UNIVERSITY OF VIRGINIA
MEDICAL CENTER OPERATING BOARD FOR THE UNIVERSITY OF VIRGINIA
TRANSITIONAL CARE HOSPITAL
Thursday, February 19, 2015
8:00 – 8:30 a.m.
Auditorium of the Albert and Shirley Small Special Collections Library, Harrison Institute

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

Ex Officio Members:
Teresa A. Sullivan Patrick D. Hogan
Randolph J. Canterbury, M.D. Richard P. Shannon, M.D.
Dorrie K. Fontaine John D. Simon
Robert S. Gibson, M.D Pamela M. Sutton-Wallace

AGENDA

I. OPENING REMARKS FROM THE CO-CHAIRS

II. OPERATIONS AND FINANCE REPORT (Dr. Shannon to introduce Ms. Michelle D. Hereford; Ms. Hereford to report)

III. 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:
  - Strategic personnel, financial, market, and resource considerations and efforts, including potential joint ventures or affiliations; long range financial plan and assumptions and operating and capital budget assumptions; review of performance measures and metrics;
- 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),(6), (7), (8), 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.
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 TCH, 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, 2014 through November 30, 2014 with operating income of $123,116, compared to the budgeted operating income of $312,058. During this same period, inpatient discharges were 124 compared to the budget of 169. Average length of stay was 33.14 days, which is 4.5 more days than the budget of 28.60. The All Payor Case Mix Index (CMI) of 1.28 exceeded the budget of 1.25. The Medicare CMI was 1.23 compared to a budgeted figure of 1.28. Total full-time equivalents (FTEs) were 124, 8.5% below the overall budget of 136 FTEs.

Summary for November FY 2015:

- Discharges were 27% below budget.
- During the first five months of FY 2015, TCH reported 34% ventilator cases which carry a 1.97 CMI.
Payor Mix as shown below, reflects a higher than budgeted net revenue per case due to commercial payors.

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<thead>
<tr>
<th>Payor</th>
<th>Actual</th>
<th>Budget</th>
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<tbody>
<tr>
<td>Medicare</td>
<td>59%</td>
<td>57%</td>
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<tr>
<td>Medicaid</td>
<td>17%</td>
<td>25%</td>
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<tr>
<td>Commercial</td>
<td>11%</td>
<td>7%</td>
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<tr>
<td>Anthem</td>
<td>8%</td>
<td>8%</td>
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<tr>
<td>Self Pay/Indigent</td>
<td>5%</td>
<td>3%</td>
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For the period from July 1, 2014 through November 30, 2014, TCH reported 123 admissions. Of those admissions, 94 (76%) were from the Medical Center. The 94 Medical Center admissions represent 3,056 patient days or approximately 20 Medical Center beds per day which would not have been available without the TCH. In addition, the 3,056 patient days reduced the Medical Center’s average length of stay by 0.26 days.

OPERATIONS REPORT

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, 2014 to December 31, 2014, 51 patients were admitted for vent weaning/teaching, 86% of whom 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, 2014 through November 30, 2014, 32% of the TCH patient population was admitted for complex wound care needs. 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, TCH implemented the Wound Treatment Associate (WTA) program. 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. The initial class of 19 employees and a second cohort of 15 students enrolled in August 2014. Half of this class was from outside of the TCH, thereby broadening the education offering. A third class is now enrolling for February 2015 and we are expecting similar attendance.

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. Additionally, Rehabilitation Services has begun to evaluate the impact of fall assessment tools in the prevention of falls in the LTACH setting. This study is underway and will assist the TCH in determining additional assessment techniques utilizing the skills of the rehabilitation professional.

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 throughout the process of selection through discharge.

Clinical Liaison

New patient referrals for the period from July 1, 2014 through December 31, 2014, continued to grow and totaled 627. Of the 627 patients referred, 164 patients were admitted, for a conversion rate of 26%. Of the 463 referrals that were not admitted to TCH, 67% did not meet LTACH criteria, 15% chose another LTACH facility due to the desire to remain close to home
or the need for specific services, 9% were due to payor denials, and the remaining 9% were due to bed availability.

A significant broadening of the referral base has occurred this fiscal year. While 48% of referrals came from the Medical Center, 52% of new patient referrals were received from 59 outside facilities. The largest referring facilities were all at 5%, including Inova Fairfax, Carilion Roanoke Memorial Hospital, Mary Washington Hospital, August Health, Sentara Rockingham Memorial Hospital, and U.Va. Culpeper Hospital.

