always Health Partners (Mass General Brigham) reported a net loss and a decrease in total margin of 1.4 percentage points compared to 2019.

The financial performance of the health plans has varied over the last five fiscal years. Always Health Partners reported losses in three of the last five fiscal years while BMC Health Plan reported profits in three of the last five fiscal years. Health New England reported profits in each of the last five fiscal years.

## FY 2016-2020 HHS-Affiliated Health Plan Total Margin



	2016	2017	2018	2019	2020
Always Health Partners	-4.5%	2.0%	2.9%	-2.7%	-4.1%
BMC Health Plan (BMCHP)	-0.4%	0.5%	0.2%	-0.2%	2.9%
Health New England	1.6%	2.2%	1.5%	0.5%	2.1%

# Liquidity

Current ratio measures short-term financial health and indicates whether an entity is able to meet current liabilities with current assets. A ratio of 1.0 or higher means that current liabilities could be adequately covered by existing current assets and indicates financial stability.

The statewide acute hospital median current ratio decreased by 0.3 points between 2019 and 2020, from 1.5 to 1.2. All four cohorts experienced a decrease in median current ratio between 2019 and 2020.

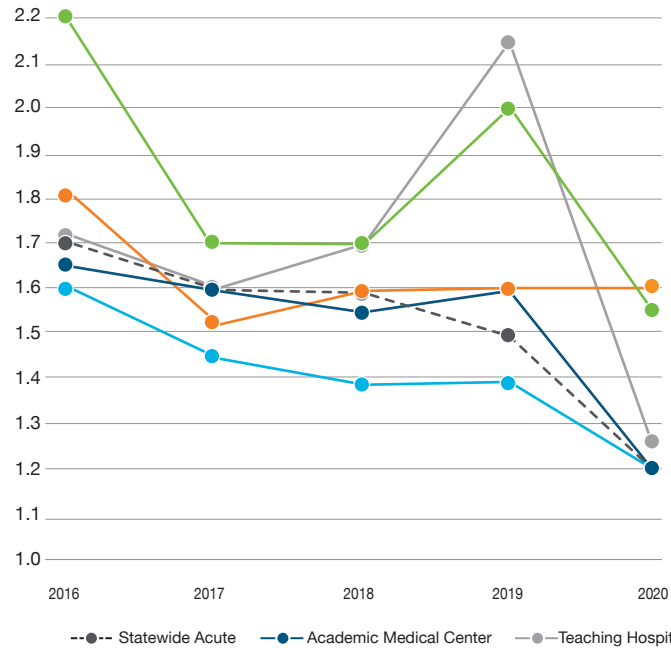
Average payment period measures the time it takes hospitals to pay current liabilities. Higher values may indicate potential liquidity problems and an inability to pay current obligations.

The statewide acute hospital median for average payment period increased by 15 days between 2019 and 2020, from 49 days to 64. The median payment period increased for all four cohorts.

The hospital health system median current ratio remained stable between 2019 and 2020, while the median average payment period increased to 84 days, an increase of 25 days compared to 2019.

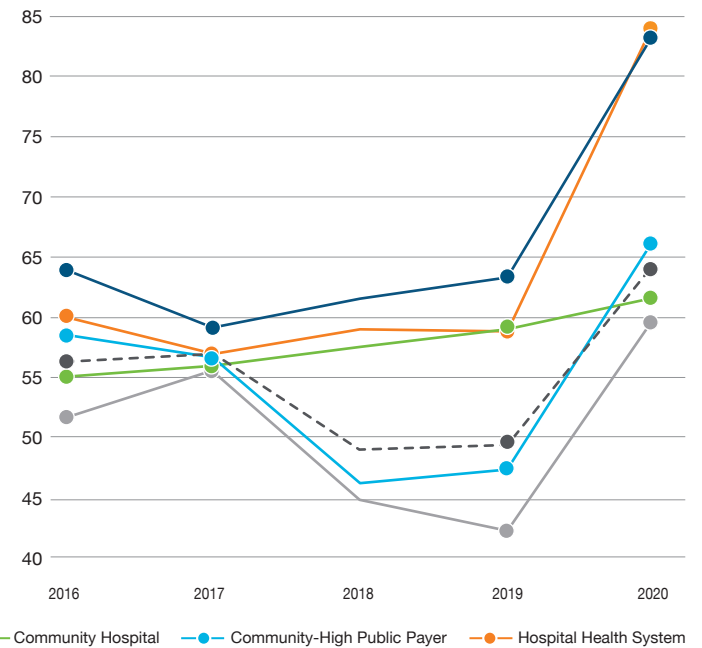
## FY 2016-2020 Current Ratio and Average Payment Period Trends

**Current Ratio Trends**



	2016	2017	2018	2019	2020
<b>Statewide Median</b>	<b>1.7</b>	<b>1.6</b>	<b>1.6</b>	<b>1.5</b>	<b>1.2</b>
Academic Medical Center	1.7	1.6	1.6	1.6	1.2
Teaching Hospital	1.7	1.6	1.7	2.2	1.3
Community Hospital	2.2	1.7	1.7	2.0	1.6
Community-High Public Payer	1.6	1.5	1.4	1.4	1.2
<b>Health System</b>	<b>1.8</b>	<b>1.5</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>

