

Questions for the Trinity Hospital Board - July 15, 2019 Board meeting
Submitted by Elizabeth Davis

#7. *I am assuming that a feasibility study was done by either the Board or the Consultants hired by the Board.*

a. *Does the report show data to support your decision to reopen an ER?*

b. *What is the estimated financial liability of the taxpayers*

The Board hired consultants (Green Grass Partners) to do an Access to Healthcare Feasibility Study for Trinity Memorial Hospital District. Responses to this question and several others you posed are taken from this study.

a. The decision to reopen an Emergency Department, not an Urgent Care, was based on data from this study. Urgent Care provides only moderate care; it does not provide emergency care. Requests from community members have consistently been for true emergency care.

b. The estimated cost for an Emergency Department is high, \$1,800,000/year. The current projection for the model the board is using is \$1,600,000 for the first year; it is projected to drop slightly in future years.

#1. *How many patients were seen in the ER the year prior to closing? Fifteen a day*

a. *What percent of non-emergency patients were treated and at what cost?*

In accord with regulations, non-emergency patients were screened out and referred to the clinic.

b. *How many uninsured patients were treated and what percentage of revenue was collected? Data from ETMC insurance type shows only 0.7% other. The remaining were Medicaid, Medicare, PPO/Commercial/BCBS or Private Pay. The actual number loss (below) is shown in this study; not the revenue percentage collected.*

c. *How much loss was suffered due to insufficient reimbursement from Medicare, Medicaid and other insurance providers? The data in the report does not separate out the ER cost from the total hospital cost. It does however show the low reimbursements from both Medicaid and Medicare.*

#2. *What is the annual projected loss of reopening an ER that is to be covered by this proposed tax increase? The projected cost to the district for the first year for the Emergency Department is \$1,600,000 – based on 416 patients per month the first year and anticipated increased patients, decrease cost the second year.*

#3. *What is the projected loss to Trinity County from delinquent taxes due to the hospital tax increase? Unknown. Would anticipate that any increase in delinquent taxes would be in the hospital district tax, not the County tax.*

- #4. *What makes this proposal successful when 19 Texas hospitals have closed or on the verge of bankruptcy? How much debt can we as taxpayers absorb before the Board plugs the dyke?* There is no expectation that the proposal will be “successful” in monetary terms, but successful in saving lives and improving the quality of life. The Board has not opted to try to reopen the hospital; this cost of \$3 million each year is prohibitive. Therefore, the decision was made to explore opening only the Emergency Department, lab and radiology. The expectation is that this will need tax payer dollars and community support (just as community support was needed to build and open the hospital and then establish the Hospital District). The Board has worked to establish a start up cost and a cost to operate the first year. This cost will be monitored carefully, as will the results in care for the community and every effort made to lower this cost, just as the Board has been able to do with the Clinic operation. Board members are all tax payers and are committed to keeping this cost and tax down.
- #5. *Urgent Care vs Emergency Room – average cost is \$200 vs \$1400. Even with the cost of reopening a lab and radiology department, Urgent Care is a near win and is financially feasible.* You are correct. However, Urgent Care would not be much more than extending walk-in hours at the clinic. **It does not provide emergency care.**
- #6. *Do you see this tax increase as a maximum measure or do you see future increase in the next 5 years?* Our goal is that this is a maximum measure, designed to reopen a needed facility for emergency health care in the community.
- #7. Above
- #8. *A recent visit to HMMH – Charges \$33,375.89, Medicare - \$4,561.75, Mutual of Omaha - \$682. Total payment \$5243.75 or 16%.* This data is similar to data we have seen.
- #9. *No management company can show a profit when costs exceed insurance reimbursement and individual payments! If this were a profitable venture, the hospital would not have closed, and multiple entities would be lined up to buy or run this facility.* You are correct. For-profit hospitals do not accept Medicaid, or the non-insured, and are selective in insurances they accept. Trinity Memorial Hospital District is a county hospital, charged with accepting all patients and making provision for indigent and needy patients. The district was set up as a taxing entity to provide the support needed for the healthcare of the district.