

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 by 17.8% at the hospital between FY13 and FY17, compared with a 0.5% increase in the median of its cohort; outpatient visits decreased by 33.9% in the same period. Nantucket Cottage Hospital incurred a loss of \$9.0M in FY17. The hospital was profitable from FY13 to FY15. It reported a total margin of -19.7%, lower than the median of its peer cohort of 3.1%.

At a Glance

### Overview / Size

|                                |  |
|--------------------------------|--|
| Hospital System Affiliation:   | Partners HealthCare System                     |
| Change in Ownership (FY13-17): | Not Applicable                                 |
| Total Staffed Beds:            | 23, among the smallest acute hospitals         |
| % Occupancy:                   | 29.0%, lowest in cohort avg. (65%)             |
| Special Public Funding:        | Not Applicable                                 |
| Trauma Center Designation:     | Not Applicable                                 |
| Case Mix Index:                | 0.63, < cohort avg. (0.85); < statewide (1.12) |

### Financial

|                                       |               |
|---------------------------------------|---------------|
| Inpatient NPSR per CMAD:              | \$17,566      |
| Change FY16-FY17:                     | 6.5%          |
| Inpatient:Outpatient Revenue in FY17: | 14%:86%       |
| Outpatient Revenue in FY17:           | \$32,639,118  |
| Change FY16-FY17:                     | -10.9%        |
| Total Revenue in FY17:                | \$45,888,000  |
| Total Surplus (Loss) in FY17:         | (\$9,035,000) |

### Payer Mix

|   |  |
|---|--|
| Public Payer Mix:                         | 53.5% (Non-HPP* Hospital)  |
| CY16 Commercial Statewide Relative Price: | 1.97   |
| Top 3 Commercial Payers:                  | Blue Cross Blue Shield of Massachusetts<br>Neighborhood Health Plan<br>Harvard Pilgrim Health Care |

### Utilization

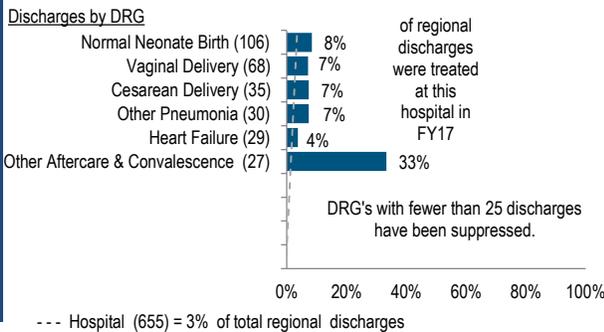
|                                      |        |
|--------------------------------------|--------|
| Inpatient Discharges in FY17:        | 655    |
| Change FY16-FY17:                    | 0.3%   |
| Emergency Department Visits in FY17: | 10,465 |
| Change FY16-FY17:                    | -1.1%  |
| Outpatient Visits in FY17:           | 17,970 |
| Change FY16-FY17:                    | -5.8%  |

### Quality

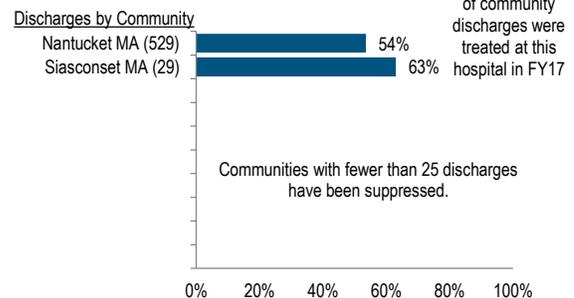
|                                       |               |
|---------------------------------------|---------------|
| Readmission Rate in FY16:             | 11.0%         |
| Change FY12-FY16 (percentage points): | -2.8          |
| Early Elective Deliveries Rate:       | Not Available |

Services

What were the most common inpatient cases (DRGs) treated at the hospital in FY17? What proportion of the region's cases did this hospital treat for each service?

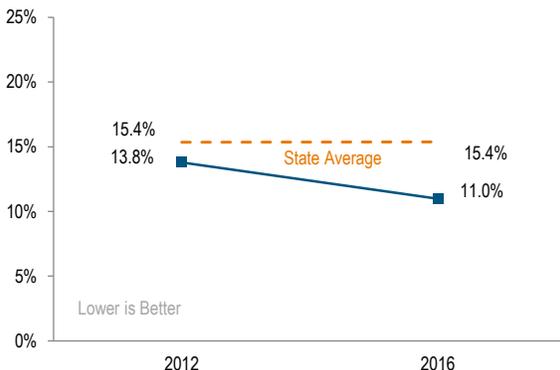


Where did most of the hospital's inpatients reside? What proportion of each community's total discharges was attributed to this hospital?



Quality

What proportion of adult patient discharges from this hospital resulted in a readmission at any hospital within 30 days, and how does this compare to the state average?



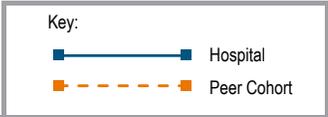
How many central line-associated blood stream infections (CLABSI), catheter-associated urinary tract infections (CAUTI), and surgical site infections (SSI) after colon surgery did patients get at this hospital compared to what was expected based on the hospital's characteristics and case mix?

