

Massachusetts Acute Hospital and Health System Financial Performance

Fiscal Year Data through March 31, 2019



June 2019

About this Report

The Center for Health Information and Analysis (CHIA) reports on the financial performance of the Commonwealth's acute care hospitals, associated hospital health systems (HHS), and affiliated physician organizations. This report provides a quarterly update on profitability, liquidity, and solvency for the period ending March 31, 2019. Data regarding HHS and physician organizations help develop a more complete understanding of the financial performance of an acute hospital in the context of the larger health system within which it operates. This is the first reporting for the newly merged Beth Israel Lahey Health, which combines the health systems CareGroup, Lahey Health System, and Seacoast Regional Health System and their affiliated entities. This report includes 24 of the 25 HHS required to submit data. Steward Health Care did not submit the required HHS or physician organization data; however Steward did submit hospital data.

Key Findings

Profitability - Hospitals

Overall acute hospital profitability¹, as measured by the median total margin, was stable, decreasing slightly by 0.1 percentage points in comparison to the same period of the prior year. The AMC², teaching, and community hospital cohorts³ experienced increased median total margins, while the community-high public payer cohort experienced a slight decrease in profitability in the current period.

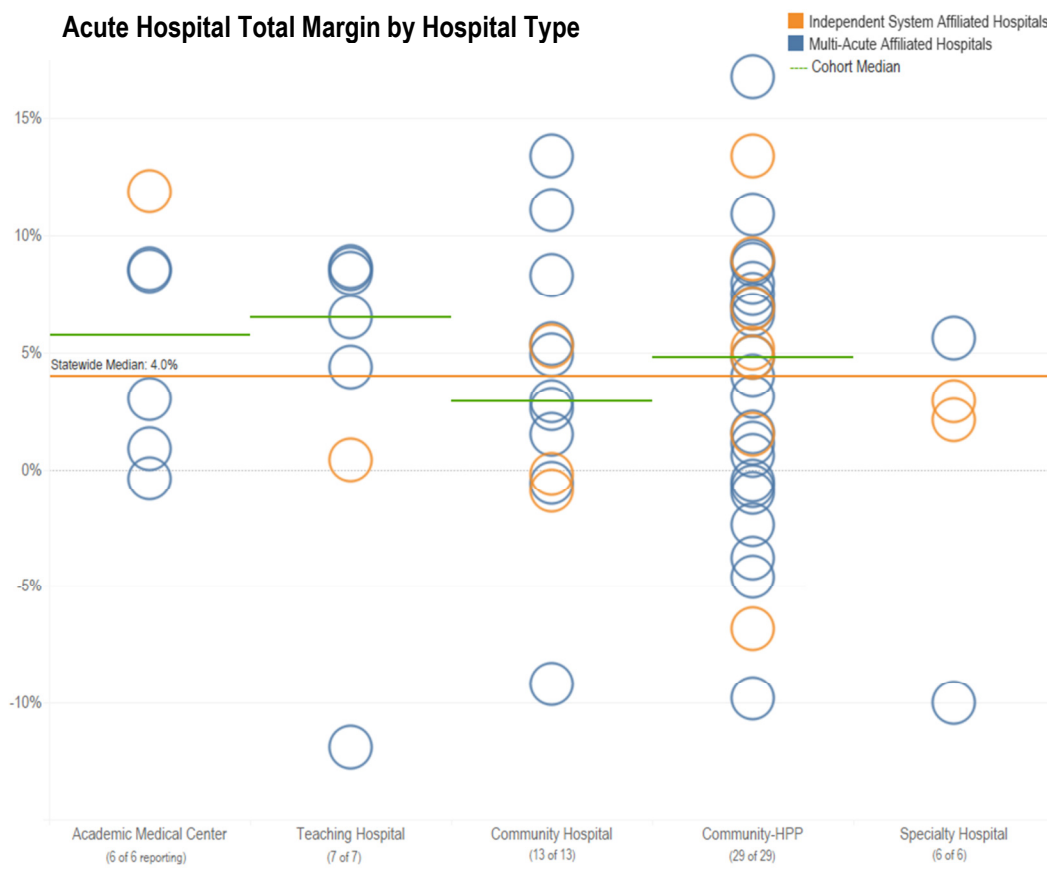
Liquidity

