

A LETTER TO THE NEWARK COMMUNITY:

THE FUTURE OF UNIVERSITY HOSPITAL



University
HOSPITAL

Newark, NJ



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Newark, NJ

Dear Residents of Greater Newark,

As we emerge from twin crises — one, a global pandemic whose hotspot engulfed our city just months ago, and the other, a new reckoning with institutional and structural racism as public health risks in their own right — University Hospital finds itself in the center of both. On the former, our hospital emerged as a front-line institution battling the COVID-19 pandemic, with almost every patient in our hospital fighting the disease by mid-April. And, in addition to the crucial, direct patient care we were providing to our community, University Hospital's vital role as a public institution shone more brightly than I ever would have imagined.

At the direction of the Governor and Commissioner of Health, we transformed our dispatch center into a Medical Coordination Center that served the entire northern New Jersey region, facilitating transfers to the field medical station at the Meadowlands Convention Center in Secaucus, the Alternative Care Site in East Orange, and the USNS Comfort while it was in port in New York. We also provided training and operational support to all of New Jersey's field medical stations. I am proud of our hospital's outsized role in fighting COVID-19, because it is the direct result of our undying commitment at every level of this organization to this community, including that of our front-line heroes.

Our community has also coped with the deaths of George Floyd, Breonna Taylor, Ahmaud Arbery, Tony McDade, Dion Johnson, and countless others whose names we say in painful remembrance of the scourge of racism that persists in America. Our hospital was among the earliest to espouse an explicitly anti-racist position on these issues. We gathered dozens of staff to proudly proclaim that Black lives matter, and stood side by side with Rutgers New Jersey Medical School to proclaim that our white coats were for Black lives.

While being unashamed of our position in this national debate, we continue to contribute tangibly to solutions

that will finally break the back of systemic racism in our community. First, University Hospital is committed to continuing as an anchor institution in our community, as shown by our participation in the Newark 2020 effort to hire locally, and we're at the table with city stakeholders to procure more goods locally to help drive the local economy. Second, we are working with the New Jersey Department of Health and the Legislative Black Caucus to share outcomes data, by race, that we have seen in the City of Newark related to this pandemic. Third, University Hospital is also proud to be involved in the City of Newark's Restart and Recovery Strikeforce, and to provide COVID testing to anyone in the community who requests it, and providing positivity rates for those tested at the hospital or in our clinics to local and state governments.

This data will be crucial as an early warning system for understanding if and when our region experiences another flare-up. As always, because we serve a majority-minority community in Newark, any success in achieving the allocation of critical resources — from PPE to anti-viral medications — will help in closing the disparity gap that COVID has only exacerbated.



Newark has made significant progress in the years leading up to the COVID-19 pandemic. Several leading companies now have their headquarters in Newark.

UNIVERSITY HOSPITAL IS COMMITTED TO CONTINUING AS AN ANCHOR INSTITUTION IN OUR COMMUNITY

Just about every economic indicator has improved over the last several years across Newark's population, especially before the COVID-19 pandemic. The HIV-AIDS epidemic, once an important epicenter of this public health crisis, is on the verge of finally ending in Newark. I am also proud to be on the board of the New Jersey Performing Arts Center (NJPAC), which has brought a significant investment into the arts in the city. Newark has reached a new height in industry-community partnerships to solve social problems, exemplified most readily by the Newark Alliance and the Newark Anchor Collaborative, both of which University Hospital has joined in the past year.

That said, the legacies of structural racism and poverty, within certain populations in Newark, very much remain. The unique, historical role of University Hospital within the fabric of structural racism in Newark cannot be understated. The cornerstone of a bargain with the African-American community in the wake of riots in the 1960s, University Hospital was a central piece of the Newark Accords, an agreement with residents in the City by which University Hospital would give back to a community that was displaced by its original founding and subsequent development.

