

Massachusetts Acute Hospital and Health System Financial Performance

Fiscal Year Data through March 31, 2020



July 2020

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 fiscal year-to-date period ending March 31, 2020. As Governor Baker declared a state of emergency on March 10, this timeframe only includes the first few weeks of the impact of COVID-19 on health care operations and does not include any federal COVID-related funding. For most systems, this report is based on six months of data.

Including HHS and affiliated physician organizations helps 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 report includes 23 of the 25 HHS required to submit data. Emerson Health System and Subsidiaries and Tenet Healthcare did not submit any data in time to be included. Two systems had partial submissions. Trinity Health provided hospital and affiliated physician organization data. Steward Health Care provided hospital data. Neither provided the required HHS level data.

Key Findings

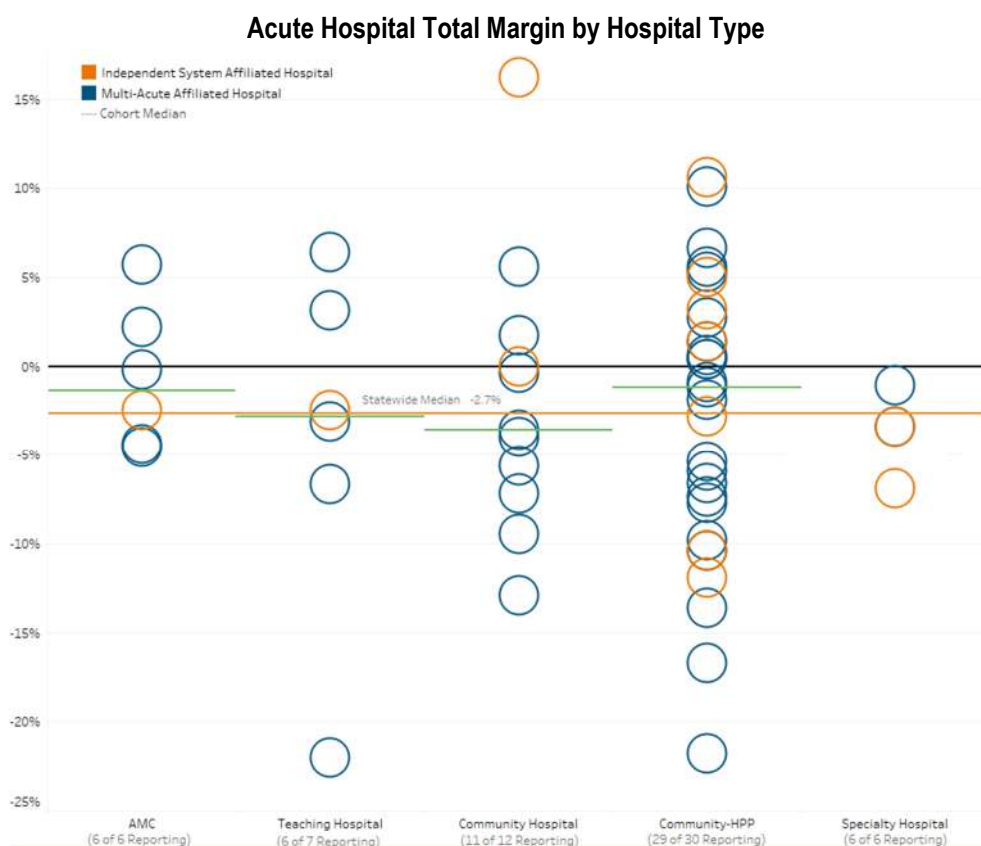
Profitability - Hospitals

Overall acute hospital profitability,¹ as measured by the median total margin was -2.7%, a decrease of 6.9 percentage points in comparison to the same period of the prior year (figure 2). This change was influenced by both operating and non-operating margins.

The median operating margin was -1.3%, a decrease of 4.3 percentage points in comparison to the same period of the prior year (figure 3), while the median non-operating margin was 0.0%, a decrease of 0.5 percentage points (figure 4).

All four cohorts² experienced a decrease in profitability between last year's period and the current period.

Within the current fiscal year to date, 79% of hospitals (38 of 48) reported positive total margins as of December 31, 2019. As of March 31, 2020, 36% of hospitals (21 of 58) reported positive total margins (figure 5).



Liquidity

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

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. Twenty of the 21 hospital health systems that reported data reported positive net assets.

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

² 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](#).