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 December 31, 2014, the average Medicare length of stay for FY 2015 was 31.01 days and the overall length of stay for all payors was 32.21 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, services that cannot be provided in outpatient setting due to billing (i.e., dialysis for Acute Kidney Injury), 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 124 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 December 31, 2014, we have successfully recruited 24 permanent staff: 10 Registered Nurses, six Patient Care Assistants, three Registered Respiratory Therapists, one Speech Language Pathologist, one Case Manager, two Clinical Liaisons, and one Nurse Manager.

Employee Engagement

The June 2014 Gallup Employee Engagement Survey results revealed the TCH exceeded expectations with an overall satisfaction rate in the 73rd percentile. This rating is an increase from the 49th percentile in the previous year. The TCH increased its scores for every Q12 question and the “Engagement Index Ratio” was 14.8:1 (engaged employee: disengaged employee). According to Gallup, world class organizations have an Engagement Index Ratio of 9:1. TCH is very pleased to exceed this standard.

The TCH plans to expand the charge of its employee-led Engagement Committee while renaming it the TCH Experience Committee. This committee will focus on defining an ideal TCH experience for all patients, visitors, and staff who enter the building. Planning will include assessing such factors as the look and feel of the facility and the way we all interact at the TCH.

The TCH has also begun employee retreats for the second year. The retreats are scheduled for the months of January, March, and April 2015 and will result in continued engagement of staff through a self-governing approach.

Quality, Patient Safety, and Performance Improvement Report

Quality and Patient Safety 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, as evidenced by our Quality and Patient Safety Dashboard.

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 for FY 2015. TCH is
focusing on six priorities for preventing harm to become the safest Long Term Acute Care Hospital and is educating our staff to these principles.

Thus far in FY 2015, U.Va. has educated the leadership team to Be Safe principles, A3 methodology, and Root Cause Analysis. TCH is meeting and exceeding our performance and outcomes expectations for the six priorities mentioned above.

Patient Satisfaction

The TCH continues to seek ways to obtain feedback from our patients and their families, which is invaluable to guiding our efforts to improve our services and exceed patients’ expectations. We have achieved our goals for FY 2015 year-to-date (July 1, 2014 – December 31, 2014) and increased our response rate to 30%.

Community Outreach

The TCH Volunteer Program continues to grow in numbers and strength. Madison House Volunteers, Community Volunteers, and Community musicians all provide greatly-appreciated services for patients and families. These services range from donating “distraction blankets”, shawls, lap blankets, and decorative pillow-cases; providing bedside visitation to our patients and respite for their families; delivering flower arrangement; providing hands-on assistance with patient Rehabilitation Therapy sessions; playing soothing music during our “quiet times”; and using four new iPads to entertain, educate, or help patients communicate with family members and friends. These iPads were obtained through the inspiration and persistence of one of the Madison House volunteers after she spent time with patients and saw the need.

December 2014 was busy for the TCH as it continued its service to the community. TCH was able to provide 10 children from Brownsville Elementary with eight gifts each. TCH also held a food drive and collected 140 pounds of food for the local Blue Ridge Food Bank. Helping the communities we serve is an important part of the TCH culture and the mission of our organization.

As TCH gave, we also received. The holiday season began with a tree lighting ceremony that included patients, families, volunteers, visitors, and staff. We lit our holiday tree, sang carols, and enjoyed cookies and hot cider. A wonderful time of
fellowship was had by all. The singers from the Virginia Consort gave the gift of their time and voices as they sang beautiful and cheerful holiday songs throughout the patient care units. The Red Hawks women's basketball team from Miami University in Oxford, Ohio, in town to play in the Cavalier Classic Basketball Tournament, also sang for our patients and put many smiles on their faces. The TCH Elf made a visit to staff and patients and gave small gifts to help spread holiday cheer.

**External Benchmarking**

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

TCH continues to participate with the Center for Disease Control and Prevention’s National Healthcare Safety Network (NHSN) for device-related infection and device utilization rates comparisons. Thus far in FY 2015, we have far exceeded expectations, and are well under national benchmarks for LTACHs in both device utilization and device-related infection rates.

**Accreditation**

The TCH is in full-compliance with Joint Commission standards (TCH was surveyed in June 2014) and is fully accredited for another three years.