Beyond the physical construction, the Accords were part of a broader response to social injustice and systemic

racism that was centuries in the making. Newark was and, to a significant degree, still is the epicenter of some of the most pressing public health problems in the country. The incidence of tuberculosis, chronic disease, and other endemic health problems outpaces many urban areas in the United States, and rivals that of developing countries in several key examples. At University Hospital, concentrated poverty, rooted in structural racism, is the most important root cause of the medical conditions we see in our patients. To treat our patients definitively, we must crack the back of poverty and its manifestations in our community, including the outbreaks of violence that plagues our streets — and that will eventually require a wholesale change in the model of care that we provide as a hospital. Said differently: we will need not only to serve the medical and healthcare needs of our patients, but also to coordinate the resolution of upstream, social root causes for our patients' health problems. Instead of being part of a system of churn, where we resolve an acute health problem only to send folks back to the environment that caused them to need our care in the first place, we need to start solving problems for our patients.

Reflecting on our new Vision Statement — *“Partnering with our communities, University Hospital improves health for generations to come”* — we are well positioned to address these fundamental healthcare issues. To accomplish such a sea change in our care model, Hospital Leadership needs to embrace a harmonious relationship with managers, supervisors, and front-line staff that is grounded in both trust and accountability. Walking the halls every day and visiting our employees in their workspaces, I've focused my first year on strengthening and reinforcing this at University Hospital, and front-line staff now more than ever expect that Leadership will meaningfully engage them.

Knowing how important our institution is to so many of you, and understanding that our hospital's role in the community is inseparable from Newark's rich history, I am simultaneously honored and humbled to present my view of the hospital's next best steps in meeting

its mission for the community. In 2019, University Hospital's Board of Directors offered a strategic plan that sourced input from residents, community leaders, Rutgers academic faculty, and more. This provided a compass for the path forward in improving our services in the short term, but also a north star for our eventual destination in the future. This letter presents my thoughts on next steps for both: the immediate steps we must take to ensure both quality and sustainability, while setting the groundwork for a fundamental, yet necessary change in the way we operate for our patients.

To set the context for this vision, we must remind ourselves of the events that brought University Hospital to the time immediately before the strategic plan was commissioned.

In 2018, University Hospital was teetering on the edge of a cliff marked by historically low financial and Leapfrog performance, culminating in a report by a Monitor on behalf of the State of New Jersey. With nearly 50 recommended actions to reverse these negative trends and embed a culture of high performance, the Board of Directors, under the leadership of newly appointed Chairwoman Tanya Freeman, undertook significant efforts to stabilize the organization and begin the work of setting a plan for the future of University Hospital.

Most significantly, the Board spent over six months designing University Hospital's first Strategic Plan, engaging hundreds of stakeholders representing, patients, visitors, employees, medical and dental school faculty, community representatives, government officials, and faith leaders. Immediately following the adoption of this Plan, I was privileged to be selected by the Board of Directors as President and CEO of University Hospital, starting in July of 2019. Upon my arrival, I instantly appreciated the momentum of change initiatives already in place to meet those new goals. Staff at University Hospital have tremendous pride in the institution — and for good reason.

In this document, I will outline my initial observations about the current state of University Hospital and the steps I intend to take, in close partnership with the Board of Directors and Community Oversight Board, to implement the goals set in our Strategic Plan over the next several years. The Strategic Plan erected the critical scaffold to move beyond the longstanding issues that have at times kept University Hospital from providing the surrounding community with the care and healing that it deserves. Our task now is to add details to the plan for improvement at University Hospital.



Our Strategic Plan sets Community Health Improvement as one of our future goals, which requires that we focus our efforts on primary care, family medicine, a holistic approach in how we treat our patients that takes into account their daily environment, and a recommitment to our academic mission. University Hospital can be a transformative force for public health in New Jersey, and I am energized to lead this historic effort. More importantly, I am convinced that the expertise and the professional commitment needed for success already exist here. Now, we are focused on combining those assets with newly revitalized leadership, engaged workers, consistent application of standards, and systemic reform, all of which are required to assist our medical and support staff in performing up to their capabilities.

Before I describe the particular elements of our future vision, I would be remiss without drawing your attention to our new University Hospital branding, a new graphical identity that we are proud to debut with this document. The new logo is the result of extensive input from the community and the time and hard work of many members of the University Hospital team. As we embark on this new vision, the new look of the University Hospital brand leads the way for the waves of positive change we are planning in the coming months and years.