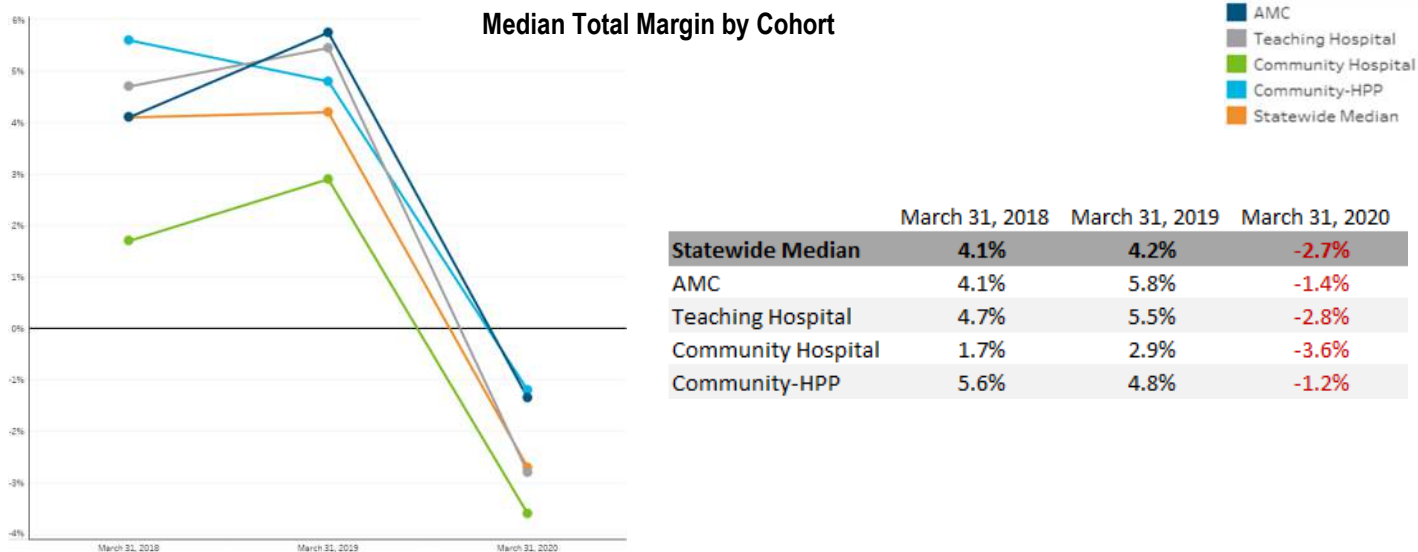


Figure 2

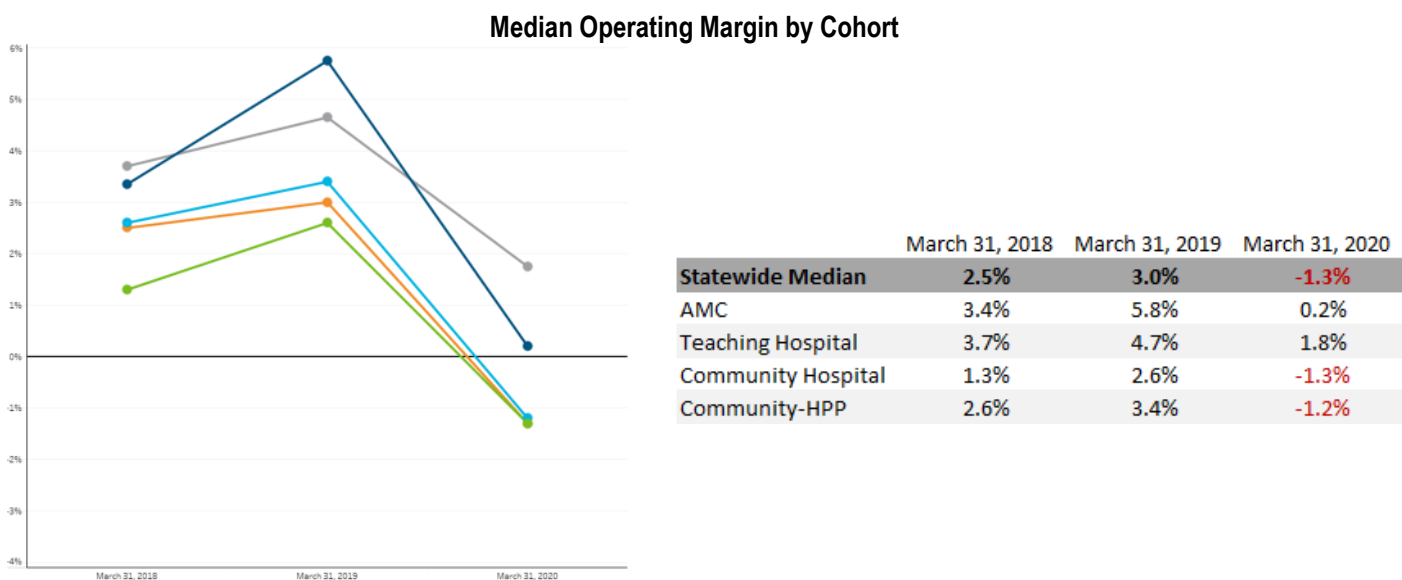


Figure 3

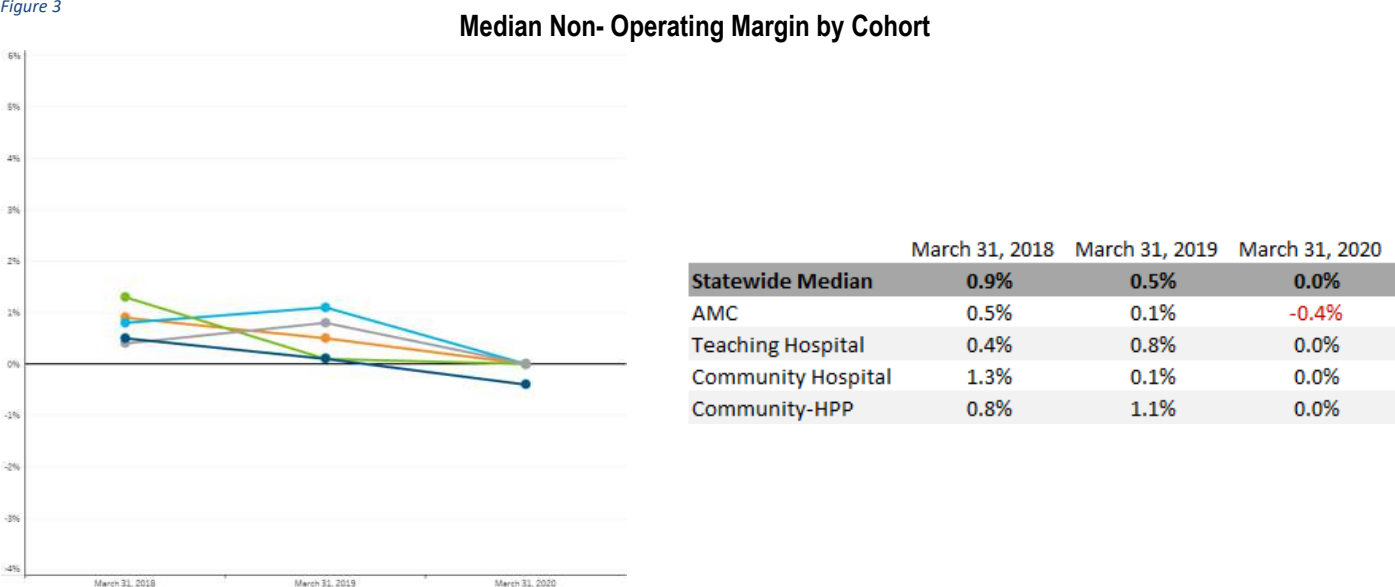


Figure 4

Comparison of Total Margin by Hospital (Data through March 31, 2020 compared to data through December 31, 2019)

