

Greer, Leslie

From: Martone, Kim
Sent: Friday, June 19, 2015 3:52 PM
To: Hansted, Kevin
Cc: Riggott, Kaila; Greer, Leslie
Subject: FW: Foxon Branford DTRs
Attachments: YNHH Cover Letter DTR.pdf; YNHH Outpatient Rehab DTR.pdf; YNHH Occupational Health DTR.pdf

From: Rosenthal, Nancy [<mailto:Nancy.Rosenthal@greenwichhospital.org>]
Sent: Friday, June 19, 2015 3:35 PM
To: Martone, Kim
Subject: Foxon Branford DTRs

Kim,

Please see attached. Have a nice weekend.

Nancy

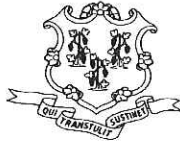
Nancy Rosenthal
SVP Health Systems Development, Strategy and Regulatory Planning

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State of Connecticut Office of Health Care Access CON Determination Form Form 2020

All persons who are requesting a determination from OHCA as to whether a CON is required for their proposed project must complete this Form 2020. The completed form should be submitted to the Director of the Office of Health Care Access, 410 Capitol Avenue, MS#13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. PETITIONER INFORMATION

If this proposal has more than two Petitioners, please attach a separate sheet, supplying the same information for each Petitioner in the format presented in the following table.

	Petitioner
Full Legal Name	Yale-New Haven Hospital
Doing Business As	Yale-New Haven Hospital
Name of Parent Corporation	Yale New Haven Health Services Corporation
Petitioner's Mailing Address, if Post Office (PO) Box, include a street mailing address for Certified Mail	20 York Street New Haven, CT 06511
What is the Petitioner's Status: P for profit and NP for Nonprofit	NP
Contact Person at Facility , including Title/Position: This Individual at the facility will be the Petitioner's Designee to receive all correspondence in this matter.	Nancy L. Rosenthal SVP, Strategy and Regulatory Planning

SECTION V. AFFIDAVIT

(Each Petitioner must submit a completed Affidavit.)

Petitioner: Yale-New Haven Hospital

Project Title: Alignment of Outpatient Rehabilitation Services

I, Nancy Rosenthal, Senior Vice President
(Name) (Position – CEO or CFO)

of YNHHS being duly sworn, depose and state that the
(Organization Name)

information provided in this CON Determination form is true and accurate to the best of my knowledge.

[Signature] 6-19-2015
Signature Date

Subscribed and sworn to before me on 6.19.2015

Rose Arminio
Notary Public/Commissioner of Superior Court

ROSE ARMINIO
NOTARY PUBLIC
State of Connecticut
My Commission Expires
February 28, 2018

My commission expires: _____

Contact Person's Mailing Address, if PO Box, include a street mailing address for Certified Mail	5 Perryridge Rd Greenwich, CT 06830
Contact Person's Telephone Number	203-863-3908
Contact Person's Fax Number	203-863-4736
Contact Person's e-mail Address	Nancy.Rosenthal@greenwichhospital.org

SECTION II. GENERAL PROPOSAL INFORMATION

- a. Proposal/Project Title: **Alignment of Outpatient Rehabilitation Services**
- b. Estimated Total Project Cost: \$0
- c. Location of proposal, identifying Street Address, Town and Zip Code: **84 North Main Street, Branford 06405**
- d. List each town this project is intended to serve: **Branford**
- e. Estimated starting date for the project: **July 1, 2015**

SECTION IV. PROPOSAL DESCRIPTION

Please provide a description of the proposed project, highlighting each of its important aspects, on at least one, but not more than two separate 8.5" X 11" sheets of paper. At a minimum each of the following elements need to be addressed, if applicable:

1. If applicable, identify the types of services currently provided and provide a copy of each Department of Public Health license held by the Petitioner.
2. Identify the types of services that are being proposed and what DPH licensure categories will be sought, if applicable.
3. Identify the current population served and the target population to be served.

PROPOSAL DESCRIPTION:

Yale-New Haven Hospital (“YNHH”) is a 1,541 bed (including bassinets) teaching hospital with two integrated campuses located in New Haven as well as a pediatric campus in Bridgeport. YNHH includes the Smilow Cancer Hospital, the Yale-New Haven Children’s Hospital, the Yale-New Haven Psychiatric Hospital, and is the primary teaching hospital of the Yale School of Medicine. YNHH provides primary, secondary, tertiary and many quaternary acute care services. A copy of the Department of Public Health license for YNHH is attached as **Exhibit A**.

YNHH currently provides outpatient rehabilitation at the following locations: 20 York Street, New Haven; 175 Sherman Avenue, New Haven; 800 Howard Avenue, New Haven; 1 Long Wharf, New Haven (pediatric); 84 North Main Street, Branford; 1445 Boston Post Road, Guilford; 2080 Whitney Avenue, Hamden; 633 Middlesex Turnpike, Old Saybrook; and, 48 Wellington Road, Milford. All nine (9) sites are operated as hospital outpatient departments under YNHH’s acute care hospital license. Other services also are provided at certain of these locations (including occupational health services at the Branford location, which is the subject of a separate Determination Request filed with OHCA on the same date as this Determination Request).

Pursuant to the Agreed Settlement in Docket Number 12-31747-CON as modified by Docket Number 12-31747-MDF, Yale-New Haven Hospital’s Acquisition of Saint Raphael Health System, Inc., YNHH has been engaged in a three year integration plan. As documented in the update provided to OHCA on May 29, 2015, clinical and cultural integration are near completion and YNHH is now focusing on ambulatory space and program optimization planning (see page 7 of **Exhibit B**). This planning includes assessing outpatient program locations for potential duplicative program offerings in contiguous communities that may lead to inefficiencies and increased cost. In addition to reviewing outpatient sites for unnecessary duplication, YNHH is examining each of its ambulatory care sites post-integration to ensure that necessary clinical programs are appropriately located within the YNHH service area.

The 84 North Main Street, Branford outpatient rehabilitation office is located 7.4 miles from the 1445 Boston Post Road office in the contiguous town of Guilford. Both locations provide the same services, serve the same shoreline community and have similar hours of operation. Both locations serve patients with private insurance, Medicare and Medicaid as well as self-pay patients.

The Branford outpatient rehabilitation office has low utilization. Between FY 2012 and FY 2014, the Branford office experienced a decline in patient activity. On average, the Branford office sees less than 2 patients per hour.

YNHH plans to relocate the Branford outpatient rehabilitation office to the Guilford, Hamden and New Haven sites, which have the capacity to accommodate the Branford practice. Patients may choose to utilize any of the YNHH locations (allowing access to the Epic medical record for continuity of care purposes). Further, all staff associated with the Branford office will be redeployed to other YNHH outpatient rehabilitation locations. The Guilford office will continue to accept self-pay, Medicare, Medicaid and private insurance. No services are being terminated and no reduction in services is occurring. YNHH will continue to operate eight (8) outpatient rehabilitation locations, all of which treat self-pay patients as well as Medicare and Medicaid recipients. YNHH respectfully requests that OHCA find that consolidating the Branford rehabilitation services with the Guilford site does not require a Certificate of Need (“CON”).

EXHIBIT A: DEPARTMENT OF PUBLIC HEALTH LICENSE

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 0044

General Hospital

In accordance with the provisions of the General Statutes of Connecticut Section 19a-493:

Yale-New Haven Hospital, Inc. of New Haven, CT d/b/a Yale-New Haven Hospital, Inc. is hereby licensed to maintain and operate a General Hospital.

Yale-New Haven Hospital, Inc. is located at 20 York Street, New Haven, CT 06510-3220.

The maximum number of beds shall not exceed at any time:

134 Bassinets
1407 General Hospital Beds

This license expires **September 30, 2015** and may be revoked for cause at any time.
Dated at Hartford, Connecticut, October 1, 2013.

SATELLITES

Hill Regional Career High School, 140 Legion Avenue, New Haven, CT
Branford High School Based Health Center, 185 East Main Street, Branford, CT
Walsh Middle School, 185 Damascus Road, Branford, CT
James Hillhouse High School Based Health Center, 480 Sherman Parkway, New Haven, CT
Weller Building, 425 George Street, New Haven, CT
Yale-New Haven Psychiatric Hospital, 184 Liberty Street, New Haven, CT
Yale-New Haven Shoreline Medical Center, 111 Goose Lane, Guilford, CT
Pediatric Dentistry Center, 1 Long Wharf Drive, New Haven, CT
YNHASC Temple Surgical Center, 60 Temple Street, New Haven, CT
YNHASC Women's Surgical Center, 40 Temple Street, New Haven, CT
Mauro-Sheridan School Based Health Center, 191 Fountain Street, New Haven, CT
Yale-New Haven Hospital Dental Center, 2560 Dixwell Avenue, Hamden, CT
Murphy School Based Health Center, 14 Brushy Plain Road, Branford, CT
YNHCH at Bridgeport, 267 Grant Street, 6th Floor, Bridgeport, CT
Pediatric Primary Care Center, 226 Mill Hill Avenue, Bridgeport, CT
Yale-New Haven Hospital-Saint Raphael Campus, 1450 Chapel Street, New Haven, CT
Adolescent Day Hospital, 646 George Street, New Haven, CT
Psychiatric Day Hospital, 1294 Chapel Street, New Haven, CT
Children's Psychiatric Day Hospital, 1450 Chapel Street, New Haven, CT
Elder Care Clinic, Atwater Clinic, 26 Atwater Street, New Haven, CT
Elder Care Clinic/Tower One, 18 Tower Lane, New Haven, CT
Elder Care Clinic/Casa Otonal, 133 Sylvan Avenue, New Haven, CT
Elder Care Clinic/Edith Johnson Tower, 114 Bristol Street, New Haven, CT
Adult Psychiatric PHP and Continuing Care, 1294 Chapel Street, New Haven, CT
Elder Care Clinic/Surfside, 200 Oak Street, West Haven, CT
Troup Magnet Academy School-Based Health Center, 259 Edgewood Avenue, New Haven, CT
Adult FHP, 1100 Sherman Avenue, Hamden, CT
Project MotherCare at Wheat, 674 Washington Avenue, West Haven, CT
Barnard Environmental Studies Magnet School, 170 Derby Avenue, New Haven, CT
Project Eldercare, 2080 Whitney Avenue, Suite 150, Hamden, CT
Shoreline Child and Adolescent Mental Health Services, 21 Business Park Drive, Branford, CT

License Revised to Reflect:

*Removed (1) Satellite effective 10/3/13



Jewel Mullen MD

Jewel Mullen, MD, MPH, MPA
Commissioner

EXHIBIT B: YNHH INTEGRATION REPORT TO OHCA DATED MAY 29, 2015



**YALE-NEW HAVEN
HOSPITAL**

**Yale New-Haven Hospital's Acquisition
of the Saint Raphael Healthcare System, Inc.
Docket No: 12-31747-CON**

**Three Year Integration Plan
Narrative**

May 2015

**Yale New-Haven Hospital's Acquisition
of the Saint Raphael Healthcare System, Inc.
Docket No: 12-31747-CON**

**Three Year Integration Plan
Narrative**

INTRODUCTION

This narrative report has been prepared as part of the reporting requirements for Yale-New Haven Hospital (YNHH) in accordance with the Agreed Settlement for Docket Number: (DN) 12-31747-CON, subsequently modified as DN: 12-31757-MDF for the acquisition of the Saint Raphael Healthcare System, including the Hospital of Saint Raphael (HSR).

This report is structured into the following sections:

- A. PROGRESS AGAINST THREE-YEAR INTEGRATION PLAN
- B. SUMMARY OF BEDS & SERVICES BY CAMPUS
- C. COST SAVINGS AND REVENUE ENHANCEMENTS
- D. ONGOING REPORTING

A. PROGRESS AGAINST THREE-YEAR INTEGRATION PLAN

Consistent with the three-year integration plan submitted on March 31, 2013, the focus of the last fiscal year has been on developing one standard of care across all inpatient campuses and ambulatory operations. The clinical vision for its inpatient campuses for FY 2015 and a summary can be found below. Many of the activities described in this report were developed to support the successful implementation of the clinical vision.

YNHH Clinical Vision - 2015

York Street Campus	Both Campuses	Saint Raphael Campus
<ul style="list-style-type: none"> • Children's Hospital • High Risk OB • Major Trauma • Transplant • Cardiac Surgery 	<ul style="list-style-type: none"> • Behavioral Health • Emergency Services • General Medicine • General Surgery • Heart & Vascular • Neurosciences • Oncology • Urology • Women's 	<ul style="list-style-type: none"> • Musculoskeletal • Low-Risk, High Amenities OB • Specialty Geriatrics Care • Specialty Programs <ul style="list-style-type: none"> ➢ GI Surgery ➢ Neurovascular ➢ Medical Heart Failure

Attachment I contains the updated Integration Workplan for FY 2013 through FY 2015 in Gantt chart format which is organized into five major sections including: (1) Major Strategic Initiatives; (2) Service Lines; (3) Clinical Areas; (4) Non-Clinical Areas; and (5) Corporate Services. The Integration Workplan includes specific activities for each of these five areas and the actual or estimated time frame by fiscal year for completion. Progress to date since the last submission in November 2014 as well as remaining focus areas for the next six months is detailed in the narrative below.

Section 1. Major Strategic Initiatives:

Major strategic initiatives pertain to activities with a broad impact throughout the organization. YNHH is focusing on ten key areas:

1. Physician Integration

Consistent with the November 2014 submission, all hospital-based services have been integrated.

2. Epic Implementation

Consistent with the November 2014 submission, Analytics (Epic reporting) was integrated across the medical center and health system. Epic optimization remains ongoing and will remain a key medical center priority in coming years.

3. Patient Experience

As was reported in the November 2014 submission, the focus in recent months has been establishing physician/nursing leadership teams (dyads) to lead unit/service operations. The teams have yielded significant improvements in unit ownership and improved employee engagement, safety and quality outcomes and operational efficiencies. Creating a healing environment remains a key medical center goal, which is being supported by the roll out of clustered care designed to minimize patients' sleep interruptions between 10pm and 6am. The Departments of Pharmacy, Radiology, Laboratory Medicine, Respiratory Therapy and Environmental Services have begun implementing work flow changes and revised testing protocols to achieve this goal.

4. Regulatory / Safety and Quality

Over 7,500 YNHH employees completed the 2015 safety culture survey; an 18% increase compared to the last survey in 2013. The results demonstrate the value of high reliability organization training our employees and medical staff members completed last year. We are now focusing on the steps to sustain high reliability organization safety behaviors, including continued training for current and new employees, leadership rounding, deployment of 400 volunteer unit safety coaches and implementation of an accountability program.

5. Transforming Patient Care

Transforming Patient Care refers to a review of nursing workflows and supporting systems/processes to remove unnecessary activities. As was discussed in the November 2014 submission, a comprehensive roll-out of best practices from the York Street Campus began in FY 2014 and will continue in FY 2015. Further improvement activities remain ongoing at the York Street Campus.

