

Beth Israel Lahey Health
Annual Report to the Massachusetts Office of the Attorney General
Provided Under Paragraph 129 of the Assurance of Discontinuance

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Introduction

Overview

Under the reporting conditions of the Assurance of Discontinuance (“AOD”) filed by the Massachusetts Office of the Attorney General (“AGO”) on November 29, 2018, Beth Israel Lahey Health (“BILH”) agreed to regularly submit certain data and information, beginning with a 60-Day Report, which was submitted on April 30, 2019, and continuing thereafter in the form of Annual Reports for a 10-year period. The first Annual Report was submitted on January 15, 2020. Due to the COVID-19 pandemic, the submission date for the second Annual Report was June 30, 2021. The third Annual Report was submitted on March 1, 2022. Across reports due to the AGO, to allow for the inclusion of data based on a full calendar year as well as audited fiscal year-based financial statements, the parties agreed that the submission date for the third and all subsequent Annual Reports is March 1 of each calendar year.

This report describes:

- BILH’s targeted cost savings (and outcomes achieved) from operational synergies, improved patient care efficiencies, and shifted community-appropriate care to higher-value sites of care,
- Elimination of clinical services and creation of new clinical services, and
- Consolidation of operations.

Scope of this Report

This report represents the sixth submission of data and information and the fifth Annual Report submitted by BILH to the AGO under paragraph 129 of the AOD reporting requirements, covering the 12-month period of October 1, 2022 to September 30, 2023 except where otherwise noted. As with prior Annual Reports, the fifth Annual Report covers the subset of data elements available to BILH at the time of submission.

BILH Targeted Cost Savings: Overview

In FY 2023, BILH achieved \$153.1 million in targeted cost savings relative to the pre-merger baseline of FY 2018. This figure exceeds the high end of the range for FY 2023 (Year 5), which is \$86.4 million. Moreover, across all subcategories except Revenue Cycle, BILH has exceeded its Year 5 (FY 2023) high-end target.

As noted in prior Annual Reports and in line with the scope of this report as outlined by the AOD, these estimates exclude the value generated from clinical service line growth and reduced outmigration of care, both of which are expected outcomes of BILH's efforts to create an accessible, well-coordinated system of care for patients and families in eastern Massachusetts.

Table 1 below summarizes the original projections of targeted cost savings by administrative or clinical area in comparison to savings achieved through FY 2023.

Table 1. Projected and Actual BILH Targeted Cost Savings as a Result of Operational Synergies and Patient Care Efficiencies (Fiscal Year Ending September 30)¹

\$ in Millions	FY 2023 Original Projection	FY 2023 Actual Savings ²
Operational Synergies		
Supply Chain	25.2-30.8	66.0
Revenue Cycle	9.2-15.6	0.0
Other Operations	13.0-16.9	23.5
Patient Care Efficiencies		
Pharmacy	4.0 - 8.5	45.3
Laboratory	4.8 - 7.7	8.0
Clinical Engineering	1.4 - 3.1	3.5
BILH Performance Network	2.2 - 3.8	6.0
Total	59.8 - 86.4	153.1

Please note that all references in the report to FY 2023 savings are based on a comparison to the pre-merger baseline of FY 2018. FY 2023 synergy estimates reflect the estimated FY 2023 value of all initiatives implemented since FY 2018. The FY 2023 value of initiatives implemented in prior years may fluctuate year over year, particularly depending on factors such as project duration or contract term.

A. Targeted Cost Savings: Operational Synergies

Supply Chain

As in the prior year, Supply Chain was the leading driver of savings for BILH in FY 2023, generating \$66.0 million in savings compared to BILH's pre-merger baseline of FY 2018. That figure greatly exceeds the Year 5 (FY 2023) high-end target of \$30.8 million.

¹ Low to high estimates

² Excludes material savings achieved for Joslin Diabetes Center and Exeter Health Resources given that those organizations are not included in the pre-merger baseline estimate.

In FY 2023, BILH continued to leverage economies of scale to generate additional value for the system. For example, BILH created a central BILH operations center in Woburn, Massachusetts that provides the system with bulk-buy storage capacity, allowing purchase of expensive surgical products on a quarterly basis at a significant price reduction, followed by distribution of these products to individual BILH facilities. In another example, BILH opened a central BILH Copy Center to process the system's printing needs, resulting in reduced equipment lease costs and allowing hospitals to repurpose space made available by the centralization of copying and printing.