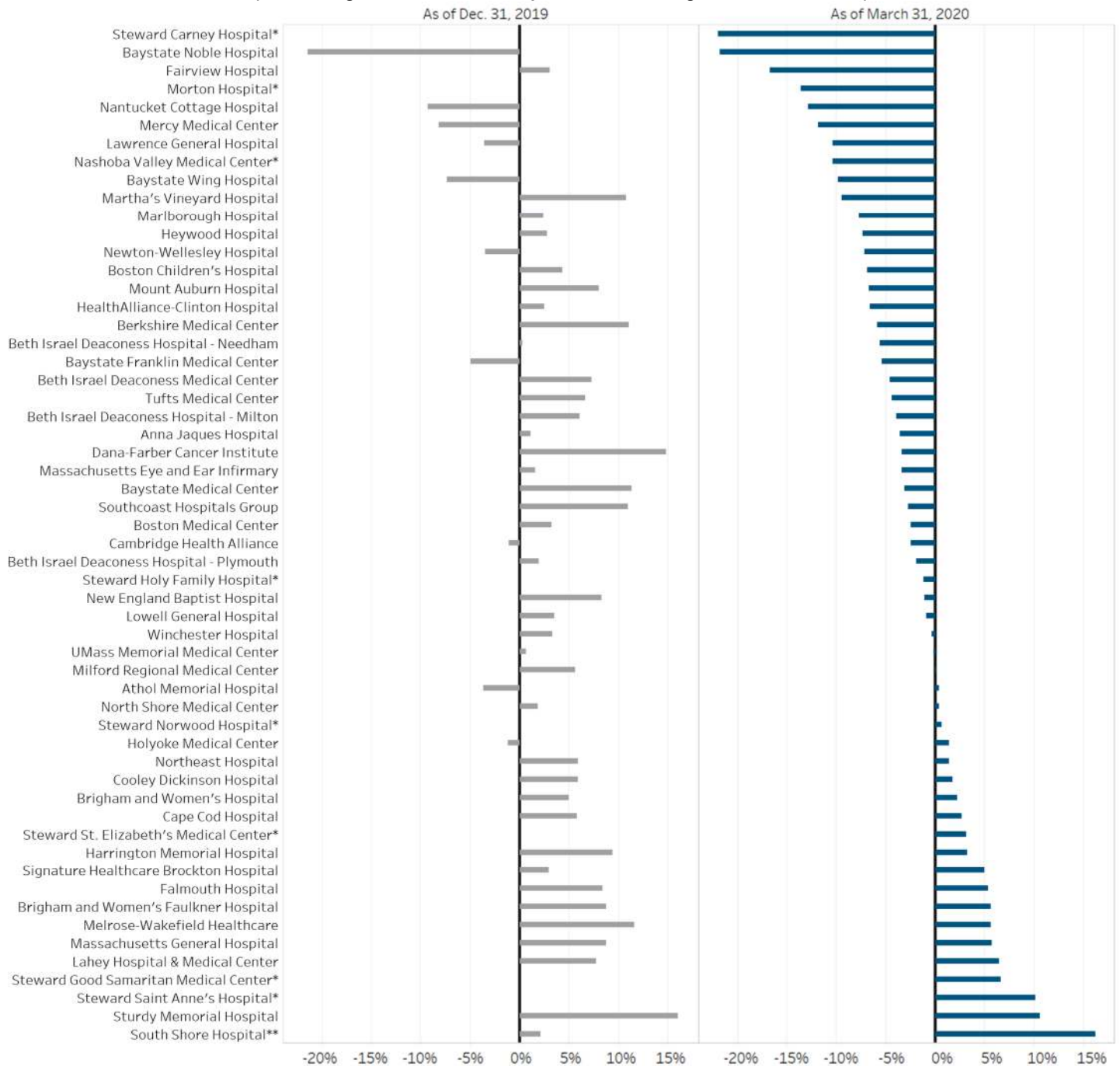


Figure 5

	As of December 31, 2019	As of March 31, 2020
Profitable Hospitals	38	21
Total Hospitals Reporting*	48	58

*Note: Some hospitals did not have quarterly data due as of Dec. 31, 2019 due to their fiscal year end and therefore do not have margins for that time period available for comparison.

**For more information regarding South Shore Hospital's total margin for the period ending March 31, 2020, please see footnote 4 on page 8 of this report.

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



Figure 6

Note: Some entities had margins of <-25%. In order to display all entities in one graph, there is an axis break at -25% to account for those organizations. For more details, see the [databook](#).

Profitability – Hospital Health Systems and Physician Organizations

Profitability at the hospital health systems also declined during this time period. As of March 31, 2020, four hospital health systems were profitable and reported a positive total margin, while the remaining 17 systems that reported data had negative total margins. This compares unfavorably to the same period of the prior year* when 17 of 24 HHS reported positive total margins. All hospital health systems reported a negative operating margin as of March 31, 2020.

Forty-three out of 45 HHS-affiliated physician organizations reported a net loss for the period ending March 31, 2020.

*<https://www.chiamass.gov/assets/Uploads/mass-hospital-financials/data-through-3-31-2019/Data-through-March-31-2019-Report.pdf>

