

## CORE COMPETENCIES FOR STATE FLEX PROGRAM EXCELLENCE

The role of the state Flex Program is to be a convener and liaison between local, state, and national rural health groups while supporting and promoting improvements in critical access hospitals (CAHs), population health, and the integration of health services through training and technical assistance.

The responsibilities of state Flex Programs are broad and far-reaching, with no step-by-step instructions for the work. The advantage and difficulty of managing the Flex Program is the flexibility of the assignment. Each state Flex Program needs to identify the strengths and challenges faced by their state's rural health care providers and set goals to build state and local capacity. However, the methods used will vary by state and region.

In the spring of 2015, a group of experienced State Office of Rural Health Directors and Flex Program Coordinators as well as staff from the Federal Office of Rural Health Policy (FORHP), Flex Monitoring Team (FMT) and Technical Assistance and Services Center (TASC) gathered for a Flex Program Leadership Summit to develop a framework of Flex Program core competencies and recommendations to achieve excellence in state Flex Programs. As a result of that meeting, the Core Competencies for State Program Excellence Guide was developed. The Guide provides: a framework for assessing state Flex Program strengths and weaknesses; suggestions for developing or strengthening performance in each of the competency areas; and links to supporting resources organized by competency.

What follows are summaries of each of the nine core competencies. For more information, please review the [Core Competencies for State Flex Program Excellence Guide](#).

A [self-assessment of the Core Competencies](#) is available to assist users in identifying and prioritizing opportunities for enhancing competency within their state Flex Program at the organization-level, not the individual-level. Based on assessment outcomes, resources can be identified for those areas in which the program self-identifies a gap or opportunity for improvement. FORHP strongly suggests that state Flex Programs complete this assessment at least annually. Results of the assessment will not be used by FORHP to determine future funding levels. Users are encouraged to complete the assessment annually and with personnel changes to monitor progress on their continuous journey towards Flex Program excellence. Assessment

results can be used to establish a baseline, create benchmarks, and aid in strategic planning and evaluation.

## Managing the Flex Program

Future funding for the national Flex Program is dependent on strong program planning, operations, and demonstrable outcomes through reporting. This can only be accomplished through competent program management on the part of state Flex Program leadership.

Government programs are facing similar challenges to those of health care providers: improving quality and outcomes and decreasing costs. Therefore, as state Flex Programs support CAHs and other rural health organizations with collecting data, improving quality, and making process improvements, they should be applying these same concepts internally as part of their overall program management and operations.

## Building and Sustaining Partnerships

Partnerships lead to more informed and involved stakeholders, and ultimately, increase program impact, outcomes and support. The national Flex Program has been able to evolve because of the partnerships established and maintained within communities, networks, states, regions, and nationally. It is imperative that state Flex Programs have the skills, capacity, and commitment to build and sustain partnerships to support CAHs and the national Flex Program.

## Improving Processes and Efficiencies

Process improvement is one of the most valued concepts used in all industries, including health care and government. It is applied in operations, production, and customer service, and is key to quality, cost savings, and outcomes. Process improvement and creating efficiencies go hand in hand with change. Change is constant and spawns the adaptation of processes toward continued improvement. Therefore, it is necessary for those who engage in process improvement to support change. Any organizations or individuals that are not engaged and participating in process improvement are missing opportunities to meet or exceed the expectations of their patients, customers, coworkers, partners, or stakeholders.

As health care organizations increasingly participate in new delivery and reimbursement models with shifting market expectations for quality, cost and outcomes, the need for continuous process improvement is becoming more evident. State Flex Programs can be the drivers of process

improvement in rural health services by understanding and sharing concepts with health care providers and building process improvements into activities. Therefore, when thinking of process improvements and efficiencies, think of them both across external programs directed at CAHs and stakeholders as well as internal program operations.

## Understanding Policies and Regulations

Health policy, rules, and regulations have a profound impact on programs, services, reimbursement, and systems. State Flex Programs need to have an in-depth understanding of the policies and regulations governing the Flex Program. Additionally, a basic understanding of the policy-making process, other policies and regulations affecting CAHs, and the rural health landscape as a whole are critical. This knowledge will allow state Flex Programs to communicate more effectively with program partners; educate others about CAHs, rural communities and rural health systems; and provide support on their behalf.

