



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

**Three Year Integration Plan
Narrative**

May 2014

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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. YNHH has defined its clinical vision for its inpatient campuses and a summary can be found below.

2014 YNHH Inpatient Clinical Services Vision		
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 Services	<ul style="list-style-type: none">• Musculoskeletal• Low-Risk, High Amenities OB• Specialty Geriatrics Care

As such, many of the activities described in this report were developed to support the successful implementation of the clinical vision.

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 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

Effective April 1, 2014, all hospital-based services have been integrated. Pathology / Laboratory and Anesthesiology were the last two remaining hospital-based departments to integrate, and the integrations went very smoothly without any business disruptions.

2. Epic Implementation

Consistent with the November 30 submission, Epic was successfully implemented across all inpatient and outpatient Yale-New Haven sites as well as Yale School of Medicine (Yale Medical Group) practice sites. The focus has now shifted to system optimization and analytics, and a task force has been established to assess analytics requirements across the medical center and health system. Recommendations and associated organizational structure will be finalized in coming months.

3. Regulatory / Safety and Quality

In January 2014, Yale-New Haven Hospital successfully completed its triennial Joint Commission accreditation survey. This was the first Joint Commission survey as an integrated organization and the Hospital received a number of positive comments from surveyors regarding the integration. Mock-audits and other regulatory readiness preparedness activities remain ongoing.

Additionally, in recent months, we have been focusing on enhancing patient safety and quality. We launched our daily bi-campus Morning Safety Report on our first day as an integrated hospital on September 12, 2012. It has since become engrained in our culture and was the first step in developing an unwavering culture of safety. One of the goals we had set at the beginning of the fiscal year was to achieve level 3 High Reliability Organization (HRO) designation, which entails advanced leadership rounding and training all 14,236 staff members and physicians on the basic tenants of safety and quality reporting by the end of the fiscal year. Leadership training began in late November and staff training in February. To date, over 75% of leadership has been trained and 25% of staff members (representing a total of 3,422 members of the medical center). Over 200 Yale-New Haven employees, including a number of senior leaders, are leading the training sessions.

4. *Patient Experience*

As was reported in the November 30 submission, an integrated patient experience strategic plan was developed for FY 2014 and was themed “every patient, every time”. Focus this fiscal year has been on two key items namely physician/nursing leadership collaboration and fostering an environment of care that promotes healing. To date, we have held four retreats with over 100 nursing and physician leaders, and the results have been outstanding. The sessions have helped us identify key strategies and requirements for success; including developing and conveying a shared vision, setting clear expectations and disseminating accurate data in a timely manner. As it pertains to the environment of care, we have launched a hospital-wide quiet campaign with unit-level plan development and accountability and are looking for improvement by the end of the fiscal year.

Recently, a number of YNHH service excellence recognition programs were implemented at the Saint Raphael campus including \$2 bills for outstanding service. Additionally, Yale-New Haven recently inducted its latest class of “Service Excellence Heroes” (employees who live organizational values on a daily basis and exemplify outstanding customer service), which included employees from both inpatient campuses as well as outpatient satellites. Sixteen employees were selected for this honor and over 280 nominations were received this year throughout the medical center.

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 submission, a comprehensive roll-out of best practices from the York Street campus will take place in FY 2014. The implementation plan is currently under development and will be rolled out in coming months. Further improvement activities remain ongoing at the York Street campus.

Additionally, a Nursing Magnet readiness improvement plan has been developed and will be implemented over the next 12 months, as the organization readies for its 2015 re-accreditation survey. This will be the first time the Saint Raphael campus is surveyed for Magnet, and we are optimistic that the improvement strategies being implemented will result in a successful survey.

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 Hospital of Saint Raphael. The Safe Patient Flow process was recently kicked-off at the Saint Raphael campus and will help improve throughput throughout the medical center. The percentage of discharges by 11m is currently 15% for the Saint Raphael campus, while it is over 25% for the York Street campus. Diligent implementation of Safe Patient Flow processes at the Saint Raphael campus will create additional inpatient capacity.