The elements of our new vision include:

A. BUILDING THE FOUNDATION OF QUALITY, SAFETY, AND RELIABILITY

PUBLIC REPORTING

Embedded as our foundation, quality, safety, and reliability are our most important priorities. While the coronavirus pandemic presented a challenge that has set all organizations back on their journeys to quality and high reliability, University Hospital must retain its laser focus on continuous improvement in all aspects of quality and safety. The quality mission cannot be more imperative for University Hospital at this moment in time, given our recent history. But beyond obvious incentives to improve in this area, such as positive public attention, the most important reason to focus on quality is that Newark and our surrounding communities simply deserve a hospital that treats its patients with dignity and respect. With over 50 percent market share for the City's residents, and a large share of patients from the surrounding area and beyond, high quality healthcare is essential for a community that has been historically neglected. Hospital care is the final common pathway for disease, and Newark too often is a hotbed for a host of public health problems. The City of Newark needs the antidote of health justice.

In my former roles, I encountered many public hospitals that struggled with quality. These hospitals had familiar characteristics. They often had a constellation of high leadership turnover; poor workforce engagement and morale; difficulty with staffing key clinical roles that factored into care quality, such as nursing and physicians; low patient experience scores; and, in turn, low quality. This "syndrome" of problems in poor-performing hospitals became all too familiar to me. While each hospital's story differed, a common root cause was the inability of leadership to engage and maintain the confidence of front-line staff — those who were ultimately executing the mission of everything from care delivery to patient satisfaction. For this reason, strengthening the trust of University Hospital staff and ensuring there are enough of them in the hospital to execute the mission are the most important first steps.

University Hospital is one of 2,000 hospitals nationally that voluntarily participates in the Leapfrog Hospital Safety Grade. While imperfect, the Leapfrog survey reports critical measures to the public: the safety of patients during their stay in our hospital, our emergency room, or while receiving surgery; whether patients in fact receive the evidence-based care that is intended for them; and the satisfaction that patients express in post-discharge surveys about the care they experienced during their stay.

Safety-net hospitals like UH tend to face bigger challenges in such surveys, given the comparatively more complex conditions that patients carry, and the myriad of social barriers that patients face which makes improving their underlying conditions more

**THE NEW LOOK OF THE
UNIVERSITY HOSPITAL
BRAND LEADS THE WAY
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difficult. That said, I believe no hospital should rest comfortably with anything less than an “A” grade from Leapfrog. Our most recent Leapfrog survey has given us an opportunity to reflect on performance, and further reaffirms that we must maintain our laser focus on demanding improvement from across all levels of our care system. Of note, even though the COVID-19 pandemic presented very significant challenges that spanned the last three quarters of performance, federal agencies have allowed organizations to not factor in those quarters, given the global challenges that the pandemic presented. While this offers a temporary reprieve within global rating systems, it does mean that future performance in quality metrics will likely carry greater weight, making the imperative to improve even more pressing.

While University Hospital has made critical first steps to improve the infrastructure that supports better quality care, such as implementing a daily safety huddle that brings together every department across the hospital to discuss safety risks and concerns for current patients, we continue to focus on bringing quality improvement to the bedside in a systematic manner. **Using Leapfrog alone, changes to University Hospital’s grade may not be evident to the public until 2021.** Until then, it is incumbent on us to keep quality in focus and communicate all of the successes we will have along this journey to our patients and communities. That means pursuing a comprehensive, proven strategy for engaging the entire workforce — particularly front-line staff, in quality improvement. I offer that strategy below.

SHARED GOVERNANCE, QUALITY MANAGEMENT AT THE BEDSIDE

ROUNDING

It is our mission at University Hospital to provide exceptional care to every patient, every time. This highest level of excellence will take time to achieve, given significant periods of time in the past in which the hospital was under-resourced. That said, the good



news is the quality team here has taken steps over the last year to build a foundation for us to be able to launch rapid change now. For example, daily safety huddles have been implemented and quality committees at leadership levels meet to review data and respond to issues that arise. Now, we need to consistently round on the safety and environment of care in every unit and bedside. Focusing our efforts on intentional communications between departments and clinical teams, and empowering every employee to solve problems or engage their local co-workers to do so alongside them, is the challenge ahead.

