



What Roles Can and Should Community Hospitals Be Playing in the Care of Children?

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Learning Objectives



- ▶ **Understand idiosyncrasies about pediatric care that can be challenging for community hospitals serving both adults and children**



- ▶ **Gain a better appreciation for the spectrum of roles that community hospitals can play in the care of children**



- ▶ **Walk away with tools to help make informed decisions about the future of your pediatric program**



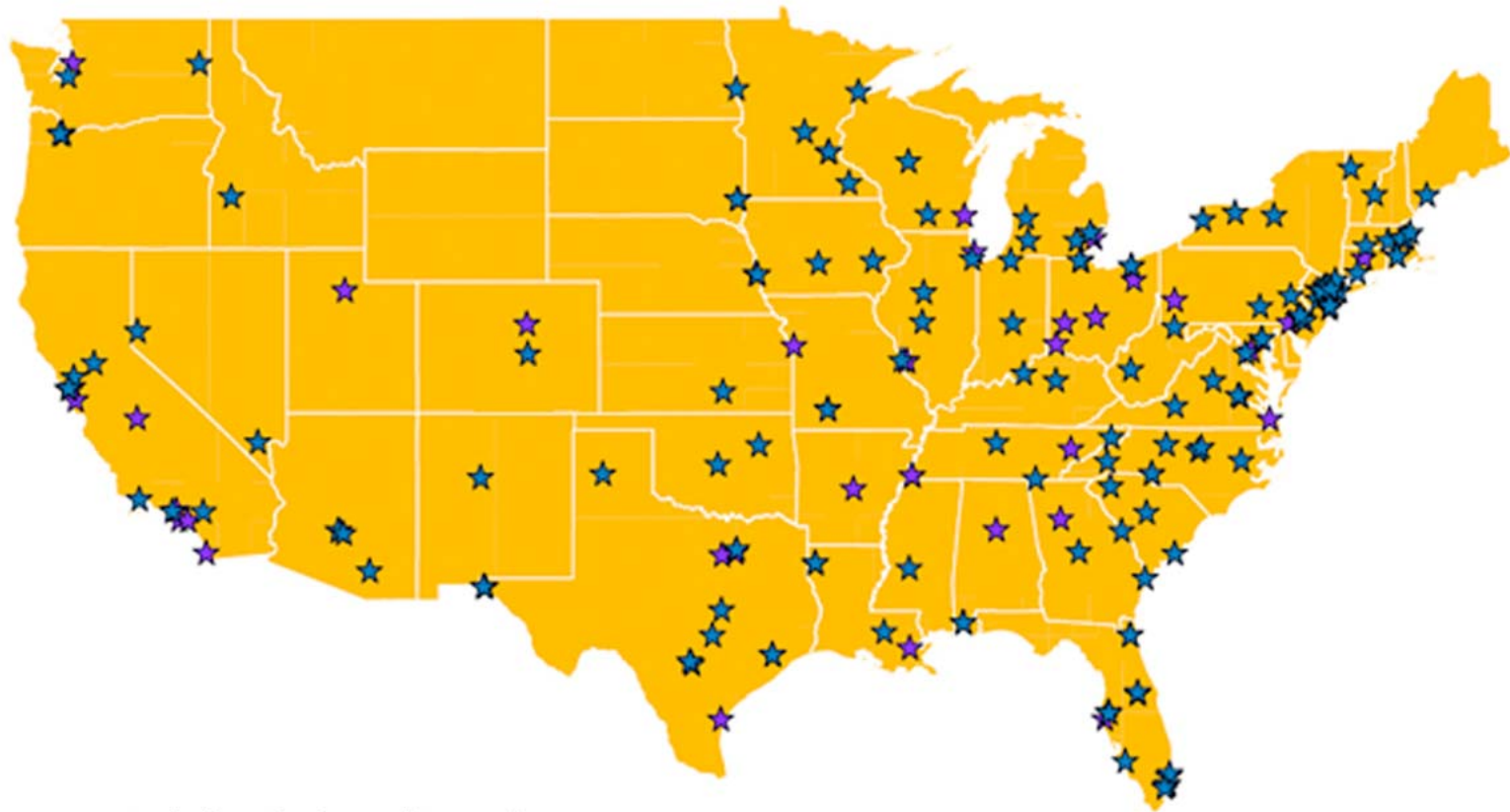


U.S. General Acute Children's Hospitals, 2010



 Hospital within a Hospital

 Freestanding Hospital

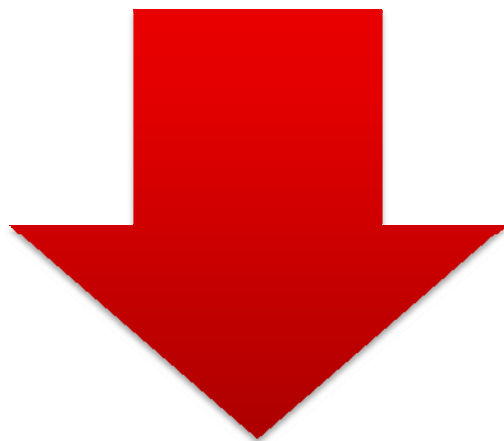


Excludes Alaska and Hawaii.

*Includes all NACHRI members in the following categories, as of June 2010:
freestanding hospitals, primary teaching, associate members, and supporters.*



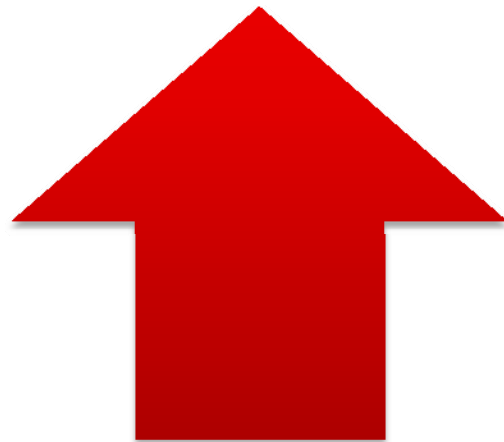
Mixed Signals



**50% increase in
the number of
children's
hospitals
within
hospitals**



**Closure of 200
inpatient
pediatric units**



Children's Hospitals within Hospital Types




**Freestanding
Look-Alike**

- Large, full-service
- Academically oriented
- Clear strategic priority for parent system
- Extensive fundraising



NICU-Centric

- Anchored by large maternity program
- Subspecialty mix driven by NICU requirements
- Often co-branded with maternity services
- Research emphasizes fetal and newborn



**System
Consolidator**

- Economies of scale
- Greater breadth/depth of services than possible independently
- Referral development largely internal
- Academic orientation dependent on parent system's degree of academic involvement



**Community
Hospital**

- Strong primary care and emergency services
- Some tertiary capabilities
- Mix of private and employed physicians
- Opportunistic pursuit of subspecialty programs
- Frequent struggles with scale and identity

Each type makes different strategic choices



Smaller Programs are Under Pressure



- ▶ Inpatient use rates continue to decline
- ▶ Specialty pediatric care is consolidating
 - ▶ The big are getting bigger (5-10+% annual growth)
 - ▶ Smaller inpatient services are closing
 - ▶ Many are caught in the middle
- ▶ Price to be in specialty pediatrics is skyrocketing
- ▶ Difficult to attract scarce pediatric specialists

