

### OCTOBER 2020

#### About this Report

The Center for Health Information and Analysis (CHIA) implemented a voluntary monthly financial data collection beginning in March 2020 in order to report on the financial impact of COVID-19 on hospitals and their health systems in a timely manner. Participating acute hospitals filed Statement of Operations data (revenue, expenses, and resulting income or loss) with CHIA. This report provides an overview of the results of operations for the participating acute hospitals and hospital health systems. Thirty-seven of 61 acute hospitals and 11 of 25 hospital health systems submitted monthly data through July and are included in this report. The 37 participating hospitals accounted for 73% of acute hospital operating revenue in FY 2019. Please note that the monthly data is stand alone and as such is not reported cumulatively.

As Governor Baker declared a state of emergency on March 10, this report includes the first five months of the financial impact of COVID-19 on hospital health care operations. This report updates CHIA's initial monthly financial performance report published in August 2020 with the addition of June and July financial data, focusing primarily on June and July hospital performance. Federal COVID-related funding was distributed in April, May, June, and July to hospitals as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act and is reflected in the data as operating revenue in the month received.

In order to provide a comparison to the reported months, a base period was developed from quarterly or annual data for the period ending December 31, 2019. For metrics requiring one month's data, a monthly average was calculated by using the total amount reported divided by the number of months in the reporting period. Only participating hospitals that reported voluntary monthly data are included in the base period.

#### Key Findings

##### Total Margin: Hospitals

Profitability, as measured by the total margin, improved in June and July compared to the first three months of the pandemic and the base period for most acute hospitals. The participating hospitals had a median total margin of 12.3% in June and 22.4% in July, with 29 of 37 hospitals reporting a positive margin in June and 35 of 37 hospitals reporting a positive margin in July. In March, April, and May the majority of participating hospitals reported losses in each of the three months.

Each month's data is not reported cumulatively and therefore the monthly margins may not reflect the hospital's overall financial position.

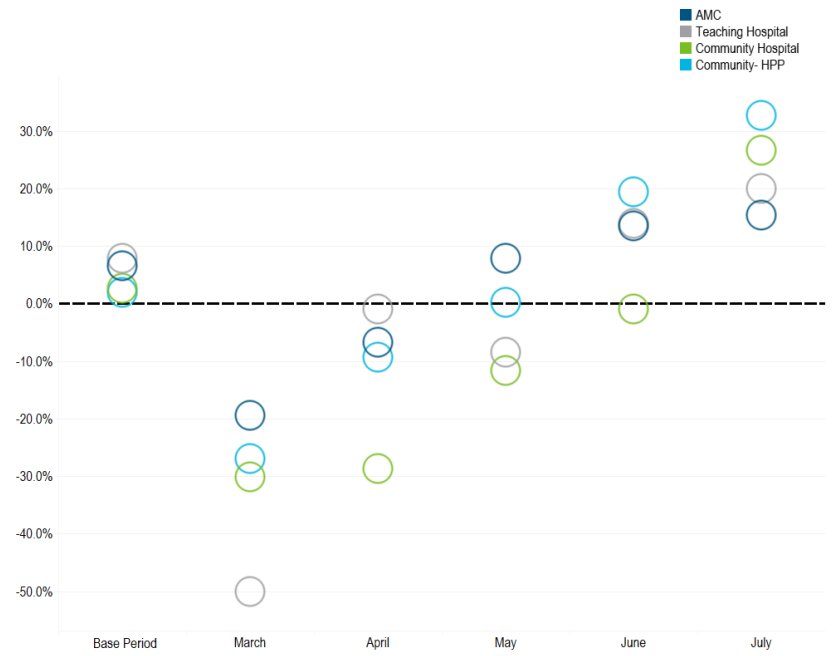
Note: Some hospitals reported total margins <-100% that are not displayed on figure 1. For more detail on these entities, see the databook.

Figure 1: Participating Hospital Total Margin by Month



In June, three of the four hospital cohorts reported positive median total margins. Only the community hospital cohort reported a negative total margin. All four hospital cohorts reported positive median total margins in July. This was a significant change from the first three months reported. The median total margins reported in June and July, with the exception of the community hospital cohort in June, were higher than the base period. This was largely due to the COVID relief funds received. Without the relief funds, the median total margins would have been less than or comparable to the base period. (figure 6)

Figure 2: Median Total Margin by Participating Hospital Cohort and Month



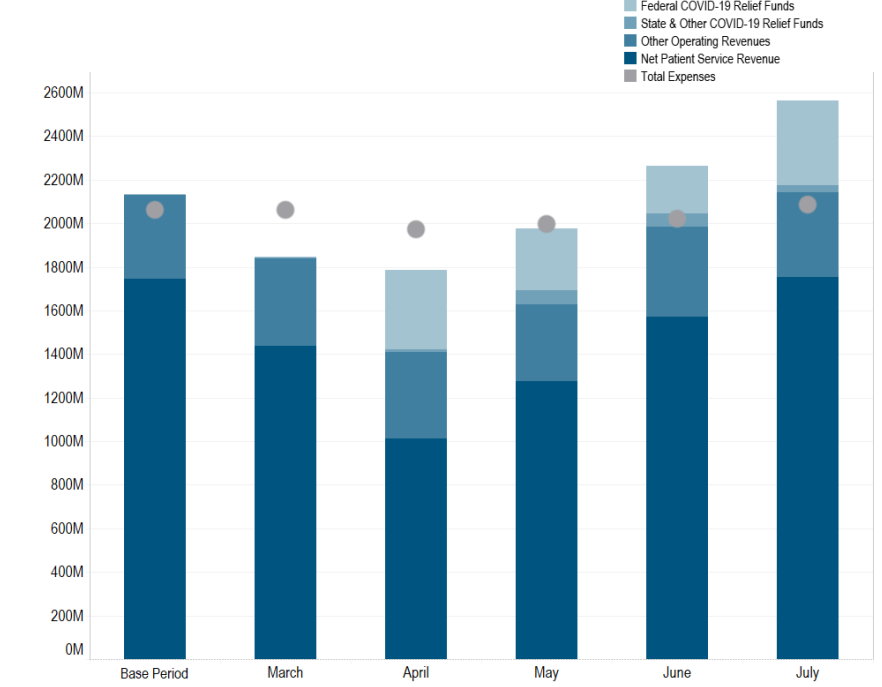
Note: Acute hospital cohort designations are Academic Medical Center (AMC), teaching Hospital, community Hospital, and community-High Public Payer (HPP). Specialty Hospitals are not considered a cohort. For further descriptions of the cohorts and specialty hospitals, see the technical appendix.

