

Transition Plan for University of Maryland Shore Medical Center at Dorchester

The University of Maryland Shore Medical Center at Dorchester (“UM SMC at Dorchester”) is part of UM SRH, the region’s premier provider of coordinated health care services, inpatient and ambulatory, in the five counties of Maryland’s mid-Shore region. UM SRH is a proud member of the University of Maryland Medical System (“UMMS”). The mission of UM SRH is *Creating Healthier Communities Together*, a reflection of its dedication and commitment to work with community partners, including physicians, other providers, and health and social services collaborators, to improve the health status of people who live and work in Maryland’s mid-Shore region. UM SRH’s vision is to be the region’s leader in patient centered health care. In a rural and often economically disadvantaged region such as the mid-Shore, with a population of approximately 175,000 people spread out over nearly 2,000 square miles, the challenges of health care delivery and access are significant. In addition, rural health care providers have challenges with recruiting and retaining physicians and other clinicians and obtaining sufficient reimbursement to cover their costs. These issues are not new to the region or its primary health care system, UM SRH.

In addition to these challenges related to rural health care delivery, the landscape of health care delivery is changing across the nation and in Maryland. Health care delivery is shifting from hospital-centric care to patient- and people-centric care, with a focus on wellness, preventive care, primary care, and diagnostics. Health care planning and resource allocation has focused on planning delivery sites that are more accessible to residents. Patients have become “consumers” of health care and are defining their needs from their own perspectives. The 2016 UM SRH Community Health Needs Assessment shows a consumer-defined need in the mid-Shore region for access to outpatient services, primary care, and specialists to support prevention

and management of chronic disease, including behavioral health and addiction services. Communities also define safety net needs related to urgent care and emergency medical care, which will continue to be important to citizens' health and well-being.

UM SRH's goal, in response to the Community Health Needs Assessment and its strategic planning work, is to address each of the consumer-defined needs in concert with the information gathered from UM SRH physicians, community partners, and UMMS. UM SRH's plan for conversion of UM SMC at Dorchester to a freestanding medical facility, a facility that provides 24/7 emergency services as well as diagnostic, imaging and lab services, and observation services, is the result of input from hundreds of patients, providers, community partners and leadership, obtained over more than two years of study and planning.

The transition plan for UM SMC at Dorchester began as early as 2015, as part of UM SRH's regional plan to transform health care. In the first year of its new strategic plan, the UM SRH Board of Directors and its planning committee launched a Strategic Services Delivery Workgroup and subsequently, a Strategic Service Delivery Council. Both groups engaged physicians, providers, leadership, management, community health care partners, and elected officials in a review of regional health care needs as well as national and state trends in health care. The Service Delivery Council then assembled into five subcouncils, each chaired by a dyad of management and physician leaders and comprised of internal and external stakeholders in the fields of primary care, specialty care, surgical care, behavioral health, and oncology. The resulting recommendations were compiled by the Service Delivery Council, recommended for adoption by the UM SRH Board Strategic Planning Committee, and approved by the UM SRH Board and UMMS in 2016. This Strategic Service Delivery Plan, which defined needs and

services at appropriate levels and facility types throughout the region, was then widely shared with community leaders, organizations, citizens, and elected officials.

The Strategic Service Delivery Plan envisioned that the Maryland General Assembly would allow hospitals to convert to a health care facility known as a freestanding medical facility (“FMF”), and a new statutory and regulatory framework would be implemented to govern hospitals converting to FMFs. UMMS and UM SRH participated in commenting on the legislation and regulations that would make hospital conversions to FMFs possible in Maryland. As the Strategic Service Delivery Plan was being communicated and legislation was moving ahead, UM SRH continued the discussions it had already begun with its physician leaders in Dorchester County regarding the possibility of converting the aged hospital in Dorchester to an FMF. With physician support for the concept, including the relocation of inpatient beds to nearby University of Maryland Shore Medical Center at Easton (“UM SMC at Easton”), just 15 miles away, UM SRH expanded the discussion to include the local public health officer, emergency medical services (“EMS”), local and state elected officials, and ultimately, to the full community in a series of community listening sessions during 2017. With overwhelmingly positive feedback from all of these sources, the Boards of UMMS and UM SRH approved moving forward with the detailed plan development for the conversion of UM SMC at Dorchester to an FMF in Cambridge with an adjacent medical pavilion with a complement of ambulatory services.