Preparedness activities for Nursing Magnet recertification remain underway and will be completed in calendar 2016.

6. *Safe Patient Flow*

Safe Patient Flow refers to throughput improvement activities and was instrumental in allowing YNHH to meet its patient care demand prior to the integration of the HSR. The Safe Patient Flow process was implemented at the Saint Raphael campus in FY 2014 and has already resulted in significant improvements in inpatient throughput. Prior to implementation, the percentage of discharges by 11am was 15% and it is now at 25% (same level as York Street Campus). The diligent focus on Safe Patient Flow processes at both campuses remains ongoing and will help to ensure sufficient medical center inpatient capacity.

7. *Cultural Integration*

As stated in the November 2014 submission, employee and medical staff open forums as well as management meetings remain ongoing. A President's Council has been established to continue to obtain direct feedback from front-line staff on ongoing integration efforts.

8. *Bed Management/Capacity*

YNHH will be relocating its intensive rehabilitation unit from the Saint Raphael campus to Milford Hospital on July 1, 2015. The new unit at Milford Hospital is consistent with the musculoskeletal growth strategy outlined in previous OHCA submissions, and the vacated unit (Verdi 4 East) will be renovated to meet patient care needs.

Consistent with the November 2014 submission, planning to relocate gastrointestinal surgery (bariatric and hernia) as well as neurovascular services at the Saint Raphael campus are underway. Main 6 is being renovated and will serve as the primary unit for non-oncological gastrointestinal surgery. The Cardiothoracic Intensive Care Unit will serve as the primary location for neurovascular and will be supported by interventional laboratories. The gastrointestinal surgery unit is expected to be online by late fall 2015 and the neurovascular service will be online by late fall 2016. Bed allocation by service is outlined in Section B "Summary of Beds and Services by Campus" of this report.

9. *Infrastructure*

Consistent with the November 2014 submission, no additional care infrastructure changes have taken place.

10. *Care Management Across the Continuum*

Consistent with the November 2014 submission, work remains ongoing to improve care coordination and handoffs across services.

Section 2. Service Lines

Vision, facility investments and integration activities for major clinical service lines comprise the second section of the Integration Workplan. It is important to note that the information provided below predominantly addresses inpatient services as ambulatory activities are currently being reviewed as part of a comprehensive ambulatory strategic planning exercise, discussed in Section 3.

The following service lines are included:

1. *Children's*

Consistent with the November 2014 submission, construction of a new Neonatal Intensive Care Unit and Obstetrical Services at the York Street Campus began May 2015 with upgrading of the infrastructure of the West Pavilion, required to support the new facilities. The new NICU will feature a dedicated operating room, neonatal MRI, pharmacy and single rooms for neonates and for "couplets" of maternity patients and their babies who require lower levels of intensive care. Reconstruction of four floors in West Pavilion will begin late Fall 2015 and be completed fall 2017.

2. *Heart and Vascular*

Consistent with the November 2014 submission, a medical heart failure cohort was established at the Saint Raphael campus, in order to provide appropriate care for this growing segment of the population. Work remains underway to optimize interventional laboratories (cardiac catheterization and electrophysiology).

3. *Musculoskeletal*

In February 2015, we opened two state-of-the-art musculoskeletal operating rooms, housing the latest in infection control technology and designed with the input of key musculoskeletal surgeons. The transition of elective total joints to the Saint Raphael campus has been completed and the relocation of spine surgery to the Saint Raphael campus is underway and will be completed by Fall 2015. Mary O'Connor, M.D., former Chair of Orthopedics at the Mayo in Jacksonville, Florida joined the medical center in early May to serve as the inaugural Director of the Musculoskeletal Center. We are fortunate to have someone of her exceptional leadership stature join our senior leadership team and help us shape the future of musculoskeletal care delivery.

As was discussed in the bed management section, the intensive rehabilitation unit will be relocated from the Saint Raphael campus to Milford Hospital on July 1, 2015.

4. *Neurosciences*

As discussed in the bed management section, YNHH will be relocating its neurovascular service to the Saint Raphael campus in late 2016. The service will include inpatient beds and radiology services (including interventional radiology capabilities), and would have synergies with the advanced elderly inpatient services referenced earlier. Program planning is in the early stages and will be refined in coming months.

5. *Oncology*

Consistent with the November 2014 submission, no additional service configurations have taken place in Oncology. Evaluation of technology consolidation opportunities remains ongoing.

6. *Transplant*

Consistent with the November 2014 submission, no additional service configurations have taken place in Transplant.

Section 3. Clinical Areas

Additional clinical integration beyond the service lines described in Section 2 are described and listed below:

1. *Diagnostic Radiology*

Consistent with the November 2014 submission, the assessment of radiology equipment and master planning for radiology services remains ongoing as the clinical vision for the campuses evolves.

2. *Emergency Department*

Consistent with the November 2014 submission, Yale New Haven Health System and North Shore Long Island Jewish launched a helicopter transportation collaboration named Sky Health, focused predominantly on the I-95 corridor. To date, over 65 patients have been transported to YNHH via Sky Health. Sponsor hospital training opportunities are being identified and will be implemented in 2015. After a comprehensive evaluation process, YNHH also consolidated ground patient transportation services to one preferred vendor (AMR) to improve transportation times and cost effectiveness.

3. *Laboratory/Pathology*

Consistent with the November 2014 submission, work is underway to consolidate core laboratory and blood bank systems at YNHH, Greenwich Hospital and Bridgeport Hospital by August 2016.

4. *Medicine*

As it pertains to electronic ICU implementation referenced in the November 2014 submission, 26 rooms have been outfitted with the technology and a new control room will be completed by end of May 2015. Clinical workflows and shared goals have been established and training will begin in June. The service will be operational in August 2015.

5. *Nursing*

As was referenced in section 1, YNHH will be undergoing its Magnet re-designation in 2016 and preparedness activities remain ongoing. The system-wide nursing standardization effort remains underway across all delivery network hospitals.

6. *Pharmacy*

Consistent with the November 2014 submission, no additional changes have taken place in Pharmacy.

7. *Psychiatry*

In April 2015, YNHH relocated its psychiatric observation unit to a newly constructed space in the Fitkin building. The new unit includes an 18-bed video camera monitored patient care area that provides patient comfort, privacy, and security.

8. *Surgical Services*

Consistent with the November 2014 submission, a physician leader to co-lead perioperative services was recruited. William Nealon, M.D., nationally recognized surgeon joined the medical center, from Vanderbilt Medical Center, in April 2015. Under his leadership, a number of operational enhancements will be implemented across all perioperative services sites focused on safety and quality, pre-admission testing and Epic reporting. Optimization of perioperative resources remains a focus area in FY 2015.

As was referenced earlier, a center of excellence for gastrointestinal surgery (bariatric and hernia) will be established at the Saint Raphael campus in late 2015. Main 6 will serve as the primary inpatient unit, and required operating room resources and ambulatory/clinical practice facilities will also be put in place to support program growth.

9. *Women's Services*

Consistent with the November 2014 submission, the two Obstetrical Primary Care Centers located at the York Street and St. Raphael campuses which serve the local New Haven community were combined into a single site in January 2015.

10. *Ambulatory Services*

Ambulatory space optimization and programmatic recommendations are currently being developed and consolidation opportunities will be identified by summer 2015. Consolidation opportunity execution will span at least 24-36 month, based on lease terms and other program considerations.

Additionally, consistent with the November 2014 submission, YNHH will be opening a multidisciplinary physician specialty ambulatory center in Old Saybrook on June 1, 2015. The center will offer a broad array of clinical services including pediatric specialty services, a comprehensive Smilow Cancer Care Center, musculoskeletal services, urology and vascular services, among others. Supportive ancillary services will also be provided. Finally, planning for a New Haven ambulatory center is currently underway and will be completed later this summer.

Section 4. Non-Clinical Support Services

As it pertains to non-clinical support services, vendor consolidation opportunities were identified for Environmental Services, Food and Nutrition, Linen Services and Protective Services. Estimated savings can be found in Section C of this narrative.

Section 5. Corporate Services

Corporate services include seven key areas and integration activities for each are described on the following page.

1. *Accounting and Finance*

Consistent with the November 2014 submission, no additional changes have taken place in Accounting and Finance.

2. *Compliance*

Annual compliance training via Healthstream for all employees remains ongoing.

3. *Human Resources*

Over 95.7% of Yale-New Haven employees took part in the recent employee engagement survey, conducted in April 2015. Results are expected by end of May and will lead to the development of targeted improvement plans to address any deficiencies.

4. *Information Technology and Information Systems*

While the immediate focus was on the implementation of Epic, focus has shifted to optimizing the Epic system (reporting, analytics, etc.) and additional areas/opportunities for standardization include streamlining of technology applications for clinical services.

5. *Legal and Planning*

Integration work with MCIC (malpractice insurance captive) remains ongoing.

6. *Marketing, Communications, Image and Community Wellness*

The development of new employee and manager communication strategies employing new media (e.g. social media) remains ongoing. The organization remains a strong advocate with State and Federal government agencies for continued access to high quality healthcare services for Connecticut residents.

7. *Supply Chain*

Consistent with the November 2014 submission, no additional changes have taken place in Supply Chain. Supply chain savings achieved through vendor contracts will be discussed in Section C (5).

B. SUMMARY OF SERVICES AND BEDS BY CAMPUS

As described in Section A above, integrating clinical services is still underway and specific campus locations and allocated beds continue to be adjusted. The two tables below summarize the current plan for the services and beds by location. This information is subject to change and any changes will be provided to OHCA in subsequent semi-annual reports.

Planned Services by Campus for 2015 (as of May 2015)

Services	York Street Campus	Saint Raphael Campus
<i>Service Lines</i>		
Children's	X	
Heart & Vascular	X (Tertiary/Quaternary)	X Medical Heart Failure
Musculoskeletal	X (Trauma / Pediatrics)	X
Neurosciences	X (Tertiary/Quaternary)	X Neurovascular
Oncology	X (Tertiary/Quaternary)	X
Transplant	X	
<i>Clinical Areas</i>		
Anesthesia	X	X
Diagnostic Radiology	X	X
Emergency Department	X	X
Laboratory/Pathology	X	X
Medicine	X	X Geriatrics
Psychiatry	Older Adolescents/Adult	Children's/ Younger Adolescents/Adult
Surgery	X	X GI Surgery (Bariatric)
Women's	Low & High Risk Maternity	Low Risk Maternity/ Midwifery Program

FY 2015 (as of May 2015)

Beds:	York Street Campus			Saint Raphael Campus		
	<i>General Care</i>	<i>ICU</i>	<i>Total</i>	<i>General Care</i>	<i>ICU</i>	<i>Total</i>
Adult Med/Surg	570	109	679	300	56	356
Rehabilitation				18		18
Maternity	56		56	19		19
Pediatric*	73	17	90			
Pediatric Psych Only	16		16	20		20
Adult Psych	73		73	25		25
Future Use				17	16	33
Total Beds	788	126	914	399	72	471
Bassinets	40	52	92	13	9	22

Note: Included in the YNHH license is another 22 pediatric beds and 20 bassinets located at Bridgeport Hospital campus.

C. COST SAVINGS AND REVENUE ENHANCEMENTS

Actual cost savings achieved in the first six months of FY 2015 have been provided according to the categories outlined by OHCA and Report 175.

Projected Cost Savings	Actual FY 2015 YTD Mar	Projected FY 2015 YTD Mar
Salaries & Wages	\$19.8M	\$14.0M
Fringe Benefits	\$6.1M	\$3.9M
Contractual Labor Fees	\$0.6M	\$0.6M
Medical Supplies & Pharmaceuticals	\$4.8M	\$6.6M
Malpractice	\$0.3M	\$0M
Utilities	\$0.5M	\$0.7M
Business Expenses	\$6.7M	\$9.0M
Other Operating Expenses	\$0	\$0
TOTAL	\$38.2M	\$34.7M

1. *Cost and Value Project*

Consistent with the November 2014 submission the Saint Raphael's Campus has been fully integrated into the Cost and Value Project. As YNHH continues its goal to reduce cost and improve care, a process has been initiated to redesign and refocus effort on this project. In the first six months of this fiscal year, the hospital developed a single internal consulting team focused on Salary, Non-Salary, Employee Benefits, and Clinical Redesign.

These efforts will allow us to continue to maintain the savings achieved at the Saint Raphael's Campus relative to salaries, and enhance non-salary initiatives through supply standardization, contracting, and professional service utilization. In addition, in March 2015, a new clinical redesign program began with strong clinical leadership to identify and eliminate clinical processes that result in waste throughout the hospital.

2. *Salaries and Wages / Fringe Benefits*

In fiscal year 2015, YNHH has continued its efforts to maintain salary savings achieved through the first two years of integration, as well as identify new opportunities throughout both campuses. Consistent with the November 2014 submission, the hospital now has a standard staffing model for inpatient nursing units.

In addition to the inpatient nursing units, the hospital continues to explore and review improved staffing models in other areas such as outpatient settings, or areas that provide supportive services. In October 2014 a redesigned staffing model was implemented for the Emergency Departments on both campuses. Through aligning Registered Nurses (RN) and Advanced Practice Nurses (APN) shifts with peak volume times in the ED, the hospital was able to reduce staffing and achieve salary savings. Assessments of personnel utilization will continue and it is expected that additional synergies will be achieved through these efforts.

3. *Contractual Labor Fees*

Please note that discussion of Contractual Labor and Legal Fees is included under Business expense consistent with previous submissions. This change was made in order to be consistent with OHCA Report 175.

Professional Service Agreements (PSA)

As mentioned in section 1.1, the physician integration of the two campuses has been completed for all hospital-based services. The savings achieved through clinical alignment and standardization of physician PSAs continues, and remains consistent with the November 2014 submission.

Psychiatric MD Alignment

A group of community physicians have historically supplemented the inpatient and outpatient psychiatric service at the Saint Raphael's Campus. This relationship has been strong and positive and continues to be a critical part of the clinical service. As the physician enterprise is further aligned, the process of adding of the community physicians to the employed staff is underway. While this will not result in additional savings, it will aid in the continued effort to improve care and generate savings through the aligning clinical services on a single platform.

4. *Malpractice Expense*

As referenced in section 5.5, YNHH continues to work with the insurance captive MCIC and savings continue to be consistent with the November 2014 filing.

5. *Utilities*

Cost reduction activities for electricity rate, electricity utilization, and other utilities remain consistent with the November 2014 submission.

6. *Medical/Surgical (Med/Surg) Supplies and Pharmaceuticals*

Activities to continue to achieve non-salary savings through contracting efforts remain consistent with the November 2014 filing. Despite the large number of initiatives achieved through the integration to date, there are still a number of opportunities that YNHH continues to actively pursue, and utilize to generate savings.

System Contracting/Cost and Value Non-Labor Team

Consistent with the November 2014, filing efforts at the Saint Raphael's Campus have been fully integrated into the Non-Labor Teams within the Cost and Value Project, as well as the NPC (Northeast Purchasing Coalition).

