

A Message from NCHA President & CEO




Stephen J. Lawler

>> *“If you fail to prepare, you’ve prepared to fail.” – Mark Spitz (USA Swimming, 9-time Olympic medalist).*

With Summer Olympics around the corner, Mark Spitz’s words remind us that true success, whether in sports or advocacy, is built on a foundation of preparation. Those who invest the time and effort to prepare are the ones who ultimately drive meaningful and lasting change.

As I cross the halfway point of my final year as NCHA’s President and CEO, I will be working with the Board and team at NCHA to bring 2024 to a successful finish and prepare for 2025 as I hand the baton to my successor.

I’m pleased to share in this mid-year recap the progress we’ve made together this year to champion policies and innovations to improve healthcare in North Carolina. Our collaboration with various stakeholders continues to ensure that hospitals’ concerns are heard on issues like workforce, behavioral health and care transitions.

By meticulously preparing, the innovative arm of the Association — our Foundation and CaroNova — is laying the groundwork for meaningful change by working to redesign behavioral health, improve palliative care for serious illness, address social determinants of health like transportation, reduce maternal mortality and more.

Also, the cost-effective solutions from the businesses vetted by NCHA Strategic Partners offer the comprehensive support needed to provide exceptional care to the patients you serve while also supporting efforts of the Association.

Thank you for your continued support and engagement.

Advocating Together

>> The NC General Assembly passed an adjournment resolution for the short session at the end of June with plans to reconvene once a month ahead of the 2025 long session. The House and Senate did not reach an agreement on a budget deal for new spending. Since the start of session in April, Gov. Roy Cooper has signed 24 bills, vetoed eight (three overridden and five remain) and let two become law without his signature.

While this session has been quiet so far on healthcare policy, NCHA did successfully achieve our priority to delay the implementation of HB125, the Hospital Workplace Violence Act, until June 1, 2025, for hospitals to submit a summary of their security risk assessment.

NCHA continues to coordinate efforts between numerous member-led committees, the NC Department of Health and Human Services and other stakeholder groups to ensure hospitals concerns are addressed using data-driven analysis. NCHA’s Behavioral Health Advisory Group is working to address a series of behavioral health issues. This includes shaping the Department’s \$835 million investments for behavioral health reform and working alongside partners to address the growing concerns with youth in Division of Social Services custody boarding in hospitals. Because Medicaid Expansion will enable patients with behavioral health conditions to access ongoing treatment, NCHA members are working collaboratively with the Department – with some recommendations already



NCHA held regional meetings with lawmakers like Rep. Donny Lambeth (pictured left) prior to short session.

adopted – to shape the 3-Way Bed Program, a statewide program that allows uninsured patients to receive inpatient care during a psychiatric crisis.

NCHA’s Transitions of Care Committee, comprised of leaders in case management, is undergoing a six-month data collection project to identify dispositional barriers hospitals face in discharging patients to post-acute settings. This year has also brought the restart of the Rehab Advisory Group, an affinity group focused on the policy landscape related to rehabilitation settings.

NCHA remains actively engaged in state and federal regulatory issues impacting our members. NCHA recently commented on proposals outlined in the CMS FY 2025 Inpatient Prospective Payment System (IPPS) rule. Currently, staff are preparing for the periodic review of the 10A NCAC 27G Rules for Mental Health, Developmental Disabilities and Substance Abuse Facilities and Services. These efforts underscore NCHA’s commitment to advocating for policies that support healthcare providers and the communities they serve.

Prioritizing Workforce

>> NCHA knows your most important resource is the people caring for your patients and communities. That is why we continue to collaborate cross-functionally on the following recruitment, retention and workplace safety strategies:

- In March, we released [a new workforce report with RTI International](#) that showed a positive trend in staffing retention and reduced vacancies across most of North Carolina hospitals and health systems in 2023. Despite this improvement, rural, nursing and residential care facilities continue to experience workforce challenges.
- NCHA formed a **Task Force** to share strategies and best practices for adherence to House Bill 125, which passed in the 2023 session. In the latter half of the year, we plan to engage more widely and partner with industry experts.
- In June, the **CaroNova Health System Workforce Experience Accelerator** kicked off its work. This bi-state collaboration aims to transform the healthcare workforce experience at hospitals/health systems in the Carolinas with the goal of improving retention and alleviating shortages. This will be accomplished by:
 - Examining the root causes and factors contributing to healthcare workforce burnout and lack of professional fulfillment
 - Working with hospitals to co-design, develop and launch an online resource suite of existing best practices and innovative strategies to improve the workforce experience
 - Accelerating broad adoption of the successful strategies and effective resources that are part of the resource suite
- This year, Strategic Partners is working with Qualivis to launch a **Regional Staffing Solution**, allowing hospitals to share qualified, part-time clinicians to reduce the cost of contingency staff.
- This summer NCHA will be launching the **“I Do Care”** campaign to raise awareness about healthcare careers with North Carolina teenagers. This campaign will include paid social media ads, a website and toolkit for members. We are also partnering with NC Public Instruction to plan a virtual career day early next year.



Donate Today to HOSPAC



Whether lawmakers are new or returning to office, it is vital that we have a strong voice in the conversation. Now more than ever, we need you to engage by donating to HOSPAC so we can champion candidates who support health care. We have only raised 60% (\$132K) of our annual goal of \$220,000. If you haven't donated to HOSPAC, today's your day to take action.

Preserving the Safety Net

>> After successful efforts with securing **Healthcare Access and Stabilization Program** (HASP) to fund Medicaid expansion, NCHA has been working diligently to ensure hospitals are taxed the proper amount for Medicaid expansion and reimbursed for any overpayments in funding.

NCHA continues to meet with members to provide education on the increased hospital assessments for Medicaid expansion to assist with budget planning. North Carolina acute care hospitals received its first full year of HASP funds at approximately \$2B net for the SFY 2022-2023. Pending approval of the preprint for SFY ending 2024, NCHA is aiming for hospitals to receive HASP payments in Fall/Winter 2024. The continuation of the HASP program is critical to stabilizing the community safety net and protecting healthcare access in North Carolina.

NCHA continues to address payor issues to reduce denials and administrative burden on members. NCHA meets periodically with each Medicaid prepaid health plan (PHP), the NC Division of Health Benefits and with the North Carolina Association of Health Plans (NCAHP) for systematic improvements with the managed care program. NCHA also works with member workgroups on various billing and reimbursement issues with other payors, such as commercial insurance and Medicare Advantage plans, to resolve larger systematic payor issues.

NCHA protected hospital base rate and supplemental payments in the transition to managed care. For SFY 2024, hospitals provided funding, through intergovernmental transfers (IGTs) and assessments, to draw down approximately \$1 billion of federal matched funds to maintain historical funding towards inpatient and outpatient hospital services now under Medicaid managed care. To date, hospitals have also contributed \$360 million towards the cost of Medicaid expansion on behalf of North Carolina.

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:

- Community benefits provided by NC hospitals
- Impact of Medicaid expansion and HASP benefit
- Hospital-specific analyses identifying funds at risk due to potential state and federal legislative changes

NCHA provides data to members in support of academic medical research, strategic planning and public health:

- NCHA and the North Carolina Division of Public Health have partnered to expand our syndromic surveillance footprint to include an additional 36 urgent care facilities, bringing the total to 154. Ninety-two percent of all NC health system-associated urgent care facilities are reporting to the North Carolina Hospital Emergency Surveillance System (NCHES).
- NCHA continues to collaborate with members on data linkages for research projects that support public health and better outcomes for patients with mental health and substance use issues.

Telling the Healthcare Story

>> NCHA continues to inform legislators, the public and the statewide business community about how our member hospitals and health systems keep North Carolina healthy and economically strong. New this year is NCHA's monthly podcast with Curtis Media called, "**Conversations on the State of Healthcare,**" featuring members from across the state. This narrative work is in addition to the storytelling featured at our microsite NCHealthcare.org, plus print, digital ad campaigns, social media and event sponsorships.

NCHA revamped our website, ncha.org, (pictured below) this year to better reflect the work of NCHA and our affiliated organizations, to improve the user experience and to promote our members. NCHA also ran a public service message during this year's Super Bowl featuring children of hospital employees describing what their parents do to help patients. The communications team will soon be preparing a 2024 report highlighting the work of hospitals across the state to improve the health and well-being of patients and communities.

