DATE: March 29, 2023

TO: William Hughes
              House Democratic Agriculture and Rural Affairs Committee

FROM: Jonathan Johnson
              David Martin
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Subject: HB 158, Health Equality Impact Assessment

Section 7 of House Bill 158 calls for a health equality impact assessment of hospitals that may close. Below is the Center for Rural Pennsylvania's estimated Closure Impact Analysis for three hospitals: UMPC Kane, McKean County; Conemaugh Miners Medical Center, Cambria County; and Fulton County Medical Center, Fulton County.

These hospitals provide a useful case study in hospital financial and closure vulnerability for the Commonwealth. Each has been identified by the Chartis Center for Rural Health as financially vulnerable[1]. Beyond that identification, the hospitals represent different ownership models and institutional sizes. UPMC Kane is a large system, Conemaugh Miners Medical Center is a small system, and Fulton County Medical Center is independently owned.

The impact assessment below follow the nine paragraphs in Section 5 of HB 158. The data are primarily from the 2021 Pennsylvania Department of Health, Hospital Facilities Surveyed Data. Other data sources include the Pennsylvania Health Care Cost Containment Council, the Center for Medicare and Medicaid Services, and the Health Resources and Services Administration, U.S. Department of Health and Human Services. The fiscal impact data came from the Pennsylvania Department of Labor and Industry and are estimates of total wages.

Although the assessment here estimates the impact of hospital closures, none of these hospitals have announced they were closing. This assessment should be thought of as a "proof of concept," which demonstrates that it is possible to conduct a health equality impact assessment as called for in the legislation. Caution, however, should be used when interpreting the data.

These estimates suggest that more than 35 percent of the population in each of the hospital service areas could be forced to seek treatment elsewhere if one of these hospitals closed. Additionally, each of these hospitals are significant employers in their county. While two of the hospitals are part of larger health systems, the revenue contribution to their respective institutions is less than 5 percent.

Please let me know if you have any questions or need any further information.

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[1] As Rural Hospital Closure Crisis Deepens, New Research from The Chartis Center for Rural Health Reveals Scope of Hospitals Vulnerable to Closure | The Chartis Group

1. **Estimate of the Number of Patients Gained or Lost Due to Hospital Closure or Significant Impact Closure**

	Total # Patients, 2021[2]	Total Population of Service Area, 2021[3]	Patients as % of Population
UPMC Kane	6,410	12,931	51%
Conemaugh Miners Medical Center	9,209	25,228	37%
Fulton County Medical Center	9,307	23,088	39%

2. **Estimated number of low-income, senior, minority, and Medicare and Medical Assistance eligible patients gaining or losing access to health care services due to the general hospital closure or significant impact closure.[4]**

UPMC Kane
Low-Income (Individuals below poverty level) 1,449 (11%)
Senior Citizens (65+ Years Old) 2,949 (23%)
Minority (People of Color) 598 (5%)
Medicare Insured 3,162 (25%)
Medicaid Insured 2,930 (23%)

Conemaugh Miners Medical Center
Low-Income (Individuals below poverty level) 2,794 (12%)
Senior Citizens (65+ Years Old) 5,915 (23%)
Minority (People of Color) 619 (2%)
Medicare Insured 6,308 (26%)
Medicaid Insured 5,506 (23%)

Fulton County Medical Center
Low-Income (Individuals below poverty level) 2,349 (10%)
Senior Citizens (65+ Years Old) 4,858 (21%)
Minority (People of Color) 1,274 (6%)
Medicare Insured 3,162 (25%)
Medicaid Insured 4,731 (21%)

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[2] The number of patients was calculated by first subtracting total hospital admissions from emergency room admissions. This number was then added to total emergency room visits. Data source: 2021 Health Facilities Report for Hospitals, Pennsylvania Department of Health.
[3] Hospital service area was based on the ZIP Codes of patients who enrolled in Medicare inpatient hospital services and Medicare Advantage. Data source: Center for Medicare and Medicaid Services. (See appendix Map 1.)
[4] Data source: 2021, 5-year Average, American Community Survey, U.S. Census Bureau.

