

Mass General Brigham Reports First Quarter 2021 Financial Results

Over the past year, Mass General Brigham has directed a multitude of resources and launched a number of leadership initiatives to combat the COVID-19 pandemic to meet the unprecedented needs of patients, communities, its employees and health care workers across the region. Since the pandemic began, our clinicians have encountered or tested more than 60,000 COVID-19 patients, of which more than 16,000 received care in our hospitals. We also restructured operations to make more than 800 intensive care unit beds available to meet the unknown need of the pandemic. In addition, we launched efforts in the hardest hit communities including Lynn, Lawrence, Jamaica Plain, Chelsea and Hyde Park delivering more than 375,000 care kits and 3.3 million masks to families in need. We brought cutting-edge technology to the area to help extend the life of personal protective equipment for health care workers across the region, and took on a leadership role in constructing *Boston Hope* and delivering post-acute clinical care for more than 700 patients from the area. Over the course of the past month, Mass General Brigham has administered vaccine to tens of thousands of health care workers and this week began vaccinating patients in accordance with state guidelines.

“The vaccination of tens of thousands of health care workers and the vaccination of patients offers hope that there is a path forward to control this pandemic,” said **Anne Klibanski, MD, President and CEO, Mass General Brigham**. “The continued and historic efforts of health care workers across our system -- and across the Commonwealth -- to bring vaccine to our communities while caring for patients during the second surge deserve our deepest thanks.”

Mass General Brigham generated operating income of \$130 million (3.4% operating margin) in the first quarter of fiscal year 2021, which ended on December 31, 2020. Health care provider activity generated operating income of \$114 million (see Provider Activity) and insurance activity (AllWays Health Partners) generated operating income of \$16 million (see Insurance Activity). Insurance activity includes \$30 million in Affordable Care Act risk corridor program subsidies for coverage provided in 2014-2016. Excluding the subsidies, insurance activity generated an operating loss of \$14 million and our system generated operating income of \$100 million. In the comparable 2020 quarter, we reported income from operations of \$45 million (1.3% operating margin), including operating income of \$55 million from provider activity and an operating loss of \$10 million from insurance activity.

“We began fiscal 2021 prepared for an imminent second surge of COVID-19, and while our case counts have increased since the summer, they remain well below the peak we experienced in spring 2020. In recent weeks, we have witnessed

many of the leading indicators head in the right direction, and we hope we are seeing the beginning of the end,” said **Peter K. Markell, Chief Financial Officer and Treasurer at Mass General Brigham**. “Although COVID-19 continues to impact patient activity, a handful of factors – including prior year settlements and ongoing controls over discretionary expenses -- contributed to strong first quarter results.”

In the first quarter of fiscal 2021, we absorbed \$421 million in Medicare, Medicaid, and Health Safety Net shortfalls due to government reimbursements that failed to pay the full cost of providing care to Medicare, low-income, and uninsured patients, an increase of \$69 million (20%) compared to the shortfall we absorbed in the comparable 2020 quarter.

We reported an overall gain of \$1.1 billion in the 2021 first quarter, including a non-operating gain of \$941 million. Non-operating activity includes gains and losses on investments and interest rate swaps, which can vary significantly year to year due to volatility in the financial markets, and philanthropic activity. In the 2020 first quarter, we reported an overall gain of \$546 million, including a non-operating gain of \$501 million.

Health Care Provider & Other Activity (Provider Activity)

Provider activity generated operating income of \$114 million (3.1% operating margin) in the 2021 first quarter and \$55 million (1.6% operating margin) in the 2020 first quarter.

Revenue for provider activity increased \$205 million (6%) to \$3.6 billion in 2021. Net patient service revenue increased \$121 million (5%) to \$2.8 billion, reflecting higher patient acuity for COVID-19 patients (which correlate with longer lengths of stay) as well as non-COVID-19 patients, despite a decline in system-wide inpatient discharges (-6.8%) and lower utilization of certain outpatient services. Research revenue grew \$31 million (6%) to \$551 million. Other operating revenue, excluding patient care and research revenue, increased \$53 million (22%) to \$292 million, including \$28 million related to intellectual property monetization.

Operating expenses attributable to provider activity increased \$147 million (4%) to \$3.5 billion in the 2021 first quarter. Employee compensation and benefits increased \$127 million (7%) to \$2.0 billion, reflecting increases in wages (\$89 million, 6%) and health costs (\$41 million, 25%, primarily due to an additional week in the 2021 quarter). Supplies and other expenses increased \$4 million (0%) to \$866 million. Increased costs for clinical supplies (\$49 million, 14%), which include pharmaceutical costs as well as implants, blood products and routine medical supplies, were substantially offset by reductions in travel-related and various other expenses. Depreciation and interest expense increased \$1 million (0%) to \$225 million.

Insurance Activity

Excluding the \$30 million risk corridor settlement, Insurance activity resulted in an operating loss of \$14 million (-6.2% operating margin) in the 2021 first quarter. In the comparable 2020 quarter, insurance activity resulted in an operating loss of \$10 million (-4.9% operating margin).

