



Protecting Maternity Care in an Era of Health Industry Consolidation

New York State Perinatal Association
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Community Catalyst

Women's Health Program of Community Catalyst

Who we are:

- National consumer health advocacy organization
- Designated program advocating for women & LGBTQ people

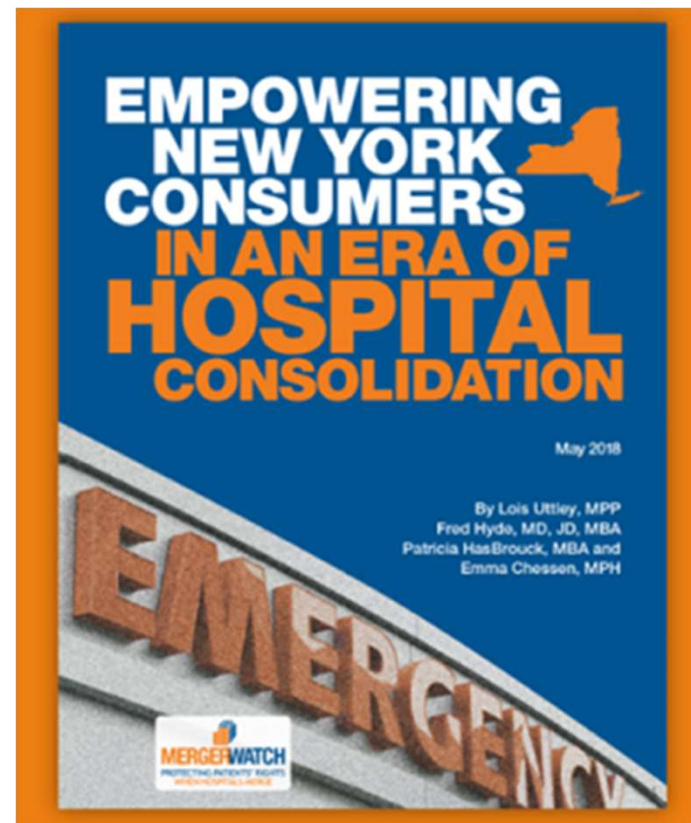
What we do:

- **Protect access to reproductive health, maternity care and LGBTQ-inclusive care threatened by hospital consolidation.**
- Mobilize women and LGBTQ people to defend ACA gains, including maternity coverage, from federal level attacks.
- Seek state-level protections for ACA gains, such as state policies requiring contraceptive coverage without co-pays.



Our study of NY hospital consolidation and state oversight

- Funded by the NYS Health Foundation.
- Published in May 2018.
- Examined **trends** in hospital consolidation and **the process** by which hospital closures and mergers are approved.



Read our full report at: <http://whenhospitalsmerge.org>

Hospitals are consolidating **rapidly**

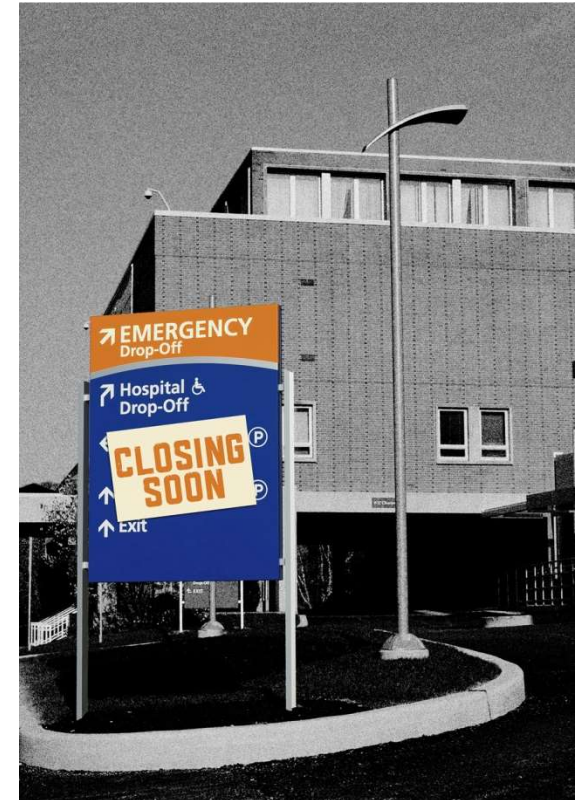
- Nationally, **15% of hospitals are considered at risk of closure** due to financial pressures.
- **More than 120 rural hospitals have closed** since 2005.



