

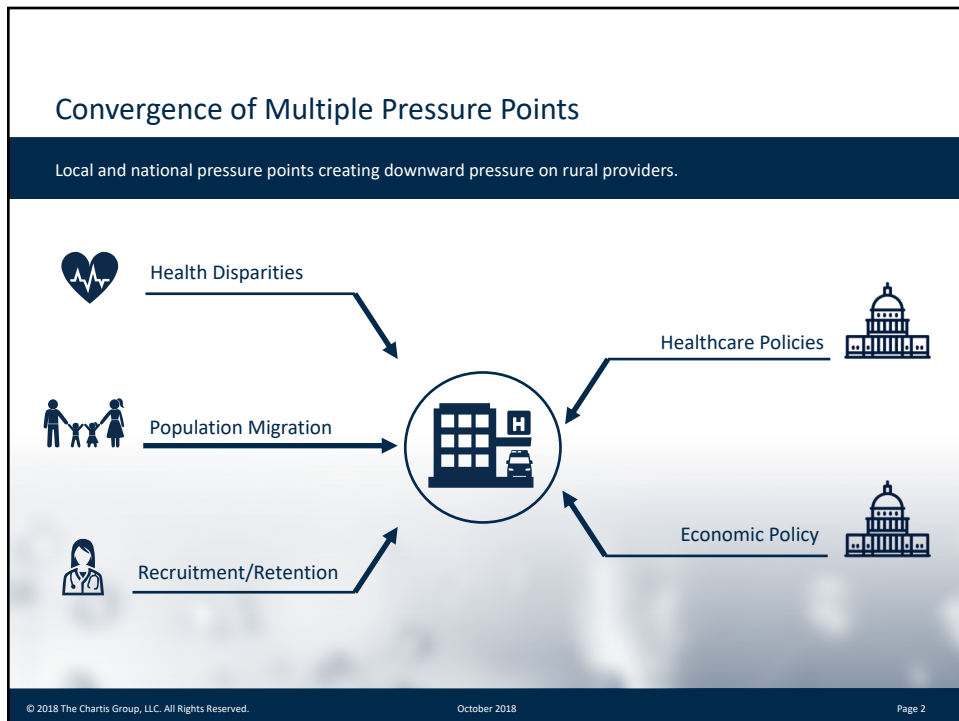


Nebraska Critical Access Hospital
Conference on Quality

November 2018

 **THE CHARTIS GROUP**
CHARTIS CENTER FOR RURAL HEALTH

On the vanguard of thought. The future of healthcare requires nothing less.



Older, Less Healthy and Less Affluent

Rural populations are more socioeconomically disadvantaged and impacted by health disparities including:



