

Emerson Hospital is a mid-size, non-profit community hospital located in the Northeastern Massachusetts region. Between FY16 and FY20, the volume of inpatient discharges at the hospital decreased by 6.5% compared to a median decrease of 3.2% at cohort hospitals. Outpatient visits decreased by 23.3% for the hospital between FY16 and FY20, compared to a median decrease of 6.8% for its peer cohort. After reporting profits in each of the prior four years, Emerson Hospital reported a loss of \$3.5M and a total margin of -1.3% in FY20 compared to the median total margin of 1.4% at its cohort hospitals.

Overview / Size

Hospital System Affiliation:	Emerson Health System Inc. and Subsid.
Hospital System Surplus (Deficit) in FY20:	(\$2,592,542)
Change in Ownership (FY16-20):	Not Applicable
Total Staffed Beds:	199, mid-size acute hospital
% Occupancy:	50.1%, < cohort avg. (58%)
Trauma Center Designation:	Not Applicable
Case Mix Index:	0.87, < cohort avg. (0.89); < statewide (1.16)

Financial

Inpatient NPSR per CMAD:	\$11,033
Change FY19-FY20:	-2.8%
Inpatient Outpatient Revenue in FY20:	24%:76%
Outpatient Revenue in FY20:	\$159,463,126
Change FY19-FY20:	-10.7%
Total Revenue in FY20:	\$282,533,858
COVID Funding Included in Total Revenue:	\$14,568,177
Total Surplus (Deficit) in FY20:	-\$3,544,322

Payer Mix

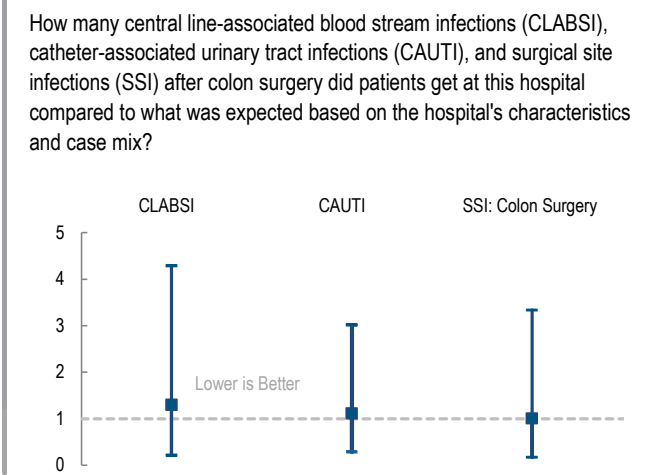
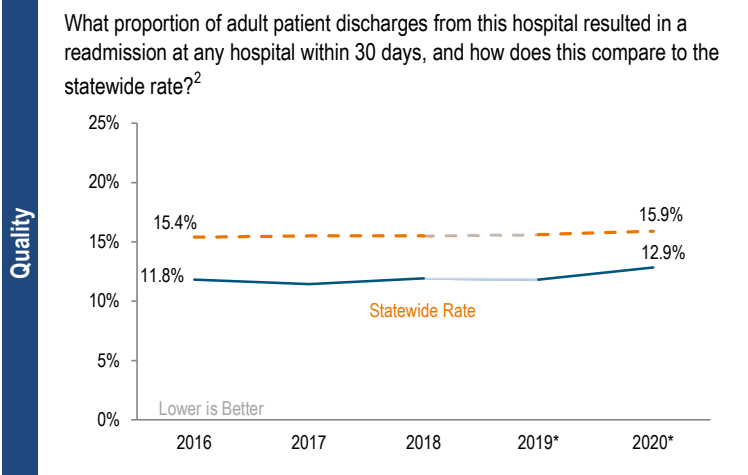
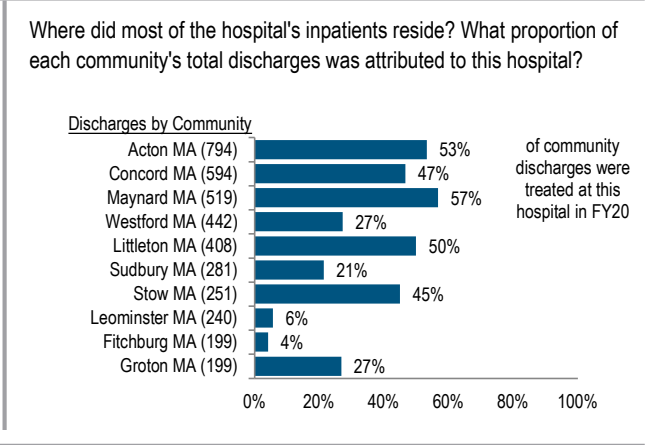
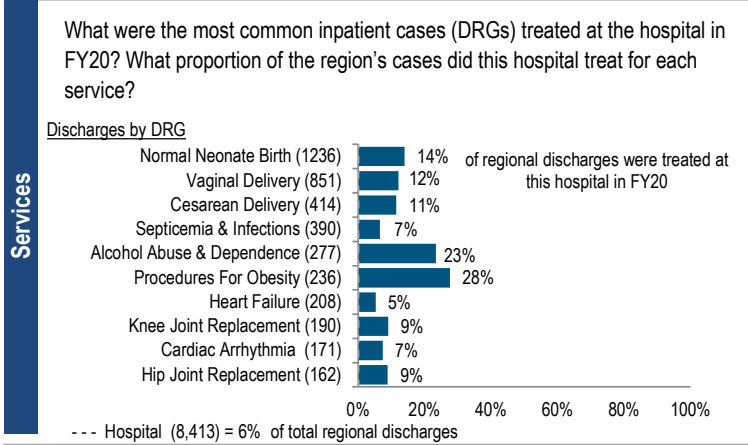
Public Payer Mix ¹ :	49.8% non-HPP Hospital
CY19 Commercial Statewide Relative Price:	0.904
Top 3 Commercial Payers:	Blue Cross Blue Shield Harvard Pilgrim Tufts HMO