Pharmaceuticals

Consistent with the November 2014 submission, YNHH successfully switched pharmaceutical distributors from Cardinal to McKesson. This project, which started in late fiscal year 2014, is now fully implemented and will provide a full year of savings in FY 2015.

At the start of FY 2015 the Saint Raphael's Campus was able to register with HRSA to become a 340b eligible site. This initiative represents a tremendous opportunity to further reduce cost for pharmaceutical supplies, and is one of the largest current initiatives to

improve non-salary savings due to the integration. In order to appropriately administer this program on both campuses and meet all regulatory and compliance requirements the hospital implemented a new system to track 340b eligible patients. This system took several months to implement, and 340b savings were not achieved until the month of March 2015. Additional savings related to the 340b program are anticipated to provide additional savings for the latter half of fiscal year 2015.

Additional information for high impact initiatives for this category started in the first six months of FY 15.

Lithotripsy

After evaluating proposed pricing from various vendors, YNHHS remained with United Medical Systems (UMS) whose pricing offered the greatest savings. This initiative standardized pricing across the Health System and resulted in savings related to the Saint Raphael's Campus.

Drug Eluting Stents and Bare Metal Stents

This was a Northeast Purchasing Coalition (NPC) initiative which resulted in a dual award to Medtronic and Abbott. The NPC moved from three to two vendors, eliminating Boston Scientific. This process not only helped align clinical practice across the system, but generate savings.

7. *Business Expenses*

YNHH continues to achieve savings through the business expense initiatives generated through the first two years of the integration. As contracts expire and new consolidation efforts continue to be explored YNHH finds new ways to generate non-salary savings within this category. Consistent with the November filing, the hospital continues to focus on IT legacy system elimination, and consolidation utilizing the EPIC system integrated in Fiscal Year 2013. At the beginning of this fiscal year the contract associated with one of the largest portions of the legacy EMR provided by Quadramed came up for renewal. This contract ended up being eliminated and represents one of the top savings items of this year. Smaller legacy contracts continue to be pursued and are expected to improve savings efforts this year.

In addition to IT system related savings there have been some significant strides in service contracts that were made in the first six months of Fiscal Year 2015. YNHH was also able to include the Saint Raphael's Campus in the snow removal contract historically utilized by the York Street Campus. While the savings associated with the base component of this contract was small, the legacy Saint Raphael's contract contained a provision which required additional payments for each inch of snow. Through renegotiating this contract the hospital was able to avoid what would have been large payments due the severity of this past winter.

8. *Other Consolidation and Integration Savings*

Activities associated with incorporating the Temple Recovery Care Center into the Grimes Center remains consistent with the November 2014 Submission.

Below is a description of recent activities in Joint Venture Partnerships that were part of the Saint Raphael's integration efforts.

Renal Research Institute Dialysis Joint Venture

As reviewed in the November FY 2014 submission, the Renal Research Institute (RRI) continues to display strong financial performance. This year's improvement in the operations of the Joint Venture is consistent with the financial strength displayed in fiscal year 2014. Additional efforts to develop and enhance this clinical program are underway, and it is expected that this partnership will provide further benefits.

9. *Depreciation, Bad Debt, and Interest Expense*

Consistent with the information provided to follow-up questions in DN 12-31747-MDF, due to the financing needed to acquire the Hospital of Saint Raphael, required infrastructure investments at the Saint Raphael Campus and the unified Bad Debt and Charity Care policy, Yale-New Haven Hospital continues to see no savings related to these categories.

Revenue Enhancements

Consistent with the November 2014 submission, YNHH continues to focus on the revenue enhancement capabilities of the Epic system. The improvements seen through standardization of the master patient index, shared accounts receivables, bedside procedures, recovery room documentation and centralization of services all continue to show enhanced revenue capture in fiscal year 2015. In the first six months of this year, YNHH implemented a new system called Craneware to supplement the revenue cycle features of the EPIC system. Craneware will help the Saint Raphael's Campus with proactive charge capture and will assist with development of revenue improvement strategies.

The Clinical Documentation and Management Program continues to see success through the integrated system wide committee outlines in the November 2014 submission. Starting in late FY 2015, the health system will move to further integrate this program. These efforts will further enhance the improvements made in previous years to create a standardized central platform for the improvement of documentation at the Saint Raphael's Campus.

Key Activities	Pre-2013	FY 2013	FY 2014	FY 2015
1. Major Strategic Initiatives				
1a. Physician & Midlevel Integration				
A1. Consolidate Hospital Based Services				
1. Anesthesiology				
2. Diagnostic Radiology				
3. Emergency Medicine				
4. Laboratory/Pathology				
A2. Integrated ACGME Residency and Fellowship Programs				
1b. EPIC Implementation				
A1. EPIC Go-Live at York Street Campus				
A2. EPIC Go-Live at Chapel Street Campus				
A3. Optimize Epic System				Ongoing
1c. Patient Experience				
A1. Implement Patient Experience Workplan and Supporting Infrastructure at SRC				
1. Patient and Family Advisor Program				
2. Reward and Recognition Structure				
3. Service Recovery Training/On-line Certificates				
A2. Implementation of the "Quiet Plan" Across Both Campuses				
1. Implement Leader Rounding				
2. Managers Train Staff				
A3. Launch Patient Experience Forum				
A4. FY 2014 Patient Experience Strategic Plan				Ongoing
1. Emphasis on "Every Patient, Every Time"				Ongoing
2. Physician and Nursing leadership training and engagement				Ongoing
3. Developing a healing environment				
1d. Regulatory / Safety and Quality				
A1. Preparation for Department of Public Health and Joint Commission surveys				
1. Environmental of Care (EOC)				Ongoing
2. Life Safety				Ongoing
3. Provision of Care/Record of Care				Ongoing
4. Adherence to Licensure				Ongoing
5. Infection Prevention				Ongoing
A2. Consistent Regulatory Compliance and Practices				Ongoing
1. Audit of Policies and Procedures to Ensure Adherence				Ongoing
A3. Ongoing Regulatory Education and Improvements				Ongoing
1. Self-Review and Integrated Audits				Ongoing
2. Structure Implemented for Twice Monthly CMS/DPH Audits & Twice Yearly TIC Audits at SRC				Ongoing
A4. Clean and Safe Rounds				Ongoing
A5. Achieve HPI High Reliability Level 3 and Ongoing Sustainability				Ongoing
1e. Transforming Patient Care				
A1. Implement Bedside Nursing Transformation at SRC to Ensure Consistent Staffing Models/Caregiver Hours Across Both Campuses				Ongoing
A2. Medication Barcoding Process Implemented				
A3. Implement Second Generation Bedside Nursing Transformation at the York Street Campus				Ongoing
A4. Implement Magnet readiness plan				
1f. Safe Patient Flow				
A1. Implement Common Safe Patient Flow Throughput Improvement				Ongoing
A2. Identify Process Changes				
1g. Cultural Integration				
A1. Formation of Catholic Heritage Committee				
A2. Common Value System Defined				
A3. Auxiliaries of Two Campuses Integrated in Operations				Ongoing
A4. Medical Staff Open Forums				Ongoing
A5. Employee Open Forums and Management Meetings				Ongoing

Key Activities	Pre-2013	FY 2013	FY 2014	FY 2015
	1h. Bed Management/Capacity A1. Common Bed Management System - Optimization of Beds Across Campuses A2. Open Verdi 4 North A3. Develop Strategies to Optimize Inpatient Bed Utilization Across Both Campuses A4. Realignment of Medicine and Surgery Beds at the Saint Raphael Campus A5. Open Verdi 4 West (new specialty Geriatrics unit) A6. Repurpose Main 6 for GI Surgery A7. Renovate V 4 East A8. Renovate CTICU for Neurovascular			
1i. 24/7 Infrastructure A1. Common Administrator on Call and Off-Shift Executive Model Implemented A2. Off-shift Department Management				
1j. Care Management to Integrate Services Across the Continuum A1. Common Care Management Structure Implemented A2. Transitional Care Rounds in all York Street campus inpatient units A3. Transitional Care Rounds consistency across both campuses				
2. Service Lines 2a. Children A1. Vision 1. YNHCH is a destination of choice for pediatric care. A2. Facilities & Capital 1. Develop and implement the Plan for NNICU Expansion and Fundraising A3. Integration Activities 1. Integrate Pediatrics Services Across Both Campuses 2. Align Child and Adolescent Psychiatry Across Campuses 3. Combine Hospitalist Programs at YNHCH Campuses				Ongoing
2b. Heart & Vascular A1. Vision 1. Integrate Heart and Vascular Operations Across Both Campuses and Outpatient Centers A2. Facilities & Capital 1. Renovate Catheterization Laboratories A3. Integration Activities 1. Development of Aortic Institute 2. Expansion of the Interventional Radiology Program at SRC 3. Consolidate cardiac surgery to York Street campus 4. Development of a Heart Failure unit at SRC				
2c. Musculoskeletal A1. Vision 1. Musculoskeletal Service Line Established and Recognized as leading program A2. Facilities & Capital 1. Operational and Capital Plan in Place A3. Integration Activities 1. Business plan definition and implementation 2. Recruitment of physician leader 3. Transition of elective joints and spine volume from York Street to Saint Raphael campus 4. Relocation of Intensive Rehabilitation Unit (IRU) to Milford Hospital (New)				Ongoing
2d. Neurosciences A1. Vision Leading Neurosciences program in CT A2. Facilities & Capital 1. Allocated appropriate number of beds to Neurosciences A3. Integration Activities				Ongoing

Key Activities	Pre-2013	FY 2013	FY 2014	FY 2015
Telestroke at Saint Raphael Campus Relocation of Neurovascular Service to Saint Raphael Campus				
2e. Oncology				
A1. Vision				
1. Integrated Oncology Operations Across Both Campuses				
A3. Integration Activities				
Chemotherapy and radiation therapy on both campuses				Ongoing
2f. Transplant				
A1. Vision				
1. Provide leading solid organ transplantation services in CT (ongoing)				Ongoing
A3. Integration Activities				
2. Organ Donation Committee consolidation				
3. Clinical Areas				
3a. Diagnostic Radiology				
A1. Staffing/Coverage				
1. Enterprise-wide Scheduling (Consolidation of Scheduling/Registration Functions)				
A2. Facilities & Equipment				
1. CON for YNH to acquire SRMRC Joint Venture				
2. Facilities Plan Completed				
A3. Integration Activities				
1. Assessment of all radiology services and equipment and implementation				Ongoing
1. Professional readings available 24/7 at SRC				
3b. Emergency Department				
A1. Staffing/Coverage				
1. Realign ED Structure to Create an Integrated Model				
A3. Facilities & Equipment				
1. Review Emergency Transportation (Ambulance and Helicopter)				Ongoing
2. Standardized Equipment (As Replacements Are Needed)				Ongoing
A3. Integration Activities				
1. Consolidation of Major Trauma at York Street				
2. Review Sponsor Hospital Program Offering, Infrastructure, Costs and Opportunities				
3c. Laboratory and Pathology				
A1. Integration Activities				
a. Evaluate consolidation of Laboratory Services System-Wide (Integrated Lab and Shared LIS)				
b. Install and Operate SOFT Laboratory IS system on Both Campuses				
3d. Medicine				
A1. Review Hospitalist Staffing Model and Admission Criteria to Hospitalist Service				
A2. Develop Business Case for eICU				
A3. Evaluate and implement Geriatrics Center of Excellence at the Saint Raphael campus				Ongoing
A4. Complete MICU eICU deployment				
3e. Nursing				
A1. Quality				
1. Implement Magnet Remediation Plans				Ongoing
A2. Integration Activities				
1. Consistent Metrics and Standards and Creation of Unity/Service Line Dashboard				
2. Achieve Reduction in Caregiver Hours (see Transforming Patient Care)				Ongoing
3f. Pharmacy				
A1. Staffing/Coverage				
1. Establish staffing with YNH employees (eliminate Cardinal Health contract)				
A2. Facilities & Equipment				

Key Activities	Pre-2013	FY 2013	FY 2014	FY 2015
<ul style="list-style-type: none"> 1. Purchase and standardize Pyxis machines 				
<p>A3. Integration Activities</p> <ul style="list-style-type: none"> 1. Pharmacy Strategy Executed with Single Unified Product Formulary Cross Campus: 				
<p>3h. Psychiatry</p>				
<p>A1. Staffing/Coverage</p> <ul style="list-style-type: none"> 1. Develop a Standard Model of Care for Psychiatric Services at Both Campuses: <ul style="list-style-type: none"> a. 12 Years Old and Under on Winchester One, YSC b. 13-15 Year Olds on Celantano 5, SRC c. 16-17 Year Olds on LV2, YSC 2. One Standard Model of Care with One Psych ED 				
<p>A2. Quality & Regulatory</p> <ul style="list-style-type: none"> 1. Participate in State Collaborative Regional Plan- Integrating Behavioral Health Service Payment and Delivered 				
<p>A3. Integration Activities</p> <ul style="list-style-type: none"> 2. Conduct Crisis Intervention Unit Assessment & Develop/Implement an Improvement Plan (w/ED) 3. Develop Strategies to Reduce Long LOS for Psychiatry Patients 				Ongoing
<p>3i. Surgical Services</p>				
<p>A1. Leadership</p> <ul style="list-style-type: none"> 1. Conduct an Assessment of Operating Room and Clinical Support Service: 2. Recruit physician leader to co-lead operating rooms 3. Implement nursing clusters/specialty teams across all practice sites 				
<p>A2. Consistent Operations</p> <ul style="list-style-type: none"> 1. Integrate OR Operations Across Both Campuses, Temple and Shoreline 2. Optimize Utilization Across All Sites 3. GI Procedure Integration (YSC, SRC, and Temple) 4. Develop a GI Surgery Center of Excellence (Bariatric and Hernia) at the Saint Raphael Campus 5. Establish Common Set of Metrics 6. Implement operational recommendations from consulting engagement 7. Develop OR master plan 				Ongoing
<p>3m. Women</p>				
<p>A1. Integration Activities</p> <ul style="list-style-type: none"> 1. Integrate OB-GYN Services Across Both Campuses 2. Expand OB Residency to Cover SRC 3. Establish low risk delivery service at SR Campus utilizing midwifery program 				
<p>3n. Ambulatory Services</p>				
<p>A1. Complete Ambulatory Strategic Plan</p> <ul style="list-style-type: none"> 1. Develop inventory of all ambulatory locations and service: 2. Develop and Implement programmatic recommendations 				
<p>A1. Planning for new multidisciplinary satellites</p> <ul style="list-style-type: none"> Old Saybrook opening New Haven satellite planning 				
<p>4. Non-Clinical Areas</p>				
<p>A1. Consolidation of Vendors for Environmental Services, Food/Nutrition, Linen and Protective Services</p>				
<p>5. Corporate Services</p>				
<p>5a. Accounting & Finance</p>				
<p>A1. Integrated Capital Budgeting Process Covering Both Campuses</p>				
<p>A2. Integrated Operating Budgeting Process Covering Both Campuses</p>				
<p>A3. Consolidation of Cost Accounting and Decision Support Systems</p>				
<p>A4. Combined Account Receivables for EPIC A/R with One Reserve Model</p>				
<p>A5. Maintain Individuals Accounts Receivable for Legacy SDK and Medicaid Receivables</p>				
<p>A6. Replicate Financial Structure for Service Lines</p>				
<p>A7. Institute Flex Budgeting</p>				
<p>A8. Reduce Eliminate Fees Paid for Audit and Banking Operations at SRC</p>				