Child Poverty



Opioid Addiction



Diabetes



PCP Access



65+

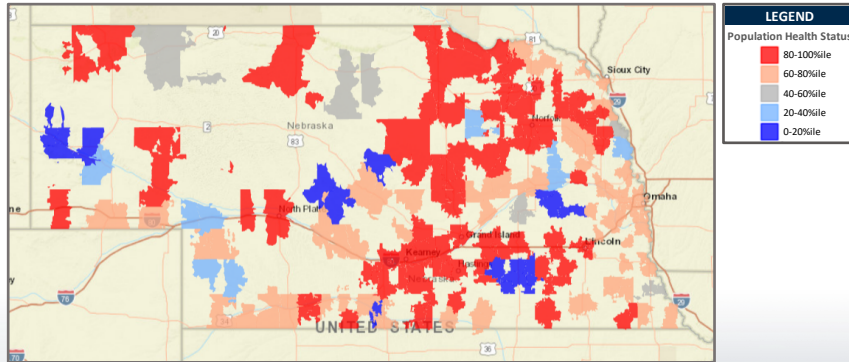


Mental Health Access

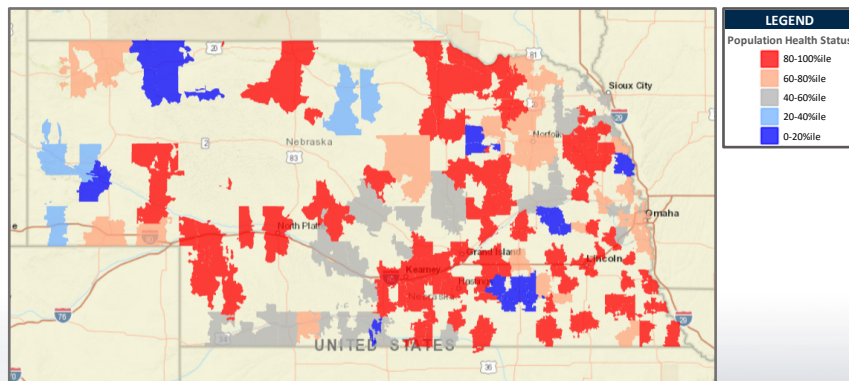


Nebraska Health Disparities

A Closer Look at Health Disparity: 65+



A Closer Look at Health Disparity: Mental Health Access



The New York Times

THE NEW HEALTH CARE

A Sense of Alarm as Rural Hospitals Keep Closing

The potential health and economic consequences of a trend associated with states that have turned down Medicaid expansion.

By AUSTIN FRAKT

Oct. 29, 2018

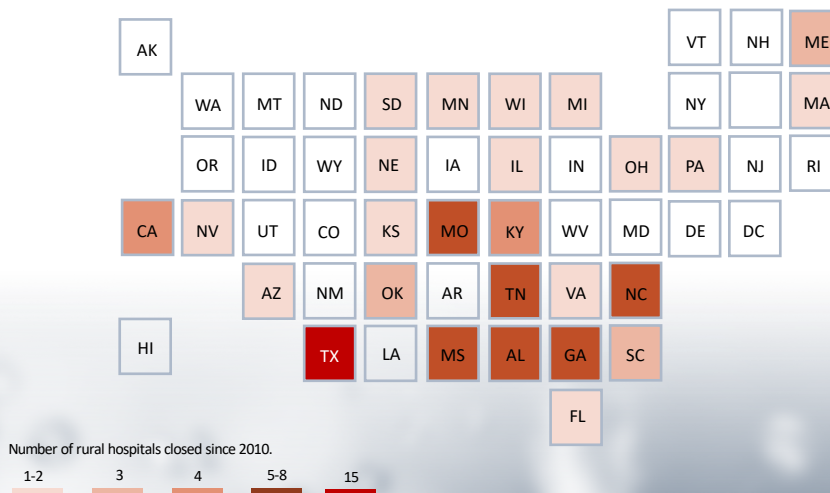


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Hospital Closures – 89 and counting



Source: Sheps Center, UNC 10/19/18.

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Declining Access to OB Services

133

rural hospitals
have eliminated
OB services
since 2011.



Greatest Loss of OB Units*



*Number of OB units lost since 2011 and percentage of rural hospitals in-state ceasing OB.

46%

of America's rural
hospitals - today -
provide OB services.

Lowest Access to OB Services*



*Percentage of in-state rural hospitals currently providing OB services.

Current and Pending Health Policies Exert Negative Financial Pressure on Rural Hospitals



1

Sequester: 2% IP and OP Medicare Revenue Cut

2

Bad Debt: 35% Medicare Bad Debt Reimbursement Cut

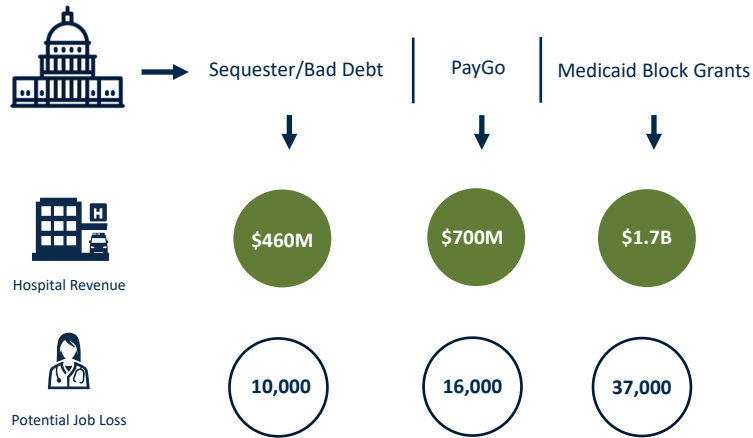
3

PayGo: 4% Medicare Revenue Cut

4

Medicare Block Grants: \$1T Cut Over 10 Years

One-year Impact of Current and Pending Policies (National)



