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Providing Advanced Cardiac Services to Rural Communities

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| Disclosures

- The presenter has no real or perceived conflicts of interest related to this presentation

Note: This program may contain the mention of suppliers, brands, products, services or drugs presented in a case study or comparative format using evidence-based research. Such examples are intended for educational and informational purposes and should not be perceived as an endorsement of any particular supplier, brand, product, service or drug.

| Learning Objectives

At the end of this session, participants should be able to:

1. Identify disparities in healthcare services offered to communities and the causes for these differences.
2. Describe critical factors in service lines associated with optimal patient outcomes using structural heart programs as examples.
3. Recall the necessary steps to create successful advanced care service lines in all communities.

The background of the slide is a blurred photograph of a hospital hallway. In the foreground, on the left side, there is a clear plastic IV drip chamber hanging from a stand, with a clear plastic tube extending downwards. The hallway in the background shows a series of white doors and recessed ceiling lights, creating a sense of depth and perspective. The overall color palette is a cool, muted blue.

Disparities in Healthcare Services

Geographic

Rural Location
Transportation

Economic

Income
Insurance

| The Age of Hospitalopolies

- HOSPITAL'OPOLY – Trademarked 4/22/08, Abandoned 1/10/11, SN 77454501



- 2005–2015
 - Hospitals Belonging to Systems Rose 18% (55.0% to 65.8%)
 - Community Hospitals Belonging to Networks Rose from 17% (29.5% to 34.5%)

Source: Burns, L.R. & Pauly, M.V. *Transformation of the Health Care Industry: Curb Your Enthusiasm*. Milbank Quarterly, Vol. 96, No. 1, 2018 (pp. 57-109).

Photo by [Robert Linder](#) on [Unsplash](#)

| The Age of Hospitalopolies, *continued*

- Hospital Systems and Corporations are Buying Hospitals
 - Eliminating (Consuming) the Competition
 - Standardization (Improvement) of Care Delivery
 - Economies of Scale and Scope
- Disadvantages
 - Lack of Choice for Patients
 - Lack of Choice for Providers
 - Diseconomies



Economies of Scale and Scope

- Economies of Scale

- Purchasing Organizations
- Consolidation of Facilities
- Consolidation of Departments
 - ✓ Imaging Centers
 - ✓ Centralizing HR, IT, Admin.



- Economies of Scope

- Equipment – nuclear camera, excimer laser
- Facilities – office space, procedure rooms

Physician Group Practices

- Groups are More Productive (than Solo)
 - To a Point, around 10 Physicians
- No Scope Economies Among Multispecialty Groups
- Lack of Cost Efficiencies and Quality Advantages
- No Perceptions of “Integrated” Care



Source: Burns, L.R. & Pauly, M.V. *Transformation of the Health Care Industry: Curb Your Enthusiasm*. Milbank Quarterly, Vol. 96, No. 1, 2018 (pp. 57-109).

Photo by RODNAE Productions on Pexels

| Consolidation of Hospitals

- Merging Two Facilities
 - Lowers costs and Increases Volume
 - Quality Improvement
- System Formation
 - May Increase Costs
 - Greater Investments in Quality Improvement
 - Actual Improvement



| The Reality of Integrating Hospitals

- Integration of Admin and Purchasing (small % of overall costs)
- Little Integration of “Clinical Side”
- No Effort to Consolidate Production Capacity



“Herding a larger number of disparate hospitals can consume a large amount of management effort.”

