

## **Re-Positioning Our Hospital to Better Serve Our Community: New Investments and the Closing of the Birthing Unit**

### **WHITE PAPER**

#### **Introduction**

UHHS Bedford Medical Center (BMC) has a long, rich tradition of meeting the health care needs of Bedford and its nearby southern Cuyahoga County neighbors. We would like to take this opportunity to review with you—our patients, medical staff, employees, and others in the community—changes we have recently instituted and our vision of what our hospital will be like in the near future. As our population base is shifting to increasing numbers of middle-aged and elderly patients, these changes at BMC include:

- \$4.2 million, state-of-the-art outpatient surgery center, which opened in 1997.
- \$1 million Emergency Department Expansion, including a complete renovation that has expanded capacity by 50% to meet the growing need in this critical area of community health care service.
- \$2 million Magnetic Resonance Imaging (MRI) Suite that will allow us to provide on site state-of-the-art diagnostic imaging where previously we were required to send patients off-site for such exams. For emergency patients as well as for timely diagnostic information, this will be a considerable advantage.
- \$175,000 Lobby Renovation in recognition that many visitors and family members spend a good deal of time at the hospital. It is very important to provide them with comfortable and supportive surroundings.
- Closing of the birthing unit at year's end, the result of a continuing decline in usage and increasingly heavy financial losses (over \$1.6 million annually and growing) that detract from our ability to invest in other community healthcare needs.

#### **The UHHS Bedford Medical Center Credo**

At BMC, we have always defined our mission as a true *community hospital*. We focus on the Bedford/southern Cuyahoga County area; determine the health needs of our community; and provide services to meet those needs as effectively, efficiently, and affordably as possible. Above all, we are committed to providing services with a caring attitude. Our physicians, nurses, therapists, and other staff want all patients to be treated respectfully, to understand how important the success of his or her treatment is to us, and to feel comfortable and confident every time they enter our doors.

## Catalyst for Change

For many years the Bedford/southern Cuyahoga County area was home to growing families. As a result, BMC had configured its services so that it would be available to serve most families' immediate needs for hospital services.

In the 1990s, however, our population mix began to decline and age at a rate higher than the national average, reflecting trends in many communities across the country. Children have grown up and moved away. Households have become smaller with a larger percentage of mature adults. In terms of hospital services, these population trends mean that BMC must prepare to treat more patients with the diseases and conditions that begin to appear in middle age and become commonplace as patients reach retirement age and beyond. BMC is already well positioned to meet the evolving needs such a shift represents and is moving forward in a positive direction, but in order to fulfill our mission, re-alignments in our service lines have become inevitable.

## The BMC Response: Expansion of Services To Meet Changing Needs

By the mid-1990s, BMC had taken the first steps needed to become a hospital that primarily serves a more mature community. Our first priority was an outpatient surgery center. The rationale was that at mid-life, patients are often referred to surgery centers for diagnostic procedures and treatments for symptoms that they had not experienced in earlier years. BMC needed to provide patients with a facility that would make it easy and pleasant to have their procedures done close to home.

- BMC responded to this community need by opening a \$4.2 million outpatient surgery center in 1997. This state-of-the-art facility has been an unqualified success. It has been very well utilized, as evidenced by a 14 percent increase in outpatient surgeries over the past four years, and enjoys an excellent record of safe outcomes.
- Another BMC innovation is the \$1 million emergency department expansion completed this year. Undertaken in response to a 20 percent increase in ER visits over the past five years, the new ER is spacious, well equipped, and staffed with a cadre of expert emergency physicians and nurses.
- A third major change, which will be implemented in early 2005, will be the new \$2 million magnetic resonance imaging (MRI) suite. MRI has now become an everyday tool physicians rely on for accurate diagnosis of both emergency and non-emergency conditions. Our state-of-the-art facility will provide physicians with critical information quickly and without having to incur the expense and inconvenience of transporting patients to an off-site facility.
- Finally, we have not forgotten family members who must wait while a loved one is undergoing testing or a procedure. We are currently in the process of a \$175,000 complete remodeling of our main lobby, where many family members congregate, to make it more pleasant and comfortable during their time with us.

## Balancing Community Needs and the Cost of Care

We consider the improvements we have made so far to be a solid base on which to build for the future. Under study now are such services as post acute care. Included here could be an inpatient unit that offers a level of quality care appropriate for patients who are not quite well enough to return home, but who do not require the full array of services typically provided to a regular hospital patient. Having a unit of this type in the hospital can avoid transfers to a nursing home for a short-stay recovery.

In mapping our future course, we have also looked carefully at services for which the community need is diminishing. The one area that is currently significantly underutilized is our birthing center. In 2002, only 470 babies were born at BMC. In 2003, the total was 440; and our 2004 volume is projected to be even lower at 430. This constitutes a decline of almost ten percent in just two years. We expect that trend to continue as the demographic makeup continues to shift, a trend that mirrors that of a many community hospitals across the nation as the number of births begins to decline.

Over the years we have attempted to boost birthing center utilization by recruiting additional high quality physicians and making our unit more attractive to expectant mothers—but to no avail. The fact is that our community has many fewer young families, and this demographic change shows up in our inpatient obstetrics volume.

The birthing center has always been an important part of our service mix, but unfortunately, it is also one of the most expensive services to provide. Some of the expenses associated with maintaining high quality and safety include fees for obstetricians on call, anesthesia coverage, neo-natal specialists, specialized nursing. With reduced volume, these round-the-clock services have become cost prohibitive to maintain. A typical obstetrics unit needs 1,200 to 1,500 deliveries per year to cover these expenses and break even. Clearly, at fewer than 450 deliveries, BMC's birthing center is not close to reaching the break-even point. In fact, *our current loss is projected to be a staggering \$1.6 million per year.* We project that this deficit will continue to rise dramatically and we have found it increasingly difficult to continue to support the service as a viable resource.