7. *Cultural Integration*

A Management Advisory Group comprised of managers from both campuses was established this spring, with the objective of enhancing communications to the manager group. The group is actively focusing on redesigning the format of the on-line manager portal, as well as

identifying key topics for employee open forums/communications. Employee recognition and employee-generated efficiency enhancements (WorkSMART) were also aligned across both campuses in recent months. Finally, the integration of the Yale-New Haven Hospital and Hospital of Saint Raphael auxiliaries will be completed at the end of FY 2014.

8. *Bed Management/Capacity*

As was mentioned in the November submission, Yale-New Haven Hospital opened a new musculoskeletal unit (Verdi 4 North) in February 2014. The state-of-the-art inpatient unit has the capacity for 29 beds. Preliminary patient, staff and physician feedback has been extremely positive. During this time, Yale-New Haven Hospital also realigned its medical and surgical beds at the Saint-Raphael campus. The new configuration allows to cohort medical and surgical patients, which has been demonstrated to lead to improved patient outcomes in the literature. Finally, construction is underway for a leading inpatient specialty geriatrics unit at the Saint Raphael campus (Verdi 4 West). The unit was designed to establish a prototype of advanced safety and acute care for the elderly. It was designed by renowned architect Michael Graves, and includes innovative features for fall prevention, cognitive support and a healing environment for the elderly. Bed allocation by service is outlined in Section B “Summary of Beds and Services by Campus” of this report.

9. *Infrastructure*

The Off-Shift Executive and Off-Shift Nursing Leadership model was successfully implemented at the Saint Raphael campus in early winter 2014. Additionally, a single Administrator on Call for all campuses was also implemented, and schedules as well a contact information are now included in the on-line on-call system for the medical center (AMION).

10. *Care Management Across the Continuum*

Transitional Care Rounds have been implemented throughout the entire institution (York Street and Saint Raphael campus) and have created an effective, unit-based process that continues to focus on high-quality care transitions out of the acute care setting. These rounds have demonstrated an improvement in multiple hospital operations metrics and greatly improved healthcare team communication. Care Management continues to work on improving our outreach to the highest-risk populations even after they have been discharged from the hospital. We have established a work group to assess how we can best support these patients including the use of patient navigators and other community-based resources. Since April 2014, Yale New Haven Health System is part of a CMS bundled payment project in Heart and Vascular and Musculoskeletal 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*

As was discussed in the November submission, inpatient Children's services were aligned in calendar 2013 with the closure of the pediatric inpatient unit at the Saint Raphael campus, the conversion of the newborn intensive care unit at the Saint Raphael campus from a Level 3 to a Level 1, and the conversion of the Child and Adolescent Psychiatry Unit to a Young Adolescent Unit. No additional changes are expected in the future for this service.

2. *Heart and Vascular*

Cardiac surgery was consolidated in February 2014; ahead of schedule due to physician assistant shortages at the Saint Raphael campus (original target program closure date was summer 2014). The transition of cardiac surgery activities from the Saint Raphael campus to the York Street campus has gone extremely smoothly, thanks to the cooperation of all physicians and staff members involved in the transition. Additionally, an Aortic Center was opened at the York Street campus in spring 2014, focused on providing cutting-edge services. Renovation of cardiac catheterization / interventional laboratories is underway and will be completed in coming months.

3. *Musculoskeletal*

As was referenced earlier, we successfully opened a new state-of-the-art inpatient musculoskeletal unit at the Saint Raphael campus three months ago (Verdi 4 North; the Dr. Robert J. and Lorraine D. Cronin Musculoskeletal Unit. Physician transitions from the York Street campus to the Saint Raphael campus are underway and the immediate focus has been on physicians specialized in total joints procedures. Operating room renovations are underway and are expected to be completed in early calendar 2015. Additionally, the recruitment of a physician leader to lead the musculoskeletal service line is underway and is expected to be completed by early summer 2014.

4. *Neurosciences*

At this time, Yale-New Haven Hospital is currently exploring the creation of a neurovascular service at the Saint Raphael campus. The service would include inpatient beds and radiology services (including interventional radiology capabilities, consistent with the planned renovations of interventional laboratories referenced earlier), and would have synergies with the advanced elderly inpatient services discussed in Section 1. Program planning is in the early stages and will be refined in coming months.

