



CONNECTICUT ACADEMY OF SCIENCE AND ENGINEERING

TESTIMONY OF THE CONNECTICUT ACADEMY OF SCIENCE AND ENGINEERING BEFORE THE HIGHER EDUCATION AND EMPLOYMENT ADVANCEMENT COMMITTEE OF THE CONNECTICUT GENERAL ASSEMBLY

REGARDING

THE UCONN HEALTH NETWORK & CONNECTICUT BIOSCIENCE INITIATIVE PROPOSAL

MARCH 15, 2010

For background purposes, at the request of the General Assembly the Connecticut Academy of Science and Engineering (CASE) conducted "A Needs-Based Analysis of the UCHC Facilities Plan" that was completed in March 2008 (available at: <http://www.ctcase.org/reports/uchc.pdf>). As a result of this study, the General Assembly engaged CASE to serve as its *Independent Monitor* in accordance with Special Act 08-4 for the purpose of reporting on progress regarding implementation of the study's recommendations. This two-phase initiative was completed in February 2009 (available at: <http://www.ctcase.org/reports/UCHCMonitor.pdf>).

CASE has not been involved in the development of the current proposal. While the CASE study committee has been provided with information about the proposed plan, they have not met to discuss the proposal. However, some members of the committee reviewed and provided input into the testimony.

Importantly, UCHC's prior efforts have served as a foundation for the development of UCHC's proposed conceptual plan presented to the General Assembly on March 11, 2010. A key element of the CASE study recommendations was for each regional hospital partner to identify their intentions and commitment to support the vision, mission, and guiding principles of UCHC. The proposed plan is the result of this ongoing process.

The intent of our testimony is to provide the Higher Education and Employment Advancement and Public Health Committees with guidance regarding whether the UCHC proposed plan is consistent with the recommendations of the 2008 CASE report. The findings and recommendations of the CASE report were based on an analysis that explored key issues of interest for the General Assembly that in summary included: facility issues, statewide and regional beds analysis, and strategies to achieve excellence in academic medicine (education, research, clinical care and community service).

The proposed plan offers a framework that is generally consistent with elements of the recommendations of the CASE study including Option #1 (UCHC builds a new teaching hospital of similar or larger size than originally proposed (352 beds) with the state owning and operating the facility) and Option #2 (Improved and formalized relationships with current and other potential clinical partners with construction of new clinical facilities [*in-patient and/or ambulatory*] to be owned and/or operated by a clinical partner to be determined via an RFP process. Critically, the plan now proposed addresses the need to upgrade UCHC's clinical facilities and includes increased collaborative efforts with its regional hospital partners, including new initiatives). The plan addresses the need for upgrading UCHC facilities and provides for increased collaborative efforts with its regional hospital partners, including new initiatives.

The following comments are offered for consideration of the General Assembly, UCHC and the regional hospitals:

1. Relationships: The proposed UCHC plan provides new opportunities for regional cooperation and collaboration. Enhanced effective sustainable relationships between UCHC and its hospital partners are critical to UCHC's success in serving as a leading academic medical center; and a common vision of academic medicine between UCHC and its hospital partners is necessary to achieve and sustain excellence in academic medicine. Special Act 08-4 mandated that UCHC and its hospital partners develop a "Vision and Guiding Principles" that would form the basis for the establishment of new Affiliation Agreements between UCHC and its hospital partners. It was intended that this would be a living document that would be updated as needed. Therefore, it is suggested that the "Vision and Guiding Principles" should be updated and used in the development of new Affiliation Agreements. Key issues to address for development of effective sustainable clinical affiliate relationships include, among others, governance, and financial considerations, and faculty relationships. Securing federal funding for construction of the proposed new patient tower and federal designations for a UConn Health Network Comprehensive Cancer Center and Institute for Clinical and Translational Science is by no means assured. Construction funding inserted into the US Senate version of comprehensive health care reform bill may not survive the likely reconciliation process. Both the National Cancer Institute Comprehensive Cancer and the NIH Clinical & Translational Science (CTSA) programs are highly competitive, especially as growth in NIH funding is almost certain to be limited in the near future. However implementation of this plan and development of appropriate Affiliation Agreements between UCHC and its clinical partners certainly will be of great value in these efforts.
2. Facilities: The CASE study found that the existing facilities at John Dempsey Hospital (JDH) are outdated and require investment for replacement and renovation for continued use for academic medicine purposes. The "UCHC Physical Plant Review" included in the CASE report, and the physical plant analyses developed by UCHC's consultant may be useful in evaluating the proposed renovation and replacement plan. While the UCHC plan provides an overview of renovation and construction plans, additional details should be provided to assure that the proposed plan adequately addresses the issues of obsolescence of the existing facility. The approach used to secure 40-50 general medical/surgical beds by transferring 40 NICU beds to CCMC with only adding up to 10 beds to UCHC's licensed beds is innovative and helps to address both the financial issues of the hospital, on-site educational and research opportunities, and concerns about adding a significant number of new beds to the JDH and Greater Hartford service areas. However, the limited planned size of JDH makes the development of enhanced relationships between UCHC and its regional hospital partners critical for UCHC with its partners to achieve expected benefits from facility investment and new initiatives.
3. Bed Analysis: The beds analysis included in the CASE study has not been updated, however, it is noted that the Annual Report on the Financial Status of Connecticut's Short Term Acute Care Hospitals for Fiscal Year 2008 published by the Connecticut Office of Health Care Access (http://www.ct.gov/ohca/lib/ohca/publications/2009/fsreport_2008.pdf) provides a new bed category to consider in analyzing bed needs in the state and the region. The beds analysis conducted by Tripp Umbach for the CASE study considered "licensed" and "staffed" beds. Licensed beds are the maximum number of beds for which a hospital holds a license to operate. Staffed beds are licensed and physically available for which staff is on hand to attend to the patient who occupies the bed. The new category in the report is "available" beds. It is our understanding that this category includes the total number of licensed beds that are physically available.

As noted below in the comparison of 2006 to 2008, many hospitals do not operate (*staff*) all of the beds for which they are licensed, and some licensed beds may not be physically available. Assuming this is correct, in order for a hospital to increase its number of beds above its total available beds, new beds would need to be constructed, or additional beds would need to be added to existing rooms.

The following provides an overview of the statewide bed counts for these 3 categories for 2006 and 2008, based on information in the OHCA annual report cited above:

BED CATEGORY	2006	2008
STAFFED	7231	6698
AVAILABLE	7913	8153
LICENCED	9256	9291
Occupancy of Staffed Beds	78%	86%
Occupancy of Available Beds	72%	70%

The CASE beds analysis indicates that in 2015 the statewide bed need will be 8,252. Based on this analysis, considering "available" beds as the key bed category additional statewide beds would be needed in 2015. Also, it is noted that in 2008 while the total statewide licensed beds were 9,291, available beds were 8153. This results in 12.25% of licensed beds as being not available for patient care. A similar analysis could be provided for the JDH and Greater Hartford service areas.

4. **Accountability:** The UCHC conceptual plan provides a framework to achieve excellence in academic medicine with related significant regional health care benefits and economic impact. These concepts will need to be further developed and proposed programs will need to be created. New affiliation agreements between UCHC and its regional hospital partners that reflect UCHC's vision and guiding principles will help to institutionalize an academic medicine culture in the region. It is suggested that a set of benchmarks and measures be developed with periodic reporting to the General Assembly to track UCHC's initial progress, UCHC renovation and construction projects, and ultimately performance goals for collaborative initiatives and programs, and economic impacts.

In closing, the proposals for facility improvements and development of the UConn Health Network are intrinsically linked. Both are needed. The proposed facility plan is a compromise when compared to prior plans. The state's investment in renovated facilities is necessary. The facilities plan makes the development of vibrant enhanced sustainable relationships between UCHC and its hospital partners critically important, especially due to the proposed limited size of JDH.

While due diligence into the details of the proposed plans should be accomplished, the plan offers the potential to achieve goals set forth by the General Assembly, if successful.

Thank you for your time and consideration.

Respectfully Submitted,



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