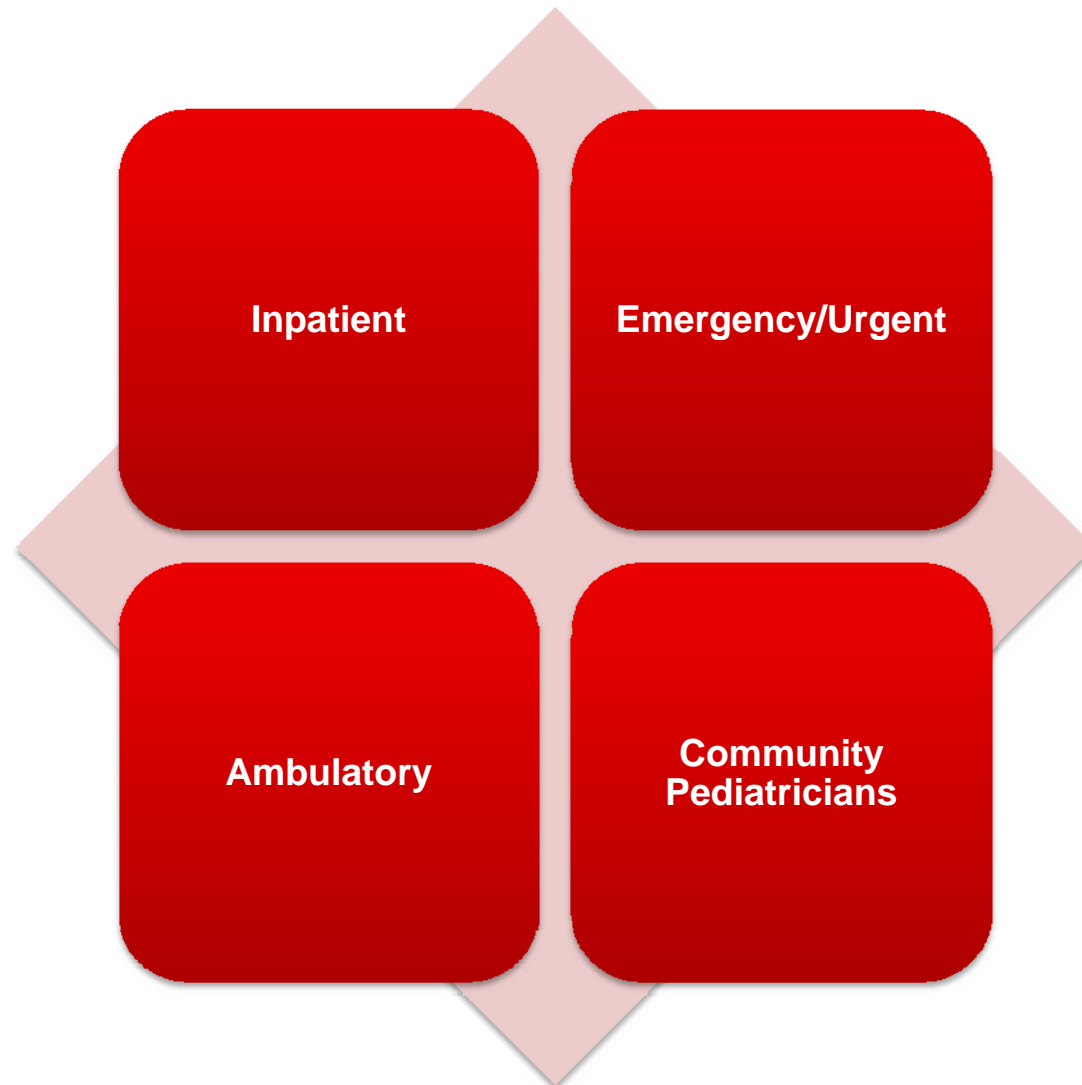


Scale and critical mass are increasingly important for long-term sustainability

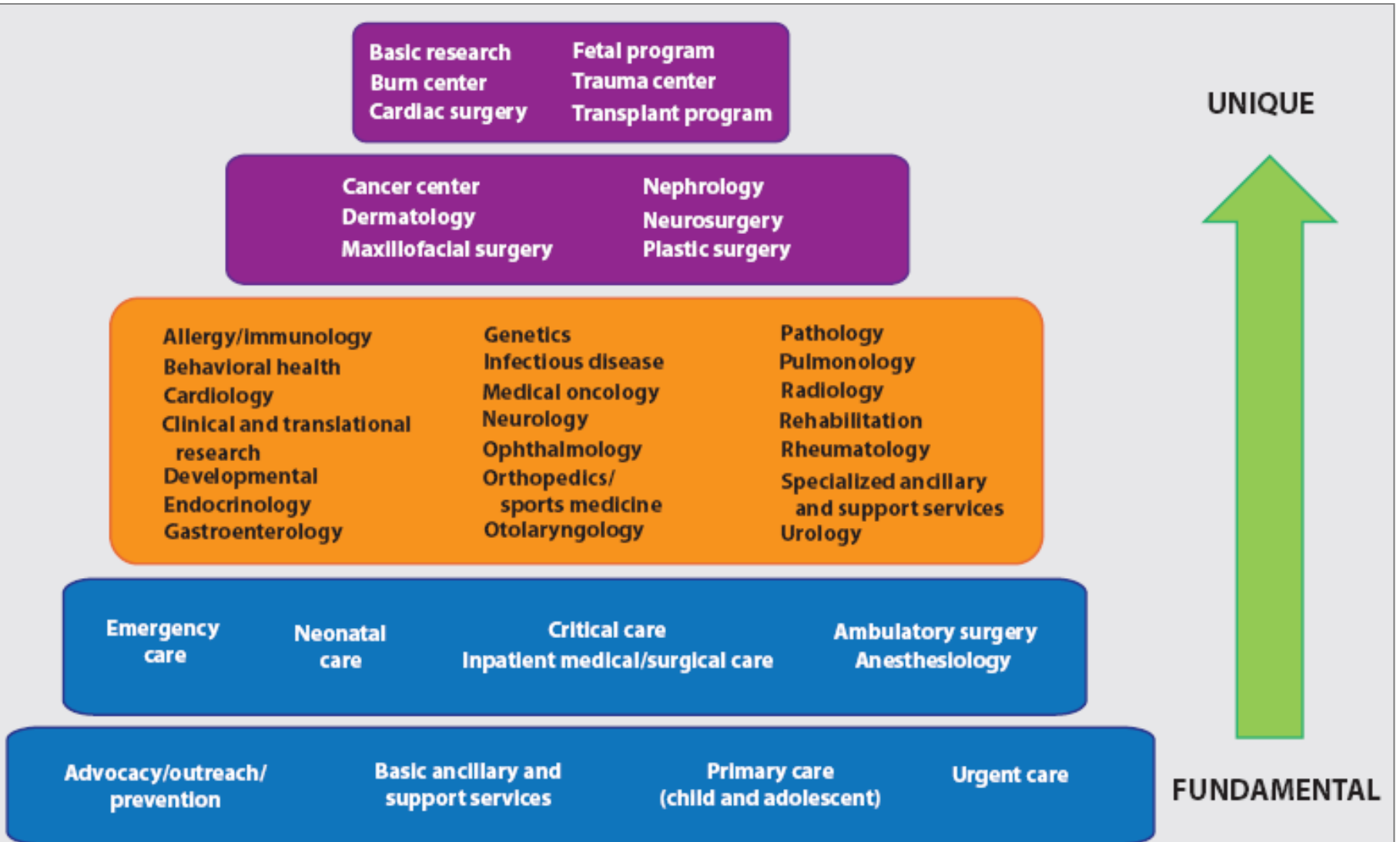




A Large Proportion of Children's Health Care Occurs in Community Hospitals



Hierarchy of Pediatric Clinical Services



Key

- Core elements found within nearly all pediatric providers
- Most offer (or contract for) a wide array of these services, but depth typically varies substantially across areas
- Highly specialized services concentrated at larger children's hospitals



One Region's Approach

**Tier Four: Subspecialized services
*Services not replicated in every region***

**Tier Three: Regional specialized services
*Complementing community level services***

**Tier Two: Community needs services
*"Home team" for children and youth***

**Tier One: "Broad-reaching" service providers
*Public health nurses, family doctors, social workers, and teachers***



Medical Staff Development in Pediatrics



- ▶ Vast majority of pediatricians in general practice
- ▶ Adult specialists provide some pediatric care
- ▶ Pediatric specialists are concentrated in large regional centers
- ▶ Population required to support a pediatric specialist can be tremendous
- ▶ Large proportion of pediatric specialists are employed by hospitals or in practice plans
- ▶ Medical staff structures contribute to fragmentation