## The Crisis in Malpractice Insurance

A second factor to be considered are the costs likely to accelerate due to the national crisis in the skyrocketing increases in malpractice insurance premiums. In Northeast Ohio alone, professional liability insurance has increased anywhere from 90 percent to 300 percent over the past year in some specialty groups, foremost among them obstetricians. In Massillon, for example, five OB/GYN physicians closed their practice due to malpractice insurance increase, which led the local hospital to eliminate their OB services. In Akron, 25 OB/GYN physicians have retired early, left the area, or stopped performing surgery. Our own sister institution, UHHS Brown Memorial Hospital in Conneaut, was compelled to cease inpatient OB services in early October, in part because of this crisis.

Like many hospitals nationwide, Bedford Medical Center is experiencing the effects of the unstable liability insurance market. We cannot control what insurance companies charge us, but the inevitable jumps in cost will almost certainly balloon what is already an unacceptably high loss situation for inpatient OB.

With this uncertainty, and the increasing difficulty in maintaining and attracting additional highly qualified OB staff, BMC is faced with a clear need to shift resources accordingly, and to pave the way toward continued financial security.

### Closure of the Birthing Center

In view of the already extremely low—and continuing to decline—birthing center utilization and the ever-increasing financial losses associated with maintaining an inpatient OB unit, we have concluded that the only responsible alternative is to discontinue this service. The closing will allow the hospital to re-allocate resources to service lines of sustainability which will better meet current and future community needs.

Our plan is to discontinue all deliveries by December 31, 2004. It is important to note that we are **NOT** discontinuing women's reproductive services. Special arrangements will be made for all patients who were planning to deliver after the first of the year and outpatient obstetric and gynecology services will continue as usual.

### Availability of Superior Quality OB Services is Assured

One of the benefits of being part of the University Hospitals Health System for all expectant mothers who had planned to deliver at Bedford Medical Center is that we have made very special arrangements with UHHS MacDonald Women's Hospital, just over 10 miles and a short 20 minutes away, to provide a seamless continuum of the highest quality care.

*Our obstetricians will remain on-staff here at BMC, managing their patients' care in our familiar and convenient setting. They will simply deliver newborns at MacDonald Women's Hospital, or other hospitals at which they retain privileges, rather than at BMC.*

MacDonald Women's Hospital, with over 4,300 deliveries annually, is rated as "One of the Ten Best Hospitals in America to Have Your Baby" and is renowned nationwide for its state-of-the-art medical care, supportive environment and family-friendly policies. In order to provide an additional measure of support during this transition, BMC obstetrics patients will be provided a variety of upgraded services including private rooms, complimentary prenatal tours, valet parking, and more.

Moreover, immediately adjoining MacDonald is Rainbow Babies & Children's Hospital (RB&C). New mothers and families are assured of the highest level of newborn care regardless of complication. RB&C is widely recognized as the number one children's hospital in NE Ohio with the number one Neonatal Intensive Care Unit in the entire nation.

Together, MacDonald and Rainbow represent the "gold standard" in women and infants' care. Although travel time to the main UHHS medical campus is just a bit longer, families will have additional peace of mind knowing they will have the finest obstetrics and neonatal care available at a facility equipped to handle any complication or emergency.

To provide all expectant mothers with further information about these arrangements, we have established a new **Obstetrics and Gynecology Help Line**. Patients should call **440-735-3812**, and a registered nurse will be pleased to discuss each individual situation and provide information about alternative sources of care.

## Outpatient OB and Gynecology Services

Although the inpatient OB unit will be closing, UHHS Bedford Medical Center will continue to offer a wide range of prenatal care, inpatient and outpatient gynecological health services, and community education specific to women. Prenatal services will include examinations, ultrasound and other testing, and classes for childbirth and parenting. In addition, our gynecology program, which is well respected and enjoys an excellent record of positive outcomes, will continue to offer surgical procedures and testing.

Our approach to women's health emphasizes prevention, education and action, encouraging women to learn all they can about what contributes to their health and well being so they can make informed choices. Women-centered health and wellness services run the gamut from contraception counseling, menopause management and breast examination to HIV/AIDS testing, childbirth education, eating disorder counseling and screening for osteoporosis and cardiovascular conditions.

It is not uncommon for women to pay less attention to their gynecological health once child bearing is complete and we recommend that such patients schedule an appointment with their doctor. Now, as in the past, patients should feel confident that any gynecological procedure performed at BMC would include the same high level of professionalism, care and expertise found at any major hospital.

## Transitioning of OB Unit Employees

We care very much about the well-being of our employees, *and are very pleased to announce that positions similar, or comparable, to those being eliminated due to the closing of the OB unit will be made available at BMC or elsewhere within the University Hospitals Health System.*

Although closure of the inpatient OB unit will be a disappointment to BMC employees, it is our clear intention that they will experience the least possible disruption of their professional lives.

## Our Commitment and Responsibility

The decision to close our inpatient obstetrics service has been an agonizing one. Our continuing commitment to the families of our community is to provide the highest quality health care. Our continuing responsibility is to ensure that we deliver it to the highest standards of excellence.

In order to do both, we must remain financially sound as an institution—able to be truly responsive to the needs of the families we are privileged to serve, able to evolve with changing times and circumstances, and able to provide our staff and employees with the technologies they need to do their jobs to the best of their considerable talents.

By closing the unit, we remain true to this mission and better positioned to continue to grow those areas of service most in demand by the community.