

Becker's Hospital Review Meeting
 May 10, 2013
 Chicago, IL

Community Hospitals:
Challenges & Opportunities



Agenda

- **Welcome & Introductions**
- **Key Discussion Topics**
 - Current market environment for community hospitals
 - Unique nature of community hospitals
 - Consolidation, strategic alliances, and other factors
 - Engagement of the physician stakeholder
 - Evolution of people, organization, governance and culture
- **Case Study: Outpatient Surgery Center**
- **Question & Answer Session**

Case Study: Outpatient Surgery Center



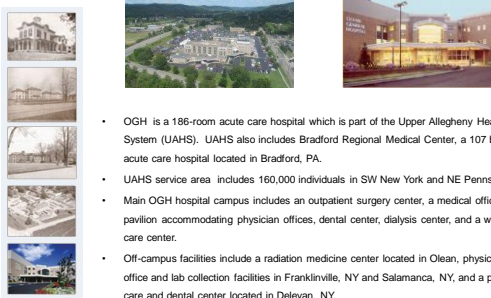
Service Line Excellence: Outpatient Surgery
Mildred Milliman Outpatient Surgery Center (OSC)
 Olean General Hospital
 Olean, New York

Profile of Olean, NY Market



- Located near border of New York and Pennsylvania
- Buffalo, NY and Erie, PA within a 100 mile radius of Olean
- Largest city in Cattaraugus County
 - County population of nearly 100,000
 - 15% of population over 65 years of age, median household income equal to \$34,000
 - Top employers include County government, Dresser-Rand, Alcas Corp., Seneca Nation of Indians, Seneca Casino & Hotel, Cutco Cutlery and Olean General Hospital
- Area referred to as the "Southern Tier" and is well known for ski resorts
- St. Bonaventure University is located in adjacent town of Allegany, NY

Profile of Olean General Hospital (OGH)



- OGH is a 186-room acute care hospital which is part of the Upper Allegheny Health System (UAHS). UAHS also includes Bradford Regional Medical Center, a 107 bed acute care hospital located in Bradford, PA.
- UAHS service area includes 160,000 individuals in SW New York and NE Pennsylvania.
- Main OGH hospital campus includes an outpatient surgery center, a medical office pavilion accommodating physician offices, dental center, dialysis center, and a wound care center.
- Off-campus facilities include a radiation medicine center located in Olean, physician office and lab collection facilities in Franklinville, NY and Salamanca, NY, and a primary care and dental center located in Delevan, NY.

Strategic Imperative for the OSC



Facility Profile



- 21,558 square foot outpatient surgery center opened in June 2012
- Total project cost equal to \$10.3 million
- Located across the street from Olean General Hospital's main campus
- Facility accommodates four Operating Suites, three Endoscopy Labs, twenty-three pre-operative and post-operative beds, and a 6 bed post-anesthetic care unit
- Over 30 physicians are currently performing cases at the Center
- Year One surgical and procedure volume equal to 8,000
- Facility named in honor of Mildred Millman, Olean General Hospital's largest philanthropic donor

Issues & Challenges: Development & Operation



- One-on-one transition meetings with surgeons and physicians
- Coordination with physician offices for patient communications, scheduling
- Focus groups with OGH employees to discuss clinical and operational issues
- Sterilization process and logistics
- Phasing for Endoscopy and Surgery (tiered "go live" dates)

Benefits Realized



Facilitate Growth

- Incremental ophthalmology volume
- Additional physicians
- Catchment Area Patient Retention

Physician Engagement

- Operational recap meetings
- Value analysis participation

Operational Excellence

- Focus (surgery only facility)
- Labor Resource Management
- First case on-time starts
- Room turnover time
- Cases / Room / Day
- Inventory management

Patient/Community Goals

- Positive trends in patient satisfaction
- Patient follow-up interactions