

COMMONWEALTH OF PENNSYLVANIA OFFICE OF THE SECRETARY OF HEALTH

April 20, 2022

Dear Hospital and Health System Leaders,

I hope this note finds each of you well.

I am writing regarding the Department of Health's (Department) recently issued <u>Innovative Hospital</u> <u>Guidance</u>. As some of you may know, the Innovative Hospital Guidance is a suite of three guidance documents that offer policy clarifications on the Department's existing regulations. The Department released this guidance to create an equal playing field across all regulated facilities by transparently providing information on how hospitals can transform, if they wish, after working with individual facilities to determine if/how these models are allowable within our existing regulations. Now, what one hospital or health system knows, all hospitals and health systems know, so that we are treating the regulated community consistently and operating transparently.

Principally, the Department's intention in sharing this guidance was to preserve access to care in our rural communities in a financially sustainable way. Based on feedback the Department has received, I believe we are all in agreement that providing an Outpatient Emergency Department (OED), for example, is better than no emergency department in a community at all; however, some hospitals have expressed concern that the OED model could be used in ways other than how the Department intended. That is, OEDs could be placed in communities and used to funnel volume away from hospitals potentially impacting them financially to the point that the Department's policy intent would be upended. OEDs are not to replace existing hospitals, but rather to provide a way to expand access to care where is does not exist or preserve access if there is no alternative. For this reason, the Department strongly recommends that OEDs not be developed or located in rural areas where there is an existing hospital with an established emergency room.

I am deeply proud of the excitement with which this guidance was received by most of the hospital and health system community. The Department and regulated community seem aligned in our commitment to providing access to high-quality, low-cost care to all Pennsylvanians, and I hope these alternative delivery models help the community move towards this shared vision.

As ever, thank you for your tireless work on behalf of Pennsylvanians.

Sincerely,

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Keara Klinepeter Acting Secretary of Health