

Hospital Profile: STEWARD NORWOOD HOSPITAL

Steward Norwood Hospital (Norwood Hospital) is a for-profit, acute care community hospital. It is a mid-size hospital in Massachusetts, with 200 staffed beds. Norwood Hospital is located in the Norwood/Attleboro region and represents 57% of all acute hospital staffed beds in the region. It is a member of the Steward Health Care System.

PATIENTS One out of every five inpatient cases treated at Norwood Hospital is from Norwood.

INPATIENT SERVICES Compared with the other community hospitals, Norwood Hospital treats a greater proportion of mid and higher-severity cases. In FY12, it accounted for 66% of all inpatient discharges from acute hospitals within the Norwood/Attleboro region. Norwood Hospital is a significant provider of behavioral health services in the region. Of note, based on its most common FY12 inpatient cases (DRGs), it treated 100% of all Major Depressive Disorders & Other/Unspecified Psychoses cases, 100% of all Bipolar Disorder cases, and 100% of all Organic Mental Health Disturbance cases in the Norwood/Attleboro region.

FINANCIAL PERFORMANCE Norwood Hospital's total revenue in FY12 was \$181 million. Its FY12 public payer mix was 60%, higher than the average community hospital. Norwood Hospital's FY12 inpatient cost⁺ per case mix adjusted discharge was \$8,236, approximately 19% lower than the average community hospital. Norwood Hospital's CY12 average commercial payer price level was at the 42nd percentile, lower than the average community hospital. It had a loss of \$8.5 million (-4.7% total margin) in FY12, its greatest loss in the FY08 to FY12 period, and was unprofitable three of the five years in this period.

AT A GLANCE

TOTAL STAFFED BEDS: 200, mid-size acute hospital

% OCCUPANCY: 82%, > cohort avg. (62%)

TOTAL REVENUE in FY12: \$181 million

PUBLIC PAYER MIX: 60% (Non-DSH* Hospital)

SPECIAL PUBLIC FUNDING: ICB⁹

TAX STATUS: For profit

TRAUMA CENTER DESIGNATION: Not Applicable

CY12 COMMERCIAL PAYER PRICE LEVEL: 42nd Percentile

CASE MIX INDEX in FY12: 0.92, > cohort avg. (0.81); < statewide (1.06)

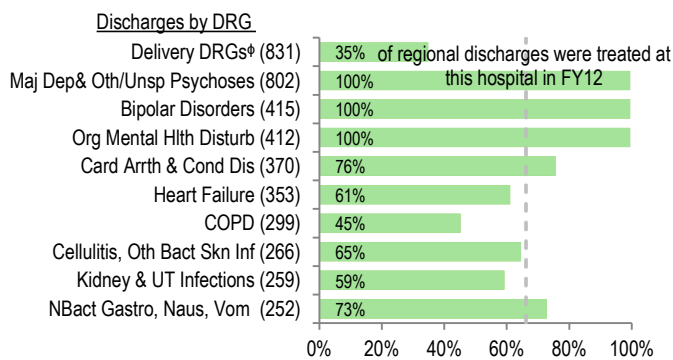
INPATIENT:OUTPATIENT REVENUE in FY12: 44%:56%

TOTAL MARGIN in FY12: -4.7% (-\$8.5 million)

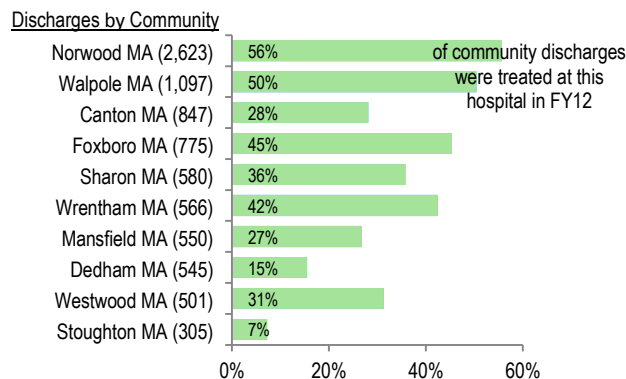
CHANGE in OWNERSHIP (FY08-FY12): Steward Health Care - 2010

SERVICES

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

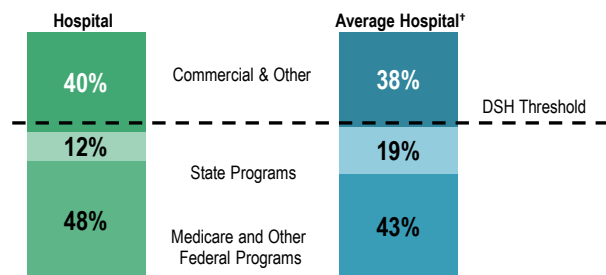


Where did most of the hospital's inpatients reside? What proportion of each community's total discharges were attributed to this hospital?



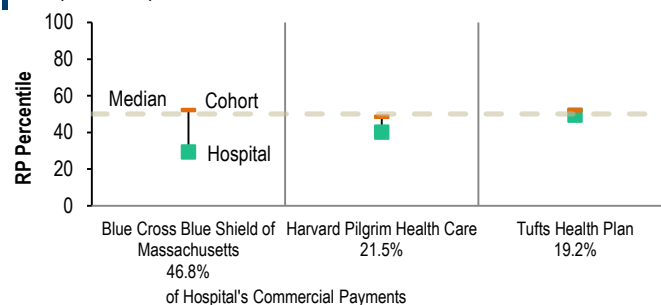
PAYER MIX

What was the hospital's overall payer mix (gross charges) in FY12, and how does this hospital compare to the average acute hospital's payer mix?



