

# Acute Hospital Financial Performance Trends

| Hospital                              | City/Town  | County  | Hospital Type     | Fiscal Year End | Number of Months Data |
|---------------------------------------|------------|---------|-------------------|-----------------|-----------------------|
| Brigham and Women's Faulkner Hospital | Boston, MA | Suffolk | Teaching Hospital | 09/30/14        | 12                    |

| Financial Performance Indicators  | FY10               | FY11                 | FY12               | FY13              | FY14               | MA Industry Median FY14 | North East US Median FY13 |
|-----------------------------------|--------------------|----------------------|--------------------|-------------------|--------------------|-------------------------|---------------------------|
| <b>PROFITABILITY</b>              |                    |                      |                    |                   |                    |                         |                           |
| Operating Margin                  | 1.5%               | -2.2%                | 2.1%               | 0.0%              | 4.4%               | 2.6%                    | 2.9%                      |
| Non-Operating Margin              | -0.5%              | 0.0%                 | 0.1%               | 0.0%              | 0.0%               | 0.8%                    | 0.1%                      |
| Total Margin                      | 1.1%               | -2.3%                | 2.2%               | 0.0%              | 4.4%               | 4.2%                    | 3.8%                      |
| <b>Operating Surplus (Loss)</b>   | <b>\$2,772,000</b> | <b>(\$4,076,000)</b> | <b>\$4,243,000</b> | <b>(\$40,000)</b> | <b>\$9,181,000</b> | --                      | --                        |
| <b>Total Surplus (Loss)</b>       | <b>\$1,944,000</b> | <b>(\$4,145,000)</b> | <b>\$4,356,000</b> | <b>(\$32,000)</b> | <b>\$9,177,000</b> | --                      | --                        |
| <b>LIQUIDITY</b>                  |                    |                      |                    |                   |                    |                         |                           |
| Current Ratio                     | 1.7                | 1.0                  | 1.1                | 1.1               | 1.0                | 1.6                     | 1.6                       |
| Days in Accounts Receivable       | 44                 | 37                   | 32                 | 32                | 30                 | 40                      | 49                        |
| Average Payment Period            | 50                 | 50                   | 53                 | 46                | 43                 | 59                      | 65                        |
| <b>SOLVENCY/CAPITAL STRUCTURE</b> |                    |                      |                    |                   |                    |                         |                           |
| Debt Service Coverage (Total)     | 2.6                | 1.4                  | 5.8                | 3.9               | 9.8                | 5.6                     | 4.0                       |
| Cash Flow to Total Debt           | 21.6%              | 9.5%                 | 29.1%              | 21.6%             | 45.2%              | 20.2%                   | 13.6%                     |
| Equity Financing                  | 48.3%              | 43.1%                | 44.9%              | 49.7%             | 56.1%              | 51.1%                   | 46.6%                     |
| <b>OTHER</b>                      |                    |                      |                    |                   |                    |                         |                           |
| Total Net Assets                  | \$51,770,000       | \$39,738,000         | \$43,792,000       | \$50,664,000      | \$65,056,000       | --                      | --                        |
| Assets Whose Use is Limited       | \$0                | \$0                  | \$0                | (\$1,000)         | \$6,000            | --                      | --                        |
| Net Patient Service Revenue       | \$173,949,000      | \$171,799,000        | \$186,590,000      | \$181,616,000     | \$197,315,000      | --                      | --                        |

For descriptions of the metrics, please see the Massachusetts Hospital Financial Performance Technical Appendix

