

Mercy Medical Center is a large, non-profit community-High Public Payer (HPP) hospital located in the Western Massachusetts region. Between FY16 and FY20, the volume of inpatient discharges at the hospital decreased by 8.2% compared to a median decrease of 7.6% at cohort hospitals. Outpatient visits decreased by 15.2% for the hospital between FY16 and FY20, matching the median increase for its peer cohort. The hospital reported losses of 13.3M in FY19 and 7.8M FY20. Its FY20 total margin was -2.3% compared to a median total margin of 4.0% at peer cohort hospitals.

At a Glance

Overview / Size

Hospital System Affiliation:	Trinity Health
Hospital System Surplus (Deficit) in FY20:	(\$75,458,898)
Change in Ownership (FY16-20):	Not Applicable
Total Staffed Beds:	395, among the larger acute hospitals
% Occupancy:	46.3%, < cohort avg. (63%)
Trauma Center Designation:	Not Applicable
Case Mix Index:	0.97, < cohort avg. (1.00); < statewide (1.16)

Financial

Inpatient NPSR per CMAD:	\$9,767
Change FY19-FY20:	0.7%
Inpatient Outpatient Revenue in FY20:	42%:58%
Outpatient Revenue in FY20:	\$140,557,884
Change FY19-FY20:	-2.1%
Total Revenue in FY20:	\$339,047,895
COVID Funding Included in Total Revenue:	\$32,074,757
Total Surplus (Deficit) in FY20:	-\$7,835,628

Payer Mix

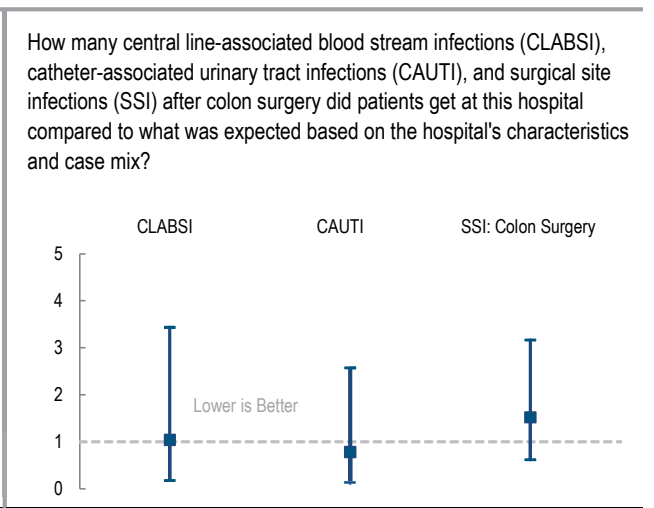
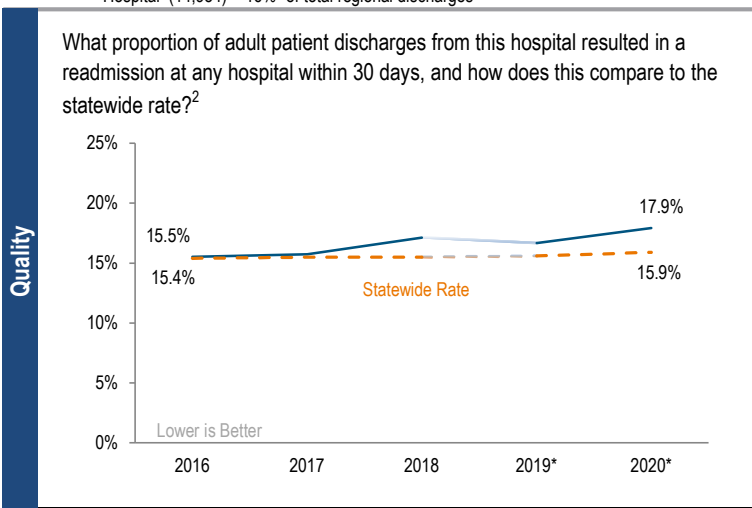
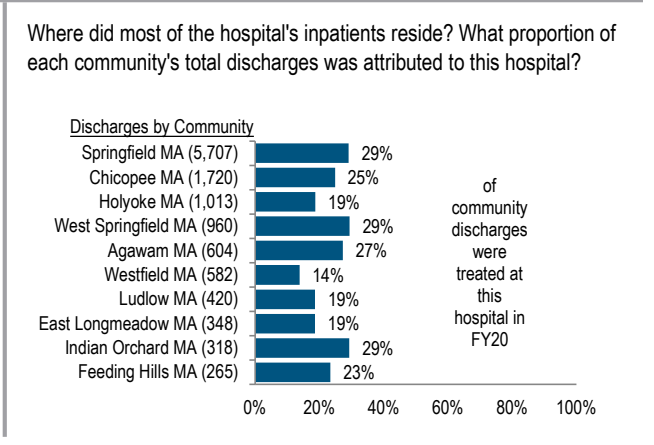
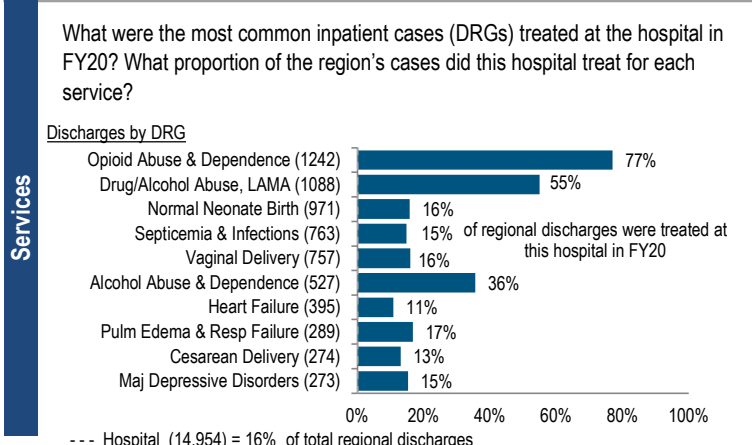
Public Payer Mix ¹ :	78.1% HPP Hospital
CY19 Commercial Statewide Relative Price:	0.838
Top 3 Commercial Payers:	Blue Cross Blue Shield Health New England Cigna

