NATIONAL
RURAL HEALTH
RESOURCE CENTER

Panel Discussion Notes: Outcomes for the CAH Financial Leadership Summit

Panel discussion was facilitated by Tracy Morton, Program Manager, National Rural Health Resource Center

Panelists:

- Chris Johnson, A & C Johnson Consulting, LLC
- Greg Rosenvall, Utah Hospital and Health Systems Association
- Eric Shell, Stroudwater Associates

Overview from Eric Shell:

- Urban facilities focus their efforts on specialty care so this is an opportunity for rural to focus on primary care
- Physician integration will be necessary to support accountable care models
- Capital will be required to implement a robust physician alignment strategy
- Consumer Reports is now rating hospitals; (Billings Clinic, MT rated #1 at 71% average)
- Hospitals should increase efficiency of financial reports
- 340B is exceptionally important; financially beneficial for CAH; for an example $1.34 million has been captured from a CAH as a result of 340B
- Increased pressure on operating margins cause by payment reductions, both, federal and state, will have direct impact on providers
- Quality will drive reimbursement levels and will become a market differentiator
- Quality reporting will require the development of a more sophisticated infrastructure
- Collaboration and effective alignment with the physician-provider community will be imperative as health care moves away from a volume-based to value-based system

Overview from Chris Johnson:

- Barriers to financial operations include fear of change or lack of the right information to ask the right questions
- Lessons learned from a CFO:
    - Network with other CFOs
    - Talk to auditors about changing direction
    - Measure and follow-up with actions
    - Promote coalitions of CFOs to address top health issues and negotiate with systems or consultants
- Use reimbursement change to reinforce efficiency

Overview from Greg Rosenvall:

- Challenges of meeting the Flex Financial and Operational Improvement measure: hospital finances are complex
- Focus on long term culture and procedures
- Partner with urban facilities
- Start intervention with one hospital as a pilot, then use this facility as a "cheerleader" for peer role modeling

Build relationships with medical staff; create alignment with board-staff-physicians then change can be effectively driven