

FY2019 Health Advocate Responses

1. Please describe all entities related financially to the hospital, the purpose of each entity, and the financial relationships between the entities (e.g., parent organization(s), subsidiary organization(s), membership organization(s), etc.). In particular:

- a. What non-profit and/or for-profit entities does the hospital or its parent organization own in part or in full and/or is the hospital owned by in part or in full?

The corporate structure is as follows:

Parent Company – North Country Health Systems, Inc

- **Nursing Home – North Country Health Services, Inc. dba Derby Green**
- **Hospital – North Country Hospital & Health Ctr., Inc.**
 - **Northeast Kingdom Healthcare Collaborative, LLC –**

Collaborative with NVRH for Sleep and Pulmonary services

Please also refer to the answer to the last question of the narrative response to the Green Mountain Care Board

- b. Are hospital senior management paid by hospital-related entities other than the hospital?

Senior management is paid from the hospital entity only.

- c. Are the revenues of these entities included in your budget submission?

Only the revenues associated with the hospital budget are included in the budget submission.

2. Please describe any financial incentives/bonuses that your executives, providers, coders, and other personnel are eligible to receive that are tied to services that have the potential to increase your hospital's revenue. Please include both staff and subcontractors.

The only financial incentives/bonuses that are tied to services that have the potential to increase our hospital's revenue are related to providers. Please refer to the answer to question 2,D,ii of the narrative response to the Green Mountain Care Board

- a. As a part of your answer, please disclose for which procedures the hospital pays providers volume-based incentives.

Please refer to the answer to question 2,D,ii of the narrative response to the Green Mountain Care Board

- b. Are these incentives the same for OneCare attributed patients as for non-attributed patients?

The incentives are the same for OneCare attributed patients as for non-attributed patients.

3. Please delineate the hospital's financial performance and patient distribution by capitated business, fee for service business, and any other payment methodologies. (If you only have one type of business please state which type.)
 - a. Please indicate which entities the hospital has capitated or other alternative payment agreements with (e.g., insurer(s), ACO(s)).
North Country Hospital is participating in OneCare ACO for the Medicaid product. The attributed lives total 3,900 which attributes to \$5.3 mil of net patient revenue accounting for 7% of total net patient revenue for the hospital.

4. Please provide data on the experience of mental health patients at your hospital, including:
 - a. The total number of mental health beds at your hospital;
 - b. The range and average wait time for placement of mental health patients who report to your hospital in need of inpatient admission;
 - c. The range and average time patients have spent in your emergency department awaiting an appropriate mental health placement;
 - d. The total number of patients who waited in your emergency department for an available mental health bed at your hospital or at another facility.
Please reference the answer to question number 5 of the Green Mountain Care Board budget narrative.

5. Please describe any initiatives that you have implemented to address the inadequate access to mental health treatment experienced by Vermonters.
 - a. What other avenues are you pursuing to address this crisis in a sustainable way?
Please reference the answer to question number 5 of the Green Mountain Care Board budget narrative.

6. Please provide data on substance use treatment at your hospital, including:
 - a. The number of patients currently enrolled in medication-assisted treatment at your hospital;
 - b. The number of MAT providers employed by your hospital;
Please reference the answer to question number 7B of the Green Mountain Care Board budget narrative.

7. Please describe the hospital's plans for participation in payment reform initiatives in this fiscal year and over the next five years.
 - a. How do you plan to manage financial risk, if applicable, while maintaining access to care, high quality care, and appropriate levels of utilization?
 - b. How much money will the hospital be at risk for in FY19?
The risk corridor budgeted for FY19 for participation with OneCare is \$375,000.
 - i. What will happen if a hospital loses that money?
There are reserves built on the balance sheet to absorb this loss.

- ii. How will the hospital fill in this gap, if necessary, without increasing rates?
Any gap would be addressed the same as any other operational gap and would be determined at a later time. Finding additional expense savings would be the preferred approach.
- iii. How does the hospital track access to care, utilization, and quality of care to ensure that provider financial incentives do not have a negative impact on patient care?
Please refer to the budget narrative for the Green Mountain Care Board question 2.

8. Please describe the hospital's shared-decision making programs, if any, and any plans for expanding those programs.
 - a. Please describe the initiative(s), which departments have participated, how you have chosen which departments participate, which of these initiatives, if any, have led to identifiable cost savings and/or quality improvement, and the number of patients served by these programs.
 - b. What is the extent of your Choosing Wisely initiative(s), if any?
 - c. What are you doing to ensure/increase provider buy-in in these programs?

