Memo: President Preckwinkle's FY 2021 Budget Proposal

To: Cook County Board of Commissioners

C/O Secretary of the Cook County Board of Commissioners

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The FY 2021 Budget Recommendation put forth by President Preckwinkle includes purports to expand lifestyle services and create improved health education opportunities that will advance health outcomes in the long term. But these measures fail to meet the immediate needs of impacted communities, making them less safe. Community members seeing care for diabetes will likely improve health outcomes in the long term due to new programing, but when they arrive at 2am with crashing blood sugar they'll require a form of care unavailable to them if the Provident ER closes. These services are exclusive, not interchangeable. In combination, they are fundamental to a functioning health system.

When federal regulation mandated that seatbelts be standard in the manufacturing of motor vehicles, the intervention succeeded in avoiding nearly 50% of motor vehicle deaths and 60% of major injuries. These improvements did not inspire the closure of trauma centers or emergency rooms. The following document seeks to underscore the likely harm the proposed budget would cause, if approved.

I. This is a Cost-Cutting Budget That Doesn't Cut Costs, But Does Cut Services

The President would like you to reduce a profitable service line at Provident (ER, ICU, Medical Surgical Unit) and lay off employees as a supposed cost saving measure, - but the budget recommendation put forth achieves the opposite.

- 28,000 patients sought emergency care at Provident last year.
- Physicians, nurses, respiratory therapists, pharmacists, environmental services workers and all workers took excellent care of these patients.

- The President's new budget recommends a \$5,257,343 increase in overtime
- The President's new budget recommends \$33,667,346 in ADDITIONAL contractual services

Cook County Affiliate	Overtime Budget FY '20	Overtime FY '21 Recommended Budget	Percent Change
Cermak (CCJ)	\$5,071,751	\$(-686,882)	86.46%
JTDC	\$195,601	\$101,000	151.63%
Provident	\$1,651,532	\$1,052,000	163.69%
ACHN	\$450,002	\$125,000	127.77%
Public Health	\$10,000	\$47,000	570%
Stroger Hospital	\$22,100,742	\$4,619,225	120.90%
TOTALS	\$29,479,629	\$5,257,343	117.83%

Cook County Affiliate	CONTRACTED SERVICES BUDGET FY '20	CONTRACTED SERVICES FY '21 PRESIDENT'S BUDGET	Percent Change		
Cermak (CCJ)	\$1,212,400	\$280,970	81%		
JTDC	\$159,300	-(\$3,873)	102%		
Provident	\$5,818,910	\$500,000	92%		
ACHN	\$5,812,559	-(\$1,007,614)	121%		
Public Health	\$1,108,450	\$1,687,000	40%		
Stroger Hospital	\$54,564,061	\$30,194,635	64%		
TOTALS	\$68,675,680	\$33,667,346	81%		

II. Provident Hospital Operates in the Black Among other Financially Insolvent Hospitals

Provident Hospital isn't losing money. Provident is just as profitable as neighboring, for-profit hospitals, despite its location in the poorest neighborhoods in Chicago as described below.

Sun-Times: U of C Shunning Poor Patients? Obama's Wife, Aides Tied to Plan to Free Space

The University of Chicago Medical Center (UCMC) is the nearest ER to Provident hospital, and despite possession of net assets eclipsing those of Provident by orders of magnitude, their net income was approximately equivalent in the most recent records, at around \$50 million.

	Inpatient Revenue	Net Patient Revenue	Net income	Total unreimbursed & uncompensated care cost
Provident Hospital	\$127,664,303	\$115,406,928	\$56,385,813	\$43,705,453
Uni. Chicago Medical Center	\$4,353,015,780	\$1,796,247,000	\$44,051,000	\$101,557,284

The graph below demonstrates the precarity of healthcare services for residents of the South Side. **Only two hospitals are financially solvent** (and this bears out through at least five years of financials).

- The hospitals below are the facilities within the boundaries of the planning district used by the Illinois Health Facilities and Services Review Board to determine if adequate services exist within each area to service the needs of the population.
- Last year, hospitals collaborated to request additional state funding to ensure provision of service. They're in trouble. We can't let the neighborhoods dependent on these services lose access.
- These facilities alone cannot support the needs of the community without Mercy and Provident.

HOSPITAL	STAFFED BEDS	TOTAL PATIENT REVENUE (2019)	NET INCOME/LOSS (2019)
Provident	25	\$202,443,198	\$56,385,813
UChicago Medical Center	682	\$8,860,010,394	\$44,051,000
St. Bernard Hospital	190	\$169,844,043	(\$6,437,712)
Mercy Hospital	258	\$666,289,131	(\$37,419,045)
Jackson Park Hospital	201	\$210,832,381	(\$27,872,107)
South Shore Hospital	137	\$102,409,147	(\$1,275,207)

Holy Cross Hospital 221		\$557,241,001	(\$18,103,100)
			HFSRB planning district A-3

III. Outpatient vs Emergency Care - Why Closing the ER at Provident Hospital is Deadly

President Preckwinkle's budget recommendation for 2021 downgrades the Emergency Room at Provident Hospital, nodding toward a county preference for expanding outpatient care.

