

2019 Pre-Filed Testimony

HOSPITALS AND PROVIDER ORGANIZATIONS



**As part of the
*Annual Health Care
Cost Trends Hearing***

Notice of Public Hearing

Pursuant to M.G.L. c. 6D, § 8, the Massachusetts Health Policy Commission (HPC), in collaboration with the Office of the Attorney General (AGO) and the Center for Health Information and Analysis (CHIA), holds an annual public hearing on health care cost trends. The hearing examines health care provider, provider organization, and private and public health care payer costs, prices, and cost trends, with particular attention to factors that contribute to cost growth within the Commonwealth's health care system.

The 2019 hearing dates and location:

Tuesday, October 22, 2019, 9:00 AM
Wednesday, October 23, 2019, 9:00 AM
Suffolk University Law School
First Floor Function Room
120 Tremont Street, Boston, MA 02108

The HPC will call for oral testimony from witnesses, including health care executives, industry leaders, and government officials. Time-permitting, the HPC will accept oral testimony from members of the public beginning at approximately 3:30 PM on Tuesday, October 22. Any person who wishes to testify may sign up on a first-come, first-served basis when the hearing commences on October 22.

The HPC also accepts written testimony. Written comments will be accepted until October 25, 2019, and should be submitted electronically to HPC-Testimony@mass.gov, or, if comments cannot be submitted electronically, sent by mail, post-marked no later than October 25, 2019, to the Massachusetts Health Policy Commission, 50 Milk Street, 8th Floor, Boston, MA 02109, attention Lois H. Johnson, General Counsel.

Please note that all written and oral testimony provided by witnesses or the public may be posted on the HPC's website: www.mass.gov/hpc.

The HPC encourages all interested parties to attend the hearing. For driving and public transportation directions, please visit the [Suffolk University website](#). Suffolk University Law School is located diagonally across from the Park Street MBTA station (Red and Green lines). Parking is not available at Suffolk, but information about nearby garages is listed at the link provided. The event will also be available via livestream and video will be available on the [HPC's YouTube Channel](#) following the hearing.

If you require disability-related accommodations for this hearing, please contact HPC staff at (617) 979-1400 or by email at HPC-Info@mass.gov a minimum of two weeks prior to the hearing so that we can accommodate your request.

For more information, including details about the agenda, expert and market participant witnesses, testimony, and presentations, please check the [Annual Cost Trends Hearing page](#) on the HPC's website. Materials will be posted regularly as the hearing dates approach.

Instructions for Written Testimony

If you are receiving this, you are hereby required under M.G.L. c. 6D, § 8 to submit written pre-filed testimony for the 2019 Annual Cost Trends Hearing.

You are receiving two sets of questions – one from the HPC, and one from the AGO. We encourage you to refer to and build upon your organization's 2013, 2014, 2015, 2016, 2017, and/or 2018 pre-filed testimony responses, if applicable. Additionally, if there is a point that is relevant to more than one question, please state it only once and make an internal reference. **If a question is not applicable to your organization, please indicate so in your response.**

On or before the close of business on **September 20, 2019**, please electronically submit written testimony to: HPC-Testimony@mass.gov. Please complete relevant responses in the provided template. If necessary, you may include additional supporting testimony or documentation in an appendix. Please submit any data tables included in your response in Microsoft Excel or Access format.

The testimony must contain a statement from a signatory that is legally authorized and empowered to represent the named organization for the purposes of this testimony. The statement must note that the testimony is signed under the pains and penalties of perjury. An electronic signature will be sufficient for this submission.

If you have any difficulty with the templates or have any other questions regarding the pre-filed testimony process or the questions, please contact either HPC or AGO staff at the information below.

HPC Contact Information

For any inquiries regarding HPC questions, please contact General Counsel Lois H. Johnson at HPC-Testimony@mass.gov or (617) 979-1405.

AGO Contact Information

For any inquiries regarding AGO questions, please contact Assistant Attorney General Amara Azubuike at Amara.Azubuike@mass.gov or (617) 963-2021.

Pre-Filed Testimony Questions: Health Policy Commission

1. STRATEGIES TO ADDRESS HEALTH CARE SPENDING GROWTH:

Since 2013, the Massachusetts Health Policy Commission (HPC) has set an annual statewide target for sustainable growth of total health care spending. Between 2013 and 2017, the benchmark rate was set at 3.6%, and, on average, annual growth in Massachusetts has been below that target. For 2018 and 2019, the benchmark was set at a lower target of 3.1%. Continued success in meeting the reduced growth rate will require enhanced efforts by all actors in the health care system, supported by necessary policy reforms, to achieve savings without compromising quality or access.

- a. What are your organization's top strategic priorities to reduce health care expenditures? What specific initiatives or activities is your organization undertaking to address each of these priorities and how have you been successful?

Beth Israel Lahey Health ("BILH") was created with the goals of transforming how health care is delivered and improving the lives of patients throughout Eastern Massachusetts. The system was created out of a commitment to finding bold and innovative market-based solutions to deliver the health outcomes patients and their families deserve, expanding access to care, and being part of the solution that addresses the high cost of health care.

In support of this commitment to high-quality, high-value care that addresses the growth in health care expense, BILH has pursued a range of early priorities. Examples include:

Shifting services to lower-cost community settings. For BILH, achieving "right site of care" for our patients means strengthening and expanding high-quality care close to where patients and their families live and work. For a range of services, BILH is actively pursuing initiatives to strengthen community hospital capabilities and reduce the use of higher-cost facilities such as Beth Israel Deaconess Medical Center ("BIDMC") and Lahey Hospital and Medical Center ("LHMC") where equivalent or higher-quality care is available in local settings. One example is an ongoing program between LHMC and Winchester Hospital under which patients presenting with community-appropriate conditions in the LHMC Emergency Department and certain LHMC primary care practices receive accelerated direct transfer and admission to Winchester Hospital. To date, this program has resulted in approximately 500 patients accommodated annually at Winchester Hospital who would otherwise have been admitted to a substantially higher-cost setting for care. Similarly, BILH has recently initiated a regional planning effort between BIDMC, Mount Auburn Hospital, and Cambridge Health Alliance ("CHA") to identify and implement strategies to ensure that a growing proportion of community-appropriate care currently provided to CHA patients at BIDMC can be accommodated at Mount Auburn Hospital - in order to enhance patient convenience, improve timeliness of care, and reduce avoidable use of higher-cost settings.

Enhanced retention of care. Reducing "out-migration" of care – those services that currently leave our combined referral network and go to competing, higher-cost providers – is a central goal for BILH. BILH is working to explore and adopt a range of access and referral management strategies - including initiatives within Beth Israel Lahey Performance Network

(“BILPN”), primary care, and select service lines such as Orthopedics - to achieve this goal, with the potential to improve patient convenience for in-system services, enhance continuity of care, and achieve savings through reduced utilization of higher-cost settings.

Reduced avoidable use of emergency departments. BILH recognizes that a significant proportion of patients who receive care within its Emergency Departments could be appropriately treated in an urgent care or physician office setting, resulting in reduced ED boarding, improved patient experience, and cost avoidance. BILH has been investing in the expansion of urgent care - including existing centers in Chelsea, Chestnut Hill, Danvers, Gloucester, Lynnfield, Wilmington, and Woburn, as well as a new site in Quincy opening in 2020 - conveniently located across Eastern Massachusetts so that patients can easily access care in a lower-cost setting when they need it. In addition, BILH Primary Care is exploring the expansion of multiple models for enhancing urgent patient access to primary care through walk-in clinics, same-day appointments, and after-hours nurse triage, among other initiatives. All of these efforts have the potential to shift non-emergent and primary care-treatable ED visits to more appropriate provider settings throughout the BILH system.

Primary care - behavioral health integration. One of the largest contributors to high health care expenses is the failure to adequately treat mental health and substance use disorders. Among Massachusetts commercial and Medicare patients, those with both a behavioral health and chronic condition co-morbidity have an average total medical expense (TME) that is 4.2 times and 7.0 times the average patient, respectively. This has prompted BILH and many other health care providers to seek evidence-based solutions to improve health outcomes while reducing health care expenses. One such initiative is the integration of primary care and behavioral health care through the Collaborative Care Model (described in greater detail in response to question 2.b.), which BILH is in the process of implementing across all of its employed primary care practices. Multiple national studies, including the IMPACT study, have demonstrated that access to Collaborative Care results in substantially reduced per member per month (PMPM) health care expenditures over a sustained multi-year period.

b. What changes in policy, market behavior, payment, regulation, or statute would most support your efforts to reduce health care expenditures?

BILH’s formation itself presents an important opportunity to reduce health care expenditures by driving changes in market behavior and by creating a more competitive health care market. These efforts can be supplemented and augmented by changes in policy, regulation, and statute that aim to lower state health care costs.

Market-based solutions. The state has often recognized that certain components of health care delivery in Massachusetts are dysfunctional and unsustainable. For example, state policymakers have long sought to address the need for enhanced competition in the health care market, and no market-based solution had emerged prior to the formation of BILH to provide this balance. BILH represents the opportunity to create such competition by offering the geographic coverage, scale, reputation, and value proposition (lower-cost and higher-quality providers) to exert pressure on competitors and provide enhanced value to purchasers. BILH will accomplish this by building a recognized brand that will be attractive to patients and

purchasers for its commitment to a superb patient experience, high-quality care, and effective management of cost growth.

Insurance product design. BILH encourages policymakers and the market to continue to prioritize initiatives that enable consumers and purchasers to make informed and educated health benefit decisions based on provider cost and quality. While the state has made some progress in the adoption of high-value network designs, such as tiered and limited networks, the state should continue to push the market to adopt these types of designs. For example, increasing the price differential among tiers for point of service products or implementing tiered products based on provider affiliation at the point of enrollment would enhance value-based purchasing and create the economic incentives to shift more care to higher-value settings.

Reduce unwarranted provider price variation. Unwarranted provider price variation continues to obstruct efforts to achieve a higher-functioning health care market. As has been identified in prior Cost Trends testimony by legacy BILH entities, the Cost Growth Benchmark tends to lock in and exacerbate unwarranted price disparities by allowing high-priced providers to grow at a higher actual rate than lower-priced providers among relevant peer groups. The practical effect of this dynamic is that under-resourced providers will continue to be financially disadvantaged and well-resourced providers will continue to be financially advantaged. While the infusion of market competition can assist in addressing unwarranted price variation, BILH suggests that policymakers continue to explore strategies to reduce unwarranted price variation among hospitals relative to each of their relevant market-level peer groups.