Premium revenue increased \$11 million (5%) to \$216 million, excluding the risk corridor settlement. Medical claims expense increased \$17 million (9%) to \$206 million due to higher utilization of services, driven primarily by outpatient and pharmacy costs. The medical loss ratio (the percentage of insurance premiums, excluding the settlement, that were used to pay medical claims) was 95.4% in the 2021 quarter and 92.2% in the 2020 quarter. As of December 31, 2020, approximately 34% of AllWays Health Partners' 254,622 members were in commercial fully-insured plans (of which 35% are in percent of premium capitated provider arrangements), 15% were in managed Medicaid, and the remaining 51% were in self-insured plans (including approximately 100,000 Mass General Brigham employees and family members). Total membership increased 12,629 (5%), including increases in commercial fully-insured of 4,698 (6%), managed Medicaid of 5,681 (17%) and self-insured of 2,250 (2%).

General and administrative costs increased \$1 million (2%) to \$34 million in the 2021 quarter. Despite ongoing strategic investments to increase health care access and advance value-based care, including the newly-launched Allies product, the administrative expense ratio (the percentage of insurance premiums, excluding the \$30 million settlement, that were used to pay general and administrative expenses) decreased to 11.1% from 12.8% in 2020.

Plans Move Forward on Patient care Initiatives

In January, Mass General Brigham filed plans with the Commonwealth's Determination of Need (DoN) office for three previously announced projects. The projects will improve patient access to care at lower cost sites, improve community hospital access, and modernize one of its flagship hospitals.

Mass General Brigham has transformed itself into a unified system that is focused on providing patients the best care in the best setting, according to their needs. A key component of this strategy focuses on value-based models that ensure patients will be able to receive the highest quality care for routine medical matters closer to home and at lower costs. At the same time, patients with more complex cases will be able to access world-class care at its flagship academic hospitals, harnessing internationally renowned research and therapeutics. By delivering affordable primary care, specialty care and behavioral health care in the community, with patient-centered programs and services, Mass General Brigham will deliver better outcomes for patients.

COVID-19 Efforts in the Community

To better support the people who live and work in communities hardest hit by COVID-19, Mass General Brigham launched a [fleet of community health vans](#) in partnership with DPV Transportation, a transportation company based in Everett. The vans will offer a variety of services including COVID-19 testing, informational resources in a variety of languages, and [care-kits](#) with items to help stop the spread of COVID-19.

“As we think about tackling inequities in health care, it’s essential that we build stronger ties to the communities that could use our support,” says **Tom Sequist, MD, Chief Patient Experience and Equity Officer at Mass General Brigham**. “These vans are helping us to bring resources directly to the people that need them most and are removing some of the barriers to health care that many face.”

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Forward-Looking Statements

This press release contains certain “forward-looking statements” concerning financial and operating plans and results which involve known and unknown risks and uncertainties. In particular, statements preceded or followed by, or that include the words, “projects,” “believes,” “expects,” “estimates,” “anticipates,” “plans,” “intends,” “scheduled,” or similar expressions are forward-looking statements. Various factors could cause Mass General Brigham’s actual results to differ materially including, but not limited to the impact of the COVID-19 pandemic, federal and state regulation of healthcare providers, changes in reimbursement policies of state and federal government and managed care organizations, competition in the healthcare industry in our market, general economic and capital market conditions, and changes in our labor and supply costs and in our ability to retain personnel. For more information on these and other risk factors, please refer to our most recent bond official statement or annual disclosure statement filed on the Electronic Municipal Market Access (EMMA) website maintained by the Municipal Securities Rulemaking Board. We undertake no responsibility to update any such forward-looking statements except as expressly required by law.

About Mass General Brigham

Mass General Brigham is an integrated academic healthcare system, uniting great minds in medicine to make life-changing impact for patients in our communities and people around the world. Mass General Brigham connects a full continuum of care across a system of academic medical centers, community and specialty hospitals, a health insurance plan, physician networks, community health centers, home care, and long-term care services. Mass General Brigham is a non-profit organization that is committed to patient care, research, teaching, and service to the community. In addition, Mass General Brigham is one of the nation’s leading biomedical research organizations and a principal teaching affiliate of Harvard Medical School. For more information, please visit massgeneralbrigham.org.

Mass General Brigham and Affiliates
Consolidated Balance Sheets
(In Thousands)

	December 31, 2020 (unaudited)	September 30, 2020 (audited)
ASSETS		
Current assets		
Cash and equivalents	\$ 1,975,715	\$ 2,129,189
Investments	1,838,092	1,142,275
Current portion of investments limited as to use	4,447,661	4,424,436
Patient accounts receivable, net	1,017,178	983,273
Research grants receivable, net	168,969	149,685
Other current assets	631,068	589,078
Total current assets	10,078,683	9,417,936
Investments limited as to use, less current portion	5,342,644	5,168,054
Long-term investments	2,696,448	2,179,220
Property and equipment, net	6,342,773	6,411,117
Right-of-use operating lease assets	1,182,587	1,139,626
Other assets	733,621	724,410
Total assets	\$ 26,376,756	\$ 25,040,363
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of long-term obligations	\$ 436,106	\$ 436,166
Accounts payable and accrued expenses	1,893,035	1,885,784
Accrued medical claims and related expenses	81,949	84,638
Accrued employee compensation and benefits	1,261,954	1,219,905
Current portion of operating lease obligations	192,047	191,259
Unexpended funds on research grants	347,617	367,858
Total current liabilities	4,212,708	4,185,610
Other liabilities		
Accrued professional liability	568,261	567,770
Accrued employee benefits	1,881,326	2,044,913
Interest rate swaps liability	558,036	662,384
Accrued other	187,464	197,986
Operating lease obligations, less current portion	841,291	797,096
Long-term obligations, less current portion	5,991,075	5,964,310
Total liabilities	14,240,161	14,420,069
Net assets		
Unrestricted	9,179,312	8,099,064
Donor restricted	2,937,283	2,521,230
Total net assets	12,116,595	10,620,294
Total liabilities and net assets	\$ 26,356,756	\$ 25,040,363

