APPLICATION FOR CERTIFICATE OF PUBLIC ADVANTAGE BY UNION HOSPITAL, INC. AND TERRE HAUTE REGIONAL HOSPITAL, L.P.

Union Hospital Inc.'s Subsequent Submission for the Department of Health's Second Request for Information

On June 5, 2024, the Applicants, Union Hospital, Inc. ("**UHI**") and Terre Haute Regional Hospital, LP ("**THRH**"), provided responses to the second request for information ("**RFI2**") from the Department of Health ("**DOH**"). In the June 5, 2024 responses, UHI indicated that it would provide responses to certain of the RFI2's REQUESTS at a later date. This submission ("**Subsequent Submission**") provides UHI's Reponses to those REQUESTS.[1]

RESPONSES

Proposed Merger

6. A description of any services, facilities or organizations that will be established, eliminated, enhanced, reduced, share or relocated as part of the post-merger business plan.

(i) REQUEST: With respect to the enhanced services/initiatives identified in the Application (beginning on page 20 [of the September 14, 2023, COPA Application ("**Application**")]), please describe or provide detailed implementation plans and the expected benefits to health outcomes, health care access, and quality of health care in the Wabash Valley Community arising out of the proposed transaction. If UHI has previously implemented or is implementing a proposed service or initiative, describe how the item has impacted health outcomes, health care access, and quality of health care in the Wabash Valley Community.

RESPONSE: *See* the following sub-attachments to **RFI2 Attachment L** submitted with this Subsequent Submission:[2]

L(1) – Health Equity Plan

L(3) – Virtual Nursing Program

L(4) – Service Line Model of Care

L(5) - Possible Expansion of Inpatient Psychiatric Services

L(6) – Deploying Union Hospital's Expertise and Commitment

7. A description of the proposed cost savings and efficiencies anticipated to be achieved as a result of the proposed merger agreement, including the plans for achieving such savings and

[1] This Subsequent Submission refers only to the REQUESTS that UHI did not provide responses for in the Applicants' June 5, 2024 submission.

[2] RFI2 Attachment L(2) pertains to the population health improvement initiatives. The Attachment is in process and will be subsequently submitted.

efficiencies, how such savings and efficiencies will be measured, and how such savings and efficiencies will be invested for the benefit of the community served by the parties to the merger agreement.

(i) REQUEST: Ind. Code § 16-21-15-7(d)(1) requires that a hospital operating under a certificate of public advantage to "invest the realized cost savings from the identified efficiencies and improvements included in the [Application]." Please provide a detailed description of the identified efficiencies or improvements and how they will be measured.

RESPONSE: *See* **RFI2 Attachment M** submitted with this Subsequent Submission.

(ii) REQUEST: Please describe the specific initiatives in which the Applicants intend to invest the anticipated cost savings or efficiencies.

RESPONSE: *See* **RFI2 Attachment M** submitted with this Subsequent Submission.

9. If the certificate of public advantage is not granted, describe how that will impact:

a. the availability of services;

b. quality;

c. pricing; and

d. community health outcomes

(i) REQUEST: Please describe in detail how granting the certificate of public advantage will enable the Applicants to improve the health outcomes, health care access, and quality of health care in the Wabash Valley Community and how denial of the certificate of public advantage will negatively impact the items identified above.

RESPONSE: Regarding how granting the certificate of public advantage will enable the Applicants to improve the health outcomes, health care access, and quality of health care in the Wabash Valley Community, *see* **RFI2 Attachment O** submitted with this Subsequent Submission. RFI2 Attachment P, submitted with the June 5, 2024, responses, addresses how the denial of the certificate of public advantage will negatively impact the items identified above.

10. **NOTE:** The following additional requests were made during the April 26, 2024, meeting at the Department of Health:

(i) REQUEST: Explain the advantages of consolidating the NICUs.

RESPONSE: There will not be a consolidation of NICUs, as THRH does not operate a NICU. Instead, it operates a Level II Special Care Nursery, which is a lower acuity special care nursery. Within 30 days of the Merger's Closing, labor and delivery services (referred to herein as "**Mother-Baby Services**"), including the operations of the special care nursery at Regional Hospital, will be consolidated at UHI.

Consolidation of Mother-Baby Services allows optimal efficiency in the utilization of staff, equipment, and resources (as well as optimal scheduling for the convenience of patients and their families). Consolidation also facilitates the use of best Mother-Baby Services for the Wabash Valley Community – thereby helping maximize the quality and safety of labor and delivery practices for the Wabash Valley Community.

(ii) REQUEST: Explain whether the Merger will create capacity at Union Hospital Terre Haute.

RESPONSE: Currently, THRH is operating at approximately 30% capacity. Therefore, following the Merger, there is opportunity to consolidate otherwise redundant services and maximize the use of clinical space to offer health care services in a streamlined, patient-friendly manner.

Pursuant to a preliminary capacity planning assessment to identify optimal locations for delivering patient services post-Merger, UHI's leadership has determined a variety of opportunities for creating capacity exist. Examples, which are further described below, include: (i) consolidating the inpatient rehabilitation programs at the THRH campus location, thereby allowing the former rehabilitation space at the UHI campus to be meaningfully repurposed; (ii) moving all Mother-Baby Services from THRH to the larger, more robust program currently functioning at the UHI campus; and (iii) optimizing surgery locations, based on factors such as availability of specific surgical equipment, room size requirements, and anticipated post-operation patient needs.

With respect to inpatient rehabilitation services, UHI will seek the necessary regulatory approvals to relocate medical rehabilitation beds from UHI and consolidate them with those located at the Regional Hospital campus. Thus, post-Merger the Wabash Valley Community will benefit from one rehabilitation unit that is appropriately sized and staffed by its rehabilitation experts.

The consolidation of Mother-Baby Services at UHI is anticipated to occur within 30 days of the Merger's Closing. Such consolidation of services at the UHI campus increases patient safety with an increasingly robust, specialized staff while opening space at the THRH campus for other services.

Finally, the Merger will allow UHI to expand surgical services by transferring certain procedures from UHI's main operating department to THRH. Thus, by way of example, if ophthalmology surgery is moved to THRH, there is opportunity to increase orthopedic surgery capacity at UHI.

Notably, while it is clear there are capacity optimization opportunities when it comes to the Merger, due to legal constraints, programmatic plans and a timeline for completion will not be finalized until UHI's leadership team is able to access additional information regarding THRH's operations.

(iii) REQUEST: Describe the joint venture that UHI is exploring with regard to the post-Merger expansion of inpatient psychiatric beds.

RESPONSE: *See* RFI2 Attachment L(5).

(v) REQUEST: Explain how care will be improved if Regional is losing money, particularly with regard to trauma; NICU; and labor and delivery.

RESPONSE: As a threshold matter, it should be noted that providing a health care service that is lucrative is not necessarily synonymous with providing high quality health care that will improve access to care or the health status of the Wabash Valley Community – and, as made clear in the Application, the improvement of the Wabash Valley Community's health status is *the* reason UHI is pursuing the Merger.

Quality of care will improve, and the health status of the Wabash Valley Community will improve, even if THRH is losing money prior to the Merger, because the Merger will bring opportunities for a more efficient delivery of health care. [In particular, one of the primary reasons that THRH struggles to maintain profitable service lines is because of staffing and recruitment challenges, which would be resolved by combining with Union.] Here are a few examples:

- As noted above, Mother-Baby Services at THRH (including the operations of the special care nursery at Regional Hospital) will be consolidated at UHI within 30 days of the Merger's Closing. As stated, consolidation of the Mother-Baby Services allows optimal efficiency in the provision of Mother-Baby Services, and maximizes the quality and safety of Mother-Baby Services for the Wabash Valley Community.

- The repurposing of current facility spaces (including "back office" operations), which will not be possible without the Merger, will result in a number of efficiencies related to facility operations, equipment use, and the work flow of health care providers (*see* pages 38-40 of the Application).

- By leveraging advanced, synchronized technology, UHI's Service Line Model of Care will improve continuity of care by allowing efficient access to medical records which facilitates coordinating patient medical care among various specialties (*see* pages 32-33 of the Application).

- UHI's population health initiatives, provided through a single organized health system resulting from the Merger, will improve the overall efficiency of gathering patient information for purposes of focusing on health disparities within the Wabash Valley Community (*see* pages 28-29 of the Application).

- The benefits of UHI's virtual nursing program include: a reduction in the need to engage temporary staffing agencies for the short-term retention of nurses and other clinicians, allowing finite funds to be allocated toward improving access and quality of care; improved recruitment and retention of providers and other staff, and such continuity of providers promotes the consistent delivery of quality care;;and improved efficiencies with medication reconciliation and discharge time (*see* pages 30-31 of the application).

Moreover, it is appropriate to note that the Combined Clinical Platform resulting from the Merger will not be burdened by certain costly aspects of THRH's operations. For example:

• THRH over-invested in its Level 2 trauma operations, which it subsequently reduced to Level 3 trauma operations. Now, in recent weeks, THRH has decided not to renew its Level 3 trauma accreditation (and its Level 3 trauma accreditation will terminate later this year). Simply stated, the cost of maintaining a high-level trauma center is not sustainable by THRH. On the other hand, Union Hospital operates a robust and viable Level 3 trauma center. Furthermore, the Wabash Valley Community's access to high level trauma care will be bolstered by Union Hospital's hiring of THRH employees who previously provided trauma services at THRH.

• The Merger will mean that THRH will not have to purchase expensive medical equipment that is beyond what is needed by the Wabash Valley Community. For example, the purchase and installation of linear accelerators costs between $5-8 million. Without the Merger, both UHI and THRH will necessarily purchase new linear accelerators, however, one new linear accelerators is deemed by clinical providers to be sufficient to meet the needs of the Wabash Valley Community. Notably, Union Hospital already two linear accelerators.

• THRH's lack of primary care providers necessarily resulted in a lack of investment in long-term health and wellness for THRH's patients. THRH patients do not have access to preventive and early primary care. As a result, THRH patients seek care in THRH's emergency department for medical problems that could have been prevented or successfully treated early by a primary care physician, rather than being escalated into a costly and/or dangerous emergency medical condition. Following the Merger, access to primary care will be expanded to more local residents, which increases prevention and early detection efforts while improving the health and wellness of members of the Wabash Valley Community. In addition, emergency department resources are preserved for urgent healthcare needs.

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RFI2 Attachment L(1)

HEALTH EQUITY PLAN

The first REQUEST under Section 6 of the RFI2 seeks information pertaining to the enhanced services/initiatives identified in the September 14, 2023 COPA Application ("**Application**"), beginning on the Application's page 20. Union Health System's "Health Equity Plan" is one of those initiatives.

(i) Implementation of the Health Equity Plan

The lack of health equity can have profound health implications for people. The 2022-2026 Indiana State Health Assessment and Improvement Plan, the Centers for Disease Control, the Centers for Medicare and Medicaid Services, and the Department of Health and Human Services' "Healthy People 2030," recognize that people in poor households and people of color often receive worse care than their counterparts. Addressing disparities can be complex, multidimensional, and challenging.[1] For example, rural communities face challenges such as fewer local doctors, poverty, and remote locations. While in urban communities, there may be other challenges they face that include food deserts, exposure to toxic elements, and long wait times for doctor's appointments.

The entirety of Union Health System ("**UHS**"), including UHI, is committed to eliminating health disparities and creating a culture of health equity in our patients and communities as strategic priorities. UHS supports a diverse and talented staff that is trained to deliver high-quality care in partnership with diverse patients and communities.

In September 2023, UHS adopted a Health Equity Plan (*see* Exhibit A attached hereto). The Plan is scheduled to be formally incorporated into UHS's strategic plan in September of this year, but operationally it is already being implemented throughout UHS. As explained in detail in Exhibit A , under the Plan UHS:

(A) identifies priority populations who currently experience health disparities;

(B) identifies healthcare equity goals and discrete steps to achieving these goals;

(C) outlines specific resources which have been dedicated to achieving equity goals; and

(D) describes the approaches for engaging key stakeholders (such as community-based organizations).

In addition, UHS collects demographic information – including self-reported race and ethnicity information and/or Department of Health information – on the majority of patients (in this regard, UHS trains its staff in the culturally-sensitive, and demographically-sensitive, collection of this information). Upon receipt of this information, UHS, in order to identify equity gaps and to evaluate its performance with regard to its equity goals, stratifies key performance indicators by

[1] *See also* pages 21-23 of the Application.

demographic and/or Department of Health variables. Relatedly, UHS participates in local, regional, or national quality improvement activities focused on reducing health disparities.

Crucially, UHS's senior leadership, including the UHS Board of Trustees, annually reviews the Health Equity Plan and its results, including key performance indicators stratified by demographic and Department of Health information.

As soon as practicable following the Merger (but in no event more than 90 days following the Merger), THRH will be subject to, and operate in furtherance of, the Health Equity Plan (including supervision and review by UHS senior leadership, including the UHS Board of Directors). Currently, THRH has limited initiatives regarding health equity, and they have no plans to pursue any material initiatives similar to UHS's Health Equity Plan.

(ii) The Expected Benefits of the Health Equity Plan, Arising Out of the Merger, to Health Outcomes, Health Care Access, and Quality of Health Care

(A) Health Outcomes

As stated in the Application, it is well recognized that health inequities result in poor health outcomes.[2] A review of the Health Equity Plan confirms that attention to, and improvement of, patients' health outcomes is a central tenet of the Plan. For example:

- The Plan's definition of "**health equity**" includes a consideration of various factors that affect, among other things, "health outcomes":

> "Health Equity (HE) - The attainment of the highest level of health for all people, where everyone has a fair and just opportunity to attain their optimal health regardless of race, ethnicity, disability, sexual orientation, gender identity, socioeconomic status, geography, preferred language, or other factors that affect access to care and health outcomes." (emphasis added, footnotes omitted)

- Under the Plan, "**health related social needs**" are viewed as a main factor in disparate "health outcomes":

> "Health-related social needs (HRSN) are frequently identified as root causes of disparities in health outcomes. We use the term HRSN instead of social determinants of health (SDOH) to emphasize that HRSNs are a proximate cause of poor health outcomes for individual patients as opposed to SDOH, which is a term better suited for describing populations." (emphasis added, footnotes omitted)

- Under the Plan, "social determinants of health" are defined as nonmedical factors that impact "health outcomes":

[2] *Id.*

> "Social determinants of health (SDOH) are the nonmedical factors that influence <u>health outcomes</u>. They are the conditions in which people are born, grow, work, live, and age, and the wider set of forces and systems shaping daily life. These forces and systems include, but are not limited to, economic policies and systems, development agendas, social norms, social policies, racism, climate change, and political systems." (emphasis added, footnotes omitted)

Mindful of the foregoing, it necessarily follows that improving health outcomes is a key aspect of the Plan. Indeed, Plan's main objectives includes the following:

> "To utilize demographic and/or [Department of Health] data to improve patient care <u>outcomes</u>, services and reduce health disparities." (emphasis added)

How will the Health Equity Plan impact health outcomes of the Wabash Valley Community following the Merger? The answer is simple and straightforward: THRH does not have a plan similar to UHS's Health Equity Plan, and it has no plans to adopt an initiative similar to the Plan. As noted, the Plan is designed to utilize data to improve health outcomes. Following the Merger, the Health Equity Plan, and its intended positive impact on health outcomes, will apply equally to THRH.

(B) <u>Health Care Access</u>

Access to health care is another fundamental precept of the Health Equity Plan. As indicated above, "health equity" means, for purposes of the Plan, the attainment of the highest level of health for all people regardless of the various societal factors that may "affect access to care." The Plan, by its own terms, includes the removal of barriers to health care:

> "Equitable care requires removing obstacles to health such as poverty, discrimination, and their consequences, including powerlessness and lack of access to good jobs with fair pay, quality education and housing, safe environments, and health care." (attribution omitted)

One of the express purposes of the Plan is to provide "Access to Mental Health Care."

The Plan even requires UHS to marshal its resources so as improve access to care. This objective is stated in the Plan as follows:

> "To ensure proper stewardship of organization resources through process design and/or redesign to <u>improve access to care</u>, efficiency and effectiveness." (emphasis added)

As noted earlier, the Plan involves, among other things, the collection of demographic information (including self-reported race and ethnicity information and/or Department of Health information). Following the Merger, that information will – for the first time – be collected from individuals

receiving care at THRH. UHS will use this information to identify equity gaps which, per the express terms of the Plan, will include the identification of, and remediation of, gaps in access to care for individuals receiving care from Regional Hospital and the other THRH sites. *More to the point: but for the application of UHS's Health Equity Plan to Regional Hospital and the other THRH sites as a result of the Merger, there will be far less opportunities (if any) to intentionally and thoughtfully identify and remediate gaps in access to care for individuals receiving care at Regional Hospital and the other THRH sites.*

(C) Quality of Health Care

The Policy Statement at the beginning of the Health Equity Plan makes clear that an important goal of the Plan is to provide high quality care to individuals who might not otherwise receive such care. The following are excerpts from the Policy Statement:

> • "Union Health is committed to eliminating health disparities and creating a culture of health equity in our patients and communities as strategic priorities. The organization supports diverse talent trained to deliver high-quality care in partnership with diverse patients and communities that feel valued and respected." (emphasis added)
>
> • "Mission: We exist to serve our patients with compassionate health care of the highest quality." (emphasis added)

In the Plan, UHS expressly recognizes that addressing health inequities is essential to providing quality care to challenged members of communities:

> "[E]ach community has its unique challenges related to health equity and the journey to eliminate health disparities. Thus, it is essential for organizations and providers to address these inequities as part of their strategic approach to ensure quality care." (emphasis added)

This same rationale is reflected in the Plan's stated objectives, which include the following:

> "To provide a comprehensive, coordinated, and integrated organization-wide mechanism to objectively and systematically define, measure, analyze, improve and control important functions and processes of the organization that are vital to the organization's efforts to eliminate health disparities and provide high quality patient care and service." (emphasis added)

This emphasis on quality health care, and the understanding that a goal of the Health Equity Plan is to provide quality health care to members of the Wabash Valley Community who otherwise might not have the opportunity to receive such health care, will apply equally to THRH and its patients. Following the Merger and the resulting Combined Clinical Platform, THRH will participate in the Health Equity Plan, and be subject to review and performance evaluation by UHS senior leadership with respect to the Health Equity Plan. *This rigorous and deliberate application*

of the Plan's objectives and procedures to THRH (and the benefits to patients resulting therefrom), will not occur without the Merger.