**Average Payment Period Trends**



	2016	2017	2018	2019	2020
<b>Statewide Median</b>	<b>56</b>	<b>57</b>	<b>49</b>	<b>49</b>	<b>64</b>
Academic Medical Center	64	59	62	63	83
Teaching Hospital	52	56	45	42	60
Community Hospital	55	56	58	59	62
Community-High Public Payer	59	57	46	47	66
<b>Health System</b>	<b>60</b>	<b>57</b>	<b>59</b>	<b>59</b>	<b>84</b>

Notes: Steward Health Care's system level data are not included in 2016, 2017, and 2019 as they did not submit audited or standardized financial statements those years. In 2018 and 2020 they did not submit audited or standardized financial statements, but their data was derived from a publicly available source and is included. The statewide acute hospital median includes specialty hospitals.

## Solvency

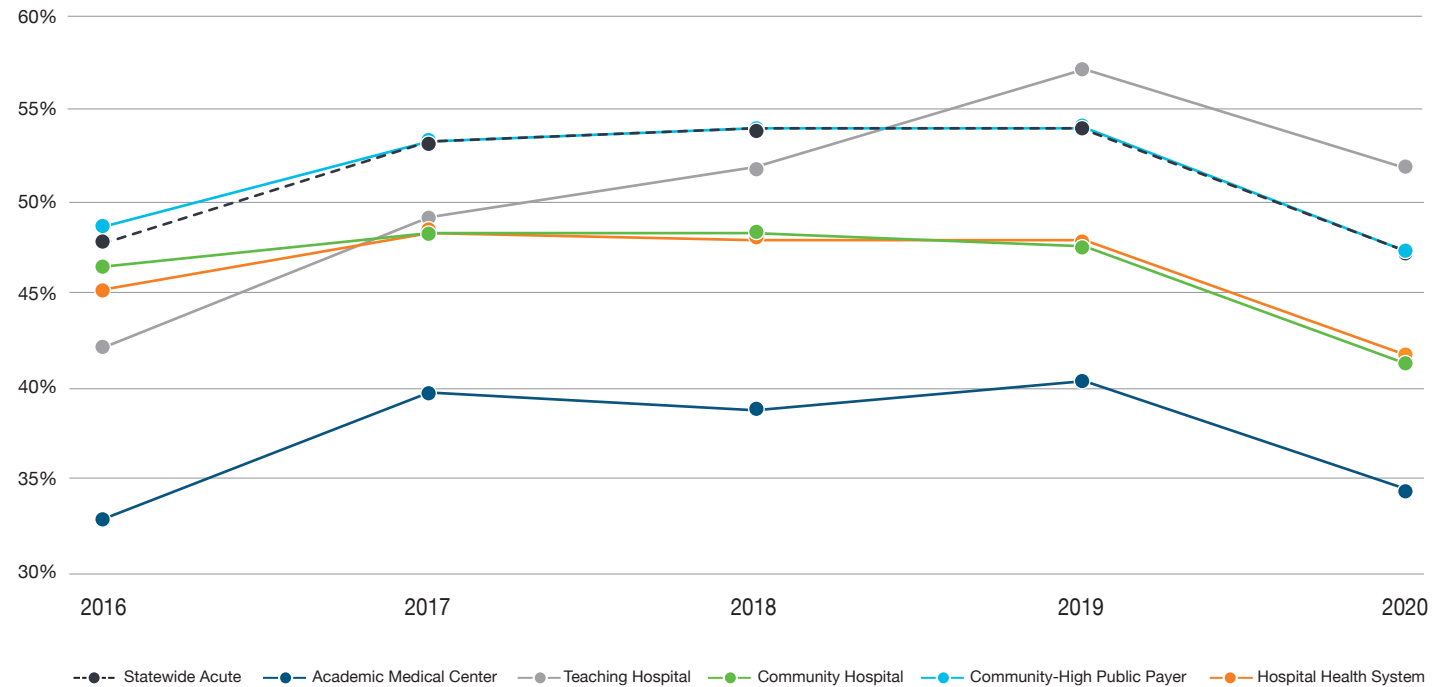
The equity financing ratio measures the proportion of total net assets financed with the health system's equity. It reflects a health system's ability to take on more debt. High values indicate health systems with little or no long-term debt. Low values indicate health systems that are highly leveraged.

The statewide acute hospital median for equity financing decreased in 2020, indicating that overall hospitals were more leveraged by debt than they were in the previous year.

The Academic Medical Center, teaching hospital, community hospital, and community-High Public Payer cohorts all experienced a decrease in median equity financing ratio between 2019 and 2020. The Academic Medical Center cohort had the lowest median equity financing ratio for the fifth consecutive year, indicating these hospitals are more leveraged by debt. The teaching hospital cohort had the highest median equity financing ratio in 2020 despite decreasing by 5.4 percentage points compared to 2019.

The hospital health system median equity financing ratio also decreased in 2020 by 6.2 percentage points.