3   **The names and addresses of the three nearest hospitals that provide comparable services, including whether each hospital is a Medical Assistance provider.[5]**

UPMC Kane

Hospital Name	Address	Approximate Distance	Medicaid Provider
Highland Elk Hospital	763 Johnsonburg Rd. St. Mary's, PA 15857	33 Miles	Yes
Warren General Hospital	2 West Crescent Park Warren, PA 16365	35 Miles	Yes
Olean General Hospital	515 Main Street Olean, NY 14760	50 Miles	Yes

Conemaugh Miners Medical Center

Hospital Name	Address	Approximate Distance	Medicaid Provider
UPMC Altoona Hospital	620 Howard Ave. Altoona, PA 16601	23 Miles	Yes
PA Highland Tyrone Hospital	187 Hospital Drive Tyrone, PA 16686	33 Miles	Yes
Indiana Regional Medical Center	835 Hospital Road Indiana, PA 15701	30 Miles	Yes

Fulton County Medical Center

Hospital Name	Address	Approximate Distance	Medicaid Provider
Wellspan Chambersburg Hospital	112 North 7th Street Chambersburg, PA 17201	23 Miles	Yes
UPMC Bedford Memorial	10455 Lincoln Highway Everett, PA 15537	29 Miles	Yes
Valley Health War Memorial Hospital	1 Healthy Way Berkeley Springs, WV 25411	32 Miles	Yes

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[5] Data source: Health Resources and Services Administration, U.S. Department of Health and Human Services. Proximity determined by the Center for Rural Pennsylvania.

4. **A summary of the public and private transit options to the hospitals specified under paragraph (3), including estimated drive times.**[6]

UPMC Kane

Hospital Name	Estimated Drive Time (Minutes)	Public Transportation Service (Fixed Route Service Intra-city)[7]	Private Transportation Service (Inter-city)
Highland Elk Hospital	34	No	No
Warren General Hospital	35	No	No
Olean General Hospital	58	No	No

Conemaugh Miners Medical Center

Hospital Name	Estimated Drive Time (Minutes)	Public Transportation Service (Fixed Route Service Intra-city)[6]	Private Transportation Service (Inter-city)
UPMC Altoona Hospital	35	No	No
PA Highland Tyrone Hospital	49	No	No
Indiana Regional Medical Center	41	No	No

Fulton County Medical Center

Hospital Name	Estimated Drive Time (Minutes)	Public Transportation Service (Fixed Route Service Intra-city)[6]	Private Transportation Service (Inter-city)
Wellspan Chambersburg Hospital	37	No	No
UPMC Bedford Memorial	39	No	No
Valley Health War Memorial Hospital	31	No	No

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[6] See Appendix, Map 2. Data source: HRSA
[7] Excludes Pennsylvania Departments of Aging and Transportation Share-Ride Program and other share ride programs (Uber, Lyft, etc.).

5. **The number of hospital beds gained or eliminated due to the general hospital closure or significant impact closure.**

Number of Hospital Beds Set-Up and Staffed, 2021[8]
UPMC Kane .... 14 beds
Conemaugh Miners Medical Center .... 25 beds
Fulton County Medical Center .... 21 beds

6. **A summary of the gained or eliminated health care services due to the general hospital closure or significant impact closure.**

In 2021, all three hospitals provided the services listed below. If these hospitals closed, these services might be eliminated.