Key Activities	Pre-2013	FY 2013	FY 2014	FY 2015
A9. Review All Membership and Fees for Both Campuses and Remove/Renegotiate Duplicates				
5b. Compliance				
A1. Ensure All Staff Receive Compliance Education Annually (Ongoing Communications and In-services)			Ongoing	Ongoing
A2. Billing, Coding, and Documentation Audits of Both Hospital and Physician Activities			Ongoing	Ongoing
A3. SFC Incorporated into YNHHS Conflict of Interest Process				
5c. Human Resources				
A1. Standardize Career Ladders				
A2. Standardize Performance Management System and Process				
A3. Standardize Rewards, Recognition, and Leveraging Performance Based Pay				
A5. Employee Engagement Survey				
A6. Develop and Implement Saint Raphael Campus Manager Education Programs				
5d. Information Technology and Information Systems				
A1. Consolidation of Approved Applications				
1. Reduce Application Portfolio for EPIC Implementation				
2. Application Consolidation for The Following Areas: Laboratory – Anatomic Pathology, Cardiology, Radiation Oncology & Neurosciences				
3. Application Consolidation for The Following Areas: Gastroenterology, Dietary Services, POS & Sleep Center				
A2. Service Desk Standardized				
A3. Consolidation of Telecom Operator Services				
A4. Review Service Contracts for Systems Used Prior to EPIC Integration				
5e. Legal & Planning				
A1. Identify vendor consolidation opportunities				
A2. Continue integration work with malpractice captive			Ongoing	Ongoing
5f. Marketing, Communications, Image, and Community Wellness				
A1. Develop and Implement Community Revitalization Strategy				
A2. Implement Communication Strategies for Managers and Employees			Ongoing	Ongoing
A3. Consolidate Advocacy Groups			Ongoing	Ongoing
5g. Revenue Cycle				
A1. Transfers and Combined Accounts Seamless via EPIC				
A2. Identical CDMs and Charge Levels				
A3. Integrated Master Patient Indexes				
A4. Identical Billing Systems and Vendors to Support Revenue Cycle Functions				
A5. Revenue Cycle Functions Centralized Organizationally and Physically, Where Possible				
A6. Consistent Forms Throughout Entire Revenue Cycle				
A7. Revenue Cycle Opportunities Complete				
1. Pricing Strategies				
2. Denials				
3. Charge Capture				
5g. Reimbursement and Managed Care				
A1. Merged/Consistent Rates for All Payers Across Both Campuses				
5h. Supply Chain				
A1. Contract renegotiations				
A2. Inventory management				
A3. Service Response Center consolidation				Ongoing

YALE-NEW HAVEN HOSPITAL
 TWELVE MONTH PRELIMINARY FILING
 FISCAL YEAR 2015
 REPORT 175 - HOSPITAL OPERATING EXPENSES BY EXPENSE CATEGORY AND DEPARTMENT

(1)	(2)	(3)	(4)
LINE	DESCRIPTION	Oct-Mar 2014 ACTUAL	Oct-Mar 2015 ACTUAL
I. OPERATING EXPENSE BY CATEGORY			
A. Salaries & Wages:			
1	Nursing Salaries	163,838,665	169,389,756
2	Physician Salaries	0	0
3	Non-Nursing, Non-Physician Salaries	236,516,515	236,009,960
	Total Salaries & Wages	400,355,180	405,399,716
B. Fringe Benefits:			
1	Nursing Fringe Benefits	69,720,682	67,194,595
2	Physician Fringe Benefits	0	0
3	Non-Nursing, Non-Physician Fringe Benefits	48,296,599	48,227,101
	Total Fringe Benefits	118,017,281	115,421,696
C. Contractual Labor Fees:			
1	Nursing Fees	2,471,091	4,264,384
2	Physician Fees	38,722,596	46,057,910
3	Non-Nursing, Non-Physician Fees	18,265,189	22,312,793
	Total Contractual Labor Fees	59,458,876	72,635,087
D. Medical Supplies and Pharmaceutical Cost:			
1	Medical Supplies	106,703,959	113,597,697
2	Pharmaceutical Costs	79,880,160	98,498,044
	Total Medical Supplies and Pharmaceutical Cost	186,584,119	212,095,742
E. Depreciation and Amortization:			
1	Depreciation-Building	22,656,973	23,079,251
2	Depreciation-Equipment	35,963,915	37,655,620
3	Amortization	0	0
	Total Depreciation and Amortization	58,620,888	60,734,871
F. Bad Debts:			
1	Bad Debts	0	0
G. Interest Expense:			
1	Interest Expense	12,665,748	10,155,636
H. Malpractice Insurance Cost:			
1	Malpractice Insurance Cost	714,855	8,196,077
I. Utilities:			
1	Water	831,550	1,006,896
2	Natural Gas	1,046,700	1,054,333
3	Oil	0	0

**YALE-NEW HAVEN HOSPITAL
TWELVE MONTH PRELIMINARY FILING
FISCAL YEAR 2015
REPORT 175 - HOSPITAL OPERATING EXPENSES BY EXPENSE CATEGORY AND DEPARTMENT**

(1)	(2)	(3)	(4)
LINE	DESCRIPTION	Oct-Mar 2014 ACTUAL	Oct-Mar 2015 ACTUAL
4	Electricity	9,159,138	10,777,823
5	Telephone	2,202,016	1,886,236
6	Other Utilities	623,802	724,172
	Total Utilities	13,863,206	15,449,460
J.	<u>Business Expenses:</u>		
1	Accounting Fees	515,641	567,158
2	Legal Fees	1,706,089	1,638,001
3	Consulting Fees	37,762	184,657
4	Dues and Membership	1,068,160	739,887
5	Equipment Leases	3,574,656	3,447,061
6	Building Leases	9,135,869	10,568,414
7	Repairs and Maintenance	17,716,058	17,941,569
8	Insurance	1,526,132	1,259,282
9	Travel	775	2,775
10	Conferences	1,386,745	1,624,331
11	Property Tax	2,258,637	2,229,724
12	General Supplies	7,741,589	9,936,467
13	Licenses and Subscriptions	752,480	890,577
14	Postage and Shipping	769,827	371,301
15	Advertising	55,383	15,427
16	Corporate parent/system fees	14,003,376	14,579,324
17	Computer Software	0	0
18	Computer hardware & small equipment	2,566	3,418
19	Dietary / Food Services	1,461,061	1,798,175
20	Lab Fees / Red Cross charges	8,256,484	7,163,951
21	Billing & Collection / Bank Fees	458,771	542,115
22	Recruiting / Employee Education & Recognition	558,430	141,423
23	Laundry / Linen	2,847,033	3,100,118
24	Professional / Physician Fees	1,935,988	3,103,157
25	Waste disposal	691,808	913,345
26	Purchased Services - Medical	55,434,626	72,914,965
27	Purchased Services - Non Medical	139,846,673	133,980,557
28	Other Business Expenses	398,752	913,539
	Total Business Expenses	274,141,371	290,570,716
K.	<u>Other Operating Expense:</u>		
1	Miscellaneous Other Operating Expenses	0	0
	Total Operating Expenses - All Expense Categories*	1,124,421,523	1,190,659,000
	*A.- K. The total operating expenses amount above must agree with the total operating expenses		
II.	<u>OPERATING EXPENSE BY DEPARTMENT</u>		

YALE-NEW HAVEN HOSPITAL
 TWELVE MONTH PRELIMINARY FILING
 FISCAL YEAR 2015
 REPORT 175 - HOSPITAL OPERATING EXPENSES BY EXPENSE CATEGORY AND DEPARTMENT

(1)	(2)	(3)	(4)
LINE	DESCRIPTION	Oct-Mar 2014 <u>ACTUAL</u>	Oct-Mar 2015 <u>ACTUAL</u>
A.	<u>General Services:</u>		
1	General Administration	38,057,838	37,527,197
2	General Accounting	2,925,371	2,884,426
3	Patient Billing & Collection	14,471,010	21,206,901
4	Admitting / Registration Office	7,331,207	7,957,340
5	Data Processing	0	0
6	Communications	3,028,760	2,970,789
7	Personnel	2,162,985	2,065,879
8	Public Relations	559,083	604,259
9	Purchasing	1,891,384	2,699,389
10	Dietary and Cafeteria	15,159,492	15,294,246
11	Housekeeping	13,464,845	12,858,466
12	Laundry & Linen	101,526	172,319
13	Operation of Plant	15,508,765	19,201,802
14	Security	5,336,472	5,243,593
15	Repairs and Maintenance	12,901,731	13,429,183
16	Central Sterile Supply	5,181,552	6,567,786
17	Pharmacy Department	31,371,873	48,408,533
18	Other General Services	224,186,619	218,632,136
	Total General Services	393,640,513	417,724,244
B.	<u>Professional Services:</u>		
1	Medical Care Administration	23,085,950	25,499,409
2	Residency Program	34,974,593	44,524,160
3	Nursing Services Administration	8,853,941	8,083,604
4	Medical Records	3,452,675	3,908,516
5	Social Service	3,046,004	4,250,781
6	Other Professional Services	0	0
	Total Professional Services	73,413,163	86,266,470
C.	<u>Special Services:</u>		
1	Operating Room	72,450,721	81,655,113
2	Recovery Room	5,494,048	5,691,856
3	Anesthesiology	10,033,530	13,634,798
4	Delivery Room	6,210,445	6,055,232
5	Diagnostic Radiology	18,606,885	18,813,561
6	Diagnostic Ultrasound	3,411,259	2,005,444
7	Radiation Therapy	7,749,588	9,182,538
8	Radioisotopes	18,397,466	21,102,669
9	CT Scan	3,017,593	3,265,495
10	Laboratory	34,531,372	37,543,462
11	Blood Storing/Processing	11,173,712	10,138,368
12	Cardiology	0	0
13	Electrocardiology	10,784,930	10,401,416

YALE-NEW HAVEN HOSPITAL
TWELVE MONTH PRELIMINARY FILING
FISCAL YEAR 2015

REPORT 175 - HOSPITAL OPERATING EXPENSES BY EXPENSE CATEGORY AND DEPARTMENT

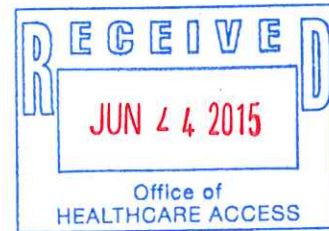
(1)	(2)	(3)	(4)
LINE	DESCRIPTION	Oct-Mar 2014 <u>ACTUAL</u>	Oct-Mar 2015 <u>ACTUAL</u>
14	Electroencephalography	3,285,639	2,168,297
15	Occupational Therapy	0	0
16	Speech Pathology	0	0
17	Audiology	0	0
18	Respiratory Therapy	7,820,515	8,339,846
19	Pulmonary Function	1,520,652	1,766,585
20	Intravenous Therapy	536,189	670,880
21	Shock Therapy	0	0
22	Psychiatry / Psychology Services	2,790,014	3,782,872
23	Renal Dialysis	1,957,467	1,961,618
24	Emergency Room	32,397,885	32,656,830
25	MRI	3,595,854	3,731,793
26	PET Scan	0	0
27	PET/CT Scan	0	0
28	Endoscopy	1,617,510	952,885
29	Sleep Center	0	0
30	Lithotripsy	0	0
31	Cardiac Catheterization/Rehabilitation	3,253,940	2,968,710
32	Occupational Therapy / Physical Therapy	4,427,768	5,086,485
33	Dental Clinic	2,014,448	2,415,593
34	Other Special Services	2,737,232	2,236,706
	Total Special Services	269,816,662	288,229,052
D.	<u>Routine Services:</u>		
1	Medical & Surgical Units	107,489,738	116,495,947
2	Intensive Care Unit	27,645,620	25,016,787
3	Coronary Care Unit	5,076,888	4,890,249
4	Psychiatric Unit	12,782,972	13,736,305
5	Pediatric Unit	7,775,799	7,939,875
6	Maternity Unit	4,448,808	4,040,181
7	Newborn Nursery Unit	2,307,986	2,095,995
8	Neonatal ICU	9,602,946	9,780,496
9	Rehabilitation Unit	0	0
10	Ambulatory Surgery	5,051,154	6,540,894
11	Home Care	0	0
12	Outpatient Clinics	100,740,305	119,015,544
13	Other Routine Services	0	0
	Total Routine Services	282,922,216	309,552,273
E.	<u>Other Departments:</u>		
1	Miscellaneous Other Departments	104,628,969	88,886,961
	Total Operating Expenses - All Departments*	1,124,421,523	1,190,659,000

YALE-NEW HAVEN HOSPITAL
TWELVE MONTH PRELIMINARY FILING
FISCAL YEAR 2015
REPORT 175 - HOSPITAL OPERATING EXPENSES BY EXPENSE CATEGORY AND DEPARTMENT

(1)	(2)	(3)	(4)
<u>LINE</u>	<u>DESCRIPTION</u>	<u>Oct-Mar 2014</u> <u>ACTUAL</u>	<u>Oct-Mar 2015</u> <u>ACTUAL</u>
	*A.- 0. The total operating expenses amount above must agree with the total operating expens		

June 19, 2015

VIA EMAIL & REGULAR MAIL



Ms. Kimberly Martone
Director of Operations
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134

RE: Yale-New Haven Hospital

Dear Ms. Martone:

Please find enclosed two (2) CON Determination Forms from Yale-New Haven Hospital. A hard copy is also being delivered to OHCA by regular mail. Please contact me at 203-863-3908 with any questions.

Thank you for your prompt consideration.

Sincerely,



Nancy Rosenthal
Sr. VP, Strategy and Regulatory Planning

Enclosures



ORIGINAL

State of Connecticut Office of Health Care Access CON Determination Form Form 2020

All persons who are requesting a determination from OHCA as to whether a CON is required for their proposed project must complete this Form 2020. The completed form should be submitted to the Director of the Office of Health Care Access, 410 Capitol Avenue, MS#13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. PETITIONER INFORMATION

If this proposal has more than two Petitioners, please attach a separate sheet, supplying the same information for each Petitioner in the format presented in the following table.