During late 2017 and early 2018, detailed planning work began on a location for the new medical campus, on facility design and site planning, services identification, budget and financing, and on early transition planning for three essential areas: (1) the plan to transition acute care services previously provided at UM SMC at Dorchester and the related transportation

impact; (2) the plan to transition, retrain, and place employees of UM SMC at Dorchester; and (3) the plan for the existing UM SMC at Dorchester physical plant and site. Although the proposed conversion and transition are not scheduled to occur until 2021, there has been steady focus and measurable accomplishment on the transition planning and the steps needed to bring it to fruition by 2021.

Plan for Transitioning of Acute Care Services Previously Provided at UM SMC at Dorchester

The projected timeline for transitioning acute care services presently provided at UM SMC at Dorchester will depend upon several milestones, in particular the regulatory approval of the plan to convert UM SMC at Dorchester to an FMF, to be called University of Maryland Shore Medical Center at Cambridge (“UM SMC at Cambridge”). In conjunction with the conversion, UM SRH is seeking to move 17 inpatient medical/surgical/gynecological/addictions (“MSGA”) beds and 12 inpatient psychiatric beds from UM SMC at Dorchester to UM SMC at Easton in order to ensure adequate access to these services for residents of the service area. UM SRH estimates that regulatory approval for conversion and transfer of these beds could take approximately six months, with groundbreaking occurring once all approvals have been finalized and permits obtained. Construction for the FMF and adjacent medical pavilion, which will be called the UM Shore Medical Pavilion at Cambridge and at the inpatient facility at Easton to accommodate the inpatient medical/surgical and behavioral health beds that will be transferred from UM SMC at Dorchester to UM SMC at Easton is anticipated to take approximately 16 months. The projected opening of the FMF and transfer of beds to UM SMC at Easton is the summer of 2021.

UM SMC at Dorchester will continue providing the full complement of services that it provides today until the conversion occurs. Upon conversion, a portion of UM SMC at

Dorchester's inpatients beds will be moved to UM SMC at Easton and UM SMC at Cambridge will open on a new campus conveniently located approximately one mile from the existing UM SMC at Dorchester site at the intersection of US Route 50 and Woods Road in Cambridge. UM SMC at Cambridge will provide 24/7 emergency services and be staffed by board certified University of Maryland Emergency Medicine physicians and advanced practice providers that will serve patients of all ages. UM SMC at Cambridge will continue to accept and care for all EMS priority levels as defined by established protocols and will continue to communicate as a base station with EMS providers to coordinate care that is appropriate for patients' needs and in their best interests. The FMF will also continue to provide the necessary diagnostic testing, including imaging and laboratory services, and will provide short-term observation services for the management of certain types of patients who do not meet inpatient criteria. Telemedicine consultations for behavioral health and other specialty services are currently provided for in all of UM SRH's emergency departments and will continue at UM SMC at Cambridge.

Patients who present at UM SMC Cambridge and are assessed to be in need of inpatient medical, surgical, or critical care will, subject to the patient's expressed preferences, be transferred to UM SMC at Easton. These patients will be stabilized at UM SMC at Cambridge by emergency physicians and clinical staff and the interfacility call system will be initiated to establish physician to physician communication and to coordinate acceptance and transport of the patient to UM SMC at Easton, another UMMS inpatient facility, or a facility which the patient chooses or meets the patient's specific needs. Because it currently operates three hospitals and an FMF in Queenstown across a wide geography and in relative isolation from the rest of the State and because UM SMC at Easton is already a regional hub for certain inpatient services such as PCI, stroke, obstetrics, pediatrics and acute rehabilitation, UM SRH already has

a well-defined and regularly monitored plan for transports in place and will continue to monitor and refine it as needed.