	Base Period	March	April	May	June	July
AMC (5 of 6)	6.6%	-19.4%	-6.8%	7.8%	13.4%	15.3%
Teaching Hospital (4 of 7)	7.9%	-50.1%	-0.9%	-8.5%	14.0%	20.0%
Community Hospital (12 of 12)	2.7%	-30.1%	-28.7%	-11.7%	-0.9%	26.6%
Community-HPP (13 of 30)	1.9%	-26.9%	-9.3%	0.2%	19.4%	32.7%

### Operating Revenue and Expenses

Total net patient service revenue (NPSR) reported by the participating hospitals was lower in June when compared to the base period, but higher when compared to the first three months of the pandemic. In July, total NPSR was comparable to the base period. April had the lowest reported total NPSR among the five months reported.

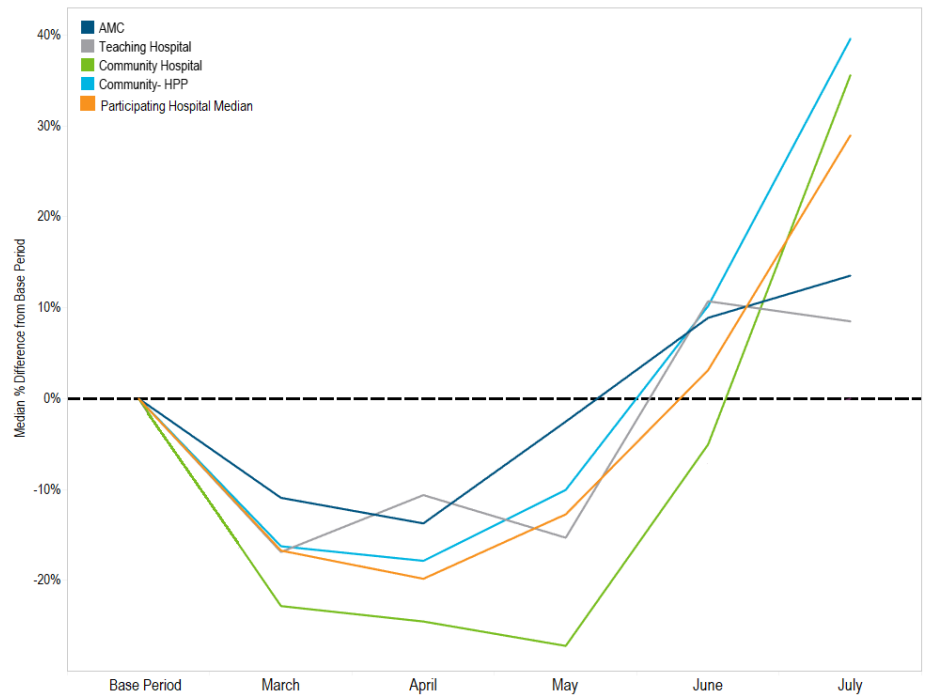
Figure 3: Participating Hospital Operating Revenue and Expenses Trends



As state and federal COVID-19 relief funds continued to supplement the operating revenue reported in June and July, in aggregate total operating revenue was higher than total expenses for the participating hospitals in those two months. Without supplemental relief funds, total expenses would have been higher than total operating revenue in June.

The percent change in operating revenue varied by cohort and month. In June, three of the four hospital cohorts reported an increase in operating revenue. Only the community hospital cohort reported a decrease in operating revenue when compared to the base period. In July, all four hospital cohorts reported an increase in operating revenue compared to the base period. The increase in operating revenue reported in June and July was largely due to the COVID relief funds received in those months.

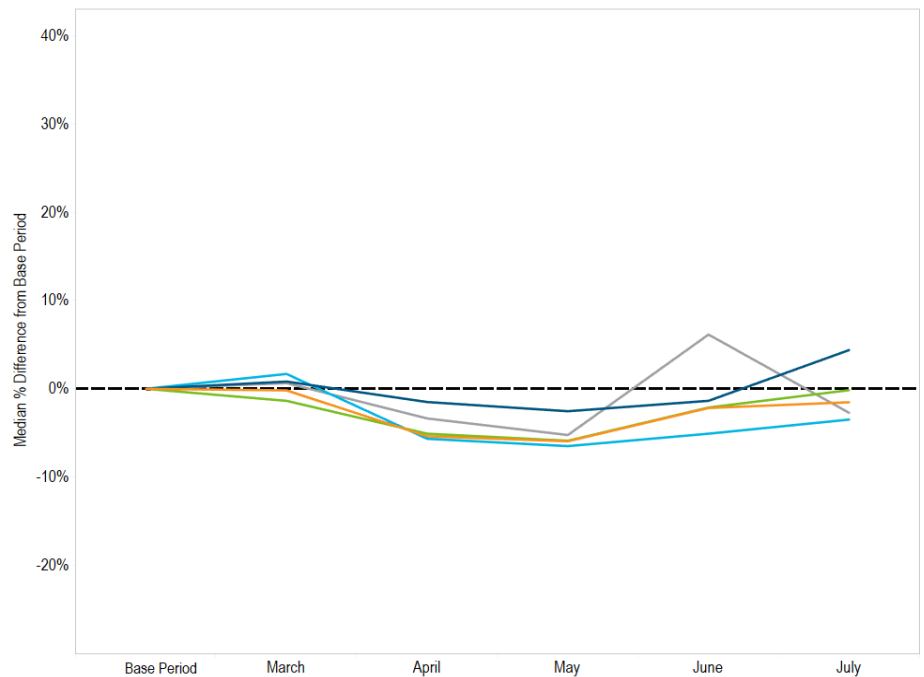
**Figure 4: Median Change in Operating Revenue, by Participating Hospital Cohort**



