

Beaumont Hospital – Grosse Pointe  
Operational Initiatives – 2016

I. Market Share:

- a. Grosse Pointe Competitors:
  - i. St. John, Main (2.9 miles)
  - ii. St. John, Macomb (13.9 miles)
  - iii. Henry Ford, Main (10.0 miles)
  - iv. Henry Ford, Macomb (9.5 miles)
  
- b. Grosse Pointe Market Admissions & Growth
  - i. Grosse Pointe Market admissions YTD Dec 2015...115,484
  - ii. Grosse Pointe Market admissions YTD Dec 2014...113,330
  - iii. Grosse Pointe Market overall growth...1.9%
  
- c. Grosse Pointe Hospital Admission growth, 2015 vs. 2014 was 6.9%. This represents a continued market shift to the Grosse Pointe hospital.

II. Strategic Growth Initiatives: **Budgeted**

- a. Admissions – Hire/credential additional primary care physicians and specialists.

Budgeted increase in admissions for 2016 = 332, which represents a year-over-year growth of 2.8%.

The table below outlines the budgeted growth in the major specialties:

Specialty	Admission Growth within Specialty	Cases
Neurosurgery	9.5%	25
Orthopedics	11.8%	97
Urology	3.0%	9
Internal Medicine	2.2%	148
Cardiology	18.0%	53

- a. Cardiology – Plan to submit application for elective PCI in May 2016, anticipate an October 2016 start date (an additional 53 cath.’s were budgeted due to this new program).
  
- b. Termination of the LTACH lease with Select Specialties, which will be effective in June, will provide two options:
  - i. Adding private med/surg rooms to compete more effectively with the St. John hospital.
  - ii. Bringing in another LTACH service. The alternate LTACH would be Vibra, which is a joint venture arrangement through legacy Oakwood.

- c. Movement of the following outpatient services to the lower level of the Medical Office Building to provide room to expand these programs and additional space for inpatient services:
  - i. Pain Clinic
  - ii. Shared Services (general radiology, ultrasound, non-invasive cardiology, EEG/EMG, PFT and outpatient laboratory)
  - iii. Wound Treatment
  - iv. Hyperbaric Services

Related cost of move is \$3M, which has already been funded by the Capital Committee on February 15<sup>th</sup>.

- d. Surgical ICU - new 7 bed unit to open June 1st; will provide the ability to do more complex surgical cases...project funded through philanthropic support of \$2.0M. This project is scheduled to be operational in June, 2016.

- e. Key Volume Statistics Summary

	2015 YTD	2016 Budget	Projected Growth (2015 – 2016)
Admissions	11,915	12,247	2.8%
EC Visits	42,411	43,714	3.1%
Surgeries IP/OP	7,200	7,303	1.4%
<i>Ortho</i>	1,728	1,814	5.0%
<i>Neuro</i>	296	346	16.9%
Imaging	42,738	43,782	2.4%
Ambulatory Infusion	5,357	5,909	10.3%

III. Strategic Growth Initiatives: “Must Haves”

- a. Renovations and backfill of departments moving to MOB...\$1.8 (Strategic Imperative: Achieve clinical alignment for value based care)
  - i. Reopen 10 headwalls; 7 patient rooms on 3W
  - ii. Renovate 1<sup>st</sup> floor space for cardiovascular services (space vacated due to MOB)
  - iii. **This program was funded through the Capital Committee meeting on February 15<sup>th</sup>**
- b. LTACH renovations...\$2.94M (Strategic Imperative: Advance a culture of patient and family centered care)
  - i. The current unit is over 65 years old
  - ii. Renovations will:
    - 1. correct ongoing infrastructure and equipment issues
    - 2. bring the unit up to similar standards as the rest of the hospital
    - 3. make this unit ready for occupancy by a Vibra LTACH or as a private-bed med/surg unit

