

## Rural Hospitals Must Be Innovative to Thrive

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**B**oards and senior leaders of rural hospitals must ensure that their facilities are able to adapt to the market and be innovative in order to thrive. Rural hospitals do not have to think of themselves as isolated entities providing only the most basic level of care. While it's difficult operating a rural hospital in today's environment, there are still many advantages to providing care in small, rural towns. The communities served by these rural hospitals play an important part of healthcare in America. Most patients from rural communities prefer to receive their care locally and would rather avoid going to the "big city" to receive care from strangers while also being away from family and friends.

Many of the challenges rural hospitals face are the same that urban hospitals face including recruiting and retaining providers and staff, having outdated buildings, old equipment, outdated technology, etc. Rural hospitals must not let these barriers be an ongoing excuse for a lack of action.

A common theme among rural hospital boards is how to provide quality care and specialty services to their local communities. The majority of rural hospitals do not have the demand to have full-time specialists and sub-specialists in their community. However, there are several options that rural hospitals can take to provide needed services

### Key Board Takeaways

In order to thrive in the current healthcare industry, rural hospitals will need to find innovative ways to provide high-quality care to those in their communities. Rural healthcare boards will want to:

- Determine what services are needed locally that the hospital currently doesn't provide.
- Think outside the box about what the organization can do differently to provide these specialty services to the community so patients don't have to travel elsewhere.
- Explore several options such as contracting with specialists from academic medical centers and larger hospitals and health systems or providing mobile health and telehealth services.
- Create a plan to ensure the hospital is best serving the community and is remaining competitive, and think through what needs to be done to put the plan into action (e.g., investments in technology, staff training, building relationships with other providers or organizations, etc.).

locally without having patients travel hours to more urban centers.

One option rural hospitals explore is contracting with specialists from academic medical centers and larger hospitals and health systems. Many specialty groups are willing to contract with rural hospitals to provide services on-site for half-day increments or full days to rural communities. Rural hospitals will often need to provide space, supplies, sometimes staff, and have high-speed Internet connections. The "visiting" physicians will often bring their own staff and laptops (electronic health records). Contracting with specialists in this manner can help rural hospitals keep their patients local. In turn, these visiting specialists can better integrate with the local primary care

base to provide more coordinated care, reduce waste, and improve quality.

In addition to providing on-site services, patients and the local primary care providers can also access specialty care services through mobile health and telehealth. There are several small community hospitals and even tertiary care centers using telehealth services out of convenience to patients and providers. Providing convenience to patients is an important issue all boards must deal with regardless of community size and facility resources. Utilizing telehealth services in rural communities is also attractive for providers who would ordinarily travel to and from locations since travel time (from bigger cities to

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the rural locations) is wasted time that providers are not able to bill for. Travel time is a major factor in physicians deciding to offer their services to rural locations.

As a member of a rural hospital board, how are you making sure that your local hospital is competitive and successful while providing needed services to your community? Some questions board members should ask are:

- Have you determined the kinds of services your community demands? For example, are 70 percent of your patients leaving your community to get orthopedic care or 60 percent leaving to get urologic care?
- Would it be beneficial to enter into a relationship with any specialists to provide needed care locally on a part-time basis?
- Can you also provide any minor surgical services at your hospital

for those patients? Perhaps those specialists would be willing to provide minor surgical procedures in your surgical center.

- Does your technological platform allow you to provide telehealth and other digital health services?
- Should you partner with and develop a plan for your primary care doctors to work with specialists from outside communities?
- Do you have a plan to train staff and providers to be proficient with telehealth and new digital platforms?
- Are you prepared to explore and enter into any creative solutions with outside hospitals or private physician groups (e.g., joint ventures, part-time contracting with providers, etc.)?
- Are you committed to critically evaluating your strategic plan

and making necessary changes to keep up with the pace of change?

- Are you willing to invest in technology to better deliver care to your community?
- Will you hold your CEO accountable for reaching out to explore relationships with other providers, hospitals, and health systems?

Addressing some of these questions may mean that you have to enter into relationships with physicians, medical groups, or hospitals that you consider long-time competitors. This is a struggle for some board members and CEOs. Providing care through a computer or hand-held device may also be a concept that is hard to grasp. A central question that you must continuously address is whether you are making decisions that are in the best interest of your community. Developing creative relationships and taking advantage of technology will help rural hospitals survive in the future.

*The Governance Institute thanks Nick A. Fabrizio, Ph.D., FACMPE, FACHE, Principal, MGMA Health Care Consulting Group, and Governance Institute faculty member, for contributing this article. He can be reached at [nfabrizio@mgma.com](mailto:nfabrizio@mgma.com).*