## FY 2016-2020 Equity Financing Ratio Trends



	2016	2017	2018	2019	2020
<b>Statewide Median</b>	<b>47.7%</b>	<b>53.1%</b>	<b>53.8%</b>	<b>53.8%</b>	<b>47.2%</b>
Academic Medical Center	32.9%	39.8%	38.8%	40.3%	34.5%
Teaching Hospital	42.0%	49.1%	51.7%	57.1%	51.7%
Community Hospital	46.4%	48.3%	48.1%	47.6%	41.3%
Community-High Public Payer	48.6%	53.1%	53.8%	53.8%	47.2%
<b>Health System</b>	<b>45.1%</b>	<b>48.4%</b>	<b>47.9%</b>	<b>47.8%</b>	<b>41.6%</b>

## FY 2020 Health System, Hospital, Physician Organization and Health Plan Metrics

Entity Name	Organization Type	Months Reported	Operating Margin	Total Margin	COVID Funding in Operating Revenue <sup>1</sup>	Excess (Deficit) of Revenue over Expenses	Total COVID Funding Reported <sup>2</sup>	Total COVID Funding Expected to be Repaid <sup>3</sup>	Current Ratio	Net Assets (in millions)
<b>Baystate Health</b>		12	1.4%	1.8%	\$112.9	\$44.2	\$404.4	(\$230.4)	1.9	\$1,132.0
Baystate Franklin	Community-High Public Payer	12	-0.9%	-1.5%	\$8.8	(\$1.5)	\$27.4	(\$16.1)	1.3	\$42.6
Baystate Medical Center <sup>e</sup>	Teaching Hospital	12	5.8%	6.4%	\$91.0	\$95.2	\$319.6	(\$181.4)	2.3	\$856.4
Baystate Noble	Community-High Public Payer	12	-18.7%	-18.7%	\$3.6	(\$10.1)	\$15.6	(\$9.5)	0.7	\$25.2
Baystate Wing	Community-High Public Payer	12	-8.6%	-8.4%	\$3.4	(\$7.3)	\$18.8	(\$13.6)	1.0	\$38.6
Baystate Medical Practices	Physician Organization	12	-16.5%	-17.0%	\$6.1	(\$57.8)	\$10.8	(\$4.7)	-	-
<b>Berkshire Health Systems</b>		12	-5.1%	-1.4%	\$27.5	(\$9.6)	\$122.7	(\$94.6)	1.7	\$500.9
Berkshire Medical Center	Community-High Public Payer	12	0.7%	4.6%	\$20.4	\$24.9	\$102.4	(\$81.5)	1.6	\$457.2
Fairview Hospital	Community-High Public Payer	12	-5.3%	-1.2%	\$5.6	(\$0.8)	\$15.3	(\$9.6)	1.2	\$38.6
Berkshire Faculty Services	Physician Organization	12	-64.8%	-64.8%	\$1.5	(\$29.2)	\$5.0	(\$3.5)	-	-
Berkshire Orthopaedic Associates	Physician Organization	12	-41.0%	-41.0%	\$0.0	(\$4.9)	\$0.0	\$0.0	-	-
<b>Beth Israel Lahey Health</b>		12	0.5%	1.2%	\$341.9	\$73.0	\$1,047.9	(\$706.1)	2.0	\$3,053.1
Anna Jaques Hospital	Community Hospital	12	-5.7%	-5.0%	\$6.6	(\$6.4)	\$27.9	(\$21.3)	1.6	\$8.7
Beth Israel Deaconess Hospital - Milton	Community Hospital	12	6.7%	6.0%	\$17.0	\$7.9	\$37.9	(\$20.9)	1.6	\$99.7
Beth Israel Deaconess Hospital - Needham	Community Hospital	12	-0.5%	-0.4%	\$10.1	(\$0.4)	\$23.9	(\$13.8)	1.5	\$57.0
Beth Israel Deaconess Hospital - Plymouth	Community-High Public Payer	12	6.3%	6.3%	\$20.2	\$19.5	\$82.7	(\$62.6)	1.4	\$117.9
Beth Israel Deaconess Medical Center	Academic Medical Center	12	4.8%	4.7%	\$117.4	\$98.4	\$321.0	(\$203.6)	2.2	\$1,062.6
Lahey Hospital and Medical Center	Teaching Hospital	12	7.0%	7.3%	\$50.6	\$76.2	\$226.5	(\$175.9)	1.2	\$89.3
Mount Auburn Hospital	Teaching Hospital	12	2.6%	3.2%	\$20.8	\$10.6	\$64.7	(\$43.9)	2.0	\$244.0
New England Baptist Hospital	Specialty Hospital	12	-3.8%	-3.3%	\$5.1	(\$7.1)	\$40.2	(\$35.0)	2.6	\$146.2
Northeast Hospital	Community-High Public Payer	12	11.1%	12.8%	\$35.1	\$53.5	\$94.3	(\$59.2)	3.1	\$251.6
Winchester Hospital	Community Hospital	12	6.4%	8.6%	\$21.1	\$26.3	\$52.1	(\$31.0)	3.4	\$319.6
The Affiliated Physicians Group	Physician Organization	12	-38.9%	-38.9%	\$1.5	(\$33.3)	\$4.9	(\$3.5)	-	-
Community Physicians Associates	Physician Organization	12	-43.8%	-43.8%	\$0.1	(\$2.0)	\$0.2	(\$0.0)	-	-
Harvard Medical Faculty Physicians	Physician Organization	12	0.1%	0.9%	\$12.7	\$6.2	\$12.7	\$0.0	-	-
Jordan Physicians Associates	Physician Organization	12	-34.4%	-34.4%	\$0.7	(\$10.5)	\$2.7	(\$2.0)	-	-
Lahey Clinic	Physician Organization	12	-39.7%	-39.4%	\$5.9	(\$107.7)	\$17.9	(\$12.0)	-	-
Lahey Physician Community Org	Physician Organization	12	-37.6%	-37.7%	\$0.3	(\$8.5)	\$1.2	(\$0.9)	-	-
Mount Auburn Professional Services	Physician Organization	12	-41.8%	-41.8%	\$1.5	(\$32.6)	\$4.9	(\$3.4)	-	-