As previously mentioned, UM SRH is proposing to relocate inpatient MSGA and psychiatric bed capacity from UM SMC at Dorchester to UM SCM at Easton and appropriate staffing and support services as part of the conversion. UM SMC at Easton plans to make necessary renovations in its existing building for the additional beds and necessary support functions for these services. UM SMC at Easton will complete its renovations, the beds will be operational, and staff transitions will be complete at the time of the conversion to make the transition as seamless as possible.

Patients who arrive at UM SMC at Cambridge and are in need of behavioral health services will continue to receive the same emergency assessment and care as are presently provided at UM SMC at Dorchester, including assessment by the Behavioral Health Response Team (“BHRT”) and consultation with psychiatrists and clinicians via telemedicine where appropriate. The FMF will have an intensive outpatient behavioral health program for adult patients and additional outpatient behavioral health services will be located in the adjacent UM SMP at Cambridge. Patients who need adult inpatient behavioral health services will, appropriate to their needs and preferences, be transferred to the inpatient adult behavioral health unit which is being relocated from UM SMC at Dorchester to UM SMC at Easton. The inpatient behavioral health unit at UM SMC at Dorchester is a regional service at present and when the unit is relocated to UM SMC at Easton it will be sized appropriately to continue to meet the inpatient behavioral health beds needs of adult patients from around the region.

Transportation Planning

Transportation to and from emergency services, both in FMFs and hospitals is a critical component of successful transition planning and ultimately, to the transformation of health care delivery that provides efficient and effective care with optimal outcomes. To this end, UM SRH has had a unique opportunity to work on effective regional transportation, in particular, providing interfacility hospital-to-hospital transports for more than 20 years for patients in need of regional specialty services and providing FMF-to-hospital transports for more than eight years for patients seen at the UM Shore EC at Queenstown in need of inpatient or other specialty services.

For nearly a decade, UM SRH has had a continuing and effective contractual relationship with the region's predominant provider of interfacility ground medical transportation services, Best Care Ambulance, Inc. ("Best Care"). Best Care has base sites located throughout the region from which it deploys EMT-staffed, licensed ambulances for transports between UM SRH hospital emergency departments and FMF and outside the region to facilities of a patient's choice or facilities with specialty services. The interfacility transport services provided by Best Care under its contract with UMMS and UM SRH are already regional. Best Care's operational and quality metrics are reviewed quarterly as part of the UM SRH Interfacility Transport Committee, which includes representatives of nursing, critical care, and emergency medicine clinicians, Maryland ExpressCare, and leadership from Best Care. UMMS and UM SRH's discussions with Best Care are ongoing as regional programs expand and the conversion of UM SMC at Dorchester to an FMF brings opportunities for further collaboration and expanded services. UMMS and UM SRH intend to amend their contract with Best Care, as needed, to accommodate the needs for additional interfacility transports.

UM SRH is also participating in discussions with UMMS and its ExpressCare service to facilitate transfers and admissions via a central access center within the UMMS system and elsewhere as appropriate, to provide ambulance services for basic life support (“BLS”), advanced life support (“ALS”), and critical care patient transportation for UM SRH patients through Maryland ExpressCare or a licensed vendor ambulance service, 24 hours per day, seven days per week. ExpressCare, already in use on the mid-Shore and contractually supported by Best Care, will undergo further UMMS refinements and ultimately will provide a coordinating center for all transports, including those by helicopter, which are currently coordinated by UMMS or other receiving institution. A modern helipad is located at each of UM SRH’s hospitals and UM SMC at Cambridge will also have a helipad adjacent to the FMF that will be used for air transports.