<u>(iii) The Health Equity Plan's Current Impact on Health Outcomes, Health Care Access, and Quality of Health Care</u>

As noted earlier, the Health Equity Plan was adopted in September 2023, and implemented in January 2024. It is too soon to reach informed conclusions about how the Plan has impacted health outcomes, health care access, and the quality of care. However, very preliminary results after six months indicate that 6 percent of UHS's hospitalized patients experience food insecurity; seven percent have transportation issues, and 5 percent experience housing insecurities.

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EXHIBIT A
HEALTH EQUITY PLAN

Status Active PolicyStat ID 14816598

Origination	09/2023
Last Approved	09/2023
Effective	09/2023
Last Revised	09/2023
Next Review	09/2025

Owner	Ann Smith
Area	Administration
Applicability	System-Wide Applicability Group

UHS Health Equity Plan

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POLICY:

Union Health System Inc. and its affiliates, including Union Hospital, Inc. and Union Associated Physicians Clinic, LLC (collectively "Union Health") is committed to eliminating health disparities and creating a culture of health equity in our patients and communities as strategic priorities. The organization supports diverse talent trained to deliver high-quality care in partnership with diverse patients and communities that feel valued and respected.

To achieve health equity, improvements across multiple systems and at multiple levels must be made. Union Health supports as part of the mission, vision and values of the organization optimal community health and health equity as strategic priorities.

Mission: We exist to serve our patients with compassionate health care of the highest quality.

Vision: Providing exceptional healthcare and service while leading Wabash Valley communities to their best health and wellness.

Values: Patient Focused – place patients first every time.

Collaboration – work together for optimal results.
Integrity – Always be honest and ethical.
Transparency – openly share the “why” in what we do.
Stewardship – be responsible with lives and resources.

DEFINITIONS:

Health Equity (HE) - The attainment of the highest level of health for all people, where everyone has a fair and just opportunity to attain their optimal health regardless of race, ethnicity, disability, sexual orientation, gender identity, socioeconomic status, geography, preferred language, or other factors that affect access to care and health outcomes. [1, 2, 3; 5, 6]

Health Disparities – Preventable differences in the burden of disease, injury, violence, or opportunities to achieve optimal health that are experienced by populations that have been disadvantaged by their social or

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economic status, geographic location, and environment.[5, 6]

Health Related Social Need (HRSN) - Health-related social needs (HRSN) are frequently identified as root causes of disparities in health outcomes.[3] We use the term HRSN instead of social determinants of health (SDOH) to emphasize that HRSNs are a proximate cause of poor health outcomes for individual patients as opposed to SDOH, which is a term better suited for describing populations.

Social Determinants of Health (SDOH) - Social determinants of health (SDOH) are the nonmedical factors that influence health outcomes.[5, 6] They are the conditions in which people are born, grow, work, live, and age, and the wider set of forces and systems shaping daily life. These forces and systems include, but are not limited to, economic policies and systems, development agendas, social norms, social policies, racism, climate change, and political systems.

PURPOSE:

Understanding the difference between equality and equity is a crucial component to reducing health disparities among vulnerable populations (*see Image 1 below*). Equality speaks to providing the same access to treatment regardless of individual circumstances. Conversely, health equity refers to providing care without biases that factor in social determinants of health in patients' treatment. The Robert Wood Johnson Foundation offers, "Health equity means that everyone has a fair and just opportunity to be as healthy as possible. Equitable care requires removing obstacles to health such as poverty, discrimination, and their consequences, including powerlessness and lack of access to good jobs with fair pay, quality education and housing, safe environments, and health care."

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Image 1

The lack of health equity can have profound health implications for people. The 2022-2026 Indiana State

Health Assessment and Improvement Plan, CDC, CMS and HHHS Healthy People 2030 share people in poor households and people of color often receive worse care than their counterparts. Addressing disparities can be complex, multidimensional, and challenging. For example, rural communities face challenges such as fewer local doctors, poverty, and remote locations. While in urban communities, there may be other challenges they face that include food deserts, exposure to toxic elements, and long wait times for doctor's appointments.

The 2022-2026 Indiana State Health Assessment and Improvement Plan identifies the top five reasons with contributing influences keeping Hoosiers from living a healthy life are as follows:

1. Not Being at a Healthy Weight

   - Food Insecurity: Indiana ranks 38th in the U.S. in food security with about 13.5% of their households unable to provide adequate food for one or more members of their household. Indiana has been above the national average since around 2013. Healthy People 2030 has created an objective around household food insecurity and hunger to have a goal of no more than 6% of households going hungry. Many families who struggle with food uncertainty are also likely to struggle with affordable housing, medical cost, and low wages. Children are impacted by food insecurities differently than that of an adult because their bodies and minds are still developing. Children suffering from these insecurities are more likely to struggle with anemia, asthma, depression, anxiety, and cognitive behavior issues.

2. Chronic Disease or Illness

   - Graduation Rates: According to the 2020 America's Health Rankings, Indiana ranked 14th for high school graduation rates
   and 31st in the country for educational obtainment of a high school diploma. In addition to the fact that individuals who do
   not graduate are more likely to experience incarceration, educational attainment is a strong predictor of health outcomes in Indiana. Specifically, Indiana is observing health factors around obesity, mental health, cardiovascular disease, lung disease, and even premature death. Addressing barriers such as poverty, chronic stress, homelessness, and teen pregnancy while aiming to increase school-based health centers, vocational or alternative schooling, social-emotional skills, community service opportunities, can increase high school graduation rates. Indiana's graduation rates remained steady between 2019 and 2020 despite the challenges the seniors faced during the pandemic and with the majority of the state moving to e-learning platforms. 88.8% of Hoosiers 25 years of age or older are high school graduates. Indiana District #7 has an 88% graduation rate.

   - Preventive Care: Indiana has seen a slight decrease in preventable hospitalizations with 4,040 discharges per 100,000 in 2015 decreasing to 3,770 in 2019. Indiana, like many other states, sees hospital admissions pertaining to chronic disease and other preventable morbidities that could have been avoided if preventive care measures had been available and utilized. This statistic suggests there is an overuse of emergency hospitalizations due to many Hoosiers not having access to a primary care physician, outpatient services, or even health education. Hospitalizations for the following would be considered preventative: diabetes, pulmonary diseases, heart disease, symptoms of anxiety, asthma, pneumonia, and urinary tract infections.

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3. Ability to Exercise

- See Graduation Rates above.
- Nutrition & Physical Activity: Indiana is ranked 35th in the U.S. in exercise and 43rd in physical activity. It is recommended
that individuals engage in regular moderate physical activity for at least 150 minutes a week. Doing so will reduce risks of cardiovascular disease, type 2 diabetes, some cancers, dementia, anxiety, and depression. In addition to staying active, diets with high fruit and vegetable consumption will also assist in reducing the risks of several chronic diseases. Hoosiers have slightly decreased their consumption of fruits and vegetables over the last two years but remain above the national average. Indiana currently ranks 8th in the U.S. America's Health Rankings for healthy foods consumption.

4. Ability to Pay for Health Care

- In May 2023 Indiana's recorded unemployment rate was 3.0% to 3.4% compared to 3.7% U.S. rate, low rate of < 2.4%, and high rate of > 4% (*Source: Bureau of Labor Statistics Local Area Unemployment Statistics, see Appendix E*)[7].
- According to the U.S. Census Bureau, Indiana had a 9.0% healthcare uninsured rate for individuals 0-64 years of age compared to 10.5% U.S. healthcare uninsured rate for same population (2021)[8]. The top state reported a 2.9% rate and bottom state reported a 20.9% rate for similar populations of uninsured. Indiana is ranked as 28th state for healthcare uninsured for individuals 0-64 years of age.
- Poverty: In Indiana there are many factors that can influence resident's socio-economic status. We see the intersection of factors such as total family income, educational attainment, marital status, and geographic location and how they attribute someone's gross income. The median household income (i.e. the total income of all people within a household), was $56,303 as of 2019 while the per capita income (ie. an individual's total income) throughout 2019 was $29, 777. Considering these factors, the 2020 census estimates that 11.7% of Hoosiers are living and/or experiencing poverty. Indiana District #7 data demonstrates all races are impacted by poverty (*see Appendix D*).

5. Access to Mental Health Care

- See Graduation Rates above.
- See Preventive Care above.
- Noted increase in state deaths related to alcohol and substance use/overdose.
- According to Healthy People 2030, Indiana is ranked 40th based on our percentage of adults who reported their mental health was 'not good' 14 or more days in the past 30 days. America's Health Ranking report that a total of 15.3% of Indiana residents experience mental distress throughout the month which is 2.1% higher than the national average.
- 6% of households in Indiana District #7 do not have access to personal transportation.

As shared above, each community has its unique challenges related to health equity and the journey to eliminate health disparities may best respond to an individualized plan. Thus, it is essential for organizations and providers to address these inequities as part of their strategic approach to ensure quality care.

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Objectives

1. To provide a comprehensive, coordinated, and integrated organization-wide mechanism to objectively and systematically define, measure, analyze, improve and control important functions and processes of the organization that are vital to the organization's efforts to eliminate health disparities and provide high quality patient care and service.
2. To ensure equitable levels of care are available and provided throughout the organization and service communities.
3. To utilize demographic and/or SDOH data to improve patient care outcomes ,services and reduce health disparities.
4. To review and act upon information to improve patient, staff, community, and visitor safety and to minimize risk.
5. To assess and evaluate patient provided demographic information as part of the electronic health record using a standard, reliable tool including self-reported race and ethnicity and/or SDOH information on the majority of inpatient admissions (> 18 years old) including patients and family expectations in order to identify improvement opportunities and reduce health disparities.
6. To ensure proper stewardship of organization resources through process design and/or redesign to improve access to care, efficiency and effectiveness.
7. To compare organization performance with others in the industry to seek and adopt best practices in the journey to achieve health equity.
8. To provide education for identified staff in culturally sensitive collection of demographics and/or SDOH.
9. To ensure each employee is provided with learning opportunities and/or accessible information relative to health equity, SDOH, and the improvement processes to yield improved outcomes (*see Appendix F*).

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PROCEDURES:

Health equity as a strategic priority to reduce and eliminate health disparities.

1. The organization utilizes established infrastructure to facilitate strategic priorities related to health equity to address and eliminate health disparities.
    a. The organization strategic plan identifies health equity as a priority.
        i. An organization health equity plan with operation procedures and processes will serve to inform and support the strategic plan and priority.
        ii. The organization health equity plan establishes the infrastructure and procedures to meet the health equity (*see Appendix A*) and SDOH (*see Appendix B*) requirements.
    b. The organization collects demographic and/or SDOH data (*see Appendix G*).
        i. The organization has established processes to collect, as part of patient encounters with electronic medical records capture, patient demographic information.

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ii. The organization has established processes to collect, as part of patient encounters with electronic medical records capture, sexual orientation, and gender identity information.

iii. The organization has established SDOH assessment processes utilizing a standard, reliable tool implemented in a phased approach (*see Appendix C*). The initial phase includes inpatients (> 18 years of age) to be in place by 2024. Expansion of the SDOH assessment processes to additional areas (ambulatory, outpatient, pediatrics, etc.) will be considered as part of ongoing, post inpatient implementation planning.iv.

iv. Social determinants of health (SDOH) codes describe social problems, conditions, or risk factors that influence a patient's health and should be assigned when this information is documented in the patient's medical record as part of the SDOH assessment workflow (*see Appendix G*). UHS SDOH assessment workflow aligns to SDOH regulatory requirements and organizational policy and procedures.

1. Patients with potential health hazards related to socioeconomic and psychosocial circumstances may have SDOH code assignment based on medical record documentation from clinicians involved in the care of the patient who are not the patient's provider since this information represents social information, rather than medical diagnoses. For example, coding professionals may utilize documentation of social information from social workers, community health workers, case managers, or nurses, if their documentation is included in the official medical record.

2. Patient self-reported documentation may also be used to assign codes for social determinants of health if the patient self-reported information is signed-off by and incorporated into the medical record by either a clinician or provider. In this context, "clinicians" other than the patient's provider refer to healthcare professionals permitted, based on regulatory or accreditation requirements or internal hospital policy and procedure, to document in a patient's official medical record.

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c. The organization utilizes performance improvement processes to establish and achieve ongoing health equity efforts.

i. Performance Improvement Councils (PICs) will designate performance improvement teams to conduct the PDCA process for the identified issues and projects.

ii. A health equity performance improvement team examines and makes improvement recommendations for specific issues and projects to the PICs. Information examined includes but is not limited to:

1. Information collected as part of the organization's electronic medical record including self-reported race, ethnicity, and/or SDOH information.

iii. PICs will assist teams in identifying scope, boundaries, and resources available. PICs select the team and/or project leader(s). Based on the recommendations from the teams,

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the PICs will set overall direction.

1. The health equity plan identifies priority populations who currently experience health disparities.

2. The health equity plan identifies goals with discrete steps and specific dedicated resources to achieving these goals.

3. The health equity plan describes an approach for engaging key stakeholders (such as community-based organizations).

4. PICs ensure hospitals participate in local, regional, or national quality improvement activities focused on reducing health disparities at least annually.

iv. PICs will examine reports from teams including data trends of priority clinical and operational monitors stratified by demographic and/or SDOH as appropriate. Identified monitors will be reviewed by teams and reported to PICs to identify success and/or opportunities for ongoing improvement.

v. PICs and Board of Directors annually review health equity plan including key performance indicators stratified by demographic and/or SDOH.

d. The organization provides ongoing education for identified staff in culturally sensitive collection of demographics (REaL/SOGI) and/or SDOH.

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Methodology

Union Hospital, Inc. endorses the use of the PDCA model for process improvement. This methodology is to be utilized for departmental and interdisciplinary team improvement initiatives including those identified to reduce and eliminate health disparities (see Figure 1 below).

The steps for the PDCA model include:

P - PLAN

Clarify the goal and the team's mission
Identify the team
Identify the customer and the customer's needs
Develop work plan
Describe current process
Localize the problem/identify root cause and opportunity for improvement
Identify baseline data needed
Generate and choose solutions

D - DO

Pilot the solution
Collect data

C - CHECK

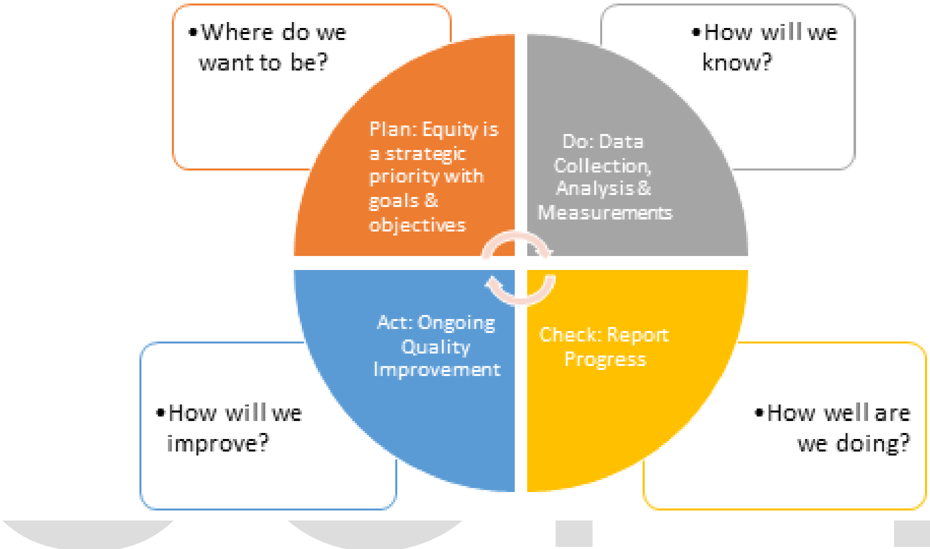
Check and study the results of the pilot

Compare pilot data with baseline data
Draw conclusions

A - ACT

Adopt the change/standardize the practice
Communicate provisions for training, monitoring and evaluating
Continue to improve
Evaluate what was learned

Figure 1: The performance management cycle (plan-do-check-act) depicted below outlines the standard process utilized by the organization to review goals, objectives, and improvement plans. This methodology will be applied in the ongoing initiatives identified to reduce and eliminate health disparities.



Data Collection, Analysis & Measurement

1. The organization collects demographic information including self-reported race and ethnicity and/or SDOH information on most patients (inpatients > 18 years old).

2. SDOH information is collected utilizing a standard, reliable tool and is captured as structured, interoperable data elements using the organization's electronic medical record.

