

## **IMPROVING HEALTHCARE ACCESS, SERVICES AND COSTS THROUGH A REDESIGNED HEALTHCARE SYSTEM AND A NEW REGIONAL MEDICAL CENTER (RMC) IN PRINCE GEORGE'S COUNTY**

### **Summary:**

- In June 2011, the State of Maryland, the University of Maryland Medical System (UMMS), Dimensions Healthcare System (DHS) and Prince George's County entered into a Memorandum of Understanding (MOU) to seek ways to address chronic deficiencies at Prince George's Hospital Center and in our County's healthcare system.
- Outdated facilities, an unprofitable business model, chronic health needs of County residents, poor perceptions by residents of the current hospital system, a shortage of primary care doctors to address sub-acute healthcare needs and a flood of residents leaving the County for their healthcare needs combined to produce intractable strains on the current hospital system.
- A preliminary study conducted by UMMS working through the MOU's process to include an examination of the problems plaguing the system led to a plan to improve healthcare delivery in Prince George's County. This plan includes:
  1. Construction of a new RMC in central Prince George's County
  2. Improved primary care delivery
  3. Improvement in both private and public health delivery systems

### ***What will the economic impact of the new RMC be on the County and the State?***

- It is anticipated that the RMC will generate \$336.7 million in construction and equipment purchases during the development of the facility resulting in \$578.3 million of economic activity in Maryland.
- The construction of the facility will create over 4,300 jobs.
- Compared to the current facility, a new RMC will result in \$100 million in additional revenue.
- A new facility will employ 300 more workers than the current facility.
- The new facility will generate an additional \$76.2 million in revenue solely from residents who would seek care at the new RMC as opposed to leaving the County.

### ***What will Prince George's County do to improve overall health in the County so that the hospital will enjoy sustained success?***

- The County will work to increase the private primary care provider network, and the capacity of safety net providers, as well as further mobilize public sector programs such as Health Enterprise Zones, programs in schools, mobile clinics and healthcare in parks/recreation centers among others.
- In addition, the County's Health Department has implemented a local health plan that focuses on improving healthcare access, managing chronic diseases, and promoting healthy environments, while overseeing the creation of a comprehensive healthcare delivery network in the County.
- The performance of the current hospital system's management, quality, and finances has steadily improved through collaboration with UMMS over the last several months.

### ***How much will the hospital cost and who will contribute to the financing?***

- The projected cost is \$645 million to be shared by Prince George's County, the State of Maryland, and the new UMMS facility.
- The State's portion is included in the Governor's 6 year Capital budget (\$20 million/year for first 4 years, then \$120 million in the fifth year for a total \$200 million commitment).
- The County will finance its portion (\$208 million) from appropriation-backed bonds in FY 2014. The County has contributed at least \$125 million in support for the hospital since FY 2003.