BILH continued to leverage its purchasing power by negotiating several system-wide contracts with both group purchasing organization ("GPO") and non-GPO vendors. For instance, in FY 2023, BILH entered into system-wide agreements for e-contingency staffing, research distribution, an e-signature platform, neurological monitoring, vending machines, copy machines, and many smaller contracts all of which helped standardize the system to single vendors and generate significant savings.

Revenue Cycle

The BILH Revenue Cycle Management (RCM) team launched several initiatives in FY 2023 to improve performance and generate cost savings.

Cash Improvement

To maximize cash collections, facility revenue cycle stakeholders formed a Denial Management Action Team to review process breakdowns and implement proactive solutions to reduce the total value of claims written off due to payor denials. Additionally, a focused assessment was performed at Beth Israel Deaconess Medical Center ("BIDMC") to analyze the volume of unbilled claims. This resulted in corrected records and coding workflow deficiencies allowing timely billing of patient accounts. Additional improvements for the remaining BILH facilities are underway.

Clinical Documentation Improvement

In FY 2023, BILH expanded the organization's Clinical Documentation Improvement ("CDI") technology platform to enhance clinical data monitoring capabilities. The new technology was deployed to Lahey Hospital & Medical Center ("LHMC") and BIDMC in June 2023 and helps CDI leadership identify clinical documentation workflow opportunities. It will be deployed to remaining BILH facilities throughout 2024 and into 2025.

Expense Reduction

The organization continues to focus on leveraging economies of scale to deliver increased productivity and reduce cost. BILH reduced revenue cycle operating expenses by eliminating operational redundancies and consolidating vendors. For example, BILH encompasses 13 clinician group practice entities that have historically maintained decentralized revenue cycle operations. In FY 2023, the BILH RCM team began consolidating these operations into the enterprise RCM management and governance structure. This will allow BILH's clinical practice entities to leverage enterprise best practices and align Epic system efficiencies across all BILH revenue cycle operations.

Other Operations

Across Human Resources (“HR”), Finance Operations, Real Estate and Facilities, and Information Technology (“IT”), BILH has generated savings of \$23.5 million surpassing the high-end Year 5 target of \$16.9 million.

Human Resources

BILH HR has generated \$15.8 million in savings for the system since the BILH merger.

In FY 2023, BILH HR launched targeted interventions to enhance recruitment, decrease turnover, and reduce contract labor and established key performance indicators to allow for ongoing monitoring. HR saw success on all these fronts:

- By the end of FY 2023, the percentage of the BILH workforce consisting of contract labor decreased from 4.5% to 3%.
- Net hiring was positive throughout the last six months of FY 2023, and this trend continued into FY 2024.
- Turnover across three critical job functions – nursing, allied health, and clinical support – decreased in every month of FY 2023.

Across the fiscal year, BILH HR continued its progress in becoming a harmonized and streamlined system service. For example, in January 2023, BILH brought Joslin Diabetes Center onto its health and welfare benefits platform. Looking ahead to FY 2024, all system services staff will be employed by a single entity, which will allow for efficient use of resources to support system functions across BILH. With Exeter Health Resources joining BILH at the end of FY 2023, another priority for FY 2024 will be the identification and achievement of opportunities to integrate Exeter into the health system.

Finance Operations

Since the merger, BILH has achieved \$2.3 million in finance operations savings.

As noted in the prior year's report, BILH went live with the Workday enterprise resource planning (ERP) platform in FY 2023 as well as with two tools from Syntellis, the Axiom Enterprise Decision Support tool and the Budget and Forecasting tool. In addition, the system began implementation of Crowe RCA,³ a tool that estimates net revenue based on historical payment rates; implementation across the system will be complete in FY 2024. With these system-wide tools in place, BILH Finance will have a standard approach to managing and reporting key financial data as well as system-wide views of financial performance.

In FY 2023, BILH initiated a competitive bid process to select a single merchant services provider to process patient credit card payments. With the selection of JP Morgan for this service, the system transitioned from five vendors to one, thereby streamlining operations. In addition to seeing a significant reduction in the nominal rate to process payments, BILH will be able to expand its governance around

³ Revenue Cycle Analytics

managing payments received through credit card payments and improve adherence compliant with the payment card industry. The new service went live in November 2023.