3. Data collection and aggregation is done at least quarterly for the identified issues/processes/projects. Data is stratified by demographic and/or SDOH of health variables to identify equity gaps and includes information on hospital performance. Analysis is done to determine:

   a. if processes are meeting expectations as designed;
   b. if opportunities for improvement requiring actions and/or revised actions exist; and
   c. whether changes resulted in the intended improvements.

4. Analysis of the data includes but is not limited to comparison with Union Hospital, Inc. data over time, similar processes in other organizations, and external sources of information to identify best practice.

5. External sources of information and benchmarking activities include the following but are not

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limited to: CMS, Premier, NHSN, NDNQI, IHA, QIOs, and PSOs.

Priorities & Goals

1. Annually the organization's critical success factors are used to develop organizational, departmental, and personal goals including performance improvement (PI) priorities.

2. Health equity priority(s) are established as part of the annual PI priority identification process.

   a. 2023-2025 PI Priorities

      i. Digital Transformation – Access to Care & Care Coordination

         1. Digital Front Door
         2. Digital Navigation Pathway

      ii. Evidence Based Practice and Clinical Protocols to Reduce Care Variation

         1. Readmissions – Target Populations & Population Health

      iii. SDOH System Policy and Processes in Place

3. Health equity priority(s) adopted as PI priority(s) will be approved and reviewed at least annually by the PICs and the Board of Directors.

Program Evaluation & Reporting Progress

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1. Annually, the health equity plan priority(s) with key performance indicators stratified by demographic and/or SDOH is reviewed and evaluated by the Performance Improvement Councils and the Board of Directors.

2. Changes are made as needed to meet the objectives of the plan. Review of or revision to the health equity plan will be shared with the PICs and the Board of Directors.

3. Through the findings of the performance improvement process, data will be shared and reported (internally and externally) with the following agencies as required and requested:

   a. Anthem
   b. CMS
   c. HFAP
   d. IHA
   e. ISDH
   f. PSO

RELATED DOCUMENTS:

1. Performance Improvement Plan
2. WellRx Assessment Tool

REFERENCES:

1. Centers for Disease Control and Prevention (CDC). https://www.cdc.gov/healthequity

2. Centers for Medicare and Medicaid Services (CMS). https://www.cms.gov/pillar/health-equity

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3. Braveman P, Arkin E, Orleans T, Proctor D, Plough A. What is health equity? Robert Wood Johnson Foundation. May 1, 2017. Accessed March 1, 2023. https://www.rwjf.org/en/library/research/2017/05/what-is-health-equity-.html

4. State of Indiana Health Assessment and Improvement Plan 2022-2026. Accessed March 1, 2023. Health: State Health Assessment and Improvement Plans (in.gov)

5. US Department of Health and Human Services, Office of Disease Prevention and Health Promotion. Health equity in Healthy People 2030. 2022. Accessed March 1, 2023. https://health.gov/healthypeople/priority-areas/health-equity-healthy-people-2030

6. World Health Organization. Social determinants of health. Accessed March 1, 2023. https://www.who.int/health-topics/social-determinants-of-health#tab=tab_1

7. Bureau of Labor Statistics and Local Area Unemployment Statistics. mstrtcr1.gif (1056×816) (bls.gov)

8. U.S. Census Bureau. https://aspe.hhs.gov/reports/state-county-local-estimates-uninsured-population

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Appendix A: Health Equity Requirements

DOMAIN	REQUIREMENTS
1. Equity is a Strategic Priority	Hospital strategic plan: 1A - identifies priority populations who currently experience health disparities 1B – identifies healthcare equity goals and discrete steps to achieving these goals 1C – outlines specific resources which have been dedicated to achieving equity goals 1D – describes approach for engaging key stakeholders (such as community-based organizations)
2. Data Collection	Hospital: 2A – collects demographic information including self-reported race and ethnicity and/or SDOH information on the majority of patients 2B – has training for staff in culturally sensitive collection of demographics and/or SDOH 2C – inputs demographic and/or SDOH information collected from patients in structured, interoperable data elements using certified HER technology
3. Data Analysis	3A – Hospital stratifies key performance indicators by demographic and/or SDOH of health variables to identify equity gaps and includes information on hospital performance
4. Quality Improvement	4A – Hospital participates in local, regional, or national quality improvement activities focused on reducing health disparities
5. Leadership Engagement	Hospital senior leadership, including senior leadership and the entire hospital board of trustees: 5A – annually reviews strategic plan for achieving health equity 5B – annually reviews key performance indicators stratified by demographic and SDOH

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Appendix B: SDOH Requirements

- Hospitals report using their CCN through the Hospital Quality Reporting (HQR) System.
- The Screening for SDOH measure will be calculated as the number of patients admitted to an inpatient hospital stay who are 18 years or older on the date of admission screened for all five HRSNs (food insecurity, housing instability, transportation needs, utility difficulties, and interpersonal safety) divided by the total number of patients 18 years or older on the date of admission admitted to the hospital.
- The Screen Positive Rate for Social Drivers of Health Measure provides information on the percent of patients admitted for an inpatient hospital stay who are 18 years or older on the date of admission, were screened for an HSRN, and who screen positive for one or more of the following five HRSNs: Food insecurity, housing instability, transportation problems, utility difficulties, or interpersonal safety.

Appendix C: Standard, Reliable SDOH Assessment Tool (WellRx)

WellRx Questionnaire-Revised - ZYXTEST, LAB

*Performed on: 03/20/2023 08:33 EDT

WellRx Questionn

WellRx Questionnaire-Revised

Question		
In the past 2 months, did you or others you live with eat smaller meals or skip meals because you didn't have money for food?	○ No	○ Yes
Are you homeless or worried that you might be in the future?	○ No	○ Yes
Do you have trouble paying for your gas or electricity bills?	○ No	○ Yes
Do you have trouble finding or paying for a ride (transportation)?	○ No	○ Yes
Do you need daycare, or better daycare, for your kids?	○ No	○ Yes
Are you unemployed or without regular income?	○ No	○ Yes
Do you need help finding a better job?	○ No	○ Yes
Do you need help getting more education?	○ No	○ Yes
Are you concerned about someone in your home using drugs or alcohol?	○ No	○ Yes
Do you need help with legal issues?	○ No	○ Yes
Do you feel unsafe in your daily life?	○ No	○ Yes
Is anyone in your home threatening or abusing you?	○ No	○ Yes
In the last 6 months, have you been at the Emergency Department more than twice?	○ No	○ Yes
If Yes, how many times?		
In the last 6 months, have you been hospitalized?	○ No	○ Yes
If Yes, how many times?		

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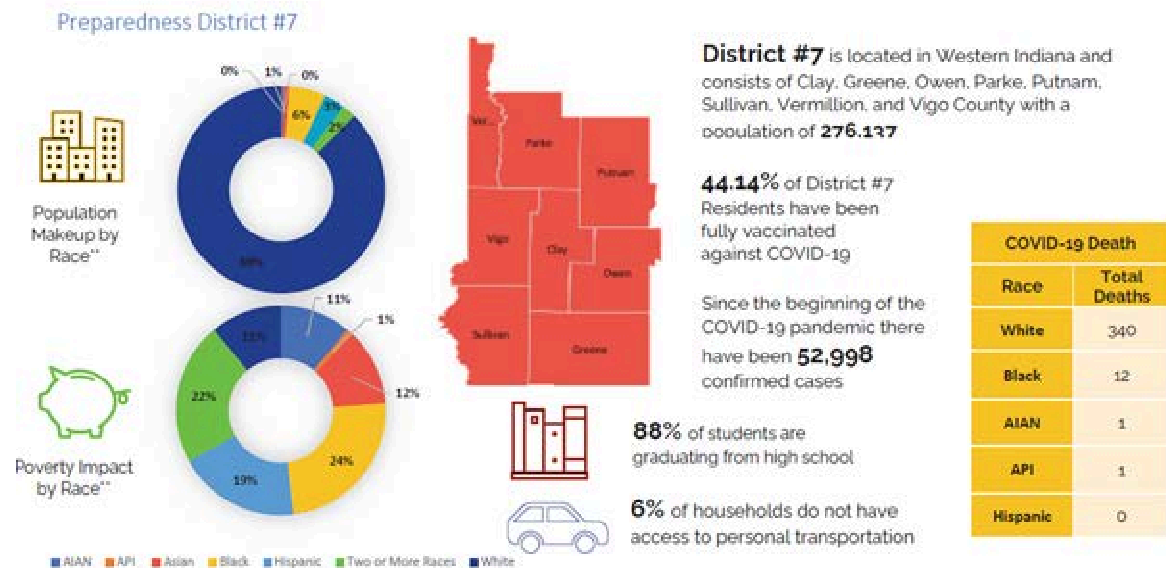
Appendix D: State of Indiana District 7 State Health Assessment Specific Data (Excerpt State of Indiana Health Assessment and Improvement Plan 2022-2026)



COVID-19 Death	
Race	Total Deaths
White	340
Black	12
AIAN	1
API	1
Hispanic	0

Top 5 Causes of Death							
Rank	Cause	Total Deaths	White	Black	AIAN	API	Hispanic
1	Diseases of Heart	853	832	18	0	1	1
2	Malignant Neoplasms (Cancer)	665	651	11	0	1	2
3	Chronic Lower Respiratory Diseases	251	249	2	0	0	0
4	Cerebrovascular diseases	162	161	1	0	0	0
5	Accidents (Unintentional Injuries)	135	133	1	0	0	1

**Pie Chart values may not total 100% due to rounding

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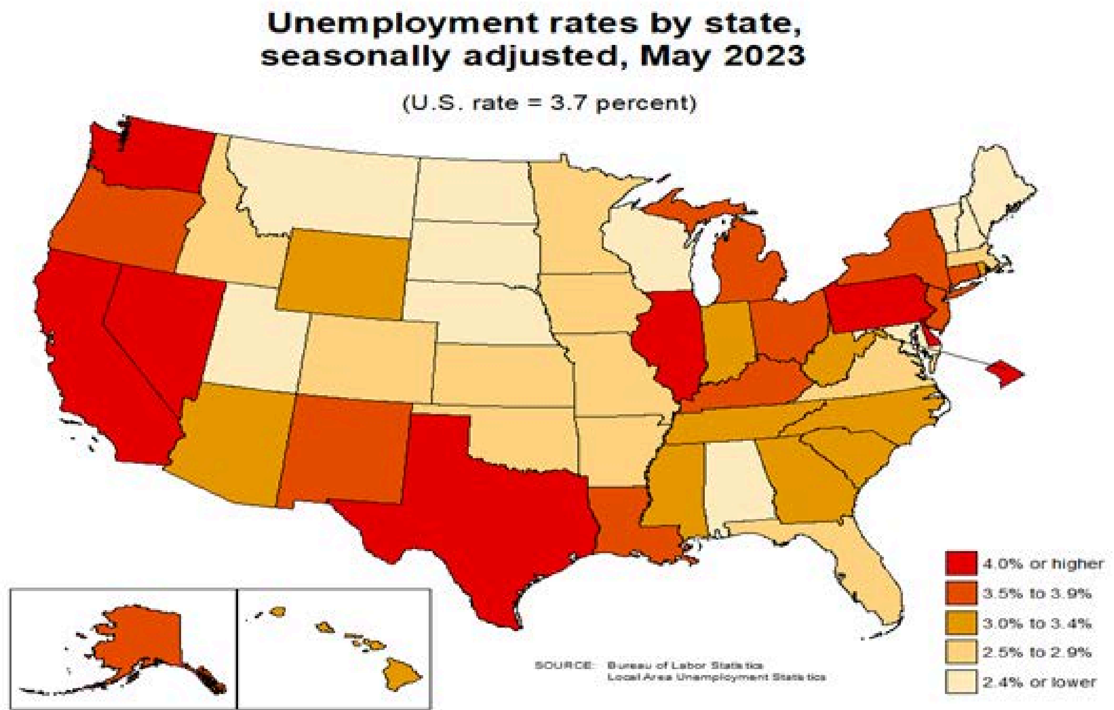
Appendix E: Bureau of Labor Statistics and Local Area Unemployment Statistics Unemployment Rates by State, Seasonally Adjusted, May 2023 (mstrtcr1.gif (1056×816) (bls.gov))



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Appendix F: HE Training Plan

Topic	REaL/SOGI/SDOH/HE Training Objective	Training Tactic	Target Audience	Estimated Target Date of Completion	Responsible Staff	Status (Completed, In Progress)
REaL	Culturally sensitive training for registration staff completing REaL assessment	Training Curriculum New Hire Training Ongoing Training Rounding F/U as needed Q&A Resource	Registration	By June 2023	Registration	Initial Complete Ongoing
SOGI	Culturally sensitve training for clinical staff completing SOGI assessment	HR Orientation and Nurse Residency	Workforce Nursing	By 11/30/23 & Ongoing	CNE	
HE	Inform workforce, patients and caregivers organizational strategic plan r/t health equity inclusive of REaL, SOGI, SDOH, and HE policy as applicable to target audience.	Orientation & Annually AHA Videos Infographic Information Screens Websites (ext/int) Portal/DFD	Workforce and Patients/CGs	By 11/30/23 & Ongoing	CNE/Quality	
HE	Inform workforce organizational strategic plan r/t health equity inclusive of REaL, SOGI, SDOH, and the HE policy as applicable to target audience.	Orientation & Annually Infographic Information Screens Websites (ext/int) Portal	Workforce	By 11/30/23 & Ongoing	CNE/Quality	
SDOH	Share with workforce and patients organizational SDOH assessment plan	Orientation & Annually Infographic AHA Videos Information Screens Websites (ext/int) Portal	Hi Level: Workforce and Patients/CGs Detail Operational: Nsg and CM	By 11/30/23 & Ongoing	CNE/Quality	
SDOH	Detailed training SDOH assessment process/workflow with impacted workforce	Training Curriculum	Registration Nursing/Virtual Nsg CM/SW CI/IS	By 11/30/23 & Ongoing	CI	
SDOH	Detailed training HE/SDOH coding process/workflow with impacted workforce	Training Curriculum	Coding CI/IS	By 12/31/23 & Ongoing	Coding	
SDOH	Detailed training HE/SDOH reporting process/workflow with impacted workforce	Training Curriculum	Quality CI/IS	By 12/31/23 & Ongoing	Quality/IS	

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Appendix G: Workflow

Patient Registration	Clinical Groups	Coding/IS/CI/CNE

REaL – Race, ethnicity, and language
SDOH – Social Determinants of Health
SOGI - Sexual orientation/Gender Identity
CG – Caregiver
Bedded patients - outpatient in a bed, observation, and all inpatients (all patients on the floor).

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Social Determinants of Health Initial Phase (2023/2024):

- WellRx Questionnaire Standard Use for IP Adults over 18 years of age:
  - o Bedded patients – outpatient in a bed, observation, and inpatients (patients on the floor).
  - o Include WellRx on nursing assessment powerform as a required form.
  - o Pull forward option enabled on WellRx form (historical answers show in bottom box if answered in last 12 months).
  - o Nusing assessment powerform only: will sunset duplicate abuse question from psychosocial section of nursing assessment powerform and utilize WellRx questions/workflow.
  - o OB/OP Surgery patients excluded in initial phase.
  - o An exclusion/opt out question is included on WellRx to facilitate SDOH process and reporting requirements.
- Support for Positive SDOH response:
  - o Provide support for patients with positive responses:
    - ? CM will provide resources for patients with positive SDOH responses as appropriate.
    - ? CM will define process and resources to accomplish resource delivery to patients.
  - o Workflow in Cerner:
    - ? CM will be notified of patients with positive SDOH response(s) – MPTL D/C Planning Worklist
- REaL/SOGI/SDOH reporting – Routine & Ad Hoc:
  - o Stakeholder needs (grants/process flow – example food insecurity grants/emergency food supply at dc);
  - o CMS reporting requirements and;
  - o SDOH implementation and process improvement
    - ? In addition, a Premier REal/SOGI/SDOH dashboard will support process adoption and improvement activities.
    - ? Cerner SDOH reports
- Z Code Workflow: WellRx will flow from Cerner ↔ 3M (non-provider progress notes section) to facilitate SDOH Z code application and processing.

Secondary Social Determinants of Health Phases based on ongoing planning and approval (2024/2025):

- Expand to include OB and Surgery nursing assessment powerforms.
- Expansion SDOH assessment processes to AMB/OP areas.
- Expansion SDOH assessment processes to pediatric population.

Approval Signatures

Step Description	Approver	Date

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PS Administrator	Rhonda Townley	12/2023
PS Administrator	Stephanie Strohl	12/2023

Applicability

Union Health System, Union Hospital Clinton, Union Hospital Terre Haute, Union Medical Group

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APPLICATION FOR CERTIFICATE OF PUBLIC ADVANTAGE BY
UNION HOSPITAL, INC. AND TERRE HAUTE REGIONAL HOSPITAL, L.P.

Union Hospital Inc.'s Additional Submission for the Department of Health's Second Request for Information

On July 19, 2024, Applicant Union Hospital, Inc. ("**UHI**") submitted its "Subsequent Submission" ("**Subsequent Submission**") for the second request for information ("**RFI2**") from the Department of Health ("**DOH**"). In the Subsequent Submission, UHI indicated that it would provide "RFI2 Attachment L(2)," which pertains to certain of UHI's population health improvement initiatives, at a later date. Said RFI2 Attachment L(2) is attached hereto.

