



Rural hospital leverages federal funding to save on telecom services, provide better care: Yoakum Community Hospital, Yoakum, TX

THE SITUATION

Yoakum Community Hospital's antiquated data network and low-speed internet fell short of meeting today's healthcare industry demands, including use of electronic health records. "We need to be up 24-7 with reliable connections and redundant circuits in case of a primary system failure," says Crystal Harris, the hospital's IT director. CHC leveraged federal funding for IT upgrades including high-speed internet and disaster recovery. Citing improvements in patient care as well as operational and financial performance, hospital CFO John Olivares calls the upgrades a "quantum leap forward" for the 25-bed critical access hospital.

BACKGROUND

In addition to transferring patients' health records and images, Yoakum shares resources and basic business functions with Baptist Beaumont Hospital and needs reliable, high-speed internet connectivity for daily operations. "It's our lifeline," Harris says. "If the circuits go down it's like cutting off our oxygen."

Rural hospitals in general need advanced telecommunications and information technology for ACA compliance, at a minimum, and for optimal patient experiences and clinical outcomes. Typically, they pay more for IT infrastructure than hospitals in more populated areas because the dearth of commercial business development discourages the expansion of infrastructure and services into rural areas.

Each year, the Universal Service Administrative Company (USAC) makes available \$400 million in federal funding through the Rural Health Care (RHC) Telecommunications Program to ensure that qualifying rural health care providers — or urban-area hospitals that draw from rural areas or have rural clinics — can obtain telecommunications and internet services at rates comparable to urban providers.

THE PLAN

With RHC expansion to include the Healthcare Connect Fund (HCF), which allows healthcare providers to request support as a single entity including non-rural hospitals that are part of a largely rural consortium, "it's time to rethink IT telecommunications strategy and the opportunities to financially support it over time" says Brian Doerr, CHC's senior vice president of Information Technology & Security and Privacy Officer.





CHC Consulting, the management and consulting arm of CHC, stands apart from other USAC consultants by not only assisting with the complicated process and multiple forms necessary to procure federal funding (for one-tenth the cost of a previous consultant, in Yoakum’s case), but also providing ongoing support.

The USAC funding process entails:

- Confirming and certifying eligibility
- Developing evaluation criteria for selecting a service provider
- Requesting and scoring bids from service providers
- Negotiating the most favorable contract through a required 28-day competitive bidding process
- Submitting documentation so USAC pays the service provider directly
- Monitoring service provider credits to hospital accounts
- Reapplying each year for funding

A hospital is only as healthy as its IT systems. IT upgrades not only improve efficiencies but they also improve patient experiences and outcomes.

Crystal Harris, IT Director
Yoakum Community Hospital

THE RESULTS

With CHC’s guidance, Yoakum procured \$164,436 in USAC funding in 2016 to offset costs of \$176,907 for telecom and IT services needed to optimize operational and financial performance as well as patient care, for a savings of 93 percent. By bringing telephone services under contract, CHC identified further annual savings.

Simply by having information technology that supports electronic health records, the benefits to patients and hospitals include better clinical documentation, medical error reduction and improved, automatic cost capturing. Beyond that, telecom and IT upgrades made possible by USAC funding help hospitals reliably connect to their affiliates; maintain a picture archiving and communications system (PACS) to store and conveniently access medical images of all types; and provide telemedicine services with sounds and images transmitted in real time.

For Yoakum, X-rays, CT scans and MRIs that once took 10 to 15 minutes to send now transmit instantaneously. “These improvements reflect CHC and Yoakum’s shared mission of keeping healthcare local by bringing this technology — and, through it, top-quality care — to the patient’s own hometown hospital,” Doerr says.

Yoakum Community Hospital continues to save, despite recent USAC funding shortfall

Funding Year	Yearly IT Expenses Related to USAC	USAC Funding	Net	Savings	Recent Progress
2015	\$247,973	\$224,347	\$23,626	90%	
2016	\$176,907	\$164,436	\$12,471	93%	Enhanced network design began
2017	\$75,816	\$58,624	\$17,192	77%	New network complete. Funding reduced by 15.6% due to USAC funding shortfall.

About Community Hospital Corporation

Community Hospital Corporation owns, manages and consults with hospitals through CHC Hospitals, CHC Consulting and CHC ContinueCARE, with the common purpose to guide, support and enhance the mission of community hospitals and healthcare providers. Based in Plano, Texas, CHC provides the resources and experience community hospitals need to improve quality outcomes, patient satisfaction and financial performance. For more information about CHC, please visit www.communityhospitalcorp.com.

For more information, contact:
David Domingue, FACHE, SVP Business Development
at ddomingue@communityhospitalcorp.com
or 972.943.6400.

www.communityhospitalcorp.com



7800 N. Dallas Parkway, Suite 200 | Plano, Texas 75024
Phone: 972.943.6400 | Fax: 972.943.6401