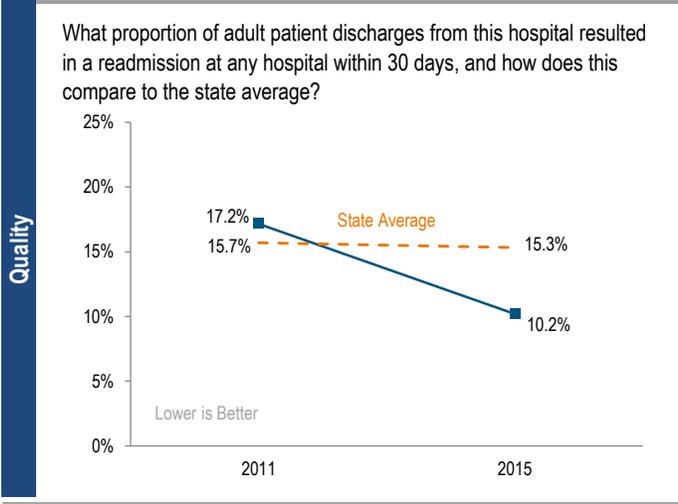
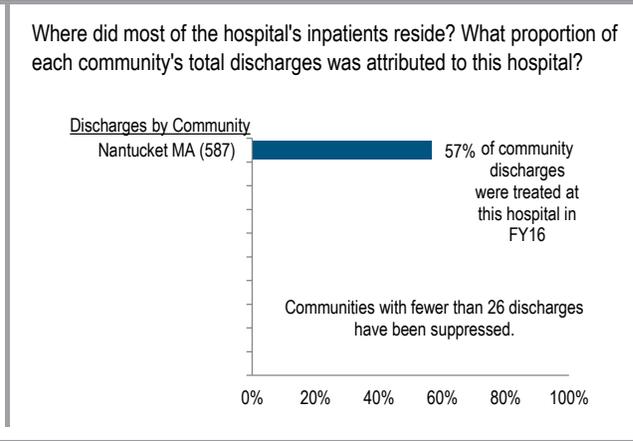
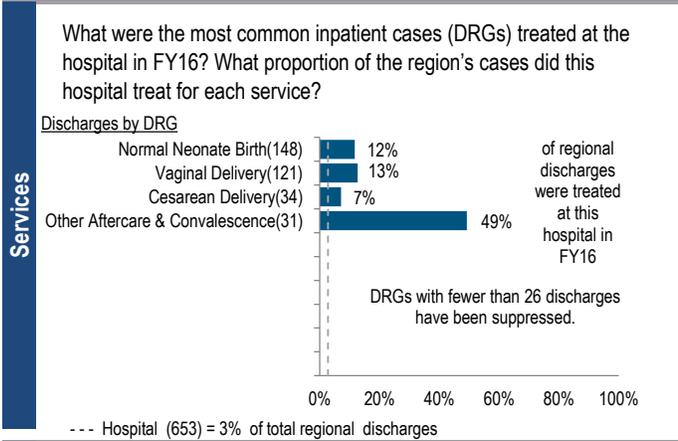


Nantucket Cottage Hospital is a non-profit community hospital located in the Cape and Islands region. Nantucket Cottage is the second smallest hospital in Massachusetts, with 23 staffed beds. It is a member of Partners HealthCare. Inpatient discharges increased 26.8% at the hospital between FY12 and FY16, compared with a 3.7% decrease in the median of its cohort; outpatient visits decreased 28.9% in the same period. Nantucket Cottage Hospital incurred a loss of \$2.3M in FY16 for the first time in five years. It reported a total margin of -4.8%, lower than the median of its peer cohort of 3.1%.

|                                       |                                |   |                                      |   |
|---------------------------------------|--------------------------------|---|--------------------------------------|---|
| <b>At a Glance</b>                    | <b>Overview / Size</b>         |   | <b>Payer Mix</b>                     |   |
|                                       | Hospital System Affiliation:   | Partners HealthCare                                 | Public Payer Mix:                    | 53.5% (Non-HPP* Hospital)   |
|                                       | Change in Ownership (FY12-16): | Not Applicable                                      | CY15 Commercial S-RP:                | 1.96  |
|                                       | Total Staffed Beds:            | 23, among the smallest acute hospitals              | Top 3 Commercial Payers:             | Blue Cross Blue Shield of MA<br>Neighborhood Health Plan<br>Harvard Pilgrim Health Care |
|                                       | % Occupancy:                   | 28.4%, < cohort avg. (61%)                          | <b>Utilization</b>                   |   |
|                                       | Special Public Funding:        | Not Applicable                                      | Inpatient Discharges in FY16:        | 653   |
|                                       | Trauma Center Designation:     | Not Applicable                                      | Change FY15-FY16:                    | 2.8%  |
|                                       | Case Mix Index:                | 0.59, < cohort avg. (0.84); < statewide (1.07)      | Emergency Department Visits in FY16: | 10,579  |
|                                       |                                |   | Change FY15-FY16:                    | 1.6%  |
|                                       |                                |   | Outpatient Visits in FY16:           | 19,083  |
|                                       |                                | Change FY15-FY16:                                   | 2.2%                                 |   |
|                                       |                                | <b>Quality</b>                                      |                                      |   |
| <b>Financial</b>                      |                                | Readmission Rate in FY15:                           | 10.2%                                |   |
| Inpatient NPSR per CMAD:              | \$16,492                       | Change FY11-FY15 (percentage points):               | -7.0%                                |   |
| Change FY15-FY16:                     | 50.8%                          | Early Elective Deliveries Rate (Jan 2015-Jun 2016): | Not Available                        |   |
| Inpatient:Outpatient Revenue in FY16: | 13%:87%                        |   |                                      |   |
| Outpatient Revenue in FY16:           | \$36,616,987                   |   |                                      |   |
| Change FY15-FY16:                     | 13.9%                          |   |                                      |   |
| Total Revenue in FY16:                | \$47,798,000                   |   |                                      |   |
| Total Surplus (Loss) in FY16:         | (\$2,318,000)                  |   |                                      |   |



