

Patient Care, Finances of Hospital & Health Center Merger Discussed

By Jake Mardin

Representatives from Upper Connecticut Valley Hospital and Indian Stream Health Center discussed their proposed merger during a public listening session held remotely last Wednesday.

Under the proposed structure, a Rural Health Clinic (RHC) will be established in Colebrook and branded as North Country Healthcare/Upper Connecticut Valley Hospital, with its opening slated for May. It would operate under Weeks Medical Center's RHC license and be managed by Weeks as well. If approved by the N.H. Attorney General's Office--which may come by this fall--the ISHC practice would fold into the new operation.

Among those in attendance were ISHC board chairman Gail Fisher, UCVH board chairman Odette Crawford, and UCVH president and CEO Scott Colby.

"I think the future of primary care is at stake in our area," Ms. Fisher said at the start of the meeting, before going into a recent history of ISHC. She said she has been on the board since 2009, and said the clinic operated in the black for only three years. As a Federally Qualified Health Center (FQHC), she noted, the clinic receives some federal funding, but it is not completely funded by the government.

In 2016, there were four primary care practices in the area: Dr. Bruce Latham's and Dr. Robert Soucy's practices; ISHC with its several providers; and Weeks Medical Center's site in Stratford. "The year 2016 is when we started to really be in financial strife," Ms. Fisher said. ISHC hired a medical director and engaged in more marketing, both of which were expensive and put the clinic into more debt.

There was also a Drug Enforcement Agency investigation taking place "in the background" in 2016, she said, that materialized in the summer of 2017 and led to the departure of Dr. John Fothergill, some public fallout and damage to the ISHC brand.

Dr. Fothergill opened North Country Medical and Wellness in late December, and in the summer of 2018 losses at ISHC began to mount, with payables rising to unsustainable levels. That fall, Mr. Colby made a proposal for UCVH to provide a grant to help the health center stay in business, similar to the arrangement between Coos Family Health Care and Androscoggin Valley Hospital in Berlin. The UCVH board approved the grant and it was signed in March 2019. During that time, Dr. Latham left the area and Dr. Soucy joined ISHC, leaving the health center, Weeks in Stratford and North Country Medical and Wellness as the only primary care practices in the area.

In May of 2019, ISHC's electronic health record vendor announced a deadline of December 31 to begin using a new system, which Ms. Fisher said would be costly. Kevin Kelley, who was ISHC's CEO at the time, met with North Country Healthcare CEO Thomas Mee about converting to NCH's electronic health record system, called Meditech Expanse. NCH is comprised of UCVH, AVH, Weeks and North Country Home Health & Hospice. ISHC could not pay for the EHR or secure financing, and UCVH ended up giving ISHC a \$175,000, zero-interest loan.

Also that year, Dr. Soucy left the health center, and in 2019-20, the practice experienced a 100-percent turnover rate among its providers. ISHC hired traveling providers at double the cost of a regular provider, which worsened its financial position. Ms. Fisher said the clinic decided they were looking at three alternatives: continue to be a stand-alone FQHC; become a satellite facility of another FQHC; or merge with UCVH, which is planning to put up a Rural Health Clinic in Colebrook.

The discussion shifted to Mr. Colby and Mrs. Crawford discussing the option of UCVH establishing primary care. Mrs. Crawford said that after seeing providers leave the clinic, UCVH decided primary care access for the region was in jeopardy. UCVH and ISHC leadership met in early August to discuss the possibility of ISHC converting to an RHC. UCVH decided a dual track was in the best interest of the community and pursued establishing a stand-alone RHC at the hospital and converting ISHC into one. During discussions, UCVH and Weeks determined that an RHC in Colebrook should include the providers in Stratford, and recruitment efforts began to bring additional providers to Colebrook. Drs. Elizabeth Sweeney, Jayne Tarkleson and PA Mary Judd will return to Colebrook.

Ms. Fisher talked about the process to consider a merger between the two operations. She said by mid-October, it became clear to ISHC that remaining a stand-alone facility would not work, and the two options remaining were to become a satellite of another FQHC or merge with UCVH. Both established executive committees and they held their first joint work group meeting on November 16, 2020.