All hospital cohorts reported a median current ratio above 1.0, an indication that they have sufficient current assets to meet current liabilities. The hospitals that reported ratios below 1.0 are all part of larger health systems. All 24 hospital health systems that reported data had current ratios above 1.0.

Solvency

A negative net asset position indicates that total liabilities are greater than the hospital's total assets. Three hospitals reported negative net assets in the current period. All of the 24 hospital health systems reported positive net assets.

Acute Hospital Total Margin by Hospital Type



Median Total Margin by Hospital Cohort

	March 31, 2017	March 31, 2018	March 31, 2019
Statewide Median	3.7%	4.1%	4.0%
AMC	2.7%	4.1%	5.8%
Teaching Hospital	3.6%	5.3%	6.5%
Community Hospital	4.5%	1.7%	2.9%
Community-HPP	4.7%	4.9%	4.8%

¹ Profitable or profit indicates an excess of revenues over expenses.

² Academic Medical Center

³ 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](#).

Total Margin of Hospital Health Systems, Acute Hospitals, and Affiliated Physician Organization

● Parent System ● AMC ○ Teaching ● Community ● HPP ● Specialty + Physician Organization



Note: Some affiliated physician organizations had margins of <-20%. In order to display all entities in one graph there is an axis break at -20% to account for those organizations. For more details, see the [databook](#).

Profitability – Hospital Health Systems and Physician Organizations

Of the 24 hospital health systems that reported data, 17 reported a profit. Of the 7 HHS that reported a loss, 5 had at least one hospital that was profitable. The majority of HHS affiliated physician organizations (43 out of 48) reported a net loss.

The data included in this report reflects second quarter performance for the majority of the hospital health systems.

