National Rural Health Association Top 20 Award Winners and Best Practice Hospitals 2017

The National Rural Health Association names the Top 20 Critical Access Hospitals from a larger set of Top 100 CAHs, which is evaluated and produced by iVantage Health Analytics. Both the Top 20 and Top 100 performing critical access hospitals are identified through the Hospital Strength INDEX, the first nationwide hospital rating system to evaluate U.S. rural and Critical Access Hospitals based upon market, value-based and financial measures.

NRHA's Top 20 Winners are the highest ranked of the Top 100 CAHs, named by iVantage Health Analytics.

The Hospital Strength INDEX® utilizes publicly available data sets to quantify overall hospital performance in eight pillars: 1 - Inpatient Market Share, 2 - Outpatient Market Share, 3 – Quality, 4 — Outcomes, 5 – Patient Perspectives, 6 - Costs, 7 - Charges, and 8 - Financial Stability.

Of these eight pillars, NRHA extracts the two pillars of Quality and Patient Perspectives (Patient Satisfaction) and recognizes the 20 highest ranking CAHs qualifying in each, naming them a "Best Practice" hospital in the designated category.

- "Quality INDEX" -- Hospital Compare Process of Care Measures Each individual CMS process of care measure
 topic area (Acute Myocardial Infarction, Heart Failure, Pneumonia, Congestive Heart Failure, Surgical Care
 Improvement Program and Outpatient measures) is indexed across the range of national performance for each
 measure. The index scores are averaged to produce a single composite score. All available data are used in the
 calculation of composite scores. Missing data within measure sets are ignored.
- "Patient Perspectives INDEX" -- Hospital Compare Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) Measures Each individual question is indexed across the range of national performance for that question. The index scores for HCAHPS measures are averaged to produce a single composite score. All available data are used in the calculation of composite scores. Missing data within measure sets are ignored.

About NRHA

The National Rural Health Association (NRHA) is a national nonprofit membership organization with more than 20,000 members. The association's mission is to provide leadership on rural health issues. NRHA membership consists of a diverse collection of individuals and organizations, all of whom share the common bond of an interest in rural health.

About iVantage Health Analytics/The Chartis Center for Rural Health

iVantage Health Analytics (iVantage) is a leading provider of healthcare analytic and decision support tools. Health system and hospital leadership teams across the country rely on the company's software and services to deliver customized insights on clinical and financial performance, strategic planning, market assessment and contract optimization. Employing a full array of public, private and proprietary data, iVantage tools and solutions are designed to help its clients move from data to action. In addition, iVantage analytics and tools are the basis of continuing thought leadership and insight in the areas of healthcare policy and research. In 2015, iVantage was acquired by The Chartis Group, a national advisory services firm dedicated to the healthcare industry. Chartis provides strategic planning, value-based care, advanced performance, informatics and technology consulting services as well as leading-edge decision support tools to the country's leading healthcare providers. The Chartis Center for Rural Health (CCRH) was formed in 2016 to offer tailored services, performance management solutions, research and education to rural hospitals and facilities. Learn more at www.chartisrural.com.

For more information about the NRHA Top 20 awards breakfast, contact Donna Douglas at ddouglas@NRHArural.org. For more information about the criteria used, contact Michael Topchik at mtopchik@chartis.com or click on the following link: www.ivantageindex.com

About the Source Document Study

Introduction

In an era of health care reform, providers will face tremendous pressures; for Critical Access Hospitals (CAHs), these pressures will be exacerbated. Specifically, given their cost-based reimbursement, CAHs will be placed under a magnifying glass by public and private payers. Compounding this complex and challenging environment, policymakers will operate under the assumption that if <u>one</u> CAH can achieve excellence in the form of high quality, efficiency, safety and satisfaction, then all CAHs can be held to this same lofty standard.

Given the increased scrutiny, transparency and zero-sum environment, the "Benchmark Performance for Critical Access Hospitals" study seeks to establish the industry's definitive operational, clinical and financial performance standards for low-volume rural hospitals based on a comprehensive framework.

The INDEX

The purpose of this study is to use publicly available data to provide a comprehensive comparison of the all Critical Access Hospitals across a continuum of financial, value-based and market driven performance indicators. The 100 Top CAHs are profiled in this study. The Hospital Strength INDEX™ model aggregates data for 70 indicators organized into eight performance categories. It focuses on a set of CMS value based indicators, augmented by market/competition and financial indicators. It is the first rating system to incorporate market position, competitive intensity and growing healthcare demand. It is also the first rating system modeled on research-based financial ratios most determinant of long-term financial sustainability. This study is unique because it is founded on the belief that a strong hospital/system has the following characteristics in the new health care:

- Dominant market position related to inpatient and outpatient services
- Outstanding quality programs
- Loyal, satisfied patients
- Cost efficient and appropriately priced services
- Strong balance sheet with surplus capital

Review of Data Sources

Ratings are based on publicly available data sources, including Medicare Cost Reports, Medicare claims data, Hospital Compare reporting and related sources. The Hospital Strength INDEX includes the most recently available data sets and refinements to the methodology based on market feedback and access to new data sets.

The Hospital Strength INDEX is designed to provide a comprehensive, objective and straightforward method for comparing hospital performance. The scoring model aggregates hospital-specific data for 71 individual metrics and calculates percentile rankings based on performance in comparison to all hospitals in the study group. Eight primary pillar scores are derived based on the composite scores of their respective components. Aggregate scores across the eight pillars serve as the basis for a single overall rating. The INDEX's complete methodology is available for download at www.iVantageINDEX.com

The various ratings within INDEX are based on publicly available data sources including Medicare Cost Reports, Medicare claims data, Hospital Compare reporting, indicators from the Agency for Healthcare Research & Quality, Federal SEC EDGAR filings, as well as other proprietary data and methodologies. In this updated study, iVantage modified the Hospital Strength INDEX to include the most recently available data sets and applied a set of refinements and market share measures to the methodology based on market feedback and access to new data sets.