Mass General Brigham and Affiliates
Consolidated Statements of Operations
(In Thousands)

	First Quarter Ended December 31,	
	2020	2019
Operating revenues		
Net patient service revenue	\$ 2,745,929	\$ 2,628,093
Premium revenue	245,063	204,298
Direct academic and research revenue	418,240	400,878
Indirect academic and research revenue	132,813	118,765
Other revenue	294,163	240,992
Total operating revenues	3,836,208	3,593,026
Operating expenses		
Employee compensation and benefit expenses	2,021,965	1,897,424
Supplies and other expenses	882,714	878,757
Medical claims and related expenses	159,332	145,465
Direct academic and research expenses	418,240	400,878
Depreciation and amortization expenses	179,494	177,544
Interest expense	44,904	47,494
Total operating expenses	3,706,649	3,547,562
Income from operations	129,559	45,464
Nonoperating gains (expenses)		
Income from investments	758,080	413,910
Change in fair value of interest rate swaps	104,347	47,787
Other nonoperating (expenses) income	(28,175)	(24,637)
Academic and research gifts, net of expenses	74,452	49,646
Non-service related pension income	31,985	14,350
Total nonoperating gains, net	940,689	501,056
Excess of revenues over expenses	1,070,248	546,520
Other changes in net assets		
Funds utilized for property and equipment	10,150	23,332
Other changes in net assets	(150)	3,584
Increase in unrestricted net assets	\$ 1,080,248	\$ 573,436

Mass General Brigham and Affiliates
Consolidated Statements of Cash Flows
(In Thousands)

	Three Months Ended December 31,	
	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ 1,496,301	\$628,891
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in fair value of interest rate swaps	(104,347)	(47,787)
Depreciation and amortization	179,494	177,544
Amortization of bond discount, premium and issuance costs	(3,072)	(2,670)
Gain on disposal of property	105	(217)
Change in right-of-use operating lease assets	46,596	31,098
Net realized and change in unrealized appreciation on investments	(957,159)	(528,708)
Restricted contributions and investment income	(275,739)	(37,386)
Increases (decreases) in cash resulting from a change in		
Patient accounts receivable	(33,905)	10,618
Other assets	(57,663)	(14,907)
Accounts payable and other accrued expenses	(125,607)	(68,687)
Accrued medical claims and related expenses	(2,689)	3,832
Operating lease obligations	(44,574)	(29,050)
Settlements with third-party payers	(32,592)	(16,047)
Net cash provided by operating activities	85,149	106,524
Cash flows from investing activities:		
Purchases of property and equipment	(92,454)	(178,253)
Proceeds from sale of property	16	301
Net (purchases) sales of investments	(451,701)	3,772
Net cash used for investing activities	(544,139)	(174,180)
Cash flows from financing activities:		
Payments on long-term obligations	(208)	(982)
Decrease in auction rate securities holdings	29,985	-
Restricted contributions and investment income	275,739	37,386
Net cash provided by financing activities	305,516	36,404
Net decrease in cash and equivalents	(153,474)	(31,252)
Cash and equivalents at beginning of period	2,129,189	283,807
Cash and equivalents at end of period	\$ 1,975,715	\$ 252,555

Notes to Consolidated Financial Statements
(In Thousands)

1. Mass General Brigham Incorporated (the Company) (formerly known as Partners HealthCare System, Inc.) is the parent organization and sole corporate member of numerous organizations whose financial condition and operations are described in these consolidated financial statements. The terms Mass General Brigham, We, Our or Us as used herein, unless otherwise stated or indicated by context, refer collectively to the Company and its affiliated organizations.

The accompanying consolidated quarterly financial statements have been prepared on the accrual basis of accounting and include the accounts of the Company and its affiliates. The financial statements do not include all the information and footnote disclosures required by generally accepted accounting principles. These statements should be read in conjunction with the Company's audited consolidated financial statements for the fiscal year ended September 30, 2020.

The consolidated quarterly financial statements are unaudited. These statements include all adjustments (consisting of normal recurring accruals) considered necessary by management to present a fair statement of the results of operations, financial position and cash flows. The results reported in these consolidated financial statements should not be regarded as necessarily indicative of results that may be expected for the entire year.

2. Mass General Brigham adopted new Accounting Standards Updates (ASU) in 2020: *Compensation - Retirement Benefits, Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost (Pension Standard) and Leases (Leases Standard)*.