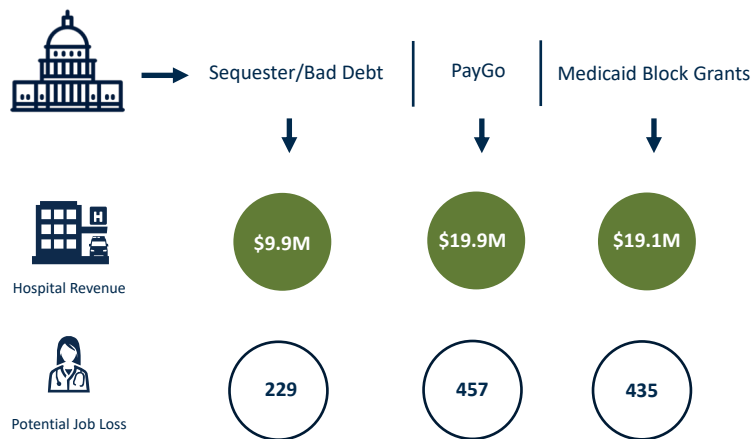
Current: Sequestration, Bad Debt
Pending: Tax Cuts and Jobs Act/PAYGO
Proposed: Medicaid Block Grants (Graham-Cassidy)

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One-year Impact of Current and Pending Policies (Nebraska)



Current: Sequestration, Bad Debt
Pending: Tax Cuts and Jobs Act/PAYGO
Proposed: Medicaid Block Grants (Graham-Cassidy)

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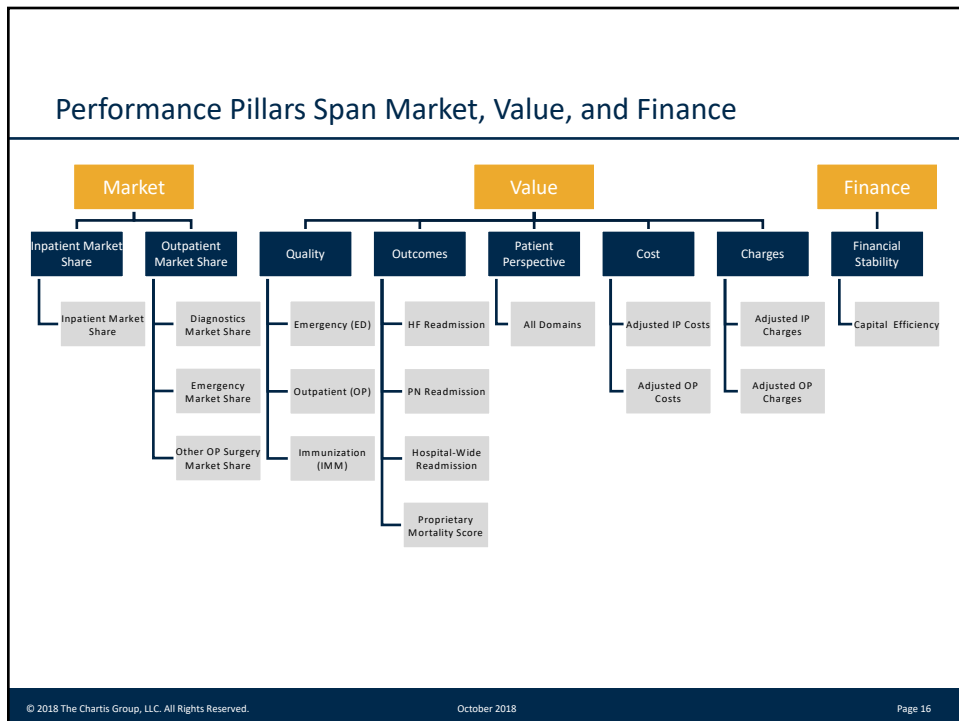
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CAH Performance in Nebraska