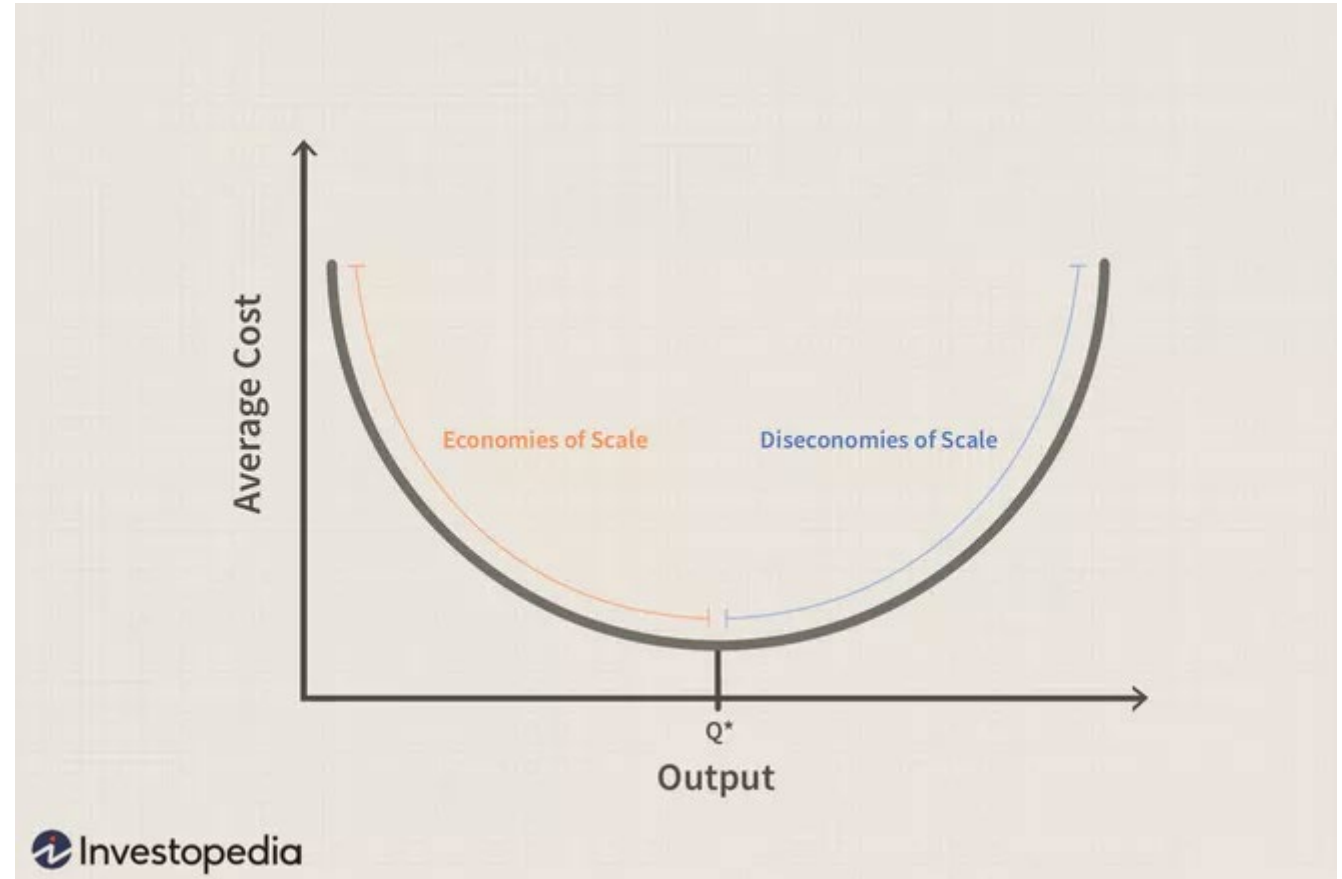
Source: Burns, L.R. & Pauly, M.V. *Transformation of the Health Care Industry: Curb Your Enthusiasm*. Milbank Quarterly, Vol. 96, No. 1, 2018 (pp. 57-109).

