



SMALL HOSPITAL IMPROVEMENT PROGRAM GRANT REPORT

Funding period: September 1, 2006-August 31, 2007
Fund number: H3HRH00035-05-02
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 School of Medicine and Health Sciences
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I. GRANT EXPENDITURES

1. Dollar amount of grant award: \$308,667.00 TOTAL

- 30 hospital awards @ \$8,508 = 255,240
- 3 hospital awards released @ \$8,505 = \$25,524
- Carry forward from 2005-2006 = \$27,903

Number of hospital applicants: 30
 (3 released their funds to the SORH to assist with CAH quality education and network initiative)

2. Identify the dollar amount and percentage of total grant expenditures by hospital applicants in your state for:

a. PPS activities	\$ 8,184	3%
b. HIPAA activities	\$ 80,829	34%
c. Reducing medical errors and supporting quality improvement activities	\$150,491	63%
	\$239,504	100%

Describe (if any) significant differences between the total dollar amount and percentage of total grant expenditures budgeted for PPS, HIPAA and QI in the SORH grant application and the actual dollar amount and the percentage of total grant expenditures as noted in #2 above.

2006-2007 Application Projection

a. PPS activities	\$12,700	4%
b. HIPAA activities	\$135,201	41%
c. Reducing medical errors and supporting Quality Improvement activities	\$182,689	55%
	\$330,590	100%

There was a difference of 1% between projected and actual funds used for PPS activities; a difference of 7% between projected and actual funds used for HIPAA activities; and a difference of 8% between projected and actual funds used for QI activities.

Overall, the changes between projected and actual expenditures was not significant and North Dakota’s hospitals followed the original scopes of work as described in their original applications. One hospital was allowed to increase their budget from \$8508 to \$15,000 as a result of unspent funding from the prior funding year which was due to a change in leadership at the facility.

Unspent SHIP Funds

Eight of 30 hospitals ended the fiscal year with outstanding grant balances totaling \$22,536. Two hospitals (Towner County Medical Center and Unity Medical Center) did not spend any of their SHIP grant awards, five hospitals had balances of \$800 or less, and one facility was not able to purchase what they had anticipated and will request carry-forward funding of \$2,706. All of North Dakota’s SHIP recipients receive an e-mail reminder half way through the grant cycle of their balances and are encouraged to discuss any challenges they might be experiencing. Two months prior to the end of the grant deadline, hospitals with significant grant balances are contacted directly by phone to discuss their situations. Of the two facilities with fully unspent awards, one never returned our calls and the other explained that they had not submitted a SHIP grant application thinking they had released their funds to the SORH. Their application is on file, and the administrator was confused with this year’s funding cycle, where they did release their SHIP grant.

4. Describe the use and outcome of hospital grant expenditures to:

a. Pay for costs related to implementation of PPS

- Two* hospitals used funds to pay for costs associated with PPS. Activities included:
- External MDS Audit completed to receive reassurance of compliance level in regards to documenting and completing the MDS.
 - Outside consultants reviewed cost reports and addressed billing issues which enhanced reimbursement and facilitated the capture of charges.

b. Comply with provisions of HIPAA

Eighteen hospitals used funds to pay for costs associated with HIPAA compliance.

The use of funds falls into three categories, namely: 1) equipment purchases, 2) education and training, and 3) software purchases.

Examples of each follow. Quantifying the exact number of equipment purchases has not been included as some reports are specific and others are more general.

Equipment:

- Remote access server
- Computers and computer components to updated older computers
- CareMedic AccelerateAR Program
- Computers for communication and consistent implementation of HIPAA issues
- Winscribe Dictation System and Datrue Scanning System
- PC upgrade @ nursing station
- Improved desktop computer privacy
- Hardware firewall was purchased and installed within the computer system
- Fax machine
- Installed separate phone line into Medical Records Department
- Updated computer to be used with scanner
- Computers for data integration collection monitoring
- Improved firewall of computer system
- Added second server for privacy and back-up

Education and Training:

- Training on HIPAA compliance (registration and travel)
- Purchased a care planning program manual
- Electronic imaging of medical records
- Membership to hospital network with access to educational opportunities
- Education regarding Electronic Medical Records and computer software/systems
- Staff education and training on computer system changes
- Consultant reviewed and updated appropriate policies, procedures and forms
- Developed on-going training and educational programs related to HIPAA

Software:

- HIPAA Guardian Maintenance contract
- Improvements to firewall of computer system
- ColorBar Software basic system installed

OVERALL OUTCOMES (HIPAA):