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RFI2 Attachment L(2)

POPULATION HEALTH IMPROVEMENT PLAN

When reviewing Union Health Inc.'s (**UHI**) Population Health Improvement Plan addressed herein, UHI respectfully requests that the Department of Health (**DOH**) consider two fundamental factors relevant to granting the Certificate of Public Advantage (**COPA**). First, UHI is pursuing the Merger to improve the Wabash Valley Community's health status.[1] The components of UHI's Population Health Improvement Plan are important parts of UHI's overarching goal to improve the health status of the Wabash Valley Community. Second, there is no evidence that denying the COPA will result in an improvement of the Wabash Valley Community's health status.[2] Instead, as indicated below, granting the COPA is essential to maximizing the effectiveness of the components of UHI's Population Health Improvement Plan and, in turn, thereby improving the health status of the Wabash Valley Community. If the COPA is denied, then UHI will reevaluate the feasibility of continuing to support the Population Health initiatives described below.

As stated in the September 14, 2023, COPA Application ("**Application**"), UHI's Population Health Improvement Plan consists of eleven (11) initiatives that have been implemented or will be implemented.[3] In total, the eleven (11) initiatives consist of fifty-three (53) separate health care-related and social assistance-related components.[4]

UHI's understanding of the health care and social assistance needs of the Wabash Valley Community will improve as a result of the Combined Clinical Platform created by the Merger. Currently (pre-Merger), UHI's information about the Community's health care and social assistance needs is largely based on the individuals who receive care at Union Hospital Terre Haute and the offices of Union Associated Physicians Clinic, LLC. If the Combined Clinical Platform is created (which will not occur without the COPA), then the circumstances of the individuals receiving care at Regional Hospital's campus and the offices of Regional Hospital Healthcare Partners will contribute to UHI's understanding of the Wabash Valley Community's health care and social assistance needs. This better understanding of the Wabash Valley Community's needs will result in adjustments and improvements to the components that constitute UHI's Population Health Improvement Plan.

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[1] *See* page 4 of the September 14, 2023 COPA Application.

[2] Pursuant to the COPA statutes, DOH must consider whether the likely benefits resulting from the Merger outweigh any disadvantages attributable to a potential reduction in competition that may result from the Merger. However, a thoughtful discernment of what those disadvantages might be requires, as a threshold matter, a discernment of the advantages, if any, attributable to denying the COPA. Stated differently, when attempting to weigh the possible disadvantages attributable to a potential reduction in competition, it is appropriate to first ask: what are the advantages attributable to any current competition between THRH and UHI? Any current competition between THRH and UHI has not improved, and will not improve, the Community's health status.

[3] *See* pages 23-30 of the September 14, 2023 COPA Application.

[4] When the Application was submitted, the eleven initiatives consisted of fifty-five (55) components. However, two (2) components, partnerships with long term care facilities under the "Supporting Elderly's Ability to Age in Place" initiative and the establishment of Title X clinics under the "OB Desert/Access Interventions" initiative, have been paused.

The remainder of this document details the most important components of UHI's Population Health Improvement Plan that will increasingly benefit citizens of the Wabash Valley by virtue of the COPA and the Merger resulting therefrom. They include:

(i) Maternal Child Health;
(ii) Pop-Up Medical Clinics and Backpack Outreach;
(iii) Home Obstetrics and Gynecology (OB) Services;
(iv) Employee & Provider Health and Wellbeing & Retention;
(v) Chronic Disease Case Management: DREAM Pilot;
(vi) Medical Assistance Program; and
(vii) Union Health Steering Committee.

(i) Maternal Child Health (All Babies Initiative, Community Action Network) [5]

UHI's All Babies Initiative ("**ABI**") consists of a team of perinatal navigators and community health workers with backgrounds in social work and case management, nursing, lactation, and other areas of healthcare, that focus on assisting families in need. The Community Action Network ("**CAN**") aspect of this initiative is comprised of more than sixty (60) organizations and initiatives, including ABI. The families associated with CAN are connected to necessary resources to reduce the risk of maternal and infant morbidity and mortality.

The initiative's benefits include the following:

- Enhanced prenatal and postnatal care
- Reduction in health complications
- Improvement in health outcomes
- Increased access to care
- Continuity of care
- Reduced health disparities
- Improved Patient Satisfaction

To date, the initiative has produced the following results:

- Increased adequate prenatal care (for at least 125% of the mothers)
- Decreased very low birthweight infants (for at least 10% of the mothers)
- Reduced maternal smoking (for 10% of mothers that smoke)

[5] This is a component of population health initiative #3: Community Action & Partnerships Addressing Health Drivers.

- Improved access to long-acting reversible contraceptives and safe birth spacing (for 25% of participants)

- Access to resources such as food, housing, water, heat, electricity, and childcare (for 25% of participants),

- Mothers attending all necessary medical appointments (improving compliance with appointment attendance by 50%)

- Increase in mothers receiving appropriate screenings (for 25% of mothers)

- Increase in mother's compliance with recommended health practices (for 25% of mothers)

The ABI and CAN teams help families connect to health care resources. In addition, the ABI and CAN teams improve access to housing assistance, nutrition programs, and transportation services. The ABI teams assist families with navigating the entire healthcare system, including insurance benefits and finding care providers. A goal is for the patient to learn to manage their own healthcare.

The two programs increase awareness of maternal and child health needs. The ABI and CAN teams meet patients where they are to provide resources and education. The ABI and CAN teams provide services at the patient's home, or at least closer to the patient's home, so healthcare access is brought to the patient instead of the patient having to travel to the care to access it.

CAN brings together organizations that serve pregnant or parenting families. CAN facilitates collaboration and change. There are three (3) Community Action Teams that operate under CAN: Safe Sleep; Dads Matter Coalition; and, Substance Use/Abuse Prevention.

The personalized support provided by the ABI and CAN teams improve continuity of care as follows: improve communication between providers and patients; promote the seamless transition from prenatal care to postnatal care; and, improve continuation of care through pregnancy, the postpartum period, infancy, and the early life of the child. The follow-up support provided to the patient ensures health concerns of patients are addressed timelier. In sum, all of these factors lead to more timely access to care and improved quality of care received by the patient.

ABI and CAN currently serve approximately 1,200 mothers, infants, and children in the community. *THRH has no similar programs. If the COPA is granted, then ABI and CAN will be expanded to include patients that were part of the THRH labor and delivery program. UHI estimates that an additional 150 patients will come under the care of the ABI and CAN teams within twelve (12) months of the COPA*

being granted – and those numbers will grow every year after that.[6] *However, the expansion of this initiative will not occur if the COPA is not granted.*

(ii) Pop Up Medical Clinics & Back-Pack Outreach[7]

This component was commenced in May 2023 with the expectation that UHI would receive the COPA. This initiative helps homeless and housing-insecure individuals. THRH has no similar program.

Health status and access to health care are significant challenges for homeless and housing-insecure individuals in the Wabash Valley Community. There is a high prevalence of chronic diseases and associated morbidities for these individuals. When undiagnosed or poorly managed these conditions contribute to delayed access to care, severe illness, increased hospitalizations, and poor quality of life.

The component, which is a collaborative effort with UHI's family medicine residency program, involves outreach teams comprised of a medical provider, nurse, respiratory therapist, pharmacist and community health outreach/peer recovery specialist. This team of health care professionals offers medical and social support services ranging from flu shots, primary care services (e.g., wound care, diabetes treatment) and assistance in finding a shelter. The assistance is offered at "pop-up" UHI clinics that are located at homeless camps and other locations. These "pop-up" clinics bring the care to the patient.

Data for UHI's pop-up medical clinics for January through May 2024:

– 26 medical patients (5 appointments scheduled)

– 7 dental exams (3 appointments scheduled)

– 66 hygiene kits

– 17 blood pressure screenings + 3 blood glucose screenings

– 31 Narcan, 25 fentanyl test strips and xylazine test strips, and 37 other harm reduction supplies

– 26 dental hygiene kits

– 128 warming kits

– 132 hand warmers

[6] If the COPA is granted, it is expected that Regional Hospital's labor and delivery services will soon thereafter be consolidated at Union Hospital Terre Haute.
[7] This is a component of population health initiative #8: Improved Access and Resources for Homeless and Housing Insecure Individuals.

– 19 depends

– 31 feminine kits

– 67 fingernail clippers

– 84 immunizations administered

– Numerous summer supplies: sunscreen, water bottles, sunglasses, mosquito bands, etc.

Currently, targeted outreach areas correlate with zip codes of frequent and high utilizations of UHI's emergency department and hospital services. *If the COPA is granted (thereby resulting in the creation of the Combined Clinical Platform), targeted outreach areas will be expanded to include areas that correlate with zip codes of frequent and high utilizations of emergency services and hospital services at the Regional Hospital campus – thereby expanding the benefits.*

(iii) Home OB Services[8]

The Home OB program commenced in 2021 and is focused on providing prenatal care in the patient's home. This component involves a family nurse practitioner (FNP) providing the care. Currently, one (1) FNP provides these services one (1) day per week. It is likely these patients would have otherwise not received care. The FNP is paired with an ABI staff member to provide better care to patients needing services. The FNP provides the clinical services while the staff member works with patients on transportation, food, housing, and other needs. Approximately 40 patients received Home OB services in 2023. The benefits of this component include the following:

• Enhanced Prenatal and Postpartum Support

• Risk Identification

• Early Detection and Intervention

• Enhanced Patient Engagement

• Adherence to Care Plans

• Family Involvement in Care

• Patient Convenience and Comfort

[8] This is a component of population health initiative #1: Community Benefit & Community Health Committee.

In the first three (3) years of the program, data showed the following accomplishments:

- Breastfeeding initiation rate significantly higher than Indiana's average (91% breastfeeding initiation).
- Lower than state and national averages for preterm birth (7.6%) and low birth weight infants (4.3%).
- 37.5% of the 24 clients smoking during pregnancy quit smoking while enrolled in the program.

Patients who receive care in a familiar and comfortable environment, such as their own home, can experience reduced stress, fear, and anxiety. The tailored services and holistic approach increase confidence and patient engagement, most often leading to increased compliance with care, thereby resulting in improved health outcomes. This program also enables the care provider to detect safety hazards such as unsafe sleep environments or domestic violence. Early intervention in these issues can improve the outcome for both the pregnant individual and newborn.

In addition, care at home improves access for the underserved and high-risk populations who face barriers to receiving care in traditional healthcare settings. The home visits eliminate the need for travel, which is particularly beneficial to patients who do not have a vehicle, have only one vehicle shared among a family, do not have gasoline for a vehicle, or have mobility issues. UHI serves patients from a wide geographic region, much of which is rural. In rural areas, public transportation is not readily available.

The provider offering care within a patient's home assesses overall living conditions and family dynamics, which cannot be done in the traditional clinic setting. This increases opportunities for providers to connect patients with basic, essential resources that impact physical and mental health.

At-home care also creates increased family involvement in the patient's care, leading to a supportive network for the pregnant individual and infant. All aspects mentioned above (e.g., improved access to care and improved outcomes) lead to better quality of care for our patients.

THRH has no similar program. If the COPA is granted and the Merger occurs, then UHI will expand the component with goal of offering services to an additional 100 patients.

(iv) <u>Employee & Provider Health and Wellbeing & Retention</u>

"Employee & Provider Health and Wellbeing & Retention" is one of the eleven (11) initiatives constituting UHI's Population Health Improvement Plan. This initiative consists of the following seven (7) components:

(1) Wellness Screenings:

Wellness screenings and incentives are designed to target and mitigate chronic conditions and improve health and wellbeing. The program is offered to employees of Union Healthcare Providers[9] who are tobacco free and can pass at least three (3) of the five (5) biometrics screenings (i.e., blood pressure, glucose, triglycerides, cholesterol, and waist circumference).

(2) Health Advocate Coaches:

Health advocate coaches focus on the health and wellness of all employees of Union Healthcare Providers. From weight loss programs and smoking cessation plans to walking competitions for employees, the coaches support employees in staying healthy. The coaches oversee UHI's organic community garden for employees, as well as bring area farmers to campus who offer certified organic produce to employees and visitors.

(3) Weight Loss Clinic:

The weight loss clinic is a medically supervised weight loss program for the community, including UHI's employees.

(4) Mental Minute:

The program provides free counseling services to all employees at Union Healthcare Providers in conjunction with the UHI's Employee Assistance Program. Team members can take a mental minute whenever feeling burnout, worried, anxious, or just need to talk. Mental Minute offers virtual appointments in the evenings and weekends.

(5) Incentives to Mitigate Chronic Conditions and Improve Health and Wellbeing:

This component relates to component one (wellness screenings) and offers cash incentives (e.g., HSA contributions) to employees at Union Healthcare Providers who do not use tobacco products and who pass their wellness screenings.

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[9] As defined in the Application, "Union Healthcare Providers" means Union Hospital, Union Associated Physicians Clinic, LLC, Center for Occupational Health, Inc., Union Hospital Therapy, LLC, and the Rural Health Clinics.

(6) Physician Wellness Activities:

The program offers resources to address challenges facing providers, such as burnout, substance abuse, and suicide awareness. Counseling is provided by trained psychologists, through a third-party provider, for critical incident support as well as daily life activities.

(7) Align Occupational Health, Health Plan, & Community Health:

UHI currently offers health or wellness screenings which provide an annual snapshot of blood glucose, cholesterol, and other health indicators. Incentives are offered to employees who achieve certain benchmarks. This component considers the recommended preventative screenings and measures as set by the US Preventative Services Task Force (i.e., mammogram, cervical or colorectal cancer, eye/foot exam for diabetics).

The initiative is designed to address and improve employee health and wellbeing. Healthier employees are more likely to have better health outcomes. As residents of the Wabash Valley Community, healthier employees contribute to the overall health status of the community. Moreover, a close review of the initiative and its components reveals that, at its core, the initiative is intended to provide employees access to care.

The health care providers and other trained professionals who provide services to employees are very well qualified and are selected on account of their skill and professionalism. Consequently, employees who participate in the initiative may be receiving higher quality care via the initiative than they would receive from providers and other professionals outside of the initiative.

This initiative was implemented, in part, to help UHI recruit and retain health care professionals (especially physicians). This benefits the Wabash Valley Community and improves access to health care. The component "Physician Wellness Activities" described above is an example of this effort.

This robust initiative is not offered by THRH to its employees. However, if the Merger occurs, the components of the initiative, and the benefits associated with the components, will be immediately expanded to include former THRH employees who become employees of Union Healthcare Providers.

(v) Chronic Disease Case Management: DREAM Pilot[10]

The "Diabetes Rx Education & Awareness Monitoring ("**DREAM**") pilot program commenced in the fall of 2023 and targets patients with recent hospitalizations due to out-of-control diabetes. The initiative provides patients with tools to better

[10] This is a component of population health initiative #3: Community Action & Partnerships Addressing Health Drivers.

understand diabetes, how their body reacts to it, and how their diet has a direct impact on their health. These tools include continuous glucose monitoring tools, tailored meals delivered to their home, and support provided by the Diabetes Education Center.

The initiative is implemented through case management services provided by primary health teams. DREAM utilizes a multi-disciplinary team approach throughout the care continuum and in collaboration with primary care providers.

THRH does not offer a similar program. If the COPA is granted, then THRH patients would have access to the DREAM program.

(vi) Medical Assistance Program[11]

This component's purpose is to make available free and discounted prescription drugs (and where possible prescription drug health plan coverage) for needy patients. As part of this component, UHI partners with Nationwide Prescription Connection ("**NPC**") to connect patients with money-saving programs that help them obtain the prescription medicines they need but cannot afford. In addition, outside of NPC, UHI offers substantially reduced out-of-pocket expenses to a large number of patients at discharge (e.g., patients requiring use of expensive anticoagulant agents upon discharge often receive these agents for only $2 in out-of-pocket payments).

NPC is available to Union Medical Group patients that cannot afford expensive medications for chronic disease state management (e.g., chronic, ongoing use). Patients are referred to NPC for assistance with applying to manufacturer patient assistance programs. NPC advocates help patients with the application process and, if the patient qualifies, then s/he will receive medications for free through the drug manufacturer. Patients are typically approved for one (1) year and then have to reenroll annually.

Also, the Medical Assistance Program utilizes UHI's ability to purchase drugs at a discounted price (340B pricing) for discharged inpatients, emergency department patients, and ambulatory surgery patients. UHI provides copay assistance and dispenses some medications at cost to UHI's patients that are unable to afford the cost of their medications at the time of discharge. UHI strives to send as many patients as possible home with medications-in-hand to improve outcomes and prevent readmissions. UHI typically dispenses a 90-day supply. This provides patients with time to follow-up with their provider to find a long-term solution to the cost of the medication, which may include a referral to NPC.

The Medical Assistance Program provides a significant benefit to many patients. As of June 2024, a total of 2,124 patients have been referred to NPC:

[11] This is a component of population health initiative #5: Access to Insurance & low/no cost pharmaceuticals for low-income individuals.

- 1,155 patients have been approved for free medications and a total of 1,355 patients have been approved overall; and,
- these patients have received a total of 10,304 prescriptions, with total drug cost savings of $7,743,558.

The drug cost savings is calculated by taking the average retail price of each medication and multiplying that by the number of prescriptions that our patients have received for each medication. This is the amount patients are saving. Patients receive the medications at no cost from the drug manufacturers.

THRH does not offer this type of assistance, in part because, as a for-profit entity, it cannot participate in the federal government's 340B prescription drug program. The THRH patients that become UHI patients will have access the Medical Assistance Program.

(vii) Union Health Steering Committee[12]

The Union Health Steering Committee is scheduled to be established Fall 2024. The Committee will feature diverse, multi-sector, state, local, and community level partners, including community members, who will advise and inform strategies for improving the Wabash Valley Community's health status based on identified health care and social assistance needs. Moreover, the Committee will continually monitor and respond to emerging trends and innovations in the healthcare field. THRH has no similar committee or program.

