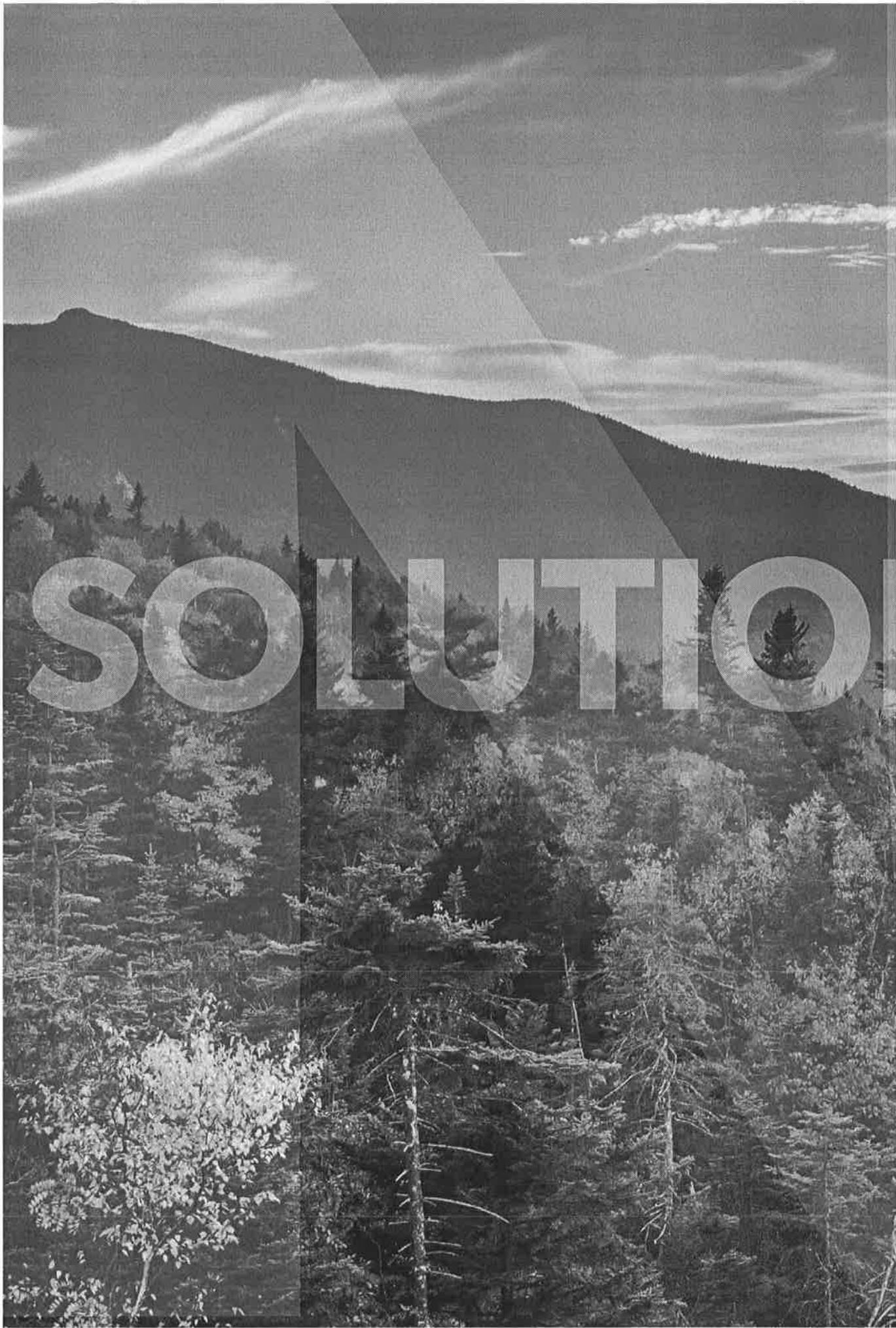


RESPONSE TO REQUEST NO. 4

SOLUTION HEALTH

WELL LIVES HERE





NH HEALTH

BUILDING A SH

WHY SOLUTIONHEALTH

Elliot Health System and Southern New Hampshire Health each served adjacent communities with distinction for more than 125 years. The common thread between the cultures is a fierce dedication to improve the health and well-being of their respective community. Recognizing the challenges of the health care industry, both current and on the horizon, the leadership and Boards brought these two strong organizations together to ensure that they not only remain strong in the service of their community, but also to build upon the legacy capabilities to grow and take on even more significant roles in the future of the health status of southern New Hampshire and beyond.