Several meetings were held, and subgroups with representation from ISHC and UCVH were formed to look at sliding scale and charity care, care coordination and outreach, behavior health, pharmacy and 340B. According to the American Hospital organization, the 340B Drug Pricing Program requires pharmaceutical manufacturers participating in Medicaid to sell outpatient drugs to health care organizations that serve a large number of uninsured and low-income patients.

Mr. Colby went through all of the subgroups and talked about the differences between ISHC and UCVH, starting with the sliding scale and charity care subgroup. The federal poverty level threshold for ISHC is less than 200 percent and at UCVH it is 300 percent. As an example, he said if the federal poverty level for a single person is \$100 a year, the ISHC program would allow someone making up to \$200 a year to qualify for the sliding scale discount. UCVH would allow someone making \$300 a year to qualify for charity care. ISHC uses a sliding scale system, while UCVH provides free care up to 300 percent. UCVH requires documentation such as proof of income and requires patients to apply for Medicaid expansion, while ISHC does not. UCVH offers a self-pay discount and ISHC does not.

The bottom line, Mr. Colby said, is that both programs are close. Indian Stream has a slight advantage for patients because it does not require an application or documentation for assistance, and that is offset by UCVH offering free care up to 300 percent of the federal poverty level and a self-pay discount of approximately 40 percent.

Discussion turned to the Care Coordination and Outreach subgroup. The two programs are very close with slightly different structures, and both offer comprehensive patient support services. These include home visitation, assistance to secure housing, medications, chronic care management and transitional care management.

Another subgroup looked at Behavioral Health, and Mr. Colby said Weeks' Medication-Assisted Treatment program, which helps those suffering from drug addiction, will be brought to Colebrook.

The final subgroup, and the area that Mr. Colby said likely received the most attention, was the 340B pharmacy program. UCVH and ISHC both offer 340B, and Mr. Colby said UCVH has access to the same pricing as the health center. He said UCVH will have the ability to pass the same level of 340B savings to patients, but some of those savings may have to be retained by the Rural Health Center to make it financially viable.

To address the needs, he said UCVH is developing a charitable care program. Management will make a recommendation to the UCVH, Weeks and North Country Healthcare boards, and all Colebrook Rural Health Center patients will be eligible.

The program has two components: pharmacy access and income qualification for medication. All patients will have access to the pharmacy, including free samples, vouchers to local pharmacies, potential access to the hospital pharmacy, and industry medication assistance programs. The threshold to qualify for income qualification for medication is less than 200 percent of the federal poverty level.

Efforts to qualify for Medicaid expansion must be made, and application to the program includes proof of income and asset testing. Patients who qualify for the program will receive medication at the 340B cost plus a dispensing fee. The retail pharmacy would be operated by North Country Healthcare, with the AVH, UCVH and Weeks 340B programs contracted through the pharmacy.

Mr. Colby said there will likely be some job losses with the merger, which they hope to mitigate. First, NCH job postings will be shared with ISHC, and ISHC's human resources department will match current ISHC employees with potential NCH opportunities. He said there would be some opportunities in Colebrook and others throughout the NCH system.

Second, UCVH will hold job fairs in person and virtually. White Mountains Community College will offer information on certificate and degree programs within and outside the health care industry. Third, UCVH will network with local employers for those employees who are displaced by the merger.

Mr. Colby and Ms. Fisher fielded several questions from participants. The first concerned staffing at both facilities and if anyone would be hired under the new entity. Mr. Colby said there were around 100 full-time equivalent (FTE) positions at UCVH at the end of the year. Ms. Fisher said at the end of 2019, there were 47 people working for ISHC, and as of last Wednesday there were around 33. She said the health center has experienced nine or ten layoffs or furloughs and others have secured positions elsewhere. Mr. Colby said it would take about 20 employees to staff the RHC facility fully.

UCVH has ordered a 2,500-square-foot modular building that will be placed on the campus to house primary care, behavioral health, retail pharmacy and MAT services, and is expected to open in May. Mr. Colby said the ISHC building will be renovated. The RHC will be staffed by WMC personnel.

When asked about the status of the ISHC office in Canaan, Mr. Colby said they are looking at having a satellite office, but guidelines may prohibit having a physical RHC in another state.

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