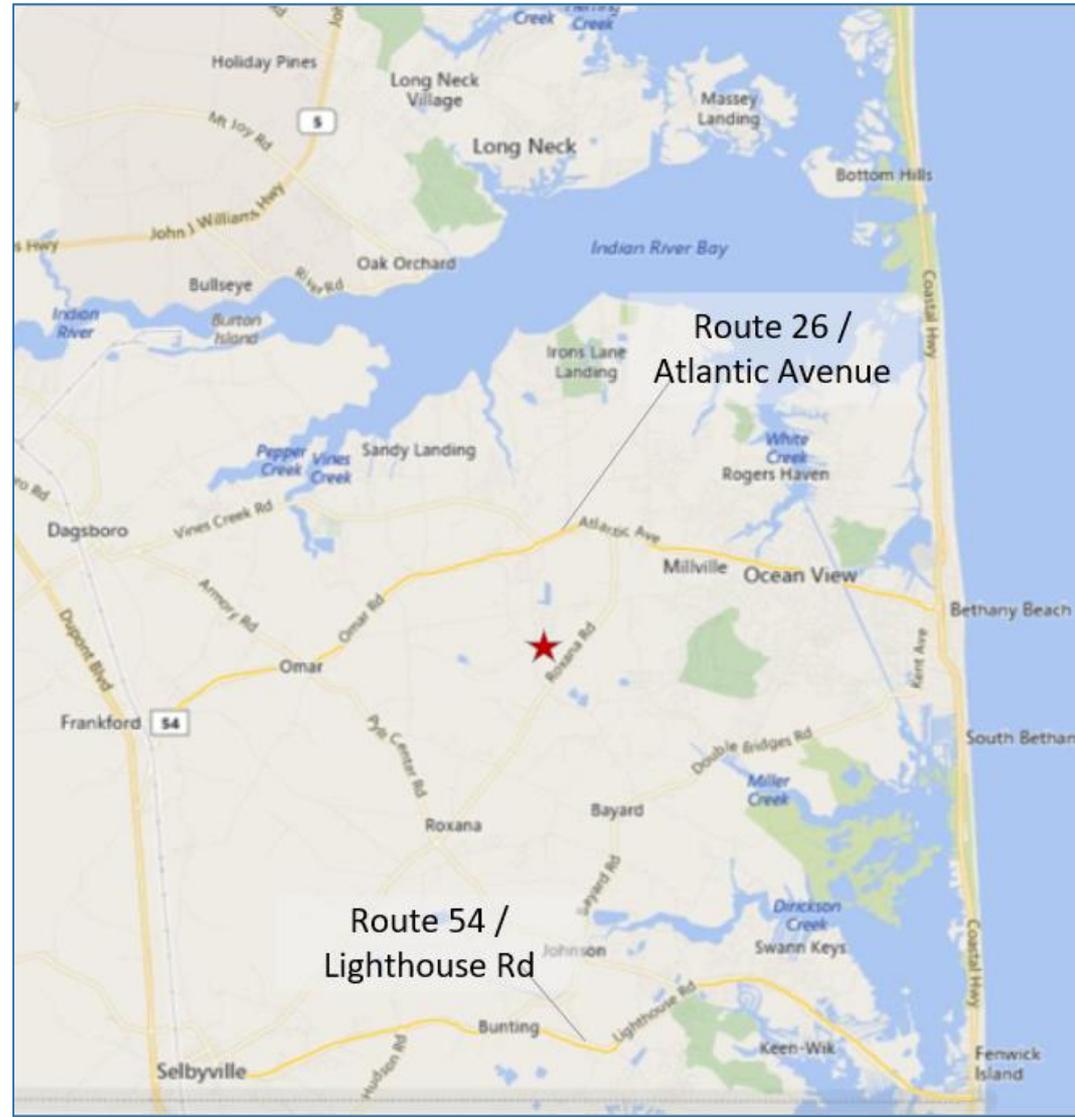


# Oncology & Emergency Services Expansion

*Improving Access for South Coastal Residents*

# Need of the Population

- Improved Access
- South Coastal residents are farthest from health services
- 25-45 minutes to nearest hospital or cancer center
  - Longer during tourist season
- Inland Bays impede access