Photo by Tansu Topuzoglu on Pexels

Economies and Diseconomies of Scale

Hospital-Level Scale Economies Exhausted at < 300 Beds

- Pillars of Economies of Scale
 - Volume
 - Reduced physical capacity
 - Faster throughput
 - Not achieved by Systems
- Population Variations
- Practice Variations
- Equipment/IT Discrepancies

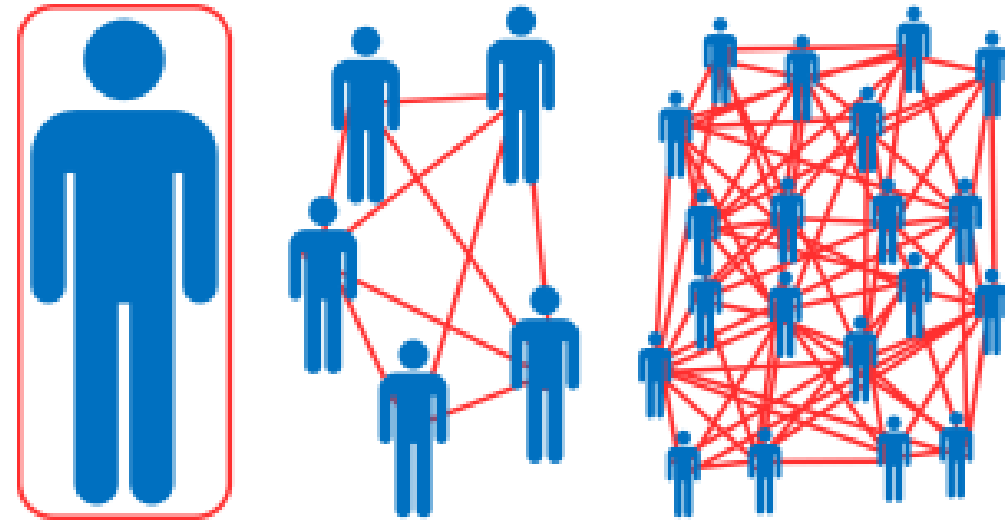


Source: Burns, L.R. & Pauly, M.V. *Transformation of the Health Care Industry: Curb Your Enthusiasm*. Milbank Quarterly, Vol. 96, No. 1, 2018 (pp. 57-109).

Source: Image by Julie Bang © Investopedia 2019 <https://www.investopedia.com/terms/d/diseconomiesofscale.aspe> by Julie

| Taking Advantage of System Integration

- Networking People/Talent
- Creating High-Volume Centers
- Supporting Service Lines
- Bringing Advanced Service to Patients in Geographically and Economically Isolated Areas