Therefore, with the full support of our Board of Directors, University Hospital has launched an internationally recognized shared governance model for quality to engage every unit in this work. Hallmarks of this methodology include:

- Forming of committees as close to the point-of-care as possible to resolve problems quickly, with the support of higher-level decision makers who can afford the resources, expertise, or tools needed to solve them;
- Sharing of best practices horizontally at every level of the organization, addressing common problems uniformly throughout the organization; and



- Communicating accountability for performance in metrics clearly so they are understood by, and applied to, front-line employees and line supervisors to the Executive Team and the Board alike.

This methodology was originally characterized and studied as the Fractal Model for Quality Governance¹. We have begun to implement this evidence-based framework, and have intensified our focus on solidifying robust committee structures at the unit level, which will cascade upward in the organization.

As this model unfurls at UH, we expect to achieve measurable successes that will ultimately result in a positive grade change in Leapfrog. Grading methodologies regularly change from cycle to cycle, so only Leapfrog can provide the most up-to-date letter grade. But we can report more up-to-date changes that have resulted from specific initiatives designed to improve our performance in key areas. This commits us to transparency, which is often an effective driver of faster improvement.

STAFFING

For clinicians such as nurses, staffing levels can be critical for achieving quality outcomes, especially in areas of intensive care. Staffing was also a significant

challenge during the COVID-19 surge, when front-line clinicians were in high demand across the region. In addition, other front-line staff can be critical for both quality and operational efficiency, especially for crucial determinants of patient flow. In these cases, patient transporters, environmental service workers and other staff directly correlate with how efficiently patients can move from an emergency room bed to a hospital bed, get an imaging study completed in a timely manner, or the time required to transition between patients in the operating room.

Investments in our staff are investments in quality, safety, and reliability. **Therefore, our FY21 Budget reflects our reimagined strategy to set our salaries in line with the regional market for critical staff who interface directly with patients, or whose jobs affect critical operations, such as patient and operating room turnover time, and the ability to keep services open.**

B. INVIGORATING A FINANCIAL SUSTAINABILITY STRATEGY AT UNIVERSITY HOSPITAL

The COVID-19 pandemic has challenged hospital finances across the entire country, as most facilities were required to cancel elective surgeries and spend significant dollars on both capital investments and staffing to weather the pandemic. University Hospital is no exception. That said, University Hospital worked diligently, with support from New Jersey's federal delegation, to obtain significant federal tranches of funds from the CARES Act Provider Relief Fund, which mitigated short-term cash flow risks significantly. However, because there are restrictions to these funds, University Hospital cannot rely on them solely to sustain itself. Moreover, the imperative remains to improve both financial operating performance and to find a sustainable source of capital, for a variety of reasons.

As New Jersey's only public hospital, University Hospital serves the state's most vulnerable residents, and relies

substantially on Medicaid, Medicare and Charity Care reimbursement to fund our operations. For capital improvements, we issued bonds in 2015 for financing and receive state grants for critical work. But, that funding is fast evaporating. Rising to the challenge identified in our Strategic Plan to find a sustainable financial future, I have found untapped opportunities to generate new resources and substantial savings without resorting to reductions in critical front-line staff.

CAPITAL

University Hospital is facing a capital crisis. Based on our current capital spending plan, we expect to have few dollars left in remaining bond funds for capital investment by June 2021. Given the age of our buildings and their mounting repair needs, University Hospital requires at least \$20 million in emergency capital reserves each year. Building repairs are endless, and are likely only to escalate in cost over time, requiring more investment to maintain an aging physical plant.

We are exploring creative avenues to raise capital outside of traditional bond financing, including federal grants and philanthropic dollars raised through the Foundation for University Hospital. The need for fresh capital is our most important financial priority and is a consistent topic of discussion with our Board of Directors.

