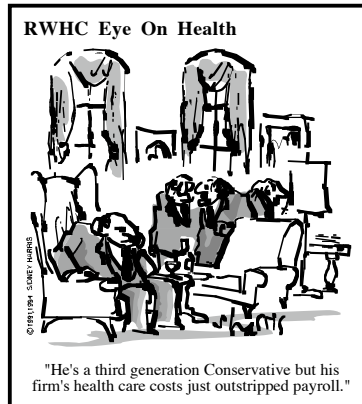




Rural Population Health, Hospital Balanced Scorecards and Community Collaboration



Tim Size
RWHC Executive Director

Second Annual
Rural Hospital Performance
Improvement Conference
San Antonio, Texas
November 16th, 2006



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Talk Outline

- Brief Overview of RWHC
- Health System at Tipping Point
- Calls for Population Health Collaboration
- IOM "Rural" Report Connects Dots
- Examples Towards Where We Need to Be
- Balanced Score Card Metrics & Other Barriers
- Summary & Resources



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RWHC Vision & Mission

RWHC Vision - Our Ideal

- Support/enhance rural health
- Strong, innovative and mutually supportive
- Meet local health needs

RWHC Mission - Our Approach

- Member owned
- State and national advocacy
- Clinical & management products and services

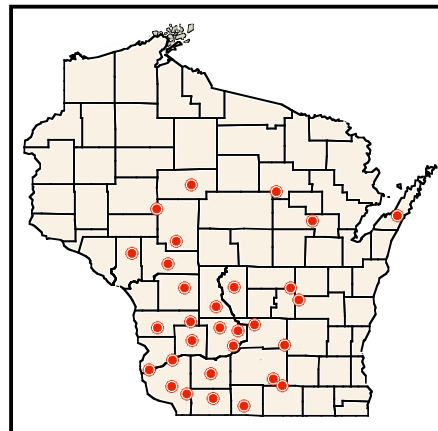
RWHC Strategic Plan as of 7/1/06



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RWHC by the Numbers

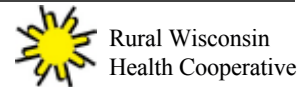
- Non-profit Coop owned by 30 rural hospitals (\$500 M; 2,000 hospital & LTC beds)
- \$5M RWHC budget (70% fees from members, 20% fees from others, 5% dues, 5% grants) & \$ applied by strategic partners.
- 26 CAHs; 17 independent, 5 outside management and 8 system affiliated



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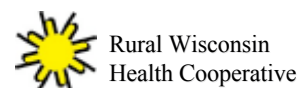
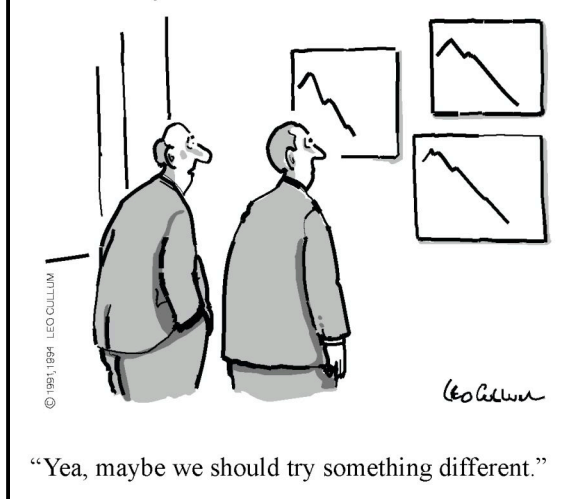
RWHC Products & Services

- | | |
|--|--|
| <ul style="list-style-type: none"> • Advocacy (Market, Government) • CAHPS Hospital Survey (AHRQ) • Clinical: Audiology, Speech, PT • Coding Consulting Service • Compliance (Medicare) • Credentials Verification (NCQA) • EHR Network Development • Financial Consulting Service • H2H Learning from Each Other | <ul style="list-style-type: none"> • Health Careers Web Template • Health Plan Insurer Contracting • IT Services, Wide Area Network • Legal Services • Peer Review Service • Professional & Staff Roundtables • Quality Indicators (JCAHO) • Recruitment (Nursing/Allied) • Reimbursement Credentialing |
|--|--|



Health System at Tipping Point

RWHC Eye On Health





Unsustainable Utilization Drives Cost Inflation

- Health care spending per privately insured person increased 7.4% in 2005
- The trend for 2005 reflected increased growth in spending for hospital and physician care
- Hospital utilization trends accelerated, while price trends decelerated in 2005.
- Continues to outpace growth in the economy (5.9%) and workers earnings (3.8%)

“Tracking Health Care Costs: Continued Stability But At High Rates In 2005” Health Affairs, Web Exclusive, 10/3/06



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Health System Reform Needs Population Health

- “Preventive and primary care quality deficiencies undermine outcomes for patients & contribute to cost.”
- “Savings can be generated from more efficient use of expensive resources including more effective care in the community to control chronic disease and timely access to primary care.”