The Committee's perspective on the Community's needs (and how best to respond to those needs) would certainly benefit from information and experiences related to UHI's operation of the Combined Clinical Platform – which will only occur if the COPA is granted. Furthermore, the additional resources and personnel of the Combined Clinical Platform would strengthen the Steering Committee's ability to address the Wabash Valley Community's health care and social assistance needs.

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[12] This is a component of population health initiative #1: Community Benefit & Community Health Committee.

RFI2 Attachment L(3)

VIRTUAL NURSING PROGRAM

The first REQUEST under Section 6 of the RFI2 seeks information pertaining to the enhanced services/initiatives identified in the September 14, 2023, COPA Application ("**Application**"), beginning on the Application's page 20. UHI's "Virtual Nursing Program" is one of those initiatives.

(i) Implementation of the Virtual Nursing Program

As explained in pages 30-31 of the Application, "virtual nursing" refers to the provision of nursing care and services through virtual means, typically using telecommunications technology and digital platforms. It involves using digital communication tools and technology to remotely connect nurses with patients, allowing them to assess, monitor, educate, and support individuals or communities in need of health care services.

As of February 2024, Union Hospital expanded its nursing services to include virtual nursing. It has equipped 177 patient rooms and is in the process of equipping six (6) meeting rooms with this technology. This allows nurses to complete admissions, discharges, and patient education virtually. This technology also assists with *hourly rounding* (where nurses and other clinicians see each patient hourly to ensure their safety and comfort), *medical rounding* (where a physician or advanced practice provider reviews a patient's current condition and response to treatment), and *care rounding* (where a patient's health care team reviews with the patient and his/her family the patient and his/her plan of care and determines treatments that need to be altered or changed).

The principal goal of the "Virtual Nursing Program" is to improve access to health care services – particularly, but not exclusively, nursing services. In this regard, some of the key aspects and services provided through virtual nursing include:

- Virtual nursing can help streamline hospital workflows by handling routine tasks such as medication reminders, patient education, and follow-up appointments, freeing up on-site nurses to focus on more critical, hands-on patient care.

- Virtual nurses facilitate patient admission processes by completing the medical history interview and home medication list.

- Virtual nurses educate patients daily on their condition, treatments, empowering them to take an active role in their own healthcare.

- Virtual nursing provides purposeful patient clinical rounding twice per shift on each unit.

- Virtual nurses document discharge instructions and educate patients on what to expect post-discharge.

• Virtual nursing platforms provide the capability to have a virtual "patient sitter" in every room that is equipped with the technology, creating a safer environment for (but not limited to) those at higher risk for falls, low elopement risk, seizure risk patients, and isolation patients.

• Virtual nursing services can be easily scaled up or down based on demand, making it easier for hospitals to efficiently manage resources based on fluctuating patient volumes without the need for significant physical infrastructure changes.

• Other care givers, including physicians, have access to the virtual nursing platform, which offers an opportunity to increase access to physicians within the hospital.

Apart from improving access to care, there are important non-clinical benefits of the Virtual Nursing Program. These include a reduction in the need to pay temporary staffing agencies for the short-term retention of nurses and other clinicians, improved recruitment and retention of providers and other staff, and improved efficiencies with medication reconciliation and discharge time.

Regional Hospital does not have a Virtual Nursing Program. *If the Merger occurs, UHI plans to equip patient rooms and conference rooms at Regional Hospital with this technology.* The timing of doing so, and the exact number of patient rooms and conference rooms that will be so equipped, will be determined as soon as practicable following the Merger (but initial projections indicate at least 50 patient rooms at Regional Hospital might be equipped with this technology).

(ii) The Expected Benefits of the Virtual Nursing Program, Arising Out of the Merger, to Health Outcomes, Health Care Access, and Quality of Health Care

(A) Health Outcomes

As noted earlier, the principal goal of the "Virtual Nursing Program" is to enhance the care provided to patients, particularly, but not exclusively, nursing services. It is well-established that timely care is an essential aspect of quality of care, directly impacting patient outcomes, and delays in care result in poor outcomes. UHI believes that by integrating virtual nursing into their operations, hospitals can leverage technology to provide high-quality, efficient, and patient-centered care. This modern approach to nursing not only addresses current healthcare challenges but also sets the stage for more resilient and adaptable healthcare systems in the future. UHI believes its Virtual Nursing Program is an important component to improving and enhancing care of the patient while in the hospital, thus improving quality of care and patient outcomes. For these same reasons, UHI is looking forward to implementing its Virtual Nursing Program at Regional Hospital – this would be a new and positive development for Regional Hospital (and the patients receiving care at Regional Hospital), given that Regional Hospital does not have, and does not currently plan to have, a similar program.

(B) Health Care Access

With regard to the Virtual Nursing Program and the issue of health care access, it is worthwhile to note again the above-cited key aspects and services provided through virtual nursing. These aspects and services certainly contribute to improved health care access.

Without question, the principal goal of the "Virtual Nursing Program" is to improve access to health care services – particularly, but not exclusively, nursing services. *Also, without question, Regional Hospital does not have a similar program, and has no plans to implement such a program. Simply stated, it is reasonable to conclude that the patients at Regional Hospital will not have an opportunity to benefit from UHI's Virtual Nursing Program, or any similar type of program, unless the Merger occurs*.

(C) Quality of Health Care

The federal Agency for Healthcare Research and Quality ("**AHRQ**") is the lead federal agency charged with improving the safety and quality of healthcare for all Americans. As stated on its website, "AHRQ develops the knowledge, tools, and data needed to improve the healthcare system and help consumers, healthcare professionals, and policymakers make informed health decisions."

AHRQ adopted an analytical framework developed by the Institute of Medicine for quality care, referred to as the "Six Domains of Healthcare Quality."[1] Timely access to care is one of the six (6) quality-related domains. According to AHRC, "reducing waits and sometimes harmful delays for both those who receive and those who give care" is a key component of quality care. *Clearly, UHI's Virtual Nursing Program is a quality-related tool for improving timely access to care. Significantly, however, this quality-related tool is not currently available for individuals receiving care at Regional Hospital, and likely will never be available if the Merger does not occur*.

(iii) The Program's Current Impact on Health Outcomes, Health Care Access, and Quality of Health Care

As noted earlier, the Virtual Nursing Program was implemented in February 2024. Consequently, it is too soon to reach informed, fact-based conclusions about how the Program has impacted health outcomes, health care access, and the quality of care. However, thus far virtual nursing has been able to enhance our bedside nursing care by providing the following scope of services: medical history interview, social determinants of health interview (required by CMS starting January 1, 2024), care plan development, daily medical education, patient rounding, discharge education, as well as virtual sitter care. Also, we are in the beginning phase of planning for more enhancements from the virtual nurse platform such as, but not limited to, c-diff education for patients and families, discharge follow up phone calls, and second skin witness.

Reduction in falls YTD 2024 equals 28 with a predication of 133 less falls annualized. At the time of this writing, we have 1 unit with zero falls with injury, as well as 1 unit with zero falls for 2 straight months and 2 straight months with zero injuries.

[1] *See* https://www.ahrq.gov/talkingquality/measures/six-domains.html

Virtual Nursing has provided over 4,000 admission histories (medical history interviews), over 3,000 discharges education teachings, over 19,000 care rounds, and over 9,000 education activities.

RFI2 Attachment L(4)

SERVICE LINE MODEL OF CARE

The first REQUEST under Section 6 of the RFI2 seeks information pertaining to the enhanced services/initiatives identified in the September 14, 2023 COPA Application ("**Application**"), beginning on the Application's page 20. UHI's "Service Line Model of Care" is one of those initiatives.

(i) Descriptions or Detailed Implementation Plans for the Service Line Model of Care

Pages 31-35 of the Application describes UHI's "Service Line Model of Care." In 2019, UHI initiated its "Service Line Model of Care" to optimize service delivery and outcomes for five (5) key service lines:

- Orthopedics
- Oncology
- Neuroscience (Neurosurgery, Neurology, Neurophysiology, and Pain)
- Women's and Children's Health
- Cardiovascular Care

Health care services provided to patients in the Service Line Model of Care are provided by a coordinated, multidisciplinary team of medical professionals and administrative staff. This team is responsible for providing or coordinating the entire continuum of care needed by the patient. This is a significantly different model for delivery of care than the model used by THRH. The Service Line Model of Care is structured to align clinical pathways and other services internally within and between Union Hospital and Union Associated Physicians Clinic, LLC to benefit the patient. This approach improves the quality of care and, by coordinating care, reduces costs by eliminating duplicative, unnecessary, and untimely care.

You asked if UHI has documented evidence concerning the benefits that have resulted from its implementation of the Service Line Model of Care. There are two (2) factors that are essential to understanding how the Service Line Model of Care will improve care: technology to efficiently coordinate a patient's medical care needs, and, a robust primary care team. UHI has both:

- Among other technological capabilities, UHI has an electronic longitudinal medical record, which allows all caregivers associated with UHI to access, share, and update a patient's medical record in real time. Upon Closing, physicians at Regional Hospital and Regional Healthcare Partners will have access to, and be incorporated into, this electronic medical record. For example, physician specialists who typically treat patients at a THRH location will be able to share a patient's clinical information with primary care physicians and other physician specialists at Union Hospital or Union Associated Physicians Clinic, LLC. Similarly, primary care physicians and other physician specialists at any other

Union Health campus will be able to share a patient's clinical information with physicians treating patients at the Regional campus. *Expanding access to UHI's electronic medical record to include Regional Hospital and Regional Healthcare Partners will not happen without the Merger.*

- Through ongoing discovery and continual assessment, UHI is planning to spend $15 million on upgrades to its information technology in order for Union Hospital and Union Associated Physicians Clinic, combined with Regional Hospital and Regional Healthcare Partners, to fully integrate. The technology will include network infrastructure, hardware (e.g., computers and other devices such as printers, telephony, applications), both clinical (e.g., EMR, Cath Lab systems) and non-clinical (e.g., HR, financial, supply chain), and network security. *This substantial and timely investment in IT for Regional Hospital and Regional Healthcare Partners will not occur unless the Merger occurs*.

• Primary care, with its emphasis on wellness and preventive care, is the core of the Service Line Model of Care. Under the Service Line Model of Care, primary care physicians guide their patients seamlessly through the health care delivery system. It is well-established that access to primary care improves health status and lowers health care costs over time.

- UHI, through Union Hospital and Union Associated Physicians Clinic, has emphasized, and will continue to emphasize, primary care. Union Hospital and Union Associated Physicians Clinic, in total, currently employ 25 primary care physicians and 4 pediatricians in addition to 17 employed APPs in primary care and 1 APP dedicated to pediatrics. Efforts are ongoing to grow the primary care team.

- Currently, Regional Healthcare Partners employs only seven (7) physicians in total, and ***none of them are primary care physicians***. If the Merger occurs, the specialists currently employed by Regional Healthcare Partners (who opt to be employed by Union Associated Physicians Clinic) and the specialists currently contracted with Regional Hospital (who enter into contracts with UHI to serve at Union Hospital or enter into contracts with Union Associated Physicians Clinic) will be easily incorporated into UHI's Service Line Model of Care. Their patients will be able to receive coordinated care under the Service Line Model of Care, with ready access to primary care that supports enhanced access, quality, and outcomes as they relate to the five (5) service lines: Orthopedics, Oncology, Neuroscience, Women's and Children's Health, Cardiovascular Care.

Post-Merger, Regional's specialty providers will be incorporated into the Service Line Model of Care. UHI recognizes that multidisciplinary, highly collaborative coordination of care is an essential and non-negotiable pillar of the Service Line Model

of Care. As such, detailed and specific integration plans for each service line will be established post-Merger, once all the necessary information is available to support informed decision-making that will drive optimized access, improved outcomes, and enhanced quality for patients in the Wabash Valley.

(ii) The Expected Benefits of the Service Line Model of Care, Arising Out of the Merger, to Health Outcomes, Health Care Access, and Quality of Health Care

(A) Health Outcomes

The federal Agency for Healthcare Research and Quality ("**AHRQ**") is the lead federal agency charged with improving the safety and quality of healthcare for all Americans. As stated on its website, "AHRQ develops the knowledge, tools, and data needed to improve the healthcare system and help consumers, healthcare professionals, and policymakers make informed health decisions." In the Application, UHI cites to a June 2016 AHRQ publication, "Priorities in Focus - Care Coordination,"[1] wherein AHRQ found that patient outcomes improve when health care providers coordinate with each other. As noted in the Application, AHRQ has concluded that improved coordination decreases medication errors, unnecessary or repetitive diagnostic tests, unnecessary emergency room visits, and preventable hospital admissions and readmissions − all of which together led to higher quality of care, improved health outcomes, and lower costs. In AHRQ's view, the delivery of coordinated care necessarily brings together disparate sectors of the health care system, and improving care coordination offers a potential opportunity for drastically improving care quality.

UHI's Service Line Model of Care is the embodiment of the coordinated care extoled by AHRQ. As noted earlier, medical care under the Service Line Model of Care is provided by a coordinated, multidisciplinary team of medical professionals and administrative staff. The team is responsible for providing or coordinating the entire continuum of care needed by the patient. *Currently, the Service Line Model of Care is structured to align clinical pathways and other services internally within and between Union Hospital and Union Associated Physicians Clinic. However, following the Merger, the Service Line Model of Care will be structured to align clinical pathways and other services internally within and between Union Hospital, Regional Hospital, Union Associated Physicians Clinic, and Regional Healthcare Partners, to benefit of the patients they serve. Thus, by having more residents of the Wabash Valley Community benefit from the coordination of care facilitated by the deployment of the Service Line Model of Care post-Merger will – consistent with AHRQ's findings – improve the health outcomes of Wabash Valley Community.*

[1] *Priorities in Focus–Care Coordination*. Agency for Healthcare Research and Quality, Rockville, MD. https://archive.ahrq.gov/workingforquality/reports/priorities-in-focus/care-coordination.html; *see also,* "*Care Coordination Technique Reduces Medical Errors by 30%,*" Health IT Analytics (Nov. 7, 2014), https://healthitanalytics.com/news/care-coordination-technique-reduces-medical-errors-30(reporting that better care coordination among residents reduced patient safety issues and medical errors by nearly one-third).

(B) Health Care Access

The Service Line Model of Care improves health outcomes, and the quality of health care provided, because it helps ensure that patients have access to, and receive, specialty care when needed. Likewise, the Service Line Model of Care helps ensure that patients have access to, and receive, primary care when needed. In a very real sense, the coordination of care facilitated by the Service Line Model of Care is also a means to help ensure patients' access to the appropriate care, at the appropriate time.

Currently Regional Hospital and Regional Health Care Partners neither offer the Service Line Model of Care, nor any similar care coordination model, and generally lack the ability to do so absent the Merger given the lack of employed or affiliated primary care physicians. Post-Merger, Regional Hospital and Regional Health Care Partners will be incorporated into the Service Line Model of Care. *As such, for the residents of the Wabash Valley Community, access to timely, medically necessary care, will increase as a result of the incorporation of Regional Hospital and Regional Healthcare Partners into UHI's Service Line Model of Care*.

(C) Quality of Health Care

AHRQ has found that improved care coordination decreases: medication errors; unnecessary or repetitive diagnostic tests; unnecessary emergency room visits; and preventable hospital admissions and readmissions − all of which together lead to higher quality of care. According to AHRQ, improving care coordination offers a potential opportunity for drastically improving care quality. *That opportunity does not currently exist for patients receiving services at Regional Hospital or Regional Healthcare Partners because the requisite care coordination does not take place. Fortunately, if the Merger occurs, that opportunity will exist for patients receiving care at Regional Hospital and Regional Healthcare Partners by virtue of the incorporation of Regional Hospital and Regional Healthcare Partners into UHI's Service Line Model of Care*.

(iii) The Model's Current Impact on Health Outcomes, Health Care Access, and Quality of Health Care

Orthopedics

Through a partnership among UHI, Indiana Joint Replacement Institute, and Rose Hulman Institute of Technology (RHIT), UHI is planning a 40,000 square foot ambulatory surgery center which will specialize in hip and knee replacements. In addition, UHI is collaborating with RHIT for educational programming and research and development opportunities. With the addition of this new facility, operating room capacity at the Union and Regional campuses will open for all other procedures across all specialties. This translates to increased access for patients in need of surgery.

Beyond health outcomes, health care access, and quality of health care, the partnership's inclusion of RHIT is expected to have an impact on community growth as well. The two (2) primary drivers of community growth will be related to increased university enrollment with a greater number of programming/academic offerings at the school, as well as employment of faculty and staff to support the programs.

UHI's clinical team specializes in total joint procedures, with a focus on standardizing processes, technique, and supplies, to reduce variation in treatments and costs while further improving patient outcomes. Similarly, work is under way to establish specific programs for four other orthopedic areas. These include Orthopedic Walk-in, Sports Medicine, Hand Services, Podiatry Services, and General Orthopedics/Trauma. Within these areas, the same approach to care will be implemented to improve patient pathways of care, reduce variation and cost, and improve outcomes for patients. Work is currently underway to move the walk-in clinic due to the explosive growth in patient demand for walk-in care. Prior to 2021, there was no walk-in access. As of year-end 2023, over 7,000 patients had access for walk-in orthopedic care, and it is projected there is a need to accommodate for over 15,000 walk-in patients a year going forward. We expect that by the Fall of 2024, a second orthopedic site will be opened on the south side of Terre Haute to better serve growing patient needs, as well as to decompress the Bone and Joint Center for the other four orthopedic areas (Sports Medicine, Hand, Podiatry, and General).