Immediately, the process by which University Hospital allocates its capital is undergoing a modernization. Best practices for capital allocation require competitive, criteria-based processes that heavily consider factors like quality of care, return on investment, business plans, and other factors. Processes like these are essential to ensure that any new capital raised will be put to good, long-term use — constituting infrastructure improvements that either meaningfully improve the environment of care and patient safety, or present revenue opportunities with expansion of services that our patients need.

One obvious example of a capital project that would yield substantial returns in quality, patient experience, and hospital revenue would be a retail pharmacy that is owned by the hospital itself. University Hospital is a disproportionate-share hospital (DSH) that qualifies for participation in the 340B Discount Drug Program, a federal program specifically designed for hospitals and clinics that serve vulnerable populations. This program, which is managed in partnership with an outside pharmacy, generates substantial additional revenue for the hospital. One requirement of the 340B program is that any profit generated from a retail pharmacy needs to be reinvested in infrastructure that would lead to improvements or expanded services for patients in need. University Hospital already reinvests essentially all incremental revenue back into its patient services — and since the largest insurer in our payer mix is Medicaid, this is a self-fulfilling cycle. Building on the resources available to our patients, in October 2019, a Request for Proposals was released to design and operate an on-site retail pharmacy. With this strategic investment, University Hospital will have the means to deliver medications directly to the bedside for patients being discharged, ensuring that patients at least have a starter supply of the medications they need when they leave the hospital. This is a patient-centered approach that enhances the patient experience, prevents readmissions, and creates an enhanced revenue

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opportunity for University Hospital that will support needed capital investment. Even with delays associated with our focus on COVID-19, we look forward to launching this transformation in 2020.

University Hospital must explore creative means to raise capital beyond our traditional sources of bonding and state grants. To that end, we have recently mobilized a team of internal and external experts to creatively analyze any capital opportunities available, from federal to state to debt securities. In addition, I am working closely with our charitable Foundation to strategically assess and invigorate our efforts to fundraise for a capital campaign that will support a true, inspiring future state of University Hospital.

To maximize dialogue with the state during the appropriations process, we have totally realigned our internal budget analysis to mirror that of the state. In preparing for FY21, we are engaged in robust discussions at all levels of state government regarding our budgetary needs. These discussions continue particularly due to fiscal impacts from the COVID pandemic and the consequent delay in the State FY21 appropriations process until at least October 1st.

Of course, the hospital cannot rely solely on direct state appropriations for major capital projects given the already steep fiscal demands on the state. Importantly, our strategy for the future demands that we function competitively in the healthcare market, marrying our quality work with our fiscal stewardship.

REVENUE

At hospitals, the revenue cycle describes the process by which medical services and patient risk are documented, processed, and billed to and collected from insurance companies. Even under its current scope of services, there is room for University Hospital to further optimize elements of its revenue cycle. For example, the better we can account for baseline conditions that significantly

increase the complexity of the care we provide, the more we can positively impact our costs to treat patients. Improved accounting for these risks better aligns reimbursement to cover the additional resources needed to treat these conditions through the time of discharge. Fair compensation from insurers that reflects the level of complexity of our patients is a key goal that is achievable within a short timeframe, and we have engaged experts to help us focus on this strategy.

University Hospital has not yet entered into arrangements with all payers surrounding payment mechanisms that fully account for patient complexity. Focusing our conversations with payers on the most updated diagnosis-related groups (DRGs) that better capture patients' underlying conditions and associated risks, will yield higher compensation, in most cases, in recognition of our patients' risk profiles and the resources required to treat them. Other modern revenue structures include arrangements with major carriers that account for the actual costs required to treat a patient, called "cost-to-charge ratio" (CCR) agreements. University Hospital estimates substantial increased revenue following our transition to CCR-based payments for emergency room and outpatient care, better allowing us to sustain our services. Both of these payment arrangements better reflect our patients' risks and fairly compensate us for providing this complex care.