Nationwide, **hospital mergers and acquisitions jumped from 66 in 2010 to 115 in 2017**, the largest number in recent history. Volume continues at a rapid pace.

Why are hospitals merging, downsizing and closing?

- Empty beds, due to clinical advances that allow movement of care from inpatient to outpatient.
- Lack of access to capital to renovate aging hospital buildings
- Desire for **greater market share** and leverage in negotiations with insurers.
- Payer demand for “**value-based**” care, which favors systems with sophisticated contracting capacity.



Hospital Consolidation in New York State



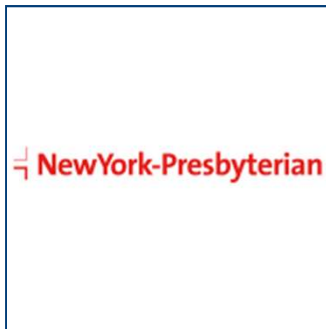
41 acute care hospitals have closed over the last 20 years.

Examples of NYS Hospital Closures

- **New York City:** Cabrini Medical Center, St. Vincent's Hospital, Long Island College Hospital
- **Hudson Valley:** St. Agnes Hospital, New York United Hospital, St. John's Riverside Hospital – Park Care Pavilion, Cornwall Hospital
- **Capital District:** Amsterdam Memorial Hospital, Mary McClellan Hospital
- **Western NY:** Sheehan Memorial Hospital

Growth of large regional health systems in NYS

- Many remaining community hospitals have joined one of the **12 large health systems that now control more than half the acute care hospitals** and 70% of the beds in the state.
- Four mega-systems have nearly **\$14 billion in net assets**: New York-Presbyterian, Northwell Health, NYU Hospitals Center, Mount Sinai Health Systems



Impact of hospital consolidation

- When hospitals close or downsize, **patients face longer travel to other locations for care.**
- Clinicians traveling to **new practice settings** must navigate **unfamiliar care processes.**
- Consolidating a system's service line – such as obstetrics – at one facility could increase the number of patients seen there and introduce types of patients with whom the clinicians are not familiar, **creating cultural and other barriers to good quality care.**

– *Dr. Atul Gawande, JAMA*



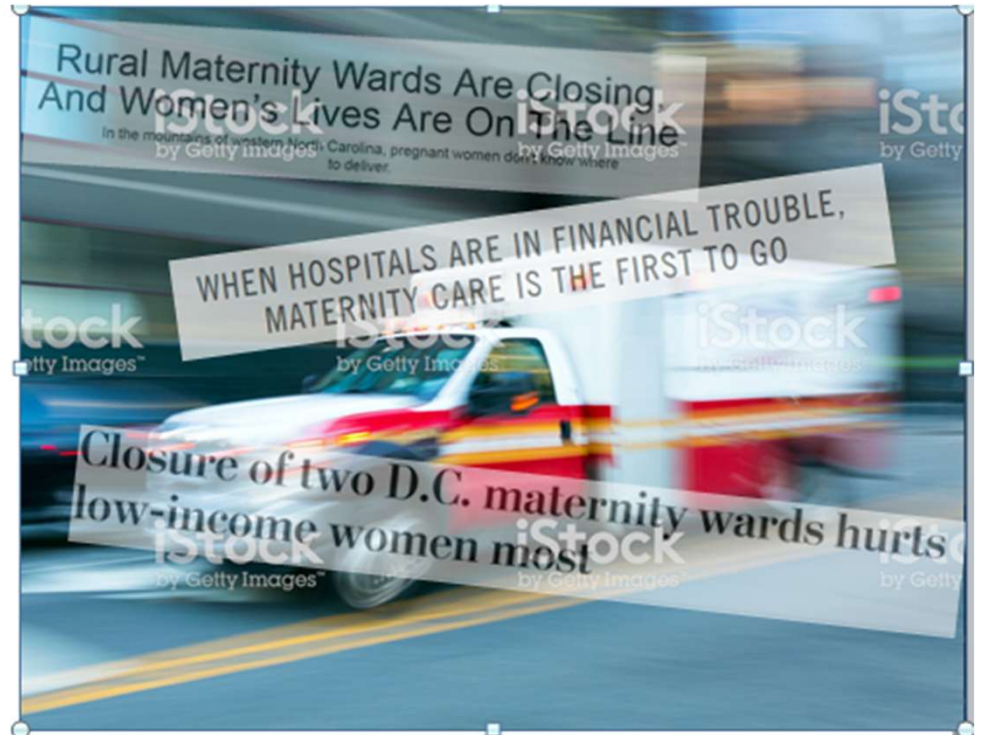
Maternity care has been particularly hard hit across the nation