- Able to join an established network for information technology
- Server security was improved to meet HIPAA regulations
- Allows submission of cleaner claims with fewer claims returned and payment received faster while maintaining HIPAA compliance

- Able to implement a new electronic health information system
- Improved communication
- Education and training opportunities
- Improved patient documentation
- Improved firewall and individual office security
- Helped reduce the chance of a misplaced or lost chart and secure the location of confidential documents
- Ensured protection of patient health information throughout the facility and within operations
- Provided more security of medical records
- Improved record consolidation
- Ability to integrate data collection and processes
- HIPAA Compliance officer trained regarding electronic imaging of medical records and confidentiality
- Developed and implemented policies and procedures for security changes and requirements
- Improved security of computer systems

c. Reduce medical errors and support quality improvement (QI)

Twenty-four hospitals used funds to pay for costs associated with the reduction of medical errors and quality improvement.

The use of funds falls into three categories, namely: 1) training and education, 2) equipment, and 3) software.

Training and Education:

- 3M Encoder staff training
- Registration for 5 employees to attend annual statewide workshop
- Continued research and consultation for information technology plan
- Nurse assistant education program
- ACLS manuals
- Costs for attending education and training related to quality improvement
- Education and training for board, staff, and chaplain
- Began performance improvement initiative with Balanced Scorecard process
- Educational activities for board, management, and staff, including conferences, DVD's, and in-services
- New board member education
- Informational sessions on the Balanced Scorecard process
- Two nursing staff in-services
- FMWA in-service and training

Equipment:

- Electronic beds
- Three computer stations
- Three laser printers
- T1 line and DSL charges

- 3M Encoder equipment
- Single dose system, including carts and necessary materials
- CareMedic AccelerateAR Program* (listed above as well)
- Camcorder
- “Resp” antibacterial stations
- 4 computers purchased for data tracking
- Two pressure relief mattress systems
- Dial-up paging encoder
- Security camera and quad monitor
- Electrical-Stimulation/Ultrasound combination unit
- Biofeedback system
- Computer for monitoring for access to data and information
- Two computers for nurse’s station and for emergency department
- Handicap doors

Software:

- Installation of Dairyland billing/office management software program
- Purchased exit writer software
- FileOnQ Records Management software
- Three software packages
- Purchased pharmacy software program
- Medical Necessity on-line service

OVERALL OUTCOMES (quality improvement):

- Pharmacy software program being implemented will reduce medication errors
- Protect patients and staff in repositioning
- Set up nurse’s station in preparation for incorporating electronic medical records
- Staff trained in quality improvement
- Accurate and current billing statistics and reports allows for quality improvement tracking and review
- Able to videotape educational sessions and meetings so that all staff can get the same information
- Protection of patients and staff from flu and bacterial infections
- Research helped in the development of a integrated information technology system for the hospital, nursing home, ancillary services, and the future assisted living facility
- More concise sharing of information, better communication
- Continuation of learning about quality improvement
- Implemented Balanced Scorecard
- Board, management, and staff received quality improvement training
- On-line service allows employees to determine if procedures are considered Medically Necessary
- Reduced costs because of less time spent looking for charts
- Mattress systems available for patients with potential skin breakdowns
- Ability to page anyone (providers, staff, ambulance, fire department) from any telephone; has been used when paging radio malfunctioned

- Dietary department can now plan a modified meal schedule, allowing patients to order their meals at individual times
- Enhanced security of the facility
- Improved physical therapy
- More definitive measure of quality concerning women's therapies
- Ability to access data and information
- Computers were necessary for the implementation of electronic medical records
- Exit Writer software is used for standardized discharge instructions, patient education, and care plans
- Access to care for person's with disabilities
- New board members were educated regarding QI projects
- Staff and managers were educated regarding Balanced Scorecard
- Staff attended two QI conferences relating to FMEA and Risk Management/Quality
- Two nursing staff in-services focused on QI
- FMEA in-service and training
- Installation of unified billing system creates less confusion for patients and allows for the addition of electronic medical records

III. CONSORTIUMS / SYSTEMS / NETWORKS

1. Describe any new SHIP consortiums, systems or networks that formed during the grant year and what they did with grant funds.

There were no new SHIP consortiums developed within this grant year.

2. Describe any significant differences between what existing SHIP hospital consortiums, systems or networks planned to do with grant funds and what they actually did.

The facilities involved in the one North Dakota SHIP consortium followed through with their plans as projected with the provision of shared education for their staff (four hospitals).