5. *Oncology*

Consistent with the November 2013 submission, no additional service configurations have taken place in Oncology.

6. *Transplant*

Consistent with the November 2013 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*

Assessment of radiology equipment and master planning for radiology services remains ongoing.

2. *Emergency Department*

Consistent with the November submission, emergency transportation (ground and others) is currently being reviewed. An outside consultant will be retained to facilitate this process. Moreover, Emergency Department leadership has been focusing its effort on aligning clinical practice and patient experience across all Yale-New Haven ED locations.

3. *Laboratory/Pathology*

As referenced in the November submission, most components of microbiology have been consolidated at the York St campus as of April 2014 (specimen plating takes place at the Saint Raphael campus and analysis is at the York Street campus). This consolidation has allowed for enhanced turnaround times for all microbiology cultures.

4. *Medicine*

Consistent with the inpatient clinical vision outlined in section I, a Geriatric Center of Excellence will be established at the Saint Raphael campus, and will include the relocation of the Acute Care for the Elderly (ACE) unit from the York Street campus to the Saint Raphael campus in late summer 2014.

An electronic ICU pilot comprised of 10 rooms at the Saint Raphael campus took place in February 2014 (February 5-28, 2014). Patients were monitored remotely 24/7 by a critical care physician (Intensivist). Over 25 inpatient admissions were completed during this time and the pilot yielded favorable results including reduced mortality, improved glucose management and lower cost per case, among others. An expansion plan to cover additional beds at the Saint Raphael campus and throughout delivery network hospitals (Greenwich and Bridgeport) is in the process of being developed.

5. *Nursing*

As was referenced in section 1, YNHH will be undergoing its Magnet re-designation in FY 2015 and will be ensuring adequate preparedness in coming months. A Nursing Magnet gap analysis was completed and implementation of remediation plans remains ongoing to ensure that both campuses meet Magnet re-designation requirements. Additionally, a system-wide nursing standardization effort remains underway across all delivery network hospitals.

6. *Pharmacy*

Consistent with the November 2013 submission, no additional changes have taken place in Pharmacy.

7. *Psychiatry*

An important focus area in FY 2014 will be the launch of Behavioral Intervention Teams, currently in place across inpatient medicine services at the York Street campus, at the Saint Raphael campus. The Behavioral Interventional Teams provide proactive consultations to Medicine patients with psychiatric conditions and have played an important role in decreasing length of stay for patients with psychiatric diagnoses on Medicine units.

8. *Surgical Services*

Consistent with the November submission, a physician leader to co-lead the operating rooms is in the process of being recruited. We are hopeful to have a new leader named by the end of the summer. Operational enhancements identified during the consulting engagement are also in the process of being implemented. To date, a number of enhancements have taken place with regards to time-outs, pre-admission testing (pilots in Urology and Orthopedics) reassignment of outpatient GYN and Ophthalmology services to our Temple Surgical facility as well as Epic reporting.

9. *Women's Services*

On January 2, 2014, the Yale School of Nursing Midwifery program was relocated from the York Street Campus to the Saint Raphael campus, beginning with the relocation of all patient deliveries. This is an important first step in the development of a low risk, high amenities OB center of excellence at the Saint Raphael campus. Additionally, renovations on Main 6 (part of the Vidone Center) to house outpatient services began a few weeks ago and will be completed in coming months.

10. *Ambulatory Services*

Programmatic recommendations are currently being developed and preliminary consolidation opportunities include outpatient psychiatric services and dental services, among others. A final set of recommendations is expected by the end of the fiscal year.

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 below.

1. *Accounting & Finance*

Consistent with the November 2013 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*

In November 2013, Yale-New Haven Hospital completed its first employee engagement survey as an integrated organization. The survey results have yielded a number of improvement opportunities including scheduling, staffing and communication. Corrective action plans are currently under development and will be implemented in coming months. Additionally, Yale-New Haven will be launching its second “Know Your Numbers” campaign this spring/summer focused on empowering employees to take control of their health. Employees who complete the biometrics testing as well as other educational requirements will receive a \$500 credit towards the cost of their health care benefits in calendar 2015.