Real Estate & Facilities

Across its Real Estate and Facilities-related efforts, BILH has saved \$2.8 million since 2018. In FY 2023, BILH Real Estate continued its efforts to build out BILH System Center, a single office location for BILH system services staff based in Charlestown. The system closed 218,000 square feet of administrative space at six locations and consolidated functions in BILH System Center and other existing sites. An additional six office locations totaling 163,000 square feet will be closed in FY 2024. In addition to generating lease cost savings for the system, BILH's selection of the Boston Medical Center (BMC)-leased site reduced BMC's future rent obligations by \$14.7 million.

BILH Facilities completed a system-wide request for proposal ("RFP") process for the consolidation of elevator preventative maintenance, repairs, and testing services. Due to the scale and volume of BILH elevators, the process was split into two geographic regions. This resulted in two, five-year term contracts being awarded to Otis (North Region) and Kone (South Region). Prior to the consolidation, there were six firms servicing BILH locations. Consolidation of elevator services will bring consistency of performance and quality levels. In addition, the RFP process ensured BILH obtained competitive market pricing.

Information Technology

Since the merger, BILH has achieved \$2.7 million in Information Technology operations savings.

In FY 2023, BILH IT completed several major projects at both the system and entity level and completed the transition to a system-wide ERP platform, a significant undertaking described in prior reports. In addition, BILH has initiated a multi-year journey to implement a single electronic medical record system across BILH.

BILH IT completed several critical security projects, including the implementation of system-wide endpoint detection and response software, a comprehensive penetration risk assessment, standardization of border and data center firewalls using Palo Alto devices, the ongoing deployment of privilege access management processes for additional groups, standardization to GlobalProtect for remote access at all sites, and the initial phases of the Epic rollout. Furthermore, BILH IT continued to make significant progress in its Data Center Consolidation initiative, a vital part of BILH's advanced hybrid cloud data center strategy.

The BILH IT team played a pivotal role supporting the opening of a new inpatient building at Beth Israel Deaconess Medical Center and successfully executed several other entity-specific projects. These projects, along with numerous departmental moves and expansions in collaboration with BILH Real Estate, have further demonstrated BILH IT's commitment to enhancing and modernizing the technology infrastructure across BILH.

Lastly, in FY 2023, the OneBILH Epic Rollout commenced, aiming to consolidate BILH onto a unified Epic platform. This is one of the system's highest priority efforts. With a single electronic medical record system, clinicians across BILH will have access to records for each patient. Physicians who work at

different hospitals, for example, will have access to the records of their patients wherever they see them. A single electronic health record (“EHR”) system will also bring many quality and financial benefits. A single set of records reduces medical errors resulting from incomplete information and reduces the need for duplicate testing since more clinicians will have full access to a patient's information. Moreover, a single electronic medical record will improve the speed of the delivery of care as the need to wait for medical records from other institutions will disappear.

The pre-work phase engaged over 500 clinicians and over 250 operational leaders in design and configuration. An anticipated go-live date in FY 2024 is set for Beth Israel Deaconess Medical Center, New England Baptist Hospital, Joslin Diabetes Center, Addison Gilbert Hospital, Bayridge Hospital, Beverly Hospital Lahey Hospital and Medical Center, and Winchester Hospital, with remaining entities scheduled to go live in FY 2025 and early FY 2026.

B. Targeted Cost Savings: Patient Care Efficiencies

With a continued focus on integrating operations and leveraging system-wide scale, depth, and purchasing power, BILH has driven material savings for the system across the patient care service areas of Pharmacy, Laboratory, and the Beth Israel Lahey Health Performance Network (“BILHPN”).

Pharmacy

BILH Pharmacy has saved the system \$45.3 million compared to its pre-merger baseline of FY 2018, making it the second leading driver of synergies for the system. The system significantly exceeded its Year 5 (FY 2023) target of between \$4.0 million and \$8.5 million in pharmacy-related savings.⁴

During FY 2023, BILH Pharmacy executed on program goals to increase services to all BILH patients. For example, BILH Pharmacy successfully negotiated access to the Point32Health specialty pharmacy network as well as to the WellSense Medicaid Accountable Care Organization (“ACO”) plan, allowing patients with these insurance plans to fill their prescriptions with BILH Pharmacy. Examples of other such efforts include:

- Enhanced medication authorization and access services to help patients obtain necessary insurance authorizations and find co-pay assistance,
- Expansion of the medication refill center to assist patients and providers in expediting medication renewals and ensuring prescribed medication and dosage are still appropriate,
- Extension of patient co-pay assistance programs to the Joslin Adult Diabetes clinic and Northeast Hospital Corporation patients, and
- Expansion of clinical pharmacy services in ambulatory clinics to help manage and optimize patients’ complex medication therapies.