# Need of the Population

- 12.7% growth in Sussex County since 2010
- 15.8% growth in eastern Sussex County since 2010
- 8% projected growth in next 7 years
- 25.2% projected growth by 2023 of 65+ population
- 65+ population will make up 30% of Beebe's Primary Service Area
- Total population in South Coastal communities estimated at 83,000

South Coastal Service Area		
Town	Zip Code	Population
Bethany Beach	19930	5,009
Ocean View	19970	10,329
Fenwick Island	19944	1,318
Millville	19967	2,196
Dagsboro	19939	7,780
Frankford	19945	9,095
Selbyville	19975	13,309
Millsboro	19966	33,635

# Need of Population

---

- Tourists and visitors increase demand for healthcare services
  - Mostly for emergency and urgent care
- Estimate 100,000 seasonal population in southeastern Sussex County, residing in private residences
- Estimate 1.4 million day-trip beach visitors each year
- Additional hotel visitors not included in the above figures

# Conformity to HRMP

---

- Beebe is an independent, not-for-profit community health system guided by charitable mission to encourage healthy living, prevent illness, and restore optimal health
- Medicare and Medicaid provider
  - 75% of total patient care expenditures for Medicare and Medicaid beneficiaries
- Charity Care Policy for income up to 400% of Federal Poverty Level
  - 4.1% of total patient care expenditures
- Participant with DHIN; user of EMRs

# Conformity to HRMP

---

- Innovator in Care Coordination (since 2013)
- First DE health system to participate in Medicare Shared Savings Program ACO (since 2014)
- Participate in CMS Bundled Payment for Care Improvement (BPCI) (since 2015)
- Advanced Care Clinic offers post-discharge coordination and follow up for those without PCP
- Beebe C.A.R.E.s program offers comprehensive support for high utilizers of ED and Inpatient care
- All programs focus on improving care outcomes and lowering unnecessary utilization and cost

# Financial Viability

---

- Total costs for Millville Health Campus, with Emergency Medicine and Oncology: \$42 million
- Beebe maintains positive operating margins (4.9% in 2017 and 4.2% in 2016)
- Tax exempt bond offering will be used to finance construction and equipment costs.
- Analysis by Ponder & Co. affirms ability to secure bond financing without jeopardizing BBB bond rating.
- Both programs projected to generate surplus operating income, thus will be financially viable and will contribute to cost of debt financing

# Oncology Services Expansion



# Millville Cancer Center

---

- Comprehensive Cancer Center
  - medical oncology and hematology (9 exam rooms)
  - chemotherapy treatments (16 bays / 2 rooms)
  - radiation therapy (1 linear accelerator, Varian TrueBeam)
  - surgical oncology consults
- Cancer Screening and Breast Health Nurse Navigators
- Screening and prevention programs
- 15,107 dedicated square feet (9,967 sf shared support services)
- Capital costs expected between \$15-20 million

# Conformity to HRMP

---

- Accredited by Commission on Cancer of the American College of Surgeons
- Accredited by Quality Oncology Practice Initiative Certification Program of the American Society of Clinical Oncology
- Breast Health Program accredited by National Accreditation Program for Breast Centers of the American College of Surgeons (only in Delaware)
- Each program requires compliance with nationally recognized quality standards

# Need of the Population

---

- 1,700 new cancer diagnoses annually among residents of Sussex County
- Approximately 471 new cancer diagnoses annually in the South Coastal region
- Growth of 65+ population puts pressure on services to treat people with cancer
  - 65+ people 10x more likely to be diagnosed with cancer than those younger than 65

# Need of the Population

---

- 100% of South Coastal residents must drive out of their community for cancer treatment to:
  - Beebe Healthcare
  - Atlantic General
  - Peninsula Regional Medical Center
  - Nanticoke Memorial Hospital
  - Milford Memorial Hospital
- Cancer treatment is a long journey with frequent treatments and appointments
  - Chemotherapy patients receive daily treatment
- Reducing the burden of travel for South Coastal residents is a primary driver of this expansion
  - Doing so will eliminate need to expand the Tunnell Cancer Center on Route 24.