	March	April	May	June	July
Participating Hospital Median	-16.7%	-19.8%	-12.7%	3.1%	29.0%
AMC	-10.9%	-13.7%	-2.5%	8.9%	13.5%
Teaching Hospital	-16.9%	-10.6%	-15.3%	10.7%	8.5%
Community Hospital	-22.8%	-24.5%	-27.2%	-5.1%	35.6%
Community- HPP	-16.3%	-17.9%	-10.0%	10.2%	39.6%

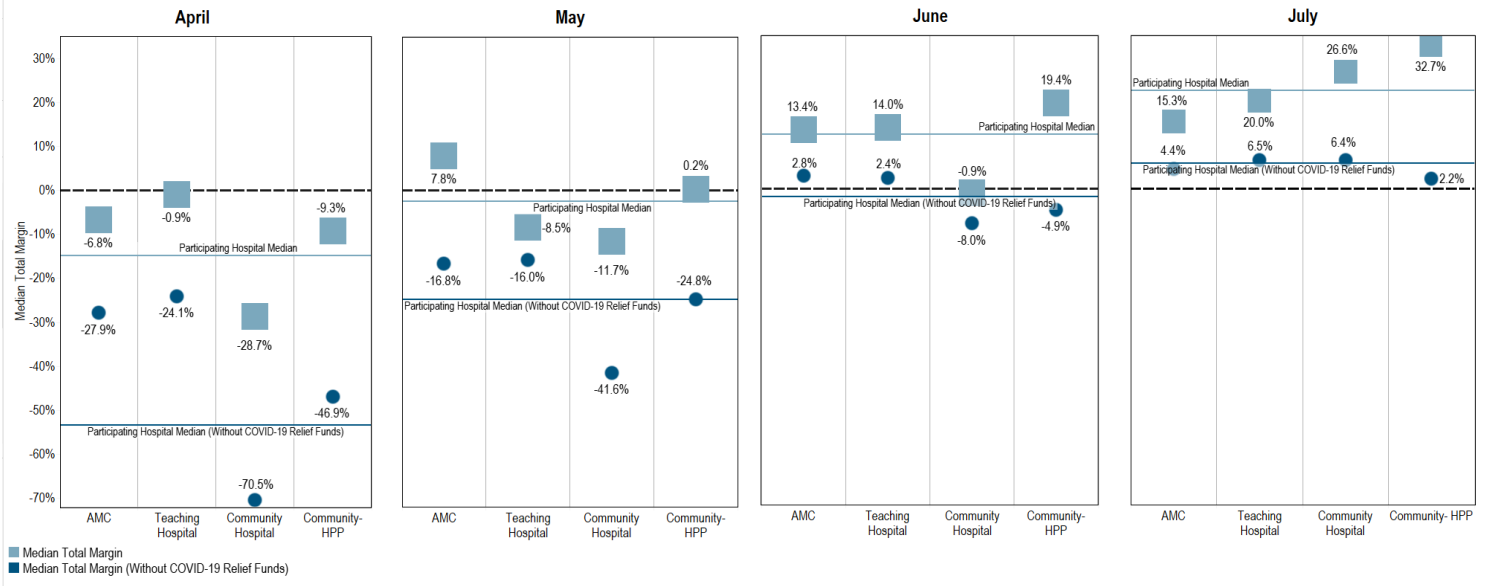
The percent change in expenses also varied by cohort and month. Overall, participating hospitals reported a slight decrease in expenses in June and July when compared to the base period. In June, the teaching hospital cohort reported an increase in expenses compared to the base period, while the AMC, community, and community-HPP cohorts reported decreases. In July, only the AMC cohort reported an increase in expenses.

**Figure 5: Median Change in Expenses, by Participating Hospital Cohort**



	March	April	May	June	July
Participating Hospital Median	-0.2%	-5.4%	-5.9%	-2.2%	-1.5%
AMC	0.8%	-1.5%	-2.5%	-1.4%	4.4%
Teaching Hospital	0.6%	-3.4%	-5.2%	6.1%	-2.7%
Community Hospital	-1.4%	-5.1%	-5.9%	-2.1%	-0.2%
Community- HPP	1.7%	-5.7%	-6.5%	-5.1%	-3.5%

**Figure 6: Median Total Margin by Participating Hospital Cohort, With and Without COVID-19 Relief Funds**



### Impact of COVID-19 Relief Funds

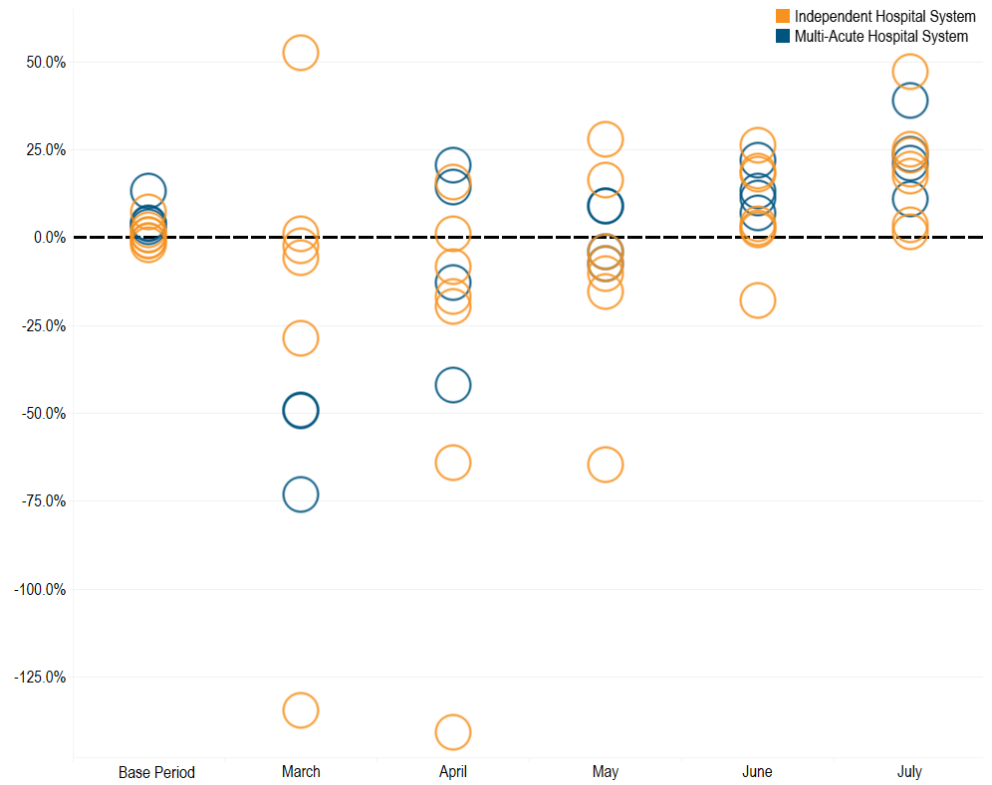
The federal funds received by the participating hospitals in June and July had significant impacts on their reported operating revenue and income. The participating hospitals reported \$608.8 million in federal funding and \$93.7 million in state funding in June and July, which improved their operating revenue and margins during those months. If no COVID-19 relief funds had been distributed, the participating hospital median total margins would have been -1.8% in June and 5.8% in July. Additionally, all hospital cohorts would have experienced lower median total margins.

