

## A MESSAGE FROM NCHA PRESIDENT & CEO



**Stephen J. Lawler**



>> NCHA is proud to serve as the advocate and voice of your hospitals and health systems, building relationships and driving change that allows you to achieve sustainable success in all areas of your organizations, from workforce retention and recruitment to supply chain to improving and advancing equitable care for all.

As we head into the third year of COVID-19, many hospitals are confronting a range of financial and operational strains, including historic volume and revenue losses, as well as skyrocketing expenses for labor and supplies. Knowing your need for financial security, NCHA facilitated a legislative plan, the Healthcare Access and Stabilization Program (HASP), to seek federal resources to help stabilize the community safety net and protect healthcare access in North Carolina. HASP was successfully included in several bills this session but has not made it to the finish line yet. While we made significant headway educating lawmakers on HASP, we will continue to push for this solution to be enacted this year.

Despite the challenges, fatigue and uncertainty your hospitals face, one thing is certain — the mission-focused resolve of each and every hospital to continue save lives and improve the health of North Carolinians. It is an honor for your association to partner with you to innovate to build a better, high-quality health system.

## Advocating Together

>> The House and Senate both inserted Medicaid expansion into existing bills during the short session, but neither made progress before the NC General Assembly quickly adjourned on July 1. NCHA's priority this session was to pass HASP, hosting multiple Advocacy Days for members to discuss the program with legislators. This included convening for the first time the NCHA's Regional Policy Councils to meet in Raleigh to advocate for HASP with lawmakers.

While HASP language passed both chambers in different bills, it did not do so in a vehicle that was ratified. NCHA will continue working with the NC Department of Health and Human Services and legislators to pass both HASP and Medicaid expansion this year.

Gov. Cooper recently signed the biennial budget passed by the General Assembly. Lawmakers understood your need for regulatory flexibility, and through the budget added language to the General Statute to keep the current COVID-19 waiver flexibilities beyond the end of the public health emergency.

On the federal front, Congress has returned to the pre-COVID-19 pace, passing few bills. NCHA continues to engage with our Washington DC representatives



### NCHA ADVOCACY DAY

**Leaders from Northern Regional Hospital in Mt. Airy visited with Rep. Kyle Hall during NCHA's Advocacy Day to urge the General Assembly to authorize HASP, accessing federal funding to stabilize healthcare operations and allow for better access to care in rural communities.**

and regulators to ensure that lessons learned during the COVID-19 public health emergency are not forgotten — such as codifying telehealth changes and allowing for EMTALA and staffing flexibilities. Staff continue to host delegation roundtable events to ensure members can participate in federal advocacy work.

In the courts, NCHA was successful in helping to preserve the Certificate of Need law, which had been challenged as unconstitutional. The North Carolina Court of Appeals upheld the law as constitutional in a unanimous decision issued in June. NCHA was an amicus party before the Court.

## Prioritizing Workforce



>> The NCHA Policy Development Committee and Regional Policy Councils focused on the Board's top policy priority for the Association: workforce. The Regional Policy Councils met in the spring to advise on opportunities and tactics in four key areas: (1) pipeline development; (2) retention; (3) burnout; and (4) workplace violence. The Policy Development Committee has refined into a strategy for sustained effort and coordinating Association resources for maximum impact.

NCHA and members have been working together to develop a comprehensive workforce strategy, which leverages existing collaborative work. To date, NCHA has formed a Workforce Advisory Group, launched a workforce newsletter, coordinated with Area Health Education Centers (AHEC) and the Cecil G. Sheps Center to gather data on workforce needs across the state, and held a Q&A session with the NC Departments of Labor and Commerce to help members understand how the state can assist their efforts. Look for additional resources in the coming months to assist you in mitigating workplace violence, building a strong workforce pipeline, increasing retention, and reducing burnout.



In the spring, NCHA launched new Regional Forums, immediately following the Regional Policy Councils, where NCHA Board Chair Roxie Wells, MD (pictured left) and NCHA President and CEO Steve Lawler shared with

members strategic and legislative priorities. In the fall, NCHA will tour the state again offering an "Introduction to NCHA" to help orient your new leaders to the work of the Association and how to get involved. We look forward to meeting your new teammates.