Issues with Small Inpatient Units



Efficiency



Staff competency



**Variability of census
and patient mix**

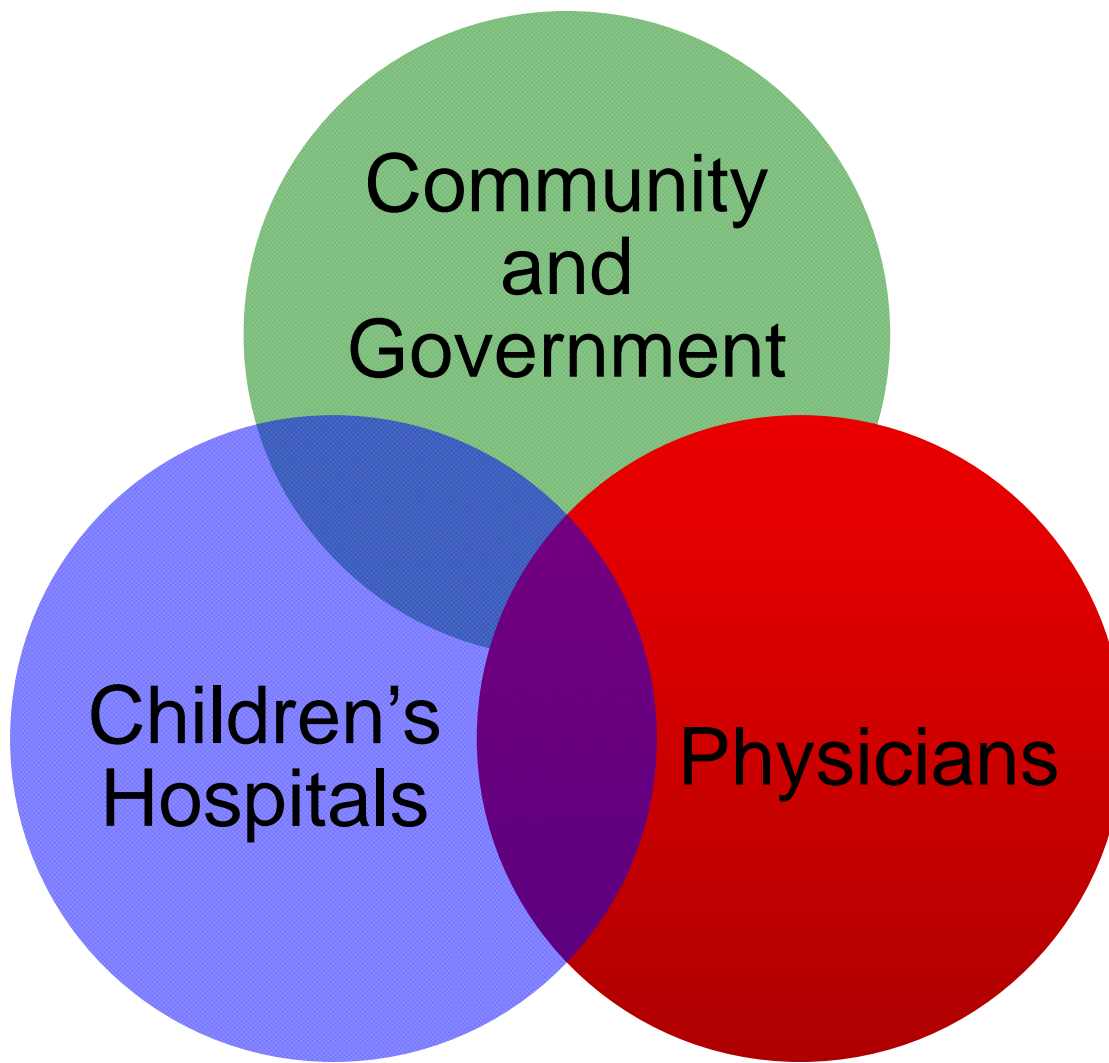


Backfilling with adults





Partnerships for Community Hospitals





Top Issues for Pediatric Programs



Heightening competition



Pediatric specialty shortages



Rising cost of care



Achieving critical mass to support services



Geographic distribution of services



Academic program components



Demonstrating quality



Reimbursement challenges

Meeting even higher philanthropic demands



Presenter Profile



Christine L. Hartwell, FACHE



- ▶ **Christie is a vice president with Health Strategies & Solutions, Inc., the nation's leading health care strategy firm. Christie holds an undergraduate degree in biology from The College of William and Mary and a master's in health care administration from Virginia Commonwealth University. In 2005, she received an American College of Healthcare Executives Early Career Award in recognition of her efforts to advance health care management excellence.**
- ▶ **Christie leads Child Health Strategies & Solutions, a division of HS&S dedicated to serving children's health care providers. As a skilled strategic planner with nearly 20 years as a health care management consultant, Christie has helped numerous children's hospitals and pediatric providers of all types and sizes identify a clear path to achieve future success. She has authored many publications on children's health care strategy, including a 2010 special report on children's hospitals within hospitals. She has also collaborated with both the National Association of Children's Hospitals and Related Institutions (NACHRI) and the Child Health Corporation of America (CHCA) on publications, webcasts, and presentations in recent years.**