Through July, participating hospitals reported receiving \$1.26 billion in federal funding and \$176.9 million in state funding.

## Total Margin: Hospital Health Systems

Profitability for most participating hospital health systems improved significantly in June and July when compared to the base period. The median total margin for the 11 participating health systems was 11.1% in June and 21.0% in July. All but one hospital health system reported a positive total margin in June and all reported positive total margins in July. This was a significant improvement from the first three months of the pandemic, when the majority of hospital health systems reported losses in March, April, and May.

Figure 7: Participating HHS Total Margin by Month



Note: Some hospital health systems reported total margins <-150% that are not displayed on figure 7. For more detail on these entities, see the databook.

	Base Period	March	April	May	June	July
Participating HHS Median	2.0%	-28.7%	-12.9%	-4.0%	11.1%	21.0%

## Monthly Financial Data

Entity	Organization Type	March 2020				April 2020				May 2020			
		Operating Margin	Total Margin	COVID Funding (in Millions)	Excess (Deficit) of Revenue Over Expenses (in Millions)	Operating Margin	Total Margin	COVID Funding (in Millions)	Excess (Deficit) of Revenue Over Expenses (in Millions)	Operating Margin	Total Margin	COVID Funding (in Millions)	Excess (Deficit) of Revenue Over Expenses (in Millions)
<b>Baystate Health</b>		<b>-17.0%</b>	<b>-73.2%</b>	<b>\$0</b>	<b>(\$85.4)</b>	<b>4.3%</b>	<b>14.4%</b>	<b>\$37.7</b>	<b>\$32.7</b>	<b>1.8%</b>	<b>8.9%</b>	<b>\$22.5</b>	<b>\$19.8</b>
Baystate Franklin	Community-High Public Payer	-14.1%	-12.2%	\$0	(\$1.0)	0.7%	1.6%	\$2.7	\$0.1	-0.6%	0.2%	\$1.9	\$0.0
Baystate Medical Center ε	Teaching Hospital	-16.7%	-88.4%	\$0	(\$54.2)	7.4%	20.2%	\$31.2	\$28.8	6.2%	16.0%	\$18.1	\$21.2
Baystate Noble	Community-High Public Payer	-41.6%	-42.4%	\$0	(\$1.6)	-52.8%	-52.5%	\$0.6	(\$1.9)	-23.2%	-23.1%	\$0.4	(\$1.0)
Baystate Wing	Community-High Public Payer	-24.4%	-35.1%	\$0	(\$2.1)	-24.9%	-20.2%	\$0.9	(\$1.3)	-23.4%	-20.1%	\$0.6	(\$1.3)
<b>Beth Israel Lahey Health</b>		<b>-27.1%</b>	<b>-49.4%</b>	<b>\$0</b>	<b>(\$160.2)</b>	<b>-18.3%</b>	<b>-12.9%</b>	<b>\$82.6</b>	<b>(\$52.1)</b>	<b>-9.3%</b>	<b>-7.4%</b>	<b>\$75.0</b>	<b>(\$31.3)</b>
Anna Jaques Hospital	Community Hospital	-37.1%	-38.1%	\$0	(\$3.2)	-32.0%	-31.0%	\$2.5	(\$2.6)	-42.0%	-40.3%	\$0.5	(\$2.9)
Beth Israel Deaconess Hospital - Milton	Community Hospital	-35.8%	-80.2%	\$0	(\$4.5)	-13.3%	-4.0%	\$2.3	(\$0.4)	-19.9%	-26.1%	\$0.7	(\$1.8)
Beth Israel Deaconess Hospital - Needham	Community Hospital	-53.3%	-65.5%	\$0	(\$3.4)	-43.1%	-43.1%	\$1.9	(\$2.5)	-65.1%	-65.1%	\$0.0	(\$3.2)
Beth Israel Deaconess Hospital - Plymouth	Community-High Public Payer	-15.5%	-26.9%	\$0	(\$5.1)	-12.2%	-8.6%	\$5.4	(\$1.8)	-3.7%	-2.5%	\$3.2	(\$0.6)
Beth Israel Deaconess Medical Center	Academic Medical Center	-17.0%	-66.3%	\$0	(\$64.6)	-7.6%	3.5%	\$27.9	\$5.7	3.9%	7.8%	\$37.5	\$14.0
Lahey Hospital and Medical Center	Teaching Hospital	-12.1%	-11.8%	\$0	(\$8.7)	-9.3%	-9.4%	\$19.3	(\$6.3)	-1.6%	-1.5%	\$16.1	(\$1.1)
Mount Auburn Hospital	Teaching Hospital	-53.4%	-154.3%	\$0	(\$16.5)	-9.3%	6.4%	\$6.4	\$1.7	-24.6%	-16.4%	\$0.0	(\$3.5)
New England Baptist Hospital	Specialty Hospital	-31.6%	-55.1%	\$0	(\$6.3)	-56.3%	-45.3%	\$4.5	(\$4.4)	-143.1%	-135.1%	\$0.6	(\$7.6)
Northeast Hospital	Community-High Public Payer	-17.0%	-28.4%	\$0	(\$6.9)	-5.9%	-9.3%	\$7.2	(\$2.5)	22.6%	22.1%	\$14.4	\$8.3
Winchester Hospital	Community Hospital	-28.5%	-27.0%	\$0	(\$5.0)	-19.1%	-18.7%	\$5.2	(\$3.6)	-19.5%	-19.2%	\$0.0	(\$3.6)
<b>Boston Children's Hospital and Subsidiaries</b>													
Boston Children's Hospital	Specialty Hospital	-21.7%	-97.2%	\$0	(\$76.5)	-17.9%	-14.9%	\$26.1	(\$19.5)	-18.0%	-8.7%	\$0	(\$11.9)
<b>Boston Medical Center Health System</b>													
Boston Medical Center ε	Academic Medical Center	-4.9%	-19.4%	\$0	(\$23.1)	-11.3%	-7.1%	\$22.7	(\$9.9)	11.0%	15.0%	\$70.6	\$28.5
<b>Cambridge Health Alliance</b>						<b>-9.9%</b>	<b>-8.3%</b>	<b>\$8.0</b>	<b>(\$4.8)</b>	<b>-17.1%</b>	<b>-15.4%</b>	<b>\$0.0</b>	<b>(\$8.3)</b>
Cambridge Health Alliance ε	Teaching Hospital					-9.9%	-8.3%	\$8.0	(\$4.8)	-17.1%	-15.4%	\$0.0	(\$8.3)
<b>Emerson Health System and Subsidiaries</b>		<b>2.7%</b>	<b>-5.9%</b>	<b>\$5</b>	<b>(\$1.4)</b>	<b>-140.0%</b>	<b>-140.8%</b>	<b>\$0.0</b>	<b>(\$13.4)</b>	<b>-64.5%</b>	<b>-64.8%</b>	<b>\$0.0</b>	<b>(\$8.9)</b>
Emerson Hospital	Community Hospital	0.8%	-8.0%	\$5	(\$1.8)	-149.1%	-149.9%	\$0.0	(\$13.6)	-66.0%	-66.2%	\$0.0	(\$9.0)
<b>Harrington HealthCare System</b>		<b>-39.4%</b>	<b>-28.7%</b>	<b>\$0</b>	<b>(\$3.3)</b>	<b>-17.9%</b>	<b>-16.9%</b>	<b>\$3.7</b>	<b>(\$2.0)</b>	<b>-17.0%</b>	<b>-4.0%</b>	<b>\$0.7</b>	<b>(\$0.5)</b>
Harrington Hospital	Community-High Public Payer	-29.2%	-16.8%	\$0	(\$1.7)	-5.5%	-4.3%	\$3.4	(\$0.5)	-8.2%	6.2%	\$0.7	\$0.7
<b>Lawrence General Hospital and Affiliates</b>													
Lawrence General Hospital	Community-High Public Payer	-47.0%	-50.2%	\$0	(\$8.4)	-93.8%	-90.9%	\$0	(\$12.4)	17.4%	17.9%	\$0	\$7.2