“Why Not the Best?” from the Commonwealth Fund
Commission on a High Performance Health System, 9/20/06



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Medical Sector Not Only Driver of Health Costs

- Access to Health Care (est 10%)
- Health Behaviors (est 40%) e.g. smoking, physical inactivity.
- Socioeconomic factors (est 40%) e.g. education, poverty, divorce rates.
- Physical environment (est 10%)

2005 Wisconsin County Health Rankings, University of Wisconsin
Population Health Institute



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Critical Link of Population & Economic Health

“Businesses will move to where healthcare coverage is less expensive, or they will cut back and even terminate coverage for their employees. Either way, it's the residents of your towns and cities that lose out.”

Thomas Donohue President & CEO,
U.S. Chamber of Commerce

“If we can change lifestyles, it will have more impact on cutting costs than anything else we can do.”

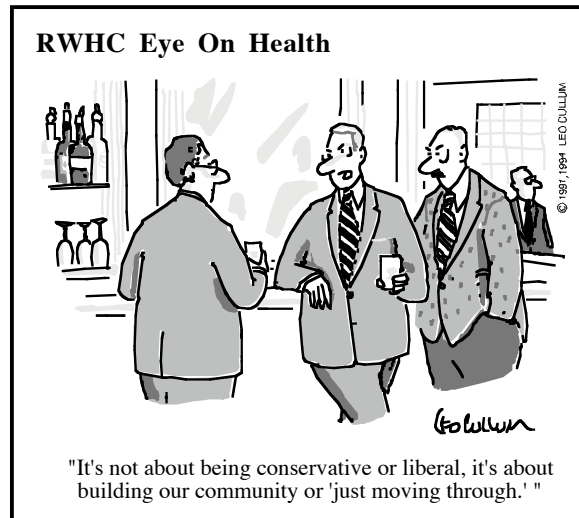
Larry Rambo, CEO,
Humana Wisconsin and Michigan



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Calls for Population Health Collaboration



Calls for Community Collaboration Not New

The Association for Community Health Improvement, a program of Health Research and Education Trust, an American Hospital Association affiliate, focuses on:

- health care delivery and preventive health systems to ensure accessibility and are accountable to local needs
- careful planning for and measurement of progress toward defined community health goals, and;
- broad community engagement to resolve systemic challenges to community health





The Role for Hospitals to Promote Public's Health?

The National Steering Committee on Hospitals and the Public's Health, convened by the Health Research and Education Trust soon to release white paper to:

- “Clarify the current and potential roles of hospitals to promote health and prevent disease,
- Identify emerging, promising practices, including international, that will guide hospital activities and hospital engagement
- Propose action-oriented recommendations to guide future research, education and policy directions.”

<http://www.hret.org/hret/programs/nschph.html>



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Rural Jobs Need New Rural Health Strategy

- Business community & public policymakers essential components for healthy communities. *Benjamin*
- Need to go beyond history of governmental public health and private practitioner animosity to achieve benefits of public-private partnership. *McGinnis*
- Key link between worker health, productivity and economic benefit. *Simon & Fielding*

Health Affairs, July/August, 2006



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The Individual - Community Link Is Key

“The healthcare system of the 21st century should maximize the health and functioning of both individual patients and communities.”

“The system should balance and integrate needs for personal healthcare with broader community-wide initiatives that target the entire population.”

Fostering Rapid Advances In Healthcare: Learning From System Demonstrations, Institute of Medicine, National Academies of Science, 2002.



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Federal Health & Human Services Rural Task Force

“The strong relationship between adequate income, sufficient food, strong social networks, and good health necessitates coordination among various health care and social service agencies...”

“In many rural communities, service providers often make alliances with one another and exhibit extraordinary resourcefulness and resilience.”