ARED CULTURE

This spark of an idea was realized in April, 2018, when SolutionHealth was officially established, and leadership and boards aligned with shared purpose, to innovate and collaborate on real solutions challenging our communities:

- **One of the nation's fastest growing populations of aging baby-boomers**
 - **Shortages of providers and other healthcare professionals**
 - **Continued escalation of healthcare costs challenging patients, employers and organizations alike**
 - **Increased needs of our patients and community for easy access to a continuum of care that extends from preventive and primary to advanced specialty care, post acute, long term and other types of care.**
-



A BOLD

The SolutionHealth Board, as well as the members of the founding organization Boards, have a BOLD VISION for the organization, and they have asked the leadership teams to develop their vision and create a system that delivers on the promise of SolutionHealth as a catalyst for improved community health. Our Boards have asked us to be an agent of change – to pursue strategies, services and programs to leverage the resources, talents and commitment of each to create a system to benefit the half a million residents of our region.



VISION



TRANSFORMING

SOLUTIONHEALTH 5 YEAR ASPIRATIONS

- Deliver on the promise of the Quadruple Aim
- Create value through system integration for growth, effectiveness and access
- Innovate and collaborate to improve the health of our communities

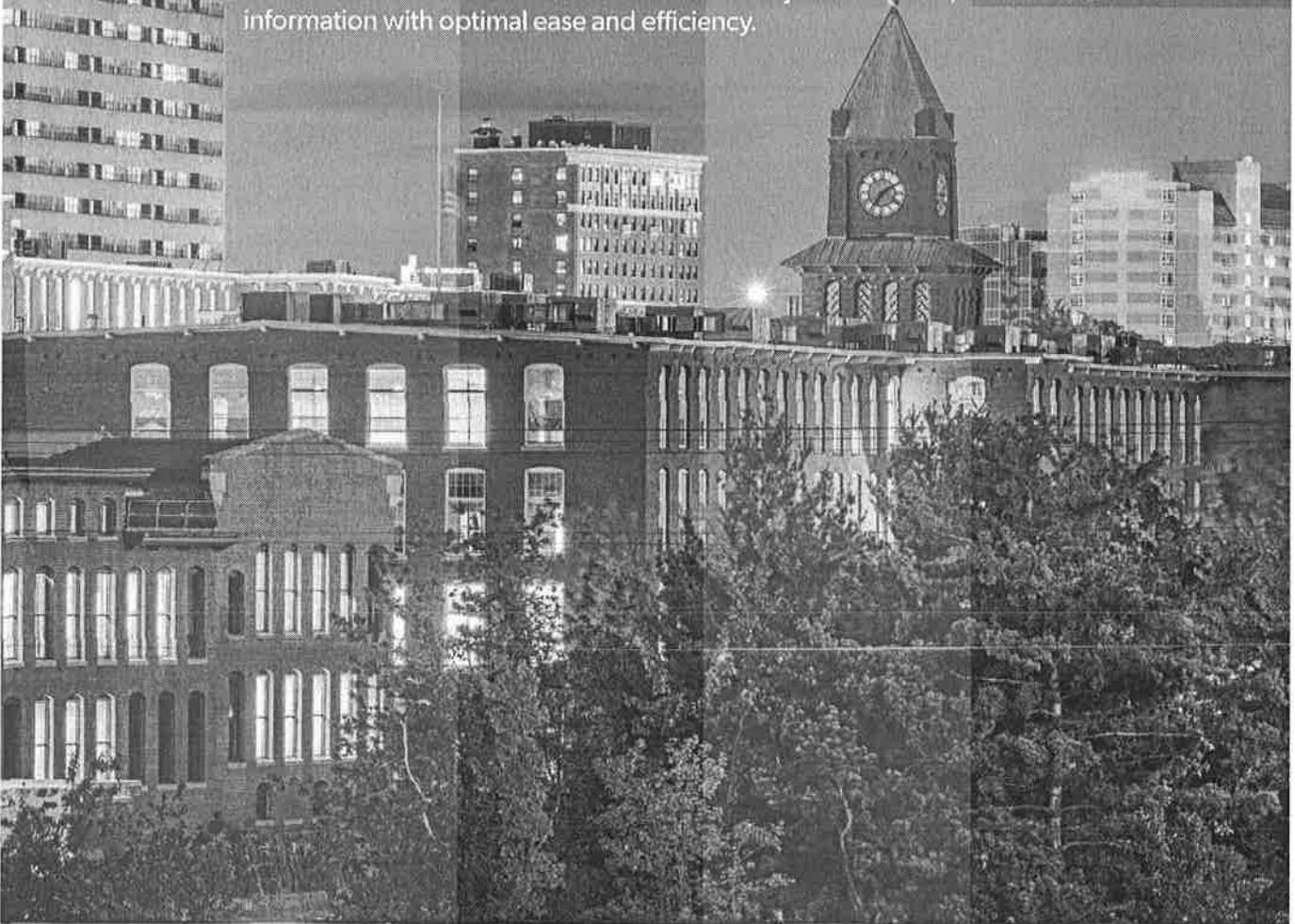
THE QUADRUPLE AIM

- SolutionHealth and its members will be the top quality provider in the communities we serve
 - Improve the infrastructure to support the patient experience through an expansion of our digital capabilities and improving the convenience of care
 - Create the team of the future by developing a workforce across SolutionHealth filled with top talent now and into the future
 - Maximize financial resources to support community health and major strategic initiatives
-

