

Mercy Medical Center

Hospital Fiscal Year 2023 Profile

OVERVIEW

| | |
|--|--------------------------------------|
| City/Town: | Springfield, MA |
| Region: | Western Massachusetts |
| Hospital Type: | Community-High Public Payer Hospital |
| Total Staffed Beds in HFY23: | 237, Mid-Size Hospital |
| Hospital System Affiliation: | Trinity Health |
| Hospital System Surplus (Deficit) in HFY23: | \$959,720,181 |
| Change in Ownership HFY19-HFY23: | Not Applicable |

| | |
|--|---|
| Tax Status: | Non-profit |
| Trauma Center Designation: | Not Applicable |
| Total FTE's in HFY23: | 962.50 |
| FY23 Case Mix Index: | 0.98 |
| Public Payer Mix¹: | 79.1%: HPP Hospital |
| Percent of Total GPCR by Payer: | Medicare: 52% / Medicaid: 25% / Commercial: 20% |
| CY22 Commercial Statewide Relative Price: | 0.94 |

FINANCIAL

| | GROSS AND NET PATIENT SERVICE REVENUES (GPCR & NPSR) ² | | | | |
|-------------------------|---|-----------------|-----------------|-----------------|-----------------|
| | HFY19 | HFY20 | HFY21 | HFY22 | HFY23 |
| Inpatient GPCR | \$305.9M | \$279.9M | \$249.2M | \$229.2M | \$219.6M |
| Outpatient GPCR | \$395.0M | \$389.5M | \$421.7M | \$418.6M | \$428.6M |
| Total GPCR | \$700.9M | \$669.4M | \$671.0M | \$647.8M | \$648.3M |
| Inpatient NPSR per CMAD | \$9,545 | \$9,874 | \$10,061 | \$11,656 | \$12,181 |
| Inpatient NPSR | \$158.2M | \$141.8M | \$120.2M | \$106.7M | \$101.7M |
| Outpatient NPSR | \$143.5M | \$140.6M | \$165.5M | \$162.7M | \$170.8M |

*Data Source: CHIA Hospital Cost Reports

REVENUE & EXPENSES

| | HFY19 | HFY20 | HFY21 | HFY22 | HFY23 |
|--|------------------|-----------------|-----------------|-----------------|-----------------|
| Operating Revenue | \$317.1M | \$334.9M | \$319.6M | \$335.5M | \$320.8M |
| Non-Operating Revenue ³ | \$1.1M | \$4.2M | \$17.3M | \$1.1M | \$0.1M |
| COVID Funding Included in Operating Revenue ⁴ | - | \$32.1M | (\$3.4M) | \$16.0M | \$12.2M |
| Total Revenue | \$318.2M | \$339.0M | \$336.9M | \$336.6M | \$320.8M |
| Total Expenses | \$331.5M | \$346.9M | \$321.1M | \$331.9M | \$311.0M |
| Total Surplus (Deficit) | (\$13.3M) | (\$7.8M) | \$15.8M | \$4.7M | \$9.8M |
| Operating Margin | (4.5%) | (3.5%) | (0.4%) | 1.1% | 3.0% |
| Non-Operating Margin | 0.3% | 1.2% | 5.1% | 0.3% | 0.0% |
| Total Margin | (4.2%) | (2.3%) | 4.7% | 1.4% | 3.1% |

*Data Source: CHIA Hospital Standardized Financial Statements

SOLVENCY AND LIQUIDITY

| | HFY19 | HFY20 | HFY21 | HFY22 | HFY23 |
|--|----------|----------|----------|---------|---------|
| Total Net Assets or Equity | \$157.5M | \$150.1M | \$199.5M | \$63.9M | \$70.5M |
| Current Ratio | 4.5 | 2.6 | 1.8 | 1.7 | 2.0 |
| Debt Service Coverage Ratio ⁵ | 0.0 | 1.1 | 5.1 | 3.7 | 4.2 |
| Cash Flow to Total Debt ⁵ | (2.5%) | 1.1% | 8.1% | 9.3% | 13.2% |
| Equity Financing Ratio | 53.8% | 47.6% | 35.4% | 25.0% | 28.7% |
| Average Age of Plant | 18.0 | 19.0 | 16.2 | 14.9 | 15.5 |

*Data Source: CHIA Hospital Standardized Financial Statements

For descriptions of the metrics, please see the technical appendix at <https://www.chiamass.gov/hospital-profiles>.