**TO MAXIMIZE OUR
POTENTIAL, WE MUST
INVEST IN THE FULL-TIME
WORKFORCE NEEDED TO
EXECUTE OUR MISSION**

EXPENSES

University Hospital is also taking steps to maximize our productive potential against the set of resources and staff that we have. Looking at both labor expenses, such as overtime, and non-labor expenses, such as supply costs, we exceed national benchmarks in key departments. By way of example, during my first two months at University Hospital, we experienced a reduction in overall surgical case volume and inpatient admissions. Due to some workforce challenges, we were not able to adjust our labor expenses with the agility needed to account for this decrease in associated revenue.

In developing a strategy to maximize our potential, we must invest in the full-time workforce needed to execute our mission to deliver the care our communities need. Part of the issue with overtime relates to the size of the workforce in key, front-line positions, as discussed above. Funding the right size and structure of our workforce may be more expensive than our current investment, but the productivity potential of a fully staffed, engaged, and satisfied workforce outweighs the incremental costs and is reflective of our core values. My focus is on ensuring that we “staff smarter” by recruiting and retaining the human capital needed to deliver optimal care to our patients.

Unequivocally, supply chain management is another key area to achieve savings. We are undertaking a complete assessment of best practices in this area, which will be completed this fiscal year. Using external expertise, we will modernize our supply chain for each area of the hospital.

C. RENEWING OUR COMMITMENT TO COMMUNITY HEALTH

A critical examination of the state of public health in Newark demonstrates that University Hospital must make changes to better serve the real needs of our community, even in the post-COVID era. As we emerge from the pandemic, we have seen that it has only magnified well-known disparities in health outcomes



between people of color and the general population, especially in Black and Latino communities. We also know that the plurality of diagnoses coded for patients at the hospital involve behavioral health concerns. Indeed, many patients returning for care after the COVID-19 pandemic receded carry significant behavioral health diagnoses, as many of them delayed care during New Jersey's initial surge in the Spring of 2020. While this is a statewide issue, the problem in Newark is compounded by a more common constellation of challenges that accompany our patients' behavioral health issues as a result of poverty rooted in a legacy of structural racism. Facing causes that are ultimately rooted socially, including trauma and toxic stress, we must tackle this issue in a fundamentally different way.

Three out of every four patients who visit our Emergency Department are not experiencing urgent or acute medical needs. Some come because they have a sinus infection, the flu, or an otherwise minor condition and arrive at our emergency room because they have no relationship with a primary care provider. Many others simply come for a warm (or cool, depending on the season) place to stay for a period of time. While Newark lacks an integrated system of preventative and primary care, its most vulnerable and underserved populations have suffered from the pervasive effects of community disinvestment and social isolation. These individuals and families have been essentially cut off from economic



opportunity and mobility. What is lacking in Newark is not only a reliable system of preventative and primary care, it is the lack of a social support structure that allows individuals who are victims of a legacy of neglect to obtain the chance for upward economic mobility.

University Hospital sees approximately 1,000 homeless and unstably housed patients annually; these individuals may live on the streets, in transient living arrangements, or in various shelters throughout the city. Without a stable address, they cannot secure employment. Without employment, they cannot secure a permanent address. It is a vicious cycle that generations of decision-makers have not been able to stop. Also, without a stable address, it is difficult for patients to access additional benefits such as food stamps or state ID, further compounding their lack of access to upward mobility. For many, ground zero for this dynamic is a hospital emergency room — one of the few institutions in America that is appropriately obligated to accept any individual who walks in, regardless of ability to pay, at least until they are evaluated by a provider and discharged. For many in Newark, ground zero is our emergency room. Newark residents have significant access to free and/or low-cost preventative or primary care through a large Federally Qualified Health Center (FQHC) network. However, a number of the FQHCs may not see the expected volume of patients given their number of providers due to a number of patient-related barriers such as awareness of services, hours of operation, or fear of the inability to pay.

Looking at our future, University Hospital must honor our original charter — the debt that this institution owes to generations of marginalized communities — by focusing on the solutions that will bring dramatic change.