## Monthly Financial Data

Entity	Organization Type	March 2020				April 2020				May 2020			
		Operating Margin	Total Margin	COVID Funding (in Millions)	Excess (Deficit) of Revenue Over Expenses (in Millions)	Operating Margin	Total Margin	COVID Funding (in Millions)	Excess (Deficit) of Revenue Over Expenses (in Millions)	Operating Margin	Total Margin	COVID Funding (in Millions)	Excess (Deficit) of Revenue Over Expenses (in Millions)
<b>Milford Regional Medical Center and Affiliates</b>													
Milford Regional Medical Center	Community Hospital	-13.5%	-42.5%	\$0	(\$5.3)	-39.6%	-39.6%	\$1.5	(\$4.2)	-19.2%	1.3%	\$1.5	\$0.2
<b>Partners HealthCare</b>													
<b>-74.0%</b> <b>-428.3%</b> <b>\$0</b> <b>(\$968.3)</b> <b>-8.4%</b> <b>20.5%</b> <b>\$186.2</b> <b>\$291.8</b> <b>-13.2%</b> <b>-4.0%</b> <b>\$132.2</b> <b>(\$44.7)</b>													
Brigham & Women's Faulkner Hospital	Community Hospital	-20.3%	-20.2%	\$0	(\$4.0)	-15.7%	-15.6%	\$5.6	(\$3.1)	0.4%	0.5%	\$10.1	\$0.1
Brigham & Women's Hospital	Academic Medical Center	-4.1%	-4.6%	\$0	(\$11.5)	-7.1%	-6.8%	\$45.1	(\$15.5)	-7.0%	-7.0%	\$23.2	(\$15.9)
Cooley Dickinson Hospital	Community Hospital	-25.6%	-25.6%	\$0	(\$3.5)	-18.8%	-18.8%	\$3.9	(\$2.5)	-43.1%	-43.1%	\$0.0	(\$4.8)
Martha's Vineyard Hospital	Community Hospital	-18.1%	-163.9%	\$0	(\$5.2)	-3.5%	27.1%	\$1.8	\$2.9	27.0%	32.0%	\$4.9	\$3.7
Massachusetts Eye & Ear Infirmary	Specialty Hospital	-17.3%	-21.9%	\$0	(\$4.0)	-33.8%	-32.5%	\$4.3	(\$4.6)	-45.0%	-45.9%	\$0.5	(\$6.6)
Massachusetts General Hospital	Academic Medical Center	-9.7%	-10.1%	\$0	(\$32.2)	-1.3%	-1.1%	\$58.1	(\$3.5)	1.4%	1.4%	\$52.3	\$4.7
Nantucket Cottage Hospital	Community Hospital	-32.1%	-19.3%	\$0	(\$0.8)	-57.1%	-46.6%	\$1.0	(\$1.7)	37.6%	39.8%	\$4.6	\$3.3
Newton-Wellesley Hospital	Community Hospital	-32.4%	-33.2%	\$0	(\$11.6)	-28.7%	-26.4%	\$9.6	(\$9.6)	-3.5%	-4.1%	\$13.3	(\$1.8)
North Shore Medical Center	Community-High Public Payer	-16.0%	-15.9%	\$0	(\$5.3)	-5.2%	-5.1%	\$8.4	(\$1.9)	27.9%	27.9%	\$22.4	\$15.2
<b>Signature Healthcare Corporation</b>													
<b>0.2%</b> <b>0.9%</b> <b>\$0</b> <b>\$0.3</b> <b>-19.8%</b> <b>-19.6%</b> <b>\$3.7</b> <b>(\$4.8)</b> <b>-11.7%</b> <b>-10.3%</b> <b>\$3.8</b> <b>(\$2.6)</b>													
Signature Healthcare Brockton Hospital	Community-High Public Payer	5.7%	6.8%	\$0	\$1.8	-15.7%	-15.2%	\$3.0	(\$3.1)	-7.3%	-6.7%	\$3.1	(\$1.4)
<b>South Shore Health System Inc.</b>													
<b>-7.3%</b> <b>52.4%</b> <b>\$0</b> <b>\$69.2</b> <b>-21.5%</b> <b>-64.2%</b> <b>\$15.5</b> <b>(\$25.5)</b> <b>6.5%</b> <b>27.8%</b> <b>\$17.5</b> <b>\$25.3</b>													
South Shore Hospital <sup>1</sup>	Community Hospital	-5.5%	50.5%	\$0	\$55.2	-13.5%	-50.5%	\$13.8	(\$19.0)	9.6%	30.3%	\$16.8	\$25.2
<b>Southcoast Health Systems</b>													
<b>-14.3%</b> <b>-134.6%</b> <b>\$0</b> <b>(\$49.9)</b> <b>-17.7%</b> <b>0.9%</b> <b>\$10.2</b> <b>\$0.8</b> <b>-1.8%</b> <b>16.2%</b> <b>\$10.2</b> <b>\$15.7</b>													
Southcoast Hospital Group	Community-High Public Payer	-13.4%	-99.8%	\$0	(\$35.2)	-7.9%	7.5%	\$8.7	\$4.9	6.4%	21.8%	\$8.7	\$17.0
<b>Valley Health System</b>													
<b>14.7%</b> <b>15.8%</b> <b>\$6.0</b> <b>\$2.8</b> <b>-7.9%</b> <b>-7.5%</b> <b>\$2.9</b> <b>(\$1.2)</b>													
Holyoke Medical Center	Community-High Public Payer					19.0%	19.9%	\$5.8	\$3.1	-8.8%	-8.6%	\$2.9	(\$1.1)
<b>Wellforce</b>													
<b>-28.0%</b> <b>-49.2%</b> <b>\$413</b> <b>(\$62.8)</b> <b>-23.8%</b> <b>-42.0%</b> <b>\$30.9</b> <b>(\$52.5)</b> <b>-6.9%</b> <b>8.9%</b> <b>\$19.3</b> <b>\$16.8</b>													
Lowell General Hospital	Community-High Public Payer	-29.7%	-29.4%	\$0	(\$9.2)	-12.3%	-14.9%	\$9.1	(\$4.7)	-16.4%	-8.2%	\$3.9	(\$2.8)
MelroseWakefield Health	Community-High Public Payer	-23.4%	-20.2%	\$0	(\$3.4)	-13.9%	-13.7%	\$4.5	(\$2.3)	9.6%	10.8%	\$8.7	\$2.3
Tufts Medical Center <sup>ε</sup>	Academic Medical Center	-28.3%	-80.8%	\$0	(\$38.2)	-35.8%	-79.0%	\$14.7	(\$36.1)	1.2%	19.5%	\$6.5	\$18.9

<sup>1</sup> The total margin calculation for South Shore Hospital's March 2020 data incorporates approximately \$60 million in a one-time, nonrecurring sale of investment assets, which was necessary in order to transfer assets into a different fund. This portion of the total margin was not generated through regular hospital operations.

<sup>ε</sup> Indicates a Hospital meets the High Public Payer threshold.

Note: Hospital health system financial data may also include non-healthcare entities.