Engaging Members in Education

>> NCHA Education continues to deliver educational offerings ranging in topics from regulatory compliance updates, emergency management, finance, workforce, quality, equity and patient safety. New this year, we are collaborating with our educational partner to develop and deliver education topics that directly coincide with the work being done at the bedside including accreditation and regulatory changes.

Due to our extended marketing efforts, we have increased participation in our webinars from our fellow hospital associations by 5%. We continue to offer educational credits for each webinar. As of July, we have provided 21 webinars and have 9 planned for the fall which include 4 new topic areas.

Be sure to save the dates for the 2025 Winter Meeting at the Marriott Raleigh City Center on Feb. 19-21 and 2025 Summer Meeting at the Omni Grove Park Inn in Asheville on July 16-18.



We continue to seek partnerships with you to deliver on topics that your staff want to know more about. Email education at education@ncha.org with suggestions.



Convening Change

>> The North Carolina Healthcare Foundation (NCHF), the convener and catalyst of change for a healthier North Carolina, is the charitable non-profit, innovative and programmatic arm of NCHA. Its programs are boots-on-the-ground initiatives that directly affect patients, partners and communities.

CaroNova's Reach Continues to Expand

Now entering its third year, CaroNova, a strategic initiative of NCHF, the South Carolina Hospital Association and The Duke Endowment, has expanded its portfolio to include multiple initiatives in the Carolinas.

Groundbreaking progress is being made with CaroNova's **Behavioral Health Redesign** work with the South Carolina Department of Health and Human Services. CaroNova is supporting a committee of state-level experts in creating a Behavioral Health Master Plan for the State of South Carolina and is guiding certain components of the Plan.

This includes school-based mental wellness programs and a grant-based program that led to the construction of 13 hospital-based emergency observation EmPATH units (Emergency Psychiatric Assessment, Treatment and Healing) that provide acute behavioral healthcare to patients in crisis. CaroNova is actively pursuing similar behavioral health initiatives in North Carolina, too, working with key agencies, payors and providers to leverage learnings from South Carolina to accelerate the uptake of best practices here.

Another CaroNova project gaining momentum is the **Comprehensive Palliative Care for Serious Illness** program being piloted with payor and provider partners in South Carolina. The program seeks to align supports that ensure social, emotional, and financial needs are prioritized and met rather than solely focusing on curative medical treatments. It has begun enrolling its first patients this year. Like its work in the behavioral health space, CaroNova is in early talks with new partners to duplicate this pilot with North Carolina payors and providers by the end of the year.

New Equity Learning Community Launches

The NCHF **Equity Learning Community** launched this spring to bring together member hospitals and health systems to collectively focus on integrating equity into performance improvement. To date, 61 member hospitals have joined the community, and it continues to grow. The community is facilitated in partnership with Impact4Health, one of three organizations nationwide named by the American Hospital Association as an Equity Transformation Partner and supports compliance to current and future regulatory requirements around equity through programming and shared learning.

Maternal Health Action Network in the Works

NCHF is developing the **Maternal Health Action Network** (MHAN) to address high maternal mortality and morbidity rates, particularly for non-white, Black women in North Carolina. With 11 participating member hospitals representing every region of the state, the goal of the 16-month program is for each organization to gain knowledge and skills to strengthen their ability to assess and address social determinants of health and other barriers to optimal clinical care impacting pregnant women and their families. Participants will have access to peer networking, meetings with experts, specialized content and resources, and 1:1 support throughout the program.

Collaborating To Address Social Drivers of Health

As part of its mission to bring together diverse voices and perspectives, NCHF is actively convening anchor institutions and community-based organizations to help drive locally led, systems-level change to improve health outcomes. With its initial pilot in Robeson County, the **Social Impact Program** is supporting the establishment of a community development team of cross-sector leaders who have identified transportation as a critical barrier to health in the county.

Working with NCHF, the group co-designed a mini-grant funding opportunity to encourage local partners to work together and pilot innovative solutions addressing the root causes of transportation challenges building community trust. With funding from the Kate B. Reynolds Charitable Trust, NCHF will invest \$900,000 via mini grants in Robeson County over the next three years. In July, NCHF will award the first round of mini grants to five Robeson County applicants.