Hospital Health System

Entity	Organization Type	Months Reported	Current Ratio	Operating Margin	Non-Operating Margin	Total Margin	Excess (Deficit) of Revenue over Expenses (in millions)	Net Assets (in millions)
Baystate Health		6	2.5	-1.5%	-6.2%	-7.7%	(\$87.9)	\$988.7
Bay state Franklin	Community -High Public Payer	6	1.5	-5.8%	0.4%	-5.4%	(\$2.7)	\$41.3
Bay state Medical Center ε	Teaching Hospital	6	4.4	3.8%	-6.9%	-3.1%	(\$20.3)	\$772.8
Bay state Noble	Community -High Public Payer	6	0.5	-21.7%	-0.1%	-21.8%	(\$5.9)	\$24.7
Bay state Wing	Community -High Public Payer	6	1.0	-8.3%	-1.5%	-9.8%	(\$4.3)	\$37.4
Bay state Medical Practices	Physician Organization	6	-	-18.0%	0.5%	-17.5%	(\$29.7)	-
Berkshire Health Systems		6	1.7	-4.3%	-8.5%	-12.8%	(\$38.4)	\$467.7
Berkshire Medical Center	Community -High Public Payer	6	1.5	3.8%	-9.7%	-5.9%	(\$14.3)	\$426.7
Fairview Hospital	Community -High Public Payer	6	1.1	-9.1%	-7.5%	-16.7%	(\$4.8)	\$36.5
Berkshire Faculty Services	Physician Organization	6	-	-74.0%	0.0%	-74.0%	(\$16.7)	-
Berkshire Orthopaedic Associates	Physician Organization	6	-	-42.0%	0.0%	-42.0%	(\$2.6)	-
Beth Israel Lahey Health³		6	3.6	-2.4%	-2.7%	-5.1%	(\$142.0)	\$2,573.6
Anna Jaques Hospital	Community Hospital	6	2.7	-5.1%	1.5%	-3.6%	(\$2.4)	\$15.2
Beth Israel Deaconess Hospital - Milton	Community Hospital	6	2.7	0.9%	-4.9%	-4.0%	(\$2.4)	\$88.6
Beth Israel Deaconess Hospital - Needham	Community Hospital	6	2.2	-5.6%	0.0%	-5.6%	(\$2.8)	\$54.2
Beth Israel Deaconess Hospital - Plymouth	Community -High Public Payer	6	2.6	-0.2%	-1.7%	-1.9%	(\$2.8)	\$104.9
Beth Israel Deaconess Medical Center	Academic Medical Center	6	5.2	1.1%	-5.6%	-4.6%	(\$42.4)	\$982.7
Lahey Hospital and Medical Center	Teaching Hospital	6	1.7	6.3%	0.1%	6.4%	\$34.4	\$123.2
Mount Auburn Hospital	Teaching Hospital	6	3.8	0.4%	-7.1%	-6.7%	(\$10.2)	\$229.3
New England Baptist Hospital	Specialty Hospital	6	7.0	0.6%	-1.7%	-1.1%	(\$1.3)	\$145.7
Northeast Hospital	Community -High Public Payer	6	4.6	2.2%	-0.8%	1.4%	\$2.7	\$197.1
Winchester Hospital	Community Hospital	6	4.7	-1.3%	0.9%	-0.4%	(\$0.6)	\$278.0
The Affiliated Physicians Group	Physician Organization	6	-	-36.5%	0.0%	-36.5%	(\$16.6)	-
Community Physicians Associates	Physician Organization	6	-	-55.7%	0.0%	-55.7%	(\$1.3)	-
Harvard Medical Faculty Physicians	Physician Organization	6	-	-2.6%	-2.7%	-5.3%	(\$18.2)	-
Jordan Physicians Associates	Physician Organization	6	-	-30.0%	0.0%	-30.0%	(\$4.7)	-
Lahey Clinic	Physician Organization	6	-	-34.0%	0.1%	-33.9%	(\$49.8)	-
Lahey Physician Community Org	Physician Organization	6	-	-26.1%	0.0%	-26.1%	(\$3.4)	-
Mount Auburn Professional Services	Physician Organization	6	-	-41.6%	0.0%	-41.6%	(\$16.6)	-
New England Baptist Medical Associates	Physician Organization	6	-	-45.9%	0.0%	-45.9%	(\$2.6)	-
New England Baptist Physician Group	Physician Organization	6	-	-1.6%	0.0%	-1.6%	(\$0.0)	-
Northeast Medical Practice	Physician Organization	6	-	-60.6%	-0.1%	-60.7%	(\$9.2)	-
Seacoast Affiliated Group Practice	Physician Organization	6	-	-27.9%	0.0%	-27.9%	(\$2.1)	-
Winchester Physician Association	Physician Organization	6	-	-15.3%	0.0%	-15.3%	(\$3.5)	-
Boston Children's Hospital and Subsidiaries		6	1.5	-6.1%	-33.2%	-39.3%	(\$383.5)	\$5,691.7
Boston Children's Hospital	Specialty Hospital	6	7.6	-3.1%	-3.8%	-6.9%	(\$61.0)	\$4,166.9
Physicians Organization at Children's Hospital and Foundation	Physician Organization	6	-	-10.4%	-23.1%	-33.5%	(\$100.6)	-
Boston Medical Center Health System		6	1.7	-1.5%	-0.3%	-1.8%	(\$38.0)	\$1,591.0
Boston Medical Center ε	Academic Medical Center	6	2.1	-1.8%	-0.7%	-2.5%	(\$20.8)	\$1,167.5
Boston University Affiliated Physicians	Physician Organization	6	-	-5.6%	0.0%	-5.6%	(\$0.1)	-
BMC Faculty Practice Foundation	Physician Organization	6	-	-3.7%	1.5%	-2.3%	(\$4.6)	-

