

**Delaware Health Resources Board
Nemours AI. duPont Hospital Cardiac Cath Lab
Review Committee Meeting Minutes
Wednesday, April 15, 2020 2:00 PM
Virtual Meeting
1-408-418-9388 (access code): 711 901 132**

Review Committee Members Present: Edwin Barlow, Julia O’Hanlon and Theodore “Ted” Becker

Staff Present: Latoya Wright and Elisabeth Massa

Call to Order and Welcome

The meeting of the Review Committee for Nemours AI. duPont Hospital was called to order at 2:09 p.m. Roll call was taken to identify the Review Committee members, staff and the public. It was stated for everyone to ensure their phones and computer speakers are on mute to avoid background noise unless speaking. Also, to identify themselves before speaking.

***Nemours AI duPont Hospital for Children Certificate of Public Review Application
Project Summary and Background Information***

Alfred I. duPont Hospital for Children (AIDHC) is an operating division of The Nemours Foundation (Nemours). AIDHC is located on the 300-acre grounds of the Nemours Estate in Wilmington, Delaware. Its principle operations consist of a 260-bed full service pediatric hospital plus primary care clinics, specialty clinics and SeniorCare clinics located throughout the Delaware Valley. Its origin is traced to the late Alfred I. duPont who created the Nemours Foundation to provide care and treatment for children. AIDHC opened in 1940 and for over 40 years treated children with primarily orthopedic or related diseases. In the mid-1980s, the Nemours vision broadened in recognition of the greater needs of children and the hospital evolved to a full service, acute care children’s hospital, offering pediatric medical services and sub-specialties in both inpatient and outpatient settings.

In 1989, N/AIDHC created affiliations with the Medical Center of Delaware, now called Christiana Care, and Thomas Jefferson University Hospital to consolidate the majority of inpatient and outpatient pediatric services from these two hospitals. N/AIDHC is also affiliated academically with the University of Delaware and Thomas Jefferson University, placing the N/AIDHC at the center of resident education, clinical research advances and facilitating recruitment of highly qualified pediatric providers and researchers. Finally, N/AIDHC is a founding member of the Delaware Health Sciences Alliance which aims to promote health education and research. Following these affiliations and other alliances, N/AIDHC experienced a significant increase in patient activity and admissions.

Recently, AIDHC has identified a need for a second (2nd) Cardiac Cath Lab at the Hospital’s main campus. The objective of the project is to construct and install a new hybrid Cardiac Cath Lab within the existing Cardiac Cath Lab. Nemours has an existing 10-year-old Hybrid Cath Lab serving pediatric patients. Due to the equipment’s age, Nemours seeks to install a new Hybrid Cath Lab retaining the existing Cath Lab as a redundant (back up) unit for Cath procedures and to use the existing unit for Electrophysiology (EP) studies. The existing Cath Lab equipment will remain

operational during and after construction of the new Cath Lab. At the conclusion of the project, N/AIDHC will have the added safety of two (2) functional Cath Labs which will allow patient care to continue during planned and unplanned equipment downtime. The estimated capital expenditure of the project is approximately \$6.1M and is to be financed by Nemours operations. The project is budgeted, and capital has been allocated by Nemours.

The prioritized objectives of the project are:

1. Reduce risk of planned and unplanned Cath Lab equipment downtime associated with the existing 10-year-old Cath Lab equipment and its current lack of redundancy.
2. Increase Cath Lab annual capacity by 35 patients and EP/multi-disciplinary capacity by 400 patients annually allowing AIDHC to serve more Delaware Valley children.
3. Reduce future impact of replacing the original Cath Lab at the end of its service life.
4. Achieve critical milestones identified in the 5-year capital and master facility plan.

Conformity of Project with Review Criteria

The Review Committee reviewed the CPR application and the responses to the seven criteria.

Criterion I: The relationship of the proposal to the Health Resources Management Plan.

