
Proposed Sutter Business Plan

Focus Group – ICU & Med/Surg Services

Monday, August 31, 2009

Purpose of Today's Meeting

- Help inform the Board of Supervisors about the breadth and depth of community discussion regarding the proposed Business Plan
 - Provide key stakeholders with the opportunity to ask questions and provide comment to the Department
 - Promote a positive and professional dialogue between Department and key stakeholders
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Department's Analysis

- Key Findings:
 - Health care sector changes rapidly
 - HCAA requires Sutter provide equal or better access to its services for persons enrolled in government programs and the uninsured
 - 70 bed hospital would likely operate at full capacity upon opening with a shortfall of Med/Surg and ICU beds in 2014 that will grow into the future
 - Planned Sutter expansions, if constructed, would provide adequate capacity – otherwise likely redistribution of Med/Surg and ICU patients
 - Limited capacity in the community to absorb additional patients
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Today's Focus On Med/Surg & ICU Bed Capacity

- Sutter's Plan for Med/Surg & ICU
 - Deloitte's Analysis of current and future demand for hospital beds
 - Department's Findings
 - Questions from the community
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Sutter's Plan for Med/Surg & ICU

Service	Licensed Beds	Business Plan Beds	2008 ADC
MedSurg	91	20	41
ICU	16	8	8
Perinatal	18	30	13
Universal Care Unit	0	16	NA

Deloitte Bed Demand Projections - Med/Surg

Table 10. Projected Medical/Surgical Bed Occupancy Rates, by Year and Hospital

	Sutter	Memorial	Kaiser	Healds- burg	Petaluma	Sonoma Valley	Palm Drive	Sonoma County
2007	49.4%	72.4%	86.9%	41.0%	44.4%	25.4%	32.1%	58.8%
2008	50.4%	61.6%	88.8%	41.9%	45.3%	26.0%	32.8%	56.1%
2009	51.5%	62.9%	90.8%	42.8%	46.3%	26.6%	33.5%	57.3%
2010	52.7%	64.3%	60.2%	43.7%	47.3%	27.1%	34.3%	54.6%
2011	53.8%	65.7%	61.5%	44.7%	48.4%	27.7%	35.0%	55.8%
2012	55.0%	67.1%	62.8%	45.7%	49.4%	28.3%	35.8%	65.0%
2013	170.5%	68.6%	64.2%	46.7%	50.5%	29.0%	36.6%	66.5%
2014	174.2%	70.1%	65.6%	47.7%	51.6%	29.6%	37.4%	67.9%
2015	178.0%	71.6%	67.0%	48.7%	52.7%	30.2%	38.2%	69.4%
2016	181.9%	73.2%	68.5%	49.8%	53.9%	30.9%	39.0%	70.9%
2017	185.9%	74.8%	70.0%	50.9%	55.1%	31.6%	39.9%	72.5%
2018	189.9%	76.4%	71.5%	52.0%	56.3%	32.3%	40.7%	74.0%
2019	194.1%	78.1%	73.1%	53.1%	57.5%	33.0%	41.6%	75.7%
2020	198.3%	79.8%	74.7%	54.3%	58.8%	33.7%	42.5%	77.3%
2021	202.7%	81.5%	76.3%	55.5%	60.1%	34.4%	43.5%	79.0%

Target Occupancy Rate – 85%

Deloitte's Bed Demand Projections - ICU

Table 13. Projected ICU Bed Occupancy Rates, by Year and Hospital

	Sutter	Memorial	Kaiser	Healds- burg	Petaluma	Sonoma Valley	Palm Drive	Sonoma County
2007	62.9%	76.2%	63.7%	0.0%	45.9%	33.4%	21.6%	57.2%
2008	64.3%	77.9%	65.1%	0.0%	46.9%	34.2%	22.1%	58.4%
2009	65.7%	79.6%	66.5%	0.0%	47.9%	34.9%	22.6%	59.7%
2010	67.1%	81.3%	34.0%	0.0%	48.9%	35.7%	23.1%	53.9%
2011	68.6%	83.1%	34.7%	0.0%	50.0%	36.4%	23.6%	55.1%
2012	70.1%	84.9%	35.5%	0.0%	51.1%	37.2%	24.1%	56.3%
2013	114.6%	86.8%	36.3%	0.0%	52.2%	38.1%	24.6%	61.9%
2014	117.1%	88.7%	37.1%	0.0%	53.4%	38.9%	25.2%	63.2%
2015	119.6%	90.6%	37.9%	0.0%	54.5%	39.7%	25.7%	64.6%
2016	122.2%	92.6%	38.7%	0.0%	55.7%	40.6%	26.3%	66.0%
2017	124.9%	94.6%	39.5%	0.0%	56.9%	41.5%	26.9%	67.5%
2018	127.6%	96.7%	40.4%	0.0%	58.2%	42.4%	27.5%	68.9%
2019	130.4%	98.8%	41.3%	0.0%	59.5%	43.3%	28.1%	70.4%
2020	133.3%	101.0%	42.2%	0.0%	60.8%	44.3%	28.7%	72.0%
2021	136.2%	103.2%	43.1%	0.0%	62.1%	45.2%	29.3%	73.5%

