

**ADDENDUM TO STAFF SUMMARY FOR DETERMINATION OF NEED
For THE PUBLIC HEALTH COUNCIL
January 9, 2019**

Introduction

On December 10, 2018, and pursuant to 105 CMR 100.510, the Massachusetts Department of Public Health (DPH or Department) Staff for the Determination of Need (DoN) Program (Staff) forwarded to all Parties of Record its written Staff Report relative to DoN application CG-18051612-HE filed by CareGroup, Inc. (CareGroup) with respect to a substantial capital expenditure at Beth Israel Deaconess Medical Center (BIDMC). In accordance with the regulation, Parties of Record were authorized to submit written comments related to the Staff's recommendation and any other conditions recommended in the Staff report.

The Department did not receive written comments but identified several scrivener's errors which we correct here in this Addendum to be presented to the Public Health Council (PHC) for review at its January 9, 2019 meeting.

New language is in bold **blue**, and language removed in ~~strikethrough~~.

1) On page 2 of the Staff Report, we correct a scrivener's error, inserting the words "as well as" as follows:

CareGroup is the parent corporation and sole corporate member of Beth Israel Deaconess Medical Center (BIDMC) and its owned community hospitals Beth Israel Deaconess Hospital-Milton (BID-Milton), Beth Israel Deaconess Hospital-Needham (BID-Needham), and Beth Israel Deaconess Hospital-Plymouth (BID-Plymouth), **as well as** Mount Auburn Hospital (MAH), and New England Baptist Hospital (NEBH).

2) On page 23 of the Staff Report (Attachment 1), we correct a scrivener's error as follows:

4. Increased patient satisfaction scores

a. Measures:

- i. Hospital Environment Quiet & Cleanliness
- ii. Patient Rating of Hospital
- iii. Whether patient would recommend hospital to others

b. BIDMC Target for ~~Year~~**Y**ear 2 of the Project

3) On page 23 of the Staff Report (Attachment 1), we substitute the word NIB for BIDMC as follows:

5. Reduced incidence of patient falls

- a. Measure: Patient falls with injury (per 1,000 days)
- b. ~~BIDMC~~ **NIB** Target for Year 2 of Project - Represents peer group average

- i. Adult Medical < 0.65
- ii. Adult Medical Surgical < 0.5

Presented for PHC vote:

Finding and Recommendation

The Applicant provided evidence to support the assertion that the construction of a New Inpatient Building on BIDMC's West Campus will increase access to high-quality, patient-centered care in a lower-cost setting. The Applicant maintains that the Proposed Project will improve the patient care experience and health outcomes, increase operational efficiencies and align with the Commonwealth's goals for cost containment, which, with the recommended Condition 8, below, supports the Applicant's compliance with factors 1 and 2.

In addition, the Applicant is in compliance with factor 3. Based upon the CPA analysis, the Proposed Project is financially feasible in the context of factor 4. Construction of a new inpatient building on the BIDMC West Campus is, on balance, the superior alternative for meeting the existing Patient Panel needs from the perspective of quality, efficiency, and operating costs as required by factor 5. Finally, the Applicant is in compliance with the requirements of the CHI planning process for the purposes of factor 6, subject to the CHI Conditions and Timeline and pursuant to 105 CMR 100.310(J).

CHI Conditions to the DoN

1. Of the total required CHI contribution of \$29,678,038, a total of \$7,419,509 will be directed to the CHI Statewide Initiative and \$22,258,529 will be dedicated to local approaches to the DoN Health Priorities. The local approaches amount includes an agreement that up 10% of these resources be available for evaluation, \$593,561 be allowed for administrative purposes (as allowed by the CHI Guideline) and to be used for the activities described in Exhibit D, which include strategies to address barriers to participation in community engagement activities, as well as up to \$250,000 over the course of the CHI project for independent facilitation of advisory committee meetings. To comply with the Holder's obligation to contribute to the Statewide CHI Initiative, the Holder must submit a check for \$7,419,509 to Health Resources in Action (HRiA) (the fiscal agent for the CHI Statewide Initiative). The Holder must submit the funds to HRiA within one month from the date of the Notice of Approval. The Holder must promptly notify DPH (CHI contact staff) when the payment has been made.
2. The Applicant will notify DPH when the community engagement plans for the joint CHNA/CHIP are completed and will submit a revised Community Engagement Plan after that date. All activities described in the revised Community Engagement Plan to be submitted and approved by DPH are considered conditions of approval.