3. Describe what SORH did with any funds "released" by hospitals to SORH.

Three hospitals released their funds to the state office of rural health in the amount of \$25,524. The hospitals were: 1) Pembina County Memorial Hospital, Cavalier, ND, 2) Cavalier County Memorial Hospital, Langdon, ND, and 3) St. Luke's Hospital, Crosby, ND. The following explains the use of these funds, all of which were approved the aforementioned hospitals. A total of \$20,477 were spent from the released funds.

a. Costs covered for four individuals from SHIP eligible hospitals to attend national quality conference sponsored by the National Rural Health Association. The hospitals were Wishek Community Hospital and Clinics, Union Hospital, West River Regional Medical Center and Cavalier County Memorial Hospital. An administrator, nurse manager, quality improvement coordinator and a director of nursing attended. Each also participate in a statewide critical access hospital network initiative (described below) and were able to share the conference information with others. **Total cost: \$6,891**

b. Fees for 8 critical access hospitals to participate in an audio conference series from the Institute for Safe Medication Practices was paid. The hospitals were Carrington Health Center, Jacobsen Memorial Hospital, Northwood Deaconess Health Center, Presentation Medical Center, Sakakawea Medical Center, SW Healthcare Services, Union Hospital, and West River Regional Medical Center. **Total cost: \$2857**

c. The ND Flex Program has been working with North Dakota's critical access hospitals with the development of a CAH Quality Network. A statewide meeting was held in Bismarck, ND on April 4, 2007 where 80 people attended from 25 critical access hospitals as well as stakeholders from the hospital association, health department, center for rural health and the quality improvement organization attended. Representation from 4 of North Dakota's larger tertiary referral centers also attended. Costs associated with this meeting were funded through the SHIP grant and included reimbursement for participants' travel, a consultant from Stroudwater with experience in CAH quality network development (Cathy Pfaff), and other meeting costs. Over 80% of North Dakotas 33 Critical Access Hospitals wish to move forward with the development of a formal CAH Quality network. **Total cost: \$10,029.**

d. The above referenced meeting resulted in the formation of a statewide CAH Network development committee which is charged with pulling together recommendations for the formation of a CAH Quality Network including drafting a position description, finding a location for this staff, budgeting for the network and a coordinator, forming by-laws and reviewing legal terms for a network with varying structures. This committee includes 3 CAH administrators, 3 CAH quality improvement coordinators and an advisory group from stakeholders with the Center for Rural Health, hospital association, a tertiary referral center, department of health and the quality improvement organization. Costs for this group to meet one time (July 24, 2007) have been paid for with SHIP funding. The goal of this group is to have a formal network established by March 2008. **Total cost: \$700.**

4. Description of why hospitals did not pool SHIP funds by participating in a consortium, system or network?

North Dakota's SHIP eligible hospitals do participate in a significant amount of networking, both with other hospitals as well as other entities such as local schools and public health. Both the ND Flex Grant Program and the BCBS of ND grant program give preference to small hospital networks. As such, many hospitals explain that SHIP funding is one avenue where they are able to focus on hospital-specific needs.

5. Describe the length of time it took to complete making all awards to your hospitals and any difficulties you experienced.

Length of time to complete making all awards:

Award letters and subcontracts were sent to each of the 30 hospitals on September 29, 2006; the awards were processed within 4 weeks of the grant cycle beginning, leaving the hospitals 11 months to expend SHIP funding and fulfill their projected goals.

.Explanation:

We did not experience difficulties in relation to this process.

IV. GOALS

1. Describe your SHIP Program goals and how SORH did (or did not) accomplish them.

Goal One: To administer and manage the funds allocated to the University of North Dakota (as the State Office of Rural Health) through the SHIP grant. UND is the fiscal agent for the grant. Subcontracts were developed between the university and the hospitals within 4 weeks of receiving the NGA. Goal completed.

Goal Two: To provide SHIP related technical assistance to the hospitals. Information and direct technical assistance was made available to the rural hospitals and their network partners. Information dissemination occurs through two instruments. The Center has developed the following information documents; under the SORH program grant, “Center for Rural Health Updates” which are distributed to rural providers (a listserv of about 2000 e-mail addresses), and under the Medicare Rural Hospital Flexibility Program (Flex), “Flex Updates” which are distributed to all hospitals (N=44) in North Dakota.

Information provided by ORHP, NRHA, TASC, the six Rural Health Research Centers, and other sources related to the three SHIP program areas (i.e. PPS, HIPAA, and quality) was disseminated to the participants in the SHIP program.