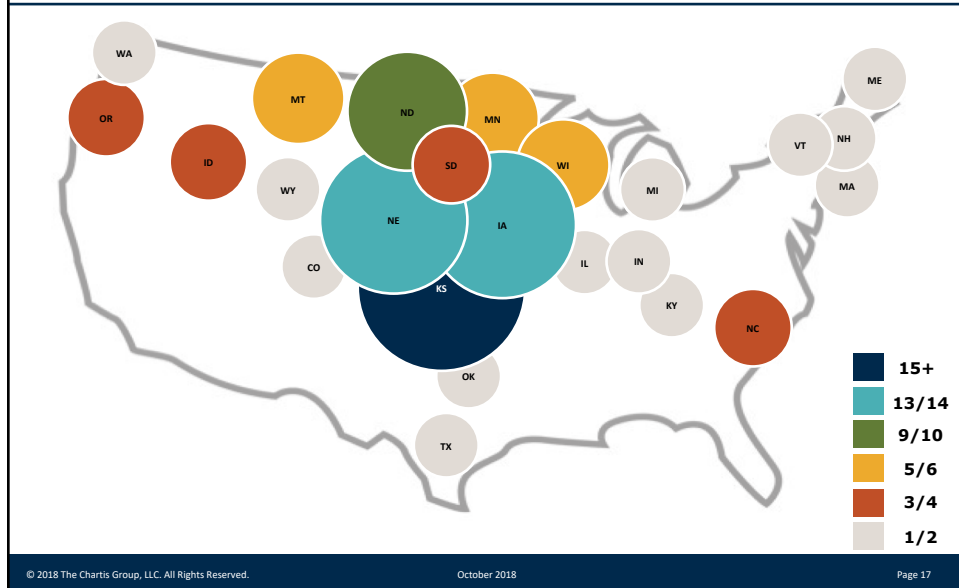
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2018 Top 100 Critical Access Hospitals



Nebraska's Top 100 CAH Footprint - 2018

- Avera St. Anthony's
- Box Butte General
- Brodstone Memorial Hospital
- Brown County Hospital
- Cherry County
- Community Hospital
Community Medical Center
- Howard County Medical Center
- Jefferson Community Health Center
- Memorial Health Care
- Phelps Memorial
- Sidney Regional Medical Center
- York General



Nebraska's Top 100 Alumni



Brodstone Memorial Hospital

- **7-time recipient**

Boone County Health Center, St. Francis Memorial Hospital, Ogallala Community Hospital, York General, Cherry County, Memorial Health Care, Jefferson Community Health Center

- **4-time recipients**

Howard County Medical Center, Avera St. Anthony's

- **3-time recipients**

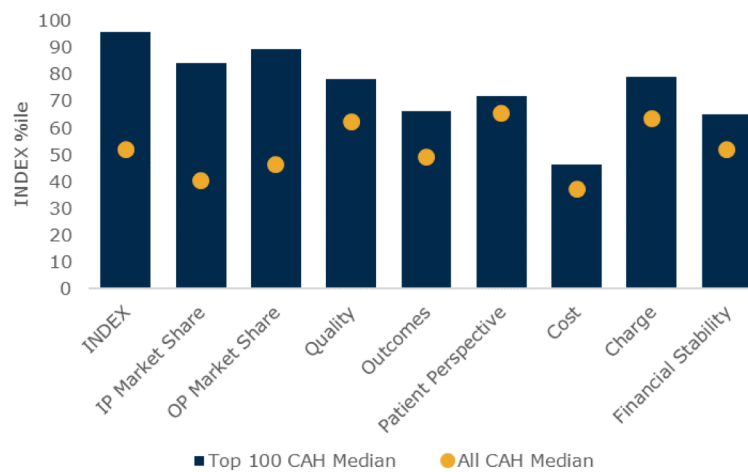
Pender Community Hospital, Memorial Community Hospital, Community Hospital, Community Medical Center, Box Butte General, Sidney Regional Medical Center

- **2-time recipients**

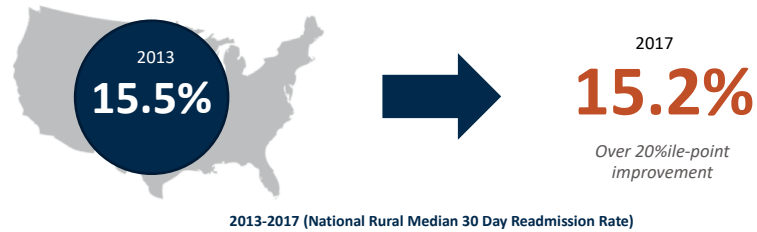
Providence Medial Center, Crete Area Medical Center, West Holt Memorial Hospital, Gordon Memorial, Antelope Memorial, Phelps Memorial, Brown County Hospital