The ABIM Foundation, in conjunction with the various national medical specialty societies, has developed *hundreds* of Choosing Wisely initiatives. A number of these have developed into the generally accepted *standard of care* and therefore are incorporated into our clinicians' general practice. Other Choosing Wisely initiatives have been integrated into the protocols and procedures that our clinicians adopted when we became certified as NCQA Level 3 Patient Centered Medical Homes. In addition, we changed our Electronic Health Record to a new system on 5/15/18 and will be evaluating the options it provides for increased Shared Decision making later this year. We have also made a concerted effort to actively advance other initiatives such as the following two:

- **Management of acute and chronic pain- all service lines of NCH- primary care, specialty offices, emergency department, in-patient and out-patient services have incorporated an evidence-based framework based on the Vermont State rules governing the prescribing of opiates for treatment of pain which includes patient education focusing on the risks and benefits of treatment, informed consent and assessment of patient function which are reviewed by the patient and provider before a decision is made to utilize opioid medication to manage the person's chronic pain and are reviewed at each follow up visit, should prescribing of opiates be appropriate care. Per January 2018 data, North Country Primary Care Newport and Barton Orleans have about 1500 patients on opiates.**

- **Screening Tests: Lung Cancer. NC Primary Care in both the Newport and Barton offices has implemented a process to stratify its population for early identification of patients with risk factors for lung cancer and provides education as to the risks and benefits of receiving Low Dose CT screening based on criteria approved by the ACCP and ATS. Patient education is provided as to the risks/benefits of receiving and not receiving Low Dose CT scans. From 4/1/17 through 6/30/17, there were 110 Low Dose Lung CT scans completed: of these, 28 had abnormal findings requiring follow up. Since these are last year's numbers, I've emailed Brian for updated numbers.**

9. Please provide copies of your financial assistance policy, application, and plain language summary (noting any changes from your last submission) as well as detailed information about the ways in which these three items can be obtained by patients.

North Country Hospital's Financial Assistance Policy is enclosed under attachment labeled 1-a. Our Financial Assistance Application and instructions are enclosed under attachment labeled as 1-b.

The hospital notifies and informs patients of the availability of the Financial Assistance Policy by the following:

- **Posted on the Hospital internet page.**
 - **Verbally discussed during collection calls by staff.**
 - **Verbally discussed and available at time of registration if appropriate.**
 - **Communicated on all statements mailed to patients.**
 - **Patients with no insurance are reviewed daily and are contacted via phone/mail to discuss insurance enrollment and financial assistance options.**
- a. Please provide the following data by year, 2014 to 2018 (to date):
- i. **Number of people who were screened for financial assistance eligibility; North Country does not keep statistics on the number of people who were screened for financial assistance eligibility. Any patient who presents that does not have insurance is screened for financial assistance eligibility through a consult meeting with one of our financial navigators. Options for the Healthcare Exchange and Medicaid enrollment are explored and patients are assisted with getting enrolled if they are eligible. The navigators also assist patients with completion of a financial assistance application through this process.**
 - ii. **Number of people who applied for financial assistance; North Country does not keep statistics on the number of people who applied for financial assistance.**
 - iii. **Number of people who were granted financial assistance by level of financial assistance received;**

Following are the statistics for people who received financial assistance by fiscal year:

	FY2014	FY2015	FY2016	FY2017	FY2018 YTD May
People on FA	516	522	481	569	571

- iv. Number of people who were denied financial assistance by reason for denial.

North Country has only been tracking this information since January 2017. The data by reason of denial is as follows:

16 Denials

10 Overincome

4 Over in Assets/Assets available

3 Did not enroll in QHP

2 Other – Not necessary for enrollment declined

- v. What percentage of your patient population received financial assistance?
This statistic has not been compiled at this time.

- b. Please provide the statistics and analyses you relied on to determine the qualification criteria and the amount of assistance provided under your current financial assistance program.

Please refer to the Financial Aid policy.

10. For the hospital's inpatient services, please provide your all-payer case mix index, number of discharges, and cost per discharge for 2014 (actual) through the present (2018 budget and projected) and 2019 (budget).

Please find the statistical information requested in the table below. North Country Hospital does not calculate case mix for projections and budget.

	FY2014	FY2015	FY2016	FY2017	FY2018 Budget	FY2018 Proj	FY2019 Budget
Case Mix Acute	1.1493	1.0331	1.1178	1.0937	N/A	N/A	N/A
Acute Discharges	1,443	1,420	1,394	1,371	1,432	1,357	1,357
Cost per Adjusted Discharge	8,901	8,655	8,963	9,677	9,715	10,454	11,109

11. As part of the GMCB's rate review process during the summer of 2017, Blue Cross Blue Shield of Vermont (BCBSVT) was asked to "explain how the cost shift factors into your

approach when negotiating with providers.” BCBSVT responded: “Since the creation of the GMCB hospital budget and the greater transparency that it has created, providers insist that it is the responsibility of BCBSVT’s members to fund the cost shift. Providers acknowledge that they manage to a revenue target, insist that commercial members must fund the cost shift in order for providers to meet their revenue targets, and remind BCBSVT that the GMCB has approved the revenue target.” (GMCB 08-17rr, SERFF Filing, July 5, 2017 Response Letter). Do you agree with this statement? Please explain why or why not. If you disagree, please point to any data available that supports your position.

I agree with the statement that commercial members fund the cost shift; this would apply to BCBSVT as well as all other commercial payers. Revenues do not change with Medicaid when a fee increase is applied and depending on the hospital there are very low or no additional revenues for Medicare.

12. Please provide updates on all health reform activities that you have submitted under the GMCB’s extended NPR cap during previous budget reviews including
- a. The goals of the program;
 - b. Any evidence you have collected on the efficacy of the program in meeting these goals;
 - c. Any other outcomes from the program, positive or negative;
 - d. Whether you have continued the program and why.
 - e. If you have discontinued one or more of these programs, please describe how you have accounted for this change in past or current budgets.

Please reference the answer to question number 8 of the Green Mountain Care Board budget narrative.