# Less Costly Alternatives

---

- There are currently no cancer providers located in the South Coastal communities.
- 100% of South Coastal residents must drive out of their community for cancer treatment
- Construction of Millville Cancer Center on green field site will be less costly than expanding an existing facility (Tunnell Cancer Center)
- Maryland costs tend to be 10-15% higher:

	Maryland	Delaware	Difference
Medicare*	\$11,844	\$10,296	15%
Medicaid**	\$7,677	\$6,921	11%

\* Beebe/AGH Medicare Shared Savings program, performance year 2016

\*\* CMS cost data, 2014

# Relationship to Existing Healthcare

---

- Owned and operated by Beebe Healthcare
- Led by same team of physicians, nurses and staff as Tunnell Cancer Center
- In-referral network in place with employed and private practice PCPs, GIs, OB/BYNs, Pulmonology
- Out-referral network is in place out to Christiana, Johns Hopkins, Nemours et al
- Local surgeons will meet with patients in Millville Cancer Center
  - 90% of all new cancer diagnoses involve solid tumors
  - Fellowship trained surgeons in breast, oncology, and thoracic

# Financial Viability

---

- 471 new cancer diagnoses annually in the South Coastal region
  - Anticipate in first year of operation:
    - 330 new medical oncology patients
    - 148 new radiation patients
- } Some overlap of people who are both medical and radiation patients
- Presently serve 52% of South Coastal cancer patients at Tunnell Cancer Center
  - Anticipate Millville Cancer Center will serve 80% of South Coastal cancer patients
  - Anticipate \$715,560 operating surplus in year 1

# Impact on Cost

---

- No anticipated impact on cost or charges for oncology services due to building and operating Millville Cancer Center
- Improved access for patients will not increase costs for patients or payers
- Integrated design (involving physicians, patients, staff and architects) focused on patient experience and quality and will optimize efficiency
- Onsite lab and pharmacy will support timely care for patients and efficient operations

# Quality

---

- Multi-disciplinary team of physicians, nurses, techs and care navigators focus on comprehensive, coordinated care; Clinical Practice Groups
- Weekly team meetings discuss cases and create care plans
  - Including care coordination to reduce barriers to care, such as financial, transportation, caregiver support, and psycho-social needs
  - Optimizing patient engagement
- Clinical Trials, in partnership with Christiana
- Accreditation programs have multiple quality standards and measures

# Quality

---

- Focus on quality includes improvement projects:
  - improving care of patients undergoing chemotherapy concurrent with radiation therapy
  - patient outcomes
  - care plan adherence to guidelines on medications
  - improving patient adherence to oral chemotherapy
  - timeliness of patients receiving medication
  - minimizing wait times between screening, diagnosis, and treatment
- Varian radiation therapy system same as at Tunnell Cancer Center and at Nanticoke
- Early diagnosis programs (e.g., Lay Navigators, Navigational Bronchoscopy) identify cancers at earlier stages, leading to better patient outcomes

# Questions?

# Emergency Services Expansion



# Millville Emergency Medicine

---

- 16,741 square feet of dedicated space (9,697 sf of shared support services)
  - 24 Emergency exam and treatment rooms
  - 1 Computed Tomography (CT) room
  - 1 X-ray room
  - 1 Ultrasound
  - Onsite laboratory & pharmacy
- Helicopter pad for transport to regional centers
- Lab, pharmacy and support services shared with proposed Millville Cancer Center
- Capital costs anticipated between \$19-22 million