The Health Resources Management Plan enumerates several general principles to consider in the review of Certificate of Public Review (CPR) applications. The proposed Cath Lab project is consistent with the general principles in the Health Resources Management Plan:

- a. Evidence of access, cost and quality issues – The Cath Lab project will enhance the Cardiac program at Delaware’s only pediatric Level 1 Trauma Center. Specifically, the project will reduce the risk associated with planned and unplanned equipment downtime.
- b. Contribution to the care of the medically indigent – ADIHC is a 501© charitable organization whose core mission is to improve the health of children. Throughout the Hospital’s history, it has provided care to patients regardless of ability to pay. Cost of charity care for services provided under AIDHC financial assistance program was approximately \$7.56M in 2018.
- c. Support a managed, coordinated approach to best serve the needs of the population - In 1989, N/AIDHC created affiliations with the Medical Center of Delaware, now called Christiana Care, and Thomas Jefferson University Hospital to consolidate the majority of inpatient and outpatient pediatric services from these two hospitals. N/AIDHC is also affiliated academically with the University of Delaware and Thomas Jefferson University, placing the N/AIDHC at the center of resident education, clinical research advances and facilitating recruitment of highly qualified pediatric providers and researchers.
- d. AIDHC serves patients from different States, mainly due to its location proximate to multiple States and the established national reputation for clinical excellence, including the Cardiac program.
- e. All the Cath Lab project costs will be paid by AIDHC operations. No (\$0) debt will be incurred to fund the proposed Cath Lab project. The 2nd Cath Lab will support EP studies and reduce deferred patient care due to scheduled and unscheduled Cath Lab equipment downtime.
- f. AIDHC is the sole Children’s Hospital in the State, a pediatric Level 1 Trauma facility, a critical pediatric facility in the region, and the Nemours Cardiac program is an essential

part of these State and regional care networks. The Cath Lab is a necessary feature of the nationally recognized Cardiac program at AIDHC.

- g. Nemours is adapting to the changing health care landscape. Providing value has always been a part of how they operate. They have built upon existing capabilities and experiences and created the Value-based Services Organization (VBSO).

The Review Committee discussed the age of the original Cardiac Cath lab being 10 years old and that the addition of the second Cardiac Cath lab will not increase the hospital's bed count.

The Review Committee agreed the application met criterion I.

Criterion II: The need of the population for the proposed project.

AIDHC is the sole pediatric hospital in the State of Delaware and Delaware's only pediatric Level 1 Trauma Center. Nemours Cardiac Center provides the full spectrum of pediatric cardiac care including elective, urgent and emergent cardiac catheterization, electrophysiology procedures and cardiac surgery. The applicant's primary service area includes children up to age 17 in New Castle County, DE and Chester and Delaware Counties, PA. The Primary, Secondary and Tertiary Service Areas is shown on the geographic map in the Attachments section of the application. The Secondary Service Area includes children from Kent County, DE, Sussex County, DE, and other counties in New Jersey and Pennsylvania. Service area definition is based on 2018 inpatient Zip Code/County of Patient Origin. The Primary Service area equals approximately 60% of patient volume, Secondary Service Area equals approximately 30% and Tertiary Service area equals approximately 5%. In aggregate, Primary, Secondary and Tertiary service areas equal approximately 95% of 2018 inpatient volume. Together, these service areas have a population of approximately 2.3M children.

The Review Committee found it interesting that the state of Maryland was not listed as a primary service area.

The Review Committee agreed the application met criterion II.

Criterion III: The availability of less costly and/or more effective alternatives to the proposal of Delaware, including alternatives involving the use of resources located outside the State.

As the only pediatric hospital in the State, there are no alternatives for pediatric Cardiac services within Delaware. While there are alternatives for pediatric specialty Cardiac care within the Northeastern U.S. region, it would, however, require families to travel far from home, travel further from parent's employment, be more distant from support networks of family and friends, and after hospitalization, travel further for follow-up appointments. Specifically, pediatric cardiac care is available at Children's Hospital of Philadelphia, Johns Hopkins Hospital in Baltimore and Boston Children's Hospital however there is no easy access to these services for mothers who deliver babies within the Jefferson Health System or State of Delaware. In planning for the project, Nemours considered alternatives to the proposed Cath Lab project however, they were significantly more expensive and had a longer time schedule to complete the project.

The Review Committee inquired about the other alternatives considered to the proposed Cath Lab and the costs associated with those alternatives. A follow up question was sent to Nemours.