Entity Name	Organization Type	Months Reported	Operating Margin	Total Margin	COVID Funding in Operating Revenue <sup>1</sup>	Excess (Deficit) of Revenue over Expenses	Total COVID Funding Reported <sup>2</sup>	Total COVID Funding Expected to be Repaid <sup>3</sup>	Current Ratio	Net Assets (in millions)
New England Baptist Medical Associates	Physician Organization	12	-35.8%	-35.8%	\$0.3	(\$3.8)	\$0.3	\$0.0	-	-
New England Baptist Physician Group	Physician Organization	12	0.0%	0.0%	\$0.0	\$0.0	\$0.0	\$0.0	-	-
Northeast Medical Practice	Physician Organization	12	-63.1%	-63.1%	\$0.6	(\$18.3)	\$2.3	(\$1.8)	-	-
Seacoast Affiliated Group Practice	Physician Organization	12	-27.3%	-27.3%	\$0.3	(\$3.8)	\$0.3	\$0.0	-	-
Winchester Physician Association	Physician Organization	12	-17.1%	-17.1%	\$1.3	(\$7.5)	\$3.0	(\$1.8)	-	-
<b>Boston Children's Hospital and Subsidiaries</b>		<b>12</b>	<b>-2.6%</b>	<b>12.1%</b>	<b>\$116.0</b>	<b>\$370.8</b>	<b>\$162.0</b>	<b>(\$45.2)</b>	<b>1.4</b>	<b>\$6,501.3</b>
Boston Children's Hospital	Specialty Hospital	12	-2.0%	-2.1%	\$97.4	(\$38.2)	\$136.0	(\$41.7)	7.2	\$4,562.0
Physicians Organization at Children's Hospital and Foundation	Physician Organization	12	-7.4%	1.8%	\$15.6	\$10.8	\$22.8	(\$3.3)	-	-
<b>Boston Medical Center Health System</b>		<b>12</b>	<b>1.9%</b>	<b>3.3%</b>	<b>\$213.1</b>	<b>\$147.4</b>	<b>\$362.1</b>	<b>(\$108.5)</b>	<b>1.6</b>	<b>\$1,819.6</b>
Boston Medical Center ε	Academic Medical Center	12	3.1%	4.9%	\$202.0	\$92.5	\$350.5	(\$107.9)	1.8	\$1,323.9
Boston University Affiliated Physicians	Physician Organization	12	1.8%	1.8%	\$0.1	\$0.1	\$0.1	\$0.0	-	-
BMC Faculty Practice Foundation	Physician Organization	12	-3.2%	-4.0%	\$11.0	(\$15.5)	\$11.5	(\$0.5)	-	-
<b>Cambridge Health Alliance</b>		<b>12</b>	<b>-2.4%</b>	<b>-0.5%</b>	<b>\$27.9</b>	<b>(\$3.4)</b>	<b>\$100.6</b>	<b>(\$30.6)</b>	<b>2.3</b>	<b>\$247.3</b>
Cambridge Health Alliance ε	Teaching Hospital	12	-2.4%	-0.5%	\$27.9	(\$3.4)	\$100.6	(\$30.6)	2.3	\$248.5
<b>Cape Cod Healthcare</b>		<b>12</b>	<b>-1.1%</b>	<b>0.5%</b>	<b>\$52.1</b>	<b>\$4.7</b>	<b>\$222.2</b>	<b>(\$170.1)</b>	<b>1.2</b>	<b>\$844.5</b>
Cape Cod Hospital	Community-High Public Payer	12	3.7%	4.7%	\$30.3	\$27.6	\$152.0	(\$121.7)	1.4	\$488.3
Falmouth Hospital	Community-High Public Payer	12	4.1%	6.1%	\$9.8	\$10.6	\$41.3	(\$31.5)	1.0	\$237.6
Medical Affiliates of Cape Cod	Physician Organization	12	-44.4%	-44.4%	\$2.4	(\$35.5)	\$6.6	(\$4.2)	-	-
<b>Dana-Farber Cancer Institute and Subsidiaries</b>		<b>12</b>	<b>-11.8%</b>	<b>2.4%</b>	<b>\$24.0</b>	<b>\$49.2</b>	<b>\$168.6</b>	<b>(\$134.1)</b>	<b>1.0</b>	<b>\$2,113.3</b>
Dana-Farber Cancer Institute	Specialty Hospital	12	-11.9%	2.5%	\$23.3	\$50.8	\$167.4	(\$133.6)	1.1	\$2,153.2
Dana-Farber Cancer Care Network, Inc	Physician Organization	12	-15.6%	-15.6%	\$0.7	(\$3.7)	\$1.2	(\$0.5)	-	-
<b>Emerson Health System and Subsidiaries</b>		<b>12</b>	<b>-6.2%</b>	<b>-0.9%</b>	<b>\$14.6</b>	<b>(\$2.6)</b>	<b>\$33.2</b>	<b>(\$18.7)</b>	<b>1.2</b>	<b>\$44.7</b>
Emerson Hospital	Community Hospital	12	-6.6%	-1.3%	\$14.6	(\$3.5)	\$33.2	(\$18.7)	1.2	\$45.2
<b>Harrington HealthCare System</b>		<b>12</b>	<b>-11.9%</b>	<b>-7.2%</b>	<b>\$9.3</b>	<b>(\$12.2)</b>	<b>\$26.4</b>	<b>(\$17.1)</b>	<b>2.1</b>	<b>\$73.1</b>
Harrington Hospital	Community-High Public Payer	12	-5.7%	-0.3%	\$8.8	(\$0.4)	\$25.7	(\$16.9)	2.2	\$73.1
Harrington Physician Services	Physician Organization	12	-51.5%	-51.5%	\$0.5	(\$11.8)	\$0.7	(\$0.2)	-	-
<b>Heywood Healthcare</b>		<b>12</b>	<b>1.6%</b>	<b>1.8%</b>	<b>\$11.7</b>	<b>\$3.4</b>	<b>\$37.0</b>	<b>(\$21.4)</b>	<b>1.7</b>	<b>\$74.3</b>
Athol Hospital	Community-High Public Payer	12	8.6%	5.4%	\$0.7	\$1.8	\$8.8	(\$4.3)	2.0	\$22.0
Heywood Hospital	Community-High Public Payer	12	1.0%	2.1%	\$10.5	\$3.2	\$27.1	(\$16.4)	1.7	\$40.7
Heywood Medical Group	Physician Organization	12	-20.7%	-20.7%	\$0.5	(\$1.6)	\$1.1	(\$0.6)	-	-