The Pension Standard requires that the service cost be presented in the same line item(s) as other employee compensation costs and that nonservice cost related income (expense) be presented within nonoperating results. Upon adoption of this standard, amounts related to nonservice cost components of pension and postretirement expenses for 2019 of \$102,679 were reclassified from employee compensation and benefit expenses to nonoperating gains (expenses) as the Pension Standard required retrospective adoption.

The Leases Standard requires a lessee to recognize a right-of-use asset and lease liability in its balance sheet, initially measured at the present value of the lease payments. The standard also expands the required quantitative and qualitative disclosures for leases. Effective October 1, 2019, we recognized approximately \$1,167,000 of lease assets and \$1,056,000 of liabilities as a result of the adoption of the Leases Standard. Prior year comparative financial statements have not been restated to reflect the adoption of this standard.

3. Income from investments (including realized gains and losses, unrealized change in value of investments, interest, dividends and endowment income distributions) is included in excess of revenues over expenses unless the income or loss is restricted by donor or law. Income from investments is reported net of investment-related expenses.
4. We recognize changes in third-party payer settlements and other estimates in the year of the change in estimate. For the three months ended December 31, 2020 and 2019, adjustments to prior year estimates resulted in an increase to operations of \$4,898 and \$5,103, respectively.

Notes to Consolidated Financial Statements
(In Thousands)

5. Risk-based capital (RBC) is a methodology adopted by the National Association of Insurance Commissioners for determining the minimum level of capital and surplus deemed necessary for an insurer based upon the types of assets held and business written. The Company has guaranteed to the Massachusetts Division of Insurance (DOI) (the RBC Guaranty) to maintain AllWays Health's capital and surplus at a specified minimum level, measured quarterly in accordance with an RBC methodology permitted by DOI. The RBC Guaranty may be enforced by the DOI. In 2021 and 2020, AllWays Health returned capital of \$0 and \$50,000, respectively, to the Company.
6. The current portion of long-term obligations includes payments scheduled to be made over the next twelve months of \$130,666, bonds supported by self-liquidity that can be tendered prior to December 31, 2021 of \$249,190 and bonds supported by bank facilities with financial institutions (standby bond purchase agreements or letters of credit) that expire prior to December 31, 2021 of \$56,250. The bonds supported by self-liquidity provide the bondholder with an option to tender the bonds to the Company. Accordingly, these bonds are classified as a current liability. The bonds supported by bank facilities provide the bondholder with an option to tender the bonds to the liquidity provider. Generally accepted accounting principles require bonds backed by bank facilities expiring within one year of the balance sheet date as well as potential principal amortization under bank facilities' term out provisions due within one year of the balance sheet date to be classified as a current liability.
7. The Company maintains two lines of credit aggregating \$375,000 that provide access to same day funds. Advances under the lines of credit bear a variable rate of interest based on the London Interbank Offered Rate (LIBOR). As of December 31, 2020, there were no amounts outstanding under the lines of credit. The \$250,000 line of credit expires in June 2023. The \$125,000 line of credit expires in June 2021.

In May 2020, the Company executed a \$150,000 Term Loan with a fixed interest rate of 2.42% and final maturity in May 2022.

In September 2020, the Company established a \$500,000 Taxable Commercial Paper (CP) program. As of December 31, 2020, there were no amounts outstanding under the CP Programs.

8. As of December 31, 2020 and September 30, 2020, we held \$0 and \$29,985, respectively, of the Series 2005 F and Series 2007 G Revenue Bonds issued as auction rate securities. Although not legally extinguished, bonds held by us have been reflected as extinguished under generally accepted accounting principles as of September 30, 2020.
9. In January 2019, we issued \$158,250 of Partners HealthCare System Series 2019 T Revenue Bonds. The bond proceeds were used to refund Massachusetts Eye and Ear Infirmary Series D Bonds (\$55,402), refund Series M-2 Bonds (\$50,000) and repay the borrowing under the Credit Agreement (\$52,848).

In January 2020, we issued \$304,885 of Mass General Brigham Series 2020 A Revenue Bonds, plus bond premium of \$79,262. The bond proceeds, net of issuance costs of \$1,511, were used to refund portions of Series J Bonds (\$38,765), Series M Bonds (\$50,000) and Series O Bonds (\$50,000), and to finance certain capital projects (\$243,871).

In January 2020, we issued \$1,017,135 of Mass General Brigham Series 2020 Taxable Bonds. The bond proceeds, net of issuance of \$6,649, were used to refund portions of Series L Bonds (\$57,313), Series M Bonds (\$241,104) and Series O Bonds (\$68,559), to refund Series 2011 Taxable Bonds (\$250,000), and to finance certain capital projects (\$393,510).

Notes to Consolidated Financial Statements
(In Thousands)

10. We lease property and equipment under both finance and operating lease agreements. Upon adoption of the Leases Standard, we recognize leases with a term greater than twelve months on the balance sheet. We elected the package of practical expedients permitted by the Leases Standard and did not reassess expired agreements for lease identification or classification as a finance or operating lease, or for the reassessment of initial direct costs.

