



Northern Michigan's Healthcare Future

Supporting our communities for another 100 years...

Kelly Tomaszewski CEO, Munson Healthcare Manistee and POMH

Northern Michigan's Largest Non-Profit Healthcare System

Munson by the Numbers:

- 7,500 employees: *Largest Employer North of US 10*
- 8 hospitals
- 63 specialties
- 540,000 residents
- Munson covers 11,177 square miles – about the size of Vermont and Delaware combined
- 2023 by the numbers:
 - 142,000 Emergency Room Visits (55k at MMC)
 - 33,000 Surgeries
 - 40,000 Inpatient Admissions
- \$171M in free services & community benefit in 2022



Healthcare Industry Challenges



Expense inflation is outpacing insurance reimbursement, putting pressure on financial sustainability.



Staffing challenges continue, resulting in need for continued focus on recruitment and retention



Insurance companies are driving more care to less costly settings, with more volume in outpatient setting.



Competitors continue to enter the market.



COVID-19 has accelerated adoption of new care delivery models, including home-based and virtual care

Munson Implications

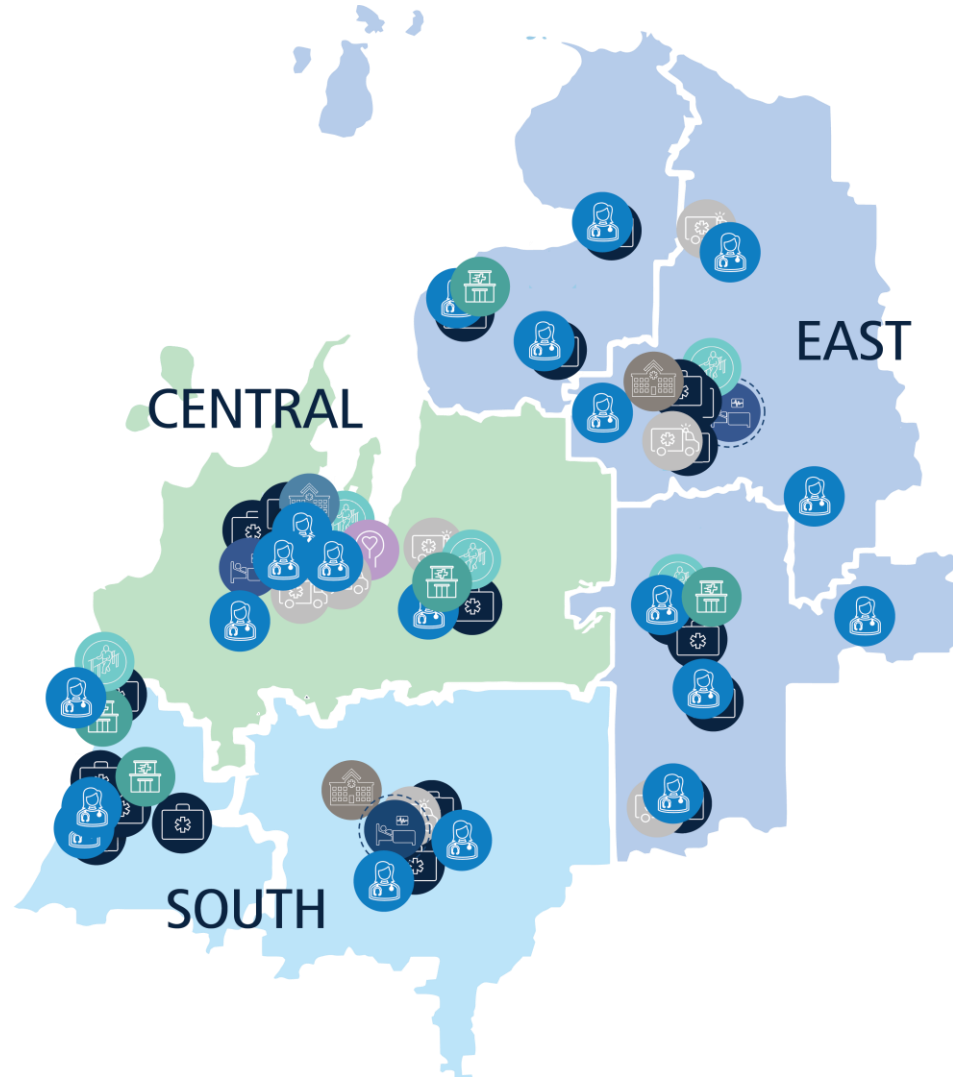
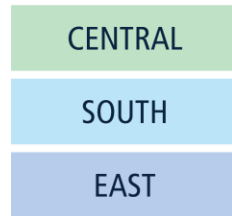
- #1: Our patients are asking for and expecting change.
- #2: The financial challenges facing our industry have increased considerably.
- #3: If we don't change, we won't be around to care for Northern Michigan for the next 100 years.