	Petitioner
Full Legal Name	Yale-New Haven Hospital
Doing Business As	Yale-New Haven Hospital
Name of Parent Corporation	Yale New Haven Health Services Corporation
Petitioner's Mailing Address, if Post Office (PO) Box, include a street mailing address for Certified Mail	20 York Street New Haven, CT 06511
What is the Petitioner's Status: P for profit and NP for Nonprofit	NP
Contact Person at Facility , including Title/Position: This Individual at the facility will be the Petitioner's Designee to receive all correspondence in this matter.	Nancy L. Rosenthal SVP, Strategy and Regulatory Planning

SECTION V. AFFIDAVIT

(Each Petitioner must submit a completed Affidavit.)

Petitioner: Yale-New Haven Hospital

Project Title: Alignment of Outpatient Rehabilitation Services

I, Nancy Rosenthal, Senior Vice President
(Name) (Position – CEO or CFO)

of YNHHHS being duly sworn, depose and state that the
(Organization Name)

information provided in this CON Determination form is true and accurate to the best of my knowledge.

[Signature] 6-19-2015
Signature Date

Subscribed and sworn to before me on 6.19.2015

Rose Arminio
Notary Public/Commissioner of Superior Court

ROSE ARMINIO
NOTARY PUBLIC
State of Connecticut
My Commission Expires
February 28, 2018

My commission expires: _____

Contact Person's Mailing Address, if PO Box, include a street mailing address for Certified Mail	5 Perryridge Rd Greenwich, CT 06830
Contact Person's Telephone Number	203-863-3908
Contact Person's Fax Number	203-863-4736
Contact Person's e-mail Address	Nancy.Rosenthal@greenwichhospital.org

SECTION II. GENERAL PROPOSAL INFORMATION

- a. Proposal/Project Title: **Alignment of Outpatient Rehabilitation Services**
- b. Estimated Total Project Cost: \$0
- c. Location of proposal, identifying Street Address, Town and Zip Code: **84 North Main Street, Branford 06405**
- d. List each town this project is intended to serve: **Branford**
- e. Estimated starting date for the project: **July 1, 2015**

SECTION IV. PROPOSAL DESCRIPTION

Please provide a description of the proposed project, highlighting each of its important aspects, on at least one, but not more than two separate 8.5" X 11" sheets of paper. At a minimum each of the following elements need to be addressed, if applicable:

1. If applicable, identify the types of services currently provided and provide a copy of each Department of Public Health license held by the Petitioner.
2. Identify the types of services that are being proposed and what DPH licensure categories will be sought, if applicable.
3. Identify the current population served and the target population to be served.

PROPOSAL DESCRIPTION:

Yale-New Haven Hospital (“YNHH”) is a 1,541 bed (including bassinets) teaching hospital with two integrated campuses located in New Haven as well as a pediatric campus in Bridgeport. YNHH includes the Smilow Cancer Hospital, the Yale-New Haven Children’s Hospital, the Yale-New Haven Psychiatric Hospital, and is the primary teaching hospital of the Yale School of Medicine. YNHH provides primary, secondary, tertiary and many quaternary acute care services. A copy of the Department of Public Health license for YNHH is attached as **Exhibit A**.

YNHH currently provides outpatient rehabilitation at the following locations: 20 York Street, New Haven; 175 Sherman Avenue, New Haven; 800 Howard Avenue, New Haven; 1 Long Wharf, New Haven (pediatric); 84 North Main Street, Branford; 1445 Boston Post Road, Guilford; 2080 Whitney Avenue, Hamden; 633 Middlesex Turnpike, Old Saybrook; and, 48 Wellington Road, Milford. All nine (9) sites are operated as hospital outpatient departments under YNHH’s acute care hospital license. Other services also are provided at certain of these locations (including occupational health services at the Branford location, which is the subject of a separate Determination Request filed with OHCA on the same date as this Determination Request).

Pursuant to the Agreed Settlement in Docket Number 12-31747-CON as modified by Docket Number 12-31747-MDF, Yale-New Haven Hospital’s Acquisition of Saint Raphael Health System, Inc., YNHH has been engaged in a three year integration plan. As documented in the update provided to OHCA on May 29, 2015, clinical and cultural integration are near completion and YNHH is now focusing on ambulatory space and program optimization planning (see page 7 of **Exhibit B**). This planning includes assessing outpatient program locations for potential duplicative program offerings in contiguous communities that may lead to inefficiencies and increased cost. In addition to reviewing outpatient sites for unnecessary duplication, YNHH is examining each of its ambulatory care sites post-integration to ensure that necessary clinical programs are appropriately located within the YNHH service area.

The 84 North Main Street, Branford outpatient rehabilitation office is located 7.4 miles from the 1445 Boston Post Road office in the contiguous town of Guilford. Both locations provide the same services, serve the same shoreline community and have similar hours of operation. Both locations serve patients with private insurance, Medicare and Medicaid as well as self-pay patients.

The Branford outpatient rehabilitation office has low utilization. Between FY 2012 and FY 2014, the Branford office experienced a decline in patient activity. On average, the Branford office sees less than 2 patients per hour.

YNHH plans to relocate the Branford outpatient rehabilitation office to the Guilford, Hamden and New Haven sites, which have the capacity to accommodate the Branford practice. Patients may choose to utilize any of the YNHH locations (allowing access to the Epic medical record for continuity of care purposes). Further, all staff associated with the Branford office will be redeployed to other YNHH outpatient rehabilitation locations. The Guilford office will continue to accept self-pay, Medicare, Medicaid and private insurance. No services are being terminated and no reduction in services is occurring. YNHH will continue to operate eight (8) outpatient rehabilitation locations, all of which treat self-pay patients as well as Medicare and Medicaid recipients. YNHH respectfully requests that OHCA find that consolidating the Branford rehabilitation services with the Guilford site does not require a Certificate of Need (“CON”).

EXHIBIT A: DEPARTMENT OF PUBLIC HEALTH LICENSE

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 0044

General Hospital

In accordance with the provisions of the General Statutes of Connecticut Section 19a-493:

Yale-New Haven Hospital, Inc. of New Haven, CT d/b/a Yale-New Haven Hospital, Inc. is hereby licensed to maintain and operate a General Hospital.

Yale-New Haven Hospital, Inc. is located at 20 York Street, New Haven, CT 06510-3220.

The maximum number of beds shall not exceed at any time:

134 Bassinets
1407 General Hospital Beds

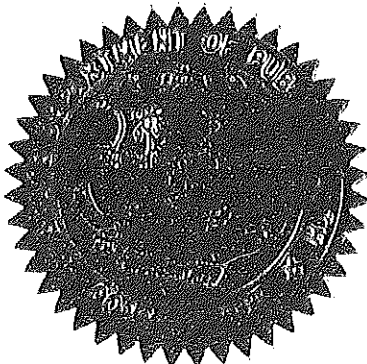
This license expires **September 30, 2015** and may be revoked for cause at any time.
Dated at Hartford, Connecticut, October 1, 2013.

SATELLITES

Hill Regional Career High School, 140 Legion Avenue, New Haven, CT
Branford High School Based Health Center, 185 East Main Street, Branford, CT
Walsh Middle School, 185 Damascus Road, Branford, CT
James Hillhouse High School Based Health Center, 480 Shennan Parkway, New Haven, CT
Weller Building, 425 George Street, New Haven, CT
Yale-New Haven Psychiatric Hospital, 184 Liberty Street, New Haven, CT
Yale-New Haven Shoreline Medical Center, 111 Goose Lane, Guilford, CT
Pediatric Dentistry Center, 1 Long Wharf Drive, New Haven, CT
YNHASC Temple Surgical Center, 60 Temple Street, New Haven, CT
YNHASC Women's Surgical Center, 40 Temple Street, New Haven, CT
Mauro-Sheridan School Based Health Center, 191 Fountain Street, New Haven, CT
Yale-New Haven Hospital Dental Center, 2560 Dixwell Avenue, Hamden, CT
Murphy School Based Health Center, 14 Brushy Plain Road, Branford, CT
YNHCH at Bridgeport, 267 Grant Street, 6th Floor, Bridgeport, CT
Pediatric Primary Care Center, 226 Mill Hill Avenue, Bridgeport, CT
Yale-New Haven Hospital-Saint Raphael Campus, 1450 Chapel Street, New Haven, CT
Adolescent Day Hospital, 646 George Street, New Haven, CT
Psychiatric Day Hospital, 1294 Chapel Street, New Haven, CT
Children's Psychiatric Day Hospital, 1450 Chapel Street, New Haven, CT
Elder Care Clinic, Atwater Clinic, 26 Atwater Street, New Haven, CT
Elder Care Clinic/Tower One, 18 Tower Lane, New Haven, CT
Elder Care Clinic/Casa Otonal, 135 Sylvan Avenue, New Haven, CT
Elder Care Clinic/Edith Johnson Tower, 114 Bristol Street, New Haven, CT
Adult Psychiatric PHP and Continuing Care, 1294 Chapel Street, New Haven, CT
Elder Care Clinic/Surfside, 200 Oak Street, West Haven, CT
Troup Magnet Academy School-Based Health Center, 259 Edgewood Avenue, New Haven, CT
Adult PHP, 1100 Sherman Avenue, Hamden, CT
Project MotherCare at Wheat, 674 Washington Avenue, West Haven, CT
Barnard Environmental Studies Magnet School, 170 Derby Avenue, New Haven, CT
Project Eldercare, 2080 Whitney Avenue, Suite 150, Hamden, CT
Shoreline Child and Adolescent Mental Health Services, 21 Business Park Drive, Branford, CT

License Revised to Reflect:

*Removed (1) Satellite effective 10/3/13



Jewel Mullen

Jewel Mullen, MD, MPH, MPA
Commissioner

EXHIBIT B: YNHH INTEGRATION REPORT TO OHCA DATED MAY 29, 2015



**YALE-NEW HAVEN
HOSPITAL**

**Yale New-Haven Hospital's Acquisition
of the Saint Raphael Healthcare System, Inc.
Docket No: 12-31747-CON**

**Three Year Integration Plan
Narrative**

May 2015

**Yale New-Haven Hospital's Acquisition
of the Saint Raphael Healthcare System, Inc.
Docket No: 12-31747-CON**

**Three Year Integration Plan
Narrative**

INTRODUCTION

This narrative report has been prepared as part of the reporting requirements for Yale-New Haven Hospital (YNHH) in accordance with the Agreed Settlement for Docket Number: (DN) 12-31747-CON, subsequently modified as DN: 12-31757-MDF for the acquisition of the Saint Raphael Healthcare System, including the Hospital of Saint Raphael (HSR).

This report is structured into the following sections:

- A. PROGRESS AGAINST THREE-YEAR INTEGRATION PLAN
- B. SUMMARY OF BEDS & SERVICES BY CAMPUS
- C. COST SAVINGS AND REVENUE ENHANCEMENTS
- D. ONGOING REPORTING

A. PROGRESS AGAINST THREE-YEAR INTEGRATION PLAN

Consistent with the three-year integration plan submitted on March 31, 2013, the focus of the last fiscal year has been on developing one standard of care across all inpatient campuses and ambulatory operations. The clinical vision for its inpatient campuses for FY 2015 and a summary can be found below. Many of the activities described in this report were developed to support the successful implementation of the clinical vision.

YNHH Clinical Vision - 2015

York Street Campus	Both Campuses	Saint Raphael Campus
<ul style="list-style-type: none"> • Children's Hospital • High Risk OB • Major Trauma • Transplant • Cardiac Surgery 	<ul style="list-style-type: none"> • Behavioral Health • Emergency Services • General Medicine • General Surgery • Heart & Vascular • Neurosciences • Oncology • Urology • Women's 	<ul style="list-style-type: none"> • Musculoskeletal • Low-Risk, High Amenities OB • Specialty Geriatrics Care • Specialty Programs <ul style="list-style-type: none"> ➢ GI Surgery ➢ Neurovascular ➢ Medical Heart Failure

Attachment I contains the updated Integration Workplan for FY 2013 through FY 2015 in Gantt chart format which is organized into five major sections including: (1) Major Strategic Initiatives; (2) Service Lines; (3) Clinical Areas; (4) Non-Clinical Areas; and (5) Corporate Services. The Integration Workplan includes specific activities for each of these five areas and the actual or estimated time frame by fiscal year for completion. Progress to date since the last submission in November 2014 as well as remaining focus areas for the next six months is detailed in the narrative below.

Section 1. Major Strategic Initiatives:

Major strategic initiatives pertain to activities with a broad impact throughout the organization. YNHH is focusing on ten key areas:

1. Physician Integration

Consistent with the November 2014 submission, all hospital-based services have been integrated.

2. Epic Implementation

Consistent with the November 2014 submission, Analytics (Epic reporting) was integrated across the medical center and health system. Epic optimization remains ongoing and will remain a key medical center priority in coming years.

3. Patient Experience

As was reported in the November 2014 submission, the focus in recent months has been establishing physician/nursing leadership teams (dyads) to lead unit/service operations. The teams have yielded significant improvements in unit ownership and improved employee engagement, safety and quality outcomes and operational efficiencies. Creating a healing environment remains a key medical center goal, which is being supported by the roll out of clustered care designed to minimize patients' sleep interruptions between 10pm and 6am. The Departments of Pharmacy, Radiology, Laboratory Medicine, Respiratory Therapy and Environmental Services have begun implementing work flow changes and revised testing protocols to achieve this goal.

4. Regulatory / Safety and Quality

Over 7,500 YNHH employees completed the 2015 safety culture survey; an 18% increase compared to the last survey in 2013. The results demonstrate the value of high reliability organization training our employees and medical staff members completed last year. We are now focusing on the steps to sustain high reliability organization safety behaviors, including continued training for current and new employees, leadership rounding, deployment of 400 volunteer unit safety coaches and implementation of an accountability program.

5. Transforming Patient Care

Transforming Patient Care refers to a review of nursing workflows and supporting systems/processes to remove unnecessary activities. As was discussed in the November 2014 submission, a comprehensive roll-out of best practices from the York Street Campus began in FY 2014 and will continue in FY 2015. Further improvement activities remain ongoing at the York Street Campus.

Preparedness activities for Nursing Magnet recertification remain underway and will be completed in calendar 2016.

6. *Safe Patient Flow*

Safe Patient Flow refers to throughput improvement activities and was instrumental in allowing YNHH to meet its patient care demand prior to the integration of the HSR. The Safe Patient Flow process was implemented at the Saint Raphael campus in FY 2014 and has already resulted in significant improvements in inpatient throughput. Prior to implementation, the percentage of discharges by 11am was 15% and it is now at 25% (same level as York Street Campus). The diligent focus on Safe Patient Flow processes at both campuses remains ongoing and will help to ensure sufficient medical center inpatient capacity.

7. *Cultural Integration*

As stated in the November 2014 submission, employee and medical staff open forums as well as management meetings remain ongoing. A President's Council has been established to continue to obtain direct feedback from front-line staff on ongoing integration efforts.

8. *Bed Management/Capacity*

YNHH will be relocating its intensive rehabilitation unit from the Saint Raphael campus to Milford Hospital on July 1, 2015. The new unit at Milford Hospital is consistent with the musculoskeletal growth strategy outlined in previous OHCA submissions, and the vacated unit (Verdi 4 East) will be renovated to meet patient care needs.