In FY 2023, BILH Pharmacy also expanded its clinical pharmacy presence in clinics to improve health outcomes. One key initiative was to reduce the health equity gap in the use of highly impactful medications to treat patients with diabetes and atherosclerotic cardiovascular diseases with the goal of improving their blood pressure and Glycosylated hemoglobin (“A1C”). Interventions centered around

⁴ The Year 5 target for Pharmacy savings is the same as Year 4.

prescribing evidence-based medications, educating patients about their conditions, and ensuring access to medication. Data are still being compiled but initial results have demonstrated an increase in the use of Glucagon-like peptide-1 (“GLP-1”) agonists and Sodium glucose co-transporter 2 (“SGLT-2”) inhibitors by 32% in Black and Hispanic populations, an average reduction in hemoglobin A1C of 0.8, and a decrease of systolic and diastolic blood pressures of 7mmHg and 2mmHg respectively.

Laboratory

BILH Laboratory Services has generated more than \$8.0 million in savings since 2018. This exceeds the Year 5 high-end target of \$7.7 million.⁵

As noted in the prior year’s report, BILH Laboratory Services has continued to address workforce challenges by investing in the professional development of its current workforce and providing clinical training to trainees across the system’s hospital laboratories through the BILH Laboratory Academy. In FY 2023, the Academy filled over 60 open positions.

BILH optimized the transportation routes of collected laboratory specimens to testing laboratories, ensuring high standards for turnaround times and maximum efficiency. This predictable transport system is foundational to the system’s ability to consolidate testing, expand access to in-network laboratory services, and support the provision of high-quality care and the clinician and patient experience. Additionally, focus remained strong on developing physician practice delivery models and re-opening patient service centers. These efforts enhance community providers’ ability and willingness to use BILH labs and increase patient access to BILH labs.

Clinical Engineering

Since the merger, BILH has achieved \$3.5 million in clinical engineering savings, exceeding the Year 5 (FY 2023) target of \$1.4 million to \$3.1 million.⁶

In FY 2023, the BILH Clinical Engineering team continued the rollout of a single maintenance services vendor for diagnostic imaging equipment. There are now nearly 600 devices covered under BILH’s selected partner, Crothall, resulting in enhanced service quality and reduced contract costs. The Clinical Engineering team continues to evaluate expiring service contracts to include in this program, when appropriate.

In FY 2023, the BILH Clinical Engineering department introduced an in-house BioMed program to two hospitals in the system that were previously using third-party, outsourced vendors. The change resulted in significant cost savings, improved service quality, and high staff satisfaction. The introduction of specialized technicians (e.g., dedicated operating room technicians) drastically increased equipment uptime.

Lastly, the BILH Clinical Engineering team operationalized a storage location to collect and repurpose surplus equipment across the system. This has reduced capital expenses and the wait times for delivery of ordered equipment.

⁵ The Year 5 target for Laboratory savings is the same as Year 4.

⁶ The Year 5 target for Clinical Engineering savings is the same as Year 4.

Beth Israel Lahey Health Performance Network

BILHPN has generated savings of \$6.0 million since 2018, exceeding the high-end target of \$3.8 million.⁷ These savings have been driven primarily through the integration of its operating platform, as described in prior reports.

BILHPN embarked on a strategic evolution in FY 2023 to fulfill its vision to become a high-performing Clinically Integrated Network (“CIN”) in 2024, positioning its providers to deliver high-value patient care with streamlined navigation within BILH. To support this vision, as of January 1, 2024:

- Winchester Physician Hospital Organization (“PHO”), Northeast PHO, and New England Community Medical Group Inc. will merge into Lahey Clinic Performance Network (“LCPN”);
- Lower Merrimack Valley PHO will merge into Anna Jaques Hospital; and
- Mount Auburn Cambridge Independent Practice Association (“MACIPA”) will become a member of Physician Performance LLC.