In addition to project funding, grantees will participate in a learning collaborative to share learnings, evaluate progress and receive training on identified areas of need. The work in Robeson County will also inform the development of a Social Impact Playbook intended to support the spread of similar approaches across the state.

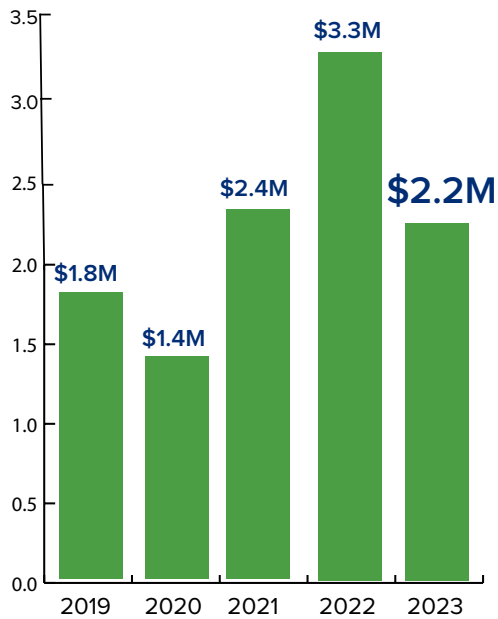
Providing Innovative & Cost-Effective Solutions

>> NCHA Strategic Partners (NCHASP) is dedicated to being the first resource for healthcare providers to turn to for workable, cost-effective solutions. In addition to providing solutions, NCHASP significantly contributes to NCHA's operating expenses, funds programs, and helps keep membership dues low for hospitals and healthcare systems in North Carolina.

In 2024, NCHASP made a substantial impact by contributing \$65,000 to the North Carolina Healthcare Foundation's Mentorship Program. Additionally, they contributed half a million dollars to support NCHA's advocacy and public relations efforts. These contributions highlight NCHASP's commitment to supporting NCHA and its members, ensuring the continued success and sustainability of healthcare services in North Carolina.



NCHASP President Jody Fleming at the eastern NCHA Strategic Partners Solution Summit. This event brought together supply chain professionals from across the state to collaborate, share innovative ideas, and address ongoing challenges in the industry.



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

Business Partner Update

In the first half of 2024, NCHASP launched 3 new partners through Solution Station (vetting intake form):

Omnigo – Omnigo develops industry-leading, highly configurable, and intuitive safety and security software solutions that allow professional security organizations in over 550 healthcare networks to effectively protect the people and property around them. Omnigo's modular approach to software development and deployment uses a core system – an economical entry point with commonly used functionality – that's easily expanded by activating advanced feature modules or extended through integrations with third-party applications and device manufacturers.

FemBridge - FemBridge, powered by HeraMED, delivers personalized SDoH assessments, ensuring swift feedback and resource coordination for individuals identified with insecurities. Their services encompass qualifying individuals for technology access, offering transportation aid, virtual monitoring for maternal and fetal health, customized clinical coaching, and specialized support for maternal mental health and medication management. Their focus is on closing both social and physical healthcare gaps and improving individual outcomes.

AblePay - AblePay is a patient financial engagement program that reduces healthcare administrative burden by streamlining patient payments. By offering patients significant savings (up to 13% on out-of-pocket expenses) and flexible payment options, AblePay incentivizes prompt payment and reduces bad debt. Additionally, AblePay shoulders billing inquiries and advocacy, freeing staff to focus on core patient care activities.

NCHA Strategic Partners By the Numbers

4	Number of Sponsors converted from Solution Station
3	Number of New Business Partners
20	Number of New Sponsors
10	Number of Business Partners that are also Sponsors

340B Education Day

In June, Strategic Partners hosted their second 340B Education Day, bringing together representatives from member hospitals and Federally Qualified Health Centers (FQHCs) specializing in pharmacy and the 340B Drug Program. This event aimed to help participants navigate the complex and ever-changing landscape of the 340B Drug Program. Attendees heard from experienced speakers with diverse expertise in 340B, who shared best practices and provided valuable advice. The event was facilitated by SUNRx, our approved business partner. The day was a great success, offering crucial insights and support to our members in managing and optimizing their 340B programs.

