



# 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