Legacy contracts and ACO core functions, resources, and staff will transition under BILHPN management to create further operational synergies and efficiencies. In its new model, BILHPN will shift away from historical Independent Provider Association & PHO structures and toward geographic-based Local Care Units to improve provider collaboration and performance through customized performance improvement roadmaps based on local need.

In FY 2023, BILHPN established a strategic plan to focus its resources on critical priorities that align with system-wide goals to improve patient care. Among these priorities, BILHPN established programs to reduce heart failure hospitalizations through optimization of guideline-directed medication therapy and to improve skilled nursing facility (“SNF”) utilization and outcomes. Specifically, BILHPN has initiatives in place to manage SNF length of stay, reduce readmissions, and discharge medically appropriate patients directly to their home with homecare services instead of to a SNF, provided patients are medically stable to return home after an acute care stay and are anticipated to have better outcomes and lower cost of care. BILHPN has invested in technology to advance its capabilities to foster meaningful engagement and collaboration with providers in support of these priorities.

BILHPN continues to advance health equity in the Commonwealth and close disparity gaps. Throughout FY 2023, BILHPN focused on diabetes and hypertension management, including stratifying health outcomes by race, ethnicity, and language, sharing performance with primary care groups, and implementing clinical initiatives such as off-hour clinics, home blood pressure monitor distribution, continuous glucose monitoring, and outreach to patients who have higher needs.

⁷ The Year 5 target for BILHPN savings is the same as Years 3 and 4.

C. Targeted Cost Savings: Shifting Care to Higher Value Settings

In FY 2023, BILH continued its efforts to drive material savings for the Commonwealth by increasing the volume of care provided at BILH versus higher-priced providers and increasing the volume of clinically appropriate care within BILH lower-cost settings.

BILH System Transfer Center (previously “Virtual Transfer Center”)

The transfer center teams at BIDMC, LHMC, and Mount Auburn Hospital have continued to collaborate to optimize capacity across BILH in FY 2023, including a concerted effort to expand the collaboration to many community sites within the system. In FY 2023, the system redirected over 500 patients within the system.

Transfer requests that cannot be accommodated at the requested hospital due to capacity constraints are actively redirected to available beds across BILH. There have been ongoing initiatives to keep patients who can be appropriately cared for in the community local with remote consults, community hospital to community hospital transfers, round trip procedures, and return to a community hospital when the tertiary need has been resolved.

BILHPN Centralized Referral Management

BILHPN's centralized referral management program focuses on patients seeking out-of-network specialty care and redirecting them to in-network specialty care, when clinically appropriate. In FY 2023, BILHPN redirected over 1,300 patient visits, over 300 more than in FY 2022. In most cases, care retained within BILH resulted in enhanced care coordination at a lower cost of care.

A major focus of the program in FY 2023 was to educate our providers in understanding the breadth and depth of our specialty care provider network and the geographic regions it covers. BILHPN offered its primary care physicians (“PCPs”) contacts in the central referral office who work with the PCPs to find the best-fit specialist for the patient. Given the success of this collaboration, BILHPN plans to promote this offering in 2024 with the development of referral navigator roles.

Performance Measurement

BILH has measured its performance at reducing the outmigration of care to high-cost providers using two analytic frameworks.

First, to measure its performance at reducing the outmigration of care to high-cost providers, BILHPN has reviewed its patients under risk-contract arrangements to measure the percentage of non-emergent inpatient admissions that went to non-BILHPN providers. It then categorized those providers by their relative cost. As the data in [Table 2](#) illustrate, BILHPN's performance in reducing outmigration of care was mixed. While outmigration among the Medicare population decreased, the outmigration rates for MassHealth, commercial Preferred Provider Organization (“PPO”), and Health Maintenance Organization (“HMO”) populations increased with MassHealth experiencing the largest increase. Examples of providers outside of the BILHPN network include MassGeneral Brigham hospitals, South Shore Hospital, Cape Cod Hospital, and Boston Children's Hospital, all of which are high-cost providers.