## Monthly Financial Data

Entity	Organization Type	June 2020				July 2020			
		Operating Margin	Total Margin	COVID Funding (in Millions)	Excess (Deficit) of Revenue Over Expenses (in Millions)	Operating Margin	Total Margin	COVID Funding (in Millions)	Excess (Deficit) of Revenue Over Expenses (in Millions)
<b>Baystate Health</b>		<b>12.8%</b>	<b>21.9%</b>	<b>\$33.0</b>	<b>\$57.2</b>	<b>4.8%</b>	<b>11.0%</b>	<b>\$6.9</b>	<b>\$25.4</b>
Baystate Franklin	Community-High Public Payer	31.8%	32.3%	\$4.7	\$4.0	6.1%	6.8%	\$0.5	\$0.6
Baystate Medical Center ε	Teaching Hospital	11.2%	17.3%	\$21.7	\$25.6	9.9%	18.2%	\$5.2	\$25.2
Baystate Noble	Community-High Public Payer	19.3%	19.4%	\$2.4	\$1.2	-6.6%	-6.5%	\$0.6	(\$0.3)
Baystate Wing	Community-High Public Payer	20.0%	21.6%	\$2.7	\$2.0	-1.3%	1.1%	\$0.2	\$0.1
<b>Beth Israel Lahey Health</b>		<b>8.4%</b>	<b>13.2%</b>	<b>\$37.8</b>	<b>\$68.2</b>	<b>18.1%</b>	<b>23.7%</b>	<b>\$116.7</b>	<b>\$150.6</b>
Anna Jaques Hospital	Community Hospital	-8.2%	-8.7%	\$0.0	(\$0.8)	23.3%	25.7%	\$3.6	\$3.8
Beth Israel Deaconess Hospital - Milton	Community Hospital	0.8%	5.8%	\$0.0	\$0.6	55.6%	58.2%	\$14.1	\$15.1
Beth Israel Deaconess Hospital - Needham	Community Hospital	-7.6%	-6.0%	\$0.0	(\$0.5)	47.2%	48.1%	\$8.2	\$8.4
Beth Israel Deaconess Hospital - Plymouth	Community-High Public Payer	4.1%	5.5%	\$0.0	\$1.4	36.0%	37.1%	\$11.7	\$14.3
Beth Israel Deaconess Medical Center	Academic Medical Center	23.2%	27.2%	\$33.5	\$58.1	10.5%	15.8%	\$18.8	\$31.6
Lahey Hospital and Medical Center	Teaching Hospital	0.2%	1.6%	\$0.0	\$1.2	20.1%	21.8%	\$15.2	\$22.8
Mount Auburn Hospital	Teaching Hospital	3.6%	10.6%	\$0.0	\$3.4	31.3%	37.7%	\$14.4	\$15.5
New England Baptist Hospital	Specialty Hospital	11.7%	14.9%	\$0.0	\$3.0	5.7%	9.8%	\$0.0	\$2.1
Northeast Hospital	Community-High Public Payer	6.2%	17.7%	\$0.0	\$5.9	32.7%	43.1%	\$13.5	\$23.1
Winchester Hospital	Community Hospital	9.5%	20.6%	\$0.0	\$5.6	37.3%	48.2%	\$16.0	\$22.2
<b>Boston Children's Hospital and Subsidiaries</b>									
Boston Children's Hospital	Specialty Hospital	10.9%	10.6%	\$34.3	\$18.6	5.8%	8.1%	\$2.0	\$13.3
<b>Boston Medical Center Health System</b>									
Boston Medical Center ε	Academic Medical Center	8.6%	12.3%	\$22.2	\$19.7	4.7%	8.6%	\$10.0	\$14.5
<b>Cambridge Health Alliance</b>		<b>24.0%</b>	<b>26.1%</b>	<b>\$27.2</b>	<b>\$24.2</b>	<b>2.1%</b>	<b>3.4%</b>	<b>\$3.5</b>	<b>\$2.1</b>
Cambridge Health Alliance ε	Teaching Hospital	24.0%	26.1%	\$27.2	\$24.2	2.1%	3.4%	\$3.5	\$2.1
<b>Emerson Health System and Subsidiaries</b>		<b>-16.8%</b>	<b>-18.1%</b>	<b>\$0.0</b>	<b>(\$3.3)</b>	<b>23.5%</b>	<b>23.3%</b>	<b>\$9.3</b>	<b>\$7.4</b>
Emerson Hospital	Community Hospital	-16.9%	-18.2%	\$0.0	(\$3.3)	23.5%	23.2%	\$9.3	\$7.4