Consistent with the November 2014 submission, planning to relocate gastrointestinal surgery (bariatric and hernia) as well as neurovascular services at the Saint Raphael campus are underway. Main 6 is being renovated and will serve as the primary unit for non-oncological gastrointestinal surgery. The Cardiothoracic Intensive Care Unit will serve as the primary location for neurovascular and will be supported by interventional laboratories. The gastrointestinal surgery unit is expected to be online by late fall 2015 and the neurovascular service will be online by late fall 2016. Bed allocation by service is outlined in Section B "Summary of Beds and Services by Campus" of this report.

9. *Infrastructure*

Consistent with the November 2014 submission, no additional care infrastructure changes have taken place.

10. *Care Management Across the Continuum*

Consistent with the November 2014 submission, work remains ongoing to improve care coordination and handoffs across services.

Section 2. Service Lines

Vision, facility investments and integration activities for major clinical service lines comprise the second section of the Integration Workplan. It is important to note that the information provided below predominantly addresses inpatient services as ambulatory activities are currently being reviewed as part of a comprehensive ambulatory strategic planning exercise, discussed in Section 3.

The following service lines are included:

1. *Children's*

Consistent with the November 2014 submission, construction of a new Neonatal Intensive Care Unit and Obstetrical Services at the York Street Campus began May 2015 with upgrading of the infrastructure of the West Pavilion, required to support the new facilities. The new NICU will feature a dedicated operating room, neonatal MRI, pharmacy and single rooms for neonates and for "couplets" of maternity patients and their babies who require lower levels of intensive care. Reconstruction of four floors in West Pavilion will begin late Fall 2015 and be completed fall 2017.

2. *Heart and Vascular*

Consistent with the November 2014 submission, a medical heart failure cohort was established at the Saint Raphael campus, in order to provide appropriate care for this growing segment of the population. Work remains underway to optimize interventional laboratories (cardiac catheterization and electrophysiology).

3. *Musculoskeletal*

In February 2015, we opened two state-of-the-art musculoskeletal operating rooms, housing the latest in infection control technology and designed with the input of key musculoskeletal surgeons. The transition of elective total joints to the Saint Raphael campus has been completed and the relocation of spine surgery to the Saint Raphael campus is underway and will be completed by Fall 2015. Mary O'Connor, M.D., former Chair of Orthopedics at the Mayo in Jacksonville, Florida joined the medical center in early May to serve as the inaugural Director of the Musculoskeletal Center. We are fortunate to have someone of her exceptional leadership stature join our senior leadership team and help us shape the future of musculoskeletal care delivery.

As was discussed in the bed management section, the intensive rehabilitation unit will be relocated from the Saint Raphael campus to Milford Hospital on July 1, 2015.

4. *Neurosciences*

As discussed in the bed management section, YNHH will be relocating its neurovascular service to the Saint Raphael campus in late 2016. The service will include inpatient beds and radiology services (including interventional radiology capabilities), and would have synergies with the advanced elderly inpatient services referenced earlier. Program planning is in the early stages and will be refined in coming months.

5. *Oncology*

Consistent with the November 2014 submission, no additional service configurations have taken place in Oncology. Evaluation of technology consolidation opportunities remains ongoing.

6. *Transplant*

Consistent with the November 2014 submission, no additional service configurations have taken place in Transplant.

Section 3. Clinical Areas

Additional clinical integration beyond the service lines described in Section 2 are described and listed below:

1. *Diagnostic Radiology*

Consistent with the November 2014 submission, the assessment of radiology equipment and master planning for radiology services remains ongoing as the clinical vision for the campuses evolves.

2. *Emergency Department*

Consistent with the November 2014 submission, Yale New Haven Health System and North Shore Long Island Jewish launched a helicopter transportation collaboration named Sky Health, focused predominantly on the I-95 corridor. To date, over 65 patients have been transported to YNHH via Sky Health. Sponsor hospital training opportunities are being identified and will be implemented in 2015. After a comprehensive evaluation process, YNHH also consolidated ground patient transportation services to one preferred vendor (AMR) to improve transportation times and cost effectiveness.

3. *Laboratory/Pathology*

Consistent with the November 2014 submission, work is underway to consolidate core laboratory and blood bank systems at YNHH, Greenwich Hospital and Bridgeport Hospital by August 2016.

4. *Medicine*

As it pertains to electronic ICU implementation referenced in the November 2014 submission, 26 rooms have been outfitted with the technology and a new control room will be completed by end of May 2015. Clinical workflows and shared goals have been established and training will begin in June. The service will be operational in August 2015.

5. *Nursing*

As was referenced in section 1, YNHH will be undergoing its Magnet re-designation in 2016 and preparedness activities remain ongoing. The system-wide nursing standardization effort remains underway across all delivery network hospitals.

6. *Pharmacy*

Consistent with the November 2014 submission, no additional changes have taken place in Pharmacy.

7. *Psychiatry*

In April 2015, YNHH relocated its psychiatric observation unit to a newly constructed space in the Fitkin building. The new unit includes an 18-bed video camera monitored patient care area that provides patient comfort, privacy, and security.

8. *Surgical Services*

Consistent with the November 2014 submission, a physician leader to co-lead perioperative services was recruited. William Nealon, M.D., nationally recognized surgeon joined the medical center, from Vanderbilt Medical Center, in April 2015. Under his leadership, a number of operational enhancements will be implemented across all perioperative services sites focused on safety and quality, pre-admission testing and Epic reporting. Optimization of perioperative resources remains a focus area in FY 2015.

As was referenced earlier, a center of excellence for gastrointestinal surgery (bariatric and hernia) will be established at the Saint Raphael campus in late 2015. Main 6 will serve as the primary inpatient unit, and required operating room resources and ambulatory/clinical practice facilities will also be put in place to support program growth.

9. *Women's Services*

Consistent with the November 2014 submission, the two Obstetrical Primary Care Centers located at the York Street and St. Raphael campuses which serve the local New Haven community were combined into a single site in January 2015.

10. *Ambulatory Services*

Ambulatory space optimization and programmatic recommendations are currently being developed and consolidation opportunities will be identified by summer 2015. Consolidation opportunity execution will span at least 24-36 month, based on lease terms and other program considerations.

Additionally, consistent with the November 2014 submission, YNHH will be opening a multidisciplinary physician specialty ambulatory center in Old Saybrook on June 1, 2015. The center will offer a broad array of clinical services including pediatric specialty services, a comprehensive Smilow Cancer Care Center, musculoskeletal services, urology and vascular services, among others. Supportive ancillary services will also be provided. Finally, planning for a New Haven ambulatory center is currently underway and will be completed later this summer.

Section 4. Non-Clinical Support Services

As it pertains to non-clinical support services, vendor consolidation opportunities were identified for Environmental Services, Food and Nutrition, Linen Services and Protective Services. Estimated savings can be found in Section C of this narrative.

Section 5. Corporate Services

Corporate services include seven key areas and integration activities for each are described on the following page.

1. *Accounting and Finance*

Consistent with the November 2014 submission, no additional changes have taken place in Accounting and Finance.

2. *Compliance*

Annual compliance training via Healthstream for all employees remains ongoing.

3. *Human Resources*

Over 95.7% of Yale-New Haven employees took part in the recent employee engagement survey, conducted in April 2015. Results are expected by end of May and will lead to the development of targeted improvement plans to address any deficiencies.

4. *Information Technology and Information Systems*

While the immediate focus was on the implementation of Epic, focus has shifted to optimizing the Epic system (reporting, analytics, etc.) and additional areas/opportunities for standardization include streamlining of technology applications for clinical services.

5. *Legal and Planning*

Integration work with MCIC (malpractice insurance captive) remains ongoing.

6. *Marketing, Communications, Image and Community Wellness*

The development of new employee and manager communication strategies employing new media (e.g. social media) remains ongoing. The organization remains a strong advocate with State and Federal government agencies for continued access to high quality healthcare services for Connecticut residents.

7. *Supply Chain*

Consistent with the November 2014 submission, no additional changes have taken place in Supply Chain. Supply chain savings achieved through vendor contracts will be discussed in Section C (5).

B. SUMMARY OF SERVICES AND BEDS BY CAMPUS

As described in Section A above, integrating clinical services is still underway and specific campus locations and allocated beds continue to be adjusted. The two tables below summarize the current plan for the services and beds by location. This information is subject to change and any changes will be provided to OHCA in subsequent semi-annual reports.

Planned Services by Campus for 2015 (as of May 2015)

Services	York Street Campus	Saint Raphael Campus
<i>Service Lines</i>		
Children's	X	
Heart & Vascular	X (Tertiary/Quaternary)	X Medical Heart Failure
Musculoskeletal	X (Trauma / Pediatrics)	X
Neurosciences	X (Tertiary/Quaternary)	X Neurovascular
Oncology	X (Tertiary/Quaternary)	X
Transplant	X	
<i>Clinical Areas</i>		
Anesthesia	X	X
Diagnostic Radiology	X	X
Emergency Department	X	X
Laboratory/Pathology	X	X
Medicine	X	X Geriatrics
Psychiatry	Older Adolescents/Adult	Children's/ Younger Adolescents/Adult
Surgery	X	X GI Surgery (Bariatric)
Women's	Low & High Risk Maternity	Low Risk Maternity/ Midwifery Program

FY 2015 (as of May 2015)

Beds:	York Street Campus			Saint Raphael Campus		
	<i>General Care</i>	<i>ICU</i>	<i>Total</i>	<i>General Care</i>	<i>ICU</i>	<i>Total</i>
Adult Med/Surg	570	109	679	300	56	356
Rehabilitation				18		18
Maternity	56		56	19		19
Pediatric*	73	17	90			
Pediatric Psych Only	16		16	20		20
Adult Psych	73		73	25		25
Future Use				17	16	33
Total Beds	788	126	914	399	72	471
Bassinets	40	52	92	13	9	22

Note: Included in the YNHH license is another 22 pediatric beds and 20 bassinets located at Bridgeport Hospital campus.

C. COST SAVINGS AND REVENUE ENHANCEMENTS

Actual cost savings achieved in the first six months of FY 2015 have been provided according to the categories outlined by OHCA and Report 175.

Projected Cost Savings	Actual FY 2015 YTD Mar	Projected FY 2015 YTD Mar
Salaries & Wages	\$19.8M	\$14.0M
Fringe Benefits	\$6.1M	\$3.9M
Contractual Labor Fees	\$0.6M	\$0.6M
Medical Supplies & Pharmaceuticals	\$4.8M	\$6.6M
Malpractice	\$0.3M	\$0M
Utilities	\$0.5M	\$0.7M
Business Expenses	\$6.7M	\$9.0M
Other Operating Expenses	\$0	\$0
TOTAL	\$38.2M	\$34.7M

1. *Cost and Value Project*

Consistent with the November 2014 submission the Saint Raphael's Campus has been fully integrated into the Cost and Value Project. As YNHH continues its goal to reduce cost and improve care, a process has been initiated to redesign and refocus effort on this project. In the first six months of this fiscal year, the hospital developed a single internal consulting team focused on Salary, Non-Salary, Employee Benefits, and Clinical Redesign.

These efforts will allow us to continue to maintain the savings achieved at the Saint Raphael's Campus relative to salaries, and enhance non-salary initiatives through supply standardization, contracting, and professional service utilization. In addition, in March 2015, a new clinical redesign program began with strong clinical leadership to identify and eliminate clinical processes that result in waste throughout the hospital.

2. *Salaries and Wages / Fringe Benefits*

In fiscal year 2015, YNHH has continued its efforts to maintain salary savings achieved through the first two years of integration, as well as identify new opportunities throughout both campuses. Consistent with the November 2014 submission, the hospital now has a standard staffing model for inpatient nursing units.

In addition to the inpatient nursing units, the hospital continues to explore and review improved staffing models in other areas such as outpatient settings, or areas that provide supportive services. In October 2014 a redesigned staffing model was implemented for the Emergency Departments on both campuses. Through aligning Registered Nurses (RN) and Advanced Practice Nurses (APN) shifts with peak volume times in the ED, the hospital was able to reduce staffing and achieve salary savings. Assessments of personnel utilization will continue and it is expected that additional synergies will be achieved through these efforts.

3. *Contractual Labor Fees*

Please note that discussion of Contractual Labor and Legal Fees is included under Business expense consistent with previous submissions. This change was made in order to be consistent with OHCA Report 175.

Professional Service Agreements (PSA)

As mentioned in section 1.1, the physician integration of the two campuses has been completed for all hospital-based services. The savings achieved through clinical alignment and standardization of physician PSAs continues, and remains consistent with the November 2014 submission.

Psychiatric MD Alignment

A group of community physicians have historically supplemented the inpatient and outpatient psychiatric service at the Saint Raphael's Campus. This relationship has been strong and positive and continues to be a critical part of the clinical service. As the physician enterprise is further aligned, the process of adding of the community physicians to the employed staff is underway. While this will not result in additional savings, it will aid in the continued effort to improve care and generate savings through the aligning clinical services on a single platform.

4. *Malpractice Expense*

As referenced in section 5.5, YNHH continues to work with the insurance captive MCIC and savings continue to be consistent with the November 2014 filing.

5. *Utilities*

Cost reduction activities for electricity rate, electricity utilization, and other utilities remain consistent with the November 2014 submission.

6. *Medical/Surgical (Med/Surg) Supplies and Pharmaceuticals*

Activities to continue to achieve non-salary savings through contracting efforts remain consistent with the November 2014 filing. Despite the large number of initiatives achieved through the integration to date, there are still a number of opportunities that YNHH continues to actively pursue, and utilize to generate savings.

System Contracting/Cost and Value Non-Labor Team

Consistent with the November 2014, filing efforts at the Saint Raphael's Campus have been fully integrated into the Non-Labor Teams within the Cost and Value Project, as well as the NPC (Northeast Purchasing Coalition).

Pharmaceuticals

Consistent with the November 2014 submission, YNHH successfully switched pharmaceutical distributors from Cardinal to McKesson. This project, which started in late fiscal year 2014, is now fully implemented and will provide a full year of savings in FY 2015.

At the start of FY 2015 the Saint Raphael's Campus was able to register with HRSA to become a 340b eligible site. This initiative represents a tremendous opportunity to further reduce cost for pharmaceutical supplies, and is one of the largest current initiatives to

improve non-salary savings due to the integration. In order to appropriately administer this program on both campuses and meet all regulatory and compliance requirements the hospital implemented a new system to track 340b eligible patients. This system took several months to implement, and 340b savings were not achieved until the month of March 2015. Additional savings related to the 340b program are anticipated to provide additional savings for the latter half of fiscal year 2015.

Additional information for high impact initiatives for this category started in the first six months of FY 15.

Lithotripsy

After evaluating proposed pricing from various vendors, YNHHS remained with United Medical Systems (UMS) whose pricing offered the greatest savings. This initiative standardized pricing across the Health System and resulted in savings related to the Saint Raphael's Campus.