During FY 2023, BILHPN consolidated two ACOs – legacy Beth Israel Deaconess Care Organization (“BIDCO”) and legacy LCPN – into one combined BILH ACO. This resulted in an expansion of the contractual arrangement and inclusion of formerly non-participating providers, which has driven an overall increase in ACO membership. With these patients now part of the BILH ACO, there is a greater opportunity to coordinate their care, including through programs such as Central Referral Management.

Table 2. Outmigration Rates for Non-Emergent Inpatient Admissions among BILHPN Patients in Risk Contract Arrangements, FY 2022 - FY 2023⁸

Payer	% of Total Member Population (FY 2022)	% of Total Member Population (FY 2023)	Outmigration Rates (Based on Utilization/1,000)		
			FY 2022	FY 2023	% Change (FY 2022- FY 2023)
HMO	40.5%	38.3%	26.3%	27.0%	0.3%
High Cost			15.3%	16.1%	0.8%
Medium Cost			8.4%	7.6%	-0.9%
Low Cost			0.7%	1.1%	0.4%
NO DEF			1.8%	2.2%	0.4%
PPO	21.5%	21.3%	35.3%	35.9%	0.6%
High Cost			24.5%	25.2%	0.7%
Medium Cost			9.9%	9.6%	-0.4%
Low Cost			0.9%	1.1%	0.3%
NO DEF			0.0%	0.0%	0.0%
MassHealth	13.1%	15.8%	22.4%	25.3%	2.8%
High Cost			6.5%	8.7%	2.2%
Medium Cost			9.0%	9.4%	0.4%
Low Cost			6.9%	6.7%	-0.2%
NO DEF			0.1%	0.4%	0.3%
Medicare	24.9%	24.5%	20.6%	20.1%	-0.5%
High Cost			11.9%	13.1%	1.3%
Medium Cost			5.6%	4.0%	-1.5%
Low Cost			0.7%	0.5%	-0.2%
NO DEF			2.5%	2.5%	0.0%

⁸ This analysis is based on BILHPN claims data. Outmigration rates are based on utilization, not dollars. Excludes risk lives under Cigna, Unicare, Blue Cross Blue Shield (“BCBS”) LCPN, and the following Medicare Advantage contracts as BILHPN does not receive complete data for these third-party payors: Tufts Medicare Preferred (“TMP”) BIDCO, TMP MACIPA, and BCBS MACIPA. Outmigration analysis also excludes behavioral health, heart and lung transplant admissions, pediatrics, inpatient emergent admissions, and outpatient surgeries that took place as part of the professional visit. Categorization of hospitals as high/medium/low cost is based on the 2023 CHIA relative price (“RP”) factor report, which is based on 2021 data; this report is the most recent version available at this time. BILH re-calculated the average RP factor for each hospital using the RP inpatient factors for the three major payors (BCBSMA, Harvard Pilgrim Health Care, and Tufts Health Plan). BILH classified as high cost those hospitals in the top 25th percentile of average relative inpatient price; medium-cost as the 25th – 75th percentile; and low-cost as the bottom quartile. The non-defined (“NO DEF”) category includes non-Massachusetts-based hospitals. Last, MassHealth contains a combination of two contract arrangements: one for LCPN and BIDCO ACOs and the other for the BILH ACO. The BILH ACO began on 4/1/2023. In addition, MassHealth data for the BILH ACO is not complete as claims related to behavioral health and substance abuse are not shared with BILH.

Second, BILH measured its success at strengthening the capabilities and market position of its community providers by tracking the case mix index (“CMI”) and inpatient volume trends at each BILH community hospital. As the data in [Table 3](#) show, CMI increased 9% across BILH’s community hospitals between FY 2018 and FY 2023, reflecting significant growth in the ability of these institutions to provide complex care. Inpatient volume declined between FY 2018 and FY 2023 due to the impact of COVID-19 on clinical volumes.

Table 3. Inpatient Volume and Case Mix Index for BILH Hospitals, FY 2018 – FY 2023

As noted in previous reports, BILH will also measure its success in enhancing community-based care through the system’s ongoing commitments to community health center affiliates and safety net affiliates, as outlined in Paragraphs 98 to 112 of the AOD and as detailed in annual third-party monitor reports.

