

# Median Total Margin: Statewide and by Hospital Cohort



Time Period/Data Year(s): Hospital Fiscal Years 2017-2018  
 Governing Legislation: M.G.L. c. 12C, section 8; 957 CMR 9.00

<b>Description</b>	Total margin is a key financial performance measure that reflects the excess or shortfall of total revenues to total expenses, presented as a percentage of total revenue. CHIA presents the total margin statewide and by hospital cohort—Academic Medical Center (AMC), Teaching, Community, and Community-High Public Payer—to show the how different types of hospitals perform compared to one another. CHIA also presents total margin by Specialty hospital but does not compare these hospitals with the cohorts.
<b>Frequency</b>	CHIA publishes acute hospital total margins on an annual basis.
<b>Statutory Definition</b>	CHIA is directed to collect “revenues, charges, costs, prices, and utilization of health care services and other such data as [CHIA] may require of institutional providers and their parent organizations and any other affiliated entities, non-institutional providers and provider organizations” to “enable [CHIA] to identify, on a patient-centered and provider-specific basis, statewide and regional trends in the cost, price, availability and utilization of medical, surgical, diagnostic and ancillary services provided by acute hospitals...”
<b>Data Submitters</b>	All Massachusetts acute hospitals
<b>Data Included</b>	Total margin is derived from standardized financial statements, specifically the income statements, submitted by acute hospitals.
<b>Quality Assurance Process</b>	<ul style="list-style-type: none"> <li>• Hospital personnel submit data to CHIA</li> <li>• Annual standardized financial submissions are compared to audited financial statements, filed by hospitals or their system parent if applicable. Any discrepancies are sent to hospitals to review CHIA’s proposed adjustments.</li> <li>• All publication materials are reviewed by CHIA analysts, managers, and team director</li> </ul>
<b>Reports</b>	<ul style="list-style-type: none"> <li>• <a href="#">Annual Acute Hospital and Health System Financial Performance Report</a></li> <li>• Acute Hospital Financial Performance Trends <a href="#">factsheets</a></li> <li>• <a href="#">Massachusetts Hospital Profiles</a></li> <li>• <a href="#">Massachusetts Health System Profiles</a></li> </ul>

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<b>Data Notes</b>	The majority of acute hospitals have a fiscal year end (FYE) of 9/30, but some have FYEs of 6/30 or 12/31. The annual report includes a full year's data for all hospitals, regardless of FYE.
<b>How to Obtain Data</b>	Current and historical total margins are available on CHIA's <a href="#">website</a> .
<b>Related CHIA Measures</b>	<p>Total margin is also reported for each calendar quarter and reflects cumulative data for each hospital as of that quarter. Because hospitals have different fiscal year-end dates, the quarterly reports cover different hospital reporting periods. Quarterly reports are available on CHIA's <a href="#">website</a>.</p> <p>Operating margin and non-operating margin are the two other measures of hospital profitability that CHIA publishes in its <i>Annual Acute Hospital and Health System Financial Performance Report</i> available on the <a href="#">website</a>.</p>
<b>Questions?</b>	Questions may be directed to Mary Byrnes at <a href="mailto:mary.byrnes@state.ma.us">mary.byrnes@state.ma.us</a> .