Since its inception in 2019, the Orthopedic service line has had a measurable impact on the Wabash Valley community in terms of enhanced access, outcomes, and quality. These impacts are summarized in the table below.

UHI Orthopedic Service Line, 2019-2023

Description	2019	2023	Change
MDs and APPs	12	28	+133%
Total Office Visits	44,655	55,768	+25%
Imaging Visits	19,606	25,833	+32%
Total Surgeries	4,435	5,069	+14%
Joint Replacement Surgeries	653	1,460	+123%
HFAP/ACHC Joint Certification	NOT Certified	Achieved Advanced Joint Replacement Certification with Distinction May 2023	
Patient Satisfaction-All Patients (Percentile)	37th	63rd	+26 Points
Patient Satisfaction – Joint Replacement Only (Percentile)	72nd	99th	+27 Points
Inpatient Length of stay- Joint Replacement Patients (Observed/Expected)	1.11	0.81	-27%

Oncology

The Union Health Oncology Service Line has been accredited by the Commission on Cancer (CoC) since 1963 under the Comprehensive Community Cancer Program. To improve upon coordination and access to care for our communities, the service began the journey of transitioning to the formal service line model as the most recent of our service lines to be established. With this, Oncology was the last of the UH service lines to formally and completely stand up in late 2023/early 2024 with the hiring of a dedicated administrative service line director to join the medical director. Prior to this leadership team coming together, work was completed with the medical director over the past three years to build the infrastructure, enhance quality initiatives, and improve upon access and services to patients. Notable highlights from this time include establishing a genetic counseling program, developing and implementing clinical pathways, establishing patient navigation protocols, recruiting and hiring four advanced practice providers (APPs) and a dedicated social worker, and developing a ride program for underserved patients to ensure cancer treatments were not missed. Between 2019 and 2023, out of 4,342 patients treated, there was no evidence of cancer in 40% of surviving patients.

As Union Health has been building the foundation of the oncology service line, approximately 51% of patients who require inpatient related aspects of care have been traveling from homes in the Wabash Valley to the Indianapolis area. People are traveling much further from home than necessary. To keep this fragile population safe and closer to home for their care, we have developed an aggressive recruitment plan that includes the hiring of three medical oncologists, a third radiation oncologist, a breast surgeon, three more patient navigators, an outpatient palliative care worker, a financial counselor, two more APPs, and three more social workers over the next four years. Along with these specialists Union Health will also recruit an additional pulmonologist, gastroenterologist, and psychologist to meet the full needs of our community members. Based upon these patient needs, the core programs to be implemented over the next four years will be focused on breast, lung, prostate and genitourinary, and GI cancers. Through the recruitment and development initiatives described, we project meeting the needs for 9% more of the patients in the Wabash Valley requiring medical and radiation oncological needs, and 10% more of the patients in the Wabash Valley requiring surgical oncological care. To strengthen the program for our communities, Union Health recently initiated a search to identify a national leader in oncological care as a potential partner.

Neuroscience

Over the past two (2) decades, it was known that a great number of patients requiring neurosurgical care were either leaving the Wabash Valley on their own to seek the best care possible or were being transferred or referred away from Union Health because of its inability to deliver certain services. Because of this, Union Health and Goodman Campbell Brain and Spine (ranked second in the United States for top physician neurosurgery practices by Becker's Spine Review, 2024)

established a partnership in April of 2023 to elevate, and to make more accessible, the service offerings to the residents of the Wabash Valley. This partnership was sought to bring the best possible care to residents of the Wabash Valley who required neurosurgical services. One Goodman Campbell neurosurgeon and an Advanced Practice Provider joined together with two Union Health neurosurgeons and an Advanced Practice Provider at the onset of our new partnership.

From April to December of 2023, 291 patients entered the Union Health Emergency Department seeking care requiring neurosurgical intervention. 211 of these patients (73%) stayed in the community with 116 being admitted to Union Hospital and 95 discharged from the ED to home with follow up care instructions. 78 of these patients (27% of the total) were transferred to a quaternary care center. Prior to this partnership, 163 patients were transferred in 2022 due to incomplete service coverage. Annualizing the activity from the first nine months of our relationship, it is projected that our total transfers would have been 104, or a 36% reduction from prior 2022. We anticipate and expect this to continue to improve as Goodman Campbell has added an additional Advanced Practice Provider and has two more neurosurgeons joining our team at Union Health between September and October of 2024. Goodman Campbell has also recruited and signed a neurosurgeon who will be joining our team in Terre Haute in the Fall of 2025.

For ambulatory care/office-based appointments in neurosurgery, the total annual visits have increased from 1,350 in 2020 to 2,762 in 2023. In the late summer/early Fall of 2024, Goodman Campbell Interventional Pain Providers will be joining the Union Health Partnership to stabilize and ultimately grow this important service to the community, providing greater access to interventional pain services in the community.

<u>Women's and Children's Health</u>

There are several elements of the Women's & Children's service line that have positively impacted healthcare quality, access, and outcomes in the Wabash Valley. Post-Merger, these elements are expected to continue to improve the quality, access, and outcomes experienced by mothers and babies in the community, leveraging the Combined Clinical Platform and by extending the same standard of care to all patients served by post-Merger UHI.

All Babies Initiative (ABI) and Community Action Network (CAN)
Teams are in place to implement programs benefiting health and wellness for mothers, infants, and children. The ABI team is comprised of perinatal navigators and community health workers with backgrounds in social work and case management, nursing, lactation, and other areas of healthcare that lend themselves well to assisting families in need. The families in the program are connected to necessary resources to reduce the risk of maternal and infant morbidity and mortality. Benefits of ABI include:

- Improved Patient Satisfaction
- Increased Access to Resources
- Continuity of Care
- Improvement in Health Outcomes
- Reduced Health Disparities

- Enhanced Prenatal and Postnatal Care
- Reduction in Health Complications

Increased access to care and resources results in improved health. Examples include increased adequate prenatal care, decreased very low birthweight (VLBW) infants, improved maternal smoking cessation, improved access to long-acting reversible contraceptives (LARC) and safe birth spacing, access to resources such as food, housing, water, heat, electricity, and childcare, mothers attending all necessary medical appointments, receiving appropriate screenings, and following recommended health practices.

These teams help families connect to resources within healthcare and presents them with opportunities to access to housing assistance, nutrition programs, and transportation services. They assist families with navigating the entire healthcare system, including insurance benefits and finding care providers, so that patients gain confidence in commanding their own healthcare. The programs increase awareness of maternal and child health needs, and they meet patients where they are with resources and education. The team provides services at the patient's home, or at least closer to home, so healthcare access is brought to the patient instead of the patient having to travel to the care to access it.

The type of personalized support provided by these teams enhances continuity of care by offering more seamless communication between providers and patients, and promotes smooth movement from prenatal care, through pregnancy, and into the postpartum period, infancy, and early life of the child. The follow-up support provided ensures health concerns of patients are addressed timely. All the pieces mentioned above clearly lead to increased quality of care.

Several staff at the post-Merger Regional campus could be utilized for expanding these programs, including: clinical patient care staff; perinatal navigators; community health workers; social workers; case managers; and peer supports.

It is expected that numerous efficiencies will be recognized with the consolidation of obstetric services at Union Hospital post-Merger. These services are currently a massive drain on resources, both financial and manpower. The resources dedicated to the current inpatient obstetric services at Regional could potentially be reallocated to increase support within the ABI and/or CAN programs. An extremely low volume of patients (fewer than 100 annually) is served by Regional's inpatient obstetric program, while more than 1,200 patients annually are reached by these programs.

Home OB Services
UHI offers a Family Nurse Practitioner (FNP) who provides prenatal care to women within their home. Benefits of this program include:

- Patient Convenience and Comfort
- Enhanced Patient Engagement
- Family Involvement in Care
- Holistic Approach to Care
- Risk Identification

- Early Detection and Intervention
- Adherence to Care Plans
- Enhanced Prenatal and Postpartum Support

Patients receiving care in a familiar and comfortable environment such as their own home can experience reduced stress, fear, and anxiety. The tailored services and holistic approach increase confidence and patient engagement, most often leading to increased compliance with care, leading to improved health outcomes. This program may also enable the care provider to detect safety hazards such as unsafe sleep environments or domestic violence. Early intervention in these issues can improve the outcome for both mother and newborn. In the first three years of the program data showed a breastfeeding initiation rate significantly higher than state averages (91% breastfeeding initiation). The program also produced data lower than state and national averages for preterm birth (7.6%) and low birth weight infants (4.3%). Additionally, 37.5% of the 24 clients smoking during pregnancy quit smoking while enrolled in the program.

Care at home improves access most specifically to underserved and high-risk populations who face barriers to receiving care in traditional healthcare settings. These visits eliminate the need for travel, which is particularly beneficial to patients who do not have a vehicle, have one vehicle shared among a family, do not have gasoline for a vehicle, or have mobility issues. Union serves patients from a wide geographic region, much of which is rural, meaning public transportation is not readily available as an option for most.

The provider offering care within a patient's home is able to assess overall living conditions and family dynamics unlike they are able in the traditional clinic setting. At home care also creates increased family involvement in the patient's care, leading to a supportive network for the pregnant individual and infant. All aspects mentioned above regarding access to care and improved outcomes lead to better quality of care to our patients.

Partnerships with Rural Clinics & Hospitals
Union Health has a partnership with Putnam County Hospital to place a Union employed Certified Nurse Midwife at their site in Greencastle to offer women's healthcare. Prior to this partnership Putnam County lacked access to care for women and maternal patients. There were no prenatal or obstetric care providers within the county, leaving patients to travel up to one hour for care. Other benefits include:

- Patient Convenience and Comfort
- Enhanced Patient Engagement
- Risk Identification
- Early Detection and Intervention
- Adherence to Care Plans
- Enhanced Prenatal and Postpartum Support
- Establishment of Early Prenatal Care
- Improved Patient Satisfaction
- Continuity of Care
- Improvement in Health Outcomes

- Reduced Health Disparities

Thus far, patients receiving care through this program show better adherence to adequate prenatal care, lower preterm birth rates, improved breastfeeding initiation and exclusivity, improved breastfeeding sustainment, increased arrival rates to postpartum care, increased LARC or tubal ligation resulting in safe birth spacing and fewer unintended pregnancies.

This midwife provides care within the clinic two days weekly, where care was previously non-existent. Women who were previously foregoing care due to lack of access may achieve care close to home. This improved access also leads to fewer unnecessary emergency room visits for care that can be provided in the outpatient setting.

The access to care this midwife provides allows for early recognition of risks, leading to timely medical intervention. The provider has a strong connection to Union obstetric physicians and maternal fetal medicine, so co-managing patients is seamless. This allows the patient to receive the highest quality care without the need to travel long distances.

Cardiovascular Care

Recognizing that cardiovascular disease remains the leading cause of death in our region, coupled with a high prevalence of modifiable risk factors, UHI is committed to addressing these critical health challenges by offering comprehensive and high-quality cardiovascular services.

UHI the longstanding and largest provider of cardiovascular services for the citizens of the Wabash Valley. Despite this, there are gaps in care within the service due to challenges experienced in the recruitment of cardiovascular surgeons. In fact, these recruitment challenges are not unique to Union Health as Terre Haute Regional Hospital has also struggled with recruitment in this area. Acknowledging this and sharing a common interest to best serve our community together, Union Health and Terre Haute Regional Hospital attempted to solve this issue together three (3) years ago by bringing existing surgeons and staff together to form one (1) team. Due to contractual provisions, the inability to share wage information between entities, and other proprietary items related to conducting respective businesses, we were unable to successfully create a single team. Subsequently, we were both left unable to completely serve our communities. This resulted in a great number of the cardiac care patients in Wabash Valley seeking such care great distances from home while there may have been a local solution. Because of this, with no ability cross-cover programs or establish a united program, both organizations attempted to fill their voids with expensive locum providers, recognizing it is difficult to find cardiovascular surgeon locum providers. These providers would serve for a week at a time, often not performing necessary surgeries at the end of their scheduled days because they would not be able to see the patients post-operatively. This piecemeal approach is not an ideal approach to care for a community. The two (2) programs, staff, and surgeons from both organizations coming together through this proposed acquisition would immediately allow for full-time coverage. *UHI estimates that the programs coming together will allow an incremental 200 Wabash Valley patients to remain in Terre Haute for cardiovascular surgery rather than traveling outside of the area for their surgery, post-operative care, and follow up*.

While the cardiovascular service line is in the development phase, Union's commitment to excellence is underscored by focus on quality and accreditation achievement. The American College of Cardiology (ACC) accreditation for Percutaneous Coronary Intervention (PCI) catheterization lab is an example. This accreditation ensures that procedures meet rigorous standards for quality and patient safety, providing the Wabash Valley community with access to advanced cardiovascular interventions close to home.

Additionally, Union Hospital Clinton is accredited by the ACC as a non-PCI critical access hospital, enhancing the ability to provide timely and effective cardiovascular care across the service area. This dual accreditation reflects Union's dedication to maintaining the highest standards of care at both primary and satellite locations, ensuring that patients receive consistent and reliable treatment regardless of where they enter the system.

In 2023, Union Hospital achieved Blue Distinct status for cardiology from Anthem. This recognition highlights the ongoing commitment to quality improvement and success in achieving better health outcomes for patients.

The cardiovascular service line is characterized by:

State-of-the-Art Facilities and Equipment: The facilities are equipped with the latest technology, including Cardiac PET CT, enabling Union to perform complex procedures with precision and care. The facilities include a state-of-the-art catheterization laboratory, cardiovascular testing, and cardiology nuclear medicine, all housed under one roof in the Union Hospital Cardiovascular Institute. Here, a wide range of testing and procedures are performed, including structural heart (TAVR), Watchman, diagnostic services, as well as life-saving PCI.

The physicians within the service line performed over 4,000 procedures in 2023. Acknowledging that the health status of the residents of the Wabash Valley is poor, cardiac health disparities are recognized to be generational in nature. Union determined it was not sufficient to only treat the sickness by performing procedures on an ongoing basis, so they embarked on a journey to break the multi-generational nature of poor cardiac health. In 2023, Union hired four staff members, each with different areas of expertise to work with grade school children on physical activity and healthy eating habits. This is another example of how service lines and population health are working together to not just "create" more patients, but to result in fewer patients in the future.

Importance of Patient Experiences: Patient experience is a critical component of Union's commitment to quality care. Over time, Union has made significant incremental improvements in patient satisfaction across various departments as measured by the Net Promoter Score (NPS) "Would you Recommend." The notable changes are as follows:

- Union Cardiovascular Testing at the 56th percentile
- Cardiovascular Management is at the 59th percentile
- Union Hospital Clinton Cardiovascular Testing is at the 93rd percentile

UHI is poised to build on its strong foundation and expand its cardiovascular services to further improve the health outcomes of the Wabash Valley community. Future initiatives include an expansion of preventive services. Given the high degree of modifiable risk factors in the region,

UHI plans to enhance outreach and education programs to promote heart-healthy lifestyles in collaboration with the Union Hospital Population Health team. This includes smoking cessation programs, dietary counseling, and physical activity initiatives aimed at reducing the incidence of cardiovascular disease.

A key to success is predicated on the ability to successfully recruit cardiologists and staff. Union embarked on a five-year plan in 2022 to recruit five (5) cardiologists. As of 2022, over 60% of Union's cardiologists were over the age of 60 years. Union identified this as a potential threat to seamlessly caring for the community and committed to an aggressive recruitment schedule to secure six (6) cardiologists and two (2) APPs by 2027.

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RFI2 Attachment L(5)

POSSIBLE EXPANSION OF INPATIENT PSYCHIATRIC SERVICES

The first REQUEST under Section 6 of the RFI2 seeks information pertaining to the enhanced services/initiatives identified in the September 14, 2023 COPA Application ("**Application**"), beginning on the Application's page 20. UHI's possible expansion is one of those initiatives.

(i) Implementation

Pages 35-36 of the Application describes UHI's proposed "Expansion of Inpatient Psychiatric Services." As set forth in the Application, the University of Wisconsin Population Health Institute 2023 County Health rankings demonstrate several counties in the Wabash Valley perform worse than Indiana as a whole with respect to various mental health measures, including access to mental health providers. Internal data (included with the Application) validates that the mental health crisis observed throughout the country is even more devastating in UHI's service area, exacerbated, in part, by the provider shortage.

Regional Hospital completed an expansion of its inpatient psychiatric unit in the spring of 2023. This expanded the unit from 19 beds to 22 beds. According to the most recent market data from the Indiana Hospital Association, inpatient psychiatric discharges represent the 6th largest volume of discharges by service line in the Wabash Valley Community, accounting for 1,458 market discharges in 2022.

UHI does not have an inpatient psychiatric service, but it does admit a small number of patients with psychiatric diagnoses who are in need of acute medical care. UHIs emergency department, however, does see a high volume of psychiatric patients. On average, 150 patients per month are transferred from the ED to facilities outside of the Wabash Valley for inpatient psychiatric treatment, accounting for 55% of ED transfers. This volume of transfers suggests that, even with Regional Hospital's 2023 expansion of its inpatient psychiatric unit, the Wabash Valley currently has insufficient inpatient beds for adults in need of inpatient psychiatric services.