## Preserving the Safety Net

>> NCHA continues to work closely with State leaders on Medicaid reform and preserving the healthcare safety net. This is an unprecedented year for hospital finances due to the lingering effects of the pandemic. From increased labor cost to supply chain shortages, NCHA understands that members are facing double digit percentage increases in expenses. NCHA and its member workgroups are dedicated to helping hospitals thrive by continuing to resolve billing, claims, reimbursement, compliance, network adequacy, and assignment of benefits issues, relating to Medicaid, Medicare, Medicare Advantage, TRICARE, State Health Plan, and other commercial health insurance.

### One year into Medicaid Managed Care

North Carolina has approached one year since transitioning to Medicaid managed care. Through the work of NCHA and its member workgroups, NCHA is serving as quality control in identifying inconsistencies between prepaid health plans (PHPs) and the Department of Health Benefits (DHB) policies to protect hospitals from PHP underpayment tactics. NCHA workgroups have held weekly meetings to identify issues and bi-weekly meetings to discuss and resolve these issues with DHB. While successful in many areas, there are still systematic issues in Medicaid managed care that the NCHA Medicaid managed care committee will need to address in the coming months.

### Hospital Base Rate Payments

NCHA protected hospital base rate and supplemental payments in the transition to managed care by establishing a rate floor, or minimum payment hospitals could receive from PHPs. To date for 2022, the rate floor resulted in \$600 million in net Medicaid revenues to hospitals to offset Medicaid and uninsured losses, \$70 million of which is a result of enhanced base rates from the per diem upper payment limit calculation negotiated with DHB.

### Working on a Stabilization Solution — HASP

The NCHA Technical Advisory Committee (TAC) worked to create the HASP plan that would provide increased Medicaid reimbursement from the Centers for Medicare and Medicaid Services to stabilize hospitals and improve access to care in North Carolina. HASP is a directed payment program to hospitals allowable through CMS that provides federal dollars at a rate close to the cost of providing care for Medicaid patients, while not costing the state a dime.

## Harnessing the Value of Data

>> NCHA develops data analyses to support members in minimizing risk and navigating changes with Medicaid Managed Care and other policies that have a financial impact to NC hospitals and health systems. Analysis includes:

- Reported on community benefits provided by NC hospitals based on Annual Survey of members.
- Impact of Medicaid managed care losses, expansion and HASP benefit.
- Payor scorecard development that will track managed care denials by payor by region.
- Produced hospital-specific analysis for calculating funds at risk due to potential state and federal legislative changes.

NCHA and the North Carolina Division of Public Health (NCDPH) have partnered to expand our syndromic surveillance footprint to include an additional 23 urgent care facilities, bringing the total to 89 urgent care facilities. NCHA and Hospital Industry Data Institute (HIDI) have deployed a Non-Resident Data Exchange that allows health system strategic planners to access discharge data on NC residents who leave NC to seek care at 18 participating states. NCHA and HIDI staff also migrated the legacy Analytics Advantage reporting platform to a Tableau-based platform called HIDI Advantage Optics. In terms of future work, NCHA is working with HIDI on a new Readmissions Data Initiative that would add a unique patient identifier (MPI) and include Risk-Adjusted Readmissions Enriched Data for all participating facilities.

## Telling the Healthcare Story

>> NCHA continues to make progress in our work to drive and shape the narrative about healthcare providers in our state. During first quarter, television and radio stations broadcast a NCHA public service message featuring children of health system and hospital employees more than 2,000 times, including just before the Super Bowl halftime show on WRAL-TV in Raleigh. NCHA also hand-delivered cards to General Assembly members during National Hospital Week to remind them of the vital roles of hospitals to patients and communities.

To inform the public and statewide business community about current challenges and recent success of health systems and hospitals, NCHA hosted a virtual panel discussion about the state of rural hospitals in April that drew more than 330 views. The association was a presenting sponsor of a statewide virtual panel discussion about the state of healthcare in North Carolina hosted by the three regional business journals, and we will be a sponsor of the NC Chamber Healthcare Conference in September. Steve Lawler was also a panelist for Business North Carolina's statewide 2022 Economic Forecast virtual event. The publication recently named Steve to its 2022 Power List of influential business leaders in the state for the second year in a row.

During the short session, NCHA communications issued several press releases, statements and op-eds about the association's support for Medicaid expansion and HASP. We also ran a statewide radio campaign urging the General Assembly to pass Medicaid expansion.