Solutions Insider Podcast

The Solutions Insider Podcast continues to provide practical and cost-effective solutions to critical healthcare challenges. Recent episodes have tackled pressing issues such as “Accessible Maternal Care for Medicaid and Rural Populations” and “Navigating the North Carolina Childcare Landscape.” Featuring interviews with industry leaders and subject matter experts, as well as solutions from endorsed business partners, the podcast offers valuable insights into the healthcare landscape. Convenient for on-the-go listening, the podcast gives an inside look at all things NCHA Strategic Partners.

Business Partner Highlights

Bamboo Health - Bamboo’s healthcare solutions focus on facilitating whole-person care, ensuring individuals receive comprehensive and coordinated treatment across various care settings. Over the past year, Bamboo Health generated over 4.7 million total pings to North Carolina customers, including 280,000 pings from post-acute care providers and 1.25 million pings from out-of-state. In 2022, North Carolina customers generated \$34 million in savings across 180,000 Medicare ACO lives and contributed \$9.53 million in additional revenue through real-time transitional care management capture. Additionally, Bamboo Health grew its network by 12 hospitals and 44 post-acute care providers in the last 12 months.

Healthcare Experience Foundation – The Healthcare Experience Foundation (HXF) empowers healthcare teams and patients, leading to demonstrably better care. HXF’s interventions yielded impressive results. In one instance for a North Carolina hospital, physician engagement soared by 9%, place to practice jumped by 12.7%, and key metrics like perceived quality of care and relations with administration improved by 8.8% to 17.9%. Another hospital saw communication flourish, staff turnover decrease (overall from 24% to 19%, nursing from 25% to 17%), and patient experience scores skyrocket by an average of 20% within just six months.

Intelassist - Intelassist, a remote staffing company serving healthcare providers and other industries in North Carolina and the US, has experienced significant growth in 2024. By utilizing offshore labor, Intelassist offers clients dedicated employees at significant cost savings without sacrificing quality or facing high turnover. This year, Intelassist added three new healthcare providers and 32 full-time employees dedicated to healthcare, along with several hundred employees in other sectors. Healthcare partners can save over 60% on traditional employee costs while increasing productivity and reducing time to hire.

NCHA Strategic Partners Workers Compensation Fund

Since its establishment in 1993, the NCHA Strategic Partners Workers’ Compensation Fund, in collaboration with Gallagher, has provided NCHA members with exceptional coverage, service, and premium savings. This year, participating NCHA members received a dividend of \$2.1 million, marking a \$500,000 increase from last year’s payout and a \$1 million increase from the previous year. Additionally, for 2024, the Workers’ Compensation Fund decreased premiums by 7% for participating members, further enhancing the value and support provided to NCHA members.



NC MedAssist - NC MedAssist is the only statewide non-profit pharmacy in North Carolina, providing prescription and over-the-counter medications to uninsured and underinsured North Carolinians at no cost. In 2023, NC MedAssist’s efforts touched more than 73,000 individuals and families, resulting in an economic impact of over \$13.1 million for North Carolina and its residents. This year, MedAssist continued its positive impact with its Executive Luncheon, which saw over 1,000 attendees and raised \$200,000 to further support uninsured and underinsured families in North Carolina.

Qualivis - Qualivis offers a wide range of comprehensive services designed to meet the staffing needs of healthcare providers including Allied & Nursing Travel Staffing, Advisory Services, Non-Clinical/IT Staffing, Permanent Placement, International Recruitment, Locum Tenens, Interim Management Placement, and Crisis and Rapid Response Staffing. Additionally, their Managed Service Provider (MSP) program ensures hospital-friendly terms and conditions, making it easier for hospitals to access and manage these vital resources.

Vizient - Vizient enables providers to innovate and accelerate the delivery of high-value care by aligning cost, quality, and market performance. According to U.S. News & World Report, 20 of the top 23 best hospitals rely on Vizient’s capabilities in supply chain, pharmacy, operations, quality, and strategic growth to drive success. Recent results include \$43 million in projected savings, and \$2.4 million saved over two years in drug pricing.