- For patients who lack internet access or are on an hourly income, outpatient facilities pose challenges for accessing care.
 - These patients are not always financially or potentially socioeconomically confident to make long-term appointment schedules for myriad reasons relating to work scheduling or ability to pay.
- While the community certainly needs a dialysis center, a patient education center, and more colon cancer screenings, as suggested in the budget recommendation presented by President Preckwinkle, this does not remedy the fact that more than 28,000 patients sought emergency care at Provident last year.
- The many who hold multiple part time jobs, whose housing, transportation, or food is insecure, who live in violent or otherwise unsafe spaces require access to emergency care twenty-four hours a day, even if they don't require a trauma center.

IV. Community Care Cannot be Safely or Effectively Moved out of Communities

 Cook County provides more than half of the charity care for the entire county, but we can't expect folks to commute all the way to Stroger Hospital in the West Loop and continue to utilize CCH services.

Neighborhood	Public Transit Commute to Stroger	Commute to Stroger by car
Englewood	55 minutes	20 – 40 minutes
Oak Forest	2 h 41m	35m – 1hr 15m
Hyde Park	57 minutes	18m – 45m

What Happens When Mercy and Provident's ERs Both Have Closed?

• Neighboring private hospitals are already operating at capacity as indicated by their high rates of **bypass**, explained below. What this translates to is the fact that 30,000 new patients being directed to the University of Chicago could easily mean additional bypass patient orders. This would require patients to travel farther for emergency care.

Hospital Name	Emergency department visits (2019)	Distance from Provident in miles
Provident Hospital of Cook County	28,899	0
University of Chicago Medical Center	101,567	1.3
St. Bernard Hospital	21,251	3.0
Mercy Hospital	51,795	3.3
Jackson Park Hospital	10,510	4.3
South Shore Hospital	4,600	5.4
Holy Cross Hospital	15,064	6.6
University of Illinois Hospital	48,066	7.2

Tribune: Abuse of Ambulance Diversion Leads to State Investigation

Bypass explained:

As of last November, University of Chicago Medical Center (UCMC) was one of three medical centers being investigated for their overuse of ambulance diversion – a practice that closes a facility's doors to ambulance traffic. It's a controversial practice across the country, and one that some experts say is being abused to the detriment of patients.

- At UCMC, the Adult ER was on diversion for 17% of the year.
- This is important because UCMC is the only hospital remaining in the area surrounding Provident and Mercy with the capacity *and* the financial stability to be reliably available to the patients of both hospitals.

However – if all the patients from both Mercy and Provident went to U of C, the patient volumes in the ER would increase by 74% - possibly leading to additional time on bypass as UCMC copes with the massive increases in volume.

• If Mercy closes its doors, and Provident shutters it's ER, where will uninsured or homeless patients go once the University of Chicago, seeing more than 100,000 ER patients a year, is on bypass?

When the ER at UCMC gets busy, we already know what it does – it diverts ambulances to other facilities. In treating trauma patients, time is everything – especially the first hour following injury.

- This hour the golden hour is the patient's best opportunity to survive. Studies show that patients who get to definitive care (a fully equipped ER with an OR crew on call) have higher survival and better outcomes.
 - Kotwal RS et al. "The effect of a golden hour policy on the morbidity and mortality of combat casualties." JAMA Surg 2015 Sep 30; [e-pub]. (http://dx.doi.org/10.1001/jamasurg.2015.3104)

CCH will tell you that many of Provident's patients are just in need of primary care, and that's true in the majority of ERs in America today.

However, an ER that is overrun by a 74% increase in volume (like UCMC could be after Mercy and Provident close), is far more likely to go on ambulance diversion – not just for Provident patients, but for every South Side patient in need of a trauma center.

V. Why won't these patients just go to a primary doctor?

Two of the 4 neighborhoods surrounding Provident Hospital have the highest rates of unemployment and therefore very likely the highest number of potential County Care patients and others in need of CCH's services.

	PROVIDENT HOSPITAL Kenwood 60616	PITAL MERCY HOSPITAL UCHICAGO Douglas Park Hyde Park 60616 60637		The Loop 60611
Poverty as % of population	41.2%	46%	50.7%	20.4%
Unemployment as % of population	8.4%	6.9%	15.9%	2.4%

The poverty rate combined with the unemployment rate pose one clear reason patients don't go to physicians' offices, they are working poor. This patient population does not necessarily feel confident or comfortable at University of Chicago because they are uninsured. For undocumented residents this is doubly true, even though the City of Chicago advertises as a sanctuary city.

o <u>Tribune</u>: <u>Initiative to divert patients called 'dangerously close' to breaking law</u>

Reasons for Preferential Use of Hospital Over Ambulatory Care Among Patients of Low Socioeconomic Status

- University of Pennsylvania and Perelman School of Medicine

Transit times to newly relocated CCH specialists are long and unpredictable, wait times for appointments can be long and require unaffordable absences from work.