- **1-time recipients**

How the 2018 Top 100 CAHs Measure Up to Rural Peers



Rural Hospitals Significantly Reduced Readmissions over the Past Five Years



Data Source: CMS Hospital Compare, download date October 2018
 Hospital-wide 30-day readmission rate estimates the rate of unplanned readmission to any acute care hospital in the 30 days after discharge from a hospitalization.
 Patients may have had an unplanned readmission for any reason.
 Significance test: Paired t-test, p<0.001

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Nebraska Rural Provider Performance

71

Rural
Providers

3.4%

Median Rural Operating
Margin

31%

Rural providers with
Negative Margin

CAH and RPPS

	Overall INDEX	IP Market Share	OP Market Share	Quality	Outcomes	Patient Sat.	Cost	Charges	Financial Stability
Nebraska CAH Median	75	60	76	84	55	81	12	61	48
U.S. CAH Median	51	40	46	62	49	65	36	64	51
NE v U.S. CAH Median	↑	↑	↑	↑	↑	↑	↓	↓	↓

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Looking Ahead: Building Blocks and Considerations

Rural Health Strategy – Building Blocks for the Future

- Consider 'staying the course' provided existence of geographic monopoly and sufficient private payer base
- Develop virtual care models capable of extending services and reaching more patients within the community
- Increase investment in community outreach (e.g. community health workers)
- Pursue clinical integration in combination with ACO payment models
- Pursue partnerships/affiliations with larger, stronger health systems
- (If already part of a health system) advocate for a global budget

Key Considerations for Rural Hospitals



Remote geography presents both opportunities and challenges for rural providers



Physician recruitment, retention, retirement, and burnout are significant patient barriers to access in rural healthcare



Reliance on government reimbursement disproportionately impacts the rural health safety net



Improving access and quality of care requires clinical integration



EHR integration is critical to effective clinical partnerships



Virtual care may improve access and patient experience at low cost, but may be a disruptor to current care delivery and payment models



Value is incentivized by alternative payment models, under which strong performance is essential to secure bonus revenues



Investment in primary care networks by rural acute care providers is critical



Population health management demands high-value, coordinated care, incentivized by alternative payment models that reward improved community health



Strategic governance must be informed by the latest rural-relevant research



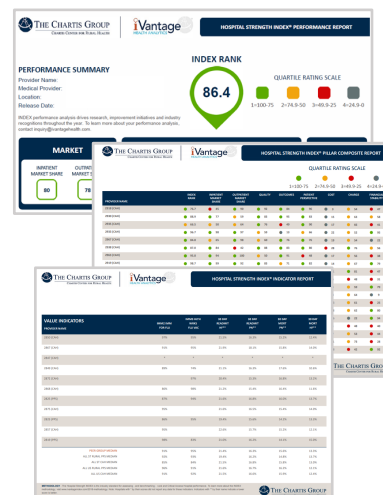
INDEX for Networks Program

How this Programs Benefits Nebraska CAHs

- Education and insight into reporting trends and relevant measurement
- Access to benchmarks across all 50+ indicators in the INDEX
- Benchmarks related to the Medicare Beneficiary Quality Improvement Project (MBQIP)
- Access to benchmarks across all 22 Flex Monitoring Team Financial Measures
- Serves as a platform for peer-to-peer learning
- Serves as a leadership and board-level dashboard of performance
- Updated data and research 3X annually.

Key Program Components

- INDEX-level Reports
 - Individual Hospital Summary Report
 - State-wide Pillar Report
 - Indicator Report
 - Raw metrics for all 50 INDEX indicators
- 3 Network-wide Webinars
 - First Webinar – Early December
 - Deep dive into CAH performance in Nebraska
- On-demand 1-on-1 Data Review Calls
- Access to CCRH experts as needed



Thank You For Your Time and Attention

Michael Topchik

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Senior Vice President, iVantage Health Analytics
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