Hospital Health System⁴

Entity	Organization Type	Months Reported	Current Ratio	Operating Margin	Total Margin	Excess (Deficit) of Revenue over Expenses	Net Assets
Baystate Health		6	2.3	2.6%	2.3%	\$27.1	\$1,127.3
Baystate Franklin	Community-High Public Payer	6	1.7	1.7%	1.6%	\$0.9	\$52.9
Baystate Medical Center ε	Teaching Hospital	6	3.7	8.9%	8.4%	\$58.3	\$862.2
Baystate Noble	Community-High Public Payer	6	0.5	-2.4%	-2.4%	(\$0.7)	\$22.5
Baystate Wing	Community-High Public Payer	6	1.1	-4.5%	-4.6%	(\$2.1)	\$48.0
Baystate Medical Practice	Physician Organization	6	-	-14.7%	-14.7%	(\$23.9)	-
Baystate Westfield Medical Corp.	Physician Organization	6	-	-51.9%	-51.9%	(\$3.2)	-
Berkshire Health Systems		6	1.7	1.8%	4.6%	\$15.2	\$490.3
Berkshire Medical Center	Community-High Public Payer	6	1.4	5.7%	8.8%	\$23.6	\$447.7
Fairview Hospital	Community-High Public Payer	6	1.3	3.4%	6.6%	\$1.9	\$37.3
Berkshire Faculty Services	Physician Organization	6	-	-39.9%	-39.9%	(\$9.0)	-
Berkshire Orthopaedic Associates	Physician Organization	6	-	-33.2%	-33.2%	(\$1.4)	-
Beth Israel Lahey Health⁵		6	3.8	0.8%	0.8%	\$25.9	\$3,203.4
Anna Jaques Hospital	Community Hospital	6	3.7	2.9%	2.9%	\$2.0	\$34.9
Beth Israel Deaconess Hospital - Milton	Community Hospital	6	2.5	4.4%	4.9%	\$3.1	\$94.0
Beth Israel Deaconess Hospital - Needham	Community Hospital	6	1.8	2.6%	2.6%	\$1.4	\$57.0
Beth Israel Deaconess Hospital - Plymouth	Community-High Public Payer	6	2.2	4.7%	4.8%	\$6.9	\$107.3
Beth Israel Deaconess Medical Center	Academic Medical Center	6	3.1	2.9%	3.0%	\$28.8	\$1,120.7
Lahey Hospital and Medical Center	Teaching Hospital	6	1.1	8.6%	8.6%	\$45.5	\$37.1
Mount Auburn Hospital	Teaching Hospital	6	3.6	4.0%	4.4%	\$7.6	\$265.5
New England Baptist Hospital	Specialty Hospital	6	4.8	5.1%	5.6%	\$6.9	\$153.7
Northeast Hospital	Community-High Public Payer	6	2.3	8.2%	7.1%	\$13.6	\$246.4
Winchester Hospital	Community Hospital	6	4.8	1.6%	1.5%	\$2.1	\$293.9
The Affiliated Physicians Group	Physician Organization	6	-	-31.7%	-31.7%	(\$14.2)	-
Community Physicians Associates	Physician Organization	6	-	-72.7%	-72.7%	(\$1.5)	-
Harvard Medical Faculty Physicians	Physician Organization	6	-	1.1%	0.9%	\$3.1	-
Jordan Physicians Associates	Physician Organization	6	-	-26.3%	-26.3%	(\$4.6)	-
Lahey Clinic	Physician Organization	6	-	-27.3%	-27.3%	(\$40.6)	-
Lahey Physician Community Org	Physician Organization	6	-	-37.9%	-37.9%	(\$4.5)	-
Mount Auburn Professional Services	Physician Organization	6	-	-33.0%	-33.0%	(\$12.9)	-
New England Baptist Medical Associates	Physician Organization	6	-	-30.1%	-30.1%	(\$1.9)	-
Northeast Medical Practice	Physician Organization	6	-	-51.1%	-49.2%	(\$7.3)	-
Seacoast Affiliated Group Practice	Physician Organization	6	-	-15.4%	-15.4%	(\$1.3)	-
Winchester Physician Association	Physician Organization	6	-	-8.6%	-8.6%	(\$1.9)	-

