St. Claire HealthCare

In cancer care, the key is consistency and treatment monitoring. For women like Sandy, a retired 2nd grade teacher, the best available cancer treatment in the state is a two-hour drive. For men like Bob, a Vietnam veteran and heart attack survivor, the nearest hospital is more than 45 minutes away by ambulance at a cost equivalent to more than his annual income. Preventing a heart attack and the need for emergency response is crucial. The key to chronic disease prevention is regular visits to a qualified healthcare provider. For couples like Will and Mary, young owners of a lawn care business, the county in which they live doesn't have a single provider.

What if the trade-off for cutting-edge treatments for pre-diabetes, heart disease, and cancer is long commutes, expensive lodging, and the stress of navigating an unfamiliar city? For thousands of Northeastern Kentuckians, this isn't hypothetical.

This is reality.





CHOSEN TO PARTNER.



CHARGED TO TRANSFORM.





CALLED TO SUPPORT



POVERTY RATES IN NORTHEASTERN KENTUCKY REMAIN SOME OF THE HIGHEST IN THE NATION.

These rural communities face **150-278% higher** poverty rates than the national average.

Rural hospitals also face challenges. A new study by The Chartis Center for Rural Health indicated 50% of rural hospitals operate in the red and 140 rural hospitals either closed or contracted care between January 2010 to July 2022.

NEGATIVE OUTCOMES OF POVERTY*

ADULTS

- Higher risk for mental illness
- Higher risk for chronic diseases
- Higher mortality rates
- Lower life expectancy

CHILDREN

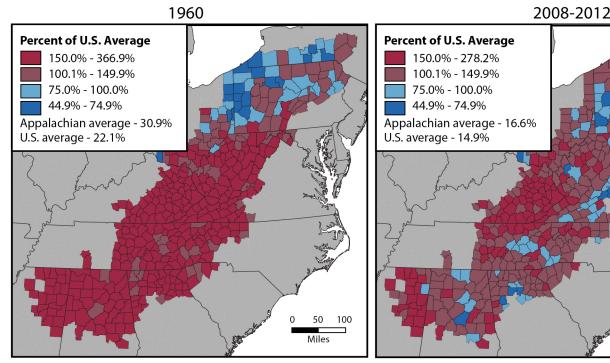
- Developmental delays
- Toxic stress
- Chronic illnesses
- Nutritional deficits

NEGATIVE OUTCOMES OF RURAL HOSPITAL CLOSURES**

- Longer ambulance travel times leading to increased cost of care
- Loss of local inpatient care
- Delayed and avoided care
- Difficulty retaining quality healthcare providers
- Impact on the local economy (i.e. loss of employment, loss of business and tax revenue)

100

Poverty Rates in Appalachia, Relative to the U.S. (Percent of the U.S. Average)



Source: U.S. Census Bureau, 1960 Census and 2008-2012 American Community Survey
Notes: A poverty rate is the ratio of persons whose income falls below the poverty level to the total number of persons for whom poverty status is determined.
The percent of U.S. average is computed by dividing the county rate by the U.S. average and multiplying by 100.

^{*} https://health.gov/healthypeople/priority-areas/social-determinants-health/literature-summaries/poverty.

^{**}https://cearh.ca.uky.edu/sites/cearh.ca.uky.edu/files/CEARH_-_Review_of_Rural_US_Economic_and_Health_Care_Trends_Sept_2022.pdf



In 1963, a year before President Johnson declared his War on Poverty, Dr. Claire Louise Caudill returned home to Northeastern Kentucky to care for its people. For over 60 years, the cornerstone of St. Claire HealthCare has been serving the needs of the region in the face of incredible odds.

Research suggests there are three main avenues out of poverty: **ACCESS TO CARE, EDUCATION, EMPLOYMENT OPPORTUNITIES.**

St. Claire HealthCare has made great strides in impacting these avenues in Northeastern Kentucky.

Support Access in Our Region

- Seven of the eleven counties in our service area experience the highest poverty levels in Kentucky and across the nation.
- SCH includes seven primary care locations located within five counties, a multi-specialty medical pavilion, two urgent care centers, a pediatrics clinic, as well as a retail pharmacy, counseling center, medical equipment and supply store, and an outpatient center. SCH provides home health and hospice services in eight counties within its eleven-county service region.