Entity Name	Organization Type	Months Reported	Operating Margin	Total Margin	COVID Funding in Operating Revenue <sup>1</sup>	Excess (Deficit) of Revenue over Expenses	Total COVID Funding Reported <sup>2</sup>	Total COVID Funding Expected to be Repaid <sup>3</sup>	Current Ratio	Net Assets (in millions)
<b>Lawrence General Hospital and Affiliates</b>		12	-6.4%	-5.7%	\$61.4	(\$17.2)	\$99.1	(\$36.6)	1.7	\$82.8
Lawrence General Hospital	Community-High Public Payer	12	-4.5%	-3.3%	\$61.3	(\$9.6)	\$99.0	(\$36.6)	1.5	\$93.9
Community Medical Associates	Physician Organization	12	-91.2%	-91.7%	\$0.0	(\$5.4)	\$0.0	\$0.0	-	-
<b>Mass General Brigham</b>		12	-2.4%	1.8%	\$555.8	\$263.5	\$1,593.7	(\$1,018.1)	2.3	\$10,620.3
Brigham & Women's Faulkner Hospital	Teaching Hospital	12	6.6%	6.7%	\$28.0	\$20.9	\$70.4	(\$41.5)	1.3	\$117.4
Brigham & Women's Hospital	Academic Medical Center	12	2.4%	2.4%	\$96.6	\$77.5	\$369.9	(\$268.9)	1.2	\$780.7
Cooley Dickinson Hospital	Community Hospital	12	-0.5%	-0.4%	\$9.1	(\$0.8)	\$37.6	(\$27.8)	0.7	\$39.8
Martha's Vineyard Hospital	Community Hospital	12	4.2%	9.1%	\$6.8	\$10.0	\$24.8	(\$18.0)	1.9	\$137.8
Massachusetts Eye & Ear Infirmary	Specialty Hospital	12	-9.0%	-9.6%	\$9.1	(\$25.4)	\$39.2	(\$29.7)	1.1	\$19.8
Massachusetts General Hospital	Academic Medical Center	12	5.2%	5.2%	\$203.0	\$236.3	\$571.2	(\$361.5)	1.2	\$2,810.6
Nantucket Cottage Hospital	Community Hospital	12	-10.5%	-2.1%	\$5.0	(\$1.3)	\$8.6	(\$3.5)	3.0	\$155.6
Newton-Wellesley Hospital	Community Hospital	12	-4.4%	-4.7%	\$37.3	(\$25.6)	\$97.2	(\$58.7)	1.0	\$127.7
North Shore Medical Center	Community-High Public Payer	12	9.4%	9.7%	\$70.2	\$51.2	\$127.8	(\$56.2)	1.6	\$331.3
Brigham and Women's Physicians Organization	Physician Organization	12	-1.7%	0.5%	\$17.4	\$4.9	\$47.2	(\$28.9)	-	-
CD Practice Associates	Physician Organization	12	-34.2%	-34.2%	\$0.7	(\$17.5)	\$0.9	\$0.0	-	-
Massachusetts Eye and Ear Associates	Physician Organization	12	-5.7%	-5.3%	\$2.4	(\$7.0)	\$2.4	\$0.0	-	-
Massachusetts General Hospital Physicians Organization	Physician Organization	12	-1.5%	1.3%	\$21.4	\$16.1	\$52.6	(\$30.4)	-	-
Nantucket Physician Organization	Physician Organization	12	78.8%	78.8%	\$0.0	\$0.6	\$0.0	\$0.0	-	-
Newton-Wellesley Physician Hospital Group	Physician Organization	12	-2.1%	-2.2%	\$1.9	(\$2.4)	\$4.8	(\$2.9)	-	-
North Shore Physicians Group	Physician Organization	12	-18.5%	-18.5%	\$3.1	(\$28.1)	\$10.1	(\$7.0)	-	-
Partners Community Physician Organization	Physician Organization	12	-18.0%	-16.0%	\$2.1	(\$20.1)	\$2.1	\$0.0	-	-
<b>Milford Regional Medical Center and Affiliates</b>		12	-1.7%	-0.8%	\$16.6	(\$2.3)	\$50.3	(\$33.7)	1.7	\$127.1
Milford Regional Medical Center	Community Hospital	12	2.0%	3.1%	\$15.3	\$7.3	\$46.3	(\$31.0)	1.9	\$127.8
Milford Regional Physician Group	Physician Organization	12	-12.3%	-12.3%	\$1.3	(\$9.6)	\$4.0	(\$2.7)	-	-
<b>Shriners Hospitals for Children</b>										
Shriners Hospital for Children - Boston*	Specialty Hospital									
Shriners Hospital for Children - Springfield*	Specialty Hospital									