4. *Information Technology & 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 & 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 2013 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 2014):

Services	YNHH Campus	SR Campus
<i>Service Lines</i>		
Children's	X	
Heart & Vascular	X (Tertiary/Quaternary)	X
Musculoskeletal		X
Neurosciences	X (Tertiary/Quaternary)	X
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
Women's	Low & High Risk Maternity	Low Risk Maternity/ Midwifery Program

FY 2014: (as of May 2014)

Beds:	YNHH Campus			SR 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 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 6 months of FY 2014 have been provided according to the categories outlined by OHCA and Report 175.

Projected Cost Savings	Actual FY 2014 6 Months	Projected FY 2014 6 Months
Salaries & Wages	\$18.7m	\$13.4m
Fringe Benefits	\$5.4M	\$3.8m
Contractual Labor Fees	\$0.6M	\$0.6m
Medical Supplies & Pharmaceuticals	\$4.6M	\$5.4m
Malpractice	\$0.3M	0
Utilities	\$0.5M	\$0.7m
Business Expenses	\$6.1M	\$8.5m
Other Operating Expenses	\$0	\$0
Depreciation/Interest/Bad Debt	\$0	\$0
TOTAL	\$36.0M	\$32.4m

1. *Salaries and Wages / Fringe Benefits*

In the past six months, salary and benefit savings related to the Saint Raphael's integration have continued to improve. In May of FY 2014, the hospital plans to implement the PTR (payroll trend report) at the Saint Raphael Campus. As mentioned in the November submission, this tool will allow departmental management compare staffing levels with external industry benchmarks on a bi-weekly basis.

In addition, a number of staffing initiatives mentioned in the November submission began at various points throughout Fiscal Year 2013 and have resulted in prorated savings figures. These activities were fully implemented by the start of FY 2014 and have therefore contributed to the increased six month savings figures shown in the table above. As the integration continues, and approaches a steady state of operation, these types of changes to expense will become less apparent.

The table below provides the breakdown of salary/wage and fringe benefit savings by major departments.

Department	Salary/Wage
Clinical Support	\$2.5M
Finance/IT/Supply Chain	\$2.9M
Non-Clinical Support	\$2.1M
Nursing	\$4.5M
Physician Practice/Office Staff	\$3.9M
Administrative/Other	\$2.8M
TOTAL	\$18.7M

2. *Contractual Labor Fees*

Please note that discussion of Contractual Labor and Legal Fees is included under Business expense constant with the submission in November 2013. This change was made in order to be consistent with OHCA Report 175.

Professional Service Agreements

As mentioned in section 1.1, the physician integration of the two campuses has gone smoothly, and resulted in the successful merging of a number of physicians into the Yale School of Medicine. As anticipated, the economies of scale gained through these activities decreased the need to contract with local community physician groups via Professional Service Agreements (PSA) to fill gaps in coverage. Some examples of these savings in the past six months include the Urology Clinic Coverage and CTICU attending coverage, detailed below.

Urology Clinic Coverage: A local group of Urologists have historically provided coverage for the community based Urology clinic at Saint Raphael Campus. This group has recently joined the faculty at Yale School of Medicine. As a result of this change, the clinics are now covered without the need to pay a PSA agreement.

CTICU Attending Coverage: As part of the integration of Cardiac Surgery, the two separate Cardiothoracic Intensive Care Units were consolidated into a single unit at the York Street Campus. In order to operate the Saint Raphael Campus based unit, the hospital paid a community Pulmonary Critical Care physician an annual stipend to provide physician support. With the consolidated unit at the York Street Campus, the existing physician resources at the York Street Campus were able to absorb that patient volume into their current workflow.

There are still a large number of PSAs that exist at Yale New Haven Hospital. Efforts will continue to identify areas of opportunity that leverage the efficiencies being gained in the combined physician workforce.

3. *Malpractice Expense*

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

4. *Utilities*

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

5. *Medical/Surgical (Med/Surg) Supplies & Pharmaceuticals*

Yale New Haven Hospital continues to explore opportunities to further integrate contracts across the health system for Med/Surg Supplies and Pharmaceuticals. The ability to effectively achieve savings in this category is largely tied to the historical contract end dates at the Saint Raphael Campus that were assumed during the integration process. Year-to-date, the majority of these contracts have either been renegotiated under consolidated rates or renewed, but there are still a number of contracts being reviewed by supply chain staff that will provide additional savings opportunities.

