

Holy Cross still mulls 'critical access'

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Administrators at Holy Cross Hospital continue to advocate for a "critical access" designation.

The designation could mean more revenue for the hospital, but there are lingering concerns that it would require a sacrifice in care.

Hospital CEO Bill Patten told The Taos News it would be a smart move, but he won't push too hard. "As much as I think this is a good idea, I'm not going to let this issue split us," he said.

Critical access is a federal designation that changes the way hospitals are reimbursed for services provided to Medicare patients.

Patten said administrators have come up with "worst- and best-case" financial models to determine the potential windfall from becoming critical access. In the worst case, Holy Cross would see another \$500,000 in annual revenue. Best case, it would jump to an additional \$1.5 million.

For a facility that until recently saw multimillion-dollar losses several years in a row, it's an attractive option. But critical access comes with some limitations.

First, Holy Cross would have to reduce its number of inpatient beds from 29 to 25. It would also have to limit inpatient stays to 96 hours. The designation does allow for "swing beds," which can accommodate patients in recovery beyond that time limit.

Patten said it's been hard to pin down whether the designation would mean more people would have to be sent elsewhere for care. He said hospitalists had calculated that as many as 20 percent of inpatients would have to be sent to another facility, but added the estimate is too high because it does not account for swing beds.

Medicare impact

Perhaps the most controversial condition for becoming a critical access facility is the requirement that inpatient Medicare patients pay for 20 percent of the hospital's sticker price for a procedure, not what Medicare pays for a procedure.

Hospital prices are usually higher than what Medicare will pay, meaning the patient's share would be higher. Without a secondary insurance, that additional expense would be out of pocket for seniors.

Patten said Holy Cross has determined that 12 percent of its Medicare patients don't have a secondary insurance. To soften the impact of added costs, he said the hospital is looking for ways to buy patients in need a secondary health plan...or have a dedicated fund to help cover higher costs for those who can't afford to pay.

Patten said he's had several meetings with hospital staff and the medical team to explain critical access changes and answer questions. He said those meetings are ongoing.

In addition, he said the hospital plans to send a team of six employees, including medical staff and administrators, to three hospitals that have downsized to fit the critical access criteria.

Patten argued the site visits would allow staff to see firsthand the impacts of critical access — good or bad — and make a better judgment on whether it suited Taos.

Union concerns

While Patten has talked openly about the proposed transition for months, the hospital union expressed concern when it was scheduled to go to a vote before the hospital board at the end of June. That decision was delayed because of allegations that it was being rammed through too quickly.

Patten said this week he has not set a timeline for taking the proposed transition to the hospital board. "We're going to take the time we need to do it right," Patten said.