Drug Eluting Stents and Bare Metal Stents

This was a Northeast Purchasing Coalition (NPC) initiative which resulted in a dual award to Medtronic and Abbott. The NPC moved from three to two vendors, eliminating Boston Scientific. This process not only helped align clinical practice across the system, but generate savings.

7. Business Expenses

YNHH continues to achieve savings through the business expense initiatives generated through the first two years of the integration. As contracts expire and new consolidation efforts continue to be explored YNHH finds new ways to generate non-salary savings within this category. Consistent with the November filing, the hospital continues to focus on IT legacy system elimination, and consolidation utilizing the EPIC system integrated in Fiscal Year 2013. At the beginning of this fiscal year the contract associated with one of the largest portions of the legacy EMR provided by Quadramed came up for renewal. This contract ended up being eliminated and represents one of the top savings items of this year. Smaller legacy contracts continue to be pursued and are expected to improve savings efforts this year.

In addition to IT system related savings there have been some significant strides in service contracts that were made in the first six months of Fiscal Year 2015. YNHH was also able to include the Saint Raphael's Campus in the snow removal contract historically utilized by the York Street Campus. While the savings associated with the base component of this contract was small, the legacy Saint Raphael's contract contained a provision which required additional payments for each inch of snow. Through renegotiating this contract the hospital was able to avoid what would have been large payments due the severity of this past winter.

8. Other Consolidation and Integration Savings

Activities associated with incorporating the Temple Recovery Care Center into the Grimes Center remains consistent with the November 2014 Submission.

Below is a description of recent activities in Joint Venture Partnerships that were part of the Saint Raphael's integration efforts.

Renal Research Institute Dialysis Joint Venture

As reviewed in the November FY 2014 submission, the Renal Research Institute (RRI) continues to display strong financial performance. This year's improvement in the operations of the Joint Venture is consistent with the financial strength displayed in fiscal year 2014. Additional efforts to develop and enhance this clinical program are underway, and it is expected that this partnership will provide further benefits.

9. *Depreciation, Bad Debt, and Interest Expense*

Consistent with the information provided to follow-up questions in DN 12-31747-MDF, due to the financing needed to acquire the Hospital of Saint Raphael, required infrastructure investments at the Saint Raphael Campus and the unified Bad Debt and Charity Care policy, Yale-New Haven Hospital continues to see no savings related to these categories.

Revenue Enhancements

Consistent with the November 2014 submission, YNHH continues to focus on the revenue enhancement capabilities of the Epic system. The improvements seen through standardization of the master patient index, shared accounts receivables, bedside procedures, recovery room documentation and centralization of services all continue to show enhanced revenue capture in fiscal year 2015. In the first six months of this year, YNHH implemented a new system called Craneware to supplement the revenue cycle features of the EPIC system. Craneware will help the Saint Raphael's Campus with proactive charge capture and will assist with development of revenue improvement strategies.

The Clinical Documentation and Management Program continues to see success through the integrated system wide committee outlines in the November 2014 submission. Starting in late FY 2015, the health system will move to further integrate this program. These efforts will further enhance the improvements made in previous years to create a standardized central platform for the improvement of documentation at the Saint Raphael's Campus.

Key Activities	Pre-2013	FY 2013	FY 2014	FY 2015
1: Major Strategic Initiatives				
1a: Physician & Midlevel Integration				
A1. Consolidate Hospital Based Services				
1. Anesthesiology				
2. Diagnostic Radiology				
3. Emergency Medicine				
4. Laboratory/Pathology				
A2. Integrated ACGME Residency and Fellowship Programs				
1b: EPIC Implementation				
A1. EPIC Go-Live at York Street Campus				
A2. EPIC Go-Live at Chapel Street Campus				
A3. Optimize Epic System				Ongoing
1c: Patient Experience				
A1. Implement Patient Experience Workplan and Supporting Infrastructure at SRC				
1. Patient and Family Advisor Program				
2. Reward and Recognition Structure				
3. Service Recovery Training/On-line Certificates				
A2. Implementation of the "Quiet Plan" Across Both Campuses				
1. Implement Leader Rounding				
2. Managers Train Staff				
A3. Launch Patient Experience Forum				
A4. FY 2014 Patient Experience Strategic Plan				
1. Emphasis on "Every Patient, Every Time"				
2. Physician and Nursing leadership training and engagement				
3. Developing a healing environment				
1d: Regulatory / Safety and Quality				
A1. Preparation for Department of Public Health and Joint Commission surveys				
1. Environmental of Care (EOC)				Ongoing
2. Life Safety				Ongoing
3. Provision of Care/Record of Care				Ongoing
4. Adherence to Licensure				Ongoing
5. Infection Prevention				Ongoing
A2. Consistent Regulatory Compliance and Practices				
1. Audit of Policies and Procedures to Ensure Adherence				
A3. Ongoing Regulatory Education and Improvements				
1. Self-Review and Integrated Audits				
2. Structure Implemented for Twice Monthly CMS/DPH Audits & Twice Yearly TIC Audits at SRC				
A4. Clean and Safe Rounds				
A5. Achieve HPI High Reliability Level 3 and Ongoing Sustainability				
1e: Transforming Patient Care				
A1. Implement Bedside Nursing Transformation at SRC to Ensure Consistent Staffing Models/Caregiver Hours Across Both Campuses				Ongoing
A2. Medication Barcoding Process Implemented				
A3. Implement Second Generation Bedside Nursing Transformation at the York Street Campus				
A4. Implement Magnet readiness plan				Ongoing
1f: Safe Patient Flow				
A1. Implement Common Safe Patient Flow Throughput Improvement				Ongoing
A2. Identify Process Changes				
1g: Cultural Integration				
A1. Formation of Catholic Heritage Committee				
A2. Common Value System Defined				
A3. Auxiliaries of Two Campuses Integrated in Operations				
A4. Medical Staff Open Forums				Ongoing
A5. Employee Open Forums and Management Meetings				Ongoing

Key Activities	Pre-2013	FY 2013	FY 2014	FY 2015
1h: Bed Management/Capacity				
A1. Common Bed Management System - Optimization of Beds Across Campuses				Ongoing
A2. Open Verdi 4 North				
A3. Develop Strategies to Optimize Inpatient Bed Utilization Across Both Campuses				
A4. Realignment of Medicine and Surgery Beds at the Saint Raphael Campus				
A5. Open Verdi 4 West (New specialty Geriatrics unit)				
A6. Repurpose Main 6 for GI Surgery				
A7. Renovate V 4 East				
A8. Renovate CTICU for Neurovascular				
3i: 24/7 Infrastructure				
A1. Common Administrator on Call and Off-Shift Executive Model Implemented				
A2. Off-shift Department Management				
3j: Care Management to Integrate Services Across the Continuum				
A1. Common Care Management Structure Implemented				
A2. Transitional Care Rounds in all York Street campus Inpatient units				
A3. Transitional Care Rounds consistency across both campuses				
2: Service Lines				
2a: Children				
A1. Vision				Ongoing
1. YNHCH is a destination of choice for pediatric care.				
A2. Facilities & Capital				
1. Develop and Implement the Plan for NICU Expansion and Fundraising				
A3. Integration Activities				
1. Integrate Pediatrics Services Across Both Campuses				
2. Align Child and Adolescent Psychiatry Across Campuses				
3. Combine Hospitalist Programs at YNHCH Campuses				
2b: Heart & Vascular				
A1. Vision				
1. Integrate Heart and Vascular Operations Across Both Campuses and Outpatient Centers				
A2. Facilities & Capital				
1. Renovate Catheterization Laboratories				
A3. Integration Activities				
1. Development of Aortic Institute				
2. Expansion of the Interventional Radiology Program at SRC				
3. Consolidate cardiac surgery to York Street campus				
4. Development of a Heart Failure unit at SRC				
2c: Musculoskeletal				
A1. Vision				
1. Musculoskeletal Service Line Established and Recognized as leading program				
A2. Facilities & Capital				
1. Operational and Capital Plan in Place				
A3. Integration Activities				
1. Business plan definition and implementation				
2. Recruitment of physician leader				
3. Transition of elective joints and spine volume from York Street to Saint Raphael campus;				
4. Relocation of Intensive Rehabilitation Unit (IRU) to Milford Hospital (New				
2d: Neurosciences				
A1. Vision				
Leading Neurosciences program in CT				
A2. Facilities & Capital				
1. Allocated appropriate number of beds to Neurosciences				
A3. Integration Activities				

Key Activities	Pre-2013	FY 2013	FY 2014	FY 2015
<p>Telestroke at Saint Raphael Campus Relocation of Neurovascular Service to Saint Raphael Campus</p>				
<p>2a. Oncology</p> <p>A1. Vision 1. Integrated Oncology Operations Across Both Campuses</p> <p>A3. Integration Activities Chemotherapy and radiation therapy on both campuses</p>				Ongoing
<p>2f. Transplant</p> <p>A1. Vision 1. Provide leading solid organ transplantation services in CT (ongoing)</p> <p>A3. Integration Activities 2. Organ Donation Committee consolidation</p>				Ongoing
<p>3. Clinical Areas</p> <p>3a. Diagnostic Radiology</p> <p>A1. Staffing/Coverage 1. Enterprise-wide Scheduling (Consolidation of Scheduling/Registration Functions)</p> <p>A2. Facilities & Equipment 1. CON for YNHH to acquire SRMRC Joint Venture 2. Facilities Plan Completed</p> <p>A3. Integration Activities 1. Assessment of all radiology services and equipment and implementator 1. Professional readings available 24/7 at SRC</p>				Ongoing
<p>3b. Emergency Department</p> <p>A1. Staffing/Coverage 1. Realign ED Structure to Create an Integrated Model</p> <p>A3. Facilities & Equipment 1. Review Emergency Transportation (Ambulance and Helicopter); 2. Standardized Equipment (As Replacements Are Needed)</p> <p>A3. Integration Activities 1. Consolidation of Major Trauma at York Street 2. Review Sponsor Hospital Program Offering, Infrastructure, Costs and Opportunities</p>				Ongoing Ongoing
<p>3c. Laboratory and Pathology</p> <p>A1. Integration Activities a. Evaluate consolidation of Laboratory Services System-Wide (Integrated Lab and Shared LIS); b. Install and Operate SOLT Laboratory IS system on Both Campuses</p>				
<p>3d. Medicine</p> <p>A1. Review Hospitalist Staffing Model and Admission Criteria to Hospitalist Service</p> <p>A2. Develop Business Case for eICU</p> <p>A3. Evaluate and Implement Geriatrics Center of Excellence at the Saint Raphael campus</p> <p>A4. Complete MICU eICU deployment</p>				Ongoing
<p>3e. Nursing</p> <p>A1. Quality 1. Implement Magnet Remediation Plans</p> <p>A2. Integration Activities 1. Consistent Metrics and Standards and Creation of Unit/Service Line Dashboard 2. Achieve Reduction in Caregiver Hours (see Transforming Patient Care)</p>				Ongoing
<p>3f. Pharmacy</p> <p>A1. Staffing/Coverage 1. Establish staffing with YNHH employees (eliminate Cardinal Health contract)</p> <p>A2. Facilities & Equipment</p>				Ongoing

Key Activities	Pre-2013	FY 2013	FY 2014	FY 2015
<p>1. Purchase and standardize Pixis machines</p> <p>A3. Integration Activities</p> <p>1. Pharmacy Strategy Executed with Single Unified Product Formulary Cross Campus:</p>				
<p>3h. Psychiatry</p> <p>A1. Staffing/Coverage</p> <p>1. Develop a Standard Model of Care for Psychiatric Services at Both Campuses</p> <p>a. 12 Years Old and Under on Winchester One, YSC</p> <p>b. 13-15 Year Olds on Celaritano 5, SRC</p> <p>c. 16-17 Year Olds on LV2, YSC</p> <p>2. One Standard Model of Care with One Psych ED</p> <p>A2. Quality & Regulatory</p> <p>1. Participate in State Collaborative Regional Plan- Integrating Behavioral Health Service Payment and Delivn</p> <p>A3. Integration Activities</p> <p>1. Conduct Crisis Intervention Unit Assessment & Develop/Implement an Improvement Plan (w/ED</p> <p>2. Develop Strategies to Reduce Long LOS for Psychiatry Patients</p>				Ongoing
<p>3i. Surgical Services</p> <p>A1. Leadership</p> <p>1. Conduct an Assessment of Operating Room and Clinical Support Service:</p> <p>2. Recruit physician leader to co-lead operating rooms</p> <p>3. Implement nursing clusters/specialty teams across all practice sites</p> <p>A2. Consistent Operations</p> <p>1. Integrate OR Operations Across Both Campuses, Temple and Shoreline</p> <p>2. Optimize Utilization Across All Sites</p> <p>3. GI Procedure Integration (YSC, SRC, and Temple)</p> <p>4. Develop a GI Surgery Center of Excellence (Banaratic and Hernia) at the Saint Raphael Campus</p> <p>5. Establish Common Set of Metrics</p> <p>6. Implement operational recommendations from consulting engagement</p> <p>7. Develop OR master plan</p>				Ongoing
<p>3m. Women</p> <p>A1. Integration Activities</p> <p>1. Integrate OB-GYN Services Across Both Campuses</p> <p>2. Expand OB Residency to Cover SRC</p> <p>3. Establish low risk delivery service at SR Campus utilizing midwifery program</p>				Ongoing
<p>3n. Ambulatory Services</p> <p>A1. Complete Ambulatory Strategic Plan</p> <p>1. Develop inventory of all ambulatory locations and services</p> <p>2. Develop and implement programmatic recommendations</p> <p>A1. Planning for new multidisciplinary satellites</p> <p>Old Saybrook opening</p> <p>New Haven satellite planning</p>				
<p>4. Non-Clinical Areas</p> <p>A1. Consolidation of Vendors for Environmental Services, Food/Nutrition, Linen and Protective Services</p>				
<p>5. Corporate Services</p> <p>5a. Accounting & Finance</p> <p>A1. Integrated Capital Budgeting Process Covering Both Campuses</p> <p>A2. Integrated Operating Budgeting Process Covering Both Campuses</p> <p>A3. Consolidation of Cost Accounting and Decision Support Systems</p> <p>A4. Combined Account Receivables for EPIC A/R with One Reserve Model</p> <p>A5. Maintain Individuals Accounts Receivable for Legacy SDK and Medipac Receivables</p> <p>A6. Replicate Financial Structure for Service Lines</p> <p>A7. Institute Flex Budgeting</p> <p>A8. Reduce Eliminate Fees Paid for Audit and Banking Operations at SRC</p>				