In anticipation of the Merger, Union Hospital is exploring expansion opportunities for these services, which would allow for an increased number of psychiatric beds available to treat the community. Following the Merger, UHI would work directly with the current clinical director at Regional Hospital on developing and finalizing a strategy for the expansion of inpatient psychiatric services. UHI expects this analysis and planning process to be completed within approximately six (6) months of the Merger. If the strategy is finalized, the actual expansion is projected to occur at least 24-36 months thereafter. The total investment in operating expenses will be no less than $15 million over a 5-year period, with the expectation that it will grow to meet the needs of the community. To accommodate the planned growth, a capital project will need to commence with an estimated initial investment of $3-5 million.

As stated in the Application, this project is only feasible because of, and will be an extension of, Regional Hospital's aforementioned expansion of its inpatient psychiatric unit (in fact, this project will extend down the same corridor on the campus of the current Regional Hospital). *However,*

because this project is designed to be a follow-on to Regional Hospital's recent expansion of its inpatient psychiatric unit, it will not move forward if the Merger does not occur.

(ii) The Expected Benefits of the Expansion of Inpatient Psychiatric Services

(A) Health Outcomes

As noted below, the main purpose of the proposed expansion of inpatient psychiatric services is to improve access to such services in the Wabash Valley (so patients and their families need not travel outside of the area to receive necessary psychiatric care). However, it is reasonable to conclude that increased access to such care in the Wabash Valley – which will operate to limit the number of patients who currently choose not to receive care, or who cannot receive care, due to the need to travel outside of their community – will improve health outcomes in the Wabash Valley Community. Furthermore, UHI accounts for approximately 74% of the acute care discharges in the Wabash Valley Community. Given UHI's acute care presence, an expansion of behavioral health beds and services could increase coordination of care and ultimately outcomes for patients needing inpatient psychiatric care.

(B) Health Care Access

As noted earlier, on average, 150 patients per month are transferred from Union Hospital's ED to facilities outside of the Wabash Valley for inpatient psychiatric treatment, accounting for 55% of ED transfers. This volume of transfers suggests that, even with Regional Hospital's 2023 expansion of its inpatient psychiatric unit, the Wabash Valley currently has insufficient inpatient beds for adults in need of inpatient psychiatric services. *This proposed expansion of inpatient psychiatric beds, which will limit the need for the residents of the Wabash Valley Community to travel outside the Wabash Valley to obtain inpatient psychiatric care, will only occur if the Merger occurs*.

(C) Quality of Health Care

The proposal to expand inpatient psychiatric services is not driven by a belief that subpar inpatient psychiatric services are being provided outside of the Wabash Valley to Wabash Valley residents. Instead, the primary rationale of the proposal, as explained above, is to improve access to inpatient psychiatric services in the Wabash Valley for members of the Wabash Valley Community.

(iii) The Expansion's Current Impact on Health Outcomes, Health Care Access, and Quality of Health Care

Not applicable. UHI has not yet expanded inpatient psychiatric services.

RFI2 Attachment L(6)

DEPLOYING UNION HOSPITAL'S EXPERTISE AND COMMITMENT

The first REQUEST under Section 6 of the RFI2 seeks information pertaining to the enhanced services/initiatives identified in the September 14, 2023 COPA Application ("**Application**"), beginning on the Application's page 20. Deploying Union Hospital's expertise and commitment is one of those initiatives.

As stated in pages 36 and 37 of the Application, Union Hospital currently holds several accreditations and certifications that evidence its expertise in, and commitment to, the provision of high-quality hospital services. These accreditations and certifications – and the expertise and commitment evidenced by these accreditations and certifications – will be deployed at Regional Hospital following the Merger. A summary of these accreditations and certifications, and their deployment at Regional Hospital post-Merger, are described below.

1. Magnet Designation
(From American Nurses Credentialing Center)
Redesignation Date: Anticipated late 2024/early 2025

Magnet designation is awarded to hospitals for achieving positive patient outcomes while advancing professional nursing practices. Regional Hospital does not hold this designation, and it is reasonable to expect that Regional Hospital will not receive this designation anytime in the near future. *In other words, but for the Merger, patients receiving care at the Regional Hospital campus will not have an opportunity to benefit from the patient care advantages presented by virtue of the designation*.

Magnet designation continuously sets the bar higher for patient outcomes, nurse satisfaction, and improvements to the practice environment. The Magnet standards guide this work and require continuous improvement to maintain. Literature supports the role of Magnet designation in improving patient health outcomes. Post-merger, practices and care will be made consistent across the Union Hospital and Regional Hospital campuses.

Nurse-sensitive clinical indicators are required components of Magnet standards. Meeting or exceeding performance against a national benchmark is a required standard in the Magnet manual for both inpatient and ambulatory areas. Union Hospital uses the Magnet standards to guide the implementation of evidence-based practice, innovation, research, and nurse-led practice changes to ensure patient outcomes are positive across practice areas.

Post-merger the same practices noted above will be implemented at the Regional Hospital campus to begin monitoring and impacting clinical outcomes. This will occur immediately after the Merger.

Post-merger, the Regional Hospital campus is eligible to be part of the Magnet redesignation that will occur for Union Hospital in (estimated) early 2029. There is no ability to "add" this campus

to existing/in progress designation. Work toward including the Regional Hospital campus in the Magnet designation will begin immediately after the Merger.

2. Level III OB and Level III Neonatal Certifications
(From the Indiana Department of Health)
Renewal Date: October 2024

Per Indiana law, a hospital that has either an obstetric unit or a neonatal unit must be certified for a level of care based on the services provided by the hospital. Union Hospital holds a Level III OB and Level III neonatal certification from the Indiana Department of Health ("**DOH**"). Regional Hospital holds a *less acute* Level II OB and Level II neonatal certification from the Department (also, Regional Hospital's certification is not subject to renewal until May 2027).

As a Level II, Regional Hospital does not have 24/7 in-house support from an OB physician, anesthesia, or neonatal provider. As such, Regional Hospital does not have a neonatal intensive care unit (instead, it operates a Level II Special Care Nursery[1]); nor does it have the ability to offer surgical services to maternal patients as rapidly as Union Hospital. Consolidating to Union Health, as a Level III, means that all delivering mothers in the Wabash Valley Community, and their babies, receive a higher level of care. *Stated differently, without the Merger the mothers and babies receiving care at Regional Hospital will not receive the same higher level of care available at Union Hospital*.

UHI plans to consolidate women's and children's services at Union Hospital Terre Haute within 30 days of the Merger's Closing. Consolidation of services will enhance quality, outcomes, and access for patients in the Wabash Valley community. The Level III OB and Level III neonatal will be maintained by post-Merger UHI.

3. Blue Distinct for Cardiac Care Designation
(From Anthem Blue Cross Blue Shield)
Renewal Date: TBD by Anthem

This designation is awarded for patient outcomes, quality, and affordability covering a broad array of cardiac services. The Anthem Blue Distinct designation is something Union Hospital applies for based on criteria set by Anthem on quality scores and billing data.[2] *Regional Hospital is not listed as a Blue Distinct facility at the Anthem's website*.[3]

Evaluation criteria for this designation include quality, cost, and access criteria. Post-Merger Union Hospital will strive to achieve consistency and standardization across both hospital campuses so that both campuses qualify for the designation.

Designations are awarded to individual facilities (i.e., unique bricks-and-mortar facilities with unique addresses). Any facility with multiple locations (different addresses) will be evaluated

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[1] It was originally believed that Regional Hospital operated a NICU, but upon further review it was confirmed that it operates a Level II Special Care Nursery, which was certified effective May 1, 2024 and expiring May 1, 2027.
[2] *See https://www.bcbs.com/sites/default/files/file-attachments/page/Selection-Criteria_2022-Cardiac-Care.pdf*
[3] *See* https://www.bcbs.com/blue-distinction-center/facility

separately for each location. Anthem determines when it will consider a facility for this designation. Post-Merger, when the opportunity is presented, UHI will seek to have the Regional Hospital campus considered for the designation.

4. <u>Pulmonary Rehabilitation Program Certification</u>
(From the American Association of Cardiovascular and Pulmonary Rehabilitation)
Renewal Date: August 31, 2026

This certification is awarded for adherence to standards and guidelines, developed and published by the American Association of Cardiovascular and Pulmonary Rehabilitation ("**AACVPR**") and other professional societies, for appropriate and effective outpatient care for cardiac and pulmonary issues. *Regional Hospital does not hold this certification. In short, the patient care benefits associated with this certification will not be available to patients at the Regional Hospital campus without the Merger.*

Post-Merger UHI will apply for certification at the Regional Hospital campus. UHI anticipates a two-year roll-out plan, allowing for assessment of current program. The goal is to achieve consistency in care (treatment plans, etc.), and access to specialty staff members, across both hospital campuses.

5. <u>Cardiovascular & Rehabilitation Program Certification</u>
(From the American Association of Cardiovascular and Pulmonary Rehabilitation)
Renewal Date: August 31, 2026

This certification is awarded for adherence to standards and guidelines, developed and published by the American Association of Cardiovascular and Pulmonary Rehabilitation ("**AACVPR**") and other professional societies, for appropriate and effective outpatient care for cardiac and pulmonary issues. *Regional Hospital does not hold this certification. Therefore, in the absence of the Merger, cardiovascular and rehabilitation care that is driven by the standards and guidelines, developed and published by the AACVPR will not be available to patients at the Regional Hospital campus.*

Post-Merger UHI will apply for certification at the Regional Hospital campus. UHI anticipates a two-year roll-out plan, allowing for assessment of current program. The goal is to achieve consistency in care (treatment plans, etc.), and access to specialty staff members, across both hospital campuses.

6. <u>Chest Pain ACC Accreditation</u>
(From the American College of Cardiology)
Renewal Date: September 2026

This accreditation is awarded to hospitals having a higher level of expertise in dealing with acute coronary syndrome ("ACR") patients. Regional Hospital no longer holds this accreditation.

The accreditation is based on compliance with nationally recognized and evidenced based practices and standards for treating STEMI and ACR patients. Post-Merger, the goal will be to centralize resources and expertise so as to qualify both hospital campuses for this accreditation

and, in doing so, foster improved patient outcomes, and enhancing the overall cardiac care continuum for the Wabash Valley Community. UHI will apply for the accreditation of the Regional Hospital campus. UHI anticipates a two year roll-out plan allowing for assessment of current program and new process implementation.

7. Primary Stroke Center Designation
(From the Accreditation Commission for Health Care)
Renewal Date: July 2024[4]

The designation is awarded for successfully meeting stringent criteria for the quick diagnosis and treatment of stroke patients. Regional Hospital currently holds this designation too (effective June of 2022).

Upon the Merger, blending both programs and executing best practices and nationally recognized standards while tracking key quality metrics and outcomes, specific to stroke, will help maximize the Wabash Valley Community's access best practices for stroke care. Patients will be able to present at the hospital campus closest to their home and receive the same quality stroke at either location.

Post-Merger UHI will apply for the designation for the Regional hospital campus. UHI anticipates a two year roll-out plan allowing for assessment of current program and new process implementation.

8. Advanced Joint Replacement Accreditation With Distinction
(From the Accreditation Commission for Health Care)
Renewal Date: May 2026

This accreditation is awarded for compliance with national standards, effective use of evidence-based clinical practice guidelines, and approach to performance measurement and improvement activities. Although Regional Hospital currently provides hip and knee replacement services, it does not holds this accreditation.

If hip and knee replacement services are to be continued at the Regional Hospital campus post-Merger, UHI would work in tandem with the current provider and support areas integrating them into the existing service line.

9. Commission on Cancer Accreditation
(From the American College of Surgeons)
Renewal Date: July 2026

Awarded for meeting or exceeding stringent operational, management, and quality standards, and maintaining levels of excellence in the delivery of comprehensive patient-centered cancer care. Regional Hospital currently holds this accreditation too (with a June 2025 renewal date).

[4] Union Hospital is in the process of having its designation renewed by the ACHC. ACHC conducted its survey of the Hospital on May 30, 2024. Final notification of the ACHJC's renewal of the Hospital's designation is pending.

Since both hospital campuses are CoC accredited and utilize the same standards, this will allow for a seamless continuation of services post-Merger. Post-Merger, Regional Hospital's cancer care services will be absorbed into Union Hospital's cancer care service line. Through coordination between both campuses post-Merger, UHI expects enhanced access, outcomes, and quality with respect to its cancer care services. Notification and carryover of the accreditation will occur within one year of the Merger.

10. American Society Gastrointestinal Endoscopy Recognition Program
(From the American Society Gastrointestinal Endoscopy)
Renewal Date: July 2026

This recognition is awarded for providing endoscopy services per ASGE guidelines and competition of specialized quality and safety training in endoscopy. Regional Hospital does not hold this recognition.

Per this recognition, Union Hospital is required to implement evidenced based meet quality metrics and outcomes. With this merger we would bring evidenced based protocols and practices allowing for quality accessible care. Post-Merger, these processes will be applied at the Regional Hospital campus, thereby extending this quality service and resources to the patients at that location.

UHI anticipates a two year roll out program that would include the Regional Hospital campus in next assessment cycle.

11. Blue Distinct for Maternity Care Designation
(From Anthem Blue Cross Blue Shield)
Renewal Date: TBD by Anthem

This designation is awarded for maternity services, based on patient outcomes and additional measures, including quality, affordability, and efficiency. Regional Hospital currently holds this designation too (with a renewal date to be determined by Anthem).

The designation is based on facilitating quality outcomes that are affordable to patients, so maintaining the designation allows patients access to this care. Post-Merger, these standards would remain consistently deployed across both hospital campuses, giving mothers and babies consistent access to quality maternity care.

UHI plans to consolidate women's and children's services at Union Hospital within 30 days of the Merger's Closing. ty, outcomes, and access for patients in the Wabash Valley Community. Union Hospital expects to maintain its designation status post-consolidation.

12. Gold Safe Sleep Champion
(From Cribs for Kids)
Renewal Date: January 2028

This recognition is awarded for demonstrated commitment to best practices and education supporting infant safe sleep to help reduce infants' risk of sleep-related injury or death. Regional Hospital does not hold this recognition. Post-Merger, standards associated with the Gold Safe

Sleep Champion will be applied at both hospital campuses, which will expand access to quality outcomes for more mothers and children in the Wabash Valley Community.

As noted above, UHI plans to consolidate women's and children's services at Union Hospital within 30 days of the Merger's Closing. Union Hospital expects to maintain its Gold Safe Sleep Champion recognition post-consolidation.

13. Alliance for Innovation on Maternal Health ("AIM")
(From the Alliance for Innovation on Maternal Health)

The State of Indiana joined AIM in 2019. It is a national data-driven maternal safety and quality improvement initiative. Both Union Hospital and Regional Hospital participate in AIM. Union Hospital will continue to participate post-Merger. This is not a "certification", per se, but a group a hospital chooses or declines to participate in. There is no true "renewal."

AIM is a national, cross-sector commitment designed to support best practices to make birth safer, improve maternal health outcomes, and save lives. Because AIM focuses on quality care and safety measures in a collaborative manner with data sharing throughout the state, consolidated efforts of both campuses will contribute to enhanced quality, safety, and outcomes for mothers and babies in the Wabash Valley Community.

As noted above, UHI plans to consolidate women's and children's services at Union Hospital within 30 days of the Merger's Closing. With the consolidation, Union Hospital expects to continue its participation in AIM.

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RFI2 Attachment M

The September 14, 2023, COPA Application ("Application") notes that "*substantially reducing the operating costs of the combined enterprise is not a primary goal of the Merger. The primary goal of the Merger is to significantly improve the health status of the residents of Vigo County and the other counties of the Wabash Valley Community*." The application further states that "*unnecessary costs attributable to fragmented, uncoordinated care will be slashed*" and "*any cost savings realized by UHI will be used to improve the health status of the residents of Vigo County and the other counties of the Wabash Valley Community*."

Consistent with the above, UHI is engaged in evaluating possible savings opportunities resulting from reducing waste associated with unnecessarily duplicative, fragmented, and uncoordinated care. In the Application, UHI contemplates potential consolidation of spaces, services, departments, and functions to achieve efficiency. Areas contemplated for consolidation in the Application include Wound Care, Women's Services, Mother-Baby/Pediatric Unit, Oncology Services, ICU, Morgue, Cardiac Catheterization Labs, Laundry and Linens, Lab, Endoscopy Suites, Ophthalmology, Dental, Pain Services, Sterile Processing Department, and THRH's Physician Office Building.[1]

The foregoing, however, is merely a preliminary plan for realizing cost savings because anti-trust guidelines and regulations limit the data available to analyze and make informed business decisions regarding post-transaction clinical program planning. These data limitations impact the ability to quantify potential efficiencies under various alignment scenarios. UHI has used the limited data to preliminarily assess potential opportunities to reduce high-cost contract labor and unnecessary professional fees in a coordinated care model across key services, including mother/baby, anesthesia services, catheterization lab, orthopedics, and cardiovascular surgery. **This initial assessment yielded reasonable annual efficiencies ranging from $3.1 million to $4.6 million.** The actual savings may vary materially as, following the Merger, further operating data and financial information is made available for the Combined Clinical Platform (as defined in the Application) and UHI is able to consider in further detail the operational plans to affect programmatic initiatives.

In addition to anticipating a saving of at least $3.1-$4.6 million, UHI is also investigating savings through better coordination or consolidation of services, including OR efficiency improvement, wound care alignment, laundry/linen consolidation, lab optimization, and inpatient rehabilitation services, among others; however, at this time essential information is not available to perform quantitative analyses. Upon Closing, when UHI has access to this essential information, final decisions will be made by UHI executive leadership and consolidations, where safe and appropriate, will occur.