Affiliations

• As the needs of our patients have grown, we have entered into meaningful affiliations with **Marshall Health Orthopedics & Sports Medicine, UK Gill Heart** Institute, UK Stroke Network, and clinical affiliations with UK **Obstetrics and Gynecology and** the Markey Cancer Center. These affiliations supplement and further support our work in the region.

Attract and Retain Qualified Health Professionals

- Rural Physician Leadership Program: out of 97 graduates, 67% actively practice in rural communities, 53% in rural KY. Current enrollment is 48 students.
- Area Health Education Center will place 850 students on rotation with healthcare providers throughout the region this year. SCH and UK have partnered to provide residency training for Family and Community Medicine, PharmD, EDUCATIONAL OPPORTUNITIES and Physician Assistants as well as rotations for specialty and subspecialty areas such as internal medicine, surgery, and pathology.
 - SCH has invested in medical education for 60 years with UK, MSU, UPike, Kentucky Christian College, KCTCS, MCTC, and ACTC.











- Added 250 new jobs post-pandemic
- \$90k average annual compensation

Economic Impact

• 14 new physicians committed and another 5 in the pipeline scheduled to arrive summer 2024, several educated through UK fellowship and residency programs affiliated with SCH, the financial equivalent of \$36 million in economic growth to the region. *

is strong and committed

to furthering the three

avenues out of poverty:

THATOYMENT AND ECONOMIC GROWER

- An average of 100 full-time equivalent positions have been added per year since COVID.
- \$11M investment in clinical infrastructure and employment in our newly planned Morgan County clinic which will serve and train physicians, nurses, and other allied health professionals to introduce them to the Morgan County community. The addition of 30 jobs is anticipated.

*Source: American Medical Association, 2018 AMA Economic Impact Study

BY THE NUMBERS Job creation:

250

New jobs created post-pandemic, 100 full-time equivalent positions added each year, on average \$90,000

Average annual pay at SCH











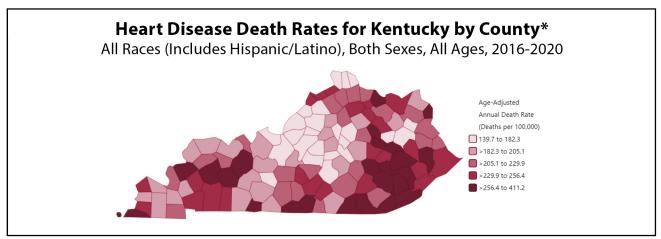
HealthCare

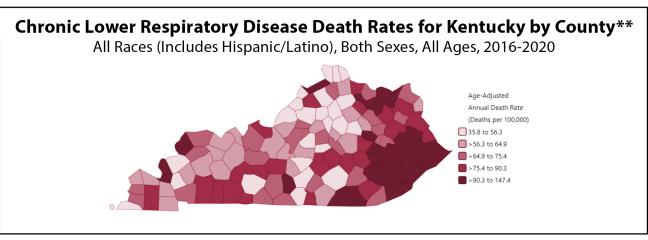


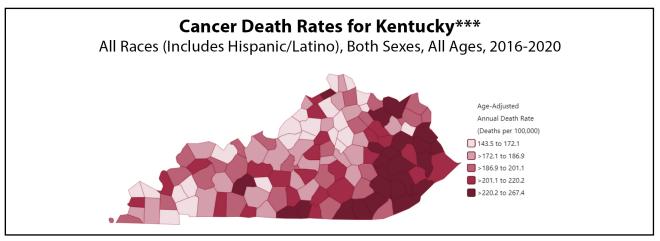
CHOSEN TO PARTNER

DESPITE THE EFFORTS AND POSITIVE IMPACT OF SCH, HEALTHCARE SHORTAGES PERSIST IN NORTHEASTERN KENTUCKY, WHICH LARGELY REMAINS MEDICALLY UNDERSERVED.