Hospital Health System

Entity	Organization Type	Months Reported	Current Ratio	Operating Margin	Total Margin	Excess (Deficit) of Revenue over Expenses	Net Assets
Boston Children's Hospital and Subsidiaries		6	1.8	3.7%	5.6%	\$75.6	\$6,146.4
Boston Children's Hospital	Specialty Hospital	6	8.9	5.6%	2.9%	\$25.9	\$4,212.8
Physicians Organization at Children's Hospital and Foundation	Physician Organization	6	-	2.3%	2.3%	\$8.7	-
Boston Medical Center Health System		6	1.5	3.2%	3.8%	\$74.9	\$1,697.8
Boston Medical Center ε	Academic Medical Center	6	1.9	11.4%	11.9%	\$95.7	\$1,427.0
Boston University Affiliated Physicians	Physician Organization	6	-	8.8%	8.9%	\$0.2	-
BMC Faculty Practice Foundation	Physician Organization	6	-	-2.9%	-2.5%	(\$4.5)	-
Cambridge Health Alliance		9	4.3	-0.9%	0.9%	\$4.8	\$247.2
Cambridge Health Alliance ε	Teaching Hospital	9	1.8	-0.9%	0.4%	\$2.1	\$27.5
Cape Cod Healthcare		6	1.6	0.7%	3.2%	\$15.6	\$778.1
Cape Cod Hospital	Community-High Public Payer	6	2.1	5.8%	8.0%	\$23.5	\$450.7
Falmouth Hospital	Community-High Public Payer	6	1.3	2.0%	6.9%	\$5.9	\$225.4
Medical Affiliates of Cape Cod	Physician Organization	6	-	-29.3%	-29.3%	(\$13.2)	-
Dana-Farber Cancer Institute and Subsidiaries		6	1.6	-13.7%	1.6%	\$15.6	\$1,802.5
Dana-Farber Cancer Institute	Specialty Hospital	6	1.7	-13.6%	2.1%	\$19.6	\$1,835.8
Dana-Farber Cancer Care Network	Physician Organization	6	-	-22.7%	-22.5%	(\$4.0)	-
Emerson Health System and Subsidiaries		6	1.5	0.9%	-0.2%	(\$0.3)	\$57.5
Emerson Hospital	Community Hospital	6	1.5	0.9%	-0.2%	(\$0.3)	\$58.0
Harrington HealthCare System		6	3.0	-2.5%	-0.8%	(\$0.7)	\$74.6
Harrington Hospital	Community-High Public Payer	6	3.4	4.9%	6.9%	\$5.0	\$73.7
Harrington Physician Services	Physician Organization	6	-	-43.5%	-43.5%	(\$5.6)	-
Heywood Healthcare		6	1.2	0.9%	0.6%	\$0.5	\$68.9
Athol Hospital	Community-High Public Payer	6	0.9	-0.6%	-0.5%	(\$0.1)	\$8.4
Heywood Hospital	Community-High Public Payer	6	1.3	4.6%	4.0%	\$2.5	\$54.1
Heywood Medical Group	Physician Organization	6	-	-14.8%	-14.8%	(\$1.7)	-
Lawrence General Hospital and Affiliates		6	2.0	-1.1%	0.0%	(\$0.0)	\$110.9
Lawrence General Hospital	Community-High Public Payer	6	1.8	0.9%	1.5%	\$2.0	\$117.6
Community Medical Associates	Physician Organization	6	-	-62.4%	-62.4%	(\$1.2)	-
Milford Regional Medical Center and Affiliates		6	2.4	0.3%	0.7%	\$1.0	\$125.8
Milford Regional Medical Center	Community Hospital	6	2.9	4.8%	5.3%	\$6.1	\$125.2
Milford Regional Physician Group	Physician Organization	6	-	-13.8%	-13.8%	(\$5.0)	-
Partners HealthCare		6	2.8	4.0%	2.4%	\$160.0	\$10,696.8
Brigham & Women's Faulkner Hospital	Community Hospital	6	1.4	11.0%	11.1%	\$16.0	\$107.5
Brigham & Women's Hospital	Academic Medical Center	6	1.5	8.6%	8.6%	\$140.4	\$915.0
Cooley Dickinson Hospital	Community Hospital	6	0.8	6.6%	8.3%	\$8.5	\$32.8
Martha's Vineyard Hospital	Community Hospital	6	2.4	0.9%	5.4%	\$2.6	\$122.2
Massachusetts Eye & Ear Infirmary	Specialty Hospital	6	1.3	-2.3%	-10.0%	(\$13.0)	\$17.9

