



**North Dakota Medicare Rural Hospital Flexibility Program  
Final Outcome Reports from  
North Dakota Critical Access Hospital Grant Program  
Year 8: 2006-2007**

The North Dakota Medicare Rural Hospital Flexibility (Flex) Program awarded a total of 24 state Flex grants including 2 extension grants directly to hospitals in year 8 (2006-2007). Two hospitals were unable to use their Flex funding due to major changes in staffing and so relinquished all funds. Their information is not included in this report. This report reflects information gathered from 21 critical access hospitals on the 22 completed individual hospital grants.

**22 Grants Completed**

<b>Grant Type</b>	<b>Number Completed</b>
1. CAH - General:	
Financial Analysis	7
Program Development	5
Community Engagement	1
Making a Difference	1
2. CAH EMS Network	4
3. CAH Network Enhancement	4

The **22 completed grants** represent a total of **\$330,267** grant dollars awarded.

Following each grant cycle, all critical access hospitals having received a state Flex grant are required to complete an outcome report. The results (non-identifying) of those reports are shared by type of grant:

1. CAH – General
  - Financial Analysis
  - Program Development
  - Community Engagement
  - Making a Difference Award
2. CAH - EMS Network
3. CAH - Network Enhancement Program

Aggregate data is reported in the following categories:

- I. Positive Impacts
- II. Results/Accomplishments
- III. Community Benefits
- IV. Barriers
- V. Lessons Learned
- VI. Consultant Ratings
- VII. Suggestions for the North Dakota Flex Program

## I. POSITIVE IMPACTS

- 100% (N=21) of respondents indicated that “yes” the grant provided by the North Dakota Flex Program was successful in helping their organization reach its proposed project goals.
- 95% (N=21) of respondents indicated that “yes” they were satisfied with the outcome and completion of the project funded by the North Dakota Flex Program.
- Average of 8,190 individuals and 7 communities were positively impacted per grant (Average grant award: \$14,794, range: \$3,460 to \$40,000)

### # Communities Impacted (Average: 7 communities per grant)

Range	1-5	6-10	11-20
Number of Communities Impacted	9	7	6

### # Individuals Impacted (Average: 8190 individuals per grant)

Range	1-1000	1001-7500	7501 +
Number of Individuals Impacted	4	11	7

## II. RESULTS/ACCOMPLISHMENTS

### Critical Access Hospital - General

Hospital Financial Analysis                      6 Chagemaster Reviews/1 other financial review

- Provided hospital with needed training and documentation that allowed them to capture needed reimbursement through compliant billing and coding.
- The hospital has benefited by having less insurance claims rejected and charges adjusted appropriately.

- Areas were **identified for improvement and compliance** with Medicare and other third party payers.
- Review was completed and individual meetings were held with department managers, health information management, and business office staff to discuss their specific interaction with the Chargemaster and why certain changes were recommended. **General education** was also provided to review the interaction between the cost report, Chargemaster, billing process and reimbursement. Hospital explained that “*the review by a third party provided assurance that the Chargemaster is set up so that patients and third party insurers are being billed appropriate*”.
- **Implemented recommendations to improve the billing system** and process from the consultant. The Chargemaster review **ensured the CPT codes matched** descriptions.
- Provided hospital with **benchmarks**. The hospital explained that “*the report was an affirmation that our organization is on the right track financially*”.
- The review **identified organizational efficiency** and compliance issues as well as recommendations to correct them. The project educated department managers of the importance of coding in order to **capture and optimize all revenues** and reimbursements as well as enhanced cash flow.

### **Critical Access Hospital - Community Engagement, Program Development and Making a Difference**

#### **Development of a Community Foundation**

- Allows **tax benefit donations** to be given to community programming including medical center. Throughout the year, the city and hospital developed **study circles** that provided awareness of social capital to the service areas. **Leadership training** was provided through the Center for Community Vitality from NDSU and has developed a basis for continuing collaboration between city, business and education.

