Partnerships change face of health care
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With development ongoing for a new hospital, expanded outpatient services and millions in IT integration projects, plans to transform the way health care is delivered in the southern portion of Western New York are well under way.

A year ago, the state Department of Health allocated more than $86 million in support of transformation efforts at Southern Tier hospitals. Additional plans developed since then will end up affecting six hospitals in Allegany, Cattaraugus and Chautauqua counties, as well as one just over the state border in Bradford, Pa.

The largest plan called for the integration of Brooks Memorial Hospital in Dunkirk with TLC Health Network’s Lake Shore Health Care Center in Irving, with both affiliating with Kaleida Health, Buffalo’s largest health system.

A second project links IT systems at Cuba Memorial Hospital with Olean General Hospital, which just completed an affiliation deal with Kaleida through its parent, the Upper Allegheny Health System, that includes a sister hospital in Bradford.

In a separate project, Jamestown hospital UPMC Chautauqua at WCA completed a merger with UPMC health system, a move that led to new services in the Jamestown region, more addiction treatment beds and investments in technology.

Hospital officials said services will continue to evolve as new partnerships are developed that lead to better access to care in a more efficient manner.

“We don’t have to own everything, that’s really the focus we’ve had,” said Mary LaRowe, CEO of Brooks Memorial. “There are opportunities to have partnerships going forward. And given that health care is going through these huge changes, we need to be expeditious.”

The transformation effort will be most obvious at Brooks, which will shut down its 65-bed hospital when a new 29-bed facility opens. A site is expected to be identified soon. The hospital has a daily census that averages 22 to 25 patients, plus 21,000 annual visits to the emergency room.

At TLC Health, most inpatient beds will be transitioned into swing beds or decertified, while the system’s hospital in Irving takes on more outpatient and ambulatory service lines.

While Brooks will still offer some outpatient and TLC will still have some inpatient services, the idea is to work together to maximize resources. The two sites considered sharing management staff in such areas as financial services, environmental services, nutrition and even emergency preparedness. Additional help comes from Kaleida through its HR team and labor negotiations team.

“We’ll look at all those opportunities that will streamline the way we do business,” LaRowe said. “Our relationship with Kaleida is working well. We’re certainly taking advantage of their expertise moving
forward, and their relationships with Upper Allegany and Olean give us more opportunity to partner. We’re stealing ideas from each other and building some new, sustainable programs moving forward.”

Michael Hughes, Kaleida’s senior vice president for public affairs, said the system will offer help once Brooks gets to the point where it begins to consider a reuse for the hospital.

Kaleida also is working with all five hospitals to determine how best to deliver care in the community.

“Whether that’s Cuba, Olean, Brooks or TLC, we look at the Southern Tier as an operating platform, a service delivery area,” he said. “When we can share services, we will. Where we can add, we will, like with back-office things such as legal services or negotiating contracts with labor unions. So we look at how can we organize and deliver better care, not taking away from how it’s delivered locally, but how we can add to that.”

That’s an area many rural hospitals in the Southern Tier have certainly been sensitive about. Tim Finan, president of Upper Allegheny and Olean General, has been a vocal critic of big-city health systems coming into rural areas and taking over. But he said the way it’s happening now with Kaleida allows strong rural facilities such as Olean to share best practices.

“It’s no secret that Brooks, TLC and Cuba have had some very significant financial challenges,” Finan said. “By all of us — Kaleida and the hospitals down here in the Souther Tier — working collaboratively, we believe we can provide better services for all of us.”

That was a major discussion point with the alignment of Upper Allegheny into Kaleida, he said: how to leverage the Upper Allegheny platform on behalf of Kaleida’s other assets.

“It’s this notion of using the Upper Allegheny platform under the premise that rural is distinct from urban, and rural knows rural best,” he said.

A good example is the move to add Cuba Memorial to the IT platform run out of Upper Allegheny. Brooks and TLC will be added to the same platform later, allowing all those systems to be managed more efficiently through one Southern Tier IT network, as well as enabling some data analytics to improve patient care. Similar opportunities could present themselves in pharmacy, purchasing and other financial areas.

John Galati, CEO of TLC Health, said moving to a common IT platform will be a major step forward.

At the same time, the hospital is waiting for state regulators to approve five projects that will change what type of services are delivered on the Irving campus. And of course, those plans will help advance TLC Health’s efforts to emerge from bankruptcy after three and a half years.

“We need to show we can come out of bankruptcy,” Galati said. “So as we expand more to specialty-type services and primary care, we’re doing it with the sense we’ll be here long term.”