HEALTH CARE DELIVERY

COMING TOGETHER IN AN EPIC WAY

EPIC One. One Patient. One Record. One Solution. By the end of 2020, SolutionHealth will be integrated on a new EPIC system, a shared Electronic Medical Record platform that seamlessly connects our thousands of patients with providers, care teams and support staff across our system. EPIC One reflects an ambitious project in our agenda for change, with parallel tracks upgrading Elliot and simultaneously building out and integrating Southern New Hampshire within a new EPIC platform. This is a project that has and will continue to engage hundreds of providers and staff, with the continued dedication and leadership of our DOT-ITS team, and the steadfast commitment of physicians, nursing staff, clinicians and business partners in every corner of our organization. By our go-live in November of 2020 in Nashua, we will be prepared to welcome patients across SolutionHealth to a new "super highway" of care coordination, allowing individuals access to and benefit from our ability to share data, records and information with optimal ease and efficiency.



SERVICE

5 PRINCIPLES OF CARE

Early in our journey, our providers were orienting around a shared vision of exceptional quality care – mindful of guideposts reflected in the quadruple aim. Their discussions, collaboration and thought-leadership culminated in a simple yet compelling statement of purpose- 5 Principles of Care

1. **Give the patient the greatest opportunity to have the best outcome**
 2. **Provide care within SolutionHealth when appropriate**
 3. **Advance best practice across SolutionHealth through standardization of high impact care**
 4. **Deploy resources the best way we know how today**
 5. **Foster a culture of respect, systemness and open communication**
-

SERVICE LINES

Our bold agenda for change includes establishing and defining clinical service lines with clinical collaboration and leadership that integrates and elevates specialty care disciplines across our system. Service Line Councils – multi-disciplinary teams of providers, clinical and administrative leaders have organized in areas including Behavioral Health, Critical Care, Orthopedics and Trauma, and new councils are forming around areas including Cancer, Digestive Health and Neurosciences. When fully realized, Service Lines will define best practices, care coordination and exceptional quality of services that will be easily accessible to patients throughout our system.

SOLUTIONHEALTH SERVICE LINE GOALS

- Advance best practice across SolutionHealth through care coordination and standardization
- Evaluate if there are AMC partnership opportunities and services needed
- Improve patient access and community awareness of service line
- Foster a culture of respect, systemness and open communication through multi-disciplinary teams
- Create system-level alignment and transparency around goals and objectives
- Define measures to align with goals and objectives through an operations plan
- Develop dashboards to monitor measures and provide quarterly updates to system leadership

SERVICE LINE MEASURES OF SUCCESS

- Drive System Growth
- Improve Quality Outcomes & Value of Services
- Enhance Patient Care Coordination, Experience & Access
- Improve Engagement of Providers, Workforce, Partners, Community

SOLUTION

April 30
2018



- SH Established, Sherry Hausmann Introduced as President/CEO
- Leadership Structure formed to create and build upon synergies

Spring
2018



- Lab Services is the first clinical service integrated
- First Provider Leadership Retreat
- S&P awards SH A-Bond rating with Positive Outlook
- First SH Provider Services Guide Published

Fall
2018



- EPIC REFUEL begins at EHS as first phase of EPIC One project
- First Combined Board Retreat for Strategic planning
- SH brings both EHS and SNHH to Tier One insurance for Employees
- First Directors & Managers Collaborative brings 300 together
- SH brings MAT Training to more than 70 providers

Winter
2019



- New COO and CIO introduced to lead clinical, operational and IT integrations
- Service line councils established Trauma, Orthopedics, Behavioral Health and Critical Care
- More than 100 providers attend CME on Reducing Stigma
- 5 Principles Introduced

NEWSHEALTH

Spring 2019



- SH stories of patient care and collaborative successes shared at 2nd Directors/Managers Collaborative
- Ortho-trauma introduced at SNHMC ED
- SH Celebrates 1st year anniversary
- More than 100 nurses attend CNE event
- SH submits first report to Attorney General's office

Summer 2019



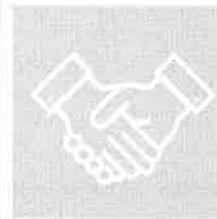
- Elliot Breaks Ground for new Cancer center
- NICU Collaboration ears to shared best practice standards of care for distressed babies
- Center for Recovery Management, First SH MAT Clinic, opens in Nashua
- IT, Facilities, Marketing and Contracting Aligned as SH Shared Services

