Union Health and Terre Haute Regional Hospital Merger

Background

According to the Indiana Department of Health's (IDOH) county health scorecard, Vigo County faces significant public health challenges, ranking 68th in life expectancy, 54th in adult obesity, 64th in infant mortality, and 60th in suicide rate. These concerning statistics highlight the urgent need for a comprehensive solution to improve the health and well-being of the community.

In response to these challenges, Union Health and Terre Haute Regional Hospital have decided to merge, forming a unified and streamlined system of care. This partnership aims to enhance access to and the quality of healthcare services while maintaining or lowering costs for patients.

To facilitate this merger, the two entities must obtain a Certificate of Public Advantage (COPA) from the Indiana Department of Health. The COPA is essential for providing state oversight, ensuring that the new entity operates in compliance with state and federal anti-trust regulations, and displacing anti-competitive market forces.

The COPA framework fosters an unprecedented level of collaboration and strategic partnership between IDOH experts and Union Health leaders. This collaboration is expected to significantly improve healthcare access and quality for local residents. As the merger progresses, Union Health's existing programs will expand in both staff and specialization, further enhancing the quality of care provided to the community.

A note from President and CEO Steve Holman

First, it's important to understand the Certificate of Public Advantage (COPA) creates a process which Union Health can pursue this opportunity. This application process allows the Indiana Department of Health to review all data submitted by all parties to make the best decision for the community. It will be the data along with the collaborative work with the community and other health related resources that showcase why this merger will allow for big and bold changes to our healthcare metrics – for good!

This opportunity is essential because the health of our communities can and should be improved. We are at the bottom end of many healthcare rankings within the region. While access to hospital care is crucial when illness strikes, it is even more critical to focus on preventive measures that keep our communities healthy and reduce the need for hospitalization in the first place. Currently, doing things as we are today is not meeting critical needs. When evaluating health outcomes and factors, residents of the Wabash Valley rank among the least healthy in Indiana. Vigo County (alone) ranks poorly in comparison to Indiana's other 91 counties in several key performance indicators.

According to data published by the IDOH:
- 68th in life expectancy
- 60th in suicide rate
- 54th in adult obesity

We face a significant prevalence of chronic health conditions, including lung disease, diabetes, and hypertension, resulting in a population that is in critical need of accessible, high-quality care close to home. Securing the COPA is essential for enhancing the quality of and access to healthcare throughout our communities. If we keep doing the same things we're doing – our quality of life simply doesn't improve. These challenges affect our quality of life and cannot be resolved solely within the hospital. It is imperative that we invest in our communities to address the root causes of these health-related issues. The COPA puts measures in place that will hold Union Health accountable for investing more financial resources back into bettering our healthcare metrics for citizens living within the region. We firmly believe that improved health rankings are achievable and warrant our full commitment. The proposed merger will enable Union Health to extend the benefits of both existing and new programs to a broader patient population.

At Union Health, the wellbeing of our community is our top priority, making affordable and quality care essential. Currently, Vigo County ranks in the bottom 10th percentile across all health and wellness categories compared to the state average. A COPA will bolster our efforts to improve these outcomes and promote better health in our community.

This proposed merger is not just advantageous; it is vital for the long-term success of the Wabash Valley. This agreement embodies a progressive approach to healthcare that emphasizes patient outcomes and community wellbeing. As the review process unfolds, our team at Union Health looks forward to collaborating with the Indiana Department of Health to demonstrate the positive impacts this agreement will have on our community.

You will hear advocates against the merger indicate they have not worked in other communities. I'm not going to sit here and list community-by-community where they have been advantageous or not, I'll simply say this... Union Health has a responsibility to do ALL we can to better the lives of the people we serve. We did not make this decision lightly and researched (along with our board) for a considerable time the pros and cons of a merger. I will not combat the negativity of those who don't know our community, but I DO. Our community and region deserve a better focus on public health. The metrics represent people. We have a responsibility to the people, and I believe this merger will allow us to do big and bold things that we currently don't have the capacity to do. Undoubtedly, we'll be a positive light for how a COPA can be utilized to better a community, a region, and most importantly, people's lives.

Overview of the Merger

1. Why does Union Health want to acquire Terre Haute Regional Hospital?
Terre Haute Regional Hospital and Union Health share a commitment to patient-centered care. This merger will combine their strengths in talent, resources, and technology to improve healthcare access and quality in the Wabash Valley. The collaboration will create synergies that benefit the community, such as clinical standardization, better coordination of care, and expanded health programs.

2. Why is Terre Haute Regional Hospital being acquired? What is the rationale?
The healthcare industry is evolving, and Union Health believes this merger is the best way to ensure continued access to high-quality care in the Wabash Valley. The acquisition aligns with Union Health's mission to provide innovative, patient-first healthcare, and to expand and enhance services for the community.