Types of Health Care Services Provided, 2021[9]	UPMC Kane	Conemaugh Miners Medical Center	Fulton County Medical Center
All Surgery	Yes	Yes	Yes
Cardio-Pulmonary Rehabilitation	Yes	-	-
Clinical Laboratory	Yes	-	Yes
CT Scanner	Yes	Yes	Yes
Diagnostic Radioisotope	Yes	Yes	Yes
Diagnostic X-Ray	Yes	Yes	Yes
Health Promotion	Yes	-	Yes
Hyperbaric Chamber	-	-	Yes
Intermediate Rehabilitation Care	-	-	Yes
MRI	Yes	Yes	Yes
Neurology	-	-	Yes
Occupational Therapy	Yes	-	Yes
Optometry	-	-	Yes
Physical Therapy	Yes	-	Yes
Podiatry	-	-	Yes
Positron Emission Tomography	Yes	-	-
Registry-Cancer	-	-	Yes
Registry-Other	-	-	Yes
Respiratory Therapy	Yes	-	Yes
Social Work	Yes	-	Yes
Speech Pathology and Audiology	Yes	-	Yes
Ultrasound	Yes	Yes	Yes

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[8] Data source: 2021 Health Facilities Report for Hospitals, Pennsylvania Department of Health.
[9] Data source: 2021 Health Facilities Report for Hospitals, Pennsylvania Department of Health.

7. **The number of jobs that will be created or lost due to the general hospital closure or significant impact closure.**

In 2021, all three hospitals employed more than 75 full-time individuals. If these hospitals were to close, these jobs may be eliminated.

Full-time Hospital Employment by Type[10]	UPMC Kane	Conemaugh Miners Medical Center	Fulton County Medical Center
Administrators and Assistant Admins	6	2	8
Physicians	6	-	14
Licensed Midwives	1	-	-
RNs (Excl Rn Anesthetists)	21	22	33
Physician Assistants	2	-	5
Nurse Anesthetists	-	1	1
Certified Nurse Practitioners	5	-	2
Operating Room Technicians	2	1	2
Licensed Practical Nurses	16	-	17
Unlicensed Assistive Personnel	3	-	14
Medical Record Admin and Technicians	-	-	9
Pharmacy Personnel	2	1	5
Clinical Lab Personnel	8	11	17
Dieticians and Dietetic Technicians	1	-	1
Radiologic Personnel	9	2	10
Occupational Therapists	1	-	3
Physical Therapists	6	-	6
Respiratory Therapists	2	1	7
Recreational Therapists	-	-	-
Speech Pathologists and Audiologists	-	-	2
Other Rehab Mental Health Personnel	1	2	5
Other Health Professional/Technical Personnel	2	15	7
Other Non-Health Personnel	23	18	95
Total Full-Time Employment	**117**	**76**	**263**

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[10] Data source: 2021 Health Facilities Report for Hospitals, Pennsylvania Department of Health.

8. The estimated fiscal impact on the affected community due to the general hospital closure or significant impact closure.

Hospital Payroll Impact	Estimated Payroll, 2021[11] ($1,000)	Estimated % Total County Payroll, 2021
UPMC Kane	$8,039	1.3%
Conemaugh Miners Medical Center	$5,222	0.3%
Fulton County Medical Center	$18,070	7.3%

In the third quarter of 2022:[12]
- UMPC Kane was the nineteenth largest employer in McKean County.
- Conemaugh Health System was the largest employer in Cambria County (includes Conemaugh Miners Medical Center and Conemaugh Memorial Center).
- Fulton County Medical Center was the second largest employer in Fulton County.

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[11] Payroll data for the three hospitals were not available due to confidentiality rules. To estimate payroll, the Center for Rural Pennsylvania used data from the Census of Employment and Wage collected by the Pennsylvania Department of Labor and Industry. Using 2021 annual data, the Center divided total average wages by total average employment for general medical and surgical hospitals (NAICS 6221). The Center then multiplied this average by the total employment in each of the three hospitals. While this method is not perfect, it does provide an overall snapshot of volume hospital wages.

[12] Data source: Pennsylvania Department of Labor and Industry.