Fall 2019



- SH Kicks off Brand planning, with more than 1300 staff participating in research
- EPIC ONE, One Patient. One Record. One Solution kicks off
- SH Introduces New VP, Value Innovation role
- SH Shares 5 year strategic plan goals
- SH aligns patient satisfaction efforts with new NRC contracts for EHS/SNHMC

Winter 2020



- Radiology and Critical Care Integration accomplished
- Trauma Service Line efforts realize success in keeping 95% of pts in system
- EPIC Workflow Alignment Sessions bring EHS/SNHHC plans together
- NH Governor asks SNHH to be Nashua Doorway for substance abuse
- And add SH realizes Drive for 5 Goal of \$5million in savings
- Growth in Orthopedic Surgery surpasses 5 %
- Center for Recovery Mangment served more than 200 patients
- Planning begins for Oncology, Digestive Health and Neurosciences centers of excellence

KEY RESULTS F

**OPTIMIZE WHAT WE DO TODAY.
INNOVATE FOR THE FUTURE.**



VALUE

- Enhanced Margin
- New Models of Care, including Behavioral Health care

QUALITY

- 4 Stars
- Advancing best practices through the standardization of high impact care

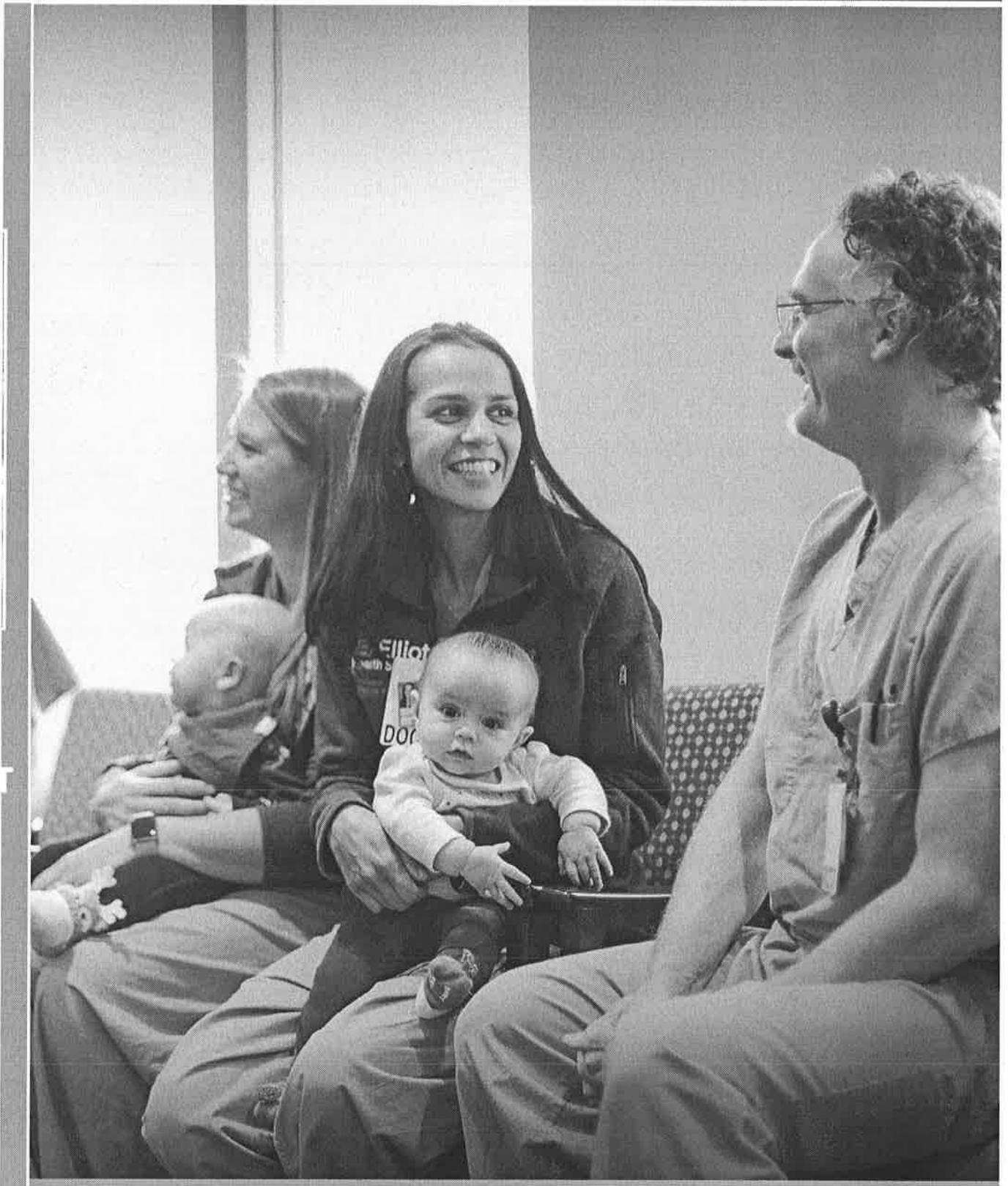
GROWTH

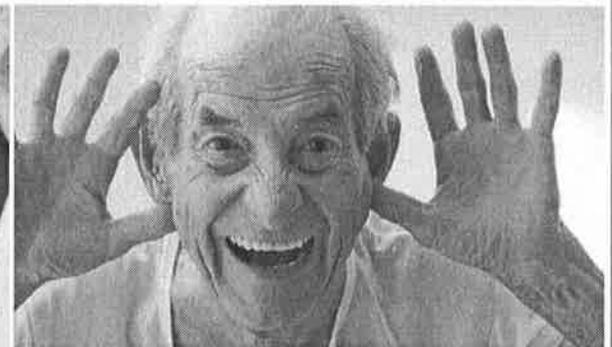
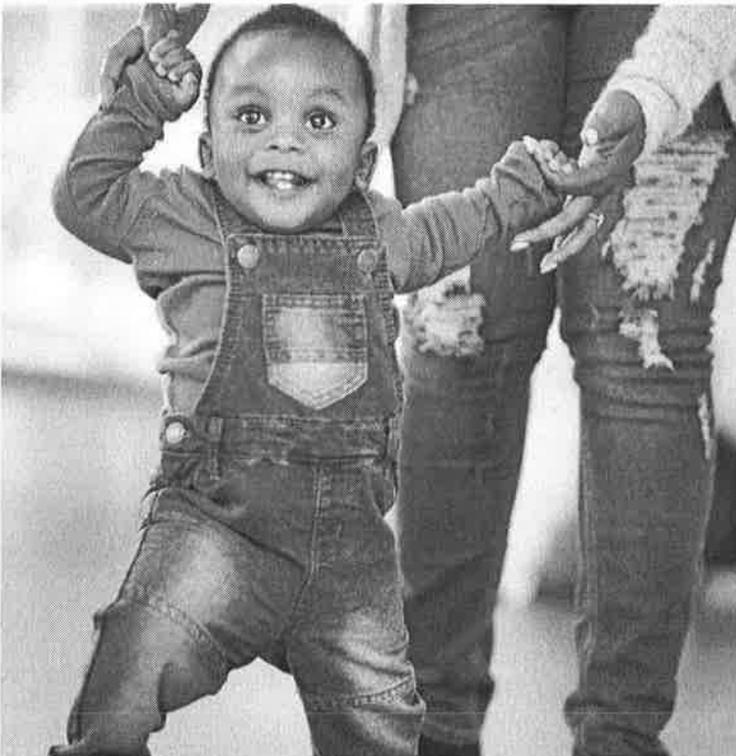
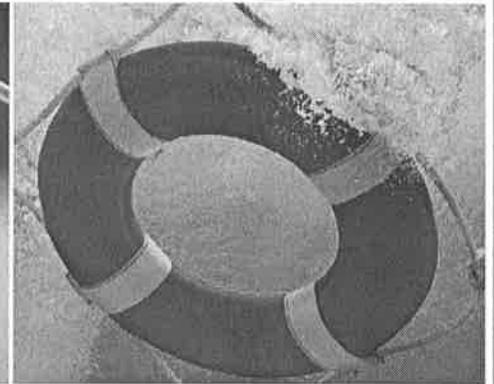
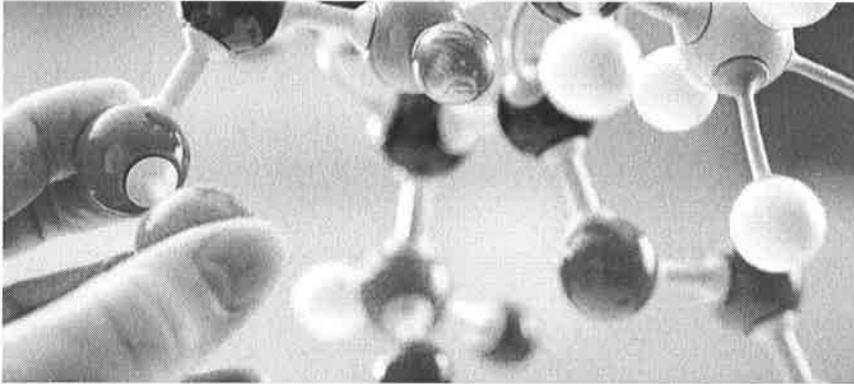
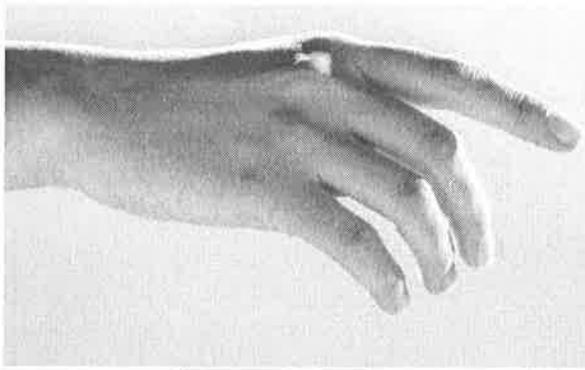
- Ambulatory Encounters
- Surgical Volume
- Local Care