Entity Name	Organization Type	Months Reported	Operating Margin	Total Margin	COVID Funding in Operating Revenue <sup>1</sup>	Excess (Deficit) of Revenue over Expenses	Total COVID Funding Reported <sup>2</sup>	Total COVID Funding Expected to be Repaid <sup>3</sup>	Current Ratio	Net Assets (in millions)
<b>Signature Healthcare Corporation</b>		12	1.7%	1.9%	\$12.3	\$7.3	\$85.8	(\$34.3)	0.7	\$76.4
Signature Healthcare Brockton Hospital	Community-High Public Payer	12	5.2%	5.4%	\$8.3	\$17.0	\$74.2	(\$31.0)	0.7	\$67.0
Signature Healthcare Medical Group	Physician Organization	12	-14.2%	-14.2%	\$4.1	(\$10.2)	\$11.6	(\$3.3)	-	-
<b>South Shore Health System Inc.</b>		12	-1.1%	2.6%	\$48.8	\$21.0	\$149.7	(\$99.0)	1.3	\$449.2
South Shore Hospital	Community Hospital	12	-0.1%	3.5%	\$38.0	\$25.1	\$133.9	(\$94.0)	1.0	\$369.6
Coastal Medical Associates	Physician Organization	12	-9.2%	-9.2%	\$10.8	(\$9.0)	\$15.9	(\$5.0)	-	-
<b>Southcoast Health Systems</b>		12	1.9%	5.7%	\$75.9	\$66.3	\$232.1	(\$151.9)	1.2	\$866.0
Southcoast Hospital Group	Community-High Public Payer	12	8.1%	11.4%	\$70.1	\$107.6	\$206.2	(\$133.0)	1.4	\$663.4
Southcoast Physician Group	Physician Organization	12	-33.8%	-33.8%	\$5.7	(\$68.0)	\$17.8	(\$11.8)	-	-
<b>Steward Health Care <sup>4</sup></b>		12	-7.1%	-7.6%	\$389.5	(\$407.6)	\$881.8	(\$440.1)	0.8	(\$1,397.9)
Morton Hospital	Community-High Public Payer	12	6.1%	6.1%	\$30.9	\$9.7	\$53.0	(\$19.9)	0.9	\$17.6
Nashoba Valley Medical Center	Community-High Public Payer	12	-31.5%	-31.5%	\$1.2	(\$16.0)	\$7.9	(\$6.5)	0.9	\$6.4
Steward Carney Hospital <sup>ε</sup>	Teaching Hospital	12	2.5%	2.5%	\$41.6	\$4.1	\$61.8	(\$12.1)	0.8	\$26.6
Steward Good Samaritan Medical Center	Community-High Public Payer	12	17.2%	17.2%	\$44.3	\$58.8	\$92.2	(\$42.2)	0.9	\$29.9
Steward Holy Family Hospital	Community-High Public Payer	12	0.0%	0.0%	\$25.6	\$0.0	\$67.5	(\$35.8)	0.8	\$21.2
Steward Norwood Hospital	Community-High Public Payer	12	-15.6%	-15.6%	\$19.2	(\$18.7)	\$45.1	(\$25.0)	-0.1	\$20.6
Steward Saint Anne's Hospital	Community-High Public Payer	12	6.9%	6.9%	\$6.7	\$19.1	\$51.5	(\$43.5)	1.0	\$38.8
Steward St. Elizabeth's Medical Center <sup>ε</sup>	Teaching Hospital	12	0.6%	0.6%	\$22.3	\$2.3	\$81.5	(\$57.5)	0.8	\$87.4
Steward Medical Group	Physician Organization									
<b>Sturdy Memorial Foundation and Affiliates</b>		12	-3.8%	6.1%	\$13.5	\$17.6	\$13.5	\$0.0	1.1	\$475.6
Sturdy Memorial Hospital	Community-High Public Payer	12	0.9%	11.6%	\$12.5	\$27.2	\$12.5	\$0.0	1.0	\$410.0
Sturdy Memorial Associates	Physician Organization	12	-25.9%	-26.0%	\$1.0	(\$14.1)	\$1.0	\$0.0	-	-
<b>Tenet Healthcare</b>		12	6.0%	2.2%	\$882.0	\$399.0	\$2,280.0	(\$1,398.0)	1.5	\$2,889.0
MetroWest Medical Center	Community-High Public Payer	12	3.8%	4.0%	\$32.0	\$10.1	\$62.7	(\$36.7)	0.6	\$10.4
Saint Vincent Hospital <sup>ε</sup>	Teaching Hospital	12	14.4%	14.4%	\$40.4	\$69.8	\$87.5	(\$61.6)	0.8	\$238.2
Metrowest Physician Services	Physician Organization	12	-67.9%	-67.9%	\$0.2	(\$7.1)	\$0.6	(\$0.4)	-	-
Saint Vincent Medical Company	Physician Organization	12	-47.9%	-47.9%	\$0.6	(\$16.2)	\$1.8	(\$1.3)	-	-