Some lease agreements require us to pay variable costs including property taxes, insurance, maintenance and repairs. Variable costs are excluded from the right-of-use assets and liability. Lease and non-lease components of agreements are not separated. Some leases contain rental escalation clauses and renewal options that are included in lease payment calculations when appropriate. The estimated incremental borrowing rate is used to discount the lease payment amounts. All operating and finance leases have a weighted discount rate of 4.17%.

The components of lease expense consist of the following for the three months ended December 31, 2020:

	2021		
	Supplies and other expenses	Academic and research gifts, net of expenses	Total
Operating lease expense	\$ 52,734	\$ 1,959	\$ 54,693
Short-term lease expense	3,231	59	3,290
Variable lease expense	17,302	426	17,728
Finance lease expense:			
Amortization of lease assets	757	-	757
Interest on lease liabilities	280	-	280
Total lease expense	\$ 74,304	\$ 2,444	\$ 76,748

Lease related assets and liabilities are as follows at:

	Balance Sheet Classification	December 31, 2020
Operating lease assets	Right-of-use operation lease assets	1,182,587
Finance lease assets	Property and equipment, net	3,624
Total lease assets		\$ 1,186,211
Current operating lease liability	Current portion of operating lease obligations	192,047
Current finance lease liability	Accounts payable and accrued expenses	2,110
Noncurrent operating lease liability	Operating lease obligations, less current portion	841,291
Noncurrent finance lease liability	Accrued other	336
Total lease liabilities		\$ 1,035,784

Commitments related to noncancelable operating and finance leases for each of the next five years and thereafter are as follows:

	Operating Leases	Finance Leases
2022	\$ 190,139	\$ 2,110
2023	173,652	1,668
2024	145,376	1,054
2025	130,033	229
2026	119,347	-
Thereafter	361,069	-
Total minimum future payments	\$ 1,119,616	\$ 5,061

Notes to Consolidated Financial Statements
(In Thousands)

11. COVID-19 Pandemic and Government Funding

On March 11, 2020, the World Health Organization designated COVID-19 as a global pandemic resulting in an extraordinary impact to patient activity in 2020. Federal and state policies, including declarations of a state of emergency by the governors of Massachusetts and New Hampshire on March 10 and March 27, respectively, were enacted to help contain the spread of COVID-19. Beginning on March 18, 2020, our Massachusetts facilities were prohibited from performing non-essential elective procedures. On June 8, 2020, Massachusetts entered phase two of its reopening plan, which permitted our Massachusetts facilities to provide in-person care for certain routine services. Our New Hampshire facilities generally followed a similar timeline.

In response to COVID-19, the Coronavirus Aid Relief and Economic Security (CARES) Act was enacted which provided different types of economic support to a wide variety of companies and individuals. Mass General Brigham employed several CARES Act provisions, with the most significant impacts summarized below.

Medicare Accelerated Payments (MAP)

As of December 31, 2020, we received approximately \$1,019,382 in MAP funding which is recorded in the current portion of accrual for settlements with third-party payers. Medicare will recoup these payments beginning in April 2021 by withholding 25% of Medicare reimbursements through February 2022, 50% of Medicare reimbursements beginning in March 2022 and final recoupments completed by August 2022.

Deferred Payment of Employer Payroll Taxes

As of December 31, 2020, we have accumulated \$239,466 of deferred employer payroll taxes within accrued employee compensation and benefits. The CARES Act allows for deferred payments of only the employer share of payroll taxes through December 31, 2020 and requires payment of 50% of these deferred taxes by December 31, 2021 and 50% by December 31, 2022.

Provider Relief Funds (PRF)

For the six months ended September 30, 2020, we recognized approximately \$546,373 of permanent grants from the PRF within other operating revenue. PRF were used to prevent, prepare for and respond to known or suspected cases of to maintain health care capacity and for lost revenues attributable to COVID-19. Based on our interpretation of available COVID-19, information as of December 31, 2020, we have deferred \$51,759 of PRF we received. These estimates could change as additional guidance becomes available.

MASS GENERAL BRIGHAM: ACUTE CARE SECTOR ⁽¹⁾
UTILIZATION STATISTICS

	First Quarter Ended December 31,	
	2020	2019
INPATIENT:		
Discharges	40,379	43,372
% Change	-6.9%	
Discharge Days	228,483	229,410
% Change	-0.4%	
Average Length of Stay (Days)	5.66	5.29
% Change	7.0%	
Patient Days	218,703	217,936
% Change	0.4%	
Births	3,959	4,254
% Change	-6.9%	
OUTPATIENT:		
ATO's	4,720	5,707
% Change	-17.3%	
ED Observations	4,247	3,988
% Change	6.5%	
Day Surgery	25,389	25,700
% Change	-1.2%	
Ambulatory visits	474,138	496,662
% Change	-4.5%	
ER Visits	88,607	106,698
% Change	-17.0%	
Procedures	398,669	417,431
% Change	-4.5%	
Major Imaging	116,567	113,616
% Change	2.6%	
Minor Imaging	296,796	304,662
% Change	-2.6%	
Treatments	252,088	255,494
% Change	-1.3%	
Therapies	315,226	315,893
% Change	-0.2%	
Lab Services	2,974,125	2,669,414
% Change	11.4%	
CASE MIX INDEX (CMI)⁽²⁾:		
Combined Academic (The General & BWH)	2.17	2.02
	7.4%	
Combined Community (BWFH, NSMC & NWH)	1.31	1.17
	12.0%	

⁽¹⁾ Includes data from The General, BWH, BWFH, NSMC, NWH, Cooley Dickinson, Nantucket, Martha's Vineyard, Wentworth-Douglass and Mass Eye and Ear.

