

# **Beaumont**

## **Occupancy Summary**

**November 25, 2015**

**Update for Beaumont Health  
Chief Financial Officer**

# Capacity

# Capacity Reconciliation

Total Licensed Beds vs. Available Licensed Beds vs. Maximum Daily Capacity

	Beds	
<b>Total Licensed Beds</b> (Data Exchange/External Reporting)	<b>250</b>	
Beds Unavailable (365 days/year)	-24	<ul style="list-style-type: none"> <li>Hospice</li> <li>Outpatient services: Wound Treatment, Cardio, PFT</li> </ul>
<b>Total Available Licensed Beds</b> (Daily Operations/Internal Reporting)	<b>226</b>	
Beds Held (average)	-17	<ul style="list-style-type: none"> <li>Day-to-day accommodations for isolation &amp; disruptive patients</li> </ul>
<b>Maximum Daily Available Capacity</b>	<b>209</b>	
BEST Case Scenario for Daily Available Capacity		

Note: The BGP hospital has 172 patient *rooms* (including those dedicated to LTACH)



# Licensed Beds vs. Headwalls

- Hospitals often have more headwalls than licensed beds for the following reasons:
  - Accommodating Observation (Obs) patients requiring overnight stays
  - A/D/T “churn” within a day vs. assuming midnight census is reality
  - Allowing census to “bellow” with peaks and valleys, and seasonality

Beaumont Hospital Location	Licensed Beds	Additional Headwalls	% Additional Headwall Capacity
Grosse Pointe	250	0	0%
Troy	458	100	21.8%
Royal Oak	1,070	137	12.8%

# Capacity & Demand Reconciliation

Data Exchange (Reporting) vs. Daily Operations (Reality)

Data Exchange	Licensed Beds	IP (only) ADC	IP (only) % Occupancy
August 2015 YTD Statistics	250	128	51.2%

Daily Operations	Maximum Daily Available Capacity	IP + Obs (heads in beds) ADC	IP + Obs % Occupancy
August 2015 YTD Statistics	209	149	71.3%

71.3% reflects true overall IP + Obs ADC occupancy



# Capacity & Occupancy – Med/Surg

Capacity by Bed Type	Beds
Maximum Daily Available Capacity	209
Specialty Beds	- 37
Maximum Daily Med/Surg Capacity	172

Specialty beds: CCU & OB/Gyn

172 = denominator used for the calculations below

<b>Mathematical Scenario:</b> Low End using Minimum ADC (IP + Obs)	
Minimum Med/Surg ADC	126
Minimum Med/Surg Occupancy	73.3%
<b>A Real Day (11/19/15) at BGP:</b> Non-Flu Season, but Higher Daily Census (IP + Obs)	
Med/Surg Higher Daily Census	157
Med/Surg Occupancy	91.3%

Reality is, the VERY LEAST, at this level

Reality is, MOST OFTEN, between these points

Reality can and has REACHED and EXCEEDED this level

# Operational Reality

## Capacity

- Licensed beds 250
- Available licensed beds 226
- Max available daily capacity 209
- Med/Surg capacity 172

