

The Proposed Affiliation of Exeter Health Resources With Massachusetts General Hospital and Wentworth-Douglass Hospital: A Discussion

**Public Forum
October 2, 2018**

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AGENDA

6:30 p.m.	Mark Whitney / Vice President of Strategy, Community Relations and Advancement / Evening Moderator <ul style="list-style-type: none">○ <i>Welcome</i>○ <i>Introduction of Speakers</i>○ <i>Review of Agenda</i>
6:40 p.m.	Kevin J. Callahan / President and Chief Executive Officer of Exeter Health Resources
7:00 p.m.	Greg Walker / President and Chief Executive Officer of Wentworth-Douglass Hospital
7:10 p.m.	Peter Slavin, MD / President and Chief Executive Officer of Massachusetts General Hospital
7:20 p.m.	Open Forum / Questions from the Audience
7:30 p.m.	Conclusion

Exeter Health Resources

Exeter Health Resources consists of three operating affiliates, Exeter Hospital, Core Physicians and Rockingham Visiting Nurse Association & Hospice. The health system employs more than 2,300 staff members.

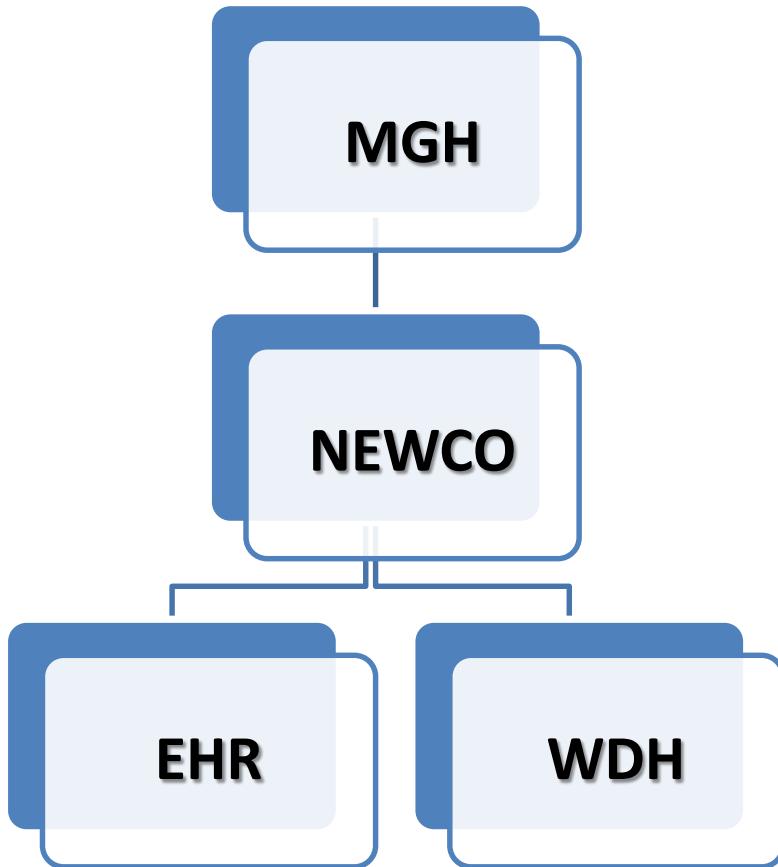
Exeter Hospital, is a not-for-profit, 100 bed, community-based hospital with extensive outpatient programs in surgery, radiation and medical oncology and cardiac catheterization. Exeter Hospital was awarded Magnet® designation in 2015 and re-designated in 2018. It has also been recognized for ten years by Modern Healthcare Magazine as a “Most Wired” organization.

Core Physicians is a community-based, multi-specialty group practice affiliated with Exeter Health Resources. Over 140 physicians and advance practice clinicians in over 25 locations offering services in primary care, pediatrics, orthopedics, gastroenterology and many other medical and surgical specialties.

Rockingham Visiting Nurse Association & Hospice is a community based, non-profit Home Health and Hospice agency. The agency provides services throughout Rockingham County and into Stratford County.

Budgeted Consolidated Net Patient Service Revenue	\$350 M
EH Licensed Beds	100
Inpatient Admissions	5,313
Births	631
Emergency Room Visits	29,784
Outpatient Visits	213,817
Surgical Volume	6,722
Cancer Treatments/Encounters	38,865
Employees	2,345
Core Primary Care Visits	85,011
Core Specialty Visits(Medical and Surgical)	125,134

What Are We Envisioning?



We are developing a new New Hampshire based regional health system.

This system (“NewCo”) can take advantage of scale to create the opportunity to design more rational and efficient systems of care to strengthen services and provide service expansion opportunities that make sense for our communities.

The Board of Trustees of Exeter Health Resources working with leadership, has worked diligently to explore the best way to ensure that the Seacoast Region maintains access to high quality and high value care while responding to the many challenges faced by smaller health systems.

We believe this is the right affiliation at the best time.

What Can This Affiliation Mean?

- First, a new pathway is created enabling Exeter Health Resources' continuous sustainable evolution as a health system strengthening its ability to improve the health of the community.
- This affiliation will allow Exeter Health Resources to do things as a health system that it simply could not do alone.