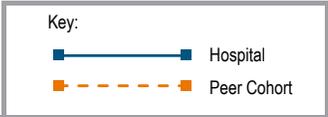
How many central line-associated blood stream infections (CLABSI), catheter-associated urinary tract infections (CAUTI), and surgical site infections (SSI) after colon surgery did patients get at this hospital compared to what was expected based on the hospital's characteristics and case mix?

Data is not available for these measures.

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

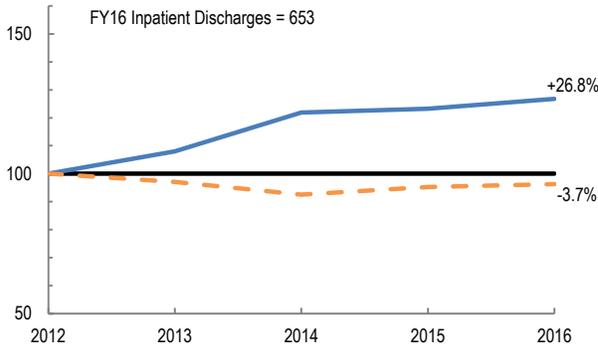
# 2016 HOSPITAL PROFILE: NANTUCKET COTTAGE HOSPITAL

Cohort: Community Hospital

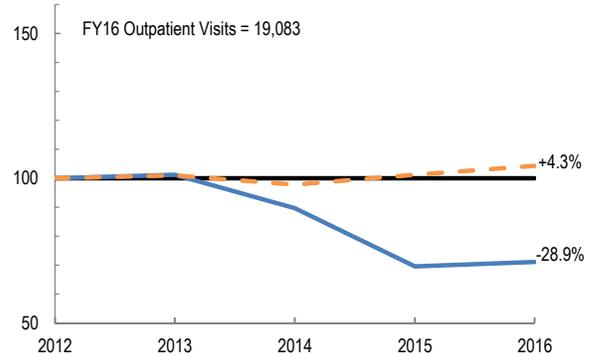


## Utilization

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)

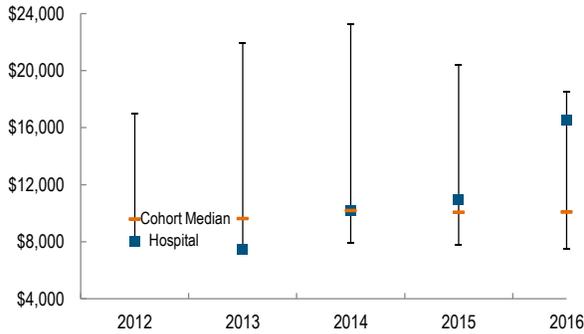


How has the volume of the hospital's outpatient visits changed compared to FY12, and how does this compare to the hospital's peer cohort median? (FY12=100)

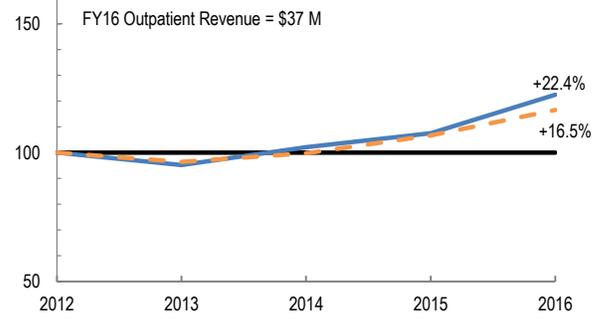


## Patient Revenue Trends

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)



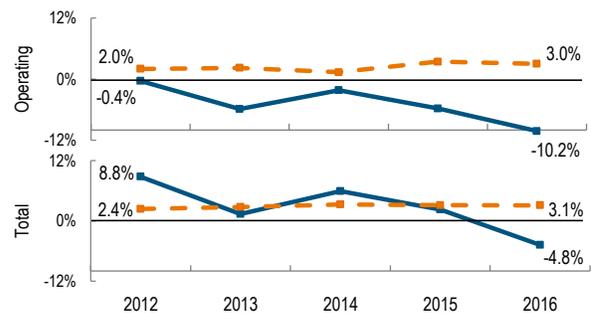
## Financial Performance

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     |
|------------------------------|--------|--------|--------|--------|----------|
| <b>Operating Revenue</b>     | \$ 33  | \$ 32  | \$ 37  | \$ 41  | \$ 45    |
| <b>Non-Operating Revenue</b> | \$ 3   | \$ 3   | \$ 3   | \$ 4   | \$ 3     |
| <b>Total Revenue</b>         | \$ 37  | \$ 35  | \$ 40  | \$ 44  | \$ 48    |
| <b>Total Costs</b>           | \$ 33  | \$ 35  | \$ 37  | \$ 43  | \$ 50    |
| <b>Total Profit (Loss)</b>   | \$ 3.2 | \$ 0.5 | \$ 2.3 | \$ 1.0 | \$ (2.3) |

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.