Entity Name	Organization Type	Months Reported	Operating Margin	Total Margin	COVID Funding in Operating Revenue <sup>1</sup>	Excess (Deficit) of Revenue over Expenses	Total COVID Funding Reported <sup>2</sup>	Total COVID Funding Expected to be Repaid <sup>3</sup>	Current Ratio	Net Assets (in millions)
<b>Trinity Health</b>		<b>12</b>	<b>-1.8%</b>	<b>-0.4%</b>	<b>\$712.3</b>	<b>(\$75.5)</b>	<b>\$2,430.4</b>	<b>(\$1,632.7)</b>	<b>1.7</b>	<b>\$13,530.7</b>
Mercy Medical Center	Community-High Public Payer	12	-3.5%	-2.3%	\$32.1	(\$7.8)	\$77.8	(\$38.9)	2.6	\$150.1
Mercy Inpatient Medical Associates	Physician Organization	12	-8.9%	-8.9%	\$0.2	(\$2.1)	\$0.2	\$0.0	-	-
Mercy Medical Group	Physician Organization	12	-51.0%	-51.0%	\$0.0	(\$2.4)	\$0.0	\$0.0	-	-
Mercy Specialist Physicians	Physician Organization	12	-85.2%	-85.2%	\$0.1	(\$2.1)	\$0.1	\$0.0	-	-
Pioneer Valley Cardiology Associates	Physician Organization	12	-66.1%	-66.1%	\$0.2	(\$5.4)	\$0.2	\$0.0	-	-
Riverbend Medical Group	Physician Organization	12	-29.6%	-29.6%	\$1.5	(\$19.4)	\$1.5	\$0.0	-	-
<b>UMass Memorial Health Care</b>		<b>12</b>	<b>-2.0%</b>	<b>-0.8%</b>	<b>\$183.0</b>	<b>(\$23.0)</b>	<b>\$411.0</b>	<b>(\$228.0)</b>	<b>1.4</b>	<b>\$1,055.4</b>
HealthAlliance-Clinton Hospital	Community-High Public Payer	12	-0.5%	1.8%	\$18.9	\$3.8	\$39.9	(\$21.0)	1.0	\$161.8
Marlborough Hospital	Community-High Public Payer	12	0.0%	2.0%	\$14.6	\$1.8	\$23.6	(\$9.0)	1.3	\$51.5
UMass Memorial Medical Center $\epsilon$	Academic Medical Center	12	1.3%	2.3%	\$131.9	\$46.4	\$316.9	(\$185.0)	1.1	\$434.1
UMass Memorial Medical Group Inc.	Physician Organization	12	-7.7%	-7.3%	\$13.3	(\$44.4)	\$26.3	(\$13.0)	-	-
<b>Valley Health System</b>		<b>12</b>	<b>5.6%</b>	<b>7.8%</b>	<b>\$25.4</b>	<b>\$17.6</b>	<b>\$31.1</b>	<b>(\$5.7)</b>	<b>1.6</b>	<b>\$0.5</b>
Holyoke Medical Center	Community-High Public Payer	12	7.0%	9.5%	\$23.5	\$18.3	\$28.6	(\$5.1)	1.6	(\$10.8)
Western Mass Physician Associates	Physician Organization	12	-52.6%	-52.6%	\$0.2	(\$4.5)	\$0.2	\$0.0	-	-
<b>Wellforce</b>		<b>12</b>	<b>-0.5%</b>	<b>1.4%</b>	<b>\$194.4</b>	<b>\$31.1</b>	<b>\$307.6</b>	<b>(\$201.3)</b>	<b>1.1</b>	<b>\$727.3</b>
Lowell General Hospital	Community-High Public Payer	12	1.5%	2.6%	\$31.3	\$12.4	\$93.2	(\$61.9)	1.1	\$123.7
MelroseWakefield Health	Community Hospital	12	5.3%	8.5%	\$30.4	\$21.8	\$64.4	(\$34.0)	1.1	\$179.9
Tufts Medical Center $\epsilon$	Academic Medical Center	12	1.9%	3.7%	\$27.6	\$38.2	\$123.7	(\$96.2)	1.1	\$184.7
Circle Health Physicians	Physician Organization	12	-9.9%	-9.9%	\$10.3	(\$6.1)	\$10.3	\$0.0	-	-
Hallmark Health Medical Associates	Physician Organization	12	-31.8%	-31.8%	\$4.5	(\$15.6)	\$6.0	(\$1.5)	-	-
Tufts Medical Center Community Care	Physician Organization	12	-77.4%	-77.4%	\$0.0	(\$5.2)	\$0.0	\$0.0	-	-
Tufts Medical Center Physician Organization	Physician Organization	12	-0.1%	-0.2%	\$2.2	(\$0.5)	\$9.9	(\$7.7)	-	-

