

## RIDOH issues Compliance Order to owners of Roger Williams, Fatima hospitals

PROVIDENCE – The Rhode Island Department of Health (RIDOH) issued an Immediate Compliance Order in November, requiring the owners of Roger Williams Medical Center and Our Lady of Fatima Hospital to ensure the continuity of health services and care at the facilities by acting immediately to stabilize the two facilities financially.

This Immediate Compliance Order was issued to the California-based Prospect Medical Holdings and related entities after a thorough, extensive review by RIDOH determined that Prospect's underfunding of the hospitals is impacting operations. For example, in October 2023, at least 19 elective surgeries at the facilities were canceled because the proper equipment and supplies were not available because of non-payment to vendors. These latest issues are part of a pattern of Prospect Medical Holdings engaging in non-compliance and creating delays in making required disclosures of financial information.

The Immediate Compliance Order requires the owners to hire an independent Fiscal Monitor and cover all operating costs of the hospitals, as determined by that Fiscal Monitor. Prospect also must create a "cash on hand" escrow account to ensure the stability of the facilities, and have an independent Operations Monitor on site who will report to RIDOH daily. The Compliance Order includes many additional, stringent requirements in the areas of finance, operations, and oversight.

"The healthcare providers at Roger Williams Medical Center and Our Lady of Fatima Hospital are amongst the best in the state. People receive very high-quality care at these hospitals," said Interim

Director of Health **UTPALA BANDY, MD, MPH**. "However, these facilities need more consistent support from their corporate owners. The action we took today will ensure immediate accountability and get the hospitals on sounder footing. This is critical for the state as a whole, and for the communities these facilities serve as safety net hospitals."

While Rhode Island law requires hospitals to maintain local governing bodies, much of the financial decision-making for these two hospitals happens in California. Prospect Medical Holdings sweeps all patient care revenue from Roger Williams and Fatima every day and then returns an operating allowance back to the hospitals once a week. The amounts of these allowances vary and are determined by Prospect Medical Holdings. The amounts of these allowances are inadequate to pay vendors in a timely manner, leading to interruptions in services.

A RIDOH investigation revealed that, as of October 24, more than 250 of the hospitals' approximately 830 vendors were operating with the hospitals on a "cash on demand" basis. This means they only deliver supplies if they are paid at the time of delivery. This is generally reserved for payors with a history of non-payment. The average time it takes the hospitals to pay bills ("days payable outstanding," or DPO), was in excess of the 90-day limit set when the acquisition of the facilities was approved in 2021.

Unpaid vendors have included suppliers of hip joints, catheters, endoscopes, and eye lenses. The procedures that were canceled included endoscopies, eye surgeries, and a spinal surgery. There is no indication that issues with vendors ever

prevented emergency procedures from being performed.

Among other requirements, the Immediate Compliance Order requires Prospect Medical Holdings to:

- Retain a third-party Fiscal Monitor for six months. This person will immediately determine the average monthly operational expenses for the hospitals and create a plan to ensure that the DPO for all vendors is less than 90 days. The Fiscal Monitor will report to RIDOH weekly on the progress of vendor accounts and the general fiscal standing of the hospitals.
- Retain a third-party Operations Monitor for six months. This person will be charged with doing an assessment of the extent to which vendor non-payment has previously impacted patient care and resulted in canceled surgeries. This person will report to RIDOH daily on census numbers at the hospitals, as well as on staffing and any procedure cancellations.
- Provide funding over and above the weekly allowances to the hospitals to cover all operational expenses.
- Create and fund a separate "cash on hand" escrow account equaling 30 days of average daily operational expenses for the sole use of operations at the hospitals. This account will be maintained by a RIDOH-approved escrow agent, located in Rhode Island.

In addition to these requirements, the Immediate Compliance Order states that RIDOH reserves the right to order a cease and desist on the daily sweeping of patient care revenue from the hospitals to the parent company in California. ❖

## State House Dome shines a green light on injury prevention

PROVIDENCE – In support of National Injury Prevention Day on November 18, Rhode Island joined other states around the country in “shining a light” on efforts to stop injuries and violence — the number one cause of death and hospitalization nationally for people ages 1 to 44.

“All of us, at every stage of life, can act to prevent injuries and violence. For some, injury prevention means safe sleep practices, putting children in car seats, fastening seatbelts, and wearing bike helmets. For some other folks, it may mean fall prevention strategies or safe firearm storage,” said **UTPALA BANDY, MD, MPH**, Interim Director of the Rhode Island Department of Health (RIDOH). “We can all take steps to make our homes and communities safer places to live.”