<b>Harrington HealthCare System</b>		<b>6.8%</b>	<b>18.8%</b>	<b>\$0.8</b>	<b>\$3.1</b>	<b>24.5%</b>	<b>25.0%</b>	<b>\$3.9</b>	<b>\$4.6</b>
Harrington Hospital	Community-High Public Payer	11.3%	25.1%	\$0.8	\$3.6	32.1%	32.7%	\$3.9	\$5.4
<b>Lawrence General Hospital and Affiliates</b>									
Lawrence General Hospital	Community-High Public Payer	18.1%	28.5%	\$18.9	\$10.9	11.1%	12.7%	\$9.3	\$3.8



## Monthly Financial Data

Entity	Organization Type	June 2020				July 2020			
		Operating Margin	Total Margin	COVID Funding (in Thousands)	Excess (Deficit) of Revenue Over Expenses (in Thousands)	Operating Margin	Total Margin	COVID Funding (in Thousands)	Excess (Deficit) of Revenue Over Expenses (in Thousands)
<b>Milford Regional Medical Center and Affiliates</b>									
Milford Regional Medical Center	Community Hospital	23.8%	25.1%	\$11.9	\$7.1	3.8%	4.1%	\$0.0	\$0.9
<b>Partners HealthCare</b>									
Brigham & Women's Faulkner Hospital	Community Hospital	17.4%	17.5%	\$7.9	\$5.4	38.3%	38.3%	\$10.0	\$13.9
Brigham & Women's Hospital	Academic Medical Center	-0.3%	-0.1%	\$0.0	(\$0.4)	15.3%	15.3%	\$22.0	\$47.6
Cooley Dickinson Hospital	Community Hospital	-14.5%	-14.5%	\$0.0	(\$2.0)	29.3%	29.3%	\$5.5	\$6.7
Martha's Vineyard Hospital	Community Hospital	11.6%	25.5%	\$0.0	\$2.7	11.2%	24.9%	\$0.1	\$2.7
Massachusetts Eye & Ear Infirmary	Specialty Hospital	-6.6%	-6.5%	\$0.0	(\$1.3)	-12.7%	-12.5%	\$0.0	(\$2.4)
Massachusetts General Hospital	Academic Medical Center	13.3%	13.4%	\$43.3	\$53.2	14.8%	14.9%	\$47.8	\$64.6
Nantucket Cottage Hospital	Community Hospital	-12.6%	-6.4%	\$0.2	(\$0.3)	13.5%	18.7%	\$0.1	\$1.3
Newton-Wellesley Hospital	Community Hospital	-6.7%	-7.3%	\$0.0	(\$3.0)	27.9%	27.5%	\$14.3	\$17.1
North Shore Medical Center	Community-High Public Payer	29.6%	30.0%	\$19.1	\$16.7	42.1%	41.9%	\$28.7	\$28.4
<b>Signature Healthcare Corporation</b>									
Signature Healthcare Brockton Hospital	Community-High Public Payer	6.7%	7.4%	\$3.0	\$1.9	3.0%	3.2%	\$3.0	\$0.8
<b>South Shore Health System Inc.</b>									
South Shore Hospital <sup>1</sup>	Community Hospital	-8.7%	4.1%	\$0.0	\$2.4	14.8%	20.4%	\$15.8	\$16.2
<b>Southcoast Health Systems</b>									
Southcoast Hospital Group	Community-High Public Payer	12.7%	21.5%	\$12.2	\$19.4	9.8%	22.4%	\$3.5	\$19.9
<b>Valley Health System</b>									
Holyoke Medical Center	Community-High Public Payer	0.5%	1.0%	\$3.2	\$0.1	41.0%	52.1%	\$11.6	\$13.4
<b>Wellforce</b>									
Lowell General Hospital	Community-High Public Payer	4.0%	4.6%	\$2.3	\$1.9	45.2%	45.1%	\$30.1	\$31.0
MelroseWakefield Health	Community-High Public Payer	-1.4%	2.0%	\$0.1	\$0.4	35.1%	35.6%	\$9.1	\$10.6
Tufts Medical Center <sup>ε</sup>	Academic Medical Center	15.0%	25.4%	\$9.6	\$26.8	34.4%	41.9%	\$60.1	\$60.2