2. STRATEGIES AND POLICIES TO SUPPORT INVESTMENT IN PRIMARY CARE AND BEHAVIORAL HEALTH CARE:

The U.S. health care system has historically underinvested in areas such as primary care and behavioral health care, even though evidence suggests that a greater orientation toward primary care and behavioral health may increase health system efficiency and provide superior patient access and quality of care. Provider organizations, payers, employers, and government alike have important roles in prioritizing primary care and behavioral health while still restraining the growth in overall health care spending.

- a. **Please describe your organization's strategy for supporting and increasing investment in primary care, including any specific initiatives or activities your organization is undertaking to execute on this strategy and any evidence that such activities are increasing access, improving quality, or reducing total cost of care.**

BILH is implementing various strategies to support and increase investment in primary care with the goal of creating a superior patient experience, facilitating convenient access, improving provider work life, and leveraging population health infrastructure to enhance quality and lower costs. BILH recognizes that the scale, quality, and geographic distribution of its primary care provider network will enable patients to benefit from demonstrably improved access.

One of the initiatives BILH is pursuing to expand timely and proximate primary care access for new and existing patients is the adoption of a system-wide nurse triage program.

Through this program, patients will have immediate telephonic access post-business hours and on weekends to a triage nurse (with a physician on call) to address a wide range of patient questions. This program will improve timely access to appropriate care, reduce avoidable ED utilization by redirecting patients to the appropriate care setting, and enhance physician satisfaction. Additional access enhancements that are aligned with primary care strategies include the creation of a central service center, formation of system-wide access standards, and implementation of alternative visit modalities such as telemedicine.

These efforts will be supported through the establishment of a unified primary care administrative structure. A leadership council of this new structure has established 23 work streams to implement its plan. Its work will be guided by various key objectives, including decreasing administrative workload, promoting top-of-license practice, more efficiently distributing patient care responsibilities, and establishing a continuous learning and development environment.

BILH primary care will also be collaborating and partnering with BILPN to leverage its population health management resources and expertise. BILPN will support BILH primary care in areas such as care management and data analytics to assist with the management of chronic disease and to ensure appropriate and seamless care transitions. Each of these functions will further BILH's primary care goals of delivering a superb patient experience and high quality care at a lower cost.

- b. Please describe your organization's top strategy for supporting and increasing investment in behavioral health care, including any specific initiatives or activities your organization is undertaking to execute on this strategy and any evidence that such activities are increasing access, improving quality, or reducing total cost of care.**

BILH is implementing various strategies to create a population and evidence-based system of behavioral health care with multiple access points to a broad spectrum of comprehensive services.

BILH's strategy in this space will be achieved in part through the implementation of the Collaborative Care Model, which integrates behavioral health and primary care. Under this model, patients identified through the use of screening tools and direct PCP referral are introduced to a behavioral health clinician who works collaboratively with a PCP and consulting psychiatrist to deliver evidence-based behavioral health treatments. The strategy also involves proactive follow up and coordination, ensures close patient contact, and facilitates referral to more intensive treatment for more complex patients. In multiple peer-reviewed studies, this model has demonstrated improved clinical outcomes, patient experience, and provider satisfaction, as well as reduced costs. BILH intends to phase in implementation of the model at each employed BILH primary care site (approximately 100 practices) and plans to hire additional behavioral health clinicians, consulting psychiatrists, and program supervisors over the course of implementation.

BILH is also creating a centralized bed management and placement system to facilitate access to behavioral health services across the health system, which includes 185 inpatient

psychiatric beds and 146 inpatient detoxification beds at 11 locations across the BILH system. This centralized function will monitor behavioral health patient progress through the Emergency Department and coordinate patient intake to the inpatient unit best suited to treat the patient based upon clinical presentation and geographic location. This capability serves to expedite patient admission to all BILH behavioral health beds, reduce ED boarding for behavioral health patients, maximize bed utilization, support population health goals, and enhance provider and patient experience.

- c. **Payers may also provide incentives or other supports to provider organizations to deliver high-functioning, high-quality, and efficient primary care and to improve behavioral health access and quality. What are the top contract features or payer strategies that are or would be most beneficial to or most effective for your organization in order to strengthen and support primary and behavioral health care?**

BILH supports the expansion of payment models and payer strategies that facilitate primary care innovation and enhancement of behavioral health services, both of which are not effectively addressed by most current models of fee-for-service reimbursement.

Within primary care, these alternative models include enhanced PMPM payments to support the adoption of more advanced medical home practices, including prospective risk-adjusted payments per beneficiary, global per-visit payments, and enhanced quality incentive payments, among others. Additionally, health plan products that reward primary care providers for high performance, based on quality, access, and cost, and incent patients through plan design to select high-value primary care providers at the point of enrollment or point of service can materially improve efficient health care delivery. Tiered network products are a strong example of this.

Within behavioral health, payment reforms by CMS have allowed providers to bill for Collaborative Care using CPT codes for psychiatric collaborative care management services and general behavioral health integration services. Adoption of these codes by all commercial and public payers would assist in strengthening this care delivery model. Given heightened attention to behavioral health, policymakers should continue to assert a focus towards supporting payment for innovative delivery models, like Collaborative Care, that have proven efficacy. These efforts could also be reflected in expanded grant opportunities and sharing of best practices.

- d. **What other changes in policy, market behavior, payment, regulation, or statute would best accelerate efforts to reorient a greater proportion of overall health care resources towards investments in primary care and behavioral health care? Specifically, what are the barriers that your organization perceives in supporting investment in primary care and behavioral health and how would these suggested changes in policy, market behavior, payment, regulation, or statute mitigate these barriers?**

Primary care. In addition to the opportunities identified in question 2.c., BILH supports changes in payment that increase reimbursement for primary care services and provide sustainable reimbursement for alternative modalities such as virtual visits and telemedicine, both

of which would assist in correcting the economic forces that have led to shortages in the primary care workforce and underinvestment in digital health services. Alternative modalities are becoming more prevalent given continuing and expanded innovations in technology and can afford patients greater access in terms of timeliness and convenience. Establishing payment parity for these types of modalities would also enhance efforts to manage total medical expense by removing access barriers to care and ensuring that care is delivered in the most clinically appropriate setting.

BILH also supports efforts outlined in Question 4, Reducing Administrative Complexity, to allow primary care clinicians to devote more time to patient care instead of administrative work.

Behavioral health. BILH supports changes in payment that increase rates for behavioral health services, which have historically been under-reimbursed across payers, as well as adoption of new payment mechanisms as outlined in response to question 2 c. While reimbursement for medical services is generally higher for commercial payers than government payers, the inverse can be true for behavioral health. Establishing payment parity is an important step towards ensuring that behavioral health services are sufficiently resourced.

BILH is supportive of efforts to enhance workforce development in the behavioral health space, including state legislation that would create a commission to identify reasons for behavioral health workforce shortages in inpatient and community-based settings and make recommendations to address such shortages.

BILH also supports strategies to modernize and streamline regulatory oversight of behavioral health providers to align with integrated community-based care models. Licensing regulations are important to ensure minimum standards of care and provide patient protections, but in certain cases these regulatory structures can be redundant and contradictory. For example, not all provider types are eligible for reimbursement in a mental health clinic, which in turn limits the type of psychiatric and addiction medications that can be prescribed at that location. Policymakers could convene private and public stakeholders to engage in a regulatory review that promotes integrated behavioral care and responds to the modern needs and circumstances of multiple provider types and populations.

3. CHANGES IN RISK SCORE AND PATIENT ACUITY:

In recent years, the risk scores of many provider groups' patient populations, as determined by payer risk adjustment tools, have been steadily increasing and a greater share of services and diagnoses are being coded as higher acuity or as including complications or major complications. Please indicate the extent to which you believe each of the following factors has contributed to increased risk scores and/or increased acuity for your patient population.

Factors	Level of Contribution
Increased prevalence of chronic disease among your patients	Major Contributing Factor

Factors	Level of Contribution
Aging of your patients	Minor Contributing Factor
New or improved EHRs that have increased your ability to document diagnostic information	Major Contributing Factor
Coding integrity initiatives (e.g., hiring consultants or working with payers to assist with capturing diagnostic information)	Major Contributing Factor
New, relatively less healthy patients entering your patient pool	Not a Significant Factor
Relatively healthier patients leaving your patient pool	Not a Significant Factor
Coding changes (e.g., shifting from ICD-9 to ICD-10)	Minor Contributing Factor
Other, please describe: Click here to enter text.	Level of Contribution

☐ Not applicable; neither risk scores nor acuity have increased for my patients in recent years.

4. REDUCING ADMINISTRATIVE COMPLEXITY:

Administrative complexity is endemic in the U.S. health care system. It is associated with negative impacts, both financial and non-financial, and is one of the principal reasons that U.S. health care spending exceeds that of other high-income countries. For each of the areas listed below, please indicate whether achieving greater alignment and simplification is a high priority, a medium priority, or a low priority for your organization. Please indicate no more than three high priority areas. If you have already submitted these responses to the HPC via the June 2019 HPC Advisory Council Survey on Reducing Administrative Complexity, do not resubmit unless your responses have changed.

Area of Administrative Complexity	Priority Level
Billing and Claims Processing – processing of provider requests for payment and insurer adjudication of claims, including claims submission, status inquiry, and payment	Medium
Clinical Documentation and Coding – translating information contained in a patient’s medical record into procedure and diagnosis codes for billing or reporting purposes	High
Clinician Licensure – seeking and obtaining state determination that an individual meets the criteria to self-identify and practice as a licensed clinician	Low
Electronic Health Record Interoperability – connecting and sharing patient health information from electronic health record systems within and across organizations	Medium
Eligibility/Benefit Verification and Coordination of Benefits – determining whether a patient is eligible to receive medical services from a certain provider under the patient’s insurance plan(s) and coordination regarding which plan is responsible for primary and secondary payment	Medium

Area of Administrative Complexity	Priority Level
Prior Authorization – requesting health plan authorization to cover certain prescribed procedures, services, or medications for a plan member	Medium
Provider Credentialing – obtaining, verifying, and assessing the qualifications of a practitioner to provide care or services in or for a health care organization	Medium
Provider Directory Management – creating and maintaining tools that help health plan members identify active providers in their network	Low
Quality Measurement and Reporting – evaluating the quality of clinical care provided by an individual, group, or system, including defining and selecting measures specifications, collecting and reporting data, and analyzing results	High
Referral Management – processing provider and/or patient requests for medical services (e.g., specialist services) including provider and health plan documentation and communication	High
Variations in Benefit Design – understanding and navigating differences between insurance products, including covered services, formularies, and provider networks	Medium
Variations in Payer-Provider Contract Terms – understanding and navigating differences in payment methods, spending and efficiency targets, quality measurement, and other terms between different payer-provider contracts	Medium
Other, please describe: Click here to enter text.	Priority Level
Other, please describe: Click here to enter text.	Priority Level
Other, please describe: Click here to enter text.	Priority Level

5. STRATEGIES TO SUPPORT ADOPTION AND EXPANSION OF ALTERNATIVE PAYMENT METHODS:

For over a decade, Massachusetts has been a leader in promoting and adopting alternative payment methods (APMs) for health care services. However, as noted in HPC's [2018 Cost Trends Report](#), recently there has been slower than expected growth in the adoption of APMs in commercial insurance products in the state, particularly driven by low rates of global payment usage by national insurers operating in the Commonwealth, low global payment usage in preferred provider organization (PPO) products, and low adoption of APMs other than global payment. Please identify which of the following strategies you believe would most help your organization continue to adopt and expand participation in APMs. Please select no more than three.