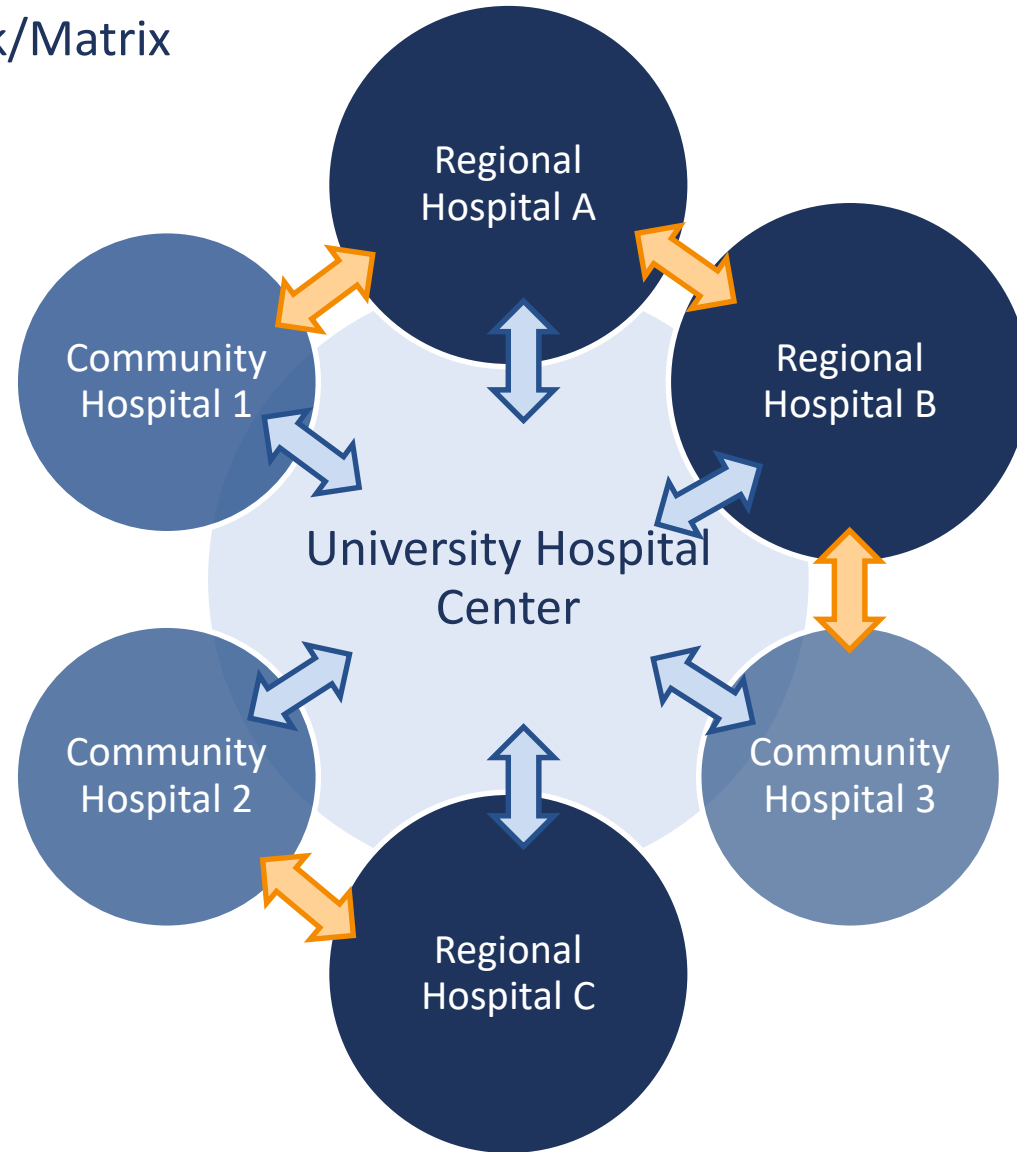


A blurred background image of a business meeting. Several people in suits are seated around a table, looking at documents and a tablet. The scene is dimly lit, with a blue color overlay. In the foreground, there are papers with charts, a pen, and a pair of glasses.