D. LEVERAGING OUR STRENGTHS IN RESEARCH AND EDUCATION TO BECOME THE MOST INNOVATIVE HOSPITAL IN NEW JERSEY

One of University Hospital's core strategies in its Strategic Plan focuses on leveraging our strength as New Jersey's most comprehensive academic medical center. We serve as the site of care for some of the world's expert physician scientists in key specialty areas, and everything from basic science discovery to clinical and translational research occur right on our campus. This is a key competitive advantage that our hospital will strive to more fully utilize as an asset to accelerate expert faculty recruitment. Our partnership with Rutgers New Jersey Medical School and Rutgers School of Dental Medicine are key to this, as these institutions receive research dollars, administer our residency program, and hire new faculty into academic positions that allow them to discover new frontiers in our hospital.

Many academic medical centers have leveraged the academic environment to commercialize their innovations — whether it is molecular drug discovery, biologics development, or technology-enabled clinical management solutions that help patients. Because University Hospital is the clinical site that enables this discovery, we should have a technology transfer process that allows the hospital to commercialize discoveries to collect royalties, establish ventures or joint-ventures, or own equity in collaborating ventures who are commercializing them. Where these discoveries have been successful, this core skill set has often translated into significant non-patient service revenues for academic hospitals, the proceeds from which can be used to reinvest in critical capital and programmatic needs for the community.

The first example of such work at University Hospital has already been announced. We have partnered with the New Jersey Institute of Technology (NJIT) to develop a mobile medical command unit housed within the basic structure of repurposed shipping containers. In July of 2020, the hospital conducted its first test of the technology and announced its development at a public event. More promising work like this is on the horizon, and University Hospital is proud to engage in it.

It is important to remember that any research involving patients would need to have robust community engagement processes and be accountable to the highest ethical standards, including informed consent, to ensure that patients understand the risks and benefits of participating. It is vital that setting the research agenda is inclusive of the community's interests and priorities, and, where possible, that a participatory action research protocol is explored and/or utilized. University Hospital will make sure that as we involve more people of color in studies, we ensure that even residents who do not qualify for research studies are cared for, and that we engage in a process to socialize this work that is respectful, culturally competent, and effective.

Too often, academic medicine has neglected how racism has impacted how the Black and other minority communities of color engage with the medical establishment, including scientific research, in particular. University Hospital is committed to charting a new course. Dr. Diane Hill, Chairwoman of the University Hospital Community Oversight Board and a member of the Legislative Black Caucus Foundation, will work closely with the hospital to ensure that our process is entrenched in pillars of trust and transparency. The recent establishment of a Community Advisory Council of community representatives will serve as a vehicle to help guide University Hospital by involving these individuals in stages of development and research design that builds trust between stakeholders. University Hospital can, and will, make use of this asset.

Just as much as any revenue from patient care is reinvested into our hospital on behalf of the community, revenue that results from University Hospital having contributed to innovative technologies, interventions, and other monetized products will be reinvested into hospital infrastructure that allows for growth in clinical and support services for Newark and the communities we serve.

ANY RESEARCH INVOLVING PATIENTS WILL NEED TO HAVE ROBUST COMMUNITY ENGAGEMENT PROCESSES AND BE ACCOUNTABLE TO THE HIGHEST ETHICAL STANDARDS

E. DELIVERING OUR VISION FOR THE FUTURE: THE HEALTH VILLAGE APPROACH

Even as healthcare is poised to change permanently in the post-pandemic era, University Hospital retains one key asset that makes me hopeful for our future, and confident that a resurgence is achievable: the trust that we have within our community. Even in this time of challenged patient satisfaction, University Hospital still commands over half of the market share of emergency care in Newark. In spite of multiple prior analyses concluding that Essex County has an excess of acute care hospital beds required for the population, University Hospital is bursting with patients seeking our care every single day of the year. Other hospital CEOs have told me how patients describe University Hospital to their staff, if they find themselves in a different emergency room or admitted elsewhere: "When can you take me back to my hospital?"

WE MUST DELIVER ON THE PROMISES MADE 50 YEARS AGO AND PROVIDE THE LEVEL OF CARE THIS COMMUNITY DESERVES.