- ☐ Expanding APMs other than global payment predominantly tied to the care of a primary care population, such as bundled payments
- ☒ Identifying strategies and/or creating tools to better manage the total cost of care for PPO populations
- ☐ Encouraging non-Massachusetts based payers to expand APMs in Massachusetts

- ☐ Identifying strategies and/or creating tools for overcoming problems related to small patient volume
 - ☒ Enhancing data sharing to support APMs (e.g., improving access to timely claims data to support population health management, including data for carve-out vendors)
 - ☒ Aligning payment models across payers and products
- Enhancing provider technological infrastructure
- Other, please describe: [Click here to enter text.](#)

Pre-Filed Testimony Questions: Attorney General's Office

1. For provider organizations: please submit a summary table showing for each year 2015 to 2018 your total revenue under pay for performance arrangements, risk contracts, and other fee for service arrangements according to the format and parameters reflected in the attached AGO Provider Exhibit 1, with all applicable fields completed. To the extent you are unable to provide complete answers for any category of revenue, please explain the reasons why. Include in your response any portion of your physicians for whom you were not able to report a category (or categories) of revenue.

See attached AGO Provider Exhibit 1 for BILH.

2. Chapter 224 requires providers to make price information on admissions, procedures, and services available to patients and prospective patients upon request.
 - a. Please use the following table to provide available information on the number of individuals that seek this information.

Health Care Service Price Inquiries Calendar Years (CY) 2017-2019			
Year		Aggregate Number of Written Inquiries	Aggregate Number of Inquiries via Telephone or In- Person
CY2017	Q1	329	240
	Q2	403	269
	Q3	326	284
	Q4	438	296
CY2018	Q1	510	239
	Q2	456	221
	Q3	324	254
	Q4	329	251
CY2019	Q1	350	337
	Q2	392	506
TOTAL:		3,857	2,897

*Question 2.a. only includes information for the following BILH hospitals: Anna Jaques Hospital, BIDMC, LHMC, Northeast Hospital Corp., and Winchester Hospital. The following hospitals are not included: BID-Milton, BID-Needham, BID-Plymouth, New England Baptist Hospital, and Mount Auburn Hospital.

Mount Auburn Hospital tracks price inquiries but not by the number of individuals that request this information. Instead, it tracks inquiries by counting the number of times its price estimator software is

queried. These counts are excluded from the table to ensure consistency of the data reported for BILH hospitals.

For the purposes of this table, because Anna Jaques Hospital does not track whether such inquiries are written, via telephone, or in-person, all inquiries are counted as written inquiries.

b. Please describe any monitoring or analysis you conduct concerning the accuracy and/or timeliness of your responses to consumer requests for price information, and the results of any such monitoring or analysis.

BILH's processes concerning consumer requests for price information are primarily managed at the local level. While processes and workflows vary across BILH entities, in general, inquiries are monitored and tracked for timeliness and completeness. The goal is to ensure that any inquiry is responded to within 2 business days. If additional information is needed to complete the response, the requestor is generally notified within that 2 business day window that more time is necessary to complete the response. Responses that occur after 2 business days may be reviewed to determine the reason that the response occurred after 2 business days. Most often, responses that occur after 2 business days are because the original inquiry lacked sufficient specification to provide an accurate estimate within the 2 business day window.

Responses are also reviewed for accuracy when the original request was made by an identified patient with a scheduled date of service and that service was delivered. In these instances, the estimate can be compared to the billed charge. These cases may be reviewed to better understand the reason for any discrepancy and to improve the accuracy of providing future estimates.

c. What barriers do you encounter in accurately/timely responding to consumer inquiries for price information? How have you sought to address each of these barriers?

The main barrier to providing timely and complete responses occurs when the requested estimate lacks sufficient specification to determine an estimate. Staff may work with the requestor to further understand the nature and scope of the service and obtaining a sufficient understanding of this information may not always occur within 2 business days.

With respect to accuracy, the most significant barrier is determining the correct CPT code to perform the estimate. Patients may provide only the name of a service, which then requires collaboration with the Coding Department to translate the description into the appropriate code to generate an estimate. This scenario may occur when the requestor is not a future patient with a scheduled service (e.g., staff cannot rely on the patient's provider, for example, to better understand the nature of the service). Ancillary codes and supplies are also challenging to determine as those codes are not necessarily uniform for each patient. Similarly, the accuracy of the estimate is also dependent on whether other medical conditions are discovered or other tests are required during the actual visit or service. Lastly, the potential for inaccuracies is greater when the requestor is not a patient because issues such as medical history and consultation with the provider performing the service cannot help inform the estimate.

3. For hospitals and provider organizations corporately affiliated with hospitals:

- a. For each year 2016 to present, please submit a summary table for your hospital or for the two largest hospitals (by Net Patient Service Revenue) corporately affiliated with your organization showing the hospital's operating margin for each of the following four categories, and the percentage each category represents of your total business: (a) commercial, (b) Medicare, (c) Medicaid, and (d) all other business. Include in your response a list of the carriers or programs included in each of these margins, and explain whether and how your revenue and margins may be different for your HMO business, PPO business, and/or your business reimbursed through contracts that incorporate a per member per month budget against which claims costs are settled.**

See attached summary table for BIDMC and LHMC.

- b. For 2018 only, please submit a summary table for your hospital or for the two largest hospitals (by Net Patient Service Revenue) corporately affiliated with your organization showing for each line of business (commercial, Medicare, Medicaid, other, total) the hospital's inpatient and outpatient revenue and margin for each major service category according to the format and parameters provided and attached as AGO Provider Exhibit 2 with all applicable fields completed. Please submit separate sheets for pediatric and adult populations, if necessary. If you are unable to provide complete answers, please provide the greatest level of detail possible and explain why your answers are not complete.**

See attached AGO Provider Exhibit 2 for BIDMC and LHMC.

Exhibit 1 AGO Questions to Providers

NOTES:

1. Data entered in worksheets is **hypothetical** and solely for illustrative purposes, provided as a guide to completing this spreadsheet. Respondent may provide explanatory notes and additional information at its discretion.
2. Please include POS payments under HMO.
3. Please include Indemnity payments under PPO.
4. **P4P Contracts** are pay for performance arrangements with a public or commercial payer that reimburse providers for achieving certain quality or efficiency benchmarks. For purposes of this excel, P4P Contracts do not include Risk Contracts.
5. **Risk Contracts** are contracts with a public or commercial payer for payment for health care services that incorporate a per member per month budget against which claims costs are settled for purposes of determining the withhold returned, surplus paid, and/or deficit charged to you, including contracts that subject you to very limited or minimal "downside" risk.
6. **FFS Arrangements** are those where a payer pays a provider for each service rendered, based on an agreed upon price for each service. For purposes of this excel, FFS Arrangements do not include payments under P4P Contracts or Risk Contracts.
7. **Other Revenue** is revenue under P4P Contracts, Risk Contracts, or FFS Arrangements other than those categories already identified, such as management fees and supplemental fees (and other non-claims based, non-incentive, non-surplus/deficit, non-quality bonus revenue).
8. **Claims-Based Revenue** is the total revenue that a provider received from a public or commercial payer under a P4P Contract or a Risk Contract for each service rendered, based on an agreed upon price for each service before any retraction for risk settlement is made.
9. **Incentive-Based Revenue** is the total revenue a provider received under a P4P Contract that is related to quality or efficiency targets or benchmarks established by a public or commercial payer.
10. **Budget Surplus/(Deficit) Revenue** is the total revenue a provider received or was retracted upon settlement of the efficiency-related budgets or benchmarks established in a Risk Contract.
11. **Quality Incentive Revenue** is the total revenue that a provider received from a public or commercial payer under a Risk Contract for quality-related targets or benchmarks established by a public or commercial payer.

BILH 2018	P4P Contracts				Risk Contracts						FFS Arrangements		Other Revenue		
	Claims-Based Revenue		Incentive-Based Revenue		Claims-Based Revenue		Budget Surplus/ (Deficit) Revenue		Quality Incentive Revenue						
	HMO	PPO	HMO	PPO	HMO	PPO	HMO	PPO	HMO	PPO	HMO	PPO	HMO	PPO	Both
Blue Cross Blue Shield	\$ -	\$ -	\$ -	\$ -	\$ (0.55)	\$ -	\$ 0.12	\$ -	\$ 2.99	\$ -	\$ 766.85	\$185.00	\$ -	\$ -	\$ -
Tufts Health Plan	\$ -	\$ -	\$ 0.14	\$ -	\$ 1.76	\$ -	\$ 0.39	\$ -	\$ -	\$ -	\$ 229.31	\$ 46.50	\$ -	\$ -	\$ -
Harvard Pilgrim Health Care	\$ -	\$ -	\$ -	\$ -	\$ 2.30	\$ -	\$ 0.02	\$ -	\$ 0.83	\$ -	\$ 448.27	\$ 18.81	\$ -	\$ -	\$ -
Fallon Community Health Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.05	\$ -	\$ 20.07	\$ -	\$ -	\$ -	\$ -
CIGNA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83.92	\$ -	\$ -	\$ -	\$ -
United Healthcare	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 133.81	\$ -	\$ -	\$ -	\$ -
Aetna	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82.78	\$ -	\$ -	\$ -	\$ -
Other Commercial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 224.07	\$ -	\$ -	\$ -	\$ -
Total Commercial	\$ -	\$ -	\$ 0.14	\$ -	\$ 3.51	\$ -	\$ 0.53	\$ -	\$ 3.87	\$ -	\$1,989.07	\$250.30	\$ -	\$ -	\$ -
Network Health	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Neighborhood Health Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BMC HealthNet, Inc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Health New England	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fallon Community Health Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Managed Medicaid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.81	\$ -	\$ 300.26	\$ -	\$ -	\$ -	\$ -
Total Managed Medicaid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.81	\$ -	\$ 300.26	\$ -	\$ -	\$ -	\$ -
MassHealth	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.42	\$ -	\$ 0.47	\$ -	\$ 158.80	\$ -	\$ -	\$ -	\$ -
Tufts Medicare Preferred	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Blue Cross Senior Options	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Comm Medicare	\$ -	\$ -	\$ 1.10	\$ -	\$ (2.17)	\$ -	\$ 0.78	\$ -	\$ -	\$ -	\$ 435.92	\$ -	\$ -	\$ -	\$ -
Commercial Medicare Subtotal	\$ -	\$ -	\$ 1.10	\$ -	\$ (2.17)	\$ -	\$ 0.78	\$ -	\$ -	\$ -	\$ 435.92	\$ -	\$ -	\$ -	\$ -
Medicare	\$ -	\$ -	\$ -	\$ -	\$ 5.39	\$ -	\$ 0.20	\$ -	\$ -	\$ -	\$1,518.17	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138.60	\$ -	\$ -	\$ -	\$ -
GRAND TOTAL	\$ -	\$ -	\$ 1.24	\$ -	\$ 6.74	\$ -	\$ 1.93	\$ -	\$ 5.15	\$ -	\$4,540.82	\$250.30	\$ -	\$ -	\$ -