9. The estimated fiscal impact on the hospital authority due to the general hospital closure or significant impact closure.[13]

In 2021, UPMC Health System operated 26 hospitals. The total operating revenues from these hospitals was $10.1 billion. Total operating revenues for UPMC Kane Hospital were $21.2 million, or 0.2 percent of UPMC's total hospital operating revenues.

In 2021, Conemaugh Health System operated four hospitals. The total operating revenues from these hospitals were nearly $470.2 million. Total operating revenues for Conemaugh Miners Medical Center were $18.9 million, or 4.0 percent of the Conemaugh Health System's total hospital operating revenues.

In 2021, Fulton County Medical Center was independently owned. Therefore, 100 percent of its total operating revenues stayed with the hospital.

	Hospital Total Operating Revenues, 2021 ($1,000)	Health Care System Total Operating Revenues, 2021 ($1,000)	Hospital Total Operating Revenues as % of Health Care Systems' Operating Revenues, 2021
UPMC Kane	$21,241	$10,010,241	0.2%
Conemaugh Miners Medical Center	$18,919	$72,669	4.0%
Fulton County Medical Center	$57,783	$57,783	100.0%

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[13] Data source: Pennsylvania Health Care Cost Containment Council.

Appendix

Map 1:
Hospitals Included in HB 158
Health Equality Impact Assessment and their Service Area
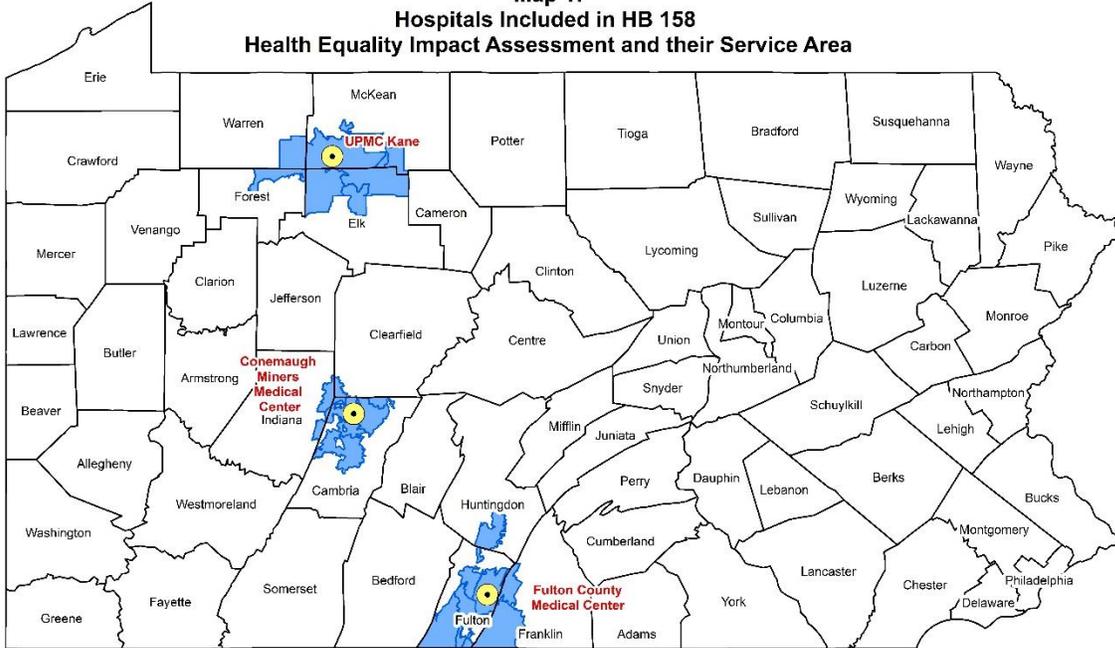
⊙ Hospitals Included in HB 158 Health Equality Impact Assessment   ▢ Hospital Service Area (ZIP Codes)

Map 2:
Nearest Hospital to Hospitals Included in
HB158 Health Equality Impact Assessment