3. What is a COPA, and why is it important in this merger?
A Certificate of Public Advantage (COPA) is a regulatory framework that allows for the supervision of healthcare mergers to ensure they serve the public interest. The COPA is essential for providing state oversight, ensuring that the new entity operates in compliance with state and federal anti-trust regulations, and displacing anti-competitive market forces. The COPA is crucial because it ensures that the merger will enhance healthcare access, improve quality, and maintain fair pricing.

Merger Process and Timeline

4. How far along is Union in the merger process? What steps need to be completed for it to become official?
Union Health is currently in the "Discovery and Planning" phase of integration. This phase involves thorough assessments and the development of strategic plans to ensure a smooth transition. Before the merger becomes official, regulatory approvals must be obtained, and integration plans must be finalized. This allows the Indiana Department of Health time to assess Union's plan and time to offer feedback.

5. What role will the Indiana Department of Health play in the merged entity?
The Indiana Department of Health will supervise the merged entity under the COPA framework, ensuring that Union Health adheres to commitments to improve healthcare access and quality. The Department will monitor progress and work closely with Union Health to meet the community's needs effectively.

Impact on Patients and Care

6. How will this merger affect healthcare costs or the type of care patients receive?
The proposed merger aims to improve access to high-quality care while maintaining cost efficiency. Union Health's commitment to affordable healthcare will continue, with prices capped by the COPA statute. The merger will enhance care by expanding services to urban and rural residents, benefiting the community's health and well-being.

7. What will happen to current patients of Terre Haute Regional Hospital during the transition?
Current patients of Terre Haute Regional Hospital will continue to receive care without interruption during the transition. Union Health is committed to maintaining the highest standard of care throughout the merger process.

Union Health

8. How will the merger impact access to specialized care in the Wabash Valley?
The proposed merger will allow Union Health to expand specialized services within the local community, reducing the need for patients to travel outside the area for specialized treatments. This will lead to better, more convenient care for residents of the Wabash Valley.

9. How will this merger affect patient wait times and access to appointments?
By streamlining operations and expanding services, Union Health plans to reduce patient wait times and increase access to appointments. The goal is to provide more timely and efficient care for all patients.

Impact on Employees

10. What impact will the merger have on employees? Will there be layoffs?
The proposed merger presents opportunities for employees of Terre Haute Regional Hospital to join Union Health. Employees who successfully complete standard pre-employment screenings will be offered positions with the same or better compensation. Dedicated human resources professionals will be available to assist employees throughout the transition in addition, this proposed merger will offer additional employment opportunities.

11. How will this merger benefit the local economy?
The proposed merger is expected to have a positive impact on the local economy by creating jobs, particularly through the localization of roles previously managed out-of-state. Additionally, as healthcare access improves and the healthcare costs decrease, therefore attracting new businesses, educators, and professionals to the area.

Plans for the Future

12. Can you share any plans as to how the Terre Haute Regional Hospital campus will be used once the merger is completed?
The Terre Haute Regional Hospital campus will remain open. As integration planning progresses, Union Health will assess resource allocation to optimize operations, with strategic decisions made for the benefit of patients.

13. Will Terre Haute Regional Hospital be closed?
No. The hospital will remain open, and services will be aligned over time to improve access and efficiency. Union Health and Terre Haute Regional Hospital leadership will work together to develop integration plans that expand, not limit, care.

14. Will Terre Haute Regional Hospital be closed?
Long-term, Union Health aims to become a regional leader in healthcare innovation and quality. The merger will allow Union Health to expand its services, invest in new technologies, and develop community health programs that address the unique needs of the Wabash Valley. The goal is to create a healthier community with improved access to care and better health outcomes.

Community and Partnership Impact

15. How will this merger impact local partnerships and community programs?
The merger is expected to strengthen existing partnerships and enable the creation of new community programs. Union Health plans to build on its current collaborations, such as those with local schools and community organizations, to expand health and wellness initiatives.

16. How will Union Health ensure that the community's voice is heard during this process?
Union Health is committed to transparency and community engagement throughout the merger process. Regular updates will be provided to the public, and community input will be actively sought through town halls, surveys, and other forums. Today, Union Health already surveys its patients to ensure top quality care on a daily basis.

17. What are the advantages of merging the two hospitals?
The merger will align the expertise and resources of Union Health and Terre Haute Regional Hospital to improve access to quality healthcare in the Wabash Valley. The merger will enable Union Health to expand its innovative programs and offer new initiatives, ultimately enhancing patient care, increasing specialization, and bringing more healthcare jobs to the local community.