Utilization

Inpatient Discharges in FY20:	8,413
Change FY19-FY20:	-3.9%
Emergency Department Visits in FY20:	31,000
Change FY19-FY20:	0.0%
Outpatient Visits in FY20:	72,098
Change FY19-FY20:	-21.4%

Quality

Readmission Rate in FY20:	12.9%
Change FY19-FY20 (percentage points):	1.1
Early Elective Deliveries Rate:	0.0%



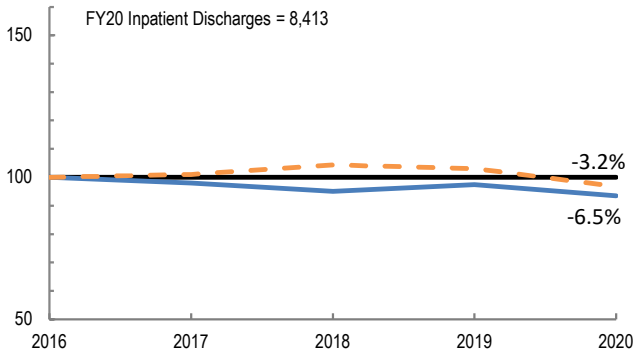
2020 HOSPITAL PROFILE: EMERSON HOSPITAL

Cohort: Community Hospital

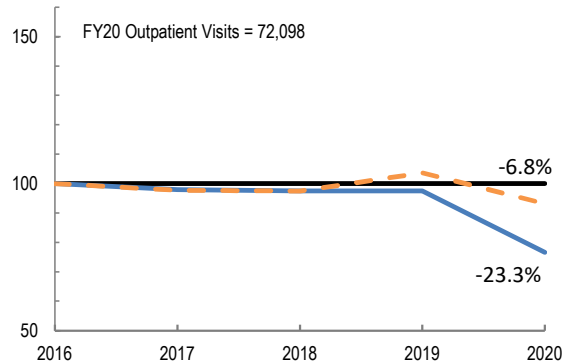


Utilization

How has the volume of the hospital's inpatient discharges changed compared to FY16, and how does this compare to the hospital's peer cohort median? (FY16=100)