*Beth Israel Lahey Health (BILH) was formed on 3/1/19. Financial information for BILH legacy entities prior to 3/1/19 may not have been captured and reported in the same manner and format. To ensure consistency and uniformity in the reporting of financial information as is required by law or otherwise, only information for FY18 is available in the format and parameters reflected in AGO Provider Exhibit 1.

AGO Provider Exhibit 2 - BIDMC FY18
In SM

Service Category	Commercial				Medicare				Medicaid				All Other				Total			
	Inpatient Revenue (\$)	Inpatient Margin (\$)	Outpatient Revenue (\$)	Outpatient Margin (\$)	Inpatient Revenue (\$)	Inpatient Margin (\$)	Outpatient Revenue (\$)	Outpatient Margin (\$)	Inpatient Revenue (\$)	Inpatient Margin (\$)	Outpatient Revenue (\$)	Outpatient Margin (\$)	Inpatient Revenue (\$)	Inpatient Margin (\$)	Outpatient Revenue (\$)	Outpatient Margin (\$)	Inpatient Revenue (\$)	Inpatient Margin (\$)	Outpatient Revenue (\$)	Outpatient Margin (\$)
Burns	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cardiology Total	\$ 24,730,000	\$ 7,270,000	\$ 21,191,000	\$ 3,588,000	\$ 63,007,000	\$ (5,131,000)	\$ 19,989,754	\$ (4,136,000)	\$ 8,200,526	\$ (1,035,401)	\$ 3,423,000	\$ (1,907,000)	\$ (140,506)	\$ (521,614)	\$ 82,000	\$ (81,000)	\$ 95,797,020	\$ 581,985	\$ 44,685,754	\$ (2,536,000)
Invasive	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ 24,730,000	\$ 7,270,000	\$ 21,191,000	\$ 3,588,000	\$ 63,007,000	\$ (5,131,000)	\$ 19,989,754	\$ (4,136,000)	\$ 8,200,526	\$ (1,035,401)	\$ 3,423,000	\$ (1,907,000)	\$ (140,506)	\$ (521,614)	\$ 82,000	\$ (81,000)	\$ 95,797,020	\$ 581,985	\$ 44,685,754	\$ (2,536,000)
Cardiac Surgery	\$ 12,522,000	\$ 4,170,000	\$ 197,528	\$ (13,829)	\$ 19,256,000	\$ 599,930	\$ 172,241	\$ (182,928)	\$ 2,510,287	\$ (172,548)	\$ 39,387	\$ (45,270)	\$ 90,920	\$ (104,553)	\$ -	\$ -	\$ 34,379,207	\$ 4,492,829	\$ 409,156	\$ (242,027)
Dental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dermatology	\$ -	\$ -	\$ 3,886,952	\$ 998,794	\$ -	\$ -	\$ 1,941,957	\$ (1,135,952)	\$ -	\$ -	\$ 756,000	\$ (137,000)	\$ -	\$ -	\$ 34,000	\$ (23,000)	\$ -	\$ -	\$ 6,618,909	\$ (297,158)
Endocrinology	\$ -	\$ -	\$ 2,867,522	\$ 936,912	\$ 18,126	\$ (1,410)	\$ 1,019,000	\$ (392,892)	\$ -	\$ -	\$ 670,000	\$ (5,000)	\$ 2,168	\$ (12,924)	\$ 39,000	\$ (14,000)	\$ 20,294	\$ (14,334)	\$ 4,595,522	\$ 525,020
Gastroenterology	\$ 8,862,000	\$ 3,905,000	\$ 26,363,000	\$ 5,907,000	\$ 5,929,520	\$ (325,155)	\$ 11,826,521	\$ (2,158,000)	\$ 4,645,999	\$ (231,275)	\$ 6,458,000	\$ (1,251,000)	\$ 269,000	\$ (140,000)	\$ 147,000	\$ (278,000)	\$ 19,706,519	\$ 3,208,570	\$ 44,794,521	\$ 2,220,000
General Medicine	\$ 41,542,000	\$ 18,183,000	\$ 119,789,000	\$ 25,020,000	\$ 79,775,877	\$ 7,280,127	\$ 59,140,000	\$ (16,964,800)	\$ 16,980,178	\$ (800,552)	\$ 33,776,000	\$ (6,977,000)	\$ 505,611	\$ (917,759)	\$ 1,660,000	\$ (1,562,000)	\$ 138,803,666	\$ 23,744,816	\$ 214,365,000	\$ (483,800)
General Surgery	\$ 7,640,000	\$ 3,245,000	\$ 6,140,000	\$ 2,158,000	\$ 6,001,314	\$ 240,096	\$ 2,278,000	\$ 52,000	\$ 1,438,297	\$ (417,392)	\$ 957,000	\$ (276,000)	\$ 26,000	\$ (70,000)	\$ 56,000	\$ (29,000)	\$ 15,105,611	\$ 2,997,704	\$ 9,431,000	\$ 1,905,000
Gynecology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hematology	\$ 24,229,000	\$ 9,121,000	\$ 23,435,000	\$ 3,076,000	\$ 21,334,209	\$ (5,888,760)	\$ 23,549,000	\$ (3,533,000)	\$ 7,672,271	\$ 211,302	\$ 8,555,000	\$ (1,198,000)	\$ 949,133	\$ (835,000)	\$ 382,000	\$ (186,000)	\$ 54,184,613	\$ 2,608,542	\$ 55,921,000	\$ (1,841,000)
Infectious Disease	\$ -	\$ -	\$ 686,000	\$ (282,000)	\$ -	\$ -	\$ 391,000	\$ (399,000)	\$ -	\$ -	\$ 354,000	\$ (377,000)	\$ -	\$ -	\$ 158,000	\$ (7,000)	\$ -	\$ -	\$ 1,589,000	\$ (1,065,000)
Neonatology	\$ 32,929,000	\$ (772,000)	\$ 289,000	\$ 57,000	\$ 23,000	\$ 10,000	\$ 1,000	\$ (2,000)	\$ 13,937,000	\$ (4,292,589)	\$ 812,000	\$ 170,000	\$ 64,671	\$ (563,534)	\$ 35,000	\$ (15,000)	\$ 46,953,671	\$ (5,618,123)	\$ 1,137,000	\$ 210,000
Nephrology	\$ 1,495,000	\$ 619,000	\$ 3,331,000	\$ (322,000)	\$ 1,238,000	\$ 120,000	\$ 1,359,000	\$ (1,181,000)	\$ 513,697	\$ (211,365)	\$ 843,000	\$ (591,000)	\$ 3,289	\$ (8,368)	\$ 29,000	\$ (55,000)	\$ 3,249,986	\$ 519,267	\$ 5,562,000	\$ (2,149,000)
Neurology	\$ 8,552,000	\$ 2,594,000	\$ 5,607,000	\$ 1,547,000	\$ 14,474,000	\$ (2,241,000)	\$ 2,710,000	\$ (679,000)	\$ 3,141,394	\$ (456,184)	\$ 1,712,000	\$ 25,000	\$ 137,764	\$ (380,169)	\$ 118,000	\$ (481,650)	\$ 26,305,158	\$ (483,353)	\$ 10,147,000	\$ 411,350
Neurosurgery	\$ 15,249,000	\$ 4,445,000	\$ 2,378,000	\$ 138,000	\$ 15,042,000	\$ (1,181,000)	\$ 2,064,000	\$ (429,985)	\$ 5,987,206	\$ (1,690,236)	\$ 588,000	\$ (253,000)	\$ 623,872	\$ (643,148)	\$ 135,000	\$ (60,000)	\$ 36,902,078	\$ 930,616	\$ 5,165,000	\$ (604,985)
Normal Newborns (in Neonat)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Obstetrics	\$ 51,933,000	\$ 8,474,000	\$ 27,811,000	\$ 7,415,000	\$ 2,399,000	\$ 179,000	\$ 2,975,000	\$ (205,000)	\$ 12,375,000	\$ (4,540,000)	\$ 8,022,000	\$ (2,300,000)	\$ 63,000	\$ (268,243)	\$ 170,000	\$ (302,000)	\$ 66,770,000	\$ 3,844,757	\$ 38,978,000	\$ 4,608,000
Oncology	\$ 3,503,000	\$ 1,198,000	\$ 5,573,000	\$ 1,425,000	\$ 1,932,000	\$ 299,000	\$ 1,808,000	\$ (595,000)	\$ 651,383	\$ (120,525)	\$ 1,060,000	\$ (488,000)	\$ 13,465	\$ (3,891)	\$ 10,000	\$ (36,000)	\$ 6,099,848	\$ 1,372,584	\$ 8,451,000	\$ 306,000
Ophthalmology	\$ -	\$ -	\$ 3,188,000	\$ 1,234,000	\$ -	\$ -	\$ 4,442,386	\$ 182,232	\$ -	\$ -	\$ 1,205,000	\$ (142,000)	\$ -	\$ -	\$ 30,393	\$ (24,349)	\$ -	\$ -	\$ 8,865,779	\$ 1,249,883
Orthopedics	\$ 23,666,000	\$ 6,941,000	\$ 15,319,000	\$ 6,621,000	\$ 31,790,000	\$ 922,000	\$ 5,122,000	\$ 593,000	\$ 5,389,000	\$ (1,927,000)	\$ 3,160,000	\$ (108,000)	\$ 1,923,069	\$ (420,948)	\$ 1,397,000	\$ (61,000)	\$ 62,768,069	\$ 5,515,052	\$ 24,998,000	\$ 7,045,000
Otolaryngology	\$ 867,930	\$ 438,857	\$ 4,064,000	\$ 2,330,000	\$ 1,258,469	\$ 178,488	\$ 1,317,245	\$ 310,482	\$ 382,347	\$ (13,728)	\$ 725,000	\$ 219,000	\$ -	\$ -	\$ 9,000	\$ 1,000	\$ 2,508,746	\$ 603,617	\$ 6,115,245	\$ 2,860,482
Psychiatry	\$ 2,430,000	\$ (2,782,000)	\$ 593,711	\$ (24,000)	\$ 3,767,450	\$ (3,968,852)	\$ 392,827	\$ (184,233)	\$ 1,240,000	\$ (4,042,000)	\$ 254,000	\$ (202,000)	\$ 34,571	\$ (435,185)	\$ 6,000	\$ (13,000)	\$ 7,472,021	\$ (11,228,037)	\$ 1,246,538	\$ (423,233)
Pulmonary	\$ 18,102,000	\$ 5,072,000	\$ 1,503,000	\$ 3,000	\$ 28,814,000	\$ (9,556,000)	\$ 1,213,000	\$ (716,000)	\$ 10,631,000	\$ (970,922)	\$ 365,000	\$ (196,000)	\$ 490,685	\$ (847,843)	\$ 28,000	\$ (11,000)	\$ 58,037,685	\$ (6,302,765)	\$ 3,109,000	\$ (920,000)
Rehab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rheumatology	\$ -	\$ -	\$ 2,030,000	\$ 383,000	\$ -	\$ -	\$ 1,006,000	\$ (213,000)	\$ -	\$ -	\$ 575,000	\$ (183,000)	\$ -	\$ -	\$ 13,000	\$ (22,000)	\$ -	\$ -	\$ 3,624,000	\$ (35,000)
Transplant Surgery	\$ 6,972,000	\$ 3,344,000	\$ 780,161	\$ (1,034,000)	\$ 6,790,000	\$ (178,000)	\$ 765,000	\$ (415,000)	\$ 2,437,000	\$ (23,225)	\$ 254,000	\$ (554,000)	\$ 1,102,158	\$ (240,296)	\$ -	\$ -	\$ 17,301,158	\$ 2,902,479	\$ 1,799,161	\$ (2,003,000)
Trauma	\$ 10,527,000	\$ 3,738,000	\$ 3,492,441	\$ 526,772	\$ 12,478,715	\$ (330,730)	\$ 935,637	\$ (368,402)	\$ 4,918,529	\$ 226,127	\$ 882,940	\$ (235,000)	\$ 2,535,917	\$ (626,942)	\$ 105,000	\$ (63,000)	\$ 30,460,161	\$ 3,006,455	\$ 5,416,018	\$ (139,630)
Urology	\$ 4,670,000	\$ 1,901,000	\$ 6,678,000	\$ 2,878,000	\$ 2,927,000	\$ 388,663	\$ 5,041,000	\$ 945,000	\$ 880,531	\$ (116,254)	\$ 957,000	\$ (83,000)	\$ 1,000	\$ (15,000)	\$ 14,558	\$ (64,636)	\$ 8,478,531	\$ 2,158,409	\$ 12,690,558	\$ 3,675,364
Vascular Surgery	\$ 4,986,000	\$ 254,000	\$ 2,736,000	\$ 236,000	\$ 17,410,436	\$ (1,764,000)	\$ 2,674,000	\$ (2,056,000)	\$ 1,768,449	\$ (383,510)	\$ 819,000	\$ (468,000)	\$ 9,000	\$ (103,951)	\$ 9,000	\$ (55,000)	\$ 24,173,885	\$ (1,997,461)	\$ 6,238,000	\$ (2,343,000)
Other Inpatient	\$ 19,919,449	\$ 7,863,235			\$ 15,648,576	\$ 977,992			\$ 5,204,374	\$ (341,931)			\$ 526,879	\$ (178,647)			\$ 41,299,278	\$ 8,320,649		
Imaging			\$ 1,546,000	\$ 181,000			\$ 1,846,000	\$ (212,000)			\$ 414,000	\$ (180,000)			\$ 28,000	\$ (90,649)			\$ 3,834,000	\$ (301,649)
Other Treatments			\$ 1,378,000	\$ 285,000			\$ 902,000	\$ (607,000)			\$ 318,000	\$ (103,000)			\$ 1,000	\$ (9,000)			\$ 2,599,000	\$ (434,000)
Laboratory			\$ -	\$ -			\$ 112,000	\$ 7,000			\$ -	\$ -			\$ -	\$ -			\$ 112,000	\$ 7,000
Ambulatory Surgery			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -
Therapies			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -
Office Visits			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -
Observation			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -			\$ -	\$ -
Other Outpatient			\$ 32,370,264	\$ 6,185,653			\$ 17,309,461	\$ (2,672,585)			\$ 10,641,368	\$ (2,399,852)			\$ 2,442,424	\$ (163,970)			\$ 62,763,517	\$ 949,246
GRAND TOTAL	\$ 325,326,379	\$ 89,222,092	\$ 325,223,579	\$ 71,454,302	\$ 351,314,692	\$ (19,370,611)	\$ 174,303,029	\$ (37,349,063)	\$ 110,904,468	\$ (21,349,208)	\$ 88,595,695	\$ (20,245,122)	\$ 9,231,666	\$ (7,338,015)	\$ 7,138,375	\$ (3,706,254)	\$ 796,777,205	\$ 41,164,258	\$ 595,260,678	\$ 10,153,863