Hospital Health System

Entity	Organization Type	Months Reported	Current Ratio	Operating Margin	Non-Operating Margin	Total Margin	Excess (Deficit) of Revenue over Expenses (in millions)	Net Assets (in millions)
Cambridge Health Alliance		9	4.1	-4.5%	2.0%	-2.5%	(\$13.3)	\$236.8
Cambridge Health Alliance ε	Teaching Hospital	9	4.1	-4.5%	2.0%	-2.5%	(\$13.3)	\$236.8
Cape Cod Healthcare		6	1.6	-3.9%	2.9%	-1.1%	(\$5.0)	\$787.6
Cape Cod Hospital	Community-High Public Payer	6	2.4	0.4%	2.3%	2.7%	\$7.6	\$458.4
Falmouth Hospital	Community-High Public Payer	6	1.1	0.5%	4.8%	5.3%	\$4.7	\$219.5
Medical Affiliates of Cape Cod	Physician Organization	6	-	-37.8%	0.0%	-37.8%	(\$16.7)	-
Dana-Farber Cancer Institute and Subsidiaries		6	1.1	-10.8%	7.2%	-3.5%	(\$33.9)	\$1,819.3
Dana-Farber Cancer Institute	Specialty Hospital	6	1.1	-10.7%	7.4%	-3.4%	(\$31.9)	\$1,859.5
Dana-Farber Cancer Care Network, Inc	Physician Organization	6	-	-6.2%	50.0%	43.8%	\$14.0	-
Emerson Health System and Subsidiaries		Emerson Health System and Subsidiaries did not report the required financial data						
Emerson Hospital								
Harrington HealthCare System		6	2.4	-8.8%	4.0%	-4.7%	(\$3.9)	\$65.2
Harrington Hospital	Community-High Public Payer	6	2.6	-1.6%	4.8%	3.2%	\$2.2	\$64.8
Harrington Physician Services	Physician Organization	6	-	-48.7%	0.0%	-48.7%	(\$6.1)	-
Heywood Healthcare		6	1.0	-1.8%	-4.6%	-6.4%	(\$5.8)	\$64.5
Athol Hospital	Community-High Public Payer	6	1.2	7.3%	-7.0%	0.4%	\$0.1	\$19.9
Heywood Hospital	Community-High Public Payer	6	1.0	-3.1%	-4.3%	-7.4%	(\$5.0)	\$33.3
Heywood Medical Group	Physician Organization	6	-	-24.9%	0.0%	-24.9%	(\$1.0)	-
Lawrence General Hospital and Affiliates		6	1.8	-10.5%	-1.0%	-11.5%	(\$15.3)	\$86.1
Lawrence General Hospital	Community-High Public Payer	6	1.7	-8.9%	-1.5%	-10.4%	(\$13.1)	\$92.3
Community Medical Associates	Physician Organization	6	-	-76.5%	-0.8%	-77.3%	(\$2.2)	-
Milford Regional Medical Center and Affiliates		6	2.1	-0.7%	-1.5%	-2.2%	(\$3.3)	\$126.2
Milford Regional Medical Center	Community Hospital	6	2.4	2.0%	-2.0%	0.0%	\$0.0	\$122.7
Milford Regional Physician Group	Physician Organization	6	-	-8.0%	0.0%	-8.1%	(\$3.3)	-

