



Interested Party Presentation in the Green Mountain Surgery Center Certificate of Need Hearing

April 13, 2017



NMC's vision is to be nationally recognized for excellence and value as we partner to improve the wellness of our community and become a destination of choice for patients, staff, & providers.

Agenda of Witnesses

1. Jill Berry Bowen, MSN, MBA, Chief Executive Officer, Northwestern Medical Center
 - *Northwestern Medical Center's ("NMC") efforts to improve efficiency and bend the health care cost curve while continuing to provide high quality care*
 - *NMC's community and state-wide health reform efforts*
2. Jane Catton, RN, BScN, MSOL, NE-BC, Senior Vice President, Chief Operating Officer, Chief Nursing Officer, Northwestern Medical Center
 - *NMC's recent efficiency reforms*
 - *NMC's operating room and procedure room capacity and scheduling processes*
 - *Quality care at NMC*
3. Dr. Gregory Brophy, MD, FACS, Ophthalmologist, Northwestern Medical Center
 - *Professional experience at NMC*
4. Christopher Hickey, Senior Vice President and Chief Financial Officer, Northwestern Medical Center
 - *The financial impact of the ambulatory surgical center on NMC*

NMC: Health Care Reform Leader

- Mission driven, non-profit hospital
- 1 of 4 hospitals participating in the Medicaid Next Generation pilot
- Signed on to 2018 for All Payer Model
- Committed to developing collaborative partnerships across the Vermont health care system
 - Unified Community Collaborative and RiseVT
 - Regional Clinical Performance Council

Existing OR and PR Capacity

- NMC has ample operating room (“OR”) and procedure room (“PR”) capacity, 30 minutes from the site of the proposed ambulatory surgical center
- Scheduling Process
 - Independent providers are actively involved
 - No complaints from providers or patients

Efficiency and Quality

- NMC is actively embracing efficiency improvements
- Quality
 - NMC's infection rate: 0.42%
 - 0% last quarter
 - National median infection rate: 1.1%
 - >90% patient satisfaction in Surgical Services and provider practice

Dr. Greg Brophrey

- NMC has the ability to do ASC-like work in a hospital setting
- It is critical for staff to be trained and have high volume experience to maintain high quality for all cases, especially emergencies

Financial Impact of the GMSC

- NMC's system costs will not decrease if its number of surgeries decreases
- NMC must be available 24/7, 365 days per year
 - The infrastructure to provide this service must be supported
 - As surgeries are siphoned off by the GMSC, NMC will have less revenue to support this infrastructure
- NMC's payer mix has been negatively impacted by the Vermont Eye Surgery and Laser Center

NMC's Financial Contributions

- NMC reinvests revenue into the community
- 6% of NMC's net patient revenue is paid to the state as a provider assessment for Health Care Resources Fund matched by federal government
- NMC is piloting capitated Medicaid payments as part of Next Gen program
- Evidence shows NMC is bending the health care cost curve
 - Our rates are approximately 11% less than plan over last two years based on GMCB activity
 - Costs per adjusted admission has decreased each of the last three years