### NCHA VIRTUAL RURAL TOWN HALL



**NCHA's April 28 Virtual Town Hall on rural health care in North Carolina was led by a panel that included Mark Gordon, President, Cone Health Alamance Medical Center; Bert Beard, CEO, Maria Parham Health, a Duke LifePoint Hospital ; Joann Anderson, Senior Advisor at Ascendient and former CEO, UNC Health Southeastern; Roxie Wells, MD, President, Cape Fear Valley Hoke Hospital; Paul Hammes, CEO, Hugh Chatham Memorial Hospital and James Hoekstra, MD, President, Atrium Health Wake Forest Baptist – High Point Medical Center**

The communications team is now working with other NCHA staff and vendors to prepare a report for release in the fall describing how health systems and hospitals are contributing to the state's economy and improving the health and well-being of patients and communities.

## Engaging Members in Education

>> NCHA is excited to be together in-person for this year's Summer Meeting. While our virtual Winter Meeting was a great success, we've missed face-to-face networking with members. NCHA continues to deliver educational offerings ranging in topics from emergency management, regulatory issues, quality & patient safety, as well as high interest subjects like mitigating workplace violence. We offer multiple webinars every month and are always on the lookout to partner with you to deliver on topics that your staff want to know more about. Email us at [education@ncha.org](mailto:education@ncha.org) with suggestions.

## Acting on Our Commitment to Equity

>> In November 2020, NCHA announced our commitment to address equity in our communities and in clinical settings through a multi-prong approach. Here are just a few updates on our equity work:

### Equity of Care Resolution

NCHA has invited members to sign the [Equity of Care Delivery Resolution](#). To date, more than 40 hospitals have signed. The Resolution launches enduring, action-oriented efforts of NCHA and its members in three initial phases: 1) confirming member engagement by collecting Resolution signatures 2) analyzing measures to develop the Equity of Clinical Care Dashboard and 3) improving performance to reduce disparities in healthcare delivery. The following quality metrics have been identified and approved for initial tracking by race and ethnicity:

- Readmission rate for patients with diabetes
- Readmission rate for patients with heart failure
- Rate of post-partum hemorrhage
- Patient experience survey (HCAHPS) response rate

To support performance improvement efforts in this work, NCHA, through the **NCHA Patient Safety Organization** (NCHA PSO), is launching a multi-year Equity Learning & Action Network (LAN) in the Fall.

For more information on the Resolution, Dashboard, and measures, please visit: <https://www.ncha.org/equity-of-care/>. For more information about the LAN, contact Shelby Lassiter at [slassiter@ncha.org](mailto:slassiter@ncha.org).

### PSO Equity Data

Equity continues to be a critical focus in the journey to prevent harm and PSO members are responding. Upon initial examination of data, fewer than 5% of patient harm events were reported to the PSO with race data populated in April 2021. Through membership mobilization, approximately 40% of events now include race data as of early 2022. The aim is to have 95% compliance in such reporting by the end of 2022.

### Diverse Healthcare Leaders Mentorship Program

In January, NCHA welcomed the third class of participants into the Diverse Healthcare Leaders Mentorship Program designed to build a diverse pipeline of underrepresented men and women into healthcare leaders who will shape and transform health in NC. NCHF has set a goal to raise \$300k over five years to support the growth and sustainment of the program. To show your support go to: <https://www.ncha.org/give/>.

## Changing the Youth Mental Health System

>> Youth mental health has been a growing area of concern in the Carolinas for more than a decade. In April, **CaroNova** completed a six-month discovery process of evaluating the needs across the Carolinas and identifying potential areas of opportunity to make an impact on youth mental health.

Through bi-state conversations with subject matter experts and people with lived experience, CaroNova has identified opportunities to support the efforts of those already working to address the youth mental health crisis in the Carolinas. CaroNova published their findings and recommendations in a 23-page report titled, *The State of Youth Mental Health in the Carolinas*. They also created a Patient Journey Map exploring how those with lived experience currently navigate the youth mental health system.

## Transforming through Innovative Programs

>> **The North Carolina Healthcare Foundation** (NCHF) continues its mission to have a transformative impact on healthcare delivery through innovative programming and technical assistance to support patient safety, quality improvement, population health, and workforce professional development. Here are a few examples:

The **Medicare Flexibility (FLEX) Program** facilitated a five-part interactive learning and action series to support population health improvement based on the ASPIRE+ Method utilizing data from the Critical Access Hospital profiles developed within NCHF. With this data, participants focused on achieving equitable, value-based outcomes by delivering whole-person care through cross-continuum collaboration. Participants reported being able to leverage learnings to review high utilizers in the emergency department, evaluate care management processes, and identify and enhance community partner relations.