<sup>ε</sup> Indicates a Hospital meets the High Public Payer threshold.

Note: Hospital health system financial data may also include non-healthcare entities.

## REPORT NOTES

### Description of Financial Metrics

Financial ratio analysis is one critical component of assessing an entity's financial condition. As part of the monthly financial performance report, the Center for Health Information and Analysis (CHIA) collects data and reports on profitability metrics. The measures are used for hospitals and hospital health systems. Below are the descriptions and calculations for each.

#### Operating Margin

Operating income is income from normal operations of an entity, including patient care and other activities, such as research, gift shops, parking, and cafeteria, minus the expenses associated with such activities. Operating margin is a critical ratio that measures how profitable the entity is when looking at the performance of its primary activities.

Of note, all federal and state COVID-19 relief funds received are included in the entity's operating income.

Operating Margin = (Total Operating Revenue - Total Expenses Including Nonrecurring Gains Losses) / Total Unrestricted Revenue, Gains, and Other Support

#### Non-Operating Margin

Non-operating income or loss is net of expenses and includes items that are not related to operations, such as investment income, contributions, gains from the sale of assets, and other unrelated business activities.

Non-Operating Margin = Total Non-Operating Revenue / Total Unrestricted Revenue, Gains, and Other Support

#### Total Margin

This ratio evaluates the overall profitability of the entity using both operating surplus (or loss) and non-operating surplus (or loss).

Total Margin = Total Excess of Revenue, Gains, and Other Support Over Expenses / Total Unrestricted Revenue, Gains, and Other Support

#### Other Measures

The following are individual line items from the monthly hospital and health system standardized financial filing:

- **Total Excess of Revenue, Gains, and Other Support Over Expenses:** Total dollar amount of surplus or loss derived from all operating and non-operating activities
- **Net Patient Service Revenue (NPSR):** Revenue an entity would expect to collect for services provided, including premium revenue, less contractual allowances. NPSR is the primary source of revenue for an entity.
- **Other Operating Revenue: Federal COVID-19 Relief Funds:** Revenue an entity received from the federal government related to the COVID-19 pandemic.
- **Other Operating Revenue: State & Other COVID-19 Relief Funds:** Revenue an entity received from the state government or source other than the federal government related to the COVID-19 pandemic.

## Data Caveats

### Base Period Data

In order to provide a comparison period, a base period was developed from quarterly or annual data reported for the period ending Dec. 31, 2019. All calculated metrics (total margin, operating margin, non-operating margin) for the base period were utilized as reported. For all metrics requiring one month's data (total operating revenue, NPSR, total expenses, excess (deficit) of revenue over expenses), a monthly average was calculated by using the amount reported divided by the number of months in the reporting period, which differ by hospital and health system. Only hospitals that reported voluntary monthly data are included in the base period.

### Supplemented Data

Cambridge Health Alliance, Holyoke Medical Center, and Valley Health System reported voluntary monthly data for April and May, but not March. In order to provide a consistent comparison for March, supplemented data was included for these entities that utilized their quarterly data reported for the period ending March 31, 2020. All calculated metrics (total margin, operating margin, non-operating margin) were utilized as reported. For all metrics requiring one month's data (total operating revenue, NPSR, total expenses, excess (deficit) of revenue over expenses), a monthly average was calculated by using the amount reported for the period ending March 31, 2020, less the amount reported in the base period, divided by three.

### Updates from August 2020 Publication of Monthly Financial Performance Report

Emerson Hospital began reporting voluntary monthly data with this publication. Their data is now included in the participating hospital medians for all months (March-July), as well as the base period calculations. Additionally, voluntary monthly data for June and July was not received for the two Shriners Hospitals, so their data was excluded from the participating hospital data for all months (March-July), as well as the base period calculation. There are now 37 hospitals included in this publication, a decrease of one from the publication in August. Therefore, some of the participating hospital medians may have changed from the August 2020 publication for March, April, and May due to the change in participating hospitals.

Emerson Health System and Subsidiaries began reporting voluntary monthly data with this publication. Their data is now included in the participating HHS medians for all months (March-July), as well as the base period calculations. Lawrence General Hospital and Affiliates did not submit voluntary monthly data for June and July at the health system level and was therefore excluded from the participating HHS medians for all months, as well as the base period calculation. There remain 11 hospital health systems in this publication, but some of the participating HHS medians may have changed from the August 2020 publication for March, April, and May due to the change in participating hospital health systems.

Median Change in Operating Revenue and Expenses (Figures 4 and 5): There was a revision to the calculation for the Median Change in Operating Revenue and the Median Change in Expenses effective with this report. As a result, the medians for the participating hospitals and the cohorts may differ for March, April, and May from the August 2020 publication.

### Total Margin Calculation

Total margin, as represented in this report, was calculated by reporting month. The total margins for March, April, May, June, and July do not utilize cumulative data.

Total revenue, which is the denominator of the total margin calculation, varied significantly between reporting months and therefore the resulting margins also varied. Total revenue has several components including net patient service revenue, other operating revenue (which may include federal and state COVID-19 relief funding), and net non-operating revenue/loss (which includes investment income).

Data represents each month and is not an indication of the cumulative financial position that a hospital will have at its year end.

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