Percentage calculations may not add to 100% due to rounding

What were the hospital's CY12 payer-specific relative price levels for its top three commercial payers? How does this hospital compare to the average hospital in its peer cohort?

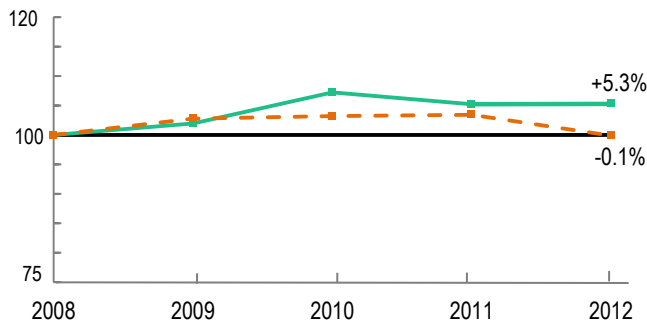


For descriptions of the metrics, please see Technical Appendix.

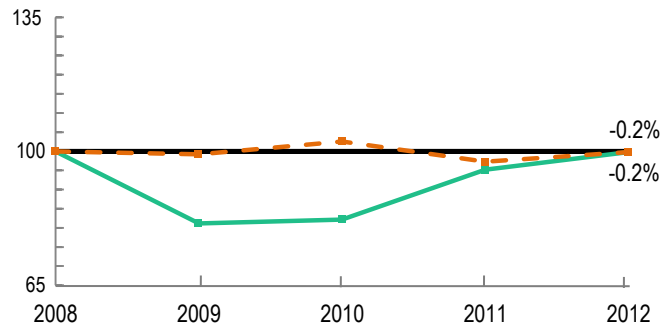


UTILIZATION TRENDS

How has the volume of the hospital's inpatient discharges changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

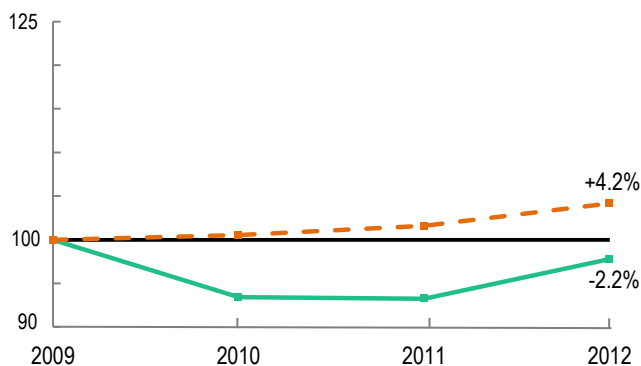


How has the volume of the hospital's outpatient visits changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

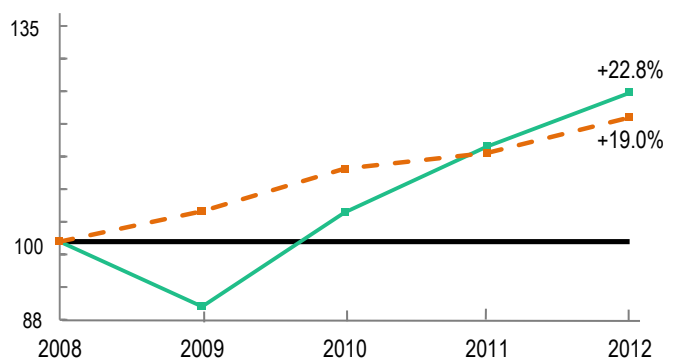


COST TRENDS

How has the hospital's inpatient cost[†] per case mix adjusted discharge changed compared to FY09, and how does this hospital compare to the average hospital in its peer cohort? (FY09=100)



How have the hospital's total outpatient costs changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

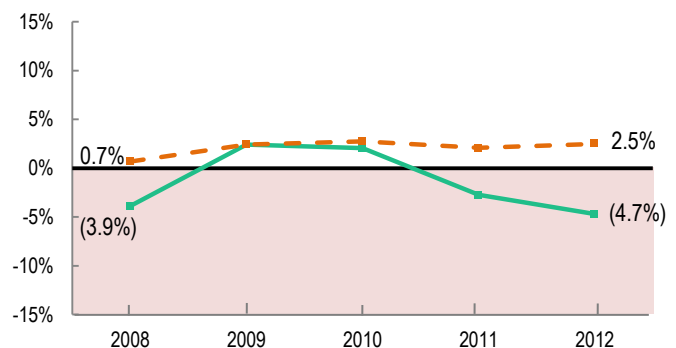


FINANCIAL PERFORMANCE

How have the hospital's total revenue and costs changed between FY08 and FY12?

Revenue, Cost & Profit/Loss (in millions)					
FY	Total Revenue	% Change	Total Cost	% Change	Total Profit/Loss
2008	\$150		\$156		(\$5.8)
2009	\$160	6.6%	\$156	0.1%	\$3.9
2010	\$169	5.4%	\$166	5.9%	\$3.4
2011	\$156	(7.9%)	\$160	(3.4%)	(\$4.3)
2012	\$181	16.1%	\$189	18.3%	(\$8.5)

What was the hospital's total margin between FY08 and FY12, and how does this compare to the median of its peer cohort hospitals?



For descriptions of the metrics, please see Technical Appendix.

[†] Costs were adjusted to exclude direct medical education costs and physician compensation.

* Disproportionate Share Hospitals (DSH) receive a minimum of 63% of gross patient service revenue from public payers.

[§] For more information on Infrastructure and Capacity Building (ICB) special funding, please contact the Massachusetts Executive Office of Health and Human Services (EOHHS).

[†] Delivery DRG includes Cesarean and Vaginal Deliveries, and Neonate DRG.

[†] Average Hospital comparative does not include Specialty hospitals.

For more information, please contact:

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