⁽²⁾ CMI based on APR-DRG version 30, NY weight.

**MASS GENERAL BRIGHAM: INSURANCE SECTOR
STATISTICS**

	First Quarter Ended December 31,	
	2020	2019
Medical loss ratio ⁽¹⁾	95.4%	92.2%
% Change	3.2%	
Administrative expense ratio ⁽¹⁾	11.1%	12.8%
% Change	-1.7%	
Total members	254,622	241,993
% Change	5.2%	

⁽¹⁾ Excludes impact of \$30 million prior year settlement in 2020

Statistic	Definition
Discharges	The total number of patients discharged from a hospital bed in a given time period
Discharge Days	The total number of days each discharged patient occupied a bed during the duration of their hospital stay
Average Length of Stay	Patient days divided by the number of patient discharges
Patient Days	Total number of days a patient occupied a hospital bed in a given time period
ATO's	Patients admitted under observation status and generally discharged within 24 hours
ED Observations	Patients admitted under observation status in the ER (at GH and BWH) and generally discharged within 24 hours
Day Surgery	Surgical procedures performed on an outpatient basis
Ambulatory visits	Includes office/outpatient services, consults, preventive medicine and psychiatric visit - clinic O/P
ER Visits	Emergency room visits
Procedures	Includes integumentary, musculoskeletal, oral & maxillofacial surg, respiratory, cardiovascular, hemic/lymphatic, mediastinum/disphragm, digestive, urinary, female/male genital, endocrine, nervous system, eye/ocular adnexa and auditory
Major Imaging	Includes MRI, CT Scan, nuclear medicine and PET Scan
Minor Imaging	Includes radiology diagnostic, ultrasound, breast imaging and 3D reconstruction
Treatments	Includes chemotherapy, radiation therapy, non chemo infusions, dialysis, electroconvulsive therapy and dental
Therapies	Includes respiratory/pulmonary therapy, physical therapy, occupational therapy, speech language pathology, cardiac rehabilitation and nutrition
Lab Services	Lab services
Home Health	Nurse visits, aide visits, physical therapy, occupational therapy, speech-language pathology, registered dietician, medical social work, telemedicine and private duty converted hours
Psychiatric Services	Includes partial days, ART days, individual therapy, group therapy, family therapy, child and adolescent days and other therapies
Case Mix Index	The average diagnosis-related-group weight for all of a hospital's inpatient volume
Medical Loss Ratio	Medical expense as a percentage of premium revenue

MASS GENERAL BRIGHAM: INVESTMENT LIQUIDITY & DEBT BACKED BY SELF LIQUIDITY
as of December 31, 2020
(In Thousands)

INVESTMENT LIQUIDITY⁽¹⁾

Investment Pool	Funds Available						Total
	Same Day	1 Week	1 Month	3 Months	1 Year	>1 Year	
Money Market	\$2,454,852	-	-	-	-	-	\$2,454,852
Aggregate Bond	551,614	72,221	-	-	-	-	623,835
Long Term	499,829	767,236	1,442,004	2,809,424	2,245,418	4,242,759	12,006,669
Total	\$3,506,295	\$839,457	\$1,442,004	\$2,809,424	\$2,245,418	\$4,242,759	\$15,085,356
Cumulative Total	\$3,506,295	\$4,345,752	\$5,787,756	\$8,597,180	\$10,842,597	\$15,085,356	

DEBT BACKED BY SELF LIQUIDITY

Debt Mode	Funds Required						Total
	Same Day	1 Week	1 Month	3 Months	1 Year	>1 Year	
Flexible Rate ⁽²⁾	-	\$34,440	\$13,835	\$116,920	-	-	\$165,195
Index Floating Rate	-	-	-	-	86,600	300,100	386,700
Term Rate	-	-	-	-	-	207,205	207,205
Total	-	\$34,440	\$13,835	\$116,920	\$86,600	\$507,305	\$759,100
Cumulative Total	-	\$34,440	\$48,275	\$165,195	\$251,795	\$759,100	

⁽¹⁾ Excludes ERISA.

⁽²⁾ Mass General Brigham limits daily maturities on its flexible rate bonds to \$20 million.