#### **Health Information Technology**

- Clinic staff was provided with several hours of **training** for operating new program which allows scheduling of appointments months in advance and **tracking of chronic conditions**. Benefits have included an increase in the **quality of service** provided to the public, increased **public confidence**, and **increased use** of the clinic and hospital.
- Software was installed; all staff received training and the system is working well. Results in much **more functionality** and establishes the basis for the addition of **electronic medical records**.

#### **Diabetes Prevention**

- **Thirty individuals** participated in pre-diabetes classes and were supported and educated to help them **prevent diabetes** by maintaining positive health habits. A community diabetes prevention campaign was designed to increase awareness by reaching 85% of the people in the county. **Collaborative efforts** with the school system initiated the development of a Worksite Wellness Program and a Personal

Wellness Profile for staff. **Partnerships were strengthened** and health was promoted for the citizens of our county.

## CAH EMS Network

### **Education/Training**

- Paramedics now **possess skills** to transport critically ill patients, including vents, central lines, and other lines.
- The greatest potential benefit to the hospital is the focus on Level 5 Trauma designation.
- Trained 14 hospital RNs in TNCC which **improves processes/protocols at the bedside.**

### **Equipment**

- **Reducing risk of injury for EMS staff** who experience less pain and muscle fatigue on a daily basis, improving their work performance.

## CAH Network Enhancement Program

### **Anesthesia Services - 4 CAHs**

- Network worked to improve collaborative efforts for the purpose of **stabilizing anesthesia services** in each of the communities. Facilitated by a healthcare consultant, they examined the strengths and weaknesses of the individual hospitals for recruiting and retaining anesthesia coverage in their individual communities. They developed an **anesthesia service line** structure that will benefit and be sustainable among the four facilities. The added benefit of this methodology will be from a **recruiting and retention** perspective as the facility will promote the networking opportunities of a five CRNA practice. The use of a single team will allow the group to provide CRNA service to other outside providers, develop a pain clinic in some facilities, and also provide additional flexibility for all parties when unexpected situations arise.

### **Health Information Technology – 2 CAHs**

- Transcription module was purchased and installed at hospitals; the system build went well, although one hospital experienced a more difficult installation than the other. At both facilities, **electronic documents are available on the patient's visit numbers** for documents that have been created after October 23, 2007. All the documents are listed, showing the type of document and the author. One facility's Medical Center Emergency Room staff have used this program a couple of times to retrieve Discharges Summaries rather than going to the Health Information Management Department to find the document. They have commented that they wish all the documents are available electronically.

### **Health Information Technology – 19 CAHs (ND and MN)**

- Data center and server were upgraded allowing more CAHs to **join IT network.**

### Board Training – 8 CAHs

- Board training held over a weekend retreat with about 25 participants; **trustees now more aware of their role and responsibility** and learned valuable information regarding critical access hospitals and reimbursement.

## III. COMMUNITY BENEFITS

### Critical Access Hospital - General

- **Maximizing reimbursement** allows hospital to continue to provide access to its service area for many needed services.
- Billing is more **efficient, accurate and timely for patients**. FY06 accounts for about 7,600 visits – each was affected by the Charge Master Review.
- More **accurate billing** and coding. Long term benefits include a more financially viable hospital.
- Ensured appropriate billing of patients and insurer. The hospital therefore **captures revenue appropriately**.
- Major improvements to the billing system/structure.
- **Improved cash flow** to a critical access hospital and 4 rural health clinics serving our region of North Dakota.

### Critical Access Hospital - Community Engagement, Program Development, and Making a Difference

- **Relationships developed** with surrounding communities. The Foundation is available for communities to access for donations and the local school system has accessed the Foundation to benefit a donation directly made to the music program.
- **Higher level of monitoring** and therefore, better quality of patient care during an Advanced Life Support transfer.
- Improved local services. **Reduced unnecessary travel**.
- Moving toward EMR sets the stage to enhance physician information for treatment onsite and when transferring patients to other facilities.
- Messages of **health promotion** and public health delivered to the community. Support provided to pre-diabetes participants. The hospital explained that *“the local school system was very happy to work with us on Worksite Wellness and we have established an excellent rapport with them which will be a benefit in the future. The school system asked us to do the Personal Wellness Profile (PWP) for the 12<sup>th</sup> grade students as well as the staff. Because the 12<sup>th</sup> grade students have not had health class since grade 9, the PWP would provide the students with pertinent information about their health as they enter the adult world”*.