Importantly, UHI has committed in the Application to offer employment to current THRH employees (except for four senior level executives) as a condition of the Proposed Transaction.

[1] Consolidation activities were originally expected to include trauma services, but THRH recently announced it was closing its trauma center.

There are anticipated efficiencies in the consolidation of "back office" functions that are centralized in HCA service centers outside Terre Haute and senior executive leadership at THRH. In analyzing THRH's corporate overhead allocation from its parent organization, there is opportunity to absorb much of THRH administrative duties in areas including supply chain, human resources, and executive leadership within UHI's existing resources. **Preliminary analysis suggests that cost efficiencies are available in these areas approximating $2.3 million to $3.0 million while UHI still maintains all commitments related to local employees within the Application.**

The efficiency amounts contemplated herein should be considered in context of the expense base from which they are derived. THRH's operating expenses were approximately $125 million in 2022. These efficiencies equate to approximately 4.3% to 6.1% of total THRH operating expenses.

Despite the projected decline of the Wabash Valley's population over the next five (5) years, the proportion of the population older than 65 is expected to increase. An aging population results in higher demand for healthcare services, as described by the U.S. Department of Health and Human Services. [2]

UHI's current occupancy rate is approximately 90%. UHI's high occupancy rate has many potential contributing factors, one of which is consumer preference, as evidenced by the trends in shifting market share. In contrast, THRH's occupancy rates in recent years are approximately 25-30%, which led to shuttering almost 35,000 square feet of available inpatient units. Considering THRH's available inpatient capacity and UHI's need to increase inpatient capacity, the Merger is a logical next step.

By leveraging the combined infrastructure of UHI and THRH, the consolidated system can meet the necessary market demand for UHI services without incurring the exorbitant costs or creating additional, excess capacity within the market. Preliminary assessments of capacity and opportunities for efficiency suggest that between 10-20 inpatient beds at UH may be made available through consolidation and optimization initiatives made possible only through the Merger.

UHI commits to reinvest any savings from efficiencies realized due to the Merger into the community, including, but not limited to, funding:

• information technology upgrades to the Cerner platform will promote data sharing and interoperability across the community and patient care continuum;

• investing in infrastructure and physical plant at THRH;

• expanding primary care services, particularly in the southern service area, accompanied by the services described in the service line model of care section; and

[2] *See* https://health.gov/our-work/national-health-initiatives/healthy-aging/social-determinants-health-and-older-adults

- some of the initial infrastructure work referenced on pages 37-38 of the Application (a reasonable estimate of the amount of initial infrastructure work, and a specification of which initial infrastructure items will be included, cannot be ascertained at this time).

As a 501(c)(3) non-profit organization, UHI is required to reinvest all earnings, including those from these efficiencies, according to its mission to provide healthcare services to the community. There is no such requirement for THRH absent the Proposed Transaction because THRH is a for-profit entity, owned by a publicly traded company, HCA Healthcare; therefore, any income generated by THRH does not have to be reinvested in the Wabash Valley Market. Accordingly, the Proposed Transaction provides for additional reinvestment in the local community.

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RFI2 Attachment O

As documented in the September 14, 2023 COPA Application ("**Application**"), UHI aims, by virtue of the Merger, to deliver the benefits of consolidation to the residents of the Wabash Valley Community while mitigating risks traditionally associated with horizontal consolidation.

As further described below, anticipated benefits of the Merger can be grouped into the following categories:

- Access
- Quality and Safety
- Patient Experience and Service Continuity
- Pricing Commitments
- Efficiency

Access

In this context, access is defined as having "*timely use of personal health services to achieve the best health outcomes*." UHI has made many commitments in the Application to maintain and/or improve access. These commitments are focused on three (3) key themes:

- Wellness and Prevention Programming.
- Expanding Access to Primary Care.
- Expansion of Existing and Development of New Programming.

UHI has stated that it has no plans to reduce services currently provided by UHI and THRH and is, in fact, committed to maintaining and improving both access and the types of healthcare services offered to the Wabash Valley Community. UHI has adopted a broad view of the Wabash Valley Community and maintains a strong desire to improve the health status of local citizens by leveraging the combined resources of UHI and THRH through the Merger. The core of UHI's approach to improve the health of the Wabash Valley Community is the creation of a Combined Clinical Platform (as defined in the Application) which includes delivery of coordinated health care services in a way that improves access, patient experience, and quality.

Wellness & Prevention Programming

Healthy communities begin with healthy habits, which are enabled by general wellness and prevention efforts. UHI has, in the Application, outlined a portfolio of initiatives (both in development and commenced) under its Population Health Improvement Plan that aim to improve population health and access, targeting wellness opportunities for infants through seniors.

Absent the Merger, residents of the Wabash Valley Community who receive care from THRH will neither have access the benefits of UHI's wellness and prevention initiatives, nor benefit from the resulting enhanced quality of care, improved health status, and reduced cost of care. As stated in the Application, THRH had "no current plans to implement or pursue any material initiatives

similar to UHI's Population Health Improvement Plan," and, without the Merger, THRH's resources "will not be utilized as part of, and in furtherance of, the important health care-related support made available for the Wabash Valley Community" through UHI's PHIP. Through this lens, UHI expects that residents of the Wabash Valley Community would, indeed, have improved and more consistent access to wellness and prevention resources thanks to the Combined Clinical Platform that can only occur following the consummation of the Merger.

Expanding Access to Primary Care

Access to primary care improves health status and lowers health care costs over time. In addition to UHI's significant, established primary care platform, anchored in its robust physician workforce of 94 employed/contracted primary care physicians, since 1973 UHI has invested in its family medicine residency program through which UHI trains physicians with an emphasis on primary care. The residency program has graduated 238 family medicine physicians, many of whom practice in underserved areas, including throughout the Wabash Valley Community. In the Application, UHI commits to significant and continued emphasis on the expansion of its primary care capabilities. In stark contrast, THRH does not employ any primary care providers and has historically made minimal effort to invest in initiatives that improve access to primary care for residents of the Wabash Valley Community.

UHI's plans to optimize and better coordinate the care in the Wabash Valley Community are being developed with the intent to leverage the Combined Clinical Platform to enhance access to primary care, optimize patient navigation through the continuum, and improve the quality of care provided in the community. The Merger would allow for patients currently accessing care at THRH to access UHI's existing primary care infrastructure, enabling them to receive coordinated and ready access to primary care. UHI is committed to establishing and growing its primary care presence in local areas where such access has historically been lacking. Allowing more residents of the Wabash Valley Community to access primary care will improve the health of the community, all while lowering healthcare costs over time.

In addition, the following are examples of the creative and effective UHI initiatives pertaining to primary care:

- Discharge Follow-Up. Phone calls, home visits as needed and assistance with schedule for primary care appts. During these calls the team searches for gaps in the discharge process and provides disease specific education.

- Better Breathers Classes. These classes provide education and socialization to people with COPD or another chronic lung disease. Patients are referred into this program from their primary care providers.

- Pulmonary Rehabilitation Coordination. With an order from a primary care provider, the pulmonary rehabilitation staff coordinates pulmonary function testing, scheduling, education, etc.

• Remote Vital Sign Monitoring. This program is currently available for cardiology and maternal health patients, but UHI's population health efforts will expand this service to more patients in the next 2-3 months.

• Phase 3 Cardiac and Pulmonary Rehabilitation. These services do not require specific diagnoses for qualification. They are considered "maintenance" programs for "self-pay" patients. Many times UHI will receive patients from primary care providers into this program so they can be monitored during exercise and assisted the navigation of their chronic diseases.

• The following are currently under development:

– Adding a respiratory therapist/pulmonary educator to the staffing at Convenient Care Downtown to address gaps in pulmonary care.

– Reworking UHI's smoking cessation program for primary care and the community to include virtual visits with a community health worker. We will gain referrals from the Emergency Department and primary care providers.

– Working with the United Way and Duke Energy to provide box fans for patients without air conditioning. Primary care providers will have the ability to access these fans for their patients in need.

As further described in Attachment L(1), UHI's Health Equity Plan("HEP") recognizes the crucial role that health equity plays in delivering high quality and effective care to patients. Following the Merger, the HEP will expand current wellness and care programming, as well as establish new primary care access points where THRH has historically been reluctant to invest.

Expansion of Existing and Development of New Programming

The genesis of new program development is predicated on the ability to recognize needs and gaps. UHI is well-positioned to speak to the community's healthcare needs. As a non-profit hospital organized under Section 501(c)(3) of the Internal Revenue Code, UHI is required every three (3) years to produce a Community Needs Health Assessment ("CHNA"). The CHNA enables UHI to remain attuned to the specific healthcare needs of the Wabash Valley Community and positions it well to steer strategic investments to the Community's highest priority needs. UHI's ability to respond to the Community's needs with expanded or new health care programming is expected to materially increase when THRH's resources are combined with UHI, and, consequently, such resources are used in furtherance of UHI's charitable purposes and mission.

As discussed in Attachment L(5), the Merger offers a unique opportunity for UHI to expand inpatient psychiatric services offered in the Wabash Valley Community through coordinated utilization (and further expansion) of THRH's 22-bed inpatient psychiatric unit. Beyond the THRH unit's contribution, market data show a sustained need in the community for inpatient psychiatric services, with an average 150 patients per month being transferred from Union hospitals' Emergency Department to other facilities for inpatient psychiatric treatment (accounting

for 60% of total ED transfers). As stated in the Application, this shortage of beds requires patients to travel outside of Wabash Valley Community for care. In response, and in anticipation of the Merger, UHI is exploring a joint venture that would provide additional inpatient psychiatric beds to the community above and beyond those located at THRH. It is important to note that this initiative is made possible only through the Merger and would not be pursued otherwise.

Quality and Safety

Quality of care has been defined by the World Health Organization as "*the degree to which health services for individuals and populations increase the likelihood of desired health outcomes*."[1] Patient Safety, defined by the Agency for Healthcare Research and Quality, is "*an attribute of health care systems that minimizes the incidence and impact of adverse events and maximizes recovery from such events*."[2] Sound quality and safety programs begin by establishing a unified infrastructure that focuses on evidence-based clinical pathways, reduction of unnecessary clinical variation, and a culture of psychological safety. UHI has made several commitments to quality and safety throughout the Application, with its commitment to specific quality measures specified on pages 44-45 of the Application.

In alignment with the Institute for Healthcare Improvement's "Triple Aim," the Merger is positioned specifically to benefit the health outcomes, health care access, and quality of care provided for the residents of the Wabash Valley Community. One of the key objectives of the Merger is to enhance coordination of care, which decreases medication errors, unnecessary or repetitive diagnostic tests, unnecessary emergency room visits, and preventable hospital admissions and readmissions − all of which together lead to higher quality of care, improved health outcomes, and lower costs. A notable benefit of such coordination is an increased level of standardized processes and procedures that work to mitigate the risks of unnecessary clinical variation.

The Merger presents the opportunity for increased resource sharing that would otherwise not be possible among competing organizations to create and implement robust quality and safety programs. By sharing best practices across a larger facility, providers can identify and address potential risks more effectively through the increased sharing of knowledge. Once these continuous improvement programs are developed and the resources can be rationalized and adequately deployed, the previously siloed service packages can be optimized into "Service Line Models of Care" as they are described in the Application. This approach "improves the quality of care and, by coordinating care, reduces health care costs by eliminating duplicative, unnecessary, and untimely care." Service Lines are founded on common and consistent infrastructure and streamlined care pathways to decrease unnecessary clinical variation to achieve higher quality. With unified infrastructure, including everything from the electronic medical record, medical staff delineation of privileges, policies and procedures, clinical protocols, safety event reporting, and process improvement activities, the ability to hardwire evidence based best practices to reduce unnecessary clinical variation will drive long term quality improvement. All these items require the Merger to achieve.

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[1] *See* https://www.who.int/health-topics/quality-of-care#tab=tab_1

[2] Emanuel, L., Berwick, D., Conway, J., Combes, J., Hatlie, M., Leape, L. & Walton, M. (2008). *What exactly is patient safety?*

UHI's mission is to deliver compassionate health care of the highest quality. With the combined assets, resources, capabilities, locations, and personnel of the Combined Clinical Platform, post-acquisition UHI will be better positioned to provide consistent, safe, and quality healthcare across the Wabash Valley Community in a manner that would otherwise not be possible but for the Merger. Leveraging bi-directional value and learning, UHI expects the Merger to enhance the Combined Clinical Platform's ability to provide the highest quality and safest care to patients in the Wabash Valley Community.

Patient Experience and Service Continuity

According to the Agency for Healthcare Research and Quality, patient experience "*encompasses the range of interactions that patients have with the healthcare system, including their care from health plans, and from doctors, nurses, and staff in hospitals, physician practices, and other healthcare facilities*."

The Application states that the Merger "is driven by the desire to significantly improve the health status" of the Wabash Valley Community and that UHI and THRH believe that "the most effective and cost-efficient way to do this is through a single organized system of health care that will be able to maximize the appropriate application of limited health care resources." At the core of the Merger is the desire to benefit and improve patient experience by optimizing the delivery of coordinated, patient- and family-centered care.

Post-Merger, the resulting single, coordinated Wabash Valley healthcare system will provide an excellent framework from which UHI can enhance patient experience across the Combined Clinical Platform. Together, UHI and THRH are better positioned to streamline resources to deliver effective, efficient coordinated care, which, in turn, offers a unique opportunity for drastically improving care quality. UHI's "Service Line Model of Care", as it is described in the Application and in Attachment L(4) of the Subsequent Submission, is designed to optimize coordination, service delivery, and outcomes for five (5) key service lines: Orthopedics, Oncology, Neuroscience, Women's & Children's, and Cardiovascular. .

By implementing a unified electronic medical record ("EMR"), all patient information can be consolidated into a single, centralized platform, which facilitates access and promotes continuity of care, leading to positive patient experiences. Regardless of the entry point within the network, the availability of patients' historic medical records will improve, thereby empowering providers to make timely informed decisions and recommendations. With a holistic view of a patient's medical history, providers can be confident that the data they review is accurate and complete.

Additionally, the Merger will create standardization for data entry and clinical protocols across all post-acquisition UHI facilities. This consistency further reduces the risk of errors stemming from miscommunication or information gaps, ultimately improving patient care, quality, and safety. Aggregating data from a larger patient population can also be used to inform future initiatives, providing the post-acquisition UHI with a better foundation from which to identify trends and proactively address community health care needs. This data-driven approach can lead to improved

preventative care programming and better resource allocation across the Wabash Valley Community.

Pricing Commitments

The Merger also will not lead to increased pricing for healthcare services, or enhance negotiating leverage with commercial payors. UHI makes several commitments in the Application related to pricing. Importantly, I.C. § 16-21-15-7(c) will prevent post-acquisition UHI from increasing the charges for its individual services by more than the increase in the preceding year's annual average of the CPI for Medical Care as published by the federal Bureau of Labor Statistics.

To understand the impact on payors and pricing, it is necessary to first consider the payor composition for UHI and THRH. As disclosed in the Application, the payor mix for each of UHI and THRH is as follows:

2022 Payor Mix

Payer	UHI	THRH
Commercial	[redacted]	[redacted]
Medicaid	[redacted]	[redacted]
Medicare	[redacted]	[redacted]
Other*	[redacted]	[redacted]

* Predominantly self-pay and worker's compensation

Governmental-related payors (including Traditional Medicare, Medicare Advantage, Traditional Medicaid, and Managed Medicaid) comprise [redacted] and [redacted] of UHI's and THRH's payor mix, respectively. UHI and THRH have no control over reimbursement rates for Traditional Medicare and Medicaid, as they are set by federal and state entities. UHI and THRH have very minimal impact on reimbursement rates for Medicare Advantage and Managed Medicaid, because while contracted and administered by managed care insurers, rates are anchored in Traditional Medicare and Medicaid rates and usually have little, if any, upside opportunity to those federally and state set rate structures. ***As a result, for nearly two-thirds of the business, a combined UHI and THRH will have virtually no ability to influence price***.

For the Commercial portion of the payer mix, Anthem, the largest commercial payor in Indiana, comprises 69% of Indiana's commercial insurer market based on 2021 enrollment, and the majority of commercially insured patients [redacted] at UHI. The Application notes that, according to a November 2022 report issued by the American Medical Association, "Anthem enjoys a 70% share of the Terre Haute market." This concentration of Indiana's total health insurer market, which is more than the combined UHI/THRH market share just in the Wabash Valley Community, suggests ***the combination of UHI and THRH will have no impact on the post-acquisition combined entity's ability to negotiate higher reimbursement rates from Anthem***, notwithstanding the commitments made in the Application.

In addition to the facts that government rates are non-negotiable and Anthem wields inordinate power, it is also noteworthy that Indiana has no Certificate of Need regulations; therefore, barriers to entry into the Wabash Valley Community are very low for healthcare providers. This means, at any time, competitors can build, for example, hospitals, freestanding emergency departments,

ambulatory surgery centers, and diagnostic centers that, in other states, are regulated to minimize redundant resources. Importantly, new entrants to the Wabash Valley market are not subject to the pricing constraints UHI would be subject to under a COPA; yet, those competitors may be larger health systems with greater negotiating power on commercial reimbursement rates or academic medical centers who receive higher reimbursement from governmental payers. ***Accordingly, the risk of higher prices to the Wabash Valley Community is posed by new entrants to the Community, rather than by UHI under the Merger***.

Efficiency

Please see the discussion of efficiencies set forth in RFI2 Attachment M.