

**UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
MEETING OF THE
MEDICAL CENTER
OPERATING BOARD
FOR THE UNIVERSITY
OF VIRGINIA
TRANSITIONAL CARE HOSPITAL
SEPTEMBER 11, 2014**

UNIVERSITY OF VIRGINIA
MEDICAL CENTER OPERATING BOARD FOR THE UNIVERSITY OF VIRGINIA
TRANSITIONAL CARE HOSPITAL

Thursday, September 11, 2014
8:00 am - 8:15 am
Kaleidoscope Room, Newcomb Hall

Committee Members:

Stephen P. Long, M.D., Co-Chair	
Edward D. Miller, M.D., Co-Chair	
L.D. Britt, M.D.	Constance R. Kincheloe
Victoria D. Harker	George Keith Martin
Michael M.E. Johns, M.D.	Charles W. Moorman
William P. Kanto Jr., M.D.	The Hon. Lewis F. Payne

Ex Officio Members:

Teresa A. Sullivan	Patrick D. Hogan
Nancy E. Dunlap, M.D.	Richard P. Shannon, M.D.
Dorrie K. Fontaine	John D. Simon
Robert S. Gibson, M.D.	Pamela M. Sutton-Wallace

AGENDA

	<u>PAGE</u>
I. OPENING REMARKS FROM THE CO-CHAIRS	
II. REMARKS FROM THE EXECUTIVE VICE PRESIDENT FOR HEALTH AFFAIRS	
III. OPERATIONS AND FINANCE REPORT (Dr. Shannon to introduce Ms. Michelle D. Hereford; Ms. Hereford to report)	1
IV. EXECUTIVE SESSION	
• Discussion of proprietary, business-related information pertaining to the operations of the Transitional Care Hospital, where disclosure at this time would adversely affect the competitive position of the Transitional Care Hospital, specifically:	
- Confidential information and data related to the adequacy and quality of professional services, patient safety in clinical care, and patient	

grievances for the purpose of improving patient care at the Transitional Care Hospital; and

- Consultation with legal counsel regarding the Transitional Care Hospital compliance with relevant federal reimbursement regulations, licensure, and accreditation standards; all of which will involve proprietary business information of the Transitional Care Hospital and evaluation of the performance of specific Transitional Care Hospital personnel.

The relevant exemptions to the Virginia Freedom of Information Act authorizing the discussion and consultation described above are provided for in Section 2.2-3711(A)(1), (7), and (22) of the Code of Virginia. The meeting of the Medical Center Operating Board is further privileged under Section 8.01-581.17 of the Code of Virginia.

UNIVERSITY OF VIRGINIA
MEDICAL CENTER OPERATING BOARD
AGENDA ITEM SUMMARY

BOARD MEETING: September 11, 2014

COMMITTEE: Medical Center Operating Board

AGENDA ITEM: III. Operations and Finance Report

ACTION REQUIRED: None

BACKGROUND: The University of Virginia Transitional Care Hospital (TCH) prepares a periodic report, including write-offs of bad debt and indigent care, and reviews it with Executive Leadership before submitting the report to the Medical Center Operating Board (MCOB). The TCH also provides an update of significant operations of the hospital occurring since the last MCOB meeting.

Michelle Hereford joined the University of Virginia Health System in 2009. As Chief of the Transitional Care Hospital, she oversees all operations of this long term acute care facility. Ms. Hereford has a Bachelor's degree in Nursing and a Master's degree in Health Administration from Virginia Commonwealth University. She has over 20 years of health care experience serving in a broad range of roles.

FINANCE REPORT

The TCH ended the period of July 1, 2013 through June 30, 2014 with an operating income of \$392,274, compared to the budgeted operating income figure of \$1,318,939. During the prior year, the TCH reported an operating loss of \$(588,626). During FY 2014, inpatient discharges were 316 compared to the budget of 398. Average length of stay was 29.8 days, which is 1.8 more days than the budget of 28.0. The All Payor Case Mix Index (CMI) of 1.26 was more than the budget of 1.25. The Medicare CMI was 1.32 compared to a budgeted figure of 1.28. Total full-time equivalents (FTEs) were 118, 13% below the budget of 136 FTEs.

The TCH did not meet the budgeted net operating income of \$1,318,939 due to the following:

- Discharges were 20% below budget.

