

NATIONAL RURAL HEALTH RESOURCE CENTER

Small Rural Hospital Transition Project

Summarized Outcomes

The Center SRHT Team August 2018

Small Rural Hospital Transition (SRHT) Project Supported By:

U.S. Department of Health & Human Services

Federal Office of Rural Health Policy



SRHT Project Purpose and Goals

- Supports small rural hospitals nationally in bridging the gaps between the current volume-based health care system and the newly emerging value-based system of health care delivery and payment.
- Provides technical assistance through onsite consultation to assist selected hospitals in transitioning to value-based care and preparing for population health.
- Disseminates best practices and successful strategies to rural hospital and network leaders.

www.ruralcenter.org/rhi/srht



Small rural CAH or PPS hospitals:

- Located in a FORHP defined rural community, persistent poverty county (PPC) or a rural census tract of a metro PPC
- Have 49 staffed beds or less as reported on the most recently filed Medicare Cost Report
- That are either for-profit or not-for-profit

SRHT Project Eligibility



Three hospitals completed FOA. Two of FOA hospitals that reported:

- Increase in net patient revenue by 7% and 17%
- Increase in net income by 18% and one nearly doubled
- Increase in days cash on hand by 14 and 10 days
- Increased patient satisfaction scores for "patients who gave their hospital a rating of 9 or 10"
 - 78% to 100%
 - 77% to 84%



Six hospitals completed QI Projects: 4 CAHS and 2 PPS Of the two PPS hospitals that reported:

- One increased HCAHPS discharge planning scores from 86% to 95%
- One maintained high HCAHPS discharge planning score of 90%
- Both increased HCAHPS transitions of care scores:
 - 41% to 43%
 - 48% to 55%



Of the four CAHs, three reported:

- Two increased Emergency Department Transfer Communication (EDTC) from 76% to 100% and 89% to 94%, and one maintained high score of 93%
- Two increased HCAHPS discharge planning scores from 76% to 100% and 90% to 91%, and one showed slight decreased from 90% to 88%
- One increased HCAHPS transitions of care scores from 42% to 49% and two experienced in slight decrease from 59% to 58% and 56% to 53%



Six FOA hospitals, on average, increased:

- Net income by 6%
- Days cash on hand by 16 days
- Patient satisfaction scores from:
 - 59% to 71% for "patients who gave their hospital a rating of 9 or 10"
 - 62% to 68% for "patients who would definitely recommend the hospital"



SRHT Hospital Project Outcomes (2014 - 2015)

Of the four FOA hospitals:

- Three increased net patient revenue by 11%
- Two increased days cash on hand by 11 days

Of three QI hospitals:

- Two decreased total readmissions rate from 15.8% to 11.5%, on average
- Three increased HCAHPS discharge planning scores from 46.4% to 62.3%, on average



Delta Memorial Hospital Quality Improvement Project Outcomes (2017)



25 bed CAH in Dumas, AR

"This project helped us to identify areas of focus to guide us in streamlining processes to improve overall efficiency and quality of care. I believe we are in a good position with the changes and all (we) are doing to be ready to transition to new payment models." Ashley Anthony, CEO

Outcomes include increased:

- EDTC from 76% to 100%
- Patient Satisfaction Scores for:

"Patients who reported that YES, they were given information about what to do during their recovery at home" from 76% to 100%

"Patients who Strongly Agree they understood their care when they left the hospital" from 42% to 49%



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Uvalde Memorial Hospital Financial Operational Assessment (2017)



25 bed CAH in Uvalde, TX

UMH incorporated the ten action items recommended in to their 2017 strategic plan, and adapted these into a Studer management tool by creating a pillar called 'Stroudwater.' Each action item was assigned to various team members and 90-day action plan items were created. Teams modified time frame goals to coincide with the strategic plan to remain focused on the *implementation process.*

Outcomes include increased:

- Net patient revenue by 3%
- Operating margin increased by 2.6%
- Days cash on hand by more than 10 days
- Patient satisfaction score for "rate the hospital" from 77.2% to 83.6%



Presentation Medical Center Financial Operational Assessment (2017)



25 bed CAH in Rolla, ND

Leadership is guided by the principle that progress is most effectively accomplished by starting with a strong and engaged leadership team. PMC firmly believes that the **culture** (how we do things and who we are) **impacts outcomes** so a thriving and caring culture is of utmost importance.

Outcomes include increased:

- Total margin by almost 3%
- Net patient revenue by more than 2.5%
- Days cash on hand by 14 days
- Swing bed ADC from 0.7 to 5.5



Russell County Hospital Financial Operational Project Outcomes (2016)



25 bed CAH in Russell Springs, KY

"We are now on track to be a better performer and this puts us in a better negotiating position, a more attractive partner...We are growing our primary care base, which is the key for future success. We are looking more at chronic disease management. **Strong PCP base leads to value over volume**."

Bill Kindred, Chief Executive Officer

Outcomes included increased:

- Net patient revenue by 10%
- Swing bed average daily census by 2 patients
- Total ADC by 3.2
- Case Mix Index from 0.905 to 1.01
- Monthly surgical cases on average of 23%



Monroe County Hospital Quality Improvement Project Outcomes (2016)



35 PPS bed hospital in Monroeville, AL

"We've implemented everything <the consultant> recommended!"

> Jeffrey Brannon, Chief Executive Officer

Outcomes included increased:

- HCAHPS scores for:
 - Discharge planning (86% to 91%)
 - Care transition (49% to 52%)
- Clean claims (nearly 100%)
- Staff awareness for importance of a patient safety culture
- Decreased readmissions from 14.3% to 12.6%



Madison County Memorial Hospital Financial Operational Project Outcomes (2016)



25 bed CAH in Madison, FL "Staff understand how quality impacts reimbursement. There is better communication of quality and HCAHPS scores. We realize the sense of urgency to create the changes to position ourselves for the future."

> Tammy Stevens, Chief Executive Officer

Outcomes included increased:

- Total margin by \$27,000
- Net patient revenue by 3.5%
- Days Cash On Hand by 7 days
- HCAHPS scores for "rate the hospital" and "willingness to recommend"
- Steadily decreased Accounts Receivable



Pender Community Hospital: Financial Operational Project Outcomes (2015)



21 bed CAH in Pender, NE

"We are setting goals around preventative services and **changing the community's view about prevention**. To create that new mindset, we are using new language such as "we'll see you next year for..." so they think differently and don't think they should just come in when sick."

> Melissa Kelly Chief Executive Officer

Outcomes included:

- Grew rehab revenue by \$400K over a year
- Increased swing bed ADC to 7 Since implementation of 340B Program and over two-year period, net revenue is now
- nearly \$2.1 Million
- Implemented ACO strategy to increase the panel size in RHCs and position hospital for future



Marcum and Wallace Memorial Hospital: Financial Operational Project Outcomes (2015)



"This project provided a much clearer understanding of how to move forward for the future....The project created a **pathway to success**."

25 bed CAH in Irvine, KY

Susie Starling Chief Executive Officer

Outcomes included :

- Decreased ER Door to Provider times (46 to 21 mins)
- Decreased ER Average Length of Stay (204 to 108 mins)
- Decreased Left without being seen rate (3.14% to 1.1%)
- Increased swing bed Average Daily Census to 8.87 and exceeded target of 4
- Doubled 340B Pharmacy Program to \$583,603
- "Saved \$16,000 on in-house drug purchases

Hospital Spotlights

 For more examples of how rural hospitals have adopted best practices and to learn about their success stories, go to <u>Hospital</u> <u>Spotlights</u>