		Inpatient Discharges							Inpatient CMI						
BILH Hospital	Hospital Type	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	% Change FY 18 to FY 23	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	% Change FY 18 to FY 23
BIDMC	AMC	40,705	40,752	36,402	37,606	35,536	36,077	-11%	1.74	1.75	1.81	1.88	2.00	2.04	17%
LHMC	AMC	23,997	23,936	21,448	21,448	20,747	21,618	-10%	1.87	1.91	1.98	2.04	2.08	2.15	15%
Anna Jaques	Community	7,361	7,109	6,147	6,030	5,899	6,173	-16%	1.03	1.17	1.20	1.25	1.31	1.25	22%
BID-Milton	Community	5,787	6,135	5,741	5,843	5,340	5,760	0%	1.47	1.45	1.51	1.51	1.53	1.53	4%
BID-Needham	Community	2,832	2,855	3,019	3,742	4,013	4,545	60%	1.37	1.34	1.36	1.35	1.35	1.41	3%
BID-Plymouth	Community	11,751	12,371	11,797	11,724	11,576	12,653	8%	1.38	1.40	1.40	1.44	1.51	1.50	9%
Beverly & Addison Gilbert	Community	21,358	21,087	19,181	18,873	18,685	19,048	-11%	1.25	1.26	1.27	1.27	1.30	1.30	4%
Mount Auburn	Community/Tertiary	14,574	13,514	12,337	12,741	12,378	12,088	-17%	1.11	1.08	1.06	1.12	1.16	1.39	25%
Winchester	Community	13,098	14,215	13,960	14,814	14,917	14,666	12%	1.19	1.17	1.16	1.18	1.19	1.23	4%
NEBH	Specialty	8,574	8,175	6,931	6,154	3,691	3,019	-65%	2.38	2.34	2.33	2.35	2.75	2.95	24%
TOTAL BILH Hospitals		150,037	150,149	136,963	138,975	132,782	135,647	-10%	1.54	1.55	1.57	1.60	1.66	1.70	10%
BILH AMCs		64,702	64,688	57,850	59,054	56,283	57,695	-11%	1.79	1.81	1.87	1.94	2.03	2.08	16%
BILH Community Hospitals		76,761	77,286	72,182	73,767	72,808	74,933	-2%	1.23	1.24	1.25	1.28	1.31	1.35	9%

D. Elimination or Creation of Clinical Services

In FY 2023, BILH added the following clinical services:

- BIDMC was approved by the Department of Public Health on December 6, 2022 to provide ambulatory care services at 1 Joslin Place, Boston, MA. Services began on January 2, 2023.
- BIDMC added additional beds to units in its new Klarman Building. In that building, there are now 39 medical/surgical services beds, 15 Intensive Care Unit beds, and 15 Coronary Care Unit beds.
- Beth Israel Deaconess Hospital-Needham added 15 additional medical/surgical beds to its license.

In FY 2023, BILH discontinued the following clinical services:

- Anna Jaques Hospital did not renew its “Level 3 Trauma Center” designation from the American College of Surgeons. The Hospital elected not to pursue this voluntary designation due to low patient volume and the significant costs associated with maintaining the designation. The clinical services available to patients in its Emergency Department (“ED”) are the same.
- Due to staffing challenges, the North Shore Birth Center closed in December 2022. The North Shore Birth Center operated under the DPH hospital license of Beverly Hospital as an outpatient birth center service and was located on Beverly Hospital’s main campus.
- Beverly Hospital discontinued providing elective services to a small cohort of patients through its High-Risk Intervention Team. The team consisted of social workers, a consulting pharmacist, addiction specialists, and a program director. This was not a separately licensed service, and many of the functions carried out by the team have since been coordinated through other internal and external programs to the extent applicable. The team was initially funded by a state grant through 2019 when it was transitioned to an elective, voluntary service that was primarily supported financially by Beverly Hospital.
- Due to insufficient staffing, the Mount Auburn Hospital Bridge Clinic program closed in June 2022. Mount Auburn Hospital continues to provide induction in its ED and a pathway to continued dosing, outpatient treatment with suboxone, and consultations to patients and referrals to treatment for opioid use disorder.

E. Other Consolidations of Services

Beginning in FY 2022, BILH undertook a planning process to develop a Hospital at Home program. In FY 2023, operational leadership focused on building the infrastructure and unique clinical expertise required to offer this model of care. In August 2023, BILH's first hospital to offer the program, Lahey Hospital and Medical Center, launched its program. The program enables eligible patients to be offered care in the setting most comfortable for them - their homes - while also customizing care plans in a unique way and improving patients' mobility even while they are acutely ill. BILH looks forward to expanding this model of care to additional facilities in FY 2024.

