Notes for Community Listening Session
10/9/2018

Listening Session on 10/9/2018 with community members, health care professionals and business leaders.

Questions Raised by Focus Group Members:

1. What documentation can Venable LLP provide which demonstrates they have had success with other hospitals? What does the restructuring plan look like? How will it be implemented?

   DCHS Board is cautioned: Do not relinquish power to Venable until Venable can prove they have the experience and the expertise to effectively restructure DCHS.

   DCHS is cautioned: Strictly adhere to the prescribed rules of the Open Meetings Act to avoid lawsuits.

   All DCHS meetings with Venable LLP should include two County Board members to insure transparency and accurate flow of information.

2. Where is the money coming from to pay the professional fees for restructuring?

3. What is the short-term solution to insuring adequate cash so employees can be paid and the hospital can remain operational?

4. Short of bankruptcy, is there any way Venable can take charge of hospital operations, or leverage the Board to give control to Venable?

5. How will Venable and DCHS know when bankruptcy is inevitable?

6. Where is the Pension money? Why are some retirees not receiving their payouts?

7. Who is financially benefitting from the Venable deal?

Core Issues Identified by Focus Group Members:

1. **The CEO reports to the Board of Trustees and takes his direction from them- not the other way around. The Board of Trustees has responsibilities to its stakeholders-employees, retirees and the Community.** Let me say this again (repeat statement). The Community should have input into Board selection. The public should know who Board members are and what qualifications and credentials they possess. Board members should be identified on the DCHS website.

2. Billing for Services: It is obvious that there are major production inefficiencies. There should be an audit of all accounts receivable for the last five years. A/R aging reports should be carefully reviewed, and compared to a comparable for-profit hospital to identify weaknesses and gaps. Inefficient billing practices, lack of procedural clarity, lack of aggressive fee collection including wage garnishment, and write-offs are considered the biggest problems for DCHS. “We don’t go after ‘bad debt’ because this is a small community” is NOT an acceptable business practice. Insurance Pre-authorizations should be completed for all services at the first point of contact, especially in the ED. This should reduce nonpayment by patient or insurance, and increase revenue.

3. Corollary to Billing: Patients who state they have insufficient funds should be enrolled in Medicaid, Healthy Michigan or MI Child – agencies that often pay 100% of expenses- at the first point of contact with DCHS. They should not have to wait until 8 am the next morning or until Monday if they are admitted on Friday night. Social Workers or staff trained in enrollments need to be on call and available 24/7 to provide financial assistance. (One of our contributing community members stated that enrollment can be completed on a smart phone).

Suggestions Made for Improving Cash Flow and Operations by Focus Group Members:

A community member described DCHS as "oozing revenue opportunities". Some ideas generated by our session include:

1. Half of the Medical-Surgical floor is unused. Rent it out to Bellin for Behavioral Health services, which is much needed in the Upper Peninsula.

2. Expand the ACU and offerings- develop a multispecialty ASC. Offer more outpatient surgical services: expanded pediatric dental surgery; Bariatric surgery; eye surgery; orthopedic surgery; including neck and spine; skin therapies from cancer removal to cosmetic procedures. Becker's ASC Review reports that the ASC market is expected to grow at a 4 percent compound annual growth rate from 2017 to 2027, according to Future Market Insights. The hospital-based ASC segment is expected to hit $69.7 billion by 2027, and multispecialty ASCs are expected to dominate reaching $76.8 billion over the next decade. (Written by Laura Dyrda | April 02, 2018)

3. Offer Point of Care Enhanced Diagnostic Services for screening, assessment and management of disease- interventional cardiology and electrophysiology procedures; angioplasty; heart catheterization lab; Open MRI and PET Scans; pediatric MRI and CAT scans; Arterial Ultrasound screenings and other preventive services.

4. Open a Skilled (Long Term) Care wing at DCHS.

5. Expand Obstetrical services to include access to genetic testing and counseling

6. Establish a solid working partnership with the VA, instead of maintaining separate healthcare silos.

7. Establish a Community Advisory Board to monitor and advise hospital operations.

This Listening Session was highly productive. I have been asked to continue with more of them. I was amazed at the thoughtfulness and depth of understanding possessed by the members of this group, and their willingness to research and participate in the discussion. If a group of "non-hospital" community members can identify issues, ask questions and propose potential solutions like these, certainly the CEO and the DCHS Board should be able to do the same, if not more.

Respectfully Submitted,

Barbara Kramer
Dickinson County Commissioner