

SWING BED OPTIMIZATION: A STRATEGIC AND FINANCIAL IMPERATIVE



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June 14, 2022

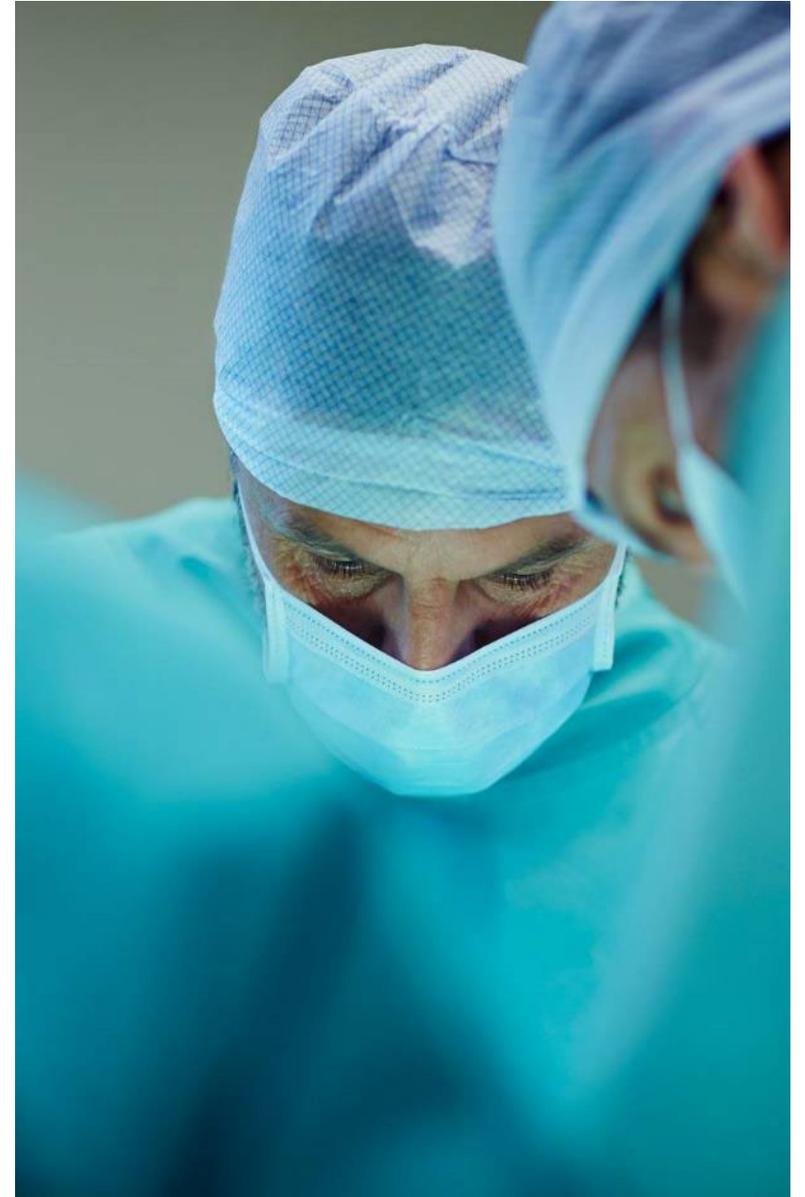


AGENDA

SAHA Overview

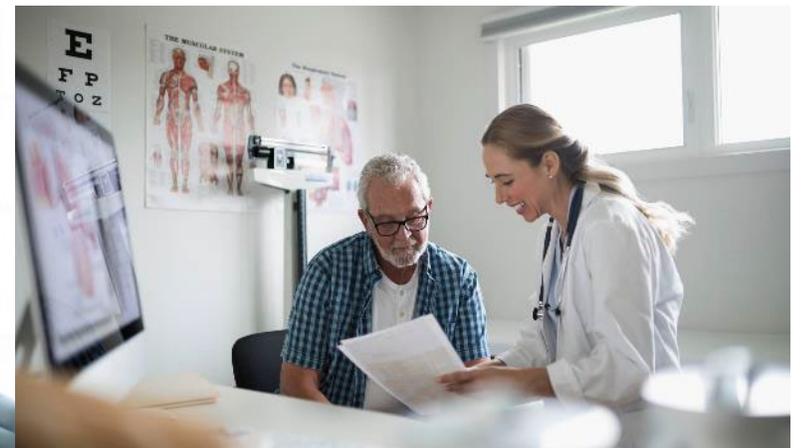
Swing Bed Overview

Swing Bed Assessment



INTRODUCTION

Swing Beds remain a vital resource and service for Critical Access Hospitals (CAH); however, is one of the most competitive services a CAH can provide. Organizations must effectively position themselves and engage area hospitals to improve admissions and financial performance.



SAHA OVERVIEW

SAHA – WHAT IS IT?