3. Funds will be distributed over a period of time that is subject to final choice of Health Priority strategies, final program approval and based on the CHI Timeline that will be submitted at the time the revised Community Engagement Plan is submitted. The revised timeline will include the date by which the Health Priority Strategy Selection form is submitted to DPH.
4. The revised Community Engagement Plan will include a new advisory committee member representing the Transportation and Planning sector.
5. The 2019 Collaborative CHNA/CHIP that the Applicant is participating in will include an analysis of social determinant of health information consistent with DPH's Health Priorities and the 2019 CHNA/CHIP will be the basis for choosing funded strategies.

Other Conditions to the DoN

6. In its first report mandated by 105 CMR 100.310(L), the Holder will provide the following:
 - a. A report that details, for each measure set out in the Assessment Tool (Attachment 1):
 - i. the baseline measures
 - ii. expected benchmarks;
 - iii. measure specifications; and
 - iv. the anticipated time to meet benchmark
7. For the duration of the reporting period mandated by 105 CMR 100.310 (L) and this Notice of DoN, the Holder will provide the following:
 - b. A report on the measurable achievement toward the measures set out in Attachment 1.
8. With its first report mandated by 105 CMR 100.310(L), the Holder shall submit a plan, subject to Department approval, through which the Holder will increase health equity; address disparities; and increase access at BIDMC (Plan).
 - c. The Holder shall update this Plan through annual reporting, with the use of data, evidencing its commitment to implementation of the Plan and to increasing access to health care at BIDMC.

In compliance with the provisions of 105 CMR 100.310(L) and (Q), which require a report to the Department, at a minimum on an annual basis, including the measures related to achievement of the DoN factors for a period of five years from completion of the project, the Holder shall address its assertions with respect to the improved health outcomes resulting from the Proposed Project and that BIDMC will remain a lower-cost alternative for high-quality care.

Based upon a review of the materials submitted, and subject to the Conditions set forth herein, Staff finds that the Applicant has met each DoN factor and recommends that the Department approve this Determination of Need application for the construction of New Inpatient Building subject to all standard conditions (105 CMR 100.310).

Attachment 1 (Amended)

1. Reduction in average daily blocked beds
 - a. Measure: Average daily census of blocked beds (All services)
 - b. BIDMC Target for Year 2 of Project
 - i. Ongoing measurement and improvement
2. Improved optimal occupancy rates
 - a. Measure: Occupancy rates
 - b. BIDMC Target for Year 2 of Project
 - i. Medical/Surgical (in NIB) - not to exceed 90%
 - ii. Medical/Surgical (remainder of BIDMC campus building) – not to exceed 85%
 - iii. ICU (All BIDMC) - not to exceed 80%
3. Reduced Emergency Department boarding
 - a. Measure: ED wait times (Physician order to bed assignment)
 - b. BIDMC Target for Year 2 of Project
 - i. Continued Improvement
4. Increased patient satisfaction scores
 - a. Measures:
 - i. Hospital Environment Quiet & Cleanliness
 - ii. Patient Rating of Hospital
 - iii. Whether patient would recommend hospital to others
 - b. BIDMC Target for Year 2 of the Project
 - i. 1% improvement, above the scores in the twelve-month period immediately preceding the occupancy of the New Inpatient Building patient bed floors, and maintaining this improved satisfaction level in subsequent years
5. Reduced incidence of patient falls
 - a. Measure: Patient falls with injury (per 1,000 days)
 - b. **NIB** Target for Year 2 of Project - Represents peer group average
 - i. Adult Medical < 0.65
 - ii. Adult Medical Surgical < 0.50
6. Reduced risk of hospital-acquired infections
 - a. Measure - MRSA Blood Infections
Clostridium difficile Intestinal Infections
 - b. BIDMC Target for Year 2 of Project
 - i. Continued measurement
7. Case Mix Index
 - a. Measure – Annual Case Mix Index (including the absolute change in CMI from the prior year, the percentage change in CMI from the prior year, and key diagnosis groups and/or service lines most responsible for changes in CMI).
 - b. BIDMC Target for Year 2 of Project
 - i. None specified

BIDMC will measure and report on the 12 month period that commences at the beginning of the 13th month after the New Inpatient Building Project is fully operational.