Plan for Job Retraining and Placement of UM SMC at Dorchester Employees

The wellbeing and future of the UM SRH team members working at UM SMC at Dorchester has been a focus since the beginning discussions regarding the conversion of the hospital to an FMF. As UM SRH has fine-tuned its projected future patient volumes and staffing needs, it has developed a clearer picture of the staffing resources that will be needed at the FMF and adjacent medical pavilion in Cambridge, as well as in connection with the inpatient beds being transferred to UM SMC at Easton. Clinical staffing at the FMF will likely be similar to the current UM SMC at Dorchester emergency department. UM SRH also anticipates transferring clinical and support staff to cover the acute inpatient services being transferred from UM SMC at Dorchester to UM SMC at Easton, but there will be some overlap with existing staff at Easton.

To address the very specific assessment of staffing needs and plans necessary to adapt through reassignment and training for new jobs, UM SRH has formed a Workforce Transition and Development Task Force (the “Task Force”) whose efforts will get underway in the second

half of calendar year 2018 and will continue through 2021. The Task Force will involve a collaborative process and perspective from across multiple disciplines, including nursing, providers, clinical and ancillary support, facility management, human resources, and local community training and education resources. The Task Force's first priority will be to determine the total workforce needs and appropriate placements at UM SMC at Cambridge, the adjacent medical pavilion, and UM SMC at Easton in 2021 based on current UM SMC at Dorchester staff, taking into consideration retirements and anticipated attrition over the next three year period. The Task Force will next review options and make recommendations regarding alternative placements within UM SRH and UMMS for any displaced employees, as well as identify training options and match employees with resources in the event of displacement. The Task Force will keep UM SMC at Dorchester team members well-informed throughout its process by engaging them early on in discussions and working with them throughout the transition process.

Once the Task Force has refined its projections and identified the appropriate team members needed for the FMF, adjacent medical pavilion, and acute services that will be transitioning to UM SMC at Easton, as well as the needs within the full UM SRH system, focused outreach efforts will be made with each team member regarding the transition plan and options. UM SRH Human Resources representatives will meet and work one-on-one with employees to provide information about resources and opportunities available to them. The top priority will be to match team members with employment opportunities; consideration will be given to placement within the employee's current county of work, to the extent options match need. UM SRH will also provide training, career shadow days, and other resources to help staff transition to new roles. In addition, UM SRH plans to provide a link to other position vacancies

within the UMMS system to connect those staff members who would prefer to transfer to another UMMS facility with additional job opportunities. By identifying open positions and offering additional training, UM SRH is hopeful that it will be able to place all staff within UM SRH or UMMS, should employees elect to stay within the system. UM SRH will also work with local workforce development services to link displaced staff or staff members who want to pursue other opportunities with resources regarding other job opportunities in the community.

UM SRH leadership has worked over the years to build meaningful relationships with community partners, such as Chesapeake College, the Eastern Shore Area Health Education Center, and regional economic and workforce development offices. These relationships will help UM SRH and its team members understand their options for learning new skills to expand their job placement opportunities, if they choose to do so. Preliminary discussions have been held with these community resources and they will participate in the Task Force's discussions and decisions. Job fairs, onsite career training, and certification courses are among the options UM SRH will evaluate as part of the workforce transition plan, which will evolve over the next three years.

Plan for the Existing UM SMC at Dorchester Plant and Site

Once the FMF building is complete, emergency and ancillary services will relocate to the FMF on the new campus in Cambridge along with outpatient services that will relocate to the medical pavilion. At that time, UM SRH intends to relocate the inpatient beds from UM SMC at Dorchester to UM SMC at Easton. The existing hospital building in Cambridge is planned for decommissioning and demolition and the site will be vacated in order to sell it for redevelopment in support of the Cambridge/Dorchester County Waterfront Development vision, advancing economic development in the city, county, and the region. Dorchester County, the City of

Cambridge, and UM SRH have signed a Letter of Intent to outline the future property sale of the existing UM SMC at Dorchester site to the newly incorporated body, Cambridge Waterfront Development, Inc. (“CWDF”) in order to include the hospital property in a waterfront development project that will enhance destination recreation, job creation, and commerce in Cambridge, its port, and Dorchester County.