- A partnership between Tucson Medical Center (TMC) and 4 rural hospitals in SE Arizona
 - Benson Hospital
 - Copper Queen Community Hospital
 - Mt. Graham Regional Medical Center
 - Northern Cochise Community Hospital
- SAHA added 2 FQHCs to the partnership
 - Chiricahua Healthcare (Cochise County) – November 2020
 - Mariposa Healthcare (Santa Cruz County) – June 2022





SAHA – RECENT INITIATIVES

- Swing Bed program
- RHC Development
- Purchasing
- Laundry Service – Only to Hospitals
- Education / Training
- Telehealth
- Clinical Protocols



SAHA – FLEX PROJECTS

- In FLEX fiscal year 2021, SAHA received funding through the FLEX program to focus on the following two initiatives:
 - Swing Bed Program
 - The intent of the swing bed initiative was to evaluate the collective of SAHA hospitals to identify opportunities to improve operational and financial performance associated with the Swing Bed program
 - Rural Health Clinic (RHC) Development
 - The intent of the RHC Development initiative was to bring together the collective RHCs into a learning network and improve performance through the leveraging of data (POND) and the best practices

SWING BED OVERVIEW

WHY SWING BEDS

Rural hospitals can provide an important care resource for patients, address a hospital capacity issue and create a volume growth opportunity by leveraging its swing bed program

Access

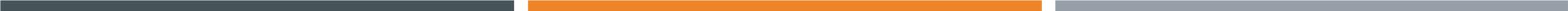
- Patients remain local and close to families
- Care is coordinated within a region

Quality

- Reduced readmissions and avoidable ED visits
- Shorter lengths of stay

Financial

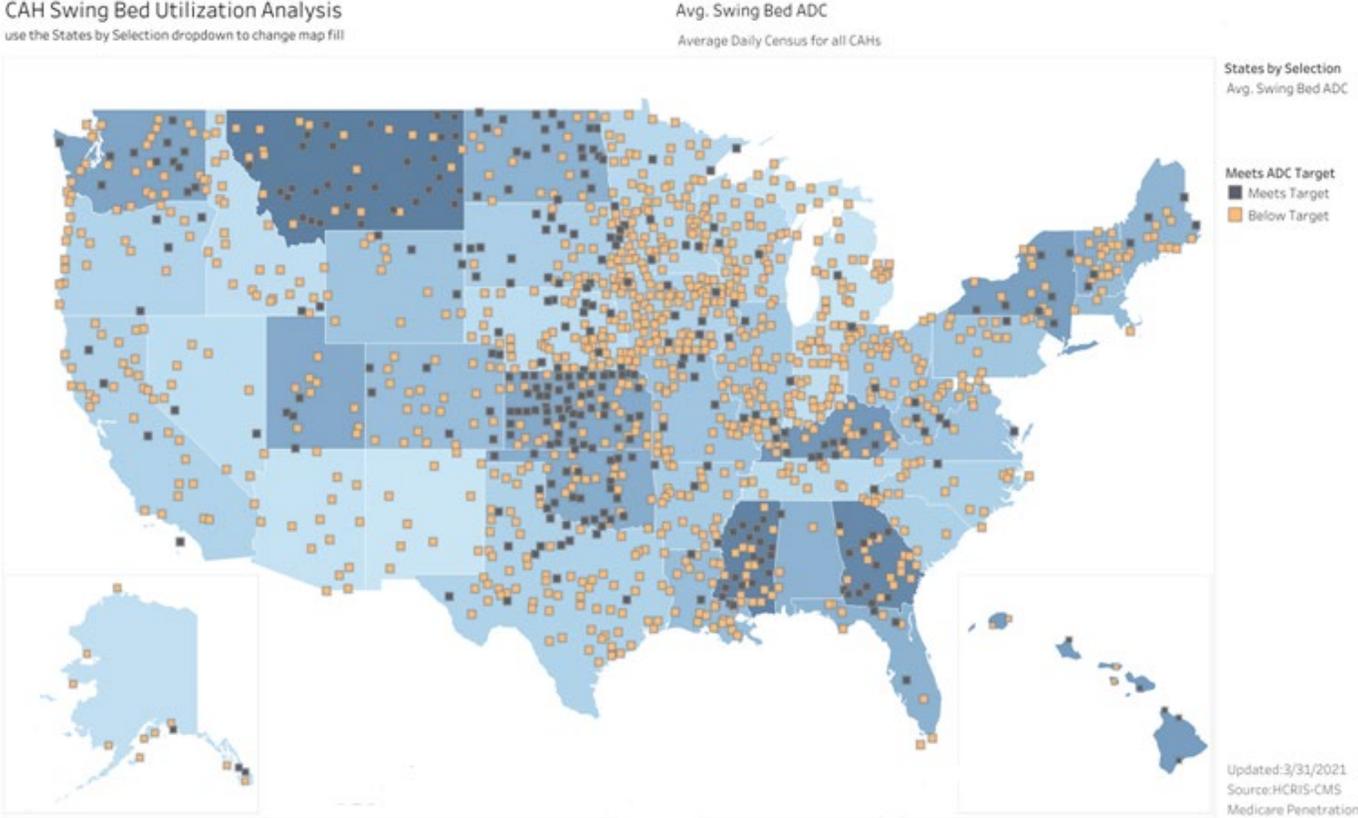
- Compliance with the annual 96-hour length of stay
- Financial benefit to the hospital