The **Small Rural Hospital Improvement Program (SHIP)** continues to provide healthcare quality professionals opportunities to achieve certification with the National Association of Healthcare Quality's Certified Professional in Healthcare Quality program. NCHF has expanded its program to include three professional tracks for continued workforce skill building. To date, this program has supported the certification of 11 quality professionals in rural hospitals.

NCHF partnered with the Association for the Health Care Environment in early 2022 on a **Certified Health Care Environmental Services Technician (CHEST) program**, providing standardized, high-quality, evidence-based education and training to support frontline EVS providers in achieving CHEST certification. Forty-two EVS leaders representing 35 healthcare facilities with broad rural representation are enrolled in the initial NC cohort.

## Providing Innovative & Cost-Effective Solutions

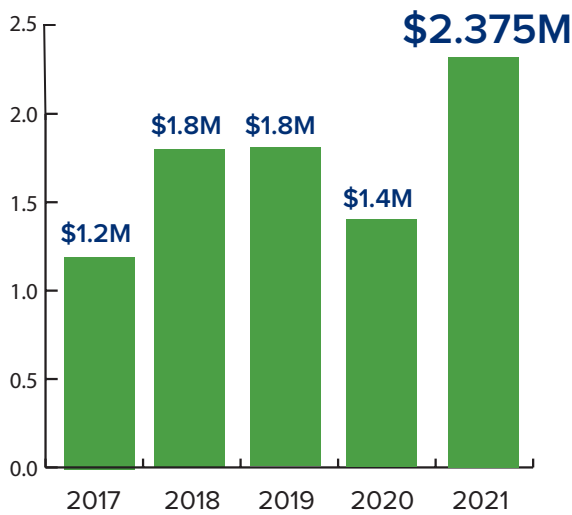
>> NCHA Strategic Partners (NCHASP) has one goal in mind — to be the most trusted resource to healthcare providers for high-value, cost-saving, and efficient solutions. From vetting a potential partner to launching a new partner, every decision made by NCHASP is with the healthcare provider and patient in mind.

In the first half of 2022, NCHASP has launched six new partners through our Solution Station:

- **Community Wellness** — Community Wellness a full-service, turnkey provider of remote patient monitoring, can reduce readmissions and the amount of time patients are in beds, while improving data reliability and sharing, as well as billing efficiency.
- **EHR Concepts** — EHR Concepts specializes in providing services in healthcare IT, electronic health record (EHR), helpdesk support, and healthcare institute knowledge-based e-learning modules.
- **Hospital Services Corporation (HSC)** — HSC provides a wide variety of services to the healthcare industry, including background investigations, practitioner credentials verifications, electronic healthcare transactions, risk management services, and more.



**NCHASP President Jody Fleming at the eastern NCHA Regional Policy Council meeting on workforce challenges.**



**Amount NCHA Strategic Partners contributed to NCHA operating expenses over the past 5 years.**

- **Onsite Water Management** — Onsite Water Management , headquartered in North Carolina’s Research Triangle Park, provides solutions to address businesses’ critical water needs using onsite resources.
- **Oppomed** — North Carolina-based Oppomed offers a technology platform to connect job seekers in health care directly with hiring managers and internal recruiters (not staffing agencies).
- **Sevaro** — Sevaro offers data-driven telestroke services that provide access to vascular neurologists within 45 seconds to provide acute and non-acute neurological care in both emergency and inpatient settings.

If the COVID-19 pandemic has taught us anything, it is that we are better and stronger together. In the words of Charles Darwin, “In the long history of humankind, those who learned to collaborate and improvise most effectively have prevailed.” This has certainly been the case during the supply challenges of the last few years. Strategic Partners has prevailed by thinking differently, creatively, and strategically.

Thank you for allowing NCHA Strategic Partners to be a trusted resource for your teams!

Kindest regards,

**Jody Fleming**  
President, NCHA Strategic Partners  
Executive Vice President, NCHA

NCHA Strategic Partners By the Numbers	
4	Number of Sponsors converted from Solution Station
6	Number of New Business Partners
10	Number of New Sponsors
8	Number of Business Partners that are also Sponsors

Here are few highlights from our partners:

### **Bamboo Health**

In 2021, Appriss Health and Patient Ping joined together forming Bamboo Health. Bamboo Health's healthcare solutions facilitate whole-person care. No matter who the provider is, no matter what the care setting is, Bamboo Health can look at the individual as a whole person and uniquely coordinate how they are going to care for that patient. In 2021, participants realized the following improvements: 20% reductions in total inpatient episodes, 15% reduction in total emergency room episodes, 30-day inpatient readmission rate varies from 6% to 15% decrease

### **CommerceHealthcare**

CommerceHealthcare® delivers a fresh perspective on healthcare financial solutions, focusing on receivables, payments, and lending. CommerceHealthcare provides innovative banking technology and best practices to the healthcare industry. CommerceHealthcare solutions help providers streamline financial processes, optimize revenue and payments, and improve cash flow. 2022 is trending an estimated \$300,000 per hospital in additional revenue share.

