

# **Putting the Pieces Together in Mississippi: Delta State Network Development, Rural Health Network, Small Hospital Improvement Program, SRAP, and the Rural Hospital Performance Improvement Project**

**Ben Bloom, Clinical Psychologist**

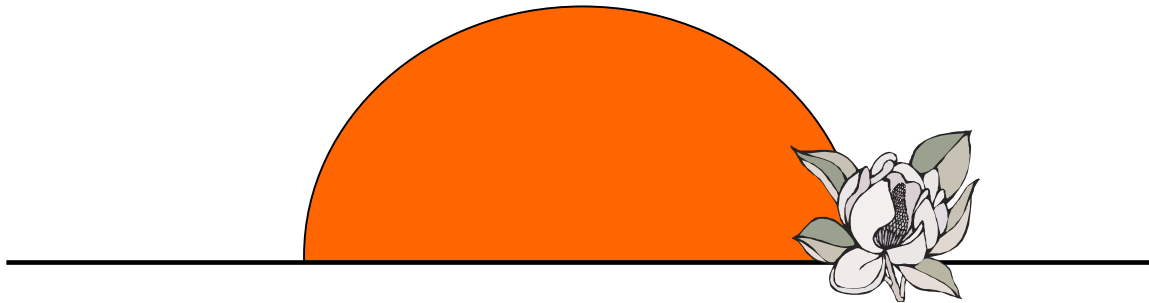
Affinity Healthcare, Inc.  
Springfield, Missouri

**Joseph T. Hammond, CHE, Administrator**

North Sunflower County Hospital  
Ruleville, Mississippi

**Melissa Goodman, PhD, Planner**

Humphreys County Memorial Hospital  
Belzoni, Mississippi



**Delta Rural Health Network**  
of Mississippi, Inc.

# Vision

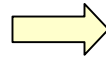
Delta Rural Health Network was formed in 1996 by administrators of small, acute care hospitals located in or near the Mississippi Delta. The hospitals shared a common vision to:

- Keep healthcare decisions local
- Improve access to healthcare services
- Insure the survivability of the hospitals and their affiliated partners

# Three organizations

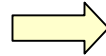
Three different organizations have been formed to enable the hospitals to complete various business transactions.

Delta Rural Health  
Network of Mississippi,  
Inc.



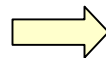
501(c )( 3) not-for-profit  
corporation

Delta Health  
Solutions, Inc.



For-profit corporation

Rural Hospital Alliance



Trade association

# Current Status

- Formed in 1996 with 10 hospitals
- Currently have 22 hospitals
- This is a sustainable network
- Two primary revenue sources:

- ✓ Membership dues
- ✓ Product administrative fees

- Services:

- ✓ *Purchasing*
- ✓ *Collections*
- ✓ *DRG Validation*
- ✓ *Medicaid-eligibility*
- ✓ *Teleradiology*
- ✓ *Human resources*
- ✓ *Local area networks*

*Education and training*

*Grants*

*Training Center*

*Reference lab*

*Laundry*

*Employee benefits*

# Value

- \$2,445,000 in annual increased revenue/cost savings
- ROI = \$17.70

# Grant Philosophy

- Grants should be viewed as a strategy to capitalize:
  - ✓ Network capacity development
  - ✓ Specific project start-up
  - ✓ Leverage growth of existing products and services
- Grants should never be viewed as the “life blood” of a rural health network.

# **Delta Rural Health Network Grants**

- Rural Network Development Grant
- Southern Rural Access Program Grant
- Small Rural Hospital Improvement Grant Program
- Rural Health Outreach Grant
- Rural Hospital Performance Improvement Project
- Delta State Network Development
- Others

# Rural Network Development Grant

This grant was viewed as a method to capitalize the network's development.

- Administered through the Office of Rural Health Policy
- Submitted in 1997
- Budget request
  - ✓ *Infrastructure development*
    - Staff: PHO Director, Project Researcher, Secretary, Senior Computer Specialist
    - Equipment
    - Supplies
  - ✓ *Contractual costs*

# Rural Network Development Grant

This grant was viewed as a way to capitalize the network's development.

## **Strategies**

- 1) Vertically integrate the network by developing formal relationships with each hospital's Medical Staff. Each hospital's Medical Staff will then be integrated into the network-wide PHO.
- 2) Develop a management information system capable of tracking and facilitating activities for all Network members specific to collaboratively offering managed care services.
- 3) Establish a pilot program to fully integrate all providers at the local hospital level.

# Southern Rural Access Program

This grant was used to grow the network plus develop new services.

Initially submitted in 2001

## Budget request

- ✓ Network Health Information Specialist
- ✓ Local area network development
- ✓ HIPAA resource staff member (2003)

## Strategies

- ✓ Provide a coding clearinghouse service for network hospitals with initial focus on APCs and transition to DRG Validation
- ✓ Expand number of local area networks from 3 to 9

# Small Rural Hospital Improvement Grant Program

This grant was targeted toward one of three purposes: 1) pay for costs related to the implementation of PPS; 2) comply with provisions of HIPAA; and 3) reduce medical errors and support quality improvement.