SWING BED OVERVIEW

- With uncertainty around several significant provisions, such as payment, insurance, and delivery-system reforms, the healthcare industry must address future market changes
- Swing-bed services provide an important care resource for rural patients and a volume growth opportunity for the hospital
 - **Best practice** peer rural hospitals target swing-bed ADC at a minimum of 4.0 per 10,000 people in service area (if possible)
- An effective Swing Bed strategy and process will have a significant impact on the number of patients in your Swing Bed program
- SAHA CAHs were interviewed to identify opportunities throughout the collective group to improve reliance on the Swing Bed program

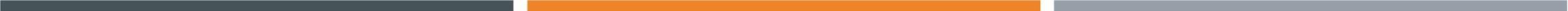
SWING BED UTILIZATION



SWING BED OPPORTUNITIES

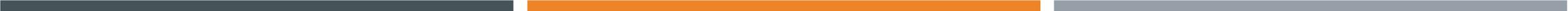
SWING BED OPPORTUNITIES

- Based on the interviews conducted with the SAHA CAHs, the following are common opportunities within the collective group:
 - The CAHs do not have a dedicated person responsible for the pursuit, recruitment, and admission of swing bed patients
 - Swing Bed recruitment either a shared responsibility or one of several responsibilities
 - CAHs tend to wait for patients to be referred to the CAH instead of actively going after patients at the larger hospitals
 - CAHs identified that there are a limited number of hospitals they engage for swing bed patients which may be preventing the number of admissions to the CAH swing bed program
 - CAHs identified transportation often presents a barrier in the ability to transition patients back to their home or the CAH



SWING BED OPPORTUNITIES

- The CAHs do not have curated access to the EHRs which would allow them to take a proactive role pursuing potential swing bed patients
 - TMC provided limited access; however, other hospitals throughout the region will not provide any access due to privacy concerns
- CAHs have not identified the potential for niche services that allow for the differentiation when compared to other CAHs and post-acute care providers
- CAHs have not leveraged quality data, specifically patient outcomes, to market and target post acute care patients
- The admission decision process takes anywhere from 2 to 6 hours across the collective CAHs which at times extends beyond the industry median of 4 hours



SWING BED OPPORTUNITIES

- The CAHs have seen an increase in the number of denials from the Medicare Advantage plans, including prior authorizations, which has reduced the number of patient referrals
 - One payor consistently denies based on medical necessity
- CAHs continue education; however, they are constantly having to explain the services offered in a swing bed to case managers at the larger facilities
- CAHs have not continued to evaluate the care spectrum to determine the services which can be offered and to drive improvement/expansion efforts
- CAHs have not engaged commercial plans to negotiate CAH specific rates or to discuss opportunities to improve utilization of the program

SWING BED RECOMMENDATIONS

- Based on the interviews conducted with the SAHA CAHs, the following are the consolidated top recommendations for the collective hospitals:
 - The CAHs must identify a specific individual, at each hospital, responsible for and who prioritizes the pursuit of swing bed patients
 - The CAHs must go through and evaluate the specific services they can provide as a swing bed provider
 - After identifying services, CAHs should look to reduce the barriers preventing them from expanding the services provided
 - CAHs must take a proactive approach in the pursuit of swing bed patients instead of predominantly waiting for patient referrals
 - CAHs must engage payors to reduce barriers regarding prior authorizations and denials due to medical necessity

SWING BED RECOMMENDATIONS

- **Active Solicitation**
 - With a limited number of Swing Bed patients, CAHs need to actively pursue patients to increase volumes
 - **Best practice** CAHs will establish relationships with larger hospitals and actively pursue Swing Bed patients whenever beds are available
 - One of the primary concerns of a PPS hospital looking for Swing Bed placement is to free up the bed for a future Acute admission
 - The goal of the CAH is to establish a relationship with the other hospital so that you are the first hospital call when they have a patient needing Swing Bed services
 - **Best practice** CAHs will ensure patients who are transferred for Acute services elsewhere return to the CAH when needing Swing Bed services

SWING BED RECOMMENDATIONS

- **Admissions Process**

- CAHs must implement a defined process to pursue Swing Bed patients and increase overall IP volumes
- The following is a best-practice process for Swing Bed volume growth at a CAH:



QUESTIONS

THANK YOU



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