Information was also disseminated at the Dakota Conference, statewide Rural and Public Health Conference held in March, 2006. A pre-conference specific for the Rural Hospital Flexibility (Flex) program and Critical Access Hospitals (CAH) was held and 40 people attended. The focus was on process mapping, case studies of the implementation of a health information technology network involving three critical access hospitals, and a one hour tutorial for small rural hospitals around the CMS data collection tool (i.e. CART).

Meetings related to the development of a statewide CAH Quality Network have included discussions related to the use of SHIP funds to support this initiative.

Goal completed.

Goal Three: Conduct an evaluation of the SHIP program.

The ND SHIP program administered the progress report updates required of SHIP grantees and the impact and satisfaction from this program has been included in sections of this report. Goal completed.

Goal Four: Increase our promotion of SHIP consortiums and networking over the course of this grant cycle (2006-2007).

Both the director of the SHIP/Flex and SORH grants for North Dakota have promoted network activities and highlighted the use of SHIP funding for same. Upon release of the SHIP applications for the 2006-2007 grant cycle, special attention and promotion was paid to ideas related to consortium use of SHIP funding. Communication was sent to two of North Dakota's largest formal hospital networks through their executive directors (North Region Health Alliance has a membership of 21 hospitals in ND and MN; Northland Healthcare Alliance has a membership of about 20 health facilities, 9 of which are small rural hospitals). They were encouraged to talk with their membership about the use of SHIP funding to support their network's activities. Our efforts did not result in the increased use of SHIP funding for consortium activities.

Goal completed (but ongoing).

2. Describe any problems and how we overcome them.

The 30 hospitals that received direct funding are good to work with. A few hospitals have shared administrators which does seem to cause some confusion around grants, where the administrator will confuse which facility they are referencing and tracking.

Attempts are made to obtain an additional contact at these facilities to ensure the accurate and responsive exchange of information.

Considerable effort was expended in relation to the released SHIP funds. While the need to address quality improvement continues for North Dakota's critical

access hospitals, with motivation and participation by most, the time needed to coordinate and assist with the allocation of SHIP released funds exceeds the 5% administrative fee allowed for the grantee.

3. Describe any recommendations about how the SHIP program could be more effective.

North Dakota's hospitals are very satisfied with the SHIP grant and are truly appreciative of this program's assistance. Comments from their progress

report include the following.

- The program has been very valuable in our facility's continuing effort of providing quality care to those we serve.
- Of course there could be more dollars as we have more needs than money for many areas that this grant pertains to. Especially in the quality arena as the demands continue to increase every year. I would like to see additional dollars included to cover quality costs such as improvement meetings, patient education, as well as nursing and physician education.
- I hope that some of the HIT partnerships can be developed so we can pool the funds for the benefit of all.
- This program has made a difference in allowing us to purchase items needed which we may not have purchased without the availability of the SHIP funds. Because of needs that are facility specific, it is not always conducive to be able to join a consortium; however, continue encouraging consortium participation – if facilities can join forces it is more economical. Overall no suggestions for improvement, but feel it is important the program continues.
- The grant program has been a source of much needed dollars to address various needs. It's a simple application and administered program and would like it to continue.
- This is an excellent program for rural hospitals as without these grants we would not be able to provide the quality data for patient care and safety.
- I have no recommendations for the SHIP Grant program. I believe it allows the rural facilities the ability to identify equipment, supplies and services that allow us to expand HIPAA and QI activities, such as special air mattresses and the MEDMARX program. The programs works well [*sic*].
- The grant program has been a source of much needed dollars to address various needs throughout our facility through the years. It's a simple application and administered program and would like it to continue.
- This is a great program. We appreciate your dedication toward Critical Access Hospitals. Thank you.
- This is a wonderful program and greatly helps rural facilities like ourselves achieve our technology goals to help improve patient care.
- This program works well and helps fund areas we may not be able to include in our budget right away. As always, it would be nice to have more funds available.
- This grant program has been very helpful for our facility to work towards the highest quality of care for all who come to us in need. We have been very pleased with the outcomes and process.
- We MUST continue to be funded to work on quality issues for the betterment of the system and the improvement in satisfaction for our patients and their families and our staff as well. We all will benefit from the development of the CAH network statewide to give us shared resources and all our years and varied

experiences. I know this will help us all provide better care and improve the quality of life of our patients and improve job satisfaction for our staff and better retention numbers for facilities. I would like us all to work together to provide the very best care we can to our residents, patients, communities.

The Center for Rural Health does not have specific recommendations in relation to the Office of Rural Health Policy; the staff are very helpful in working with us. Thank you.