Decision was made to use for two purposes:

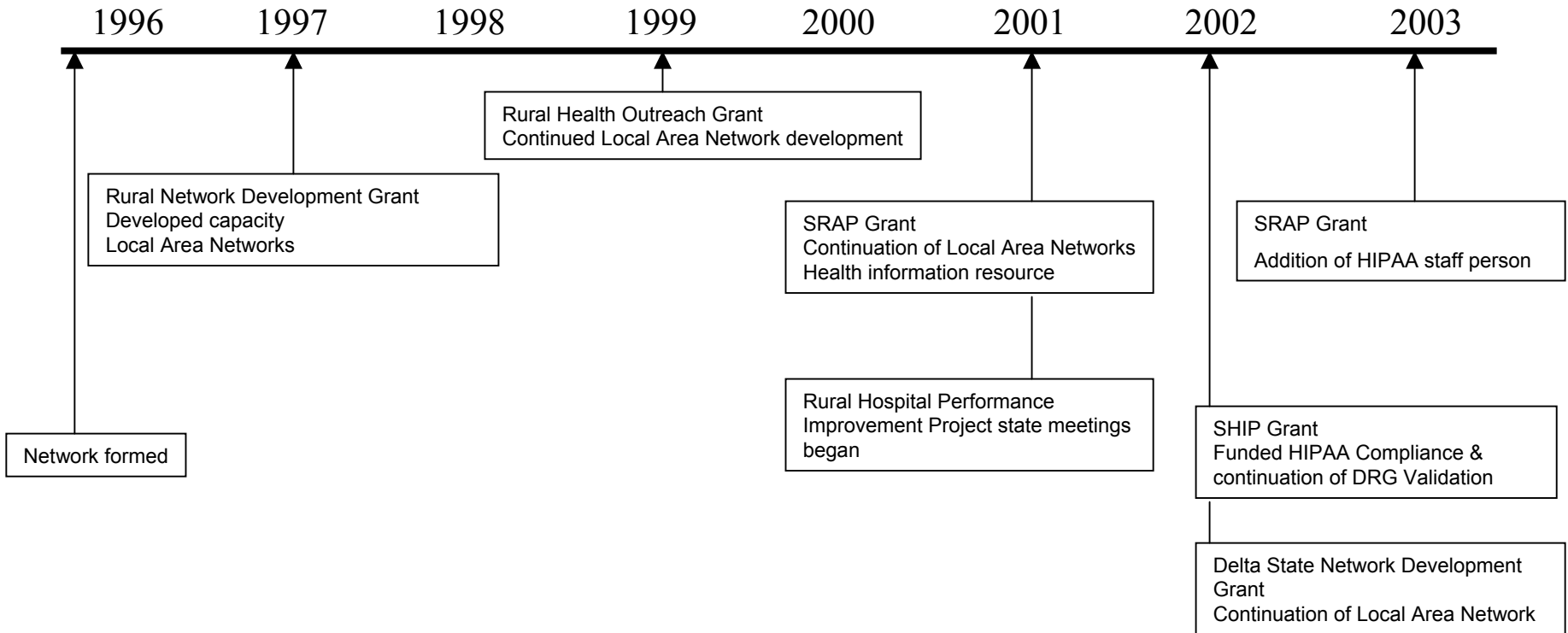
1) HIPAA compliance

- *20 hospital consortium*

2) Continuation of DRG Validation service

- *Purchase of scanners/computers to transmit data to web based retrieval service – secondary gain of long term electronic storage*

# Leveraging of Grants toward Eventual Sustainability



# Grant Leveraging by Strategy

## **Network capacity**

- ✓ Rural Network Development Grant: Staff & equipment
- ✓ SRAP: Two staff members

## **HIPAA**

- ✓ SHIP Grant: Training
- ✓ SRAP: Staff person

## **Local Area Network development**

- ✓ Rural Network Development Grant: Initial start-up
- ✓ SRAP: Growth from 3 to 9
- ✓ Delta State Network Development Grant: Several counties are participating

# Grant Leveraging by Strategy

## Technical Assistance

- ✓ Rural Network Development Grant: Infrastructure to develop various services
- ✓ SRAP: Training and staff
- ✓ SHIP: Training and DRG Validation
- ✓ RHPI: Problem-specific, focused assistance

# Rural Hospital Performance Improvement Project

This grant was used to address “hospital-specific” needs.

Nine network hospitals have been selected as participants in the RHPI project.

CASE STUDY: North Sunflower County Hospital  
Presented by Joseph T. Hammond, CHE,  
Administrator

# **Rural Health Outreach Grant**

This grant was submitted to strengthen a Local Area Network - Humphreys County Health Network

This is a vertically integrated network in Humphreys County, Mississippi

# **Delta State Network Development**

This grant was viewed as a mechanism to strengthen preexisting local area networks.

**CASE STUDY:** Humphreys County Health Network  
Presented by Melissa Goodman, Ph.D.