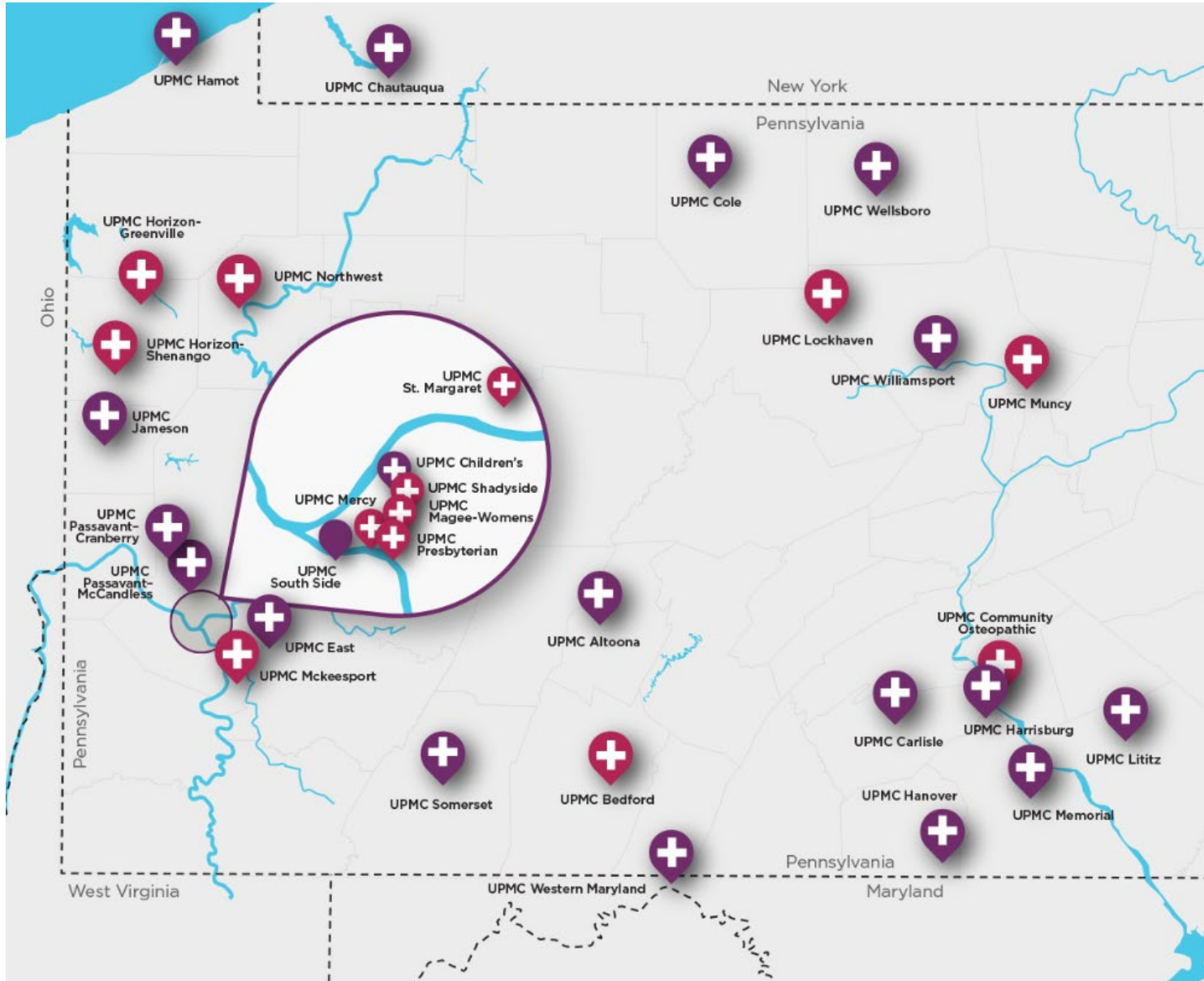
Taking Advantage of Integration Interhospital Service Lines

