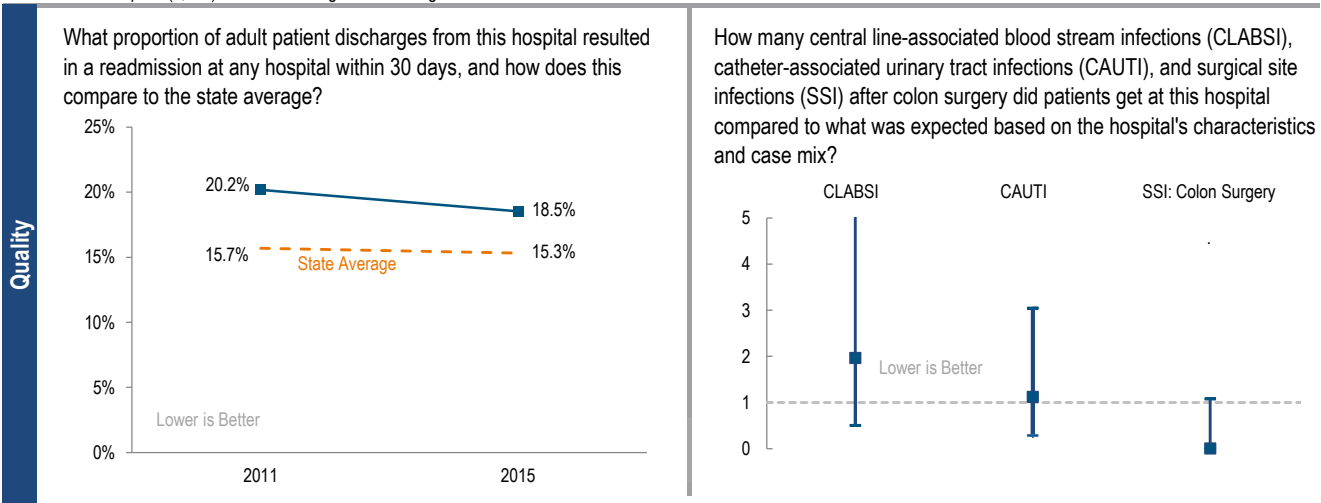
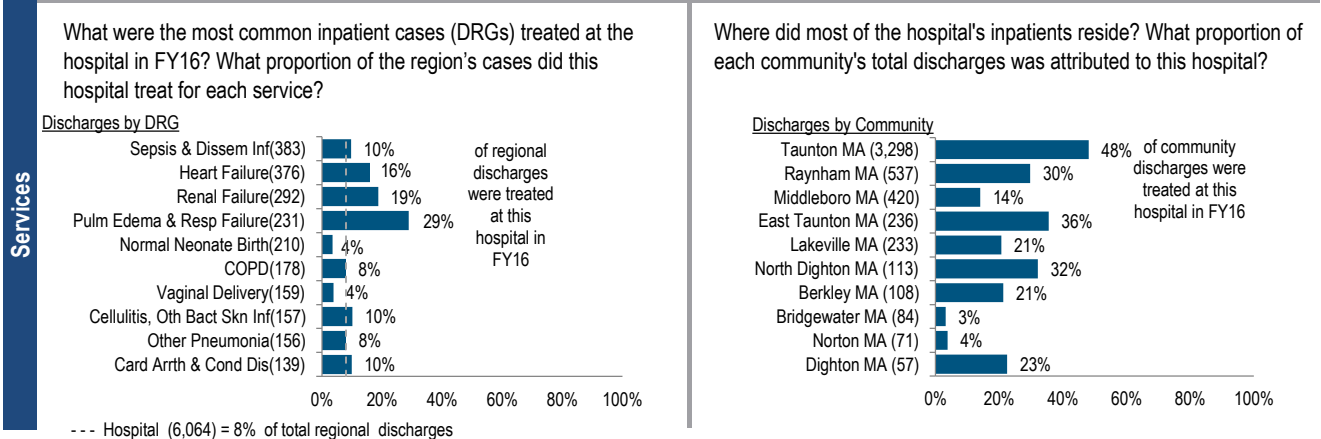


Morton Hospital is a small, for-profit community-High Public Payer Hospital (HPP) located in the Metro South region. Morton Hospital is a member of Steward Health Care. Inpatient discharges at Morton Hospital decreased by 19% from FY12 to FY16, compared to a median decrease of 2.8% in peer cohort hospitals during that time. Outpatient visits declined sharply by 37.3% between FY12 and FY16, compared to a median increase of 1.6% for its cohort. Morton Hospital earned a profit for the third year in a row in FY16. Its total margin was 1.1%, which is lower than the 4.1% median for its peer cohorts.

At a Glance	Overview / Size	
	Hospital System Affiliation:	Steward Health Care System
	Change in Ownership (FY12-16):	Not Applicable
	Total Staffed Beds:	99, among the smaller acute hospitals
	% Occupancy:	70.7%, > cohort avg. (65%)
	Special Public Funding:	Not Applicable
	Trauma Center Designation:	Not Applicable
	Case Mix Index:	1.00, > cohort avg. (0.90); < statewide (1.07)
	Financial	
	Inpatient NPSR per CMAD:	\$9,566
Change FY15-FY16:	-7.4%	
Inpatient:Outpatient Revenue in FY16:	29%:71%	
Outpatient Revenue in FY16:	\$57,408,468	
Change FY15-FY16:	0.7%	
Total Revenue in FY16:	\$118,200,012	
Total Surplus (Loss) in FY16:	\$1,264,937	
Payer Mix		
Public Payer Mix:	69.6% (HPP* Hospital)	
CY15 Commercial S-RP:	0.86	
Top 3 Commercial Payers:	Blue Cross Blue Shield of MA Harvard Pilgrim Health Care Tufts Health Plan	
Utilization		
Inpatient Discharges in FY16:	6,064	
Change FY15-FY16:	4.8%	
Emergency Department Visits in FY16:	51,284	
Change FY15-FY16:	-0.1%	
Outpatient Visits in FY16:	60,123	
Change FY15-FY16:	-0.9%	
Quality		
Readmission Rate in FY15:	18.5%	
Change FY11-FY15 (percentage points):	-1.6%	
Early Elective Deliveries Rate (Jan 2015-Jun 2016):	0.0%	



For descriptions of the metrics, please see the technical appendix.