HHS Rural Task Force. One department serving rural America. Report to the Secretary; July 2002. Available at <http://ruralhealth.hrsa.gov/PublicReport.htm>



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National Advisory on Rural Health and Human Services

The IOM’s Committee on the Future of Rural Health Care applied the IOM’s six healthcare quality Aims to the goal of community well-being.

IOM recognized the importance of an inclusive approach that reaches beyond traditional health care delivery.

2005 Report to the Secretary by the National Advisory Committee on Rural Health and Human Services, 12/20/04.



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IOM “Rural” Report Connects the Dots

RWHC Eye On Health



©1992, 1994 AL ROSS
“When the obvious becomes obvious,
the time to adjust is limited.”



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IOM Committee on the Future of Rural Health

“Rural communities must reorient their quality improvement strategies from an exclusively patient- and provider-centric approach to one that also addresses the problems and needs of rural communities and populations.”

Committee on the Future of Rural Health Care. Quality through collaboration:
the future of rural health care; National Academies Press; 2004.



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Quality Aim	Personal Health	Population Health
Safety	Reduce medication errors.	Reduce auto accidents.
Effectiveness	Use best practices to care for diabetic patients.	Public school policies reduce risk obesity/diabetes.
Individual-Centered	Improve provider & patient communication.	Regional networks respect community preferences.
Timeliness	Appointments available within reasonable limits.	Epidemics and other threats to community as whole identified earlier than later.
Efficiency	Investing in electronic health records as a means to more efficient care.	Public reporting of population-based measures of health status.
Equity	Treat all patients with equal respect.	Public policies that encourage appropriate distribution of providers.



IOM 2004 Rural Report: Key Finding #1

“A wide range of interventions are available to improve health and health care in rural America, but priorities for implementation are not yet clear.”

“This would entail systematically cataloguing and evaluating the potential interventions to improve health care quality and population health in rural communities.”

Committee on the Future of Rural Health Care. Quality through collaboration: the future of rural health care. Washington, DC: National Academies Press; 2004.



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IOM Rural Report: Recommendation #1

“Congress should provide the appropriate authority and resources to the Department of Health and Human Services to support comprehensive health system reform demonstrations in five rural communities.”

“These demonstrations should evaluate alternative models for achieving greater integration of personal and population health services and innovative approaches to the financing and delivery of health services, with the goal of meeting the six quality aims of the *Quality Chasm* report.”

Committee on the Future of Rural Health Care. Quality through collaboration: the future of rural health care. Washington, DC: National Academies Press; 2004.



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Examples Towards Where We Need to Be

RWHC Eye On Health



#1: Hospital Works to Improves Local Schools

- Franklin Community Health Network in Maine is composed of Franklin Memorial Hospital and 3 affiliates.
- Reductions in revenue for Farmington schools were undermining the quality of education, the hospital's recruitment and retention of healthcare professionals, and the region's economy.
- FCHN with other key community leaders waged a successful campaign resulted in legislation to reformulate property tax allocations and increased annual funding for the rural schools in FCHN's service area by \$1.3 million.

“Beyond the Medical Model: Hospital's Improve Health Through Community Building” *CCN Briefings*, Fall, 2001.





#2: Cardiologist Acts To Reduce Demand

- A Marshfield, Wisconsin cardiologist recognized he was seeing too much preventable heart disease due to obesity—a community problem that needed community solutions.
- The school system was an early partner in the “Healthy Lifestyles” community collaboration, believing that the best starting point in the community was with children.
- Private businesses in the community were among the next organizations to participate, with one firm mapping out a one-mile walking path on its grounds for use by a walking club.”
- Medical leadership was necessary but not sufficient.

* Final Draft of the 2005 Report to the Secretary by the National Advisory Committee on Rural Health and Human Services, 12/20/04.



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#3: Local Initiatives Drive State Policy Development

- Wisconsin’s Strong Rural Communities Goal working to accelerating use of collaboration among medical, public health and business organizations that enhance preventive health services.
- Six local community projects using variety approaches to modifying poor fitness, nutrition habits through wellness programs at work/community.
- Sponsored by state’s Rural Health Development Council embedded in Wisconsin Department of Commerce that is developing a policy agenda to support local community collaboration.