ENGAGEMENT

- EPIC One
- Workforce Development
- Staff, Provider and Patient Satisfaction

FRAMEWORK





SOLUTIONHEALTH IS A CATALYST...

for change, for the health of our community,
for healthcare transformation, for bold change
that improves the lives of those we serve.

We are collaborators, caregivers, conveners
and advocates for health who provoke
positive action and engagement.

WE'LL LIVES HERE.

W

WHOLE-PERSON HEALTH

Our calling to provide our patients with a
full range of care for both body and mind

E

EXCELLENCE

A firm belief in evidence-based practice,
top-quality standards, innovations and
trust, for both patients and staff

L

LOCAL ACCESS

Community-minded and driven to provide
our patients with the highest value,
world-class care, served locally

L

LEADERSHIP & ADVOCACY

A commitment to being the voice of those
challenged by financial, physical and
emotional crises, working with policy
makers, community leaders and partners

SOLUTIONHEALTH

SOLUTIONHEALTH

WELL LIVES HERE



SolutionHealth is the largest provider of combined inpatient and outpatient services in the state of New Hampshire. Our inpatient institutions operate in our two largest cities, Manchester and Nashua, and our footprint extends from Concord to Salem and Exeter to Monadnock. We serve almost half the state's population. We also are one of the largest employers in New Hampshire with more than 7,000 employees. Along with this critical mass comes the responsibility to provide coordinated care across the full continuum, as well as continued development of new models of care and reimbursement that increase consumer satisfaction and bend the cost curve for the community. As part of our work, we have identified the development of world-class post-acute care capacity as critical to the health and well-being of our residents as well as a significant enabling element of creative and innovative care that best serves patients no matter what setting is indicated. Home Health and Hospice Care (HHHC) has a stellar reputation and a talented leadership team with similar aspirations to develop a future-oriented, quality, patient-centric, cost effective, comprehensive model of care. HHHC also has a long-standing relationship with Southern New Hampshire Health, and we believe evolving into a more unified structure would enable us to pool our human capital to innovate for the future. We admire what HHHC has accomplished with respect to care delivery and seek to grow together as our industry continues to change rapidly.

In the course of our exploratory conversations with the leadership at HHHC, a number of questions have been raised. We've developed a collaborative website where you can access materials relevant to these discussions. You can access via the embedded links and by entering the following username and password:

Login: sh0003

Password: Solution2020!

The following were the major questions raised in our conversations:

How do we (HHHC) keep our strong identity? *As described below, we (SolutionHealth) envision an end state in which we take advantage of the synergies created by a system of care that encompasses the full continuum of care, yet continue to value the legacy brand of each of our members. HHHC has a strong leadership team and knowledge base that we desire to tap into, grow, and innovate with, building on the foundation you have developed for decades in the community. The hospice programs and Community Hospice House of HHHC in particular have deep roots that evoke community loyalty, and that community connection is exactly the foundation upon which SolutionHealth is built. Our strategy would be to build upon the strong identity you have today, not to eclipse it. Your identity has real value in the community.*

What is the sustainability of SolutionHealth? *Despite the unfortunate financial impacts of our response to COVID-19, SolutionHealth will likely emerge from the pandemic as one of the strongest health systems in the state, perhaps the strongest. Moreover, as a result of our culture development and our careful organic efforts at integration, we are reaching a level of system-ness that will be a service and cost platform differentiator for us. We are accelerating "back office" shared services that allow us to lower overhead costs carefully and effectively, resulting in real cost savings. Our purchasing synergies have*



allowed us to significantly reduce supply costs, as well as service contract costs. Lower overhead costs allow us to invest in care delivery—that is the value of the system.

Elliot Health System invested in Epic, the dominant electronic health record in the region, many years ago. In November, we are upgrading the Manchester system and implementing Epic in all care delivery sites within Southern New Hampshire Health. This is another tool that will enable us to increase our efficiency, as well as drive quality and optimal care coordination.

