

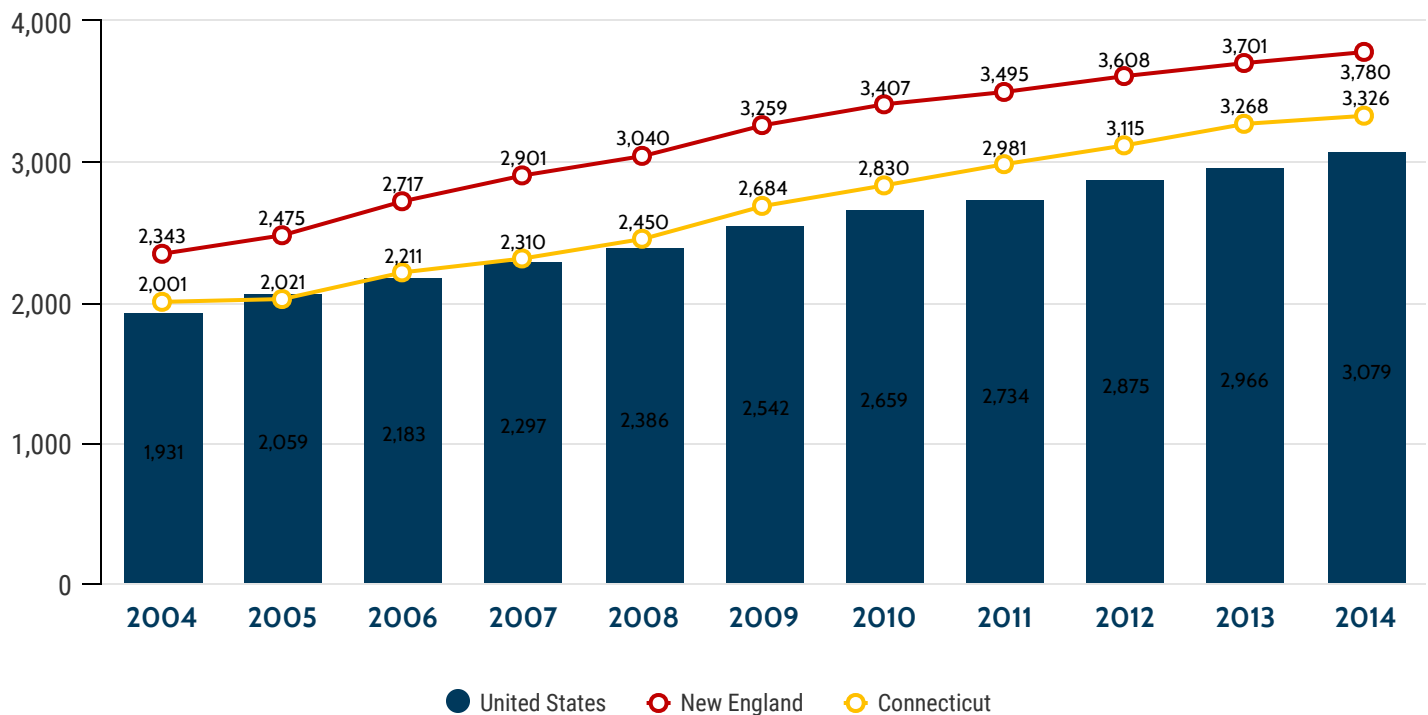


Hospital care makes up 33% of healthcare expenses



OHS uses the Certificate of Need (CON) regulatory process to contain costs and ensure better value for each healthcare dollar spent.

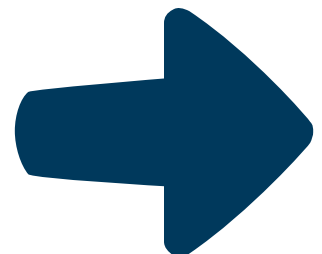
Total All Payers Per Capita Estimates for Hospital Services (in Dollars)



Source: Centers for Medicare & Medicaid Services
 Health expenditures by state of residence: summary tables, 1991-2014
 Table 12: Total All Payers Per Capita State Estimates by State of Residence (1991-2014) - Hospital Services (Dollars)

OHS has implemented cost growth caps through our CON process. These link healthcare cost growth to the consumer price index.

Under our CON agreements, [Western CT Health Network and Health Quest](#), [Bridgeport Hospital \(under Yale New Haven\)](#), and [Hartford HealthCare](#) may not raise costs more than the CPI plus 1% or 3% overall, whichever is lower.



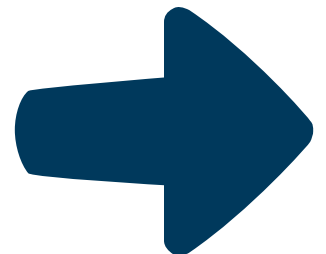
OUTCOMES MATTER

Our CON agreements have required participation in value-based care initiatives to ensure patients get the most out of the healthcare dollars spent. These initiatives help improve quality and access to affordable healthcare.

In scientific terms:



CONTAINING COST, IMPROVING HEALTH QUALITY

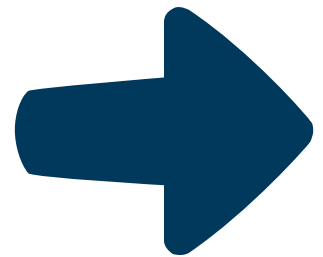


Making Communities Healthier

Healthy people = Healthy workforce = Healthy economy



There is no one-size-fits-all when it comes to healthcare, so, as each healthcare organization undergoes a community health needs assessment, we are working to ensure that their benefit programs are directly tied to the programs that are the most valuable for the community.



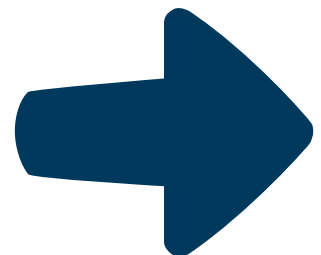
42,000

The number of hospitalizations in Connecticut in 2017 that could have been prevented. One out of every nine hospitalizations could have been avoided if conditions and disease were better managed in a doctor's office.

- The leading preventable hospitalization for adults is heart failure
- The leading preventable hospitalization for children is asthma



OHS' State Innovation Model team (we call them SIM but we are trying to stop it with the acronyms) is working to reduce avoidable hospitalizations by connecting families to the appropriate resources to determine risk factors.



And one last thing....Health Enhancement Communities are a bright idea!

(sorry about the bad dad joke)

Health Enhancement Community initiatives are underway in Connecticut to help achieve population health goals like [healthy weight](#), [safe and healthy kids](#), [health equity](#). Health Enhancement Communities better connect people to the resources around them. The HEC initiatives strive to make Connecticut the healthiest state in the country, achieve health equity for all Connecticut residents, slow the growth of healthcare spending, and make Connecticut the best state for growing children.