### **Healthcare Experience Foundation**

The Healthcare Experience Foundation (HXF) equips leaders and organizations to overcome obstacles and drive meaningful performance outcomes. Over the past 12 months, HXF has engaged with over 200 healthcare facilities to overcome that struggle. HXF has certified over 150 physicians and advanced practice leaders in patient experience and loyalty; consulted 200+ executive teams on physician engagement and provided two compassionate leadership certification virtual conferences engaging with over 200 leaders across the country.

### **Marsh & McLennan Agency**

Marsh & McLennan Agency has partnered with NCHA for more than 7 years. Through the partnership, with NCHA hospital clients have saved more than \$10 million across their employee health and benefits, and on average have seen over 15% savings upon new engagement with Marsh & McLennan.

### **Merritt Hawkins**

Merritt Hawkins (MHA) is a full-service, permanent physician search firm that specializes in recruiting and placing top physicians and advanced practitioner talent in jobs across the country. MHA placed 25 physicians in NCHA member hospitals in 2021. These positions represent over \$30,000,000 in inpatient and outpatient revenue. MHA placed 25 physicians in NCHA member hospitals in 2021.

### **NCHA Strategic Partners Workers' Compensation Fund**

The NCHA Strategic Partners Workers' Compensation Fund, in partnership with Arthur J. Gallagher & Co. (AJG), announced in 2021 that its members will receive more than \$1.2 million in distributions, also known as dividends, based upon favorable operating results.

### **NC MedAssist**

NC MedAssist is a non-profit pharmacy that provides free prescription medicines to low-income, uninsured North Carolinians. In 2022, NC MedAssist filled 190,771 prescriptions, volunteered 9,708 hours, served 68,000 patients across the state, and \$132 million in benefits to NC.

### **Qualivis**

Qualivis offers a robust suite of workforce solutions including traditional travelers, critical response, international clinicians, and everything in between. Qualivis has provided over 39,000 placements, with over 250 supplier partners, over 12 services lines just in 2021. Of any new placements in North Carolina, 94% of the placements achieved an on-time start, experienced a 5% cancellation rate, and of the travelers placed 60% extended assignments.

### **Sensato**

Sensato focuses on privacy and compliance by helping organizations prepare for, assess, and respond to cybersecurity threats with products and services designed specifically for their unique information technology requirements. On average, a Sensato customer can generate 100,000 alerts monthly for network and medical devices monitored. The average cost of a healthcare data breach is \$9.3 million per occurrence, so preventing an attack is crucial. Sensato recently launched the Virtual-CISO program as healthcare providers continue to address challenges in attracting and retaining a CISO. The Virtual-CISO supports any size organization and is custom-tailored to support specific goals and budgets.

### **Staff Care**

Since 1991 Staff Care has worked with only the best locum tenens talent to fill various staffing positions, including specialty physicians, dentists, CRNAs, nurse practitioners, and physician assistants. Staff Care is the go-to agency for hard-to-fill vacancies due to vacations, census fluctuations, service expansions, and other factors. In 2021, Staff Care placed 99 providers, for a combined 6,814 working days seeing over 136,000 patients.

### **SUNRx**

SUNRx has been a leading third-party administrator since 2006, and today provides comprehensive 340B services for all types of 340B Covered Entities, including; federally qualified health centers and look-a-likes, health systems, disproportionate share hospitals, cancer centers, sole community, critical access, and children's hospitals. In 2021, SUNRx's 340B program solutions have helped hospitals in North Carolina save over \$2,158,000.

### **Vizient**

Vizient, the nation's leading healthcare performance improvement company, has designed innovative solutions and services that empower providers to do more of what they do best: deliver exceptional care to their patients. Vizient can provide resources to achieve growth across your system of care, advance clinical and operational quality, improve spend management and build supply assurance and provide access to essential medication and channels for growth. Vizient has historically saved healthcare facilities an average of 6-12% in spend.