

Changes loom for hospitals like GMH

Written by Elizabeth Barrett
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Mileage restrictions that could affect critical access hospitals (CAH) like Gothenburg Memorial Hospital is something people should know.

“The health-care delivery system is making great transitions,” said consultant Lance Keilers, president of Connected Healthcare Solutions.

Keilers and another consultant, Jim McClure of McClure of Associates, Inc., met with community focus groups, GMH department managers and physicians for three days last month.

Mick Brant, GMH chief executive officer, said a survey taken by focus group members will help the hospital board plan for the future.

Brant said the feedback is helpful in understanding why some in the community and surrounding area utilize GMH services and why some do not.

“We can then start to develop outreach programs that will engage those segments that are not utilizing the services we provide in an attempt to expand market share,” he said.

During an interview last week, Keilers said the three hospitals in Dawson County—which are all critical access—would be affected if proposals from President Barack Obama and the Office of the Inspector General (OIG) are adopted.

Congress created the CAH program in 1997 to insure that Americans in isolated areas would continue to have access to health care.

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CAHs are rural community hospitals that meet criteria to receive cost-based reimbursement such as a fewer-than-25-beds limit and no more than 96 hours for average length of stay.

Keilers said the president's recommendation would exclude CAHs located within 10 miles of another hospital.

The OIG proposes an even stricter definition—that only hospitals within 35 miles of each could have CAH designation.

Without such designation, cost-based reimbursement would end and make it difficult financially for small hospitals to remain open.



Keilers said Obama's proposal would affect 65 to 70 CAHs nationally and more than 800 CAHs under the OIG recommendation.

A January 2013 report counted 65 CAHs in Nebraska.

Although there's no pending legislation to enact mileage restrictions on CAHs, proposals keep popping up.

The issue is likely to resurface this year because the federal government wants to save money even if it reduces services, Keilers said.

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However the proponent of rural hospitals said federal expenditures for rural health care make up only 5% of the Medicare budget.

“Why should rural communities with limited access be held to a higher standard than their urban counterparts?” Keilers asked.

Using Madison, WI, as an example, he said four major medical centers there are within walking distance of each other.

“How fair and equitable is that for those in rural areas?” he asked.

As health care delivery changes, Keilers said it’s important to note that the changes could potentially jeopardize access to care for people living in rural areas.

Because all three hospitals in the county—Gothenburg, Cozad and Lexington—are roughly within 10 miles of each other, he said they need to work together.

Asked what can be done to insure that local health care continues, Keilers reminds people to use local services.

Changes Brant sees in health care are in health insurance and reimbursement as a result of the Affordable Care Act.

Ultimately, he said reimbursement changes will penalize hospitals for patients that require hospitalization.

“The effort and focus is on wellness and chronic disease prevention,” Brant explained. “These changes will certainly impact the areas where we focus our resources, beginning with electronic

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health records.”

Health-care Information Technology was the first cog in President Obama’s push for health-care reform, he said.

Brant said the government has recognized that all of the other initiatives (both quality and cost) hinge on the ability of hospitals and physician practices to capture electronic data.

GMH is switching from paper to electronic records. Officials hope the transition will be completed in the spring of 2014.

Brant said GMH will be prepared to adapt to whatever direction health-care reform sends including the incorporation of community needs into its initiatives, both governmentally mandated programs and those that are not mandated.

An essential ingredient for the board and administration is having a grasp of what the community expects from local health-care service providers, he said.

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