Key Activities	Pre-2013	FY 2013	FY 2014	FY 2015
A9. Review All Membership and Fees for Both Campuses and Remove/Renegotiate Duplicates				
5b. Compliance				
A1. Ensure All Staff Receive Compliance Education Annually (Ongoing Communications and In-services)			Ongoing	Ongoing
A2. Billing, Coding, and Documentation Audits of Both Hospital and Physician Activities			Ongoing	Ongoing
A3. SRC Incorporated into YNHHS Conflict of Interest Process				
5c. Human Resources				
A1. Standardize Career Ladders				
A2. Standardize Performance Management System and Process				
A3. Standardize Rewards, Recognition, and Leveraging Performance Based Pay				
A5. Employee Engagement Survey				
A6. Develop and Implement Saint Raphael Campus Manager Education Programs				
5d. Information Technology and Information Systems				
A1. Consolidation of Approved Applications				
1. Reduce Application Portfolio for EPIC Implementations				
2. Application Consolidation for The Following Areas: Laboratory – Anatomic Pathology, Cardiology, Radiation Oncology & Neurosciences				
3. Application Consolidation for The Following Areas: Gastroenterology, Dietary Services, POS & Sleep Center				
A2. Service Desk Standardized				
A3. Consolidation of Telecom Operator Services				
A4. Review Service Contracts for Systems Used Prior to EPIC Integration				
5e. Legal & Planning				
A1. Identify vendor consolidation opportunities				
A2. Continue integration work with malpractice captive			Ongoing	Ongoing
5f. Marketing, Communications, Image, and Community Wellness				
A1. Develop and Implement Community Revitalization Strategy			Ongoing	Ongoing
A2. Implement Communication Strategies for Managers and Employees			Ongoing	Ongoing
A3. Consolidate Advocacy Groups				
5g. Revenue Cycle				
A1. Transfers and Combined Accounts Seamless via EPIC				
A2. Identical CDMs and Charge Levels				
A3. Integrated Master Patient Indexes				
A4. Identical Billing Systems and Vendors to Support Revenue Cycle Functions				
A5. Revenue Cycle Functions Centralized Organizationally and Physically, Where Possible				
A6. Consistent Forms Throughout Entire Revenue Cycle				
A7. Revenue Cycle Opportunities Complete				
1. Pricing Strategies				
2. Denials				
3. Charge Capture				
5h. Reimbursement and Managed Care				
A1. Merged/Consistent Rates for All Payers Across Both Campuses				
5i. Supply Chain				
A1. Contract renegotiations				
A2. Inventory management				
A3. Service Response Center consolidation				Ongoing

YALE-NEW HAVEN HOSPITAL
 TWELVE MONTH PRELIMINARY FILING
 FISCAL YEAR 2015
 REPORT 175 - HOSPITAL OPERATING EXPENSES BY EXPENSE CATEGORY AND DEPARTMENT

(1)	(2)	(3)	(4)
LINE	DESCRIPTION	Oct-Mar 2014 ACTUAL	Oct-Mar 2015 ACTUAL
I. OPERATING EXPENSE BY CATEGORY			
A. Salaries & Wages:			
1	Nursing Salaries	163,838,665	169,389,756
2	Physician Salaries	0	0
3	Non-Nursing, Non-Physician Salaries	236,516,515	236,009,960
	Total Salaries & Wages	400,355,180	405,399,716
B. Fringe Benefits:			
1	Nursing Fringe Benefits	69,720,682	67,194,595
2	Physician Fringe Benefits	0	0
3	Non-Nursing, Non-Physician Fringe Benefits	48,296,599	48,227,101
	Total Fringe Benefits	118,017,281	115,421,696
C. Contractual Labor Fees:			
1	Nursing Fees	2,471,091	4,264,384
2	Physician Fees	38,722,596	46,057,910
3	Non-Nursing, Non-Physician Fees	18,265,189	22,312,793
	Total Contractual Labor Fees	59,458,876	72,635,087
D. Medical Supplies and Pharmaceutical Cost:			
1	Medical Supplies	106,703,959	113,597,697
2	Pharmaceutical Costs	79,880,160	98,498,044
	Total Medical Supplies and Pharmaceutical Cost	186,584,119	212,095,742
E. Depreciation and Amortization:			
1	Depreciation-Building	22,656,973	23,079,251
2	Depreciation-Equipment	35,963,915	37,655,620
3	Amortization	0	0
	Total Depreciation and Amortization	58,620,888	60,734,871
F. Bad Debts:			
1	Bad Debts	0	0
G. Interest Expense:			
1	Interest Expense	12,665,748	10,155,636
H. Malpractice Insurance Cost:			
1	Malpractice Insurance Cost	714,855	8,196,077
I. Utilities:			
1	Water	831,550	1,006,896
2	Natural Gas	1,046,700	1,054,333
3	Oil	0	0

**YALE-NEW HAVEN HOSPITAL
TWELVE MONTH PRELIMINARY FILING
FISCAL YEAR 2015
REPORT 175 - HOSPITAL OPERATING EXPENSES BY EXPENSE CATEGORY AND DEPARTMENT**

(1)	(2)	(3)	(4)
LINE	DESCRIPTION	Oct-Mar 2014 ACTUAL	Oct-Mar 2015 ACTUAL
4	Electricity	9,159,138	10,777,823
5	Telephone	2,202,016	1,886,236
6	Other Utilities	623,802	724,172
	Total Utilities	13,863,206	15,449,460
J.	<u>Business Expenses:</u>		
1	Accounting Fees	515,641	567,158
2	Legal Fees	1,706,089	1,638,001
3	Consulting Fees	37,762	184,657
4	Dues and Membership	1,068,160	739,887
5	Equipment Leases	3,574,656	3,447,061
6	Building Leases	9,135,869	10,568,414
7	Repairs and Maintenance	17,716,058	17,941,569
8	Insurance	1,526,132	1,259,282
9	Travel	775	2,775
10	Conferences	1,386,745	1,624,331
11	Property Tax	2,258,637	2,229,724
12	General Supplies	7,741,589	9,936,467
13	Licenses and Subscriptions	752,480	890,577
14	Postage and Shipping	769,827	371,301
15	Advertising	55,383	15,427
16	Corporate parent/system fees	14,003,376	14,579,324
17	Computer Software	0	0
18	Computer hardware & small equipment	2,566	3,418
19	Dietary / Food Services	1,461,061	1,798,175
20	Lab Fees / Red Cross charges	8,256,484	7,163,951
21	Billing & Collection / Bank Fees	458,771	542,115
22	Recruiting / Employee Education & Recognition	558,430	141,423
23	Laundry / Linen	2,847,033	3,100,118
24	Professional / Physician Fees	1,935,988	3,103,157
25	Waste disposal	691,808	913,345
26	Purchased Services - Medical	55,434,626	72,914,965
27	Purchased Services - Non Medical	139,846,673	133,980,557
28	Other Business Expenses	398,752	913,539
	Total Business Expenses	274,141,371	290,570,716
K.	<u>Other Operating Expense:</u>		
1	Miscellaneous Other Operating Expenses	0	0
	Total Operating Expenses - All Expense Categories*	1,124,421,523	1,190,659,000
	*A.- K. The total operating expenses amount above must agree with the total operating expenses		
II.	<u>OPERATING EXPENSE BY DEPARTMENT</u>		

**YALE-NEW HAVEN HOSPITAL
TWELVE MONTH PRELIMINARY FILING
FISCAL YEAR 2015
REPORT 175 - HOSPITAL OPERATING EXPENSES BY EXPENSE CATEGORY AND DEPARTMENT**

(1)	(2)	(3)	(4)
LINE	DESCRIPTION	Oct-Mar 2014 ACTUAL	Oct-Mar 2015 ACTUAL
A.	<u>General Services:</u>		
1	General Administration	38,057,838	37,527,197
2	General Accounting	2,925,371	2,884,426
3	Patient Billing & Collection	14,471,010	21,206,901
4	Admitting / Registration Office	7,331,207	7,957,340
5	Data Processing	0	0
6	Communications	3,028,760	2,970,789
7	Personnel	2,162,985	2,065,879
8	Public Relations	559,083	604,259
9	Purchasing	1,891,384	2,699,389
10	Dietary and Cafeteria	15,159,492	15,294,246
11	Housekeeping	13,464,845	12,858,466
12	Laundry & Linen	101,526	172,319
13	Operation of Plant	15,508,765	19,201,802
14	Security	5,336,472	5,243,593
15	Repairs and Maintenance	12,901,731	13,429,183
16	Central Sterile Supply	5,181,552	6,567,786
17	Pharmacy Department	31,371,873	48,408,533
18	Other General Services	224,186,619	218,632,136
	Total General Services	393,640,513	417,724,244
B.	<u>Professional Services:</u>		
1	Medical Care Administration	23,085,950	25,499,409
2	Residency Program	34,974,593	44,524,160
3	Nursing Services Administration	8,853,941	8,083,604
4	Medical Records	3,452,675	3,908,516
5	Social Service	3,046,004	4,250,781
6	Other Professional Services	0	0
	Total Professional Services	73,413,163	86,266,470
C.	<u>Special Services:</u>		
1	Operating Room	72,450,721	81,655,113
2	Recovery Room	5,494,048	5,691,856
3	Anesthesiology	10,033,530	13,634,798
4	Delivery Room	6,210,445	6,055,232
5	Diagnostic Radiology	18,606,885	18,813,561
6	Diagnostic Ultrasound	3,411,259	2,005,444
7	Radiation Therapy	7,749,588	9,182,538
8	Radioisotopes	18,397,466	21,102,669
9	CT Scan	3,017,593	3,265,495
10	Laboratory	34,531,372	37,543,462
11	Blood Storing/Processing	11,173,712	10,138,368
12	Cardiology	0	0
13	Electrocardiology	10,784,930	10,401,416

**YALE-NEW HAVEN HOSPITAL
TWELVE MONTH PRELIMINARY FILING
FISCAL YEAR 2015**

REPORT 175 - HOSPITAL OPERATING EXPENSES BY EXPENSE CATEGORY AND DEPARTMENT

(1)	(2)	(3)	(4)
LINE	DESCRIPTION	Oct-Mar 2014 ACTUAL	Oct-Mar 2015 ACTUAL
14	Electroencephalography	3,285,639	2,168,297
15	Occupational Therapy	0	0
16	Speech Pathology	0	0
17	Audiology	0	0
18	Respiratory Therapy	7,820,515	8,339,846
19	Pulmonary Function	1,520,652	1,766,585
20	Intravenous Therapy	536,189	670,880
21	Shock Therapy	0	0
22	Psychiatry / Psychology Services	2,790,014	3,782,872
23	Renal Dialysis	1,957,467	1,961,618
24	Emergency Room	32,397,885	32,656,830
25	MRI	3,595,854	3,731,793
26	PET Scan	0	0
27	PET/CT Scan	0	0
28	Endoscopy	1,617,510	952,885
29	Sleep Center	0	0
30	Lithotripsy	0	0
31	Cardiac Catheterization/Rehabilitation	3,253,940	2,968,710
32	Occupational Therapy / Physical Therapy	4,427,768	5,086,485
33	Dental Clinic	2,014,448	2,415,593
34	Other Special Services	2,737,232	2,236,706
	Total Special Services	269,816,662	288,229,052
D.	<u>Routine Services:</u>		
1	Medical & Surgical Units	107,489,738	116,495,947
2	Intensive Care Unit	27,645,620	25,016,787
3	Coronary Care Unit	5,076,888	4,890,249
4	Psychiatric Unit	12,782,972	13,736,305
5	Pediatric Unit	7,775,799	7,939,875
6	Maternity Unit	4,448,808	4,040,181
7	Newborn Nursery Unit	2,307,986	2,095,995
8	Neonatal ICU	9,602,946	9,780,496
9	Rehabilitation Unit	0	0
10	Ambulatory Surgery	5,051,154	6,540,894
11	Home Care	0	0
12	Outpatient Clinics	100,740,305	119,015,544
13	Other Routine Services	0	0
	Total Routine Services	282,922,216	309,552,273
E.	<u>Other Departments:</u>		
1	Miscellaneous Other Departments	104,628,969	88,886,961
	Total Operating Expenses - All Departments*	1,124,421,523	1,190,659,000

YALE-NEW HAVEN HOSPITAL
TWELVE MONTH PRELIMINARY FILING
FISCAL YEAR 2015
REPORT 175 - HOSPITAL OPERATING EXPENSES BY EXPENSE CATEGORY AND DEPARTMENT

(1)	(2)	(3)	(4)
LINE	DESCRIPTION	Oct-Mar 2014 <u>ACTUAL</u>	Oct-Mar 2015 <u>ACTUAL</u>
	*A.- 0. The total operating expenses amount above must agree with the total operating expens		



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

June 26, 2015

VIA FACSIMILE ONLY

Ms. Nancy Rosenthal
Senior Vice President, Strategy and Regulatory Planning
Yale-New Haven Health Services Corporation
20 York Street
New Haven, CT 06510

RE: Certificate of Need Determination Report Number 15-32006-DTR
Alignment of Outpatient Rehabilitation Services

Dear Ms. Rosenthal:

On June 19, 2015, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request on behalf of Yale-New Haven Hospital ("Petitioner") with respect to the alignment of outpatient rehabilitation services.

The Petitioner is a 1,541 bed teaching hospital located in New Haven, Connecticut. The Petitioner currently provides outpatient rehabilitation at the following locations: 20 York Street, New Haven; 175 Sherman Avenue, New Haven; 800 Howard Avenue, New Haven; 1 Long Wharf, New Haven; 84 North Main Street, Branford; 1445 Boston Post Road, Guilford; 2080 Whitney Avenue, Hamden; 633 Middlesex Turnpike, Old Saybrook; and 48 Wellington Road, Milford. All nine (9) sites operate as hospital outpatient departments under the Petitioner's acute care hospital license. The Branford and Guilford locations provide the same services, serve the same shoreline community, and have similar hours of operation. The Petitioner has represented that it plans to relocate the Branford outpatient rehabilitation office to the Guilford, Hamden and New Haven sites.¹ Effectively, the Petitioner is terminating outpatient rehabilitation services at the Branford location.

Connecticut General Statutes § 19a-638(a)(5) requires a CON for the "termination of inpatient or outpatient services offered by a hospital...". Since the outpatient rehabilitation services currently provided by the Petitioner at the Branford location will be terminated, a **CON is required** for the Petitioner's proposal.

Sincerely,

Kimberly R. Martone
Director of Operations

C: Rose McLellan, License and Applications Supervisor, DPH, DHSR

¹ The Petitioner has not represented that its determination request was submitted pursuant to Connecticut General Statutes § 19a-639c and § 19a-639c-1(b) of the Regulations of Connecticut State Agencies.

An Equal Opportunity Provider

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* * * COMMUNICATION RESULT REPORT (JUN. 26. 2015 11:59AM) * * *

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E-4) NO FACSIMILE CONNECTION



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: NANCY L. ROSENTHAL
FAX: (203) 863-4736
AGENCY: YALE-NEW HAVEN HOSPITAL
FROM: OHCA
DATE: 6/26/15
NUMBER OF PAGES: 3
(including transmittal sheet)

Comments: DN's: 15-32006-DET & 15-32007-DET CON Decisions

PLEASE PHONE IF THERE ARE ANY TRANSMISSION PROBLEMS.

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