Consistent with the salary savings being reported, initiatives in this category were started at different times throughout FY 2013 based on the contract end dates. All mid-year FY 2013 savings activities being fully implemented in FY 2014 has resulted in an increase to the savings activity reported.

System Contracting

The health system continues to standardize and jointly contract for a variety of Med/Surg supplies for all three campuses. The Saint Raphael Campus also gained the benefit of participation in the NPC (Northeast Purchasing Coalition), of which Yale New Haven Health System is a member. NPC allows for numerous health care organizations in the Northeast to develop joint clinically focused supply chain initiatives designed at standardizing care, and driving down cost.

Pharmaceuticals

The hospital continues to achieve savings through the drug contracts for high cost pharmaceuticals referenced in the November submission. Additionally, YNHH is in the process of converting drug suppliers from Cardinal to McKesson. This change in suppliers is expected to result in additional expense reductions related to drug pricing and delivery.

Application for 340b status on the Saint Raphael Campus has been sent to HRSA and approval is expected in coming weeks. This designation will allow the hospital to increase savings in the Med/Surg & Pharmaceutical category. To date, the 340b status has been the primary driver for the gap between achieved and target savings for the Med/Surg Supply & Pharmaceutical category.

Additional information for high impact initiatives for this category started in FY 14

Hip & Knee Implants: Similar to the Spine Implant contract negotiations described in the November 2013 submission, a number of contracts related to hip & knee implants have been renegotiated in the early parts of FY 2014. By consolidating the contracts for these devices across the health system, savings were achieved for all six of the top utilized vendors. As clinical integration continues and product utilization becomes more standardized, it is expected that additional savings opportunities will be realized in the areas of hip, knee, and spine products.

CRM (Cardiac Rhythm Mechanism): CRM devices are another item where the hospital was able to achieve supply savings through work with the Northeast Purchasing Coalition. For this initiative, Supply Chain staff targeted the highest volume suppliers for the hospital (Medtronic, Boston Scientific, and St. Jude). The combined volume of the two inpatient campuses, along with physician standardization, allowed for additional savings to be achieved.

Rebates: By combining purchases at both campuses, the hospital has been able to see additional supply rebates from vendors at both campuses due to the integration. The rebates achieved on the high volume/high dollar items have been increasingly successful due in large part to the supply chain team organization structure across Yale New Haven Health System as well as our continued involvement with the Northeast Purchasing Coalition.

6. *Business Expenses*

Initiatives in this category continue to provide the largest category of non-salary savings to date related to the Hospital of Saint Raphael integration. The achieved savings in areas such as Contracted Management Services, Outside Legal Counsel Utilization, Subscriptions & Fees and the other categories mentioned in the November submission have remained into FY 2014. The quantity and value of contracts renegotiated in FY 2013 accounted for the majority of potential opportunity, but there is still room for growth in a number of areas. An example of this would be IT service contracts. Due to the implementation of Epic and the lengthy terms on legacy IT agreements assumed from the Hospital of Saint Raphael, technology based service contracts remain one of the larger areas of opportunity for future savings. The hospital will also continue to review all service based contracts as they approach their term.

7. *Other Consolidation and Integration Savings*

As the integration of Saint Raphael Campus continues to mature, other opportunities for savings have been realized due to economies of scale that resulted from the combined hospital entities. Below is an area of significant savings that falls within this category.

TRCC (Temple Recovery Care Center)

Historically, Yale-New Haven hospital operated a short term rehab facility for patients receiving outpatient surgery at the Temple Medical Facility. The hospital rented space at the hotel adjacent to the facility to meet the needs of the patients. With the integration of the Hospital of Saint Raphael, Yale New Haven Health System began operating the Grimes Center. Utilizing the space of the newly purchased facility and capitalizing on the rehab staff already in place at the Grimes Center, Yale-New Haven Hospital was able to close the Temple Facility. This resulted in salary, rent, and other non-salary expense savings previously spent at the Temple Medical Facility.