- Maternity units are often the first to close in hospital closures or consolidations
- 13 of 19 obstetric units in Philadelphia closed 1997-2012.
- Women in 179 rural counties lost access to in-county obstetric services between 2004 and 2014.

Maternity Care is especially vulnerable

- Obstetric units are expensive to operate
- Insurance payments for maternity care are low.
- Nationally, more than half of births are funded by Medicaid, which pays about half as much as private insurance for childbirth.



Risks when maternity units close



- **Increases the distance women must travel for delivery**, and can leave patients without timely access to acute care.
- **Disrupts continuity of care and can create barriers to access** such as transportation obstacles, health insurance coverage gaps and coordination of care.
- A study published in JAMA found that **higher-risk preterm births are more likely in counties without obstetric units.**

Risks of Hospital Consolidation for Maternity Care

- When hospital closings are concentrated in neighborhoods where low-income and/or women of color reside it can **exacerbate existing disparities**.
- When 13 of the 19 obstetric units in Philadelphia closed, the remaining area units faced challenges, such as:
 - **surges in delivery volume;**
 - **changes in patient mix** at individual hospitals;
 - **loss of continuity between prenatal and delivery care;**
 - lag time for increasing bed capacity and staff.

Impact on maternity care in New York State



From 2015-17, maternity care saw the **3rd largest reduction** in number of hospital beds, exceeded only by med-surgical beds and psychiatric beds.

Mount Sinai Beth Israel: **An Example of the Impact**

- Beth Israel is **transforming from an aging 800-bed inpatient facility to a new 70-bed hospital** and multiple outpatient settings across lower Manhattan.
- Despite promises that the facility would remain open throughout the transformation, **community residents have been shaken by the quiet closing of units with no public state review process.**
- **Maternity was one of the first units to be closed.**



Mount Sinai Beth Israel: The community protests closings

- **Maternity care was ended** even before state approval was received.
- Pregnant women told they could deliver at Mount Sinai West or Mount Sinai in East Harlem.
- Both facilities are **located some distance away**, with travel time that could be complicated by Manhattan traffic jams and subway delays.



Current Case: Eastern Niagara Hospital to close maternity units.

- Eastern Niagara Hospital has ask the state DOH for approval to **close its Lockport maternity unit by June 30.**
- Eastern Niagara closed its Newfane maternity unit in 2011 and had directed patients to Lockport.
- The Lockport closure will require patients to travel between **14 to 21 miles further to the next closest hospital.**



To submit comments on this proposal to the NYS DOH, email: cons@health.ny.gov

Community protests planned

Eastern Niagara maternity closing

- Community members have **organized protests**, including an online petition that gathered 950 signatures in one month.
- Signers of the petition cited the **difficulty and danger of traveling long distances, lack of transportation, and the loss of their community maternity ward** as key reasons for opposing the closure.



“Niagara County has one the of the highest maternal mortality rates in the state. We should be making maternity care easier, not harder, to access.” — Maria Fabrizio, Lockport Resident in the Lockport Union Sun & Journal

Who is looking out for patients?

- In most of the country, the existing regulatory oversight framework is outdated and not well suited to manage current challenges
- The **Certificate of Need (CON)** process is used to regulate hospital transactions in 35 states, including New York.
- CON provides **state level oversight of many hospital transactions**, including new construction, mergers, purchase of expensive equipment.



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STATES & DC

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New York Certificate of Need

- New York's 55-year-old CON process was created at a time when new hospitals were being built and policymakers wanted to avoid having too many facilities and expensive hospital equipment.
- **NY's CON is not well suited to the current environment of mergers, downsizing and closings.**
- **It lacks transparency, consumer engagement and sufficient oversight** of health care providers in this rapidly changing landscape.