As a system of nearly 700 providers, we have the critical mass to increase our investments in primary and specialty care models, as well as capabilities, to drive growth and diversify our offerings.

Our size and scale have allowed us to invest in leadership to focus on, develop, and thrive in a tumultuous path of health care evolution. We are only two years old and have yet to capitalize on some of the early investments in our system. We have yet to focus on workforce sufficiency plans, but will turn our attention there in the coming months as the COVID-19 pandemic subsides. In fact, we have many strategies that have yet to be tapped, including innovation in the post-acute space.

In the past, the major payers in New Hampshire have had a bit of an adversarial relationship with the health systems. SolutionHealth has taken a much different approach, building a “partnership-type” approach with the payers that we believe will yield creative models of care that are effective at margin development in the coming years as the value-based care models seen in other areas of the country are embraced in New Hampshire. We are also positioning ourselves to embrace the inevitable “silver tsunami” and the increase in managed Medicare that is upon us.

We have a healthy balance sheet, and have developed an aggressive COVID-19 recovery plan to quickly return to a health income statement as we emerge from COVID-19. We gladly share all of our financial documents, and are happy to discuss them fully.

Under what conditions would SolutionHealth not support the development of the Community Hospice House? *The Community Hospice House is a very special part of the community—its reputation is unassailable and the volunteer program enviable. Financial decisions of more than \$2m are currently jointly made by members, so any decision to material change services would have to be a joint decision. Moreover, the strength of the Community Hospice House and that element of care is one of the jewels of HHHC and a key reason we see this relationship being synergistic. We would not seek to diminish the role of the Community Hospice House... only potentially to increase its reach. We will commit to its future, and we would ask for your commitment to help build upon the amazing volunteerism and culture of community connection that we have witnessed within HHHC. In fact, we would ask you to lead that effort.*

Should we continue this conversation, is the idea to keep the VNA of Manchester and Home Health and Hospice Care as separate entities? *The purpose of developing a post-acute care division within SolutionHealth is to ensure that we provide the best coordinated care in New Hampshire. We believe there is value in both entities, and both entities enjoy community connection and brand identity. Just as we have not diminished the community connection of Elliot or Southern, we see no value proposition in*



eliminating the VNA of Manchester or HHC identities; however, we would seek to create value and efficiency in combining support services, leadership, and back office functions. If we should come together, we would ask combined leadership to evaluate and plan the administrative, operational, and clinical integration of operations between the organizations to achieve the objectives of the division, including achievement of efficiencies and implementation of best practices. There is likely some overlap in clinical territory and services, so we should work through how to best structure the division to meet the need. We also believe there is likely substantial shared services synergies, such as billing, contracting, marketing, and other support services. Through efficiencies gained in support services we can invest in clinical and service growth.

What is the timing? *A timeline for our conversations is [here](#). Assuming availability of staff and our ability to engage with the regulators in a timely fashion, it is likely that we could come to a definitive agreement towards the end of 2020 or the beginning of 2021.*

In what follows, we provide information which may help Board members understand SolutionHealth, and the mission, values, and principles that drive the organization, our goals and aspirations, and our stability in terms of governance and finances.

Who We Are

SolutionHealth was formed on April 30, 2018, when two strong organizations came together with the belief that together they would be stronger—enabling them to better meet the needs of their communities. As non-profit health care organizations, both Elliot Health System and Southern New Hampshire Health have at their very core a commitment to improve the health of their community. Through the SolutionHealth combination, we have expanded the definition of community to include all of southern New Hampshire and extending to a part of northern Massachusetts that naturally migrates north for health services. While the culture of each of the legacy organizations is somewhat different, the common bond to provide exceptional health care services to the community has been a unifying force in the formation of SolutionHealth. SolutionHealth was formed to be a community catalyst for improving the health of our citizens.

The statement of common purpose included in the final documents submitted to the Attorney General's office in New Hampshire clearly articulates the value seen in SolutionHealth:

1.1 Statement of Purpose of Combination

Each of the Hospital Systems and certain of their respective affiliates is a New Hampshire health care charitable trust that has long served its own respective and distinct communities within the southern New Hampshire region. These communities share certain geographic, economic and social attributes that present opportunities for the establishment of a combined and coordinated regional system that can provide high quality community-based health care services and with greater access for residents of the region. Such a combined and coordinated



regional system would provide a stronger platform for each of the Hospital Systems to address and manage the rapid changes in the federal and state health care regulatory regimes.