Defined by Admitting Physician Divisions

HPC Request
Lahey Hospital and Medical Center - FY18
AGO Provider Exhibit 2

	Lahey Hospital and Medical Center																			
	Commercial				Medicare				Medicaid				Other				Total Combined			
	IP	IP	OP	OP	IP	IP	OP	OP	IP	IP	OP	OP	IP	IP	OP	OP	IP	IP	OP	OP
Service Category	Net Revenue	Net Margin	Net Revenue	Net Margin	Net Revenue	Net Margin	Net Revenue	Net Margin	Net Revenue	Net Margin	Net Revenue	Net Margin	Net Revenue	Net Margin	Net Revenue	Net Margin	Net Revenue	Net Margin	Net Revenue	Net Margin
Allergy	-	-	7,934,815	1,384,837	-	-	2,667,980	(466,353)	-	-	900,638	123,077	-	-	157,183	(30,004)	-	-	11,660,616	1,011,557
Anesthesiology	-	-	13,058,064	1,650,993	48,925	(172)	5,069,261	(8,754,725)	-	-	877,276	(1,365,010)	-	-	547,750	(481,832)	48,925	(172)	19,552,351	(8,950,574)
Audiology	-	-	914,597	615,133	-	-	654,480	122,735	-	-	73,546	51,953	-	-	20,306	19,604	-	-	1,662,929	809,425
Billable social services	-	-	2,400	(252,009)	-	-	2,580	(198,529)	-	-	1,298	(152,906)	-	-	2,183	(56,326)	-	-	8,461	(659,770)
Birth center	-	-	1,267	322	-	-	717	(5,483)	-	-	139	(174)	-	-	-	-	-	-	2,123	(5,335)
Breast center	-	-	16,652	6,865	-	-	14,303	4,961	-	-	1,645	457	-	-	172	8	-	-	32,772	12,291
Cardiology	17,910,952	8,159,003	26,313,418	7,469,203	36,429,102	7,133,589	30,093,493	(7,556,913)	1,755,574	73,356	1,454,977	(847,607)	972,552	331,970	1,170,479	(82,284)	57,068,180	15,697,918	59,032,367	(1,017,601)
Cardiothoracic surgery	13,465,253	5,271,406	2,357,963	(1,745,347)	12,573,058	207,147	2,034,714	(3,834,439)	1,210,083	(63,422)	124,092	(334,830)	485,783	(36,320)	64,044	(124,958)	27,734,177	5,378,811	4,580,813	(6,039,574)
CHL anticoagulation center	-	-	-	-	-	-	183	(187)	-	-	-	-	-	-	-	-	-	-	183	(187)
Colon and rectal surgery	10,191,318	3,143,308	5,093,320	(157,474)	7,341,324	(943,190)	2,109,087	(1,054,442)	1,637,345	(150,124)	442,076	(343,752)	258,380	(48,824)	107,139	(69,654)	19,428,367	2,001,170	7,751,622	(1,625,322)
Ctr for healthy aging med prof	-	-	16	-	-	-	1,150	(560)	-	-	-	-	-	-	-	-	-	-	1,166	(560)
Ctr healthy aging psych prof	-	-	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	-
Dermatology & mohs surgery	-	-	6,551,384	1,347,489	-	-	8,142,743	(1,635,412)	-	-	574,106	16,535	-	-	404,967	(55,839)	-	-	15,673,200	(327,227)
Emergency services	117,067	55,151	22,670,281	6,841,798	613,803	3,262	14,433,277	(1,933,095)	-	-	5,098,197	(862,778)	27,455	(15,939)	6,368,625	2,109,718	758,325	42,474	48,570,380	6,155,643
Endocrinology	-	-	4,809,957	837,865	16,274	4,276	4,608,400	(603,744)	-	-	513,073	(40,539)	-	-	150,373	(2,449)	16,274	4,276	10,081,803	191,133
Endoscopy	-	-	(20)	(213)	-	-	932	191	-	-	-	-	-	-	-	-	-	-	912	(22)
Executive health	-	-	379,232	124,643	-	-	67,820	(43,084)	-	-	8,234	(1,078)	-	-	1,743,265	747,902	-	-	2,198,551	828,383
Family practice	-	-	5,079,671	(203,628)	-	-	1,612,997	(1,003,947)	-	-	532,533	(336,089)	-	-	144,372	(45,499)	-	-	7,369,573	(1,589,163)
Gastroenterology	848,387	474,155	26,677,749	6,835,360	491,620	38,472	11,759,858	(2,292,684)	243,539	32,600	1,946,242	(559,015)	14,800	2,313	816,399	(141,347)	1,598,346	547,540	41,200,248	3,842,314
General internal medicine	2,716,620	1,396,772	58,149,009	5,339,396	9,038,883	1,696,502	34,586,731	(13,136,855)	575,855	39,141	6,156,515	(1,893,902)	340,557	22,921	1,913,701	(224,254)	12,671,915	3,155,336	100,805,956	(9,915,615)
General surgery	13,135,760	5,041,837	14,362,550	2,017,457	12,871,675	522,918	6,185,566	(1,605,062)	1,764,357	(721,977)	963,340	(845,060)	2,284,947	321,133	669,506	(177,987)	30,056,739	5,163,911	22,180,962	(611,192)
Geriatrics	-	-	14,881	(12,290)	-	-	180,215	(386,573)	-	-	1,654	(5,450)	-	-	725	(5,315)	-	-	197,475	(409,628)
Gynecology	1,997,061	473,979	11,404,095	57,227	867,756	(57,168)	2,541,948	(1,235,450)	177,201	(112,772)	1,103,929	(858,070)	32,012	(11,754)	244,322	(114,339)	3,074,030	292,285	15,294,294	(2,150,632)
Hematology and oncology	5,319,136	2,407,921	24,177,364	(567,989)	5,014,837	147,943	34,453,012	(12,175,125)	896,032	(39,002)	3,654,752	(1,256,442)	165,472	30,744	1,141,623	(326,421)	11,395,477	2,547,606	63,426,751	(14,325,977)
Hospital medicine	36,255,408	16,178,987	6,530,460	(977,687)	95,522,647	9,249,403	14,258,003	(13,233,309)	9,581,074	(1,174,521)	1,479,477	(2,816,976)	3,719,300	142,655	751,646	(379,208)	145,078,429	24,396,524	23,019,586	(17,407,180)
Infectious disease	-	-	1,575,705	(265,956)	-	-	845,638	(329,341)	-	-	152,327	(122,296)	-	-	72,215	(18,476)	-	-	2,645,885	(736,069)
Interventional neuro-radiology	72,064	4,084	1,583,061	707,005	87,746	11,069	870,820	(222,568)	40,338	(27,624)	122,343	(79,093)	-	-	48,569	4,781	200,148	(12,471)	2,624,793	410,125
Medical weight loss center	-	-	1,247,046	(291,294)	-	-	379,085	(52,574)	-	-	258,040	27,520	-	-	29,620	(10,201)	-	-	1,913,791	(326,549)
Nephrology	-	-	940,182	(107,564)	-	-	1,921,008	(828,713)	-	-	169,794	(151,013)	-	-	40,811	(27,883)	-	-	3,071,795	(1,115,173)
Neurology	6,261,772	2,262,641	13,918,139	393,654	10,030,367	426,694	9,755,578	(4,542,149)	1,388,043	55,568	1,576,866	(824,498)	468,628	(1,234)	604,188	(174,524)	18,148,810	2,743,669	25,854,771	(5,147,517)
Neurosurgery	14,687,070	3,698,331	7,906,586	216,510	8,775,861	811,572	5,407,032	(2,225,173)	1,917,997	(143,457)	801,283	(440,705)	950,482	(41,455)	809,099	(248,674)	26,331,410	4,324,991	14,924,000	(2,698,042)
Obstetrics	-	-	2,960	1,216	-	-	160	17	-	-	12,766	1,063	-	-	837	570	-	-	16,723	2,866
Occupational therapy	-	-	57,513	28,595	-	-	19,542	4,906	-	-	2,781	58	-	-	5,050	2,663	-	-	84,886	36,222
Ophthalmology	-	-	12,255,641	4,326,651	-	-	22,916,768	2,085,157	-	-	1,060,622	(37,147)	-	-	814,040	151,973	-	-	37,047,071	6,526,634
Orthopaedic surgery	8,165,753	3,445,684	21,551,022	3,066,846	5,787,091	795,689	12,322,283	(4,286,296)	1,015,027	(172,235)	2,439,327	(826,498)	1,026,298	(1,580)	3,220,499	(634,365)	15,994,169	4,067,558	39,533,131	(2,680,313)
Other	8,103	4,630	6,551,163	1,770,811	5,234	3,192	3,516,475	(606,516)	-	-	758,013	18,257	-	-	543,705	(266,181)	13,337	7,822	11,369,356	916,371
Otolaryngology	957,456	322,954	9,894,706	3,271,715	1,953,454	(275,461)	5,931,045	(185,116)	239,561	(140,700)	936,447	(122,732)	-	-	379,315	34,783	3,150,471	(93,207)	17,141,513	2,998,650
Pain center	-	-	5,325,440	2,543,844	-	-	4,675,694	1,060,938	-	-	992,371	245,601	-	-	596,613	241,474	-	-	11,590,118	4,091,857
Palliative care	662,377	371,661	153,748	(89,295)	564,290	43,551	346,853	(647,883)	101,274	(24,303)	44,179	(125,340)	25,555	(22,941)	9,453	(13,757)	1,353,496	367,968	554,233	(876,275)
Pathology and laboratory	-	-	3,616,826	1,018,179	-	-	2,123,478	(315,853)	-	-	214,772	(108,446)	-	-	91,997	(13,752)	-	-	6,047,073	580,128
Pediatrics	-	-	2,424	(199)	-	-	-	-	-	-	-	-	-	-	193	(379)	-	-	2,617	(578)
Physical therapy	-	-	465,139	(114,803)	-	-	442,813	(220,717)	-	-	19,540	(38,227)	-	-	37,148	(12,910)	-	-	964,640	(386,657)
Plastic surgery	733,760	142,944	4,076,018	170,229	311,040	(52,475)	1,792,978	(740,170)	151,150	21,185	475,309	(454,666)	199	(18,210)	1,695,095	(935,429)	1,196,149	93,444	8,039,400	(1,960,036)
Primary care services	-	-	240,569	66,739	-	-	51,335	(26,292)	-	-	3,171	(545)	-	-	4,231	(3,221)	-	-	299,306	36,681
Psychiatry	-	-	3,323,104	(1,653,265)	-	-	2,889,360	(531,331)	-	-	668,198	(865,341)	-	-	248,084	(29,374)	-	-	7,128,746	(3,079,311)
Pulmonary and critical care	6,402,291	1,566,664	7,439,752	771,718	7,194,880	(1,693,033)	10,128,679	(3,305,698)	2,189,325	(302,557)	1,118,277	(653,961)	420,723	(67,129)	291,972	(306,377)	16,207,219	(496,055)	18,978,680	(3,494,318)
Radiation oncology	50,030	44,611	11,224,905	1,584,498	-	-	8,722,316	(5,680,639)	-	-	1,311,103	(541,868)	-	-	155,572	(62,380)	50,030	44,611	21,413,896	(4,700,389)
Radiology	21,523	11,643	12,584,273	3,225,098	-	-	8,273,420	(2,471,370)	-	-	910,529	(733,427)	-	-	855,494	(43,177)	21,523	11,643	22,623,716	(22,876)
Rheumatology	-	-	6,977,146	798,856	-															