- Nineteen percent of discharges were Medicaid patients compared to a budget of 13%. Eighty-nine percent of the Medicaid cases were admitted from UVA Medical Center.
- During FY 2014, TCH reported 36% of complex wound care cases compared to 33% vent wean cases. Complex wound care cases are resource intensive due to the need for a specialized wound care team, durable medical equipment devices, mattress overlays, and miscellaneous supplies.

OPERATIONS REPORT

For the period from July 1, 2013 through June 30, 2014, the total number of referrals from outside facilities were 1,049, resulting in 316 total admissions. Two hundred and forty of those admissions (76%) were from the Medical Center. The 240 Medical Center admissions represent 7,253 patient days or approximately 20 Medical Center beds per day which would not have been available without the TCH. In addition, the 7,253 patient days reduced the Medical Center average length of stay by 0.26 days.

Clinical Operations

Respiratory Services

This service, led by Pulmonary Medical Director, Sharon Esau, M.D., and managed by a registered respiratory therapist, Jeanne Bird, continues to exceed expectations in weaning patients from ventilators. From July 1, 2013 to June 30, 2014, 97 patients were admitted for vent weaning/teaching, and 85% achieved that goal versus the benchmark of 60.1%.

Wound Management

This service is led by the Wound Care Medical Director, David Drake, M.D., and managed by an experienced Wound, Ostomy & Continence Nurse Practitioner, Tara Beuscher. This leadership has helped to transition the program from primarily specialist-based care to skilled care with specialist guidance. As a result, the TCH has expanded the services offered in our community by providing an increasing amount of complex wound care.

For the period of July 1, 2013 through June 30, 2014, 36% of the TCH patient population was admitted for complex wound

care needs and as many as 90% of have skin integrity concerns. The care of patients with wounds crosses all professional boundaries and much work has been done as a result of our intra-professional patient care culture.

In response to the above, the TCH successfully offered the Wound Treatment Associate (WTA) program during the third and fourth quarters of the fiscal year. This online multidisciplinary course, developed by the Wound, Ostomy and Continence Nurses Society, offers continuing education credits for nurses, physical therapists, occupational therapists, and respiratory therapists. It was successfully completed by 19 employees, and a second cohort of 20 team members began the program in August 2014.

Rehabilitation Services

The Physical Therapy, Occupational Therapy, and Speech Language Pathology program continues to serve our population well and contributes to patient satisfaction as well as to clinical status improvement. These therapy services continue to be in high demand as a result of acuity levels and complicating factors, including a high proportion of morbidly obese and/or debilitated patients in need of rehabilitation therapy. Patient satisfaction with these services remains high, and our patients continue to respond well physiologically as a result of this care.

Care Management Report

The TCH has combined the Case Management program with the Clinical Liaison program to establish a Department of Care Management. This partnership strengthens communication, knowledge, and collaboration through the process of selection through discharge.

Clinical Liaison

New patient referrals for the period from July 1, 2013 through June 30, 2014, continued to grow and totaled 1,049. Of the 1,049 patients referred, 316 patients were admitted, for a conversion rate of 30%. Of the 733 referrals that were not admitted to the TCH, 59% did not meet Long Term Acute Care Hospitals (LTACH) criteria, 23% chose another facility, 12% were due to payor denials, and 6% were due to bed availability, inability to meet specific patient needs, or patient death.

A significant broadening of the referral base has occurred this fiscal year. New patient referrals have been received from more than 54 outside facilities; 59% of the referrals were from the Medical Center. Several hospitals accounted for 4% of TCH referrals, including Winchester, Martha Jefferson, Mary Washington, and Virginia Commonwealth University.

Case Management

The practice of Case Management includes discharge planning at the time of referral to the TCH. It is a dynamic process requiring constant monitoring and collaboration with the interdisciplinary team. Length of stay is primarily driven by the patient's clinical condition and guided by the use of McKesson's Long Term Acute Care Hospital Interqual Criteria. The goal is to manage a patient's stay and plan for safe discharge to an appropriate level of care on or within the target Diagnostic Related Group (DRG).

As of June 30, 2014, the average Medicare length of stay for FY 2014 was 32.2 days, and the overall length of stay for all payors was 29.8 days.