## No additional headwalls for flexibility

- Royal Oak 137 12.8%
- Troy 100 21.8%

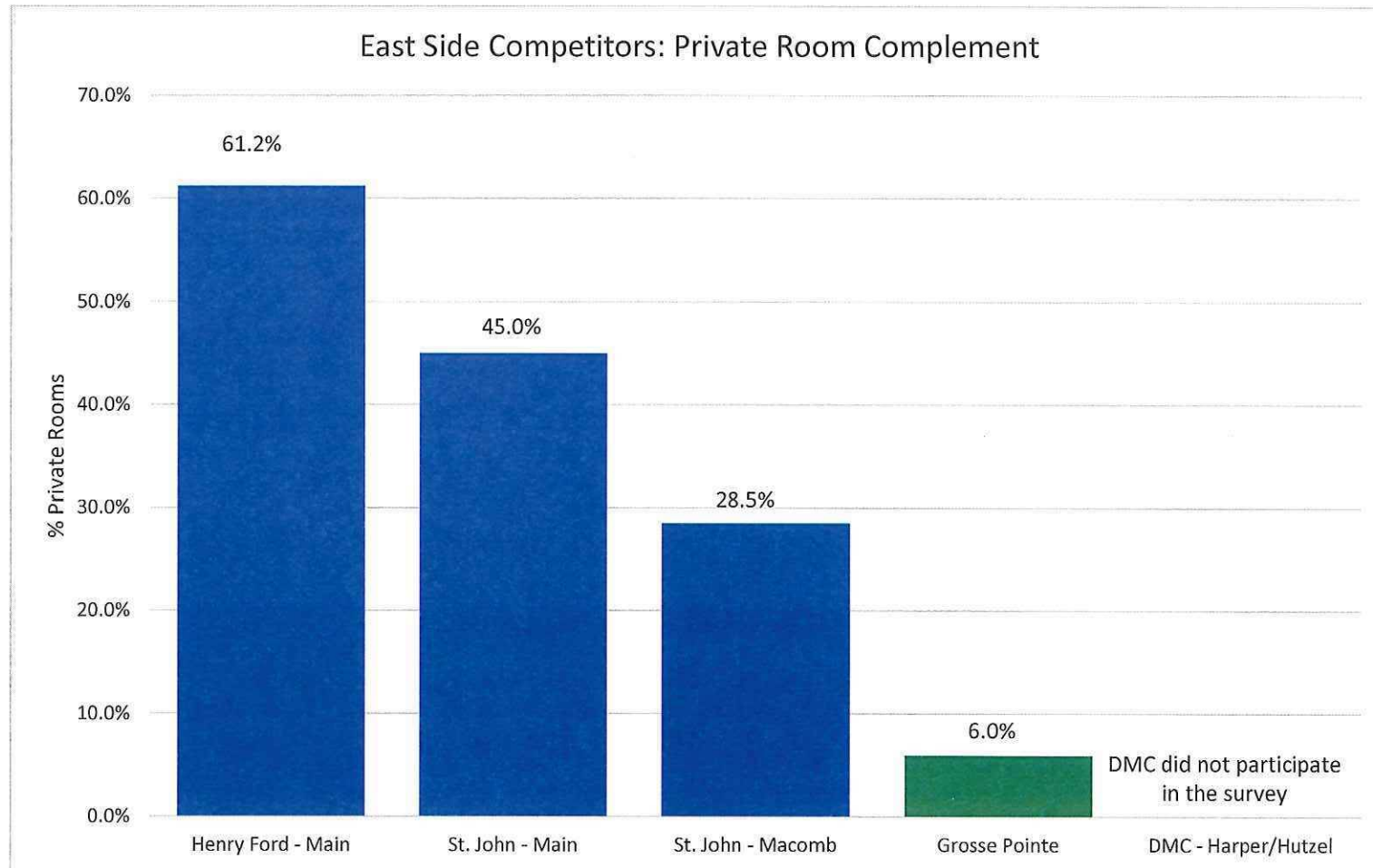
## Occupancy

- IP licensed occupancy 51.2%
- Daily operational IP + Obs occupancy 71.3%
- Med/Surg occupancy 91.3%

# Private Rooms & Room Size



# Private Rooms



BGP private room complement reflects med/surg rooms; specialty + med/surg rooms = 21.2 percent.  
Closest Competitor, St. John Main, has a 144 private-bed tower and 45 percent private bed complement.

# Room Size

Room Size References	Square Footage
Current Grosse Pointe <b>Semi-Private</b>	247
Current Royal Oak Room & Beaumont Minimum Standard for <b>Private</b>	250
Beaumont Minimum Standard for <b>Semi-Private</b>	350



BGP: Semi-Private Rooms



St. John Main: New Private Room Tower

# Growth Strategies



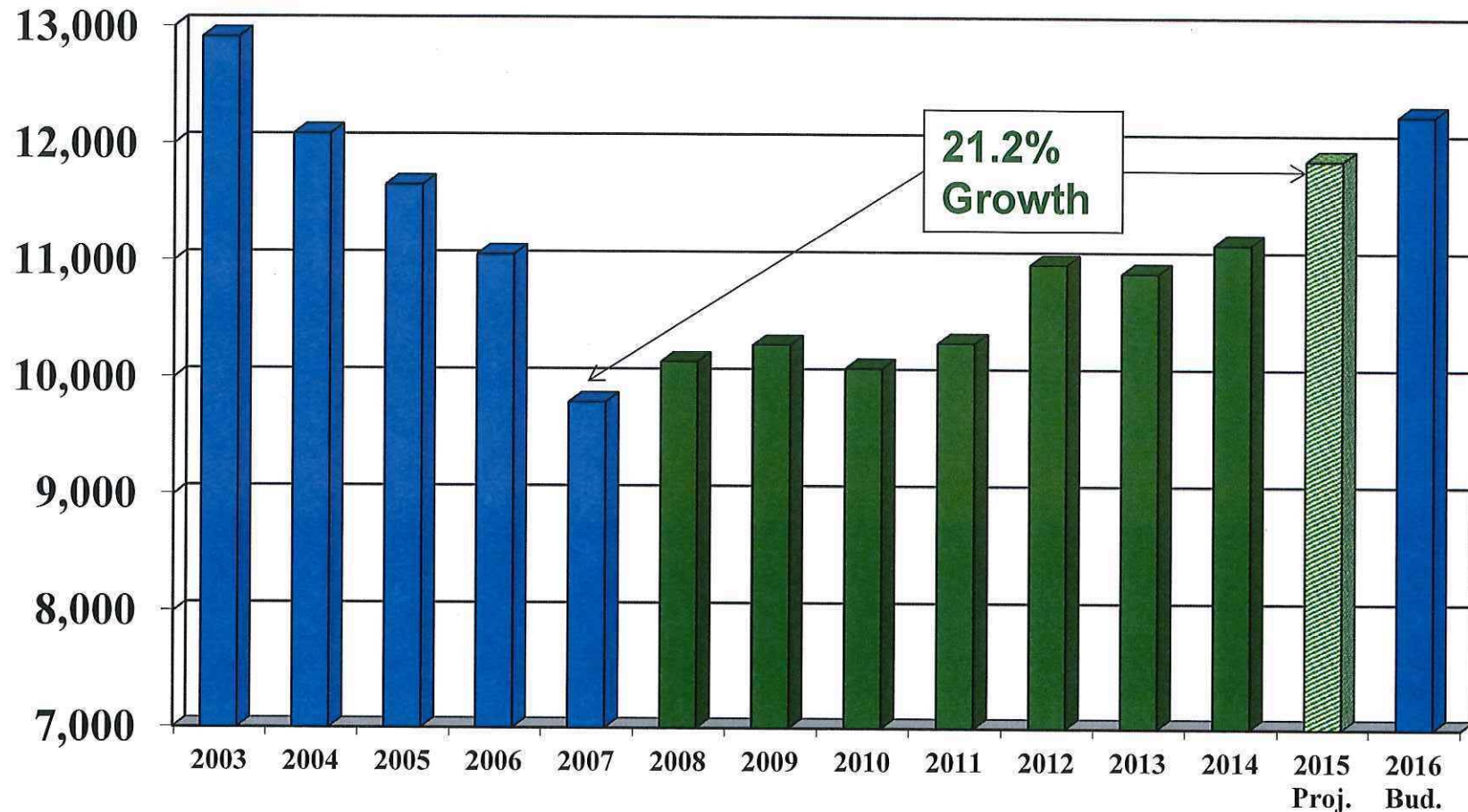
# Impact on Admissions – “East Side” Market