Current State: “8 Big H’s”



Future State: A New Front Door, More Access to Quality Care



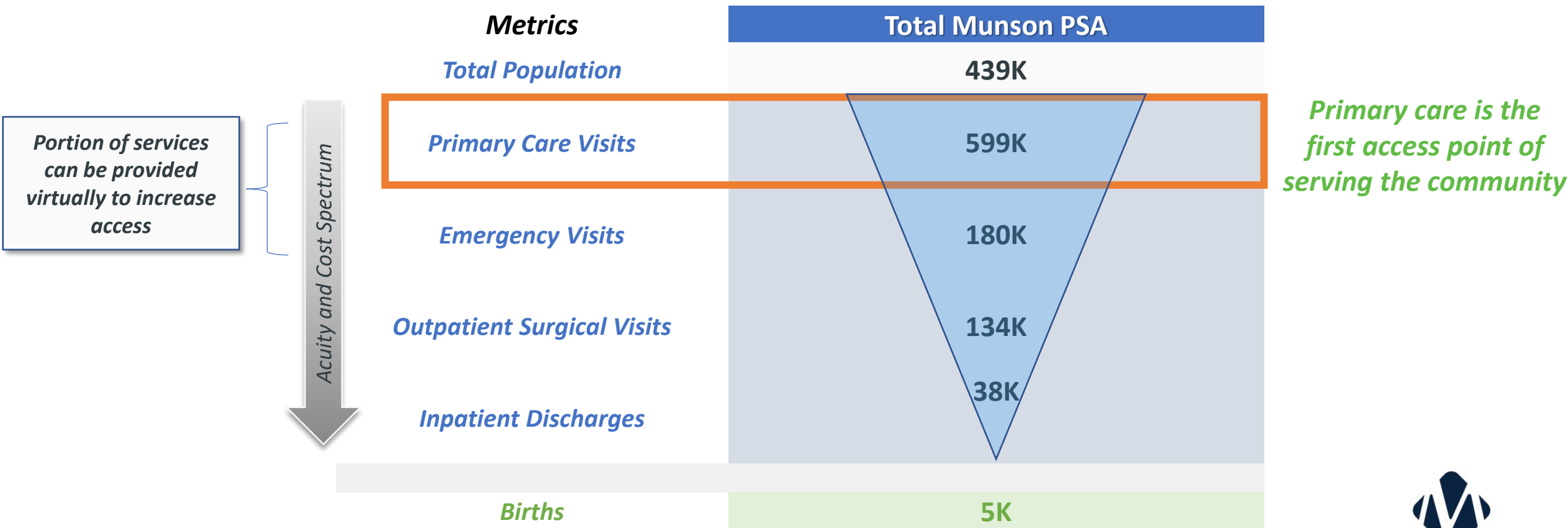
FACILITY LEGEND



Meeting the Healthcare Needs of the Community Means Primarily Focusing on Primary Care

POPULATION DRIVEN DEMAND IN MUNSON PSA¹

Claritas 2023, MHA FY22 IP Discharges, NAMCS, KFF, Internal Munson Data



Notes(s): (1) Munson market share is 65% across Charlevoix, Otsego, Grayling, Grand Traverse, Cadillac, and Manistee markets; (2) Primary Care Visits per 1,000 is 1,366; (3) ED Visits per 1,000 is 410 for Michigan; (4) OP Surgical per 1,000 is identified for the following age cohorts: 38 for 0-17, 55 for 18-34, 134 for 35-54, 210 for 55-64, 324 for 65+; (5) 10.35 Births per 1,000 population in Michigan; (6) IP Discharges represents # of discharges that originate in Grand Traverse, Manistee, Cadillac, Grayling, Otsego, and Charlevoix markets; (7) Hospital statistics include Acute and Observation discharges
Source(s): National Ambulatory Medical Care Survey ; Claritas 2023; MHA FY22 IP Data; FY22 Munson IP Statistics; CDC National Vital Statistics Report 2023



Regional Care Transformation: A Path to a Better Future

When the plan is complete, patients will experience:

- **New front doors:** More access and different options for care. (i.e. not just a hospital anymore)
- **Efficiency & Convenience:** Easier access to preventative care. (i.e. primary care, x-rays, blood draws)
- **A more consistent, seamless experience:** Less paperwork, better coordination, more virtual tools.
- **High-Level Specialty Care:** An elevated level of care throughout the region – patients won't need to go downstate for high-level specialty care. (i.e. cardiology; stroke; oncology)



What Does This Mean for the Local Community?