Data is not available for these measures.

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

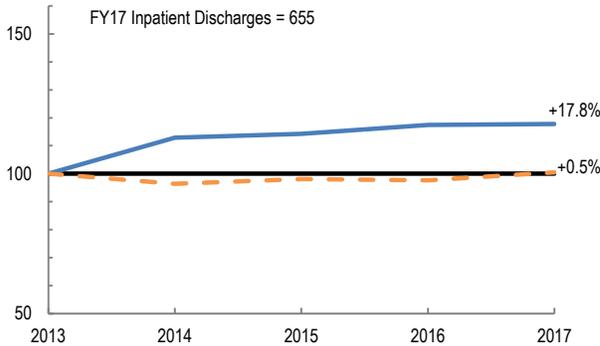
# 2017 HOSPITAL PROFILE: NANTUCKET COTTAGE HOSPITAL

Cohort: Community Hospital

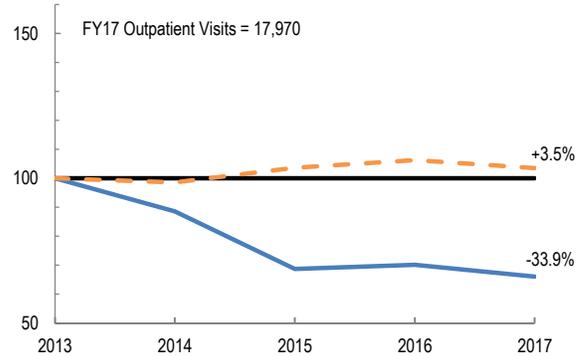


## Utilization

How has the volume of the hospital's inpatient discharges changed compared to FY13, and how does this compare to the hospital's peer cohort median? (FY13=100)

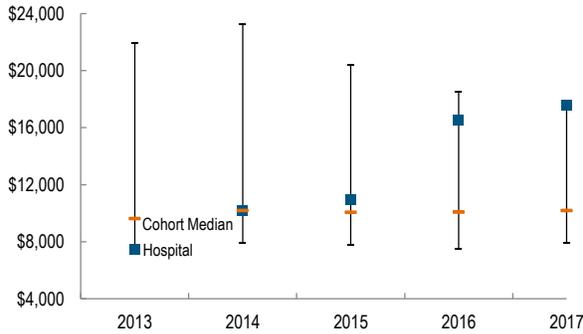


How has the volume of the hospital's outpatient visits changed compared to FY13, and how does this compare to the hospital's peer cohort median? (FY13=100)

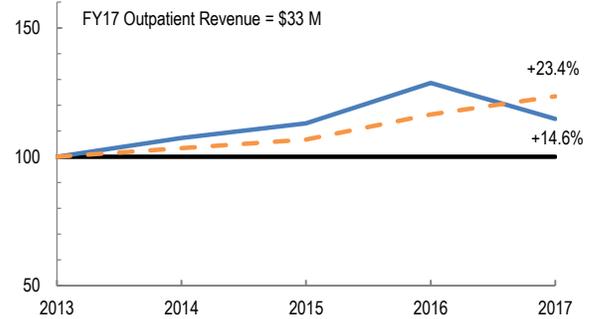


## Patient Revenue Trends

What was the hospital's net inpatient service revenue per case mix adjusted discharge between FY13 and FY17, and how does this compare to the hospital's peer cohort median?



How has the hospital's total outpatient revenue changed compared to FY13, and how does this compare to the hospital's peer cohort median? (FY13=100)



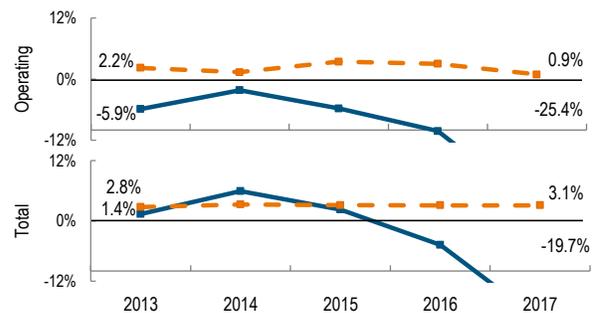
## Financial Performance

How have the hospital's total revenue and costs changed between FY13 and FY17?

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

| FY                           | 2013    | 2014    | 2015    | 2016     | 2017     |
|------------------------------|---------|---------|---------|----------|----------|
| <b>Operating Revenue</b>     | \$ 32.5 | \$ 36.6 | \$ 40.8 | \$ 45.2  | \$ 43.3  |
| <b>Non-Operating Revenue</b> | \$ 2.5  | \$ 3.2  | \$ 3.6  | \$ 2.6   | \$ 2.6   |
| <b>Total Revenue</b>         | \$ 35.0 | \$ 39.8 | \$ 44.4 | \$ 47.8  | \$ 45.9  |
| <b>Total Costs</b>           | \$ 34.5 | \$ 37.4 | \$ 43.4 | \$ 50.1  | \$ 54.9  |
| <b>Total Profit (Loss)</b>   | \$ 0.5  | \$ 2.3  | \$ 1.0  | \$ (2.3) | \$ (9.0) |

What were the hospital's total margin and operating margins between FY13 and FY17, 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.