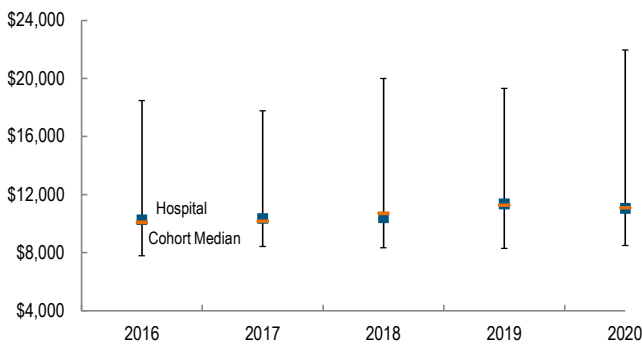


How has the volume of the hospital's outpatient visits changed compared to FY16, and how does this compare to the hospital's peer cohort median? (FY16=100)

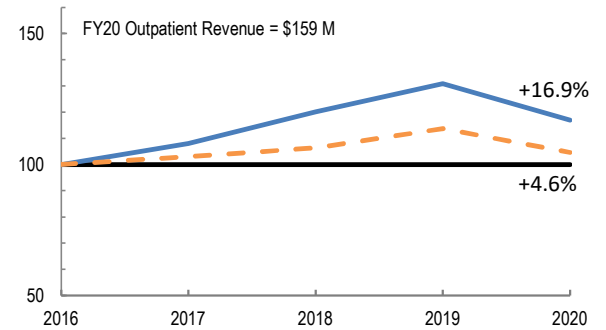


Patient Revenue Trends

What was the hospital's net inpatient service revenue³ per case mix adjusted discharge between FY16 and FY20, and how does this compare to the hospital's peer cohort median?



How has the hospital's net outpatient revenue³ changed compared to FY16, and how does this compare to the hospital's peer cohort median? (FY16=100)



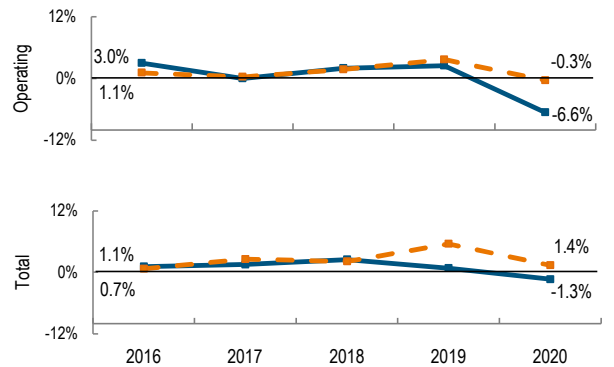
Financial Performance

How have the hospital's total revenue and costs changed between FY16 and FY20? (COVID funding affects FY20 only)

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

FY	2016	2017	2018	2019	2020
Operating Revenue	\$ 222.2	\$ 238.8	\$ 252.3	\$ 275.2	\$ 267.5
COVID Funding Included in Operating Revenue					\$ 14.6
Non-Operating Revenue⁴	\$ (4.2)	\$ 3.5	\$ 1.1	\$ (4.8)	\$ 15.0
Total Revenue	\$ 218.0	\$ 242.4	\$ 253.4	\$ 270.4	\$ 282.5
Total Costs	\$ 215.7	\$ 238.8	\$ 247.2	\$ 268.4	\$ 286.1
Total Profit (Loss)	\$ 2.4	\$ 3.6	\$ 6.2	\$ 2.1	\$ (3.5)

What were the hospital's total margin and operating margins between FY16 and FY20, and how do these compare to the hospital's peer cohort medians? (Note: FY20 margins include COVID funding)



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

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

² For 2019 and 2020 readmission rates, a new methodology was used. These rates may not be comparable to earlier years. For more information, please see: <https://www.chiamass.gov/assets/docs/r/pubs/2022/Readmissions-Technical-Appendix-2011-2020.pdf>

³ Effective FY 2020 supplemental revenue is not included in net patient service revenue for all hospitals. Prior to FY 2020, reporting of supplemental revenue varied by hospital.

⁴ There was an accounting change adopted by most hospitals beginning in FY 2020 in which unrealized gains and losses on investments are now recognized as non-operating income