After careful review and due diligence regarding these and other conditions, including engagement of experts on various aspects of the federal and state health care regulatory environment, the Hospital Systems have identified and selected each other as suitable partners whose combination would create opportunities for efficiencies, value and improvements in access and controlling costs for the communities they serve that can be achieved through a more formal integration of certain functions of the Hospital Systems.

1.2 Statement of Common Objectives

The principal objectives of the Combination, to be achieved through the execution of this Agreement, are as follows:

(a) Establishment of Regional Healthcare System. The creation of the Regional System as a new supporting organization with appropriate ceded powers and centralized management authority to establish a highly-coordinated, community-based regional health care delivery network.

(b) Furtherance of Historic Charitable Missions. It is fundamental to the Combination that it support and preserve the historic charitable missions of Elliot Hospital and Southern New Hampshire Medical Center and the ability of each Hospital to deliver its core services by aligning its respective clinical services and economic interests with the other. To that end, the express intent of the Combination is to preserve the ability of each Hospital to perform its existing historic charitable mission into the future by creating an integrated, regional healthcare network that will allow the Hospital Systems to collaborate in regional planning to maintain and/or improve access to health care services in southern New Hampshire and to improve the quality, increase the efficiency and control the costs of health care delivery in the communities served by the Hospital Systems.

(c) Integration and Collaboration to Improve Quality and Control Costs. Upon Closing, the Hospital Systems shall immediately begin the process of integrating certain functions of the Hospital Systems in a manner that will align the historic charitable missions and economic interests of the Hospital Systems. The goal of the Combination is to create a truly regional health care system that will allow for greater coordination of care, implementation of best practices and collaborative regional planning, and elimination of inefficiencies, all of which will enhance regional



access and improve the quality and control the cost of care for southern New Hampshire.

(d) Enhancement of Local Services and Charitable Mission. Beyond maintaining the established charitable missions and services of the Hospital Systems, the Combination aims to create enhancements to local services by developing a high degree of interdependence and cooperation to control costs, ensure quality and improve local access.

A description of SolutionHealth, our mission and vision, our goals, and our key results can be found [here](#). The full combination agreement can be found [here](#). A brief video describing our SolutionHealth journey together can be found [here \(this is a VIMEO site and should not require a username or password\)](#).

Financial Sustainability

We are a strong health system that has spent our early years focused on putting ourselves in the financial position to better meet the needs of our communities. Across our health system, the Board expects an operating margin of approximately \$3m per month, a slim margin of 2-3% (major bond rating agencies suggest this as a minimum necessary to support our organizations), which has positioned us to make significant investments in the cancer center at the Elliot, an expanded GI center at Southern, a new medication-assisted treatment clinic in Nashua, expanded behavioral health services, market adjustments for our employees in the competitive labor market, and focus on expanding much needed acute care capacity in both aging communities. We have done so and managed to ensure that our expenses per adjusted discharge grew at or below the medical care CPI. Simply put, we are careful stewards of our community's resources. Our financial status through February is available in the PowerPoint presentation [here](#). In short, we entered the COVID-19 pandemic with a strong cash position and operating margin.

The strong balance sheet we maintained heading into the COVID-19 pandemic will ensure our ability to continue to provide care to our community. In March, we followed the state's direction and stopped all non-emergent activity and incurred significant expenses to be ready for the predicted surge of patients. The resulting changes in revenue, despite our expense mitigation efforts, was a -23% operating margin in March and a -35% operating margin in April. With our re-emergence efforts, we are closing the gap on both the expense and revenue side and anticipate a margin of -1% for the fiscal year ending June 30, 2020, not due to operational losses, but instead because we are continuing to invest in our system and are finalizing the conversion of Southern New Hampshire Health to Epic.

Governance

The value proposition for SolutionHealth has always been "system-ness." That is, in its governance structure, in the development of a shared services model for information technology, and in the



implementation of a shared instance of Epic, and in the collaborative development of a shared culture, SolutionHealth has been designed to allow the member organizations to come together organically to ensure operational excellence and efficiencies and clinical quality, but encouraged common decision-making through the sharing of powers. Most significant decisions are shared. For example, amending by-laws, appointing trustees, removal of a CEO, dissolving or forming a hospital or hospital affiliate, merger, acquisition, consolidation, or affiliation with a new organization all are shared decisions across the system. From a financial perspective, creating or assuming debt above \$2m, purchasing activity above \$2m, and adopting operating and capital budgets are all shared decisions as well.

In addition to ensuring decisions benefit the system, the governance structure has resulted in an accelerated movement towards a more closely integrated governance structure. We are diligently working towards a culture in which we “Work as One” across SolutionHealth, and we also continue to recognize the critical importance of the legacy of members of SolutionHealth. While we are actively working on branding to help our patients understand that we are one system across southern New Hampshire, our work together intentionally acknowledges and celebrates the legacy organizations’ history and local community focus.