EXPECTED BENEFITS

For Our Community and the Health System

- Enhanced Clinical Care: Seamless and sustainable access to the array and depth of resources provided by EHR's affiliates (EH, Core, RVNA & Hospice) / MGH and WDH.
- Scale: Creating a new regional health system that can use scale to improve healthcare value while helping us to strengthen and grow the service capabilities for our communities
- Existing High Quality / Enhanced Recognition: By joining together we will enhance the consistently high quality care that exists across both Exeter Health Resources and Wentworth-Douglass Hospital and augment that with the recognized world class services and innovation associated with Massachusetts General Hospital.

Anticipated Timeline

Due Diligence and discussions on final affiliation documents – expected completion / agreement by early 2019

Expected approvals late summer of 2019



2019

Late Summer 2019?

Filing for Approval with the NH Attorney General and the U.S. Federal Trade Commission



WENTWORTH-DOUGLASS
HOSPITAL

MASSACHUSETTS GENERAL HOSPITAL SUBSIDIARY

Gregory Walker, FACHE

President & Chief Executive Officer, Wentworth-Douglass Hospital



EXETER HEALTH RESOURCES
The Art of Wellness

Exeter Hospital | Core Physicians | Rockingham VNA & Hospice



MASSACHUSETTS
GENERAL HOSPITAL



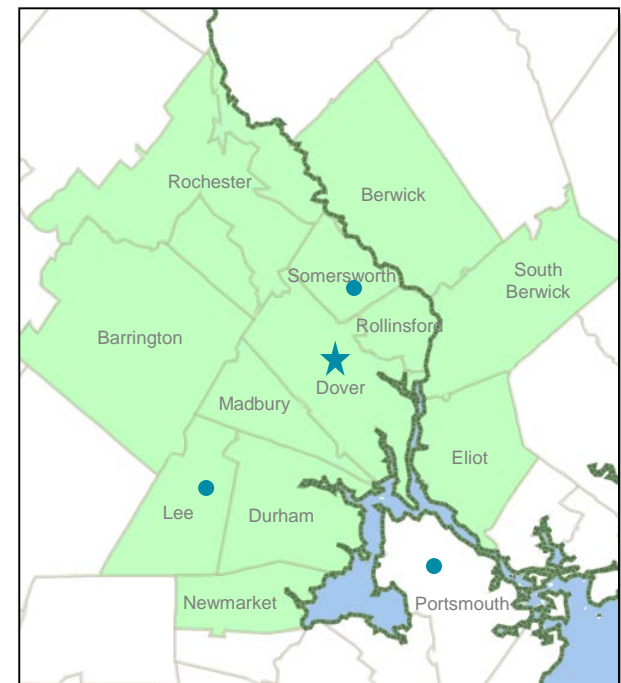
WENTWORTH-DOUGLASS
HOSPITAL

MASSACHUSETTS GENERAL HOSPITAL SUBSIDIARY

Wentworth-Douglass At A Glance

- Wentworth-Douglass Hospital: 178-licensed bed, not-for-profit hospital. *Centers in four communities - Dover, Lee, Somersworth & Portsmouth*
- Wentworth Health Partners: A network of 200+ employed primary and specialty care providers with over 30 practice and clinic locations *throughout seacoast NH & ME.*
- The Works Family Health & Fitness Center
- Wentworth-Douglass Foundation: Led by a Board of Directors to strategically direct philanthropy funding for maximum positive impact at Wentworth-Douglass.
- Joint Ventures: Wentworth Surgery Center, Wentworth Home Care & Hospice, Strafford Health Alliance, Tufts Health Freedom Plan

WDH SERVICE AREA



★ = Wentworth-Douglass Hospital ● = WDH Medical Center

Wentworth-Douglass At A Glance *(continued)*

- Operating Revenue for all subsidiaries (unaudited) **\$371.0M**
- Licensed beds: **178**
- Inpatient Admissions: **8,396**
- Births: **1,210**
- Emergency Room & Urgent Care visits: **63,572**
- Outpatient visits: **311,673**
- Surgical Volume: **12,472**
- Cancer treatment/encounters: **53,753**
- Employees: **2,650**



History

Wentworth-Douglass Joined Massachusetts General Family in 2016

- Why did we join?
 - Scale partner to help us:
 - ✓ Strengthen our position in the marketplace
 - ✓ Enhance quality care
 - ✓ Grow services and provider network for more specialized care
 - Successful relationship as a clinical affiliate since 2008 with programs:
 - ✓ Stroke
 - ✓ Cancer services including gynecologic oncology
 - ✓ Trauma and acute care surgery
 - ✓ Thoracic surgery

Accomplishments Since Joining

- Clinical partnerships and new services in Epilepsy, Neuropathy, Stroke, Cardiology and more
- Over \$4.5 million in cost savings in supplies, pharmaceuticals, borrowing costs
- Lower cost for capital equipment purchases
 - *Example: Zoll defibrillators would have cost \$478k, we saved \$100k, which was a 21% savings + additional 17% savings on consumables that go with the equipment.*