8. *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

The hospital continues to focus and improve upon the revenue enhancement capabilities of the Epic system. With the system going live 5 months prior to the start of FY 2014, both clinical and administrative staff have gained additional experience using the system through both training, and hand on experiences. The benefits of this system reported in the November submission, including standardization of the master patient index, shared accounts receivables, bedside procedures and recovery room documentation and centralization of services continue to be successful.

In addition, significant strides have been made with the hospital's Clinical Documentation and Management Program (CDMP). In the November submission, it was indicated that the two separate groups had been combined into a single department. To further benefit from the newly combined department, all employees were physically moved into a single contiguous space.

This allowed for cross education amongst the more senior staff and joint health system level training sessions. These changes have resulted in noticeable improvements in clinical documentation, including documentation accuracy and better understanding of patient acuity.

Attachment I
Three Year Integration Plan
Gantt Chart

Yale-New Haven Hospital Acquisition of Saint Raphael Health Care System (HSR)

Integration Workplan

Certificate of Need Docket Number: 12-31747-CON

As of May 30, 2014

Key Activities	PRE FY 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	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"					
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				Ongoing	Ongoing
1. Audit of Policies and Procedures to Ensure Adherence					
A3. Ongoing Regulatory Education and Improvements				Ongoing	Ongoing
1. Self-Review and Integrated Audits					
2. Structure Implemented for Twice Monthly CMS/DPH Audits & Twice Yearly TJC Audits at SRC					
A4. Clean and Safe Rounds					
A5. Achieve HPI High Reliability Level 3					
1e. Transforming Patient Care					
A1. Implement Bedside Nursing Transformation at SRC to Ensure Consistent Staffing Models/Caregiver Hours Across Both Campuses				Ongoing	Ongoing
A2. Medication Barcoding Process Implemented					
A3. Implement Second Generation Bedside Nursing Transformation at the York Street Campus					
A4. Implement Magnet readiness plan					

Yale-New Haven Hospital Acquisition of Saint Raphael Health Care System (HSR)

Integration Workplan

Certificate of Need Docket Number: 12-31747-CON

As of May 30, 2014

Key Activities	PRE FY 2013	FY 2013	FY 2014	FY 2015
1f. Safe Patient Flow				
A1. Implement Common Safe Patient Flow Throughput Improvement				
A2. Identify Process Changes (Ongoing)			Ongoing	Ongoing
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 "Healthier Together" Open Forums			Ongoing	Ongoing
A5. Employee Open Forums and Management Meetings			Ongoing	Ongoing
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			Ongoing	Ongoing
A4. Realignment of Medicine and Surgery Beds at the Saint Raphael Campus				
A5. Open Verdi 4 West (new specialty Geriatrics unit)				
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				
A2. Facilities & Capital				
A3. Integration Activities				
1. YNHCH is a destination of choice for pediatric care.				
1. Develop and Implement the Plan for NNICU Expansion and Fundraising				
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 Vascular Access Center				
2. Development of Aortic Institute				

Yale-New Haven Hospital Acquisition of Saint Raphael Health Care System (HSR)

Integration Workplan

Certificate of Need Docket Number: 12-31747-CON

As of May 30, 2014

Key Activities		PRE FY 2013	FY 2013	FY 2014	FY 2015
	3. Expansion of the Interventional Radiology Program at SRC 4. Consolidate cardiac surgery to York Street campus 5. Development of a Wound Center				
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				
2d. Neurosciences					
A1. Vision	Leading Neurosciences program in CT				
A2. Facilities & Capital	1. Allocated appropriate number of beds to Neurosciences				
A3. Integration Activities	Telestroke at Saint Raphael Campus				
2e. Oncology					
A1. Vision	1. Integrated Oncology Operations Across Both Campuses				
A3. Integration Activities	Chemotherapy and radiation therapy on both campuses				
2f. Transplant					
A1. Vision	1. Provide leading solid organ transplantation services in CT (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 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)				

Yale-New Haven Hospital Acquisition of Saint Raphael Health Care System (HSR)