# Conformity to HRMP

---

- Beebe charitable mission will guide management of emergency medicine services
- Medicare and Medicaid provider
  - 34% of emergency medicine patient care expenditures were for Medicare beneficiaries
  - 25.2% of emergency medicine patient care expenditures were for Medicaid beneficiaries
- Accredited with Beebe Healthcare by Joint Commission on Accreditation of Health Care Organizations (JCAHO)
- Compliant with EMTALA ensuring access to services regardless of ability to pay
- Advanced Care Clinic for post discharge follow up

# Need of the Population

---

- Access to timely care is a critical factor for the successful treatment of medical emergencies
- Presently there are no emergency medicine departments located in the South Coastal region
- 100% of residents and visitors must travel out of their community for emergency treatment
- Distance between Millville ED and Lewes ED = 22.9 miles; Middletown ED to CCHS Newark = 21.2 miles

# Need of the Population

---

- Health System 100 report, *The Future of Demand for Hospitals*, projects national emergency-visits-per-100-residents between 46.5 and 49 by 2025.
  - 48.3 emergency medicine visits per 100 residents is projected for Millville Emergency department
  - Consistent with national rates when considering significant seasonal fluctuations in population
- 100,000 seasonal residents and over 1.4 million day trip beach visitors increases demand
- 25% of projected visits to the Millville Emergency Department are expected from those who live outside of Sussex County
  - Beebe serves the state's large tourist population
- Seasonal traffic can make travel to area hospitals double in duration

# Less Costly Alternatives

---

- A portion of visits to emergency rooms are for non-emergent needs
- Beebe operates four Walk-In Care Centers – one in Millville – to offer less expensive appropriate care for non-emergent cases
  - 11,100 visits to Millville Walk-In Care in fiscal 2017
- Walk-In Care volume has increased 109% between 2015 and 2017
- Urgent, level 1 & 2 emergency medicine visits at the ED in Lewes dropped by 18% over this same period
- Yet there is still no emergency medicine available in the South Coastal community

# Relationship to Existing Healthcare

---

- Owned and operated by Beebe Healthcare
- Led by same team of physicians, nurses and staff as Lewes emergency room
- Governed by same policies and standards
- Formal transfer agreements in place with 52 receiving organizations
- Beebe is part of state Trauma System (though Millville Emergency will not be a trauma center)
- Active relationship with Sussex EMS and Basic Life Support

# Financial Viability

---

- 15,000 annual visits projected to Millville Emergency
  - 3,750 of these would have been treated in Lewes
  - 25% projected to be visitors to region
- Assumes only 30% of total emergency medicine visits of patients living full time in South Coastal
- Anticipate \$8 million operating surplus in year 1
  - Approximately \$2 million of this income is currently generated at the Lewes emergency department and will transfer to the Millville emergency department as patients seek care there

# Impact on Cost

---

- No anticipated impact on cost or charges for emergency services due to building and operating Millville Emergency Department
- Operation of Millville Walk-In Care will continue to offer low cost alternative (year round, open daily) for non-emergent care
- Continued investment in primary care will increase availability of low cost alternative
- Millville Emergency Medicine may lower costs for EMS services who won't have non-productive travel time back from Lewes or other hospitals

# Quality

---

- Timely access to diagnosis and treatment of medical emergencies is the most significant influence of positive outcomes in emergency medicine
- Timeliness of care once at the emergency department is also essential quality metric:

Measure	Performance	National Median
Door to Diagnostic Evaluation by a Qualified Medical Personnel	20.5 minutes	19 minutes
Median Time for ED Arrival to ED Discharge for Discharged ED patients	2 hrs 26 mins	2 hrs 13 mins
Median Time to Pain Management for Long Bone Fracture	56 mins	48 mins

- Timeliness of care is expected to be faster in free-standing emergency department due to narrower range of case complexity

# Quality

---

- Millville Emergency Medicine will offer tele-health psychiatric evaluations like in Lewes
- Will seek recognition by state under Emergency Medical Service for Children (EMSC), like in Lewes
- Tele-health connection to A.I. DuPont Hospital for Children will be deployed
- Will participate in state Trauma System, but Millville site will not be a trauma center
- Millville Emergency Medicine will be included in future Joint Commission accreditation reviews

# Questions?

# Thank You