Service Category	Commercial				Medicare				Medicaid				All Other				Total			
	Inpatient Revenue (\$)	Inpatient Margin (\$)	Outpatient Revenue (\$)	Outpatient Margin (\$)	Inpatient Revenue (\$)	Inpatient Margin (\$)	Outpatient Revenue (\$)	Outpatient Margin (\$)	Inpatient Revenue (\$)	Inpatient Margin (\$)	Outpatient Revenue (\$)	Outpatient Margin (\$)	Inpatient Revenue (\$)	Inpatient Margin (\$)	Outpatient Revenue (\$)	Outpatient Margin (\$)	Inpatient Revenue (\$)	Inpatient Margin (\$)	Outpatient Revenue (\$)	Outpatient Margin (\$)
Allergy	\$ -	\$ -	\$ 7,934,815	\$ 1,384,837	\$ -	\$ -	\$ 2,667,980	\$ (466,353)	\$ -	\$ -	\$ 900,638	\$ 123,077	\$ -	\$ -	\$ 157,183	\$ (30,004)	\$ -	\$ -	\$ 11,660,616	\$ 1,011,557
Anesthesiology	\$ -	\$ -	#####	\$ 1,650,993	\$ 48,925	\$ (172)	\$ 5,069,261	\$ (8,754,725)	\$ -	\$ -	\$ 877,276	#####	\$ -	\$ -	\$ 547,750	\$ (481,832)	\$ 48,925	\$ (172)	\$ 19,552,351	\$ (8,950,574)
Audiology	\$ -	\$ -	\$ 914,597	\$ 615,133	\$ -	\$ -	\$ 654,480	\$ 122,735	\$ -	\$ -	\$ 73,546	\$ 51,953	\$ -	\$ -	\$ 20,306	\$ 19,604	\$ -	\$ -	\$ 1,662,929	\$ 809,425
Billable social services	\$ -	\$ -	\$ 2,400	\$ (252,009)	\$ -	\$ -	\$ 2,580	\$ (198,529)	\$ -	\$ -	\$ 1,298	\$ (152,906)	\$ -	\$ -	\$ 2,183	\$ (56,326)	\$ -	\$ -	\$ 8,461	\$ (659,770)
Birth center	\$ -	\$ -	\$ 1,267	\$ 322	\$ -	\$ -	\$ 717	\$ (5,483)	\$ -	\$ -	\$ 139	\$ (174)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,123	\$ (5,335)
Breast center	\$ -	\$ -	\$ 16,652	\$ 6,865	\$ -	\$ -	\$ 14,303	\$ 4,961	\$ -	\$ -	\$ 1,645	\$ 457	\$ -	\$ -	\$ 172	\$ 8	\$ -	\$ -	\$ 32,772	\$ 12,291
Cardiology	#####	\$ 8,159,003	#####	\$ 7,469,203	#####	#####	#####	\$ (7,556,913)	#####	\$ 73,356	#####	\$ (847,607)	\$ 972,552	#####	#####	\$ (82,284)	\$ 57,068,180	#####	\$ 59,032,367	\$ (1,017,601)
Cardiothoracic surgery	#####	\$ 5,271,406	\$ 2,357,963	#####	#####	\$ 207,147	\$ 2,034,714	\$ (3,834,439)	#####	\$ (63,422)	\$ 124,092	\$ (334,830)	\$ 485,783	#####	\$ 64,044	\$ (124,958)	\$ 27,734,177	\$ 5,378,811	\$ 4,580,813	\$ (6,039,574)
CHI, anticoagulation center	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 183	\$ (187)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 183	\$ (187)
Colon and rectal surgery	#####	\$ 3,143,308	\$ 5,093,320	\$ (157,474)	\$ 7,341,324	\$ (943,190)	\$ 2,109,087	\$ (1,054,442)	#####	\$ (150,124)	\$ 442,076	\$ (343,752)	\$ 258,380	#####	\$ 107,139	\$ (69,654)	\$ 19,428,367	\$ 2,001,170	\$ 7,751,622	\$ (1,625,322)
Ctr for healthy aging med prof	\$ -	\$ -	\$ 16	\$ -	\$ -	\$ -	\$ 1,150	\$ (560)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,166	\$ (560)
Ctr healthy aging psych prof	\$ -	\$ -	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8	\$ -
Dermatology & mols surgery	\$ -	\$ -	\$ 6,551,384	\$ 1,347,489	\$ -	\$ -	\$ 8,142,743	\$ (1,635,412)	\$ -	\$ -	\$ 574,106	\$ 16,535	\$ -	\$ -	\$ 404,967	\$ (55,839)	\$ -	\$ -	\$ 15,673,200	\$ (3,227,227)
Emergency services	\$ 117,067	\$ 55,151	#####	\$ 6,841,798	\$ 613,803	\$ 3,262	#####	\$ (1,933,095)	\$ -	\$ -	#####	\$ (862,778)	\$ 27,455	#####	#####	#####	\$ 758,325	\$ 42,474	\$ 48,570,380	\$ 6,155,643
Endocrinology	\$ -	\$ -	\$ 4,809,957	\$ 837,865	\$ 16,274	\$ 4,276	\$ 4,608,400	\$ (603,744)	\$ -	\$ -	\$ 513,073	\$ (40,539)	\$ -	\$ -	\$ 150,373	\$ (2,449)	\$ 16,274	\$ 4,276	\$ 10,081,803	\$ 191,133
Endoscopy	\$ -	\$ -	\$ (20)	\$ (213)	\$ -	\$ -	\$ 932	\$ 191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 912	\$ (22)
Executive health	\$ -	\$ -	\$ 379,232	\$ 124,643	\$ -	\$ -	\$ 67,820	\$ (43,084)	\$ -	\$ -	\$ 8,234	\$ (1,078)	\$ -	\$ -	#####	\$ 747,902	\$ -	\$ -	\$ 2,198,551	\$ 828,383
Family practice	\$ -	\$ -	\$ 5,079,671	\$ (203,628)	\$ -	\$ -	\$ 1,612,997	\$ (1,003,947)	\$ -	\$ -	\$ 532,533	\$ (336,089)	\$ -	\$ -	\$ 144,372	\$ (45,499)	\$ -	\$ -	\$ 7,369,573	\$ (1,589,163)
Gastroenterology	\$ 848,387	\$ 474,155	#####	\$ 6,835,360	\$ 491,620	\$ 38,472	#####	\$ (2,292,684)	\$ 243,539	\$ 32,600	#####	\$ (559,015)	\$ 14,800	\$ 2,313	\$ 816,399	\$ (141,347)	\$ 1,598,346	\$ 547,540	\$ 41,200,248	\$ 3,842,314
General internal medicine	\$ 2,716,620	\$ 1,396,772	#####	\$ 5,339,396	\$ 9,038,883	#####	#####	\$ (13,136,855)	\$ 575,855	\$ 39,141	#####	#####	\$ 340,557	\$ 222,921	#####	\$ (224,524)	\$ 12,671,915	\$ 3,155,336	#####	\$ (9,915,615)
General surgery	#####	\$ 5,041,837	#####	\$ 2,017,457	#####	\$ 522,918	\$ 6,185,566	\$ (1,605,602)	#####	\$ (721,977)	\$ 963,340	\$ (845,060)	#####	#####	\$ 669,506	\$ (177,987)	\$ 30,056,739	\$ 5,163,911	\$ 22,180,962	\$ (611,192)
Geriatrics	\$ -	\$ -	\$ 14,881	\$ (12,290)	\$ -	\$ -	\$ 180,215	\$ (386,573)	\$ -	\$ -	\$ 1,654	\$ (5,450)	\$ -	\$ -	\$ 725	\$ (5,315)	\$ -	\$ -	\$ 197,475	\$ (409,628)
Gynecology	\$ 1,997,061	\$ 473,979	#####	\$ 57,227	\$ 867,756	\$ (57,168)	\$ 2,541,948	\$ (1,235,540)	\$ 177,201	\$ (112,772)	#####	\$ (858,070)	\$ 32,012	#####	\$ 244,322	\$ (114,339)	\$ 3,074,030	\$ 292,285	\$ 15,294,294	\$ (2,150,632)
Hematology and oncology	\$ 5,319,136	\$ 2,407,921	#####	\$ 5,567,989	\$ 5,014,837	\$ 147,943	#####	\$ (12,175,125)	\$ 896,022	\$ (39,002)	#####	#####	\$ 165,472	\$ 330,744	#####	\$ (326,421)	\$ 11,395,477	\$ 2,547,606	\$ 63,426,751	#####
Hospital medicine	#####	#####	\$ 6,530,460	\$ (977,687)	#####	#####	#####	\$ (13,233,309)	#####	#####	#####	#####	#####	#####	\$ 751,646	\$ (379,208)	#####	#####	\$ 23,019,586	#####
Infectious disease	\$ -	\$ -	\$ 1,575,705	\$ (265,956)	\$ -	\$ -	\$ 845,638	\$ (329,341)	\$ -	\$ -	\$ 152,327	\$ (122,296)	\$ -	\$ -	\$ 72,215	\$ (18,476)	\$ -	\$ -	\$ 2,645,885	\$ (736,069)
Interventional neuro-radiology	\$ 72,064	\$ 4,084	\$ 1,583,061	\$ 707,005	\$ 87,746	\$ 11,069	\$ 870,820	\$ (222,568)	\$ 40,338	\$ (27,624)	\$ 122,343	\$ (79,093)	\$ -	\$ -	\$ 48,569	\$ 4,781	\$ 200,148	\$ (12,471)	\$ 2,624,793	\$ 40,125