Integration Workplan

Certificate of Need Docket Number: 12-31747-CON

As of May 30, 2014

Key Activities	PRE FY 2013	FY 2013	FY 2014	FY 2015
2. Standardized Equipment (As Replacements Are Needed)				
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 SOFTLaboratory 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				
3e. Nursing				
A1. Quality				
1. Implement Magnet Remediation Plans				
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)				
3f. Pharmacy				
A1. Staffing/Coverage				
1. Establish staffing with YNH employees (eliminate Cardinal Health contract)				
A2. Facilities & Equipment				
1. Purchase and standardize Pyxis machines				
A3. Integration Activities				
1. Pharmacy Strategy Executed with Single Unified Product Formulary Cross Campuses				
3h. Psychiatry				
A1. Staffing/Coverage				
1. Develop a Standard Model of Care for Psychiatric Services at Both Campuses				
a. 12 Years Old and Under on Winchester One, YSC				
b. 13-15 Year Olds on Celaantano 5, SRC				
c. 16-17 Year Olds on LV2, YSC				
2. One Standard Model of Care with One Psych ED and BIT Team Implementation at SRC				
A2. Quality & Regulatory				
1. Participate in State Collaborative Regional Plan- Integrating Behav. Health Service Payment and Delivery				
A3. Integration Activities				
2. Conduct Crisis Intervention Unit Assessment & Develop/Implement an Improvement Plan (w/ED)				
3. Develop Strategies to Reduce Long LOS for Psychiatry Patients				
3i. Surgical Services				
A1. Leadership				
1. Conduct an Assessment of Operating Room and Clinical Support Services				

Yale-New Haven Hospital Acquisition of Saint Raphael Health Care System (HSR)

Integration Workplan

Certificate of Need Docket Number: 12-31747-CON

As of May 30, 2014

Key Activities	PRE FY 2013	FY 2013	FY 2014	FY 2015
2. Recruit physician leader to co-lead operating rooms 3. Implement nursing clusters/specialty teams across all practice sites				
A2. Consistent Operations				
1. Integrate OR Operations Across Both Campuses, Temple and Shoreline			Ongoing	Ongoing
2. Optimize Utilization Across All Sites			Ongoing	Ongoing
3. GI Procedure Integration (YSC, SRC, and Temple)			Ongoing	
4. Develop a Bariatric Center at the Saint Raphael Campus				
5. Develop Hernia Center at the Saint Raphael campus				
5. Establish Common Set of Metrics				
6. Implement operational recommendations from consulting engagement				
3m. Women				
A1. Integration Activities				
1. Integrate OB-GYN Services Across Both Campuses			Ongoing	
2. Expand OB Residency to Cover SRC				
3. Establish low risk delivery service at SR Campus utilizing midwifery program.				
3n. Ambulatory Services				
A1. Complete Ambulatory Strategic Plan				
1. Develop inventory of all ambulatory locations and services				
2. Develop and implement programmatic recommendations				
A1. Planning for new multidisciplinary satellites				
4. Non-Clinical Areas				
A1. Consolidation of Vendors for Environmental Svcs, Food/Nutrition, Linen and Protective Services				
5. Corporate Services				
5a. Accounting & Finance				
A1. Integrated Capital Budgeting Process Covering Both Campuses				
A2. Integrated Operating Budgeting Process Covering Both Campuses				
A3. Consolidation of Cost Accounting and Decision Support Systems				
A4. Combined Account Receivables for EPIC A/R with One Reserve Model				
A5. Maintain Individuals Accounts Receivable for Legacy SDK and Medipac Receivables				
A6. Replicate Financial Structure for Service Lines				
A7. Institute Flex Budgeting				
A8. Reduce Eliminate Fees Paid for Audit and Banking Operations at SRC				
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	
A3. SRC Incorporated into YNHHS Conflict of Interest Process				
5c. Human Resources				

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Integration Workplan

Certificate of Need Docket Number: 12-31747-CON

As of May 30, 2014

Key Activities	PRE FY 2013	FY 2013	FY 2014	FY 2015
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				
5f. Marketing, Communications, Image, and Community Wellness A1. Develop and Implement Community Revitalization Strategy A2. Implement Communication Strategies for Managers and Employees 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				
5g. Reimbursement and Managed Care A1. Melded/Consistent Rates for All Payers Across Both Campuses				
5h. Supply Chain A1. Contract renegotiations A2. Inventory management A3. Service Response Center consolidation				