

Rhode Island Medical Society

Ad hoc Committee on Advocacy Principles Regarding the Consolidation of Health Care Systems and the Evolving Health Care Landscape in Rhode Island

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This white paper has 2 sections:

1. **Observations** summarizing current status, priorities, and trends in Rhode Island.
2. **Recommendations** regarding choices and strategies for the near future.

The evolving landscape of health care in Rhode Island: Observations

1. Rhode Island needs a long-term, comprehensive, statewide process with effective authority to plan and shape a balanced health care system to meet the needs of the Rhode Island population now and in the future. A well-crafted statewide plan will preserve community access to the full complement of needed services and raise the level of care available equitably to all Rhode Islanders.
2. Current proposals to consolidate health care systems in Rhode Island can be adequately evaluated only in light of such a comprehensive plan. Once a publicly transparent and thoroughly vetted plan is in place, Rhode Island will be in a position to entertain proposals to reconfigure the institutional delivery system.
3. The overriding goal of any initiative to restructure the health care system locally should be to promote population health. This would mean optimizing population access to affordable, timely, quality care consistently provided in appropriate and convenient settings.
4. Successfully integrated systems can promote population health goals by facilitating coordination across the continuum of care and by collecting and moving health care information with efficiency and precision.
5. Successful delivery system consolidation can enhance the stability of essential institutions and services, sustain patients' convenient access to quality care, facilitate the creation of "centers of excellence," and enable the provision of neglected services.
6. Inversely, however, institutions and professionals who find themselves outside of consolidated entities may be destabilized and marginalized such that their services may be lost to the immediate community. In some instances it may be reasonable and necessary for patients to travel beyond the state's borders for certain services.
7. The greater market leverage gained by hospital systems through consolidation tends to erode affordability of health insurance and thereby increase the number

- of uninsured. Consolidation also tends to depress rates of remuneration available to professionals and facilities that are outside of merged entities. This is of particular concern in Rhode Island, where forces have depressed clinicians' earning power for decades.
8. Primary care and primary care training must form the robust foundation of Rhode Island's present and future health care system. The provision of comprehensive primary care must incorporate and facilitate patients' access to needed specialty and subspecialty care, including behavioral and mental health care. The network of community health centers and clinics that serve the uninsured and the underinsured are and will remain indispensable elements of the primary care infrastructure that serves the Rhode Island population
 9. Rhode Island institutions offer outstanding opportunities for professional education in medicine, physician assistant studies, nursing, pharmacy, and other disciplines. In addition, the state is home to distinguished programs in medical research and innovation. Increasing the scope and concentration of talent, facilities and services available to Rhode Islanders should benefit these programs of education and research and stimulate the establishment of additional ones.
 10. Long a national leader in the application of information technology in health care, Rhode Island has a superior foundation of investment and technological infrastructure to build upon. The state should maintain its momentum and position of leadership in health information technology. More work needs to be done to improve shared systems among health care entities.

Recommendations regarding potential hospital system consolidation in Rhode Island

1. State authorities must evaluate proposed system mergers and acquisitions in light of the broad population health goals of equity, access, quality and affordability. It is imperative that these priorities not be sacrificed to the corporate and competitive considerations that are invariably the primary motivators animating consolidation within the American hospital industry.
2. State authorities must evaluate proposed mergers and acquisitions and, in approving them, seize the opportunity to impose appropriate conditions in light of their foreseeable impact on the human infrastructure of health care and the adequacy, specialty balance, and well-being of the professional workforce. In particular, the continued development and maintenance of a robust and capacious system of primary care to serve the Rhode Island population should be a leading priority of state regulators and planners. In addition, state authorities and coalitions of community stakeholders must ensure adequate support for the community health centers and work with consolidated institutions to improve access to specialty and subspecialty care for the indigent, the uninsured and the underinsured.
3. Institutional consolidation has potential to create opportunities to advance the efficiency, reach and usefulness of health information technology, including the state's Health Information Exchange (CurrentCare). State authorities should seek

out these opportunities and obligate merged entities to realize them in the service of population health.

4. Approval for any hospital system consolidation should include specific provisions for oversight in the public interest by the Attorney General, the Health Insurance Commissioner, and the Department of Health. State authorities should reserve the right over time to monitor the impact of any approved consolidation on the broader community and to intervene if the consolidation is found to have the effect of impairing access for significant numbers of patients to affordable, high quality services.
5. The Attorney General should require transparency and disclosure by all parties to any consolidation of health care systems with regard to their individual and corporate financial interests, governance structures, and the disposition of community and charitable assets.
6. Approvals of hospital system consolidation should be conditioned upon mandates for public appointments to the governing bodies of new entities as well as meaningful representation in those governing bodies for physicians who rely upon the entity's facilities and personnel in caring for their patients.
7. State authorities should see to it that enhancements in the scope and concentration of facilities and services resulting from institutional consolidation are structured in ways that may further strengthen medical research in Rhode Island and benefit the state's outstanding educational programs in medicine, physician assistant studies, nursing and pharmacy and possibly encourage the establishment of additional programs. The structure of these relationships should protect these programs from undue influence of corporate interests at the expense of scientific independence and educational integrity.