RIDOH’s Violence and Injury Prevention Program and partners are working to address all forms of injury and violence. Examples of projects include fall prevention initiatives; suicide prevention campaigns aimed at youth and Veterans; sexual violence prevention; and transportation safety. Earlier this year, Rhode Island was awarded \$915,000 in federal funds from the Centers for Disease Control and Prevention (CDC) to develop a coordinated, data-driven suicide prevention program for higher-risk populations.

Falls remain the most common injury sending Rhode Islanders to the emergency department (ED). Falls are also common causes of inpatient hospital admissions.

“Older adults can reduce the risk of falls by staying physically active, removing tripping hazards at home, keeping living spaces well lit, and using grab bars and railings,” said **TOSIN OJUGBELE, MD, MPH**, the Medical Director of RIDOH’s Division of Community, Health, and Equity.

### Data on injuries

- Data from 2016 to 2022 indicate that while annual ED visits for injuries have decreased from nearly 87,000 to nearly 63,000, disparities persist. Black non-Hispanic people and Hispanic people continue to have higher rates of injury-related ED visits compared to White people.
- Common injury-related causes of ED visits after falls, include being struck by an object, motor vehicle-related injuries, assaults, and traumatic brain injury. Rhode Island data from 2022 show that females have higher fall rates compared to males. However, males have higher rates of being struck by an object, motor vehicle/traffic-related injuries, and assault.
- While Rhode Island has one of the lowest rates of suicide deaths per 100,000 population in the country, suicide is the second leading cause of death for those ages 10-34 and the eleventh leading cause of death among all Rhode Island residents.

Organized by the Injury Free Coalition for Kids and its partners, the fourth annual National Injury Prevention Day aims to raise awareness about the effects of injury and violence on the public’s health, as well as actions needed to build safer communities. Partners include Safe Kids Worldwide, Safe States Alliance, the American Trauma Society, the American Academy of Pediatrics, Be SMART— a program of Everytown for Gun Safety Support Fund, the Society for Advancement of Violence and Injury Research, the Trauma Center Association of America, and JPMA Cares.

For more information and resources on violence and injury prevention, visit [health.ri.gov/violence](https://health.ri.gov/violence). ❖



## New report reveals RI leads nation in five-year survival, overall treatment rates for lung cancer

PROVIDENCE – The 2023 “State of Lung Cancer” report reveals that Rhode Island ranks #1 in the nation for five-year survival and treatment rates for lung cancer. The American Lung Association’s 6th annual report, released in mid-November, highlights the toll of lung cancer in Rhode Island and around the country, and examines key indicators including new cases, survival, early diagnosis, surgical treatment, lack of treatment and screening rates.

In Rhode Island, data showed that the number of new lung cancer cases declined, while the rate of early detection and five-year survival rates increased. Nationally, the “State of Lung Cancer” report found that lung cancer survival rates are improving for everyone, including people of color. In fact, the five-year lung cancer survival rate for people of color has increased by 17% in the last two years, helping close the health disparity gap.

“Thankfully, in Rhode Island, the lung cancer survival rate has improved because of increased awareness, improved access to healthcare and cutting-edge research into new treatments for the disease,” said **DANIEL FITZGERALD**, director of advocacy at the American Lung Association. “However, lung cancer is still the leading cause of cancer deaths here in the Ocean State

and across the nation, and our recent report makes it clear that we have more work to do to reduce the burden of lung cancer and increase screening rates for those at risk.”

The report found that Rhode Island ranked:

- 1 in the nation for survival at 33.3%. The national rate of people alive five years after a lung cancer diagnosis is 26.6%.
- 1 in the nation for lack of treatment at 13.2%. Nationally, 20.6% of cases receive no treatment.
- 3 in the nation for early diagnosis at 31.9%. Nationally, only 26.6% of cases are diagnosed at an early stage when the survival rate is much higher.
- 3 in the nation for surgery at 26.9%. Lung cancer can often be treated with surgery if it is diagnosed at an early stage and has not spread. Nationally, 20.8% of cases underwent surgery.
- 6 in the nation for lung cancer screening at 9.1%. Lung cancer screening with annual low-dose CT scans for those at high risk can reduce the lung cancer death rate by up to 20%. Nationally, only 4.5% of those at high risk were screened.
- 41 in the nation for rate of new lung cancer cases at 64.4 per 100,000. The national rate is 54.6 per 100,000. ❖



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