Community Health: Five Essential Strategies for Building Sustainability and Autonomy

In Lakin, Kansas, a town with 2,200 residents and 245 miles west of Wichita, an interesting phenomenon is happening as far as rural hospitals go. In the last three years, Kearny County Hospital, which is the 10th most remote town under 5,000 people in the United States according to the Washington Post, has steadily improved patient care outcomes, grown its patient population, and increased margins, all while remaining independent. The 25-bed critical access hospital and CPSI customer experienced positive margins in 2018—the first time it had done so in more than two decades, according to CEO Benjamin Anderson, MBA. “A lot of what we have done here is because we have the ability to be creative and nimble,” he says.

In recent years, the hospital has forged its unique path through a robust physician recruitment strategy, a series of grants, and new services such as the Pioneer Baby program, which is reducing gestational diabetes rates and improving maternal health outcomes. The hospital, which serves a large immigrant and refugee population, also is deeply involved in addressing and removing the health disparities that impact its community members.

“We don’t have the margins to make mistakes,” says Anderson. “The stakes are high, and so we have made strategic moves in the last three to five years that have better positioned us for the future.”

Growing pressure across rural communities

Kearny County Hospital’s success comes at a time when rural hospitals face increasing threats of closure. Between 2010 and 2019, 97 rural hospitals closed, and another 673 are vulnerable.¹ Losing vulnerable rural hospitals could result in a $277 billion loss to GDP in the next 10 years and 99,000 healthcare jobs lost within a year.² As it stands, 46% of rural providers experienced negative operating margins in 2019. Moreover, rural communities are also feeling the impact of fewer services, with 134 rural hospitals eliminating OB services since 2011.³

“Margins are tighter, forcing rural hospitals to make difficult decisions such as cutting crucial services and jobs, which is causing them to lose patients to large tertiary facilities that offer a wide range of services over an extended time period,” says Chris Fowler, chief operating officer of CPSI and president of TruBridge. “Not only that, after emerging from a decade of tough government regulations such as Promoting Interoperability, rural hospitals are being hit with Medicare cuts, reimbursement shifts, and the move to value-based care.”

Tracey Schroeder, chief marketing officer at CPSI, adds, “As hospitals strive to keep their doors open and maintain a certain level of care, they face losing their independence and being folded into larger hospitals and health
Healthcare is shifting and becoming a much more distributive model. A rural hospital’s ability to innovate and harness the power of technology to connect with its patients will become increasingly important.

—Chris Fowler, chief operating officer of CPSI and president of TruBridge

Redesigning community healthcare
Despite these challenges, Kearny County Hospital and others are building successful community health frameworks. How are they doing it? “While there is no silver bullet, their ability to continually innovate is a key driver of success,” says Fowler. He and Schroeder agree rural hospitals with an eye toward independence and a strong bottom line must take a multifaceted approach to promoting a healthy community and creating a sustainable future. This includes a commitment to population health, stronger patient engagement, and optimizing their revenue cycles and electronic health records (EHR). “Look for strong partners and be willing to adopt new technologies that improve care access and allow you to better connect with patients,” says Fowler.

With that in mind, Fowler and Schroeder say there are five essential strategies rural hospitals should consider as they build loyalty, sustainability, and secure their autonomy.

1. Create patient loyalty. The harsh reality is hospitals have been forced to cut key services critical to building volume and patient loyalty. “But, it’s important to understand which services will keep patients loyal to their local hospital and not be enticed to drive to the bigger, tertiary facility 50 miles away,” says Fowler.

Anderson agrees and says Kearny County Hospital has created a deliberate service line strategy to attract more patients both within and outside of its geographical reach. While many community and rural hospitals have shut down maternal care services, Kearny County Hospital offers obstetrics systems.” Between 2010 and 2017, 95 hospitals have merged each year, she says. “These deals may come with an initial cash infusion and a full suite of clinical services, but they don’t always benefit hospitals, patients, or communities in the long run,” she says. “A merger or acquisition may result in the local hospital losing its autonomy and lead to broader implications. For instance, over time, a smaller hospital could become a treat-and-transfer type facility, resulting in long travel times for patients and a loss of jobs in the community. This can significantly impact the local economy as rural hospitals are often the largest employer.”
services and its Pioneer Baby program, both of which draw in patients from hundreds of miles away. “We grew OB and invested in maternal child services, which is a nontraditional move. This has led to a significant increase in the number of rural health visits and strong reimbursement for our rural health clinics,” says Anderson.

