



memorial regional
health

**Associated
Governments of
Northwest
Colorado - Panel
Discussion: The
State of Healthcare**

Mission, Vision, and Values

Mission: To improve the quality of life for the communities we serve through patient-centered healthcare and service excellence

Vision: Memorial Regional Health will be the FIRST choice for patients, physicians and employees.

Values: Compassion, Humility, Ownership, Integrity, Commitment, and Excellence



One of the largest employers - 350 employees

Projected to generate \$65 million in Net Patient Revenue for 2022

Over \$31 million earmarked for employee salaries and benefits



*So, what's the
hardest thing
about leading a
hospital today?*

*It's a lot to Juggle
and it's more than
just healthcare.*

Emerging Trends in Healthcare



Understanding the Local Healthcare Trends

- **COVID, COVID, COVID**
- **Severe workforce shortages and burnout**
- **Shift in Local Economic Drivers**
 - **Coal and Coal-fired Power**
- **Financial Sustainability**
 - **Colorado Public Option**
 - **House Bill 21-1198**



And then along came COVID...

From an economic standpoint, MRH fared better than most. We kept our employees and continued most services. **April 2020** was largest **Gross Revenue** month to date.

Our COVID Volumes lagged behind the state by 3-4 months. The 2nd spike in late 2021 was the most difficult and created the most burnout.



Source: Coffey Health System, Burlington, KS



**The new
burden on
hospitals due
to vaccine
rollout...**



MRH enforced the State and Federal vaccine mandate for healthcare workers. At the end of the day, MRH lost about 10% of its workforce due to mandate.



The Pros and Cons of COVID on Workforce

Pros

Remote Workforce: Forced us to look at how we staff non-patient-care departments. Shifted to larger remote-workforce, relieving some space constraints.

Cons

Travel/Temporary Staff

Tremendous increase in reliance on travel staff. (**133% increase** in Traveler-related expense 7/2021 vs. 7/2022F).

Monthly payroll for 330 employees = \$1.8m.

Monthly traveler expense for 22 ppl = \$335k.

Post
COVID
Recovery



Workforce Shortages



- Currently we have 11 nursing vacancies, 4 lab vacancies, 6 radiology vacancies and 4 rehab vacancies
- Optimizing “Grow Our Own” opportunities - longer-term recruitment plans:
 - Student Nurse Retention Agreements
 - Promoting from within (MLT, Sleep)
 - Prioritizing local/regional candidates

New Workforce Challenges



- Prioritized filling vacancies - hired 11 new graduate nurses in ALL areas including Surgery, Emergency Department and Med/Surg
 - Requires new onboarding and orientation with greater attention to pairing with experienced preceptors
 - Requires additional staffing to account for lack of experience
- Outside-the-box recruiting for non-clinical vacancies
 - Hiring from other industries (customer service jobs, environmental services jobs).

Other Workforce Challenges - Housing

- Craig/Moffat County - like every community in Colorado - has a housing shortage
 - Very little rental inventory. Most inventory is 30+ years old
 - Very little inventory for purchase - MLS Search shows 11 properties available under \$300k
- Municipality is working to find solutions
 - Created a community-wide Housing Authority
 - Completed a Master Housing Study that shows need



- MRH-owned land - looking for partnership opportunity - donate land in exchange for housing units to be available for short-term housing

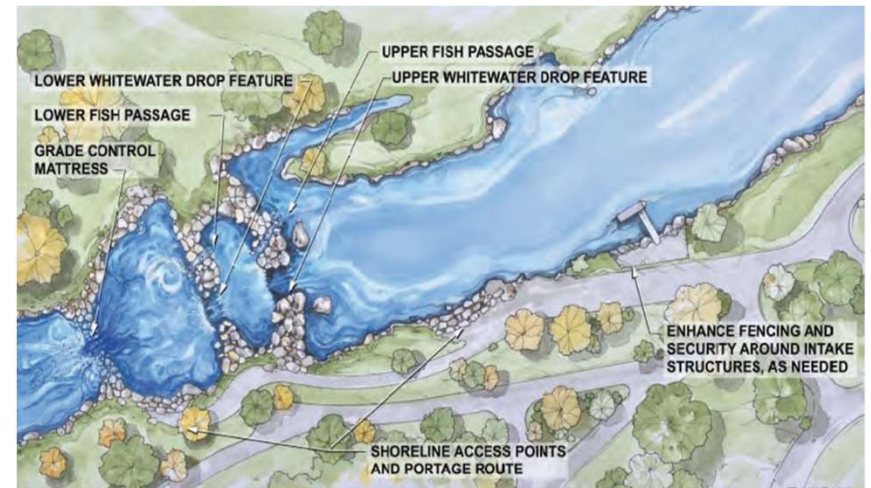
Local Economic Drivers - Major Shifts

- Coal Mines and Power Plant slated to close within 10 years
 - 6 of Moffat County's Top Ten Taxpayers are coal-based, coal-related
 - Erosion of tax base for City, County and Schools
 - Erosion of liveable-wage jobs
 - Erosion of commercially insured patients



Overcoming Economic Shifts

- Greater focus on tourism
 - Downtown Redevelopment with municipal grants
 - Investing in tourism - \$3.3m EDA Grant for Yampa River Corridor Project (water plant infrastructure & river amenities)



Financial Sustainability

- Over two-thirds of MRH patients are insured by Medicare or Medicaid.
 - Medicare pays cost (sort-of) of care. Medicaid pays substantially less.
- Commercial Insurances creating narrow-networks excluding some providers (including Medicare Advantage)
- Increasing number of patients willing to travel long distances to save on services
 - MRH cannot compete with the high-volume/low cost centers (ie freestanding diagnostic imaging centers)



Financial Sustainability, continued

- Statewide initiatives creating additional financial hardships
 - House Bill 21-1198 - Hospital Discounted Care
 - If 250% of FPL, hospital required to screen for financial eligibility for other programs.
 - Must offer care at deeply discounted rates
 - Must not bill patient more than 4% of household income
 - Must track payments for 36 payments
 - After 36 payments, the remaining debt is written off
 - We are adding FTE just to manage this single program