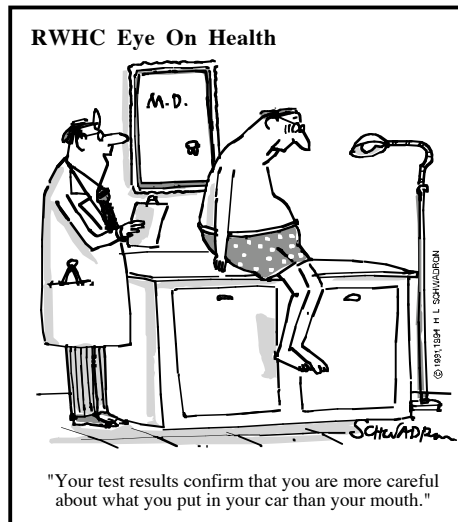
RWHC Eye On Health Newsletter, 7/06



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Balanced Score Card Metrics & Other Barriers



Why Aren't We Doing It?

- People are aware of what needs to be done, why it should be done and how it should be done but in general, they are not doing it.
- Most research to date leaves out the critical role of the business community.
- Much talk about the economic and health benefits of preventive health programming, especially worksite wellness applications, but adoption is weak.
- Effective multi-sector policy development efforts to enhance preventive services and knowledge uptake are very limited.

"Rural Jobs Need New Rural Health Strategy" by Stacey Lindenau,
RWHC Eye On Health Newsletter, 7/06





Strategic Barriers to Providers Getting Involved

- **Tradition.** the role of providers has been seen as treating individual patients. Population health seen as the job of local and state public health departments.
- **Resources.** Hospitals and clinics struggling to address traditional responsibilities with tight budgets are not looking for new roles “that no one will pay us to do.”
- **Values.** The discomfort that most of us feel when talking about addressing population health issues, many of which relate to individual behaviors – other people’s choices and their freedom to make those choices.

“Population Health Improvement & Rural Hospital Balanced Scorecards,”
Tim Size, David Kindig & Clint MacKinney, *Journal Rural Health*, Spring, 2006



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Technical Barriers to Providers Getting Involved

- Most metrics found to be useful for strategic planning and Balanced Scorecards are measured on a monthly or quarterly frequency.
- Results of interventions aimed at moving the data can be tracked and used to test intervention effectiveness, identify unintended consequences, and motivate change.
- In contrast, traditional population health metrics are available annually at best, and typically represent a geographic area that doesn’t align with a hospital service area.

“Population Health Improvement & Rural Hospital Balanced Scorecards,”
Tim Size, David Kindig & Clint MacKinney, *Journal Rural Health*, Spring, 2006



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Community Benefit Reporting: One Set of Benchmarks

Hospitals, individually and collectively, are reporting "Community Benefits" that include data on community education, outreach and self-help programs that provide information to reduce health risks and promote wellness, apart from clinical or diagnostic services.

Potential measures include: # of Programs / Activities Per Year, Participants Per Year and Financial Loss. "Financial loss" is the cost of providing the service that is not offset by any revenue or funding source.

2006 WHA Community Benefits Survey



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Selected AHRQ Prevention Quality Indicator Rates (PQI) For Discharges from Any Wisconsin Hospital between 10/1/00 to 9/30/03 For ZipCodes in RWHC Member Hospital Service Areas (HSA)* Age Adjusted

Dartmouth HSA*	Bacterial Pneumonia Rate/ 100K Population	Percent of WISC Rate	Congestive Heart Failure Rate/ 100K Population	Percent of WISC Rate
LOW	224	71%	252	63%
WISC	317	100%	398	100%
RWHC	353	111%	397	100%
HIGH	599	189%	593	149%

* An HSA is a cluster of zipcodes named by the town or city where the greatest proportion (plurality) of residents in each zipcode were hospitalized.

These rates are not gender adjusted; they do not reflect out of state hospitalizations.

RWHC:TS:8/30/04



Getting Started

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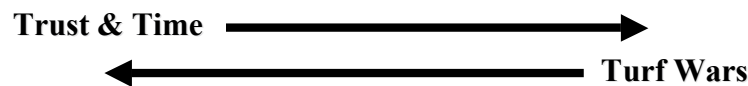


"This wellness stuff probably comes from the same people who never had fun in high school; I'll start wellness after the first heart attack."



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How Far Are You Ready To Go?