“Hospitals can also build loyalty by paying attention to the information on their community survey and delivering on those needs,” adds Schroeder. For example, Kearny County Hospital has added new services based on what patients report is important to them, including after-hours care, ED care, nutritional counseling, and support groups.

2. Build a strong primary care network and population health programs.
Kearny County Hospital has developed a sustainable primary care model in which physicians, physician assistants, and nurse practitioners provide family care. This model is supported by monthly specialist visits across key specialties. As healthcare shifts to value over volume, Kearny County Hospital is also increasing its population health programs.

“We are known for our population health work,” says Anderson. The hospital has received a series of grants to support population health initiatives, including from the Children’s Miracle Network to improve its maternal care program, which flies in a maternal-fetal medicine specialist each month to empower family physicians to take better care of mothers during pregnancy. Another grant funds a partnership with Tyson Foods to place care coordinators inside the company’s beef packing plant who connect chronically ill team members with primary care physicians. The hospital has also received funds to build sidewalks, create food access, write health policy, and promote healthy workplaces, all areas that impact a patient’s overall health status.

The programs are paying off with fewer hospitalizations, says Anderson. This can be financially challenging for a critical access hospital, which needs inpatient revenue to stay open. “But, our patient population is growing so quickly that we are not at risk of seeing an overall reduction in hospitalization days,” he says. In addition, the hospital has demonstrated better care

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outcomes—such as lower rates of gestational diabetes, which dropped from 28% to 17% over a two-year period—positioning it to drive better payer negotiations and navigate the balancing act between preventive care and inpatient revenue. “We figured out how to hack the system by getting funding to do the right thing, showing outcomes to payers, and encouraging them to pay for it in the long term,” says Anderson.

3. Leverage technology. As rural hospitals look to retain independence, boost patient loyalty and engagement, and drive greater efficiency, they will need to approach technology more strategically. Telemedicine, as one example, is important in improving emergency care consultation services and avoiding patient transfers to a larger facility. “Offering specialty consults via telemedicine eliminates the need for an ambulance transport, enables the patient to stay near home, and allows the full revenue capture at that facility,” says Fowler. Along these lines, organizations are also taking advantage of patient engagement technology platforms that support chronic care management programs.

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Advanced rural hospitals are additionally looking to optimize their EHRs. They are moving from data collection to analytics, improving provider workflows, and investigating how the EHR can deliver more targeted information to providers at the right time. They are also using next-gen technologies to drive population health initiatives, improve patient engagement, and strengthen the patient experience. “The world is moving to a place where technology has made it very easy to buy and consume, and people don’t necessarily want to interact with each other,” says Fowler. “For example, they want to order coffee via their phone and pick it up at the counter. In healthcare, we need to use that to our advantage and make it easy for people to consume healthcare via their phone.” He points out that this is already happening with telehealth and portable medical records through Apple.

“Healthcare is shifting and becoming a much more distributive model,” says Fowler. “A rural hospital’s ability to innovate and harness the power of technology to connect with its patients will become increasingly important.”

4. Recruit physicians and clinicians motivated to serve rural areas. Attracting and retaining rural health physicians is essential to a rural
hospital’s bottom-line health and independence. Having the right number of physicians and other providers ensures that care will be provided locally and that patients will not drive to a tertiary facility. To these points, it is important to focus on what motivates a physician to move to an underserved area, says Anderson. “For example, millennial doctors want more than money and time off. They want deep meaningful relationships with people.” And this is just what the hospital offers its physician recruits.

Kearny County Hospital developed a unique physician recruitment program that gives 10 weeks of paid time off to community-minded providers to serve in a developing country. It also draws in physicians who are interested in treating its diverse population, including refugees from Somalia. As a result, the hospital has grown from six to 13 providers over the last several years and added 7,000 patients in the last three years. Increasing patient numbers ties directly to revenue growth and is a key driver to remaining independent.