## CAH - Network Enhancement Program

- Anesthesia services provided a stable structure to the communities served and allows for **consistent surgical and obstetrical coverage**, as anesthesia will be available when needed. It also has the potential to offer pain relief services to the people of these communities.
- Transcribed documents will be easily **retrieved for review by employees and providers when a patient presents for services**. Computers have been placed in every Emergency Room exam room and staff members would be able to immediately access patient records that are available electronically. At times, staff members are not able to leave a critical patient to retrieve the old medical record. Transcribed documents will now be easily available.

## **IV. BARRIERS**

Overall, very few barriers were reported. The following are specific examples of some of the challenges that hospitals experienced with the implementation of their Flex grant awards.

- EideBailly did not adequately meet our needs on the clinical side of the written report. The report was not as productive for us on the clinical or direct care sections as we had hoped for.
- The digital camera that we were planning to use for our presentations and community was stolen shortly after we purchased it.
- Training was postponed due to lack of available EMS trainers.
- Difficult to get board members to a training; very busy people.
- Upgrading technology required precise planning and coordination with evening hours scheduled so as not to disrupt daily work schedules.

## **V. LESSONS LEARNED**

The following “lessons learned” are reported as the hospitals wrote and are captured across areas of focus including finance, community engagement, health information technology, EMS and networking.

### **Finance**

- Rules and reimbursement methodologies to help us with our ultimate goal of increasing and maximizing reimbursement.

- We reviewed rate setting guidelines to help in establishing and updating our rates.
- Chargemaster Review needs to be completed either bi-annually or yearly due to the constant changes in billing practices and codes.
- The Chargemaster Review demonstrated how documentation and decisions within department affect other departments within the hospital. The process was a very vivid and practical example of how interdependent the departments are.
- The importance of Medicare compliance, MSP, Observation Rules.  
How important accurate billing is to the hospital and third party payers.
- With this project, we learned how to judge the length of time to educate and implement changes for this size of project. We also learned how important proper education on the specific project is.
- We had very little negative concepts in our report, so we feel confident in the direction in which we are heading.
- Reimbursement for IV therapy/hydration is a separate service and must be coded appropriately for reimbursement.
- Pharmacy Chargemaster needs to be managed by staff with understanding of coding, measurements and generic vs. name brand medications.
- IV Therapy should be charged separately for patients in observation status. This was not previously done.
- A separate charge was established for obstetrical labor charges. Previously, labor and delivery charges were combined. The Chargemaster report was very detailed and provided a significant amount of information.

### **Community Engagement**

- People are busy and time for leadership development is a challenge to attain. Identifying community champions is vital to the success of any program.

### **Health Information Technology**

- That by being able to transfer out a patient without switching equipment we were able to leave the hospital faster, on average by 7 minutes and that patients' anxiety in being transferred out are being reduced.
- Do not assume outside providers will be able to meet your time line.  
Change within the organization is sometimes slower than desired but is accepted over time.
- Our staff is very dedicated as they went through the installation process which required a lot of overtime and hard work. No matter how much pre-planning you do for software conversion and installation, there will be issues missed. Have a very detailed evaluation of systems and information needed to make the transition as smooth as possible.
- Users meeting held during the training and installation week should include an opportunity to combine both groups from both facilities. We found the installers did not have the same capabilities and also made changes that were not approved. Holding the daily user group meetings via btwan might help that issue. One of the facilities had an installer who made changes to programs that had previously been working fine. Perhaps forcing them to respond to two groups by using btwan might cause them to be more responsive. We found that installers can

make a major difference in the quality of the installation process and employee satisfaction.

- In order to have availability of the software when interacting with patients, it will be necessary to have computers in the exam rooms and/or to have computers that can be brought to the patient's bedside.
- Participants are not excited to go, but end up learning a lot of information.
- Hold planning meetings to make sure the transition goes smoothly. Do not create any undue stress during working hours by coordinating the upgrade to begin in the evening hours.