Hospital Health System

Entity	Organization Type	Months Reported	Current Ratio	Operating Margin	Total Margin	Excess (Deficit) of Revenue over Expenses	Net Assets
Partners HealthCare, cont.							
Massachusetts General Hospital	Academic Medical Center	6	1.7	8.6%	8.5%	\$185.3	\$2,579.7
Nantucket Cottage Hospital	Community Hospital	6	4.4	-22.7%	-9.2%	(\$1.9)	\$150.1
Newton-Wellesley Hospital	Community Hospital	6	1.7	-0.4%	-0.6%	(\$1.6)	\$191.8
North Shore Medical Center	Community-High Public Payer	6	3.0	-1.0%	-1.0%	(\$2.2)	(\$96.9)
Brigham and Women's Physicians Organization	Physician Organization	6	-	2.3%	3.0%	\$13.3	-
CD Practice Associates	Physician Organization	6	-	-37.3%	-37.3%	(\$7.5)	-
Massachusetts Eye and Ear Associates	Physician Organization	6	-	-1.2%	-1.2%	(\$0.8)	-
Massachusetts General Hospital Physicians Organization	Physician Organization	6	-	3.7%	4.4%	\$25.2	-
Nantucket Physician Organization	Physician Organization	6	-	-58.1%	-58.1%	(\$1.4)	-
Newton-Wellesley Physician Hospital Group	Physician Organization	6	-	-0.2%	-0.2%	(\$0.1)	-
North Shore Physicians Group	Physician Organization	6	-	-2.7%	-2.6%	(\$2.1)	-
Partners Community Physician Organization	Physician Organization	6	-	-15.1%	-13.9%	(\$7.1)	-
Shriners Hospitals for Children		3	11.2	-13.0%	67.0%	\$451.2	\$9,168.9
Shriners Hospital for Children - Boston*	Specialty Hospital	3					
Shriners Hospital for Children - Springfield*	Specialty Hospital	3					
Signature Healthcare Corporation		6	1.4	-1.1%	-0.8%	(\$1.4)	\$101.6
Signature Healthcare Brockton Hospital	Community-High Public Payer	6	1.7	4.6%	5.2%	\$7.9	\$97.0
Signature Healthcare Medical Group	Physician Organization	6	-	-25.8%	-25.8%	(\$9.1)	-
South Shore Health System		6	1.9	-1.5%	-2.1%	(\$7.7)	\$396.6
South Shore Hospital	Community Hospital	6	1.6	0.0%	-0.9%	(\$2.8)	\$326.5
Coastal Medical Associates	Physician Organization	6	-	-3.4%	-3.4%	(\$1.4)	-
Southcoast Health Systems		6	1.5	0.5%	3.7%	\$20.8	\$757.7
Southcoast Hospital Group	Community-High Public Payer	6	1.6	6.3%	9.0%	\$40.4	\$559.8
Southcoast Physician Group	Physician Organization	6	-	-28.7%	-28.7%	(\$29.4)	-
Steward Health Care		Steward Health Care did not submit the required hospital health system data					
Morton Hospital	Community-High Public Payer	3	-0.8	-11.5%	-9.8%	(\$2.9)	\$18.1
Nashoba Valley Medical Center	Community-High Public Payer	3	-0.1	-9.1%	-0.7%	(\$0.1)	(\$3.0)
Steward Carney Hospital ε	Teaching Hospital	3	-0.4	-22.9%	-11.9%	(\$3.7)	(\$85.3)
Steward Good Samaritan Medical Center	Community-High Public Payer	3	-0.3	9.8%	10.9%	\$8.4	\$134.7
Steward Holy Family Hospital	Community-High Public Payer	3	0.0	2.8%	7.5%	\$5.0	\$55.8
Steward Norwood Hospital	Community Hospital	3	-0.2	8.7%	13.4%	\$7.1	\$62.5
Steward Saint Anne's Hospital	Community-High Public Payer	3	-0.2	15.5%	16.8%	\$12.5	\$225.7
Steward St. Elizabeth's Medical Center ε	Teaching Hospital	3	-0.6	5.3%	6.5%	\$6.5	\$104.4
Steward Medical Group	Physician Organization	Steward Health Care did not submit the required physician organization data					
Sturdy Memorial Foundation and Affiliates		6	1.8	4.1%	9.5%	\$12.8	\$491.3
Sturdy Memorial Hospital	Community-High Public Payer	6	1.8	7.8%	13.4%	\$13.9	\$441.5
Sturdy Memorial Associates	Physician Organization	6	-	-9.6%	-9.6%	(\$2.7)	-