Findings of our CON report

- **The consumer voice is not well represented** in the New York CON process:
 - A public hearing is not required until **30 days after a hospital closes**.
 - Public CON review meetings are held **in the middle of the work day**, only in New York City or Albany, and agendas are sent out only one week in advance.
 - **Only one seat is designated for a consumer representative** on the CON review body – the Public Health and Health Planning Council (PHHPC)

Who's on the PHHPC?

- Chair of the PHHPC is Jeffrey Kraut, an executive from **Northwell Health**.
- PHHPC includes 24 governor-appointed members.
- Membership is outlined in regulation, and must include representatives from hospitals, home care agencies, insurance companies, labor.
- ***There should be one consumer representative on the council, but that seat is vacant.***
 - Other states require multiple consumers to sit on their board: In NJ 5 of 9 members and in MD 9 of 15 members are consumer representatives.
 - These members are neither providers nor persons with a financial interest in health care and have no connection to management and policy of providers or payers.

CON Bill 1 – Consumer Input

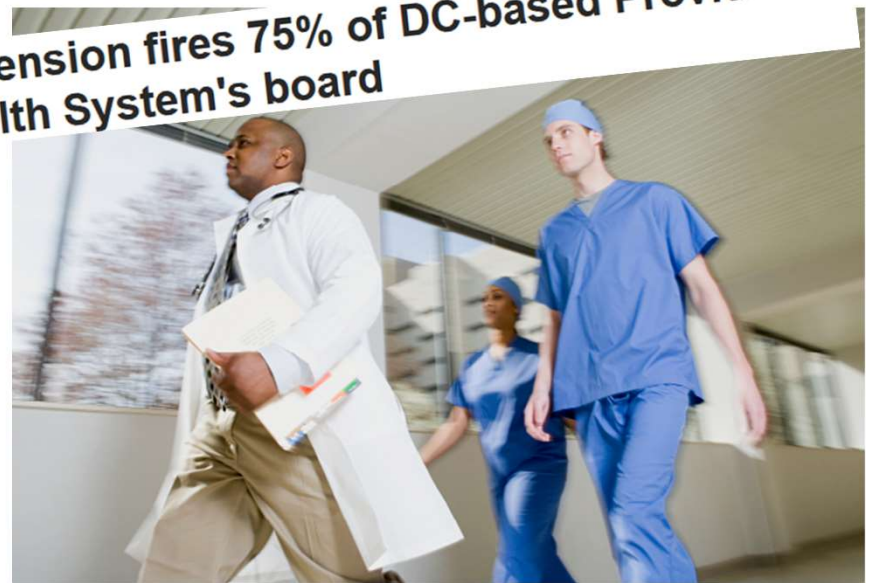
- **Bill A4071/S870: Increase Consumers on the Public Health and Planning Council**
- This bill would **increase from 1 to 4** the number of consumer representatives on the PHHPC.
- This measure has passed both houses of the Legislature. We are now seeking the Governor's approval.
- We need groups to send in letters of support. I've provided copies of a model letter.



Local voices are lost in hospital governance

- When a community hospital joins a health system, **decision-making often shifts to system headquarters.**
- Community representation on hospital boards can diminish.
- **Valid concerns and suggestions of local health consumers can be lost** when decisions are made at far-away headquarters.

Ascension fires 75% of DC-based Providence Health System's board



CON Bill 2 - Community Advisory Boards

- **Bill A1148/S1856: Require Community Advisory Boards at All Hospitals**
- Non-profit hospitals are required to have a community service plan, but they are not required to have community advisory boards.
- This bill would **require all general hospitals to have a community advisory board** that would provide insights into community needs and priorities.
- **This board could be consulted** as hospitals plan reconfigurations, mergers or downsizing.
- Bill has passed the Assembly and is pending in the Senate.

CON Bill 3 – Hospital closings

- **Bill A2986-A/S5144: Improve Community Impact Analysis Before Hospitals Close or Downsize**
- This measure would **require advance public notice and a public hearing** to gather consumer comments that would inform a final closure plan.
- The final closure plan must identify **any projected impacts on community access to health services** and spell out **specific measures to ameliorate those impacts**.
- It would apply if a **maternity unit** or **ER** would be closed.

Questions?

- **Thank you** for the opportunity to outline these concerns today.
- Do you have **questions**?
- If you would like to follow up with me, contact me at:
luttley@communitycatalyst.org