IPeople Integration Case Study

Lessons Learned Converting from Rural Hospital to Critical Access Hospital

Newman Regional Health

It's no secret that many isolated, rural hospitals have found themselves struggling financially in recent years. Since 2010, more than 50 rural hospitals have closed their doors nationwide, and the National Rural Health Association has identified 283 more small hospitals in danger of collapse.[i]

In an effort to enhance their financial viability and increase quality care, a large number of small, rural hospitals have taken advantage of the Critical Access Hospital (CAH) program. There are currently roughly 1,300 certified CAH facilities located throughout the U.S., according to the U.S. Dept. of Health and Human Services.

Created as part of the Balanced Budget Act of 1997, the CAH program aims to improve quality and to help stop the closure of hospitals providing care to under-served populations. As a result, many rural hospitals have been able not only to keep the doors open, but also to invest extra resources in quality improvement and quality assurance activities.[ii]

The way in which the CAH designation helps rural hospitals reduce their financial vulnerability is through cost-based Medicare reimbursement. Therefore, a key step in the transformation process is the conversion of the hospital's Medical Record Interface system from Inpatient Prospective Payment Systems (IPPS) to a CAH payment system.

Making the Switch

Like so many other hospitals, Newman Regional Health was faced with financial difficulty, striving to serve their rural Kansas community while operating in the red. While rural hospitals have lost employees, unable to afford salary increases to keep pace with the cost of living. Some rural hospitals were forced to sell devalued, aging, MRI and CT equipment in order to make up for losses.

In 2014, Newman Regional Health management made the decision to convert the rural hospital to a CAH, allowing it to receive cost-based reimbursements instead of standard fixed reimbursements. The move was intended to enhance financial performance, as well as provide extra focus on providing care for common conditions and outpatient care.

During the transition, the hospital was essentially in limbo while changes were made to fit the definition of a Critical Access Hospital, resulting in five months' worth of billing without receiving payments. The backlog of billing continued to grow, and administrators knew that all of it would have to be re-billed by hand with both speed and accuracy.

"Errors were not an option in this transition, since we were in financial crisis mode to begin with at that time," said Elizabeth Cole, senior systems analyst for Newman Regional Health.

Meanwhile, a MEDITECH system upgrade combined all of the inpatient and outpatient account information into one account, making matters worse. Newman Regional Health management knew they needed to prioritize the transition from their IPPS system to the CAH payment system while upgrading their MEDITECH Health Care Information Systems (HCIS), but administrative staff and financial resources were already stretched thin.

Interface Experts

Newman Regional Health turned to Interface People (IPeople) for help. IPeople offers dependable, full-service data interface solutions, backed by more than a decade of data management experience. By working with a vendor that can provide technical expertise, core project team members, training and go-live support, the hospital was able to complete the project more quickly while reducing labor costs and errors.

In addition to developing a custom data interface with a management dashboard to connect to MEDITECH, the experts at IPeople helped the billing staff overcome the problem that had merged the inpatient and outpatient accounts by creating a custom, automated software program. This program allowed personnel to download all of the patient data in MEDITECH and then filter it by outpatient events, saving time, money and manpower, while maintaining data integrity.

"The first time the program ran it took over 16 days," said Cole. *"It saved us hundreds of hours of work in one month alone, reviewing over 1,600 lines of accounts. I am inordinately pleased with the 0 percent error rate."*

IPeople has built custom user interfaces for every MEDITECH application, working with hundreds of third-party vendors to provide data sharing, communication and enhanced workflow. Without the industry knowledge of a MEDITECH interface expert like IPeople, there is a real danger of data entry errors, duplicate medical records and gaps in information when in-house staff lack the time and resources needed to exchange data with the HCIS. IPeople has earned a solid reputation for providing robust and reliable data interface services, offering solutions in industry standard formats including HL7, XML and FHIR, as well as proprietary formats.

"We were the first hospital since 2006 to even attempt to make this change and now we are the first to complete it successfully, thanks to IPeople technology, knowledge and staff," said Cole. *"We are now able to put money back into our hospital, county and community."*

With enhanced communication and monitoring enabled by the IPeople custom interface, Newman Regional Health can have greater confidence in their patient data, allowing the staff to focus on what they do best -- delivering quality care.

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-Elizabeth Cole, Newman Regional Health

Case Study Breakdown

THE CHALLENGE	THE SOLUTION	THE BENEFITS
▪ Enhance financial performance while performing a MEDITECH system upgrade	✓ IPeople developed a custom data interface with a management dashboard to connect to MEDITECH, allowing the billing staff to overcome the problem they had merging the inpatient and outpatient accounts	✓ Saved hundreds of hours of work in one month alone, reviewing 1,600 lines of accounts with 0% error rate ✓ Interface customization and flexibility to improve workflow ✓ 24-hour support and monitoring to reduce IT staff workload ✓ Reliable scripting solution for uploads to ensure HIPAA compliance

About Interface People, LP

Interface People (IPeople) is an integration company providing the healthcare industry with innovative solutions and professional services to simplify the interaction between users and their data. Committed to increasing work efficiencies, while offering layers of flexibility in their products, IPeople supplies the healthcare industry with tools to assist both technical and non-technical users.

At IPeople our mission is to build innovative software and services for the healthcare industry, so that care providers can focus on working more efficiently to improve the quality of patient care. We work with determination, resilience, and respect, striving to always delight our customers. For more information, visit www.ipeople.com.

Resources

[i] "As rural hospitals struggle, solutions sought to preserve healthcare access"; Modern Healthcare Magazine; May 16, 2015: www.modernhealthcare.com/article/20150516/MAGAZINE/305169959

[ii] "Efficiency Differences Between Critical Access Hospitals and Non-Converting Rural Hospitals"; U.S. Dept. of Health & Human Services, Agency for Healthcare Research and Quality; May 18, 2011: www.hsrd.research.va.gov/for_researchers/cyber_seminars/archives/hmcs-051811.pdf