Network →	Coordinate →	Cooperate →	Collaborate
Exchange Information	Exchange Information AND Harmonize Activities	Exchange Information AND Harmonize Activities AND Share Resources	Exchange Information AND Harmonize Activities AND Share Resources AND Enhance Partner's Capacity

The Collaboration Primer by Gretchen Williams Torres and Frances Margolin



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Ready or Not? A Checklist for Successful Collaborating

- | | |
|--|---|
| <ul style="list-style-type: none"><input type="checkbox"/> Host organization ready?<input type="checkbox"/> The right partners involved?<input type="checkbox"/> Shared vision unifies partners?<input type="checkbox"/> Partners aware what is expected?<input type="checkbox"/> Partners know partnership goals and objectives?<input type="checkbox"/> People to do the work have been identified, staffed and made accountable?<input type="checkbox"/> “Best practices have been researched and shared?<input type="checkbox"/> Assets residing within the partnership have been mapped? | <ul style="list-style-type: none"><input type="checkbox"/> Partnership encourages participation in and sustainability of its work?<input type="checkbox"/> Partnership actively recruits new members?<input type="checkbox"/> Defined governance model?<input type="checkbox"/> Leadership is effective?<input type="checkbox"/> Communication/outreach plan?<input type="checkbox"/> Financial needs known and addressed?<input type="checkbox"/> Work evaluated/revised?<input type="checkbox"/> Partnership knows challenges that it faces? |
|--|---|

The Collaboration Primer by Gretchen Williams Torres and Frances Margolin



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Some Next Steps: National

- Recommendations of IOM’s *Future of Rural Health: Quality Through Collaboration* as previously noted).
- Recommendations on Community Collaboration in 2005 Report to the Secretary from the National Advisory Committee on Rural Health & Human Services
- Congress should pass “H-Care” (H.R. 6030 which includes community wide Quality Demonstration Projects).

2005 Report to the Secretary by the National Advisory Committee on Rural Health and Human Services, 12/20/04.



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Some Next Steps: State

- Advocate for improved population health measurement techniques and increased population health improvement valuation.
- Assist hospitals and clinics, and other stakeholders, to begin to link the mission of community health improvement to budget, operations, and performance measurement.
- Partner with academic institutions to design research projects around provider performance improvement and population health measurement.

“Population Health Improvement & Rural Hospital Balanced Scorecards,”
Tim Size, David Kindig & Clint MacKinney, *Journal Rural Health*, Spring, 2006



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Some Next Steps: Local Community

- Devote a periodic Board meeting or a portion of every Board meeting to review available population health indicators.
- Add Board members with specific interest in population health measurement and improvement.
- Create a “population health” subcommittee of the Board to seek community partnerships.
- Consider hospital employees as a “community” and develop interventions to improve employee health. Then, expand the experience to the larger community.

“Population Health Improvement & Rural Hospital Balanced Scorecards,”
Tim Size, David Kindig & Clint MacKinney, *Journal Rural Health*, Spring, 2006



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Summary & Resources

RWHC Eye On Health



"Get over the Doc Welby thing, what you do makes a lot more difference to your health than what I do."



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The Risk Of Doing Nothing

In America, railroads failed to adapt to a market that was redefining transportation as cars and airplanes, not trains - falling from tycoon status in the late 19th century to bankruptcy in the 20th.

Today, healthcare "markets" are being redefined; shifting from purchasing service units to making the right investments in health status. Importantly, quality care is increasingly defined in both personal and population perspectives. This developing redefinition of healthcare needs to be reflected in rural provider strategic planning.

"Population Health Improvement & Rural Hospital Balanced Scorecards,"
Tim Size, David Kindig & Clint MacKinney, *Journal Rural Health*, Spring, 2006



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Partial List Of Resources

- **Association for Community Health Improvement**
<http://www.communityhlth.org/>
- ***The Collaboration Primer: Proven Strategies, Considerations and Tools to Get You Started***
<http://www.hret.org/programs/content/colpri.pdf>
- **The Community Tool Box** at <http://ctb.ku.edu/>
- **VHA Health Foundation**
<http://www.vhahealthfoundation.org/vhahf/resources.asp>
- **Kellogg Leadership for Community Change**
<http://www.klccleadership.org/>



Questions/Discussion?

RWHC Services Available to Non-Members:

- RWHC's free monthly newsletter on rural health (email office@rwhc.com with “subscribe” on subject line)
- JCAHO accredited Quality Indicators Program
- CAHPS Hospital Surveys

Information on the above services and a copy of this talk is available at: <http://www.rwhc.com>