#### IV. Remaining Strategic Growth Initiatives

- a. Special Care Nursery (Strategic Imperative: Advance a Culture of Patient and Family Centered Care). Justification for this new service:
  - i. Letter of Intent, which has been signed by East Side OB/GYN has the potential to bring 300 - 400 additional births
  - ii. Maternal Fetal Medicine group on-site Q1, 2016; will need a higher level of nursery to support this patient population
  - iii. To avoid the transfer of newborn < 36 weeks gestation (avoid delivery and separation of mom and baby)
- b. Cancer Center – (Strategic Imperative: Develop innovative program to meet emerging market needs)
  - i. Provide radiation therapy for our patients on the east side, increase market share and stop the leakage to other health systems.
  - ii. Providing radiation therapy will increase cancer related surgeries, surgical ICU admissions, and ancillary testing.
  - iii. Our Breast Surgeon has converted to full time status in Feb. 2016 to accommodate increased volumes.
  - iv. Timeframe for development of this program is dependent on Troy achieving CON compliance.
  - v. With HOPD reimbursement somewhat unsettled, and potentially limiting the development of an offsite service, GP Administration will explore an onsite opportunity to further develop our Cancer Program.
- c. OR Renovation (Strategic Imperative: Achieve best in class quality and financial performance)
  - i. Need to increase size of ORs to accommodate new technology.
  - ii. Need hybrid OR to remain competitive in this ever changing, state-of-the-art environment.
  - iii. Need surgical core and storage space (citations from Fire Marshal; excess equipment in hallways).
- d. Mobile Health Clinic (Strategic Imperatives: Develop a Beaumont Health Network; Develop innovative programs to meet emerging market needs)
  - i. Given GP's proximity to underserved communities and its ability to leverage the hospital's Family Medicine Residency program, there is a unique opportunity to bring patient care to the community.
  - ii. Investment: \$350,000, with an opportunity for a portion to be funding through philanthropy.



**V. Additional 2016 Initiatives:**

- a. Magnet application to be filed in December of 2016...designation in 2017 (Strategic Imperative: Employer of choice)
- b. Recertify as Level III trauma service (visit occurred March 3rd and 4<sup>th</sup>).
  - i. Research potential of providing Geriatric Emergency Center service.
  - ii. Research Acute Care Service (24/7 midlevel service) to support Acute Care Service, geriatric trauma and Surgical ICU.
- c. Complete construction of MOB in fourth quarter of 2016...full impact of MOB physicians in 2017 (Strategic Imperative: Achieve clinical alignment for value based care).
- d. Develop a hyperbaric oxygen therapy program to enhance existing outpatient wound treatment services.

**VI. Physician Manpower Needs...(4.95 FTE)**

- a. Advanced Practice professional (1.0 FTE)
- b. Primary Care physician (1.4 FTE)
- c. Director of Surgical ICU (.4 FTE)
- d. Nutrition & Preventive Medicine physician (0.05 FTE)
- e. Palliative Care physician (0.4 FTE)
- f. Maternal Fetal Medicine physician (0.3 FTE)
- g. General Surgeon...0.4 FTE, (tentative start date is June 1<sup>st</sup>)
- h. General Surgeon...1.0 FTE, (specialty in Breast surgery...hired March 1<sup>st</sup>)

**VII. Concerns:**

- a. Infrastructure capital
  - i. Total...\$10M
    - a) Of the \$10M, \$7.9 needed for Code/Joint Commission requirements
  - ii. Replacement of existing 45-year old parking deck
    - Current engineering and design studies underway
  - ii. Medical Equipment Replacement
    - Equipment needs from 2014 were differed to 2015, which were again deferred to 2016 at an estimated figure of \$6M
- b. Capital needed to fund Strategic Growth Initiative "Must Haves" noted above
  - i. LTACH renovations...\$2.94M

5.0 Position Beaumont Health to be an Employer of Choice										
Recognized as the employer of choice in Southeast Michigan and beyond. It is essential that Beaumont Health is viewed as a healthy workplace that attracts, continually invests in and develops, and retains a highly talented, engaged and diverse workforce										
No.	Strategic Initiative	[Enter BU] Tactics	[Enter BU] Responsibility	[Enter BU] Metrics	Year				2016 Capital Dollars	2016 Operating Dollars
					2015	2016	2017	2018		
5.1	Obtain Magnet Designation. Grosse Pointe plans to be the third Beaumont Health Hospital to be awarded ANCC Magnet Designation	1) Complete Magnet Gap Analysis/consultant	Anne Stewart	complete Q2 2015	x					
		2) Recruit and Hire Magnet Program Director	Anne Stewart	Sep-15	x					
		3) File Magnet Application	Anne Stewart/Randy Whitney	Dec-15		X				
		4) Train and engage entire hospital in the Magnet philosophy	Anne Stewart/Randy Whitney	Sept 2015-application			X			
		5) Achieve Magnet designation	Anne Stewart/Randy Whitney	Improve RN recruitment, turnover & retention to within target of Magnet Organization						
					2016 Total				\$0	\$0