All dollar values are in millions.

<sup>1</sup> Sum of amounts reported as Other Operating Revenue: Federal COVID-19 Relief Funds and Other Operating Revenue: State & Other COVID-19 Relief Funds. This value does not include COVID-19 relief funds reported on other line items.

<sup>2</sup> Sum of all COVID-19 relief funding reported regardless of line item upon which it was recorded. This amount includes funding reported as operating revenue and funding the entity expects to repay. Hospital Health System values represent the amount reported by the hospital health system or the sum reported by all affiliated entities within that system.

<sup>3</sup> Sum of all COVID-19 relief funding reported by the entity as expected to be repaid based on current guidance, such as advance payments from Medicare and MassHealth.

<sup>4</sup> Steward Health Care system level data included in this report was derived from publicly available audited financial statements that were standardized by CHIA using the same method as the other health systems. Steward Health Care's physician organization data is not included as they did not submit audited financial statements.

\* Shriners Hospital Boston (SHB) and Shriners Hospital Springfield (SHS) are part of the national Shriners Hospitals for Children system (SHC) and are reliant upon support from the SHC endowment to cover the costs associated with fulfilling their mission to provide care to patients regardless of their ability to pay. This support is provided through transfers from the SHC's endowment to the hospitals, as these transfers are not considered revenue for the purpose of calculating profitability margin, SHB's and SHS's profitability margins are not comparable to other acute hospitals. Therefore, they have been excluded from the graphics but are included in the statewide median and the [databook](#).

<sup>†</sup> Indicates current ratio and net assets are not collected from the physician organization.

$\epsilon$  Indicates a hospital meets the High Public Payer threshold.

# Report Notes

### Acute Hospital and Health System

#### Fiscal Year-End Dates

The Fiscal Year 2020 analysis is based on 12 months of financial data for all entities. The majority of health systems and hospitals have a fiscal year-end date of September 30; however, Cambridge Health Alliance and Mercy Medical Center have a June 30 year end-date, and MetroWest Medical Center, Saint Vincent Hospital, Shriners – Boston, Shriners – Springfield, and Steward Health Care System’s eight hospitals have a December 31 year-end date.

#### Data Caveats

Steward Health Care system level data included in this report was derived from publicly available audited financial statements that were standardized by CHIA using the same method as the other health systems. Additionally, Steward Health Care did not report any of the COVID relief funding received by their eight hospitals as operating revenue. After obtaining the publicly available audited financial

Hospitals	Fiscal Year End	FY 2020 Data Period
Majority of Hospitals (47)	9/30	10/1/19 – 9/30/20
Cambridge Health Alliance	6/30	7/1/19- 6/30/20
Mercy Medical Center		
MetroWest Medical Center	12/31	1/1/19- 12/31/20
Saint Vincent Hospital		
Shriners Hospitals for Children Boston		
Shriners Hospitals for Children Springfield		
Steward Health Care System Hospitals (8)		

statements, their data was revised by CHIA to include the Provider Relief Funds received by each of the hospitals in their operating revenue.

For health systems that did not report COVID-19 relief funding at the system-level, the Total COVID Funding Reported metric is equal to the sum of the funding reported for each of their affiliated entities.

### Acute Hospital Cohort Definitions

Acute hospitals were assigned to one of the following cohorts according to the criteria below. Please note that some AMCs and teaching hospitals have High Public Payer (HPP) status; this has been noted in the data table where applicable. For this report, FY 2019 Hospital Cost Report data is used to determine cohorts.

**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 100 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 100 beds criteria to be classified as a teaching hospital and have a public payer mix of less than 63%.

**Community-High Public Payer (HPP)** 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 the Health Safety Net.

**Specialty hospitals** are 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 are included in all statewide median calculations. ■



For more information, please contact:

CENTER FOR HEALTH INFORMATION AND ANALYSIS

501 Boylston Street  
Boston, MA 02116

<https://www.chiamass.gov>  
[@Mass\\_CHIA](#)

(617) 701-8100