Utilization

Inpatient Discharges in FY20:	14,954
Change FY19-FY20:	-13.3%
Emergency Department Visits in FY20:	60,033
Change FY19-FY20:	-10.6%
Outpatient Visits in FY20:	190,497
Change FY19-FY20:	-12.4%

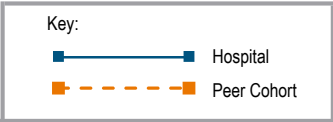
Quality

Readmission Rate in FY20:	17.9%
Change FY19-FY20 (percentage points):	1.3
Early Elective Deliveries Rate:	0.0%



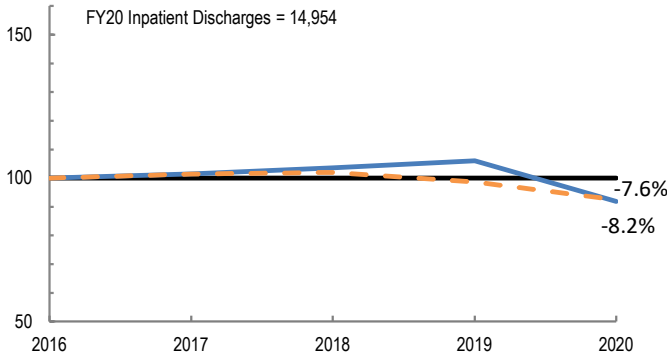
2020 HOSPITAL PROFILE: MERCY MEDICAL CENTER

Cohort: Community-High Public Payer Hospital

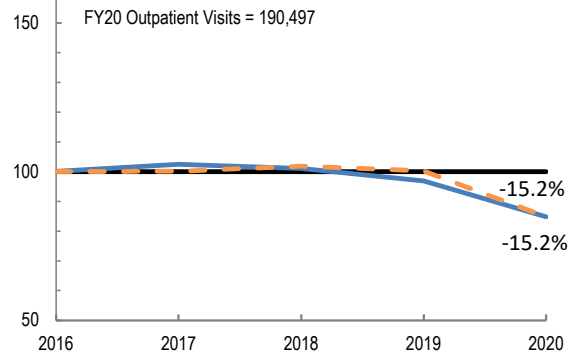


Utilization

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)

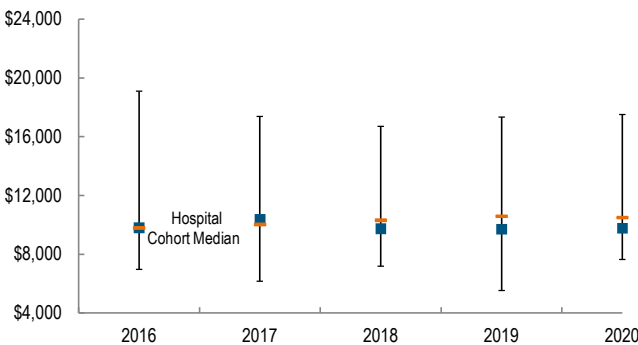


How has the volume of the hospital's outpatient visits changed compared to FY16, and how does this compare to the hospital's peer cohort median? (FY16=100)

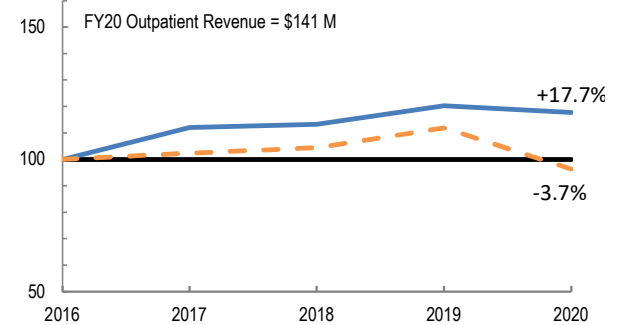


Patient Revenue Trends

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)



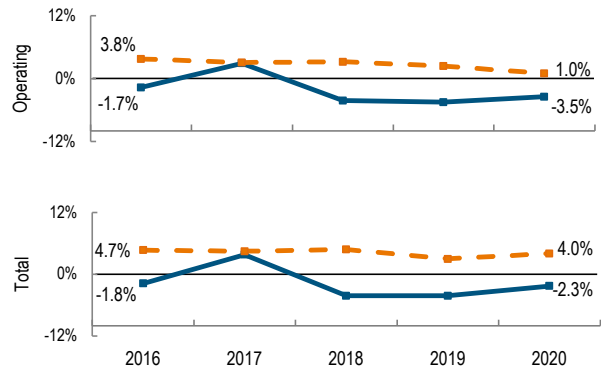
Financial Performance

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	\$ 264.4	\$ 295.1	\$ 300.1	\$ 317.1	\$ 334.9
COVID Funding Included in Operating Revenue					\$ 32.1
Non-Operating Revenue⁴	\$ (0.3)	\$ 2.7	\$ 0.1	\$ 1.1	\$ 4.2
Total Revenue	\$ 264.1	\$ 297.8	\$ 300.2	\$ 318.2	\$ 339.0
Total Costs	\$ 268.9	\$ 286.5	\$ 312.8	\$ 331.5	\$ 346.9
Total Profit (Loss)	\$ (4.8)	\$ 11.3	\$ (12.6)	\$ (13.3)	\$ (7.8)

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