Hospital Health System

Entity	Organization Type	Months Reported	Current Ratio	Operating Margin	Non-Operating Margin	Total Margin	Excess (Deficit) of Revenue over Expenses (in millions)	Net Assets (in millions)
Partners HealthCare		6	2.6	-2.2%	-14.8%	-16.9%	(\$1,035.8)	\$8,540.9
Brigham & Women's Faulkner Hospital	Community Hospital	6	1.4	5.6%	0.0%	5.6%	\$8.3	\$108.1
Brigham & Women's Hospital	Academic Medical Center	6	1.2	2.3%	-0.1%	2.2%	\$34.9	\$684.8
Cooley Dickinson Hospital	Community Hospital	6	0.7	1.7%	0.0%	1.7%	\$1.8	\$50.5
Martha's Vineyard Hospital	Community Hospital	6	2.2	-2.2%	-7.3%	-9.5%	(\$4.3)	\$122.5
Massachusetts Eye & Ear Infirmary	Specialty Hospital	6	1.7	-2.2%	-1.1%	-3.4%	(\$4.8)	\$43.1
Massachusetts General Hospital	Academic Medical Center	6	1.5	5.8%	-0.1%	5.7%	\$127.3	\$2,619.5
Nantucket Cottage Hospital	Community Hospital	6	4.8	-24.9%	12.0%	-12.9%	(\$3.5)	\$153.8
Newton-Wellesley Hospital	Community Hospital	6	1.0	-6.6%	-0.6%	-7.2%	(\$19.0)	\$115.2
North Shore Medical Center	Community-High Public Payer	6	1.7	0.1%	0.3%	0.4%	\$0.9	\$280.0
Brigham and Women's Physicians Organization	Physician Organization	6	-	1.0%	-4.7%	-3.7%	(\$16.5)	-
CD Practice Associates	Physician Organization	6	-	-30.3%	0.0%	-30.3%	(\$8.1)	-
Massachusetts Eye and Ear Associates	Physician Organization	6	-	-2.7%	-1.8%	-4.6%	(\$3.2)	-
Massachusetts General Hospital Physicians Organization	Physician Organization	6	-	-2.1%	-6.8%	-9.0%	(\$50.0)	-
Nantucket Physician Organization	Physician Organization	6	-	59.8%	0.0%	59.8%	\$0.2	-
Newton-Wellesley Physician Hospital Group	Physician Organization	6	-	-0.9%	-0.3%	-1.2%	(\$0.7)	-
North Shore Physicians Group	Physician Organization	6	-	-10.8%	0.0%	-10.8%	(\$8.8)	-
Partners Community Physician Organization	Physician Organization	6	-	-13.2%	-4.1%	-17.3%	(\$10.7)	-
Shriners Hospitals for Children		3	8.6	-55.1%	-26.9%	-82.1%	(\$104.0)	\$8,338.6
Shriners Hospital for Children - Boston*	Specialty Hospital							
Shriners Hospital for Children - Springfield*	Specialty Hospital							
Signature Healthcare Corporation		6	1.2	-0.4%	0.7%	0.2%	\$0.4	\$71.1
Signature Healthcare Brockton Hospital	Community-High Public Payer	6	1.3	4.0%	1.0%	5.0%	\$7.9	\$65.1
Signature Healthcare Medical Group	Physician Organization	6	-	-19.5%	0.0%	-19.5%	(\$7.4)	-
South Shore Health System Inc.		6	1.5	-1.2%	17.5%	16.3%	\$74.5	\$406.9
South Shore Hospital ⁴	Community Hospital	6	1.3	0.3%	15.8%	16.2%	\$63.7	\$339.8
Coastal Medical Associates	Physician Organization	6	-	-12.7%	0.0%	-12.7%	(\$5.4)	-
Southcoast Health Systems		6	1.3	-2.5%	-6.5%	-9.0%	(\$45.8)	\$740.3
Southcoast Hospital Group	Community-High Public Payer	6	1.2	2.7%	-5.5%	-2.8%	(\$11.5)	\$527.3
Southcoast Physician Group	Physician Organization	6	-	-27.1%	0.0%	-27.1%	(\$28.7)	-
Steward Health Care		Steward Health Care did not submit the required hospital health system data*						
Morton Hospital	Community-High Public Payer	3	-0.7	-13.6%	0.0%	-13.6%	(\$4.0)	\$13.9
Nashoba Valley Medical Center	Community-High Public Payer	3	-0.1	-10.4%	0.0%	-10.4%	(\$1.5)	(\$3.4)
Steward Carney Hospital ^ε	Teaching Hospital	3	-0.2	-22.0%	0.0%	-22.0%	(\$6.2)	(\$94.0)
Steward Good Samaritan Medical Center	Community-High Public Payer	3	-0.2	6.6%	0.0%	6.6%	\$4.4	\$181.1
Steward Holy Family Hospital	Community-High Public Payer	3	0.1	-1.2%	0.0%	-1.2%	(\$0.8)	\$84.6
Steward Norwood Hospital	Community-High Public Payer	3	-0.1	0.6%	0.0%	0.6%	\$0.3	\$87.6
Steward Saint Anne's Hospital	Community-High Public Payer	3	31.9	10.1%	0.0%	10.1%	\$6.8	\$265.9
Steward St. Elizabeth's Medical Center ^ε	Teaching Hospital	3	6.0	3.1%	0.0%	3.1%	\$3.0	\$135.1
Steward Medical Group	Physician Organization	-	-	-	-	-	-	-

