

UMass Memorial Health Care, Inc.

DoN #UMMHC-22042514-HE

APPLICANT QUESTIONS

Responses should be sent to DoN staff at DPH.DON@State.MA.US

While you may submit each answer as available, please

- List question number and question for each answer you provide
- Submit responses as a separate word document, using the above application title and number as a running header and page numbers in the footer
- When providing the answer to the final question, submit all questions and answers in one final document
- Submit responses in WORD or EXCEL; only use PDF's if absolutely necessary. If "cutting and pasting" charts, provide them in a PDF so they can be clearly seen
- **Whenever possible, include a table with the response**

FACTOR 5

1. Factor 5 asks an Applicant to provide sufficient evidence that the Proposed Project, on balance, is superior to alternative and substitute methods for meeting the Patient Panel needs identified by the Applicant. The application states that the Applicant's alternative proposal to the Proposed Project was to not open new inpatient beds and continue to serve patients with existing inpatient capacity (pg.24).
 - a. How did the Applicant determine that not doing the Proposed Project was the only alternative to the Proposed Project? Did the Applicant explore any other alternatives to addressing existing capacity constraints aside from not doing the Proposed Project? If not, please explain why.

As described in the DoN application as well as in the follow-up questions, UMMMC has been focused on addressing inpatient bed needs that have impacted both tertiary and community-based inpatient access. As part of the planning process, the System evaluated three main areas to address existing inpatient bed capacity on its University and Memorial campuses.

First, the Applicant's leadership team across all entities in the System have worked to identify the most appropriate site of care to meet inpatient's level of care needs. This has been evidenced by the increased occupancy rates across all community hospitals from FY21 to FY22 YTD July, but this has had no material impact in lowering inpatient bed occupancy rates at UMMMC's University and Memorial campuses.

Second, as noted in the DoN application, the Applicant evaluated the potential for new construction to accommodate the needed beds; however, these options were determined to be suboptimal for meeting the need in a timely manner. More specifically, the UMMMC leadership team evaluated the expansion of the University Campus Lakeside building to add two new inpatient floors. While these new inpatient floors would allow for the addition of 96 new inpatient beds with a total BGSF of 96,000, it would also come at a higher capital cost estimated at over \$500M. It was also determined during the evaluation process that there would be major operational challenges that would need to be address such as the temporarily closure of existing beds and OR's in that building to allow for the construction of the new inpatient floors. The proposed plan was not recommended because of the cost of the project as well as the impact it would have on the community from an inpatient bed access perspective.

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Finally, the Applicant explored the option of adding a new inpatient building on the University campus. Due to current cost estimates of approximately \$1 Billion as well as the significant delay in time that it would take to construct a new building, it was determined that this option was not financially or operationally feasible.