Medical weight loss center	\$ -	\$ -	\$ 1,247,046	\$ (291,294)	\$ -	\$ -	\$ 379,085	\$ (52,574)	\$ -	\$ -	\$ 258,040	\$ 27,520	\$ -	\$ -	\$ 29,620	\$ (10,201)	\$ -	\$ -	\$ 1,913,791	\$ (326,549)
Nephrology	\$ -	\$ -	\$ 940,182	\$ (107,564)	\$ -	\$ -	\$ 1,921,008	\$ (828,713)	\$ -	\$ -	\$ 169,794	\$ (151,013)	\$ -	\$ -	\$ 40,811	\$ (27,883)	\$ -	\$ -	\$ 3,071,795	\$ (1,115,173)
Neurology	\$ 6,261,772	\$ 2,262,641	#####	\$ 393,654	#####	\$ 426,694	\$ 9,755,578	\$ (4,542,149)	#####	\$ 55,568	#####	\$ (824,498)	\$ 468,628	\$ (1,234)	\$ 604,188	\$ (174,524)	\$ 18,148,810	\$ 2,743,669	\$ 25,854,771	\$ (5,147,517)
Neurosurgery	#####	\$ 3,698,331	\$ 7,906,586	\$ 216,510	\$ 8,775,861	\$ 811,572	\$ 5,407,032	\$ (2,225,173)	#####	\$ (143,457)	\$ 801,283	\$ (440,705)	\$ 950,482	#####	\$ 809,099	\$ (248,674)	\$ 26,331,410	\$ 4,324,991	\$ 14,924,000	\$ (2,698,402)
Obstetrics	\$ -	\$ -	\$ 2,580	\$ 1,216	\$ -	\$ -	\$ 160	\$ 17	\$ -	\$ -	\$ 12,766	\$ 1,063	\$ -	\$ -	\$ 837	\$ 570	\$ -	\$ -	\$ 16,723	\$ 2,866
Occupational therapy	\$ -	\$ -	\$ 57,513	\$ 28,595	\$ -	\$ -	\$ 19,542	\$ 4,906	\$ -	\$ -	\$ 2,781	\$ 58	\$ -	\$ -	\$ 5,050	\$ 2,663	\$ -	\$ -	\$ 84,886	\$ 36,222
Ophthalmology	\$ -	\$ -	#####	\$ 4,326,651	\$ -	\$ -	#####	\$ 2,085,157	\$ -	\$ -	#####	\$ (37,147)	\$ -	\$ -	\$ 814,040	\$ 151,973	\$ -	\$ -	\$ 37,047,071	\$ 6,526,634
Orthopaedic surgery	\$ 8,165,753	\$ 3,445,684	#####	\$ 3,066,846	\$ 5,787,091	\$ 795,689	#####	\$ (4,286,296)	\$ 1,015,027	\$ (172,235)	#####	\$ (826,498)	\$ 1,026,298	\$ (1,580)	#####	\$ (634,365)	\$ 15,994,169	\$ 4,067,558	\$ 39,533,131	\$ (2,680,313)
Other	\$ 8,103	\$ 4,630	\$ 6,551,163	\$ 1,770,811	\$ 5,234	\$ 3,192	\$ 3,516,475	\$ (606,516)	\$ -	\$ -	\$ 758,013	\$ 18,257	\$ -	\$ -	\$ 543,705	\$ (266,181)	\$ 13,337	\$ 7,822	\$ 11,369,356	\$ 916,371
Otolaryngology	\$ 957,456	\$ 322,954	\$ 9,894,706	\$ 3,271,715	\$ 1,953,454	\$ (275,461)	\$ 5,931,045	\$ (185,116)	\$ 239,561	\$ (140,700)	\$ 936,447	\$ (122,732)	\$ -	\$ -	\$ 379,315	\$ 34,783	\$ 3,150,471	\$ (93,207)	\$ 17,141,513	\$ 2,998,650
Pain center	\$ -	\$ -	\$ 5,325,440	\$ 2,543,844	\$ -	\$ -	\$ 4,675,694	\$ 1,060,938	\$ -	\$ -	\$ 992,371	\$ 245,601	\$ -	\$ -	\$ 596,613	\$ 241,474	\$ -	\$ -	\$ 11,590,118	\$ 4,091,857
Palliative care	\$ 662,377	\$ 371,661	\$ 153,748	\$ (89,295)	\$ 564,290	\$ 43,551	\$ 346,853	\$ (647,883)	\$ 101,274	\$ (24,303)	\$ 44,179	\$ (125,340)	\$ 25,555	\$ (22,941)	\$ 9,453	\$ (13,757)	\$ 1,353,496	\$ 367,968	\$ 554,233	\$ (876,275)
Pathology and laboratory	\$ -	\$ -	\$ 3,616,826	\$ 1,018,179	\$ -	\$ -	\$ 2,123,478	\$ (315,853)	\$ -	\$ -	\$ 214,772	\$ (108,446)	\$ -	\$ -	\$ 91,997	\$ (13,752)	\$ -	\$ -	\$ 6,047,073	\$ 580,128
Pediatrics	\$ -	\$ -	\$ 2,424	\$ (199)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 193	\$ (379)	\$ -	\$ -	\$ 2,617	\$ (578)
Physical therapy	\$ -	\$ -	\$ 465,139	\$ (114,803)	\$ -	\$ -	\$ 442,813	\$ (220,717)	\$ -	\$ -	\$ 19,540	\$ (38,227)	\$ -	\$ -	\$ 37,148	\$ (12,910)	\$ -	\$ -	\$ 964,640	\$ (386,657)
Plastic surgery	\$ 733,760	\$ 142,944	\$ 4,076,018	\$ 170,229	\$ 311,040	\$ (52,475)	\$ 1,792,978	\$ (740,170)	\$ 151,150	\$ 21,185	\$ 475,309	\$ (454,666)	\$ 199	\$ (18,210)	#####	\$ (935,429)	\$ 1,196,149	\$ 93,444	\$ 8,039,400	\$ (1,960,036)
Primary care services	\$ -	\$ -	\$ 240,569	\$ 66,739	\$ -	\$ -	\$ 51,335	\$ (26,292)	\$ -	\$ -	\$ 3,171	\$ (545)	\$ -	\$ -	\$ 4,231	\$ (3,221)	\$ -	\$ -	\$ 299,306	\$ 36,681
Psychiatry	\$ -	\$ -	\$ 3,323,104	#####	\$ -	\$ -	\$ 2,889,360	\$ (531,331)	\$ -	\$ -	\$ 668,198	\$ (865,341)	\$ -	\$ -	\$ 248,084	\$ (29,374)	\$ -	\$ -	\$ 7,128,746	\$ (3,079,311)
Pulmonary and critical care	\$ 6,402,291	\$ 1,566,664	\$ 7,439,752	\$ 771,718	\$ 7,194,880	\$ (1,693,033)	#####	\$ (3,305,698)	\$ 2,189,325	\$ (302,557)	#####	\$ (653,961)	\$ 420,723	\$ (67,129)	\$ 291,972	\$ (306,377)	\$ 16,207,219	\$ (496,055)	\$ 18,978,680	\$ (3,494,318)
Radiation oncology	\$ 50,030	\$ 44,611	#####	\$ 1,584,498	\$ -	\$ -	\$ 8,722,316	\$ (5,680,639)	\$ -	\$ -	#####	\$ (541,868)	\$ -	\$ -	\$ 155,572	\$ (62,380)	\$ 50,030	\$ 44,611	\$ 21,413,896	\$ (4,700,389)
Radiology	\$ 21,523	\$ 11,643	#####	\$ 3,225,098	\$ -	\$ -	\$ 8,273,420	\$ (2,471,370)	\$ -	\$ -	\$ 910,529	\$ (733,427)	\$ -	\$ -	\$ 855,494	\$ (43,177)	\$ 21,523	\$ 11,643	\$ 22,623,716	\$ (22,876)
Rheumatology	\$ -	\$ -	\$ 6,977,146	\$ 798,586	\$ -	\$ -	\$ 6,184,664	\$ (1,577,767)	\$ -	\$ -	\$ 829,920	\$ (104,359)	\$ -	\$ -	\$ 217,321	\$ (58,112)	\$ -	\$ -	\$ 14,209,051	\$ (941,382)
Surgical critical care	\$ -	\$ -	\$ 455,603	\$ (24,056)	\$ -	\$ -	\$ 400,725	\$ (264,630)	\$ -	\$ -	\$ 73,730	\$ (133,112)	\$ -	\$ -	\$ 35,545	\$ (32,875)	\$ -	\$ -	\$ 965,603	\$ (454,673)
Transplantation	\$ 19,061,371	\$ 5,548,392	\$ 7,356,297	#####	\$ 11,241,682	\$ (3,468,026)	\$ 5,148,717	\$ (5,339,123)	\$ 4,387,607	\$ (483,602)	\$ 964,726	#####	\$ 130,314	\$ (12,998)	\$ 240,472	\$ (201,567)	\$ 34,820,974	\$ 1,583,766	\$ 13,710,212	\$ (9,041,260)
Urgent care	\$ -	\$ -	\$ 5,089	\$ 1,658	\$ -	\$ -	\$ 1,636	\$ 399	\$ -	\$ -	\$ 257	\$ (260)	\$ -	\$ -	\$ 94	\$ 36	\$ -	\$ -	\$ 7,076	\$ 1,833
Urology	\$ 6,402,422	\$ 1,296,105	#####	\$ 3,731,712	\$ 4,906,844	\$ (161,288)	#####	\$ (5,325,082)	\$ 641,084	\$ (14,124)	#####	\$ (724,038)	\$ 286,652	\$ (60,980)	\$ 811,996	\$ (323,526)	\$ 12,237,002	\$ 1,059,713	\$ 39,548,316	\$ (2,640,934)
Vascular surgery	\$ 2,239,569	\$ 571,154	\$ 2,035,907	\$ 197,786	\$ 4,556,421	\$ (296,224)	\$ 3,067,679	\$ (1,137,777)	\$ 261,073	\$ (212,183)	\$ 253,200	\$ (184,908)	\$ 150,564	\$ (57,563)	\$ 85,016	\$ (66,677)	\$ 7,207,627	\$ 5,184	\$ 5,441,802	\$ (1,191,576)
GRAND TOTAL	\$ 167,682,523	\$ 61,894,017	\$ 401,262,041</																	