Hospital Health System								
Entity	Organization Type	Months Reported	Current Ratio	Operating Margin	Non-Operating Margin	Total Margin	Excess (Deficit) of Revenue over Expenses (in millions)	Net Assets (in millions)
Sturdy Memorial Foundation and Affiliates		6	1.1	-6.5%	12.2%	5.7%	\$8.2	\$423.5
Sturdy Memorial Hospital	Community-High Public Payer	6	1.6	-3.5%	14.1%	10.6%	\$12.3	\$375.1
Sturdy Memorial Associates	Physician Organization	6	-	-19.7%	0.0%	-19.7%	(\$5.5)	-
Tenet Healthcare								
MetroWest Medical Center								
Saint Vincent Hospital ε								
Metrowest Physician Services								
Saint Vincent Medical Company								
Tenet Healthcare did not report the required financial data								
Trinity Health		Trinity Health did not submit the required hospital health system data*						
Mercy Medical Center	Community-High Public Payer	9	4.2	-11.6%	-0.3%	-11.9%	(\$27.5)	\$130.2
Mercy Inpatient Medical Associates	Physician Organization	9	-	-7.7%	0.0%	-7.7%	(\$1.3)	-
Mercy Medical Group	Physician Organization	9	-	-41.5%	0.0%	-41.5%	(\$1.6)	-
Mercy Specialist Physicians	Physician Organization	9	-	-86.9%	0.0%	-86.9%	(\$1.7)	-
Pioneer Valley Cardiology Associates	Physician Organization	9	-	-73.0%	0.0%	-73.0%	(\$4.8)	-
Riverbend Medical Group	Physician Organization	9	-	-22.1%	0.0%	-22.1%	(\$11.8)	-
UMass Memorial Health Care		6	1.9	-4.0%	-2.1%	-6.1%	(\$81.0)	\$1,002.5
HealthAlliance-Clinton Hospital	Community-High Public Payer	6	0.9	-4.0%	-2.7%	-6.6%	(\$6.4)	\$146.1
Marlborough Hospital	Community-High Public Payer	6	1.7	-5.3%	-2.4%	-7.7%	(\$3.1)	\$42.4
UMass Memorial Medical Center ε	Academic Medical Center	6	1.4	-0.7%	0.6%	-0.2%	(\$1.5)	\$396.3
UMass Memorial Medical Group Inc.	Physician Organization	6	-	-12.3%	-0.8%	-13.1%	(\$36.4)	-
Valley Health System		6	1.4	-0.2%	0.2%	0.0%	\$0.0	(\$6.1)
Holyoke Medical Center	Community-High Public Payer	6	1.3	1.2%	0.2%	1.4%	\$1.3	(\$16.1)
Western Mass Physician Associates	Physician Organization	6	-	-47.7%	0.0%	-47.7%	(\$2.4)	-
Wellforce		6	1.1	-4.2%	-0.5%	-4.7%	(\$48.7)	\$728.4
Lowell General Hospital	Community-High Public Payer	6	1.0	-1.3%	0.4%	-0.9%	(\$2.1)	\$109.6
MelroseWakefield Health	Community-High Public Payer	6	1.2	1.3%	4.3%	5.6%	\$7.1	\$153.1
Tufts Medical Center	Academic Medical Center	6	1.0	-1.8%	-2.6%	-4.4%	(\$20.6)	\$118.9
Circle Health Physicians	Physician Organization	6	-	-26.6%	0.0%	-26.6%	(\$7.2)	-
Hallmark Health Medical Associates	Physician Organization	6	-	-45.7%	0.0%	-45.7%	(\$10.4)	-
Tufts Medical Center Community Care	Physician Organization	6	-	-78.7%	0.0%	-78.7%	(\$2.7)	-
Wellforce Tufts Medical Center Physician Organization	Physician Organization	6	-	-2.8%	0.0%	-2.8%	(\$4.0)	-

³ Beth Israel Lahey Health merged on March 1, 2019.

⁴ The total margin calculation for South Shore Hospital's fiscal year data through March 31, 2020 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.

ε Indicates a Hospital meets the High Public Payer threshold.

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

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