- **This transformation is about elevating our services and expanding local access to care, *not taking services away*.**
- For POMH, things will look much the same.
- Inpatient care will still be accessible in every region, including at POMH for appropriate observation level care.
- No anticipated change in EMS volume or patterns related to this plan.
- Improved outpatient access to primary care, more local coverage
- Improved virtual access to urgent care
- More access to specialty services
- Smoother transitions between sites of care

What Does This Mean for the Local Community? (cont)

- Elevates MMC's ability to provide more high-level specialty care and services
- Strengthen Munson Healthcare and Paul Oliver for future viability.
 - This plan keeps our community hospitals open at a time when many rural community hospitals across the country are closing.
 - 163 rural hospital closed nationwide in past 10 years.
 - A record 19 rural hospitals closed in 2020 alone.

POMH OP Volumes FY23

Total OP visits: 47,200
(up another 2% in
FY24)

Emergency
Department: 6,000 (up
9.9% in FY24)

Lab: 108,975 tests

Rad: 17,180 exams:
Includes 2683 CT,
1972 US, 2288 Mamm,
780 MRIs

Therapy visits: 17,247
(up 5% in FY24)

Infusion Therapy:
1,700 treatments

Cardiac Rehab: 3,515
patient visits (up 22.8%
in FY24)

Surgeries: 451

Dialysis: 2,123
treatments



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Recent Plan Accomplishments

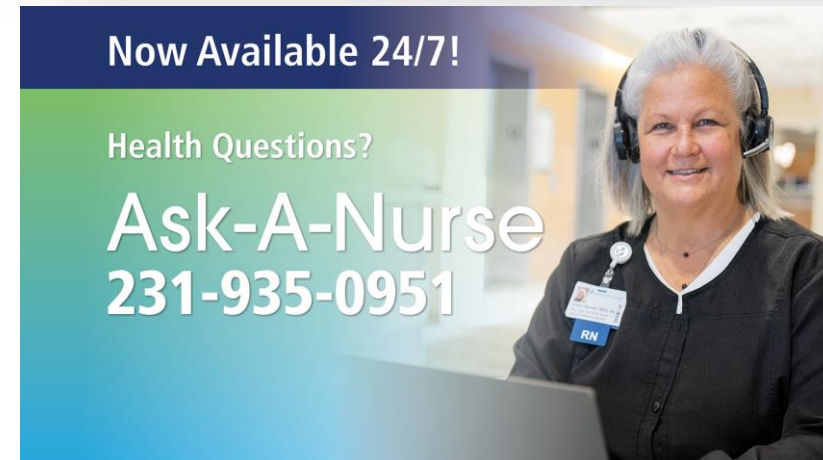
Our Progress: High-Level Specialty Care Center

- Comprehensive Stroke Center Designation
- Orthopedic Trauma 24/7
- GT Center for Mental Wellness



Our Progress: Patient Experience


- One Patient Record
- Ask-A-Nurse goes 24/7
- Virtual Urgent Care



Our Award-Winning Healthcare System

LEAPFROG
HOSPITAL
SAFETY GR^ADE





Guardian of Excellence Award 2023

- POMH Emergency Department
- POMH Primary Care
- This award honors clients who have reached the **95th** percentile for patient experience, employee or physician engagement, or clinical quality performance—awarded annually based on one year of data.



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New Year, New Look: *Committed to You*



Gary B. Rajah, MD
Neurosurgery

**COMMITTED TO
IMPROVING LIVES**

**OUR COMMITMENT
IS UNWAVERING**

Every day. Every night. On holidays.
On weekends. We're dedicated to you
and your loved ones. Dedicated to
providing exceptional care, close to home.
We're committed to ensuring excellence
and improving lives.

And we're committed to you.

Learn more at:
[Munsonhealthcare.org/commitment](https://munsonhealthcare.org/commitment)



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Jessica D. Arden, MD
Oncology

**COMMITTED TO
NORTHERN MICHIGAN**

**OUR COMMITMENT
RUNS DEEP**

At Munson, commitment is the promise
we make to our communities. It's why
we show up. In the hard times, and
the beautiful ones. We work hard for
our communities because we are our
communities. We're committed to
Northern Michigan. And to you.

Learn more at:
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Abbey C., RN
Munson Healthcare

**COMMITTED TO
OUR HOMETOWNS**

**COMMITMENT IS
IN OUR DNA**

At Munson, commitment is part of
who we are. It's passed down from
dads to daughters. Daughters to
sons. Generations of healers who
return home to continue the legacy
of exceptional care for our neighbors.

We work hard for our communities
because we are our communities.

Learn more at:
munsonhealthcare.org/commitment



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Q&A