Question 3 A: Margin by 4 Categories

Beth Israel Deaconess Medical Center
Margin Percentage by Category
Fiscal Years 2016 - 2018

BIDMC	Margin Percentage		
Category	FY 2016	FY 2017	FY 2018
Commercial	22.85%	23.13%	24.70%
Medicare	-9.25%	-9.76%	-10.79%
Medicaid	-24.13%	-23.92%	-20.85%
Other	-70.42%	-74.54%	-67.47%
Total	1.81%	2.80%	3.69%

Beth Israel Deaconess Medical Center
Net Revenue Percent of Total Business
Fiscal Years 2016 - 2018

BIDMC	Percent of Total Net Revenue		
Category	FY 2016	FY 2017	FY 2018
Commercial	47.83%	47.38%	46.73%
Medicare	36.64%	37.01%	37.76%
Medicaid	13.78%	14.02%	14.33%
Other	1.75%	1.59%	1.18%
Total	100.00%	100.00%	100.00%

Question 3 A: Carriers included in the Margin Estimates

Beth Israel Deaconess Medical Center
Grouping of Carriers for Reporting

	Carriers Included	Carrier Grouping
1	Blue Cross 65	Medicare
2	Blue Cross HMO	Commercial
3	Blue Cross Indemnity	Commercial
4	Blue Cross Non MA	Commercial
5	Blue Cross PPO	Commercial
6	Commercial Insurance	Commercial
7	Harvard Pilgrim 65	Medicare
8	Harvard Pilgrim	Commercial
9	Health Safety Net	Other
10	International	Other
11	Medicaid	Medicaid
12	Medicaid - Commonwealth Care	Medicaid
13	Medicare	Medicare
14	Medicare Advantage Other	Medicare
15	Auto Liability	Other
16	Other Governmental	Other
17	Other HMO	Commercial
18	Other HMO - Aenta	Commercial
19	Other HMO - Cigna	Commercial
20	Other HMO - Neighborhood Health	Commercial
21	Other HMO - United	Commercial
22	Self Pay	Other
23	Tufts Health Plan 65	Medicare
24	Tufts Health Plan HMO	Commercial
25	Workers Comp	Other

Question 3 A: Margin by HMO, PPO and Shared Risk Contracts

The revenue and margins generated between HMO, PPO contracts, including those arrangements that include a Shared Risk component, are fairly consistent. For some insurers the revenue paid for their HMO and PPO business patients are the exact same whereas some may have a slight variance, but not enough to generate a material change in margins. The Shared Risk Contracts margins are also very similar as the main variable is the incorporation of Quality metric targets into these types of contracts.

Question 3 A: Margin by 4 Categories

Lahey Hospital & Medical Center
Margin Percentage by Category
Fiscal Years 2016 - 2018

LHMC	Margin Percentage		
Category	FY 2016	FY 2017	FY 2018
Commercial	19.94%	17.25%	20.33%
Medicare	-16.57%	-22.60%	-17.35%
Medicaid	-30.64%	-30.48%	-32.85%
Other	-12.89%	-9.91%	-5.07%
Total	-0.31%	-4.00%	-0.42%

Lahey Hospital & Medical Center
Net Revenue Percent of Total Business
Fiscal Years 2016 - 2018

LHMC	Percent of Total Net Revenue		
Category	FY 2016	FY 2017	FY 2018
Commercial	46.68%	46.77%	46.34%
Medicare	43.61%	43.55%	44.40%
Medicaid	6.45%	6.12%	5.99%
Other	3.26%	3.56%	3.27%
Total	100.00%	100.00%	100.00%

Question 3 A: Carriers included in the Margin Estimates

Lahey Hospital and Medical Center
Grouping of Carriers for Reporting

	Carriers Included	Carrier Grouping
1	Blue Cross 65	Medicare
2	Blue Cross HMO	Commercial
3	Blue Cross Indemnity	Commercial
4	Blue Cross Non MA	Commercial
5	Blue Cross PPO	Commercial
6	Commercial Insurance	Commercial
7	Harvard Pilgrim 65	Medicare
8	Harvard Pilgrim	Commercial
9	Health Safety Net	Other
10	International	Commercial
11	Medicaid	Medicaid
12	Medicaid - Commonwealth Care	Medicaid
13	Medicare	Medicare
14	Medicare Advantage Other	Medicare
15	Motor Vehicle	Other
16	Other Government	Other
17	Other HMO	Commercial
18	Other HMO Aetna	Commercial
19	Other HMO Cigna	Commercial
20	Other HMO Neighborhood Health	Commercial/Medicaid
21	Other HMO United	Commercial
22	Self Pay	Other
23	Tufts Health Plan 65	Medicare
24	Tufts Health Plan HMO	Commercial
25	Workers Compensation	Other

Question 3 A: Margin by HMO, PPO and Shared Risk Contracts

The revenue and margins generated between HMO, PPO contracts, including those arrangements that include a Shared Risk component, are fairly consistent. For some insurers the revenue paid for their HMO and PPO business patients are the exact same whereas some may have a slight variance, but not enough to generate a material change in margins. The Shared Risk Contracts margins are also very similar as the main variable is the incorporation of Quality metric targets into these types of contracts.