## Promoting Quality Reporting and Improvement

Quality reporting and improvement are priorities of the Centers for Medicare & Medicaid Services (CMS) Quality Strategy: better health, better care, and lower cost through improvement. The national Flex Program is in alignment with these goals and has identified quality improvement as one of its program areas.

In order to build program plans and support CAHs in their quality improvement (QI) efforts, Flex Programs need to be aware of the various quality reporting initiatives and requirements, in particular the Medicare Beneficiary Quality Improvement Project (MBQIP) and Hospital Compare. Through communications with CAHs and by using MBQIP and FMT data and reports, state Flex Programs can develop a thorough understanding of CAH QI performance, including needs and successes.

## Supporting Hospital Financial Performance

CAH financial and operational improvement is one of the primary goals of the Flex Program. Sustainable financial performance of CAHs is essential for both the day-to-day operation of the facility as well as for needed investments in technology and infrastructure. Recent market forces and changes in payor reimbursement have resulted in financial challenges for many of the nation's smallest hospitals, including impacting financially unstable organizations. This financial distress has led to the closure of

dozens of rural hospitals throughout the country, and several hundred more classified as financially distressed.

Given the complexity of Medicare and Medicaid regulations, billing codes, and private payer contracts, rural hospital financial improvement is often dependent on access to financial expertise both within and outside the facility. Hospitals need to follow the most effective financial and business processes and utilize an efficient revenue cycle management system.

### Addressing Community Needs

Health care services, such as those furnished at CAHs, are intended to meet the health needs of their communities. Health needs can be identified from a variety of factors including demographic data, social and economic status, physical environment, clinical care, health behaviors, and health outcomes. It is important for state Flex Programs to understand the community needs of the areas CAHs serve within their state. This allows the Flex Program to develop or leverage program activities in support of health system development, community engagement, and population health improvement.

To gain understanding of community health needs, a formal, systematic process that identifies and analyzes needs and assets should be completed. For CAHs, this is a community health needs assessment (CHNA) that drives local planning, decision making and programs. For state Flex Programs, this may be a statewide assessment that includes reviewing all CAH CHNAs.

### Understanding Systems of Care

The health care system in the US is a market-based system that lacks universal access. A greater majority of rural residents are uninsured or underinsured with high deductible health plans compared to their urban counterparts. Lack of access is particularly evident in rural areas where chronic shortages of primary care providers and key specialists are common, such as emergency room physicians and behavioral health providers, as well as health information technology (HIT) professionals. While most urban area ambulance services are staffed by paid paramedics, rural ambulance services are more likely to be volunteer-based with basic level emergency medical technicians (EMTs) with a limited scope of practice. Although rural areas generally offer a limited set of health care services, technology and equipment upgrades are still needed. The same quality and value of care is expected and should be delivered in rural areas as in urban areas.

Systems thinking is crucial to understanding how various health and social service providers can work together in rural communities to improve the health of populations. Since health outcomes are the product of social environment, personal behavior, genetic disposition and available health services, achieving a desired outcome of excellent population health will require collaboration among those who influence the drivers and resisters to that outcome. Systems thinking is also crucial to understand how various critical success factors in rural hospital performance can be incorporated into a strategic plan and then managed to produce sustainable high-performance outcomes. Systems approaches are most effectively implemented with the use of systems frameworks, like those found in the Baldrige framework and [CAH Blueprint for Performance Excellence](#), which include a broad range of quantifiable goals that measure and communicate progress.

## Preparing for Future Models of Health Care

State Flex Programs can help CAHs transition into value-based reimbursement and population health models through education, network support, facilitation of new partnerships, and technical assistance. For example, leadership's understanding of the new models and transition strategies will be crucial and will require a great deal of education. CAHs will also need to develop partnerships with other community service providers, as well as participate in either networks or larger health systems to coordinate and manage care. Public health concepts will be important in managing the health of populations, presenting good opportunities for hospital-public health collaboration. The movement to value will be more rapid in some states, but ultimately all CAHs will need to find a place in the emerging systems.