### **EMS Network**

- With the advancement of medicine, the upkeep of skills and knowledge is needed. Better retention of knowledge and improvement of delivery of educational materials.
- Staff turnover is one reason always to have more than one instructor. The resignation of an employee could result in no instructors.
- Staff training is key to providing trauma care in pre-hospital and hospital. Joining together for the grant assists with joining together on other projects that benefit all entities and patient care.

### **Network Enhancement Program**

- We included our CRNAs in all discussions which contributed to their "buy-in" to the process and facilitated frank and open discussions. The consultant CRNA was difficult to recruit, and we found that they did not contribute as much to the outcome of the project as our employed CRNAs.
- In the arena of health, it is essential to collaborate/partner with businesses and organizations if we want to help people stay healthy. As health care entities, we must go to the places of business and ask them how we can help them (i.e., Worksite Wellness). We learned that we should have applied for an Institutional Review Board approval before we started this project. We have learned that a class situation does not meet the needs of everyone, but that for those who choose to come to the classes, the support they receive from other participants is very helpful.
- The importance of teamwork between the hospital, school, park board, and local health units.
- Not to be afraid of the work it takes to succeed; success is only accomplished through working at it.
- Board members have a lot more responsibilities than they are ever made aware of.

## VI. CONSULTANT RATING

11 consultants were hired and were rated according to the following areas.

<i>Area</i>	<i>Mean Rating</i>	<i>Range</i>
Expertise, knowledge, skill level	<b>4.45</b>	<b>4-5</b>
Effective communication of ideas and concepts	<b>4.36</b>	<b>3-5</b>
Responsiveness/availability	<b>4.18</b>	<b>3-5</b>
Utilization of your time and money	<b>4.18</b>	<b>2-5</b>
Overall rating of consultant services	<b>4.36</b>	<b>3-5</b>

When asked if they would recommend the consultant to another organization, all respondents said yes, although one said they would recommend the company they worked with but not the unnamed individual consultant who conducted their financial analysis. The recommended consultants are listed below followed by the type of consultation they provided:

- Ray Merier, CRNA: Expertise on CRNA recruitment needs and technical skills required for rural practice.
- Ralph Llewellyn, CPA, CHFP, Eide Bailly, LLP: Facilitation of meetings, interviews, written report, and financial analysis and business plan
- Walsh Co. EMS: University of Iowa, EMS
- Dairyland: Installation and training for use of software
- EideBailly: Financial Analysis
- Mark Hollan, Independent Healthcare Consultants: Chargemaster Review
- Phil Schmid, Independent Healthcare Consultants: Chargemaster Review
- Independent Healthcare Consultants, LLP: Complete review of the charges and codes used in the billing process of the facility. Notes: very thorough and well-prepared for the onsite visit as well as the final report. Took the time to meet with individual departments to explain recommendations and answer questions. A very good value compared to other quotes we received.

## VII. SUGGESTIONS FOR THE FLEX PROGRAM

- Six grantees said “None”
- Again the application process and answering of questions was fast and friendly. Although we were not awarded the full amount requested, we still found a good quality consultant almost within the amount awarded us.
- Thank you to the Flex grant staff for all of your assistance.
- Not at this time, thank you.
- We were very pleased with the grant process and outcome of the Flex program.
- We greatly appreciate the program.
- Everything worked well.
- The Flex program has been very supportive and generous to our community. We are very appreciative for all you have done.

- Although I was not involved with this program initially, after reading through the material provided, it seemed well organized and was implemented from start to finish.
- I greatly appreciate the ability to slightly modify the original request. I believe the outcome and combining of Hospital Foundation funds with grant funds has given us a better product with a much longer life expectancy.
- Our medical center appreciates the opportunity to work with the Center for Rural Health and the valuable opportunities we have received through our partnership.
- We feel very fortunate that we were able to file an extension and receive these additional grant dollars.
- I'd like to express my thanks to the Flex Program for the grant monies awarded. I believe we were able to accomplish development of a good, potentially sustainable model for CRNA coverage in the communities we serve.
- Not at this time, thank you.
- We greatly appreciate these funding opportunities!

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