During FY 2023, BILH Primary Care (“BILHPC”) continued to focus on strategic integration efforts. Initiatives included:

- Design and implementation of a new care team to enhance professional wellness and morale through peer support, coaching, connection, and community. BILHPC appointed its inaugural BILHPC Director of Care Team Experience,
- Development and implementation of a harmonized compensation plan for BILHPC advanced practice providers,
- Design and implementation of a virtualist service line, a program through which providers deliver same-day and after-hours virtual visits to patients outside of standard in-person office visits,
- Development and continued growth of a novel job type - clinical assistant - with a primary care led and managed training program by utilizing a state-funded grant to create more clinical support

and diversity of job opportunities within BILHPC practices as well as a pathway for promotion to BILHPC's medical assistance program, and

- Rebranding of all primary care practices with BILH Primary Care exterior signage.

During FY 2023, BILH Integrity and Compliance published and rolled out a system-wide Workforce Code of Conduct that was adopted at each entity. This Workforce Code of Conduct incorporates the BILH shared values and purpose statement and provides a common framework and practical guidance for handling common situations with compliance and integrity. The Code serves as a primary resource to educate the workforce on the responsibility to report concerns and resources on various reporting channels.

In FY 2023, BILH Behavioral Services launched its Community Behavioral Health Center ("CBHC") in Lawrence, Massachusetts, consolidating outpatient, mobile crisis intervention (formerly emergency services) and adult community crisis stabilization services. The establishment of the CBHC is a part of the Executive Office of Health and Human Services ("EOHHS") Roadmap for Behavioral Health Reform. As the statewide behavioral health vendor for EOHHS, the Massachusetts Behavioral Health Partnership ("MBHP") procured a network of CBHCs to serve MassHealth members enrolled in MBHP.

Additionally, as part of the Roadmap for Behavioral Health Reform, the Emergency Services Redesign shifts emergency evaluations out of the Emergency Department, presenting an opportunity for behavioral services integration into the ED to conduct evaluations for patients presenting with a behavioral health concern. BILH Behavioral Services in FY 2023 expanded its ED integration to a total of six EDs, which include Addison Gilbert Hospital, Anna Jaques Hospital, Beverly Hospital, Lahey Medical Center Peabody, Beth Israel Deaconess Hospital-Milton, and Winchester Hospital.

In FY 2023, the Office of the Chief Academic Officer executed several integration efforts:

- BILH Research took the first steps toward consolidation of a human research protection program as the foundation for a system-wide clinical research trials network. A reliance agreement was executed among BILH institutions involved in research to offer system-wide support with the Institutional Review Board. The goal of the clinical research trials network is to offer equitable local access to clinical trials, particularly to traditionally underrepresented communities.
- The Beth Israel Deaconess Medical Center Technology Ventures Office has built successful relationships supporting Joslin Diabetes Center and Lahey Hospital and Medical Center investigators. Services and relationships will expand across the rest of the BILH system.

BILH continues to develop its diversity, equity and inclusion ("DEI") infrastructure and make progress across the major areas of focus, namely workforce representation, health equity and supplier diversity. Its efforts include:

- The DEI Office hired two regional executive directors to expand infrastructure and programming across the north and south hospitals and clinical entities. Additionally, the health equity team is supporting system-wide efforts to reduce disparities across BILH's patient population.

- BILH and Lawyers for Civil Rights launched a medical-legal partnership to provide free legal support to low-income patients, beginning at Beth Israel Deaconess Medical Center. The collaboration will expand BILH's ability to address health equity and expand access to health care for patients living in under-resourced communities.
- BILH met its new hire goal of at least 25% of black, indigenous, and other people of color across leadership, nursing and physicians; reduced racial and ethnic disparities in diabetes and hypertension; and increased spending with certified diverse contractors and suppliers.

On July 1, 2023, Exeter Health Resources – which includes Exeter Hospital, Core Physicians and Rockingham Visiting Nurse Association & Hospice – joined BILH. This merger will result in expanded access to high-quality, not-for-profit health care services in Southern New Hampshire for generations to come and more sustainable choices for health care consumers and purchasers.