¹ High Public Payer Hospitals (HPP) reported a minimum of 63% of gross patient service revenue from public payers.

² Effective HFY 2020, supplemental revenue is not included in net patient service revenue for all hospitals. Prior to HFY 2020, reporting of supplemental revenue varied by hospital.

³ There was an accounting change adopted by most hospitals beginning in HFY 2020 in which unrealized gains and losses on investments are now recognized as non-operating revenue.

⁴ Federal and State COVID-19 relief funding was distributed to hospitals as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act beginning in HFY2020. A portion of this funding was reported as operating revenue.

⁵ Starting in HFY 2023, unrealized gains and losses were removed from the Debt Service Coverage Ratio and Cash Flow to Total Debt metrics. They are included in prior year calculations.

⁶ Inpatient cases and communities with fewer than 25 discharges have been omitted from the Top Discharges by Inpatient Case (DRG) and Top Discharges by Community charts.

UTILIZATION

| | |
|--|---------|
| Licensed Beds in HFY23: | 267 |
| Available Beds in HFY23: | 237 |
| Staffed Beds in HFY23: | 237 |
| HFY23 Percentage Occupancy: | 44.2% |
| Inpatient Discharges in HFY23: | 8,542 |
| Change HFY22-HFY23: | (8.0%) |
| Percent of Total Region Discharges in HFY23: | 9.5% |
| Percent of Statewide Total Discharges in HFY23: | 1.1% |
| Inpatient Days in HFY23: | 38,247 |
| Change HFY22-HFY23: | (6.9%) |
| Percent of Total Region Inpatient Days in HFY23: | 8.1% |
| Percent of Statewide Total Inpatient Days in HFY23: | <1% |
| Average Length of Stay in HFY23: | 4.5 |
| Change HFY22-HFY23: | 1.4% |
| Emergency Department Visits in HFY23: | 46,315 |
| Change HFY22-HFY23: | (19.4%) |
| Percent of Total Region Emergency Department Visits in HFY23: | 11.9% |
| Percent of Statewide Total Emergency Department Visits in HFY23: | 1.7% |
| Outpatient Visits in HFY23: | 147,382 |
| Change HFY22-HFY23: | (16.3%) |

*Data Source: CHIA Hospital Cost Reports

TOP INPATIENT DIAGNOSES IN FY23

| Diagnosis ⁶ | Discharges | Percent of Total Hospital Discharges |
|--|------------|--------------------------------------|
| Neonate Birth W Major Cardiovas Proc | 744 | 8.8% |
| Vaginal Delivery W Sterilization &/Or D&C | 549 | 6.5% |
| Lymphoma, Myeloma & Non-Acute Leukemia | 499 | 5.9% |
| Acute & Subacute Endocarditis | 438 | 5.2% |
| Malignant Breast Disorders | 225 | 2.7% |
| Respiratory Malignancy | 222 | 2.6% |
| Other Female Reproductive System & Related Procedure | 222 | 2.6% |
| Bronchiolitis & Rsv Pneumonia | 199 | 2.4% |
| Other Pneumonia | 177 | 2.1% |
| Cardiac Structural & Valvular Disorders | 177 | 2.1% |

*Data Source: CHIA Hospital Discharge Dataset

TOP DISCHARGES BY COMMUNITY IN FY23

| Community ⁵ | Discharges | Percent of Total Community Discharges |
|------------------------|------------|---------------------------------------|
| Springfield, MA | 3,609 | 19% |
| Chicopee, MA | 1,160 | 17% |
| West Springfield, MA | 593 | 17% |
| Agawam, MA | 398 | 17% |
| Ludlow, MA | 285 | 13% |
| Westfield, MA | 284 | 6% |
| Holyoke, MA | 283 | 5% |
| East Longmeadow, MA | 256 | 13% |
| Feeding Hills, MA | 211 | 17% |
| Indian Orchard, MA | 197 | 19% |

*Data Source: CHIA Hospital Discharge Dataset