Hospital System Organization

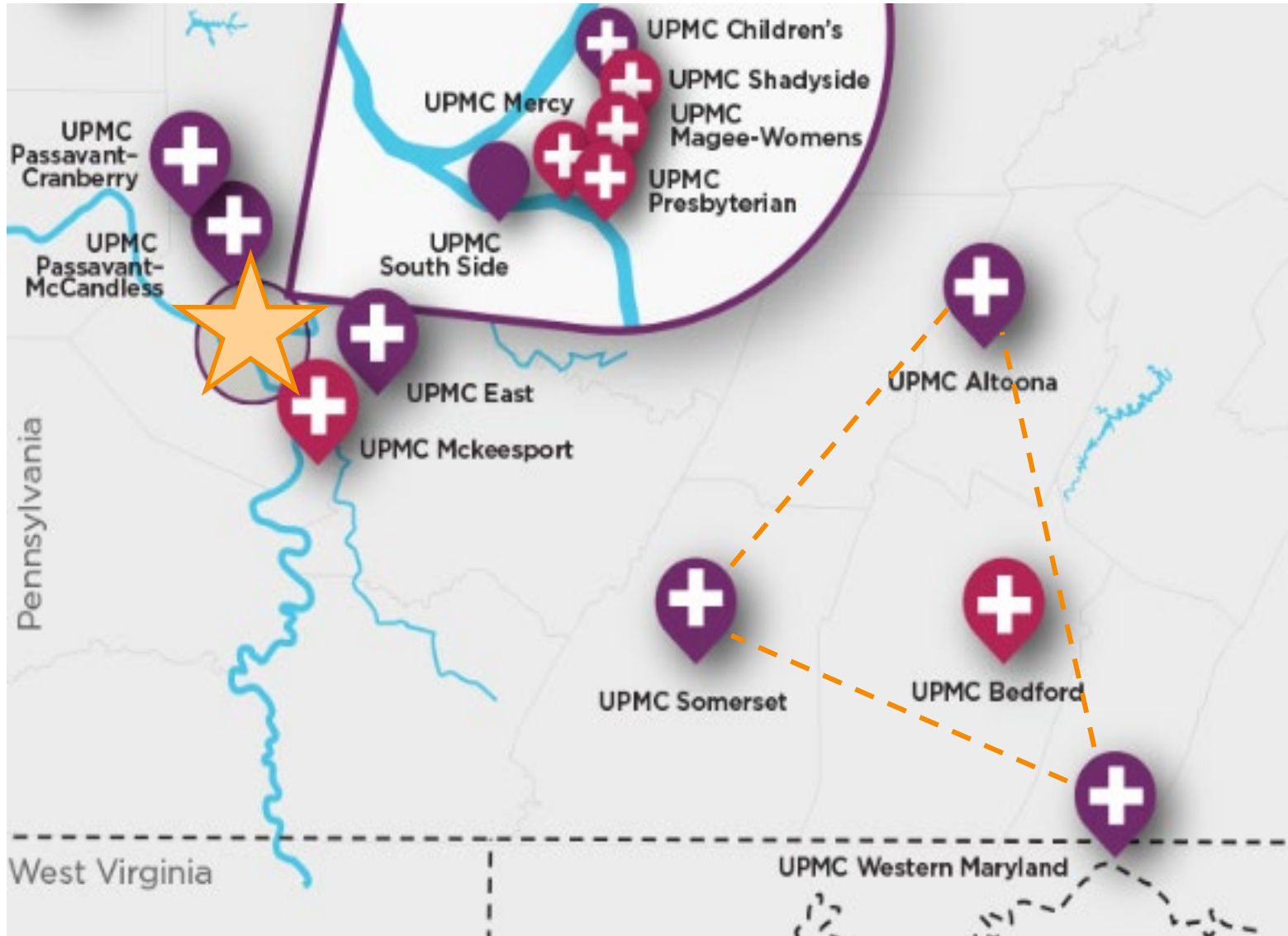
Hub-and-Spoke vs. Network/Matrix



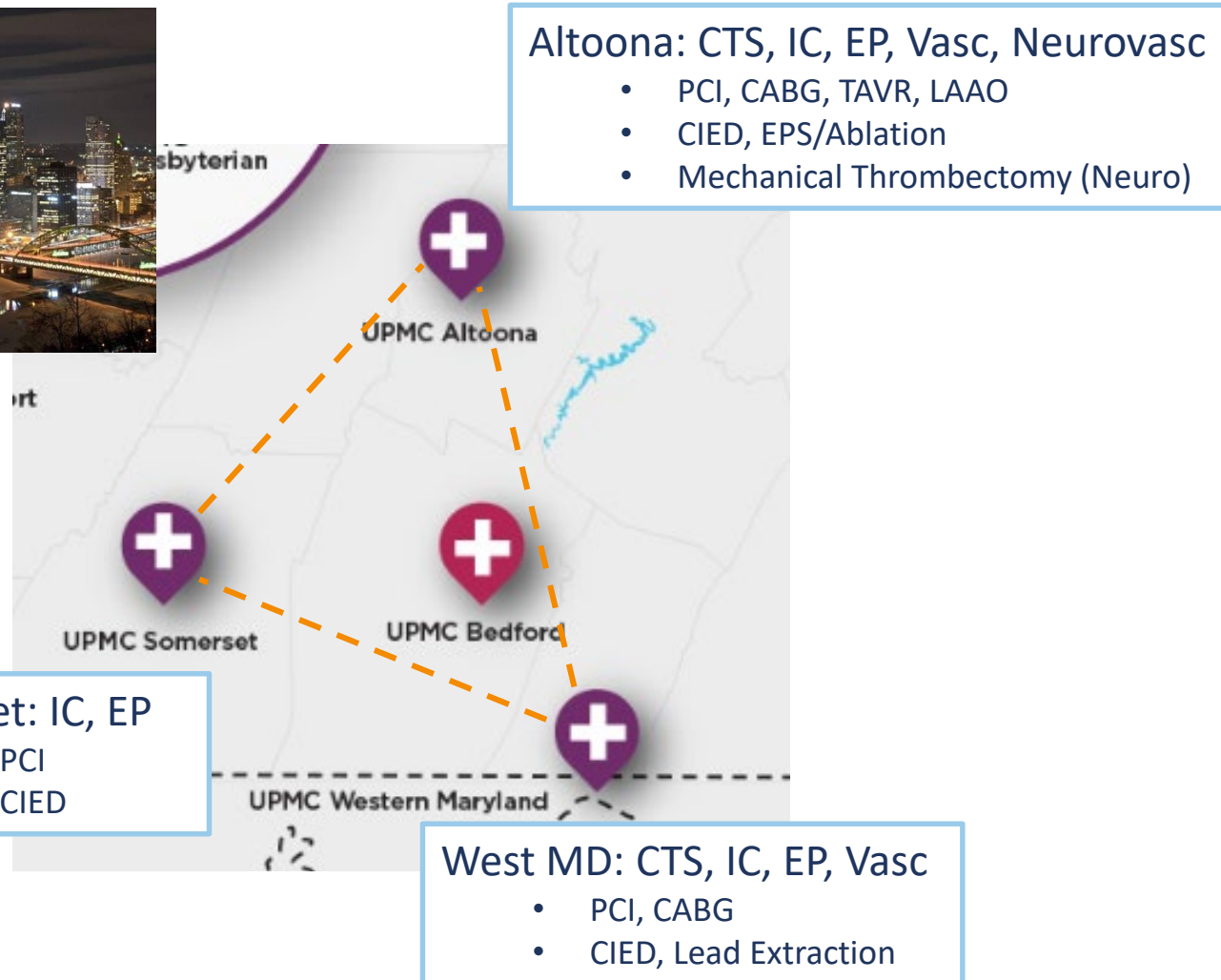
UPMC Facilities: Central and Western Pennsylvania



UPMC Facilities: Pittsburgh and Mid-Western PA Hospitals



UPMC Facilities: Mid-West PA Regional Cardiovascular Services



Four Pillars of Clinical Service Line Success

Governance and Leadership

- Service Definition
- Dyad Model – Provider & Administrator
- *Physician Leadership*
- *Structure & Participation*

Clinical Integration

- Access
- *Managing Leakage*
- Contracting
- Network Management

Clinical Transformation

- Evidence-Based Medicine
- Care Model Redesign
- Cost & Quality Management
- *Care Coordination/Transition Management*

Analytics and Innovation

- KPI/Risk Analysis
- *Performance Driven Care*
- Disease/Treatment Registries
- AI/Predictive Modeling



Communication Is Key

Building Teams Within a System

- Systemwide Meetings – Virtual
 - Grand Rounds
 - M&M
 - Patient Evaluation Committees (LAAO)
- Inter- & Intra-Facility Level Communications
 - Shared EHR (Epic, Powerchart, etc.)
 - Email, Teams
- Personal Communication



Photos by [Bagus Hernawan](#) and Jason Goodman on [Unsplash](#)

Vertical vs. Horizontal Healthcare Integration



Provider/Hospital Level Integration Achieves Better Results

- Referrals Support Procedure Volumes
- Systemwide Peer Review Ensures Quality
- Standardization of Practice
- Accountability Among Providers

Photos by Fauxels and Jonathan Borba on Pexels
Photo by Builee Com on Unsplash

Thank you...

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