- O During the pandemic, visits are fraught with risk of infection.
- Understaffing and unaddressed staff vacancies lead to longer waits, more overburdened and less patient staff, thereby exacerbating problems perceived by the public.
- o This results in low patient confidence and poor outcomes.
- According to the cited study from the University of Pennsylvania:
 - "Reducing avoidable hospitalizations and emergency department visits is a major target for cost control and quality improvement in the health care system.
 - "Hospitalizations for ambulatory care—sensitive conditions —that is, acute conditions that could have been prevented or mitigated by effective ambulatory care —cost approximately \$30.8 billion annually.
 - "At each stage of care, patients with low socioeconomic status are at higher risk for being hospitalized for ambulatory care—sensitive conditions than patients of higher socioeconomic status."

Indicator	Chicago	South Shore	Douglas	Oakland	Washington Park	Kenwood	Woodlawn	Bridgeport	Armour Square	Hyde Park
Ra	ace-Ethnicity							Majorit	y White for C	ontrast
Non-Hispanic African American or Black		93.60%	70.30%	91.90%	94.40%	68.50%	84.10%	2.60%	9.20%	28.70%
Non-Hispanic Asian or Pacific Islander		0.30%	12.90%	1.90%	0.10%	8.40%	3.10%	37.20%	75.40%	12.20%

Hispanic or Latino		1.70%	3.20%	3.70%	1.80%	2.90%	3%	24.90%	3%	7.90%
Non-Hispanic White		2.70%	11.50%	1.90%	0.40%	17.10%	7.90%	33.40%	11.50%	47.20%
Indicator	Chicago	South Shore	Douglas	Oakland	Washington Park	Kenwood	Woodlawn	Bridgeport	Armour Square	Hyde Park
Qı	ality Of Care									
Health care satisfaction	68%	68.10%	54%	46.20%	64.80%	68.20%	63.30%	79.60%	62.40%	70.30%
Received needed care	83.70%	79.70%	64.90%	95%	56.40%	75.30%	78.90%	85.70%	66.90%	90.90%
Ac	cess To Care									
Routine checkup	77.90%	86.10%	83.70%	81.50%	93.50%	69.50%	71.80%	74.50%	82.30%	71.40%
Early and adequate prenatal care	65.30%	57.70%	59.30%	61.70%	56.10%	71.20%	63.30%	71.30%	66.40%	80.70%
Prenatal care in first trimester	69.70%	67.10%	71.20%	75.40%	66%	76.20%	71.60%	77.50%	74.60%	82.40%
Indicator	Chicago	South Shore	Douglas	Oakland	Washington Park	Kenwood	Woodlawn	Bridgeport	Armour Square	Hyde Park
Com	munity Safety									
Neighborhood safety	75.90%	54.80%	78.40%	64.50%	38.80%	85.80%	63.50%	81.70%	76.50%	90.80%
	Income									
Unemployment	8.30%	20.80%	16%	21.20%	26.70%	12.90%	18.20%	9.90%	12.10%	6.70%
Indicator	Chicago	South Shore	Douglas	Oakland	Washington Park	Kenwood	Woodlawn	Bridgeport	Armour Square	Hyde Park

Behavioral Health										
Drug induced deaths	28.4	23.2	27.2	22.4	35.6	11.4	17.1	14.1	5.9	8.1
Alcohol induced deaths	8.5	5.7	5.9	12.2	15.9	5.5	7.7	7.8		2.8
Opioid-related overdose deaths by location	796	19	10	2	7	4	6	4	2	2
Suicide	7.9	6.2	14.1			7.4	4.5	12.4	1.4	5.6
Drug overdose deaths	28.1	23	27.2	22.4	35.6	11.4	17.1	14.1	5.9	8.1
Opioid-related overdose deaths	23.4	34.8	37.3	51	29	15.6	21.6	15.6	14.7	6.3
Maternal, Infant	Child & Adole	scent Health								
Infant mortality	6.6 per 1,000 live births	13.3 per 1,000 live births	5.1 per 1,000 live births	12.1 per 1,000 live births	13.3 per 1,000 live births	11.2 per 1,000 live births	10.2 per 1,000 live births	5.6 per 1,000 live births	5.9 per 1,000 live births	8.1 per 1,000 live births
Infectious Diseas	se									
Influenza and pneumonia deaths	18.6	20.9	24	15.4	20.1	12.2	14.8	15.7	20.3	11.1
Quality Of Life										
Years of potential life lost (YPLL)	8,131 years	14,627 years	11,277 years	12,293 years	15,689 years	8,405 years	12,684 years	5,991 years	4,989 years	4,462 years
Quality Of Life										

Life expectancy 77 years

71 years

74 years

70 years

69 years

77 years

74 years

79 years

80 years

82 years