Money Market Pool

12/31/2020

Portfolio Manager **Various**
 Benchmark iMoneyNet Money Market Fund Average/All Taxable

	Portfolio	Benchmark
Market Value (\$000)	\$ 2,454,852	n/a
Avg Rating	AAA	A1/P1
Avg Maturity (Days)	1.0	n/a
Avg Life (Days)	1.0	n/a
Avg Yield	0.04%	n/a

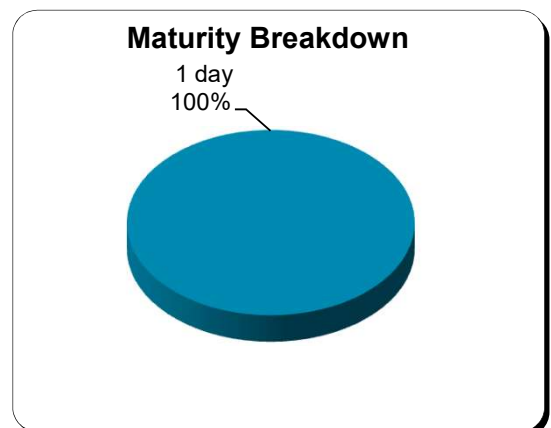
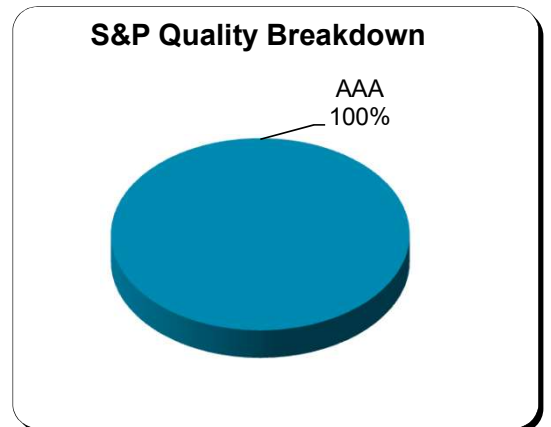
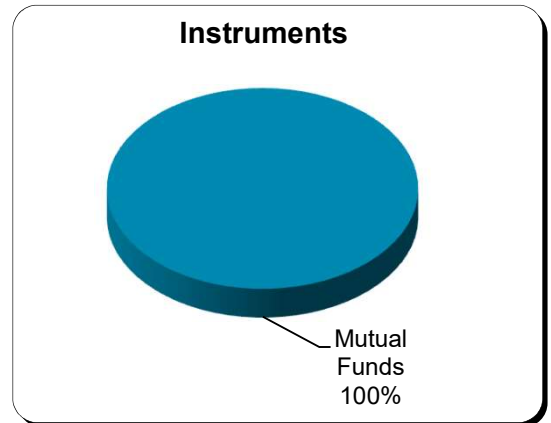
Net Asset Value	1.0
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Annualized Returns	Portfolio	Benchmark	Outperform. *
Month	0.00%	0.00%	+ 0.00%
Quarter	0.02%	0.00%	+ 0.02%
FYTD	0.02%	0.00%	+ 0.02%
CYTD	0.46%	0.32%	+ 0.14%
1 Year	0.46%	0.32%	+ 0.14%
2 Year	1.38%	1.08%	+ 0.30%
3 Year	1.53%	1.22%	+ 0.31%
5 Year	1.13%	0.86%	+ 0.27%
Inception (12/31/94)	2.56%	2.13%	+ 0.44%

Annualized Performance Measures since Inception (01/05)			
StDev	0.63%	0.61%	-
Sharpe Ratio	0.32	(0.38)	+
Tracking Error	0.07%	n/a	
Info Ratio	6.38	n/a	
Monthly Alpha	0.04%	0.00%	+
Beta	0.89	1.00	+
BM Correl	1.00	1.00	

Relative Performance		# Months	Average
Up Months	Above BM	298	0.038%
	Below BM	14	-0.01%
Down Months	Above BM	0	
	Below BM	0	

* computed outperformance may not match portfolio/benchmark returns due to rounding.