Accomplishments Since Joining *(continued)*

- Transitioning to new business office / EMR systems
 - PeopleSoft – go-live January 1, 2019
 - ✓ Human Resources
 - ✓ Payroll
 - ✓ Purchasing
 - ✓ Supply Chain

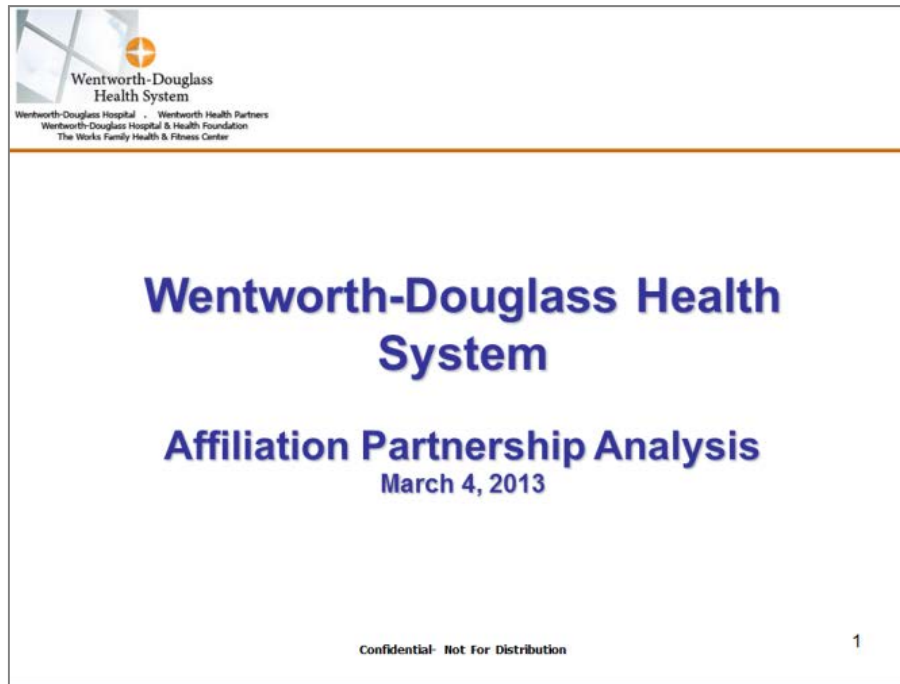
 - Epic/Partners eCare electronic medical record system and billing – go-live October 26, 2019
 - ✓ Supports improved information-sharing between providers
 - ✓ Better integrates in-hospital and outpatient services and communication

Future Success


- During negotiations, both MGH and WDH believed it was important to develop a way to allow another seacoast health system to join with MGH and WDH.
- The Definitive Agreement developed in 2015 / 2016 set the stage to enable other likeminded strong community hospitals to join us in developing a NH system.

Top Local Partner Identified

WDH's 2013 Partnership Affiliation analysis identified Exeter as the #1 potential partner for local strategy development



Top Local Partner Identified *(continued)*



Wentworth-Douglass Hospital • Wentworth Health Partners
Wentworth-Douglass Hospital & Health Foundation
The Works Family Health & Fitness Center

2013 Analysis

Potential Local Partners

Exeter Hospital (Rank: 1st)

- **Current Consensus:**
 - Well regarded and substantially sized healthcare system
 - Located in the center of the NH Seacoast in a strategically attractive marketplace
 - Actively developing a collaborative relationship with MGH
 - Geographic proximity would make Exeter a viable local partner in a regional strategy
 - Affiliation with Exeter would provide some opportunity to reduce costs through operational and clinical economies of scale
 - Cultural fit of Exeter with WDHS is unknown
- **Future Direction:**
 - Collaboration with Exeter Hospital may be of long-term (3 - 5 years) strategic value, but should not be a primary focus at this time
 - Continue to assess strategic fit and priority in light of discussions with MGH and other local and regional partners

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Strengths Together

Enhanced capabilities to serve the needs of patients across a broader geography

- 2 hospitals (both Magnet® recognized)
- 278 licensed acute care beds
- 2 Emergency Departments
- 2 comprehensive cancer centers
- 1 free-standing ambulatory surgery center
- 22 distinct provider office locations
- 600+ physicians and providers
- 59 primary care physicians
- 4 urgent care/walk-in centers
- 100,000+ covered lives
- 2 Visiting Nurse Associations / Hospice
- And more



Peter Slavin, MD

President, Massachusetts General Hospital

Who is Mass General?



- History:
 - Chartered in 1811 by an act of the state legislature
 - Third oldest general hospital in America
 - Largest hospital in New England
- Overview of services provided
- Relationships with community hospitals

Building One Network Together

- Increasing access in the local communities to specialists and sub-specialists – providing more specialized care locally
- Synergistic opportunities to advance care in New Hampshire – caring for patients at the right time, in the right place while improving care coordination
 - Shared Electronic Medical Records
 - System-Wide Quality and Safety initiatives
 - Expand Behavioral Health and Substance Use Programs
- Take a comprehensive and coordinated approach to treating substance use disorders and provide improved access to behavioral health services.

Questions

Mark Whitney

Vice President of Strategy, Community Relations and Advancement