5. Form strategic partnerships. Building relationships with industry partners is important for rural hospitals. “The right partner can help organizations address key revenue cycle opportunities and challenges,” says Fowler.

This includes helping implement denial prevention programs and programs that mitigate the financial impact as Medicare and Medicaid shift to managed care models. “The 14-day reimbursement window has been pushed out to 30 or 45 days, requiring additional documentation and follow-up to get those dollars,” says Fowler. “An experienced partner will focus on patient estimates and up-front collections. They will also make sure there is a consistent collections process that happens five days a week and that the organization is paid properly for its services.”

Working with a revenue cycle consultant to enhance revenue cycle processes has paid off for Kearny County Hospital and its clinic. Within a few months of implementing recommended changes, hospital AR days went from 60 to 44, a 27% reduction; clinic closing days dropped from 80 to 42, a 48% reduction; and hospital discharge-to-bill-drop days went from 19 to five, a 74% reduction.

Rural hospitals are tapping into the expertise of their partners to take advantage of new reimbursement opportunities under value-based care. “Value-based care presents an opportunity for our hospitals that are willing to be a little more on the cutting edge to get in front of some of these regulations and receive some of the rewards of being on the front end, including receiving reimbursement for annual wellness visits and chronic care management,” says Fowler. “Our hospitals are faced with changes they have to do, and part
of our job in being a good partner is helping them balance those ‘have-to changes’ with ones that are truly beneficial.”

Ultimately, community hospitals are an important healthcare asset in rural and frontier communities. In many cases they are the economic engines for their communities and often the only facility within hundreds of miles. As we move into an era of greater innovation, technology advancements, and focus on removing healthcare disparities, the healthcare industry has the tools to do better for its rural partners. We must look for opportunities to partner with, support, and grow this vital resource.

Building Stronger Communities Through Rural Health
Q&A with Tracey Schroeder, chief marketing officer, CPSI

Q: Why is the viability of healthcare delivery in small and rural communities important for CPSI and the customers you serve?

Tracey Schroeder: 62 million Americans live in rural areas and need access to healthcare. It’s important that these communities have a full spectrum of healthcare services and access to care at hospitals, emergency departments (EDs), clinics, and post-acute care settings. So there is a real drive within CPSI, through its family of companies, to focus on access to healthcare across acute care and post-acute care in rural settings. The healthier rural communities are, the more successful they and their community members will be.

Q: Why are partnerships critical for rural hospitals in particular?

Schroeder: Rural and community hospitals have limited resources in this quickly changing environment. The right partner can help them navigate regulatory requirements, reimbursement changes, revenue cycle challenges, and more. For example, as patient collections become more complex, we offer revenue cycle support through our family of companies, including call-center teams who augment hospital and clinical staff to ensure that there is a consistent collections process and that bills go out the door on time.

Q: How does CPSI help rural hospitals address big trends such as the shift to value-based care?

Schroeder: Trying to manage the reimbursement structure as a critical access hospital while shifting to value-based care is like changing the wheels on the bus as it is hurtling down the highway. However, value-based care also presents reimbursement opportunities for rural hospitals that can have minimal disruption. Through our family of companies, we are introducing our
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rural hospital partners to new reimbursement options for care management services and offering them the support they need as they take their first steps. On the clinical care side, we offer a robust EHR and broad patient engagement solutions, such as a remote platform for chronic care management. We also help hospitals manage patient data and improve revenue cycle strategies through strong denial prevention and up-front collection programs.

About CPSI:

CPSI is a leading provider of healthcare solutions and services for community hospitals, their clinics and post-acute care facilities. Founded in 1979, CPSI is the parent of four companies – Evident, LLC, American HealthTech, Inc. TruBridge, LLC and Get Real Health. Our combined companies are focused on helping improve the health of the communities we serve, connecting communities for a better patient care experience, and improving the financial operations of our customers. Evident provides comprehensive EHR solutions for community hospitals and their affiliated clinics. American HealthTech is one of the nation’s largest providers of EHR solutions and services for post-acute care facilities. TruBridge focuses on providing business, consulting and managed IT services, along with its complete RCM solution for all care settings. Get Real Health focuses on solutions aimed at improving patient engagement for individuals and healthcare providers. For more information, visit


Endnotes