Target Occupancy Rate: 80%

Deloitte Bed Demand - Perinatal

Table 11. Projected Perinatal Bed Occupancy Rates, by Year and Hospital

	Sutter	Memorial	Kaiser	Healds- burg	Petaluma	Sonoma Valley	Palm Drive	Sonoma County
2007	68.2%	69.9%	58.2%	0.0%	34.4%	35.5%		54.4%
2008	69.5%	71.2%	59.3%	0.0%	35.0%	36.2%		55.4%
2009	70.7%	72.5%	60.4%	0.0%	35.6%	36.9%		56.4%
2010	72.1%	73.8%	43.5%	0.0%	36.3%	37.6%		52.1%
2011	73.4%	75.2%	44.4%	0.0%	37.0%	38.2%		53.1%
2012	44.8%	76.6%	45.2%	0.0%	37.6%	39.0%		46.7%
2013	45.7%	78.0%	46.0%	0.0%	38.3%	39.7%		47.6%
2014	46.5%	79.4%	46.9%	0.0%	39.0%	40.4%		48.4%
2015	47.4%	80.9%	47.7%	0.0%	39.8%	41.1%		49.3%
2016	48.2%	82.4%	48.6%	0.0%	40.5%	41.9%		50.3%
2017	49.1%	83.9%	49.5%	0.0%	41.3%	42.7%		51.2%
2018	50.0%	85.5%	50.4%	0.0%	42.0%	43.5%		52.1%
2019	51.0%	87.0%	51.3%	0.0%	42.8%	44.3%		53.1%
2020	51.9%	88.6%	52.3%	0.0%	43.6%	45.1%		54.1%
2021	52.9%	90.3%	53.3%	0.0%	44.4%	45.9%		55.1%

Target Occupancy Rate: 80%

Department's Findings

- The Deloitte study indicates:
 - That both Med/Surg and ICU units will be full upon opening with a growing shortfall of beds unless Sutter does additional construction
 - Area hospitals have adequate Med/Surg capacity to absorb patients that may be redistributed – though there are significant barriers/drawbacks associated with redistribution
 - Although overall county ICU bed capacity is adequate, there are multiple barriers and concerns regarding redistribution – SR Memorial may not be able to absorb additional ICU patients
 - Many factors could impact these findings
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Questions

- What is the difference between Sutter's bed demand projections and Deloitte's?
 - How many patients may need to be redistributed to other hospitals?
 - What is the impact on other hospitals of redistributing patients?
 - How the community respond to an emergency or surge in demand?
 - How will the County monitor access?
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What is the difference between Sutter's bed demand projections and Deloitte's?

Bed Demand Projections	Sutter	Deloitte
Population & Demographics	Yes	Yes
Ethnic Mix	No	-2.1%
Average Length of Stay	Decrease	+3.5%
Obesity/Chronic Conditions	No	+11.6%
Beds Need 2013	69	86
Beds Needed 2021	81	99

Redistribution of Patients

■ Based on Deloitte Study

- ❑ No redistribution of Perinatal and NICU
- ❑ Possible redistribution of 12 to 21 Med/Surg patients/day
- ❑ Possible redistribution of 4 to 6 ICU patients patients/day
- ❑ Possible redistribution of 1 ED patient/bay/day

■ Other Factors Impacting Projections

- ❑ Changes in demand/shift in marketshare
 - ❑ Managed Medi-Cal
 - ❑ New construction
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Impact on Other Area Hospitals?

- Difficult to predict...
 - Bed Capacity
 - Payer Mix
 - Surge
 - Other Concerns
 - Staffing
 - Physician capacity and specialist availability
 - Shifts in marketshare
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Response to Surge in Demand

- Standard occupancy rates by service address for some day-to-day fluctuations
 - Operational response – shifting lower and higher acuity patients
 - Emergency surge – triggers operational area surge plan and use of alternative care sites
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Monitoring Access

- Ongoing review by the Department
 - Census by service
 - Payer Mix
 - Staffing Ratios
 - Charity Care
 - Financial performance
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Other Questions and Concerns

Next Steps

- Public Hearing on September 28th
 - Draft Environmental Report
 - Additional Analysis
 - Continue to monitor utilization
 - Final Report to Board in ~ August 2010
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