Factors resulting in a longer length of stay include clinical conditions that are too complex to manage safely at a lower level of care, time delays associated with services and consultations from other providers, and the lack of community resources, specifically skilled nursing facilities.

Factors resulting in an abbreviated length of stay (less than the anticipated 5/6 DRG date) include clinical conditions necessitating a return to a Short Term Acute Care Hospital, a change in the patient's goals (e.g., selecting palliative care or hospice), and faster than expected clinical improvement.

Human Resources

The TCH is currently staffed with 118 FTEs. As the TCH continues to grow and develop, it is imperative that we acquire and retain talented employees. Therefore, the focus has been on the following:

Recruitment

For the period from July 1, 2013 through June 30, 2014, we successfully recruited 40 permanent staff: 15 Registered Nurses, 17 Patient Care Assistants, one Registered Respiratory Therapist, one Physical Therapist, one Occupational Therapist,

two Clinical Liaisons, two Quality Improvement Coordinator, and two Health Unit Coordinators.

Employee Engagement

In June 2014, the UVA Health System completed an employee engagement survey administered by Gallup. The Gallup Healthcare Database includes responses from more than 1.4 million employees in 110,000 workgroups who have taken the survey during the last three years.

Of TCH employees, 86.5% participated in the survey. The survey items required a response from one to five. The average, on a five-point scale, resulted in the Grand Mean. The 2014 scores will be released in the near future. TCH expects a significant improvement from the Grand Mean of 4.11 in 2013. Such improvements stem from employee-led action plans implemented to address specific opportunities for improvement.

To address retention and further enhance engagement, the TCH implemented a focused professional development education program during the second quarter of FY 2013. This education program, now entitled "Top 3", is based on the input of all employees and is refreshed each quarter to encourage employees to contribute to a quarterly selection of three educational offerings.

Quality, Patient Safety, and Performance Improvement

Quality Planning

The TCH monitors clinical outcomes and performance using external and internal benchmarking. Interdisciplinary committees and teams work together to develop and implement improvement strategies when needed and evidenced per our Quality Dashboard.

We met or exceeded the targets in 10 out of the 13 quality metrics identified for FY 2014. The overall increase in performance from FY 2013 to FY 2014 is impressive, and reflects steady organizational growth and stability.

Implementation of the "Be Safe" Program, which involves staff at all levels and requires the use of a scientific methodology to eliminate preventable harm and improve care outcomes and efficiency is a priority focus area for FY 2015.

Patient Satisfaction

The TCH exceeded the goals for all four of the targeted questions for FY 2014. Our goals for FY 2015 include continuing to achieve high performance ratings and increasing the response rate of our patient satisfaction surveys.

Community Outreach

The Transitional Care Hospital Volunteer Program continues to grow in numbers and strength. Many of the Madison House volunteers ask to return after their first year. It is becoming known as a fulfilling place to gain experience and assist patients, families, and staff.

In FY 2014, we added a Rehabilitation Therapy Volunteer Program for students who wish to explore careers in Physical Therapy, Occupational Therapy or Speech/Language Pathology. This has proven to be quite successful, and we are investigating how to expand the program in FY 2015 to accommodate the number of student volunteers who want to participate.

Community members continue to support our Hallway Musician Program and the development of our "Distraction Blanket;" provide craft materials, welcoming pillowcases, and shawls/lap blankets; and contribute to our "flower" program. All are very much appreciated by TCH patients and families.

External Benchmarking

The TCH continues to meet the standards set forth by the Centers for Medicare and Medicaid Services (CMS) Long Term (Acute) Care Hospital Quality Reporting Program, starting its third year on October 1, 2014. Submitting required data in the designated manner and timeframe allows us to avoid a 2% payment reduction and hopefully will provide external quality benchmark opportunities in the future.

The TCH also continues to participate with the Centers for Disease Control and Prevention's National Healthcare Safety Network (NHSN) for device-related infection and device utilization rate comparisons.

LTACH benchmarking continues to further identify standard definitions and risk-adjustment methodologies. This will be very beneficial in ensuring accuracy in data submission and interpretation.

Accreditation

The TCH completed an unannounced Joint Commission Triennial Accreditation survey in mid-June, 2014. Overall, the results were positive with a minimal number and severity of findings. Action plans responsive to the survey findings have been submitted, and the TCH is awaiting acceptance of the plans.