Hospital Health System

Entity	Organization Type	Months Reported	Current Ratio	Operating Margin	Total Margin	Excess (Deficit) of Revenue over Expenses	Net Assets
Tenet Healthcare		3	1.2	0.7%	-0.4%	(\$19.0)	\$2,113.0
MetroWest Medical Center	Community-High Public Payer	3	1.6	0.9%	1.1%	\$0.7	\$51.9
Saint Vincent Hospital ε	Teaching Hospital	3	2.1	8.6%	8.7%	\$10.8	\$510.9
Metrowest Physician Services	Physician Organization	3	-	-71.7%	-71.7%	(\$1.6)	-
Saint Vincent Medical Company	Physician Organization	3	-	-38.5%	-38.5%	(\$3.0)	-
Trinity Health		9	2.1	1.1%	3.1%	\$457.9	\$13,944.5
Mercy Medical Center	Community-High Public Payer	9	2.7	-7.1%	-6.8%	(\$16.0)	\$139.3
Mercy Inpatient Medical Associates	Physician Organization	9	-	-17.7%	-17.7%	(\$2.3)	-
Mercy Medical Group	Physician Organization	9	-	-71.4%	-71.4%	(\$3.5)	-
Mercy Specialist Physicians	Physician Organization	9	-	-81.7%	-81.7%	(\$1.7)	-
Pioneer Valley Cardiology Associates	Physician Organization	9	-	-53.4%	-53.4%	(\$3.3)	-
Riverbend Medical Group	Physician Organization	9	-	-17.2%	-17.2%	(\$10.5)	-
UMass Memorial Health Care		6	1.5	-1.9%	-0.5%	(\$6.9)	\$1,012.1
HealthAlliance-Clinton Hospital	Community-High Public Payer	6	1.2	-4.7%	-3.8%	(\$3.8)	\$159.8
Marlborough Hospital	Community-High Public Payer	6	1.8	-0.7%	0.6%	\$0.3	\$48.7
UMass Memorial Medical Center ε	Academic Medical Center	6	1.2	0.2%	0.9%	\$7.8	\$170.2
UMass Memorial Medical Group	Physician Organization	6	-	-9.2%	-9.1%	(\$24.8)	-
Valley Health System		6	1.5	2.5%	2.8%	\$2.9	\$11.4
Holyoke Medical Center	Community-High Public Payer	6	1.4	4.5%	4.8%	\$4.3	\$1.5
Western Mass Physician Associates	Physician Organization	6	-	-32.6%	-32.6%	(\$1.7)	-
Wellforce⁶		6	1.4	0.0%	9.9%	\$110.6	\$724.1
Lowell General Hospital	Community-High Public Payer	6	1.2	3.1%	3.1%	\$7.2	\$154.1
MelroseWakefield Health	Community-High Public Payer	6	1.7	4.9%	8.9%	\$11.4	\$145.6
Tufts Medical Center	Academic Medical Center	6	1.5	2.2%	-0.4%	(\$1.8)	\$161.2
Circle Health Physicians	Physician Organization	6	-	-25.3%	-25.3%	(\$6.0)	-
Hallmark Health Medical Associates	Physician Organization	6	-	-44.9%	-44.9%	(\$8.5)	-
Tufts Medical Center Physician Organization	Physician Organization	6	-	-0.5%	-0.7%	(\$1.0)	-

⁴ Hospital health system financial data may also include non-healthcare entities.

ε Indicates a Hospital meets the High Public Payer threshold.

⁵ Beth Israel Lahey Health merged effective March 1, 2019

- Indicates current ratio and net assets are not collected from the physician organization.

⁶ Wellforce became financially consolidated in FY18.

All dollar values are in millions

*Shriners Hospital Boston (SHB) and Shriners Hospital Springfield are part of the national Shriners Hospitals for Children system (SHC) and are reliant upon support from the HSC 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.

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