Southeast Michigan Report  
 “East Side” Market  
 2015 vs. 2008

	Change in Admissions	Percent Variance
Grosse Pointe	1,788	17.6%
Henry Ford - Main	(6,000)	-14.7%
Henry Ford - Macomb	(912)	-4.1%
Henry Ford - Cottage (Closed)	(2,248)	-100.0%
Henry Ford - Warren (Closed)	(5,958)	-100.0%
St John - Main	(5,637)	-16.2%
St John - Macomb	(949)	-4.6%
St John - North Shores (Closed)	<u>(1,243)</u>	<u>-100.0%</u>
Total “East Side” mkt	<u>(21,159)</u>	<u>-15.3%</u>

The East Side market has declined by 15.3 percent, yet BGP has successfully increased admissions by 17.6 percent

# Admissions 2003 – 2015 Projected



Based on current growth rates, by 2019, BGP's med/surg occupancy will exceed 100 percent.

# New Programs/Touch Points

- Emergent PCI
- Centers of Excellence & Designations
  - Bariatric
  - Stroke
  - Chest Pain
  - NICHE Geriatric Care
- Weight Control Center
- Fitness Center
- Vein Center
- Integrative Medicine
- Infusion Services
- Breast Care Center
- Maternal Fetal Medicine
- Level III Trauma
- Neighborhood Club Adult and Pediatric Rehabilitation
- Community Health Coalition
- Sleep Center
- Cardiac Rehab
- Pulmonary Rehab



# Physician Recruitment

- Additional Specialists
- Additional Primary Care
- Medical Office Building (MOB)
- Surgical Intensive Care Unit (SICU)

Name-Employed	Spec	Date
Chris Scipione, MD	Gsurg	7/21/2014
Christine Chelladurai, MD	Geri	7/31/2014
Michael Coello, MD	Tsurg	8/15/2014
Bob Edwards, MD	FM	8/28/2014
Chuck Costea, DO	FM	8/28/2014
Clara Kamath, MD	FM	8/28/2014
Jennilyn Wetzel, MD	FM	8/28/2014
Keith Hoffmann, MD	FM	8/28/2014
Deepali Jain, MD	IM	9/29/2014
Lela Torres, MD	FM	10/30/2014
Ruth May, MD	FM	10/27/2014
Lucy Carraro, MD	Tsurg	11/10/2014
Andre Kotsis, DO	FM	11/17/2014
Denise Jabbour, DO	FM	11/17/2014
Barika Butler, MD	Psych	11/25/2014
Jimmie Leleszi, DO	Psych	12/1/2014
Monika Olchawa, MD	Endo	5/31/2015
Laurie Donaldson, MD	Sports/Peds	9/21/2015
Laura Fox-Smith, MD	FM	11/9/2014
Zaid Al-Wahab, MD	Gyn Onc	7/1/2016
Name-Recruitment Agreement	Spec	Date
Caitlin McCarthy, MD	OB	7/21/2015
Matthew Brewster, DO	Ortho	8/15/2015
Mitchell Peabody, DO	Hem/Onc	9/1/2015

# Conclusion

- 51 percent occupancy does not account for beds unavailable or used for observation patients
- Most hospitals have more headwalls than licensed beds
- To compete effectively, we need to increase private rooms
- Will continue to grow regardless of what happens in “World B”, due to our ability to capture available market share on the East Side