The Review Committee held off on voting on criterion III until the information regarding the alternatives to the Cardiac Cath Lab is received.

Criterion IV: The relationship of the proposal to the existing health care delivery system.

AIDHC is an established critical component of the healthcare delivery system. It is a regional health care provider and serves as a pediatric tertiary care referral center, serving primarily Delaware, Southeastern Pennsylvania, Southern New Jersey and Northern Maryland. The applicant maintains referral arrangements with hospitals located in Delaware and many hospitals located outside Delaware. Nemours is at 43 sites located throughout the Delaware Valley including the Children's Hospital, Pediatric Clinics, Specialty Clinics, Urgent Care, Ambulatory Surgery Centers and partner Hospitals. This is shown on the following Delaware Valley map and the delivery system map is included in the Attachments section of this application.

The Review Committee inquired if Nemours was integrated with the Delaware Health Information Network (DHIN). A follow up question was sent to the applicant.

The Review Committee held off on voting on criterion IV until information was received regarding the DHIN integration.

Criterion V: The immediate and long-term viability of the proposal in terms of the applicant's access to financial, management and other necessary resources.

The proposed Cath Lab project has a projected capital cost of \$6.1M. The \$6.1M project cost is financed 100% with AIDHC funds and requires no (\$0) short- or long-term debt financing. The project will not change the current AIDHC 260 licensed bed count. Manpower needs associated with the Cath Lab project will be met by N/AIDHC operational budget. As part of the project to provide continuity and the necessary 24/7/365 coverage with a 2nd Cardiac Cath, the project will result in the necessary equipment backup to provide diagnostic and lifesaving intervention at a moment's notice. AIDHC will expand Cardiac staff by recruiting a Cardiac Catherization Specialist.

The Review Committee agreed the application met criterion V.

Criterion VI: The anticipated effect of the proposal on the costs of and charges of healthcare.

The Review Committee reviewed Schedule 4-Statement of Revenue and Expenses. The first full year of operation is projected to be 2021. The project will result in an estimated gross revenue increase of \$3.3M. There would be no (\$0) effect on individual charges based on current reimbursement contracts. The additional labor costs associated with the program are provided in Schedule 7. There will be no measurable impact on charges within the existing health services being provided due to the project.

The Review Committee agreed the application met criterion VI.

Criterion VII: The anticipated effect of the proposal on the quality of health care.

The applicant is Medicare and Medicaid certified and accredited by The Joint Commission on Accreditation of Healthcare Organizations, Commission on Accreditation of Rehabilitation Facilities (CARF) College of American Pathologists (CAP), American Association of Blood Banks and American College of Radiology (ACR) and is subject to a number of utilization review

and quality assurance standards. The addition of a second Cath Lab at AIDHC would allow more patients to be treated in appropriate settings, closer to home and in timely fashion with less transferring of patients, and improved quality of care. The safety of a second Cath Lab will reduce the quality risks associated with planned and unplanned Cath Lab equipment downtime.

The Review Committee agreed the application met criterion VII.

Other Review Considerations

As the only source in Delaware for emergent cardiac care, the ability to provide cardiac care to the pediatric population needs to be continuous, i.e., unfailingly available regardless of demand or equipment. The proposed addition of a second Cath Lab reduces risk, promotes safety and delivers access to quality care for Delaware's pediatric population. A Cath Lab is requisite for delivery of continuum of care. The Review Committee reviewed the chart provided for Medicaid, Medicare, Managed Medicare, and charity care. Energy conservation principles were considered in the design. Specifically, the replacement Air Handler Unit (AHU) for the Cath Lab is more energy efficient than the existing Cath Lab AHU. The construction is not expected to eliminate architectural barriers to the handicapped however the design will meet ADA requirements.

Next Steps

Staff will send the follow up questions to Nemours. There will be a second Review Committee meeting scheduled to review the responses to the follow up questions, vote on criterion III, IV and vote on the application. The Chair of the Review Committee will provide the recommendation for the application at the Board meeting on April 23, 2020.

Adjourn

The meeting adjourned at 3:10 p.m.