- *Source: HDPulse: An Ecosystem of Minority Health and Health Disparities Resources. National Institute on Minority Health and Health Disparities. Created 3/1/2024. Available from https://hdpulse.nimhd.nih.gov
- **Source: HDPulse: An Ecosystem of Minority Health and Health Disparities Resources. National Institute on Minority Health and Health Disparities. Created 3/1/2024. Available from https://hdpulse.nimhd.nih.gov
- ***Source: HDPulse: An Ecosystem of Minority Health and Health Disparities Resources. National Institute on Minority Health and Health Disparities. Created 3/1/2024. Available from https://hdpulse.nimhd.nih.gov







We are strong, but St. Claire HealthCare and UK can be even stronger together.

Through an extensive RFI process, St. Claire HealthCare reached out to 12 national and regional organizations. Of the seven that responded to us, our committee narrowed the choices to four. The SCH Board of Directors and the Sisters of Notre Dame preferred a Kentucky-based solution to help meet the future needs of SCH. UK HealthCare was chosen as the best option to partner with us to serve the people of Appalachia.

RFI PROCESS

12 total organizations contacted:







Academic medical centers



Community health care systems

Location of responding organizations

5 organizations headquartered out of state

4 organizations do not have current Kentucky operations

Based upon the 60-year integrated and demonstrated relationship and the willingness of the University of Kentucky to invest in the people of our region, UK was selected unanimously by the Board of Directors and Sisters of Notre Dame as our future potential partner.

- UK was the only partner that could ensure clinical integration that remained local.
- UK did not seek to consolidate or contract services; they aligned with our mission to GROW them.



- 5 of the 7 Colleges of Health at UK have committed to establish programs, creating a substantive regional medical hub for Northeastern Kentucky.
- and sub-specialty care, new research opportunities, and clinical informatics that would strengthen rural providers and attract additional providers for clinical training in rural settings.

 As one of the last remaining independent rural hospitals with 1.25M patient encounters annually, the financial investment in clinical infrastructure will be crucial.

ECONOMIC IMPACT

 SCH and UK's commitment to a \$300M minimum capital investment in infrastructure projects will support job growth opportunities, gains through additional tax revenue, and a more robust healthcare system better equipped to handle future health crises and ongoing epidemics in the region.





The COVID pandemic was eye-opening for healthcare. For us, we realized that for all the good work we were doing in the region, the healthcare needs of the people were greater than what we could meet on our own presently and in the future. Our mission of providing access to quality healthcare, improving educational opportunities in the region, and contributing to employment and economic growth was going to be far more effective by choosing a partner to support this work for decades to come.

Now, with an expanded venture with a well-known partner, we will not only be able to meet **Bob's** needs, **Sandy's** needs, and **Will** and **Mary's** needs. We will be able to serve their **children**, **grandchildren**, and **all the people** yet to come to this special and spirited region of the state.



Economic Impact by the numbers

19

New SCH physicians expected to arrive this summer, several were educated through fellowship and residency programs supported by SCH and UK

\$36M

Estimated economic impact of the 19 new physicians*

*Source: American Medical Association, 2018 AMA Economic Impact Study \$11M

SCH's investment in clinical infrastructure and employment in Morgan County alone, including the addition of 30 jobs

\$300M

SCH and UK's minimum capitol investment in infrastructure projects that will support job growth, additional tax revenue, and a more robust healthcare system



A Statement from the Sisters of Notre Dame:

The Sisters of Notre Dame are very excited by this transformational change for St. Claire. This transition will allow a mission critical to the people of Eastern Kentucky and very dear to the Sisters to evolve, strengthen and grow in the years ahead. As part of this process, the Sisters will "pass the torch" to the University of Kentucky and transfer their formal role within St. Claire to the University. This will permit needed capital investments, skills and expansion to be brought to the St. Claire operations that the Sisters alone could never have accomplished. It is no overstatement to say that the Sisters certainly see the hand of a good and loving God present in these opportunities and are grateful to everyone involved whose hard work, vision and commitment are allowing this expansion of mission to take place.



For **over 60 years**, St. Claire HealthCare has collaborated with other educational and healthcare institutions, working together to meet the region's needs while positively impacting health outcomes for the people in Northeastern Kentucky.

THE POWER OF PARTNERSHIP



A storied history of service A transformative investment in the future