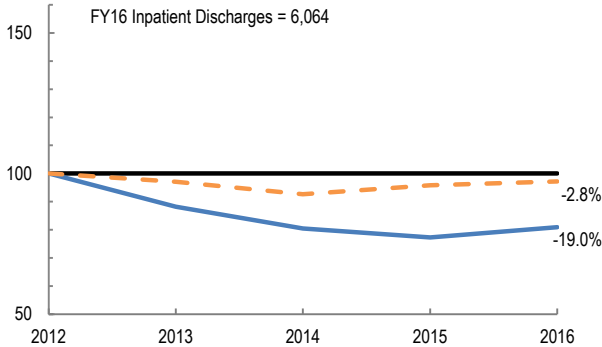
2016 HOSPITAL PROFILE: MORTON HOSPITAL

Cohort: Community High Public Payer Hospital

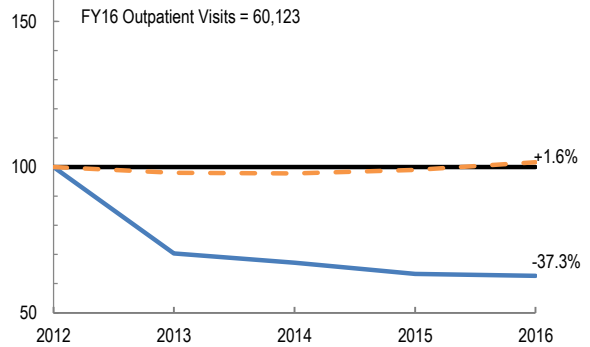


Utilization

How has the volume of the hospital's inpatient discharges changed compared to FY12, and how does this compare to the hospital's peer cohort median? (FY12=100)

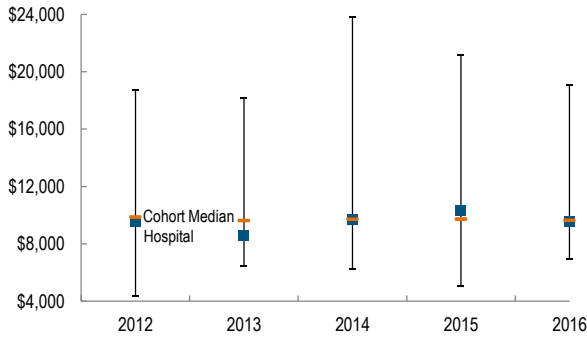


How has the volume of the hospital's outpatient visits changed compared to FY12, and how does this compare to the hospital's peer cohort median? (FY12=100)

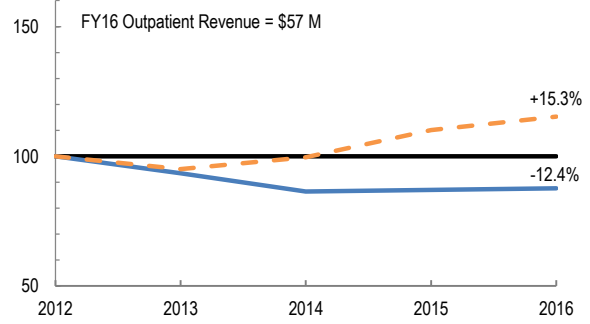


Patient Revenue Trends

What was the hospital's net inpatient service revenue per case mix adjusted discharge between FY12 and FY16, and how does this compare to the hospital's peer cohort median?



How has the hospital's total outpatient revenue changed compared to FY12, and how does this compare to the hospital's peer cohort median? (FY12=100)



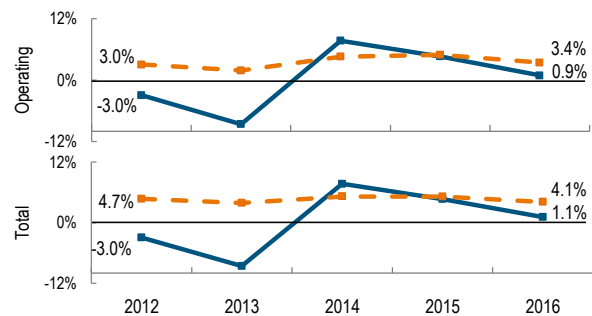
Financial Performance

How have the hospital's total revenue and costs changed between FY12 and FY16?

Revenue, Cost, & Profit/Loss (in millions)

FY	2012	2013	2014	2015	2016
Operating Revenue	\$ 125	\$ 113	\$ 116	\$ 116	\$ 118
Non-Operating Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenue	\$ 125	\$ 113	\$ 116	\$ 116	\$ 118
Total Costs	\$ 129	\$ 122	\$ 107	\$ 111	\$ 117
Total Profit (Loss)	\$ (3.7)	\$ (9.7)	\$ 8.9	\$ 5.4	\$ 1.3

What were the hospital's total margin and operating margins between FY12 and FY16, and how do these compare to the hospital's peer cohort medians?



For descriptions of the metrics, please see the technical appendix.

* High Public Payer Hospitals (HPP) receive a minimum of 63% of gross patient service revenue from public payers.