My hospital. That is how thousands of Newark residents view us. While we have room to improve, the historical importance of this hospital has not been forgotten in this community or, as I can attest, by this hospital Board and Leadership Team. The generational memory of what this hospital was supposed to deliver to residents, also, has not been forgotten. Through it all, people still come to us, and many still choose us. In my heart, I feel that the reason for this is rooted fundamentally in who our patients see when they walk into our hospital. They see members of their own community caring for them at the bedside, transporting them throughout the hospital, serving their food, cleaning their rooms, and rounding on them as physicians, nurses, and other professionals. The Dean of Rutgers New Jersey Medical School, Dr. Robert Johnson, was the first African-American to walk its halls as a student. For all of our faults, we are the hospital that is most indistinguishable from the community we serve.

These are the basic ingredients for doing something transformative with this campus. To provide the generational health we seek to achieve, a new model of care is needed for Newark that involves multidisciplinary teams assessing the holistic needs of new patients — from their clinical issues to their social needs. Imagine a structure where every patient is connected with someone who is more than just a care navigator — but a “customer partner” who gets to know his or her

patients personally, and learns everything from their clinical to social needs.

Imagine that these patients are assessed in a multidisciplinary clinic where customer partners choose clinical teams that specialize in specific patient “schemas” — teams that are equipped with the right professionals who can meet most needs for elderly Newark residents, young families with children, individuals referred from our Hospital Violence Intervention Program, or the homeless resident. In a perfect world, a patient could have a morning conversation with a welcoming team of professionals, with that team reviewing holistic needs by midday, to then have staff discuss a full plan of care — including such recommendations as housing, connection to government social support programs, or even job search programs — in the afternoon.

This type of approach to health is admittedly made harder to achieve by aging buildings we utilize today. We need space to support the complex care that Newark needs, and in which Rutgers New Jersey Medical School and Rutgers School of Dental Medicine faculty can thrive in providing some of the most advanced tertiary care in the state. At the same time, we see the need for welcoming, accessible space designed for patient-centered and efficient care delivery. Without financial constraints, we see a village surrounding University Hospital that can provide supportive housing with wrap-around services, provided by our staff, to address clinical needs, skills training for entry-level employment, and a physical address from which patients can begin a process of rebuilding and thriving. A patient “discharged” from University Health Village when they have reached stability in their physical and behavioral health needs, would walk away with the tools to own their future, such as employment to sustain rent payments for their own housing.

We recognize that these are lofty goals requiring changes to the system of healthcare in America to be fully realized. Nonetheless, they form the motivation that

drives our Board and Leadership Team to achieve the seemingly unachievable at University Hospital. It will take time and incremental success to fuel the significant state and federal policy shifts needed for the gears of government to move in this direction. We will also need partners in the private sector to join us in this mission to reach the fullest potential.

One way to begin to achieve this vision is to work with our payers to design an “at risk” system of compensation for care we provide. Such systems already exist in programs like Medicare Advantage, where many providers secure agreements with Medicare that compensate them at fixed, risk-stratified payments that are issued per member, per month. The health system would then be able to deploy those funds in the best way possible to ensure better health, not relying on pre-defined “visits” or “procedures” for reimbursement. Housing would still be expensive, but maximizing programs, such as the one offered by the New Jersey Housing and Mortgage Finance Agency, could allow for a set number of housing units at a cost-effective rate for the hospital, solving an otherwise significant quagmire of poor health for so many.

University Health Village is the dream cultivated by the valuable insight and vision we gathered from our Strategic Plan. To get there, we need the grit to ignite this change and the capital support to build it. I know that, in partnership with our Board, we have the grit. We will harness the creativity of our community to design the picture that will motivate the funding to create the future.

We must deliver on the promises made 50 years ago and provide the level of care this community deserves. While we are at the start of our journey, University Hospital has the bold vision, fearless resolve, and an unprecedented coalition of community members to achieve what is possible.

In other words, we need you, and I hope you will join us.

Sincerely,



Shereef M. Elnahal, MD, MBA
President and CEO of University Hospital
www.uhnj.org