Congress Short Term Treasuries

12/31/2020

Portfolio Manager **Jeff Porter** since April 2014
 Benchmark BC US Treas 1-5 yr

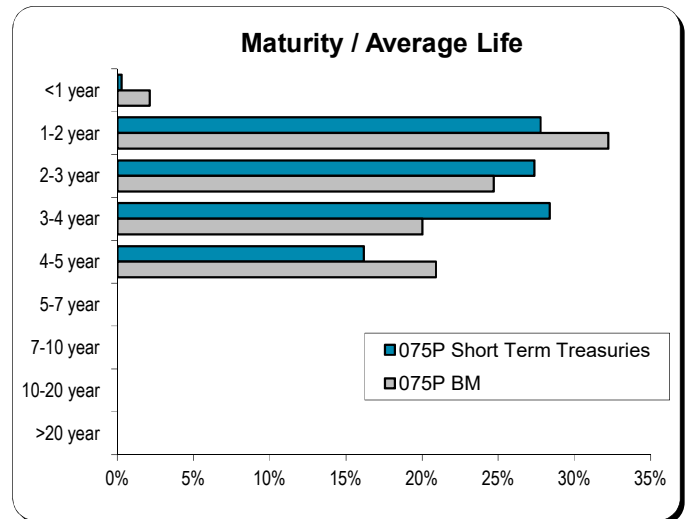
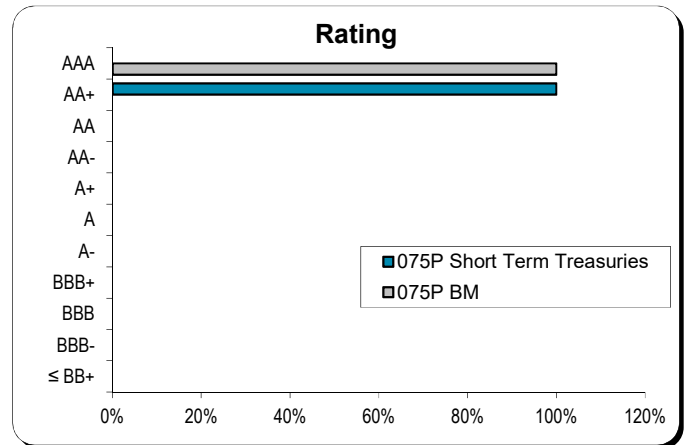
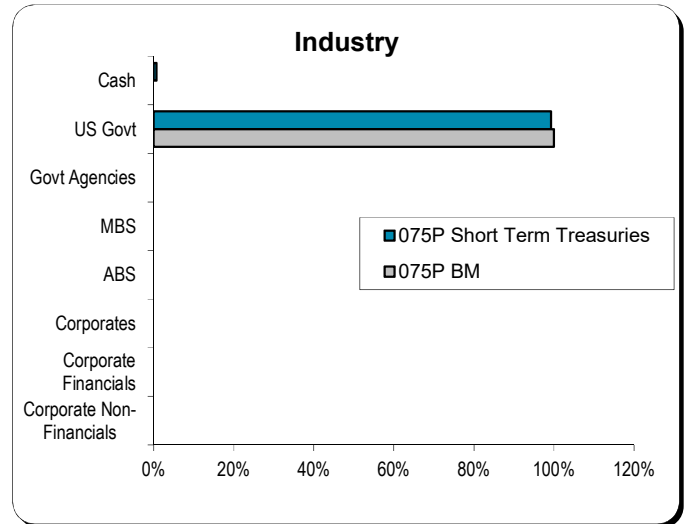
	Portfolio	Benchmark
Market Value (\$000)	\$ 196,226	n/a
# Issues	14	150
Avg Coupon	1.93%	1.57%
Avg Rating	AAA	AAA
Avg Maturity	2.78	2.86
Avg Yield	0.18%	0.19%
Avg Mod. Duration	2.69	2.79
Avg. Convexity	0.10	0.11

Annualized Returns	Portfolio	Benchmark	Outperform. *
Month	0.07%	0.07%	- 0.00%
Quarter	-0.01%	0.01%	- 0.02%
FYTD	-0.01%	0.01%	- 0.02%
CYTD	5.22%	4.38%	+ 0.84%
1 Year	5.22%	4.38%	+ 0.84%
2 Year	4.68%	4.31%	+ 0.37%
3 Year	3.58%	3.37%	n/a
5 Year	2.44%	2.35%	n/a
Inception (4/1/14)	2.07%	2.02%	+ 0.05%

Annualized Performance Measures since Inception (4/14)			
StDev	1.60%	1.56%	-
Sharpe Ratio	(0.18)	(0.22)	+
Tracking Error	0.05%	n/a	
Info Ratio	1.04	n/a	
Monthly Alpha	-0.01%	n/a	-
Beta	1.00	1.00	-
BM Correl	1.00	1.00	

Relative Performance		# Months	Average
Up Months	Above BM	12	0.09%
	Below BM	37	-0.01%
Down Months	Above BM	10	0.00%
	Below BM	22	-0.01%

* computed outperformance may not match portfolio/benchmark returns due to rounding.



Congress Intermediate Domestic Fixed Income

12/31/2020

Portfolio Manager **Jeff Porter** since June 2002
 Benchmark BC Intermediate US Govt/Credit

	Portfolio	Benchmark
Market Value (\$000)	\$ 294,844	n/a
# Issues	33	5,310
Avg Coupon	2.58%	2.21%
Avg Rating	AA-	AA/AA-
Avg Maturity	4.46	4.45
Avg Yield	0.59%	0.59%
Avg Mod. Duration	4.05	4.12
Avg. Convexity	0.25	0.21

Annualized Returns	Portfolio	Benchmark	Outperform. *
Month	0.14%	0.21%	- 0.06%
Quarter	0.39%	0.48%	- 0.09%
FYTD	0.39%	0.48%	- 0.09%
CYTD	6.46%	6.43%	+ 0.02%
1 Year	6.46%	6.43%	+ 0.02%
2 Year	6.56%	6.62%	- 0.05%
3 Year	4.68%	4.67%	+ 0.01%
5 Year	3.53%	3.64%	- 0.10%
Inception (5/31/02)	4.43%	4.02%	+ 0.41%

Annualized Performance Measures since Inception (06/02)			
StDev	3.00%	2.86%	-
Sharpe Ratio	0.69	0.58	+
Tracking Error	1.04%	n/a	
Info Ratio	0.39	n/a	
Monthly Alpha	0.04%	n/a	-
Beta	0.99	1.00	+
BM Correl	0.94	1.00	

Relative Performance		# Months	Average
Up Months	Above BM	75	0.17%
	Below BM	72	-0.12%
Down Months	Above BM	35	0.21%
	Below BM	41	-0.10%

* computed outperformance may not match portfolio/benchmark returns due to rounding.

