Rural Health Care Delivery System
Assessment Tool

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Introduction

Effective organizational process improvement often starts with awareness of strengths and weaknesses and a clear understanding of barriers to success. Existing tools frequently examine narrow aspects of a health care organization's performance – assessing tele-health readiness or predicting financial distress – and may lack the wide-ranging view necessary to effect systems change.

This assessment tool was created and designed to provide transformational rural health care and community leaders a comprehensive and systematic approach to examine their local health care systems. This resource can be used as both a self-assessment and as a way to compare one system or community to another, sharing information with both parties. It allows leaders to assess the local health care delivery system across five domains impacting efficiency and effectiveness, including Governance and Leadership, Community Engagement, Financial Health, Clinical Care, and Emergency Preparedness and Resilience. These domains were specifically chosen because of their relevance to a rural health care organization's ability to effectively respond to a public health emergency. However, the tool can also provide insight into the broader health and infrastructure of rural health organizations, identifying opportunities to meet the needs of their communities. Notably, it is specifically aimed at rural hospitals and primary care practices, which differ greatly in scope, scale, and function from their urban counterparts. We recognize that some of the resources and data elements listed in the five domains may be absent and therefore inapplicable in small primary care practices.

The tool is designed to prompt health care leaders to carefully and objectively assess their capacities relative to the needs of their communities both during and after the acute impact of COVID-19. This process is intended to equip and inspire rural health care delivery systems to contemplate strategic interventions that would increase those capacities in a new and remarkably different health care landscape.

Completing the tool and interpreting the results

Rather than providing a score or ranking, this tool serves as an "honest look in the mirror" and creates the fodder for an organization and its leaders to generate actionable insights regarding opportunities for improvement. The results may be used by leadership teams to drive conversations with community stakeholders and patients. Comparisons may be made with neighboring organizations or even across states or regions. The emphasis of the results should remain on the process of using the tool to assess the capacities of a rural hospital or primary care practice. Thoughtful answers to each question – which are best produced by an engaged committee of diverse team members – will lay the groundwork for thriving, vibrant rural health care delivery systems well-positioned to weather future COVID-19 surges or other unforeseen challenges.

We recommend that an organization convenes a representative taskforce of board members, administrative and clinical leaders, frontline workers, local citizens, and others to thoughtfully deliberate and answer the questions in the tool. We recognize that within rural health care delivery systems, many people serve in multiple roles and carry several titles. For the purposes of completing the tool, the following functions or perspectives are particularly important:

- Financial expert
- Clinician and/or clinical leader
- Governance member or owner (if applicable)
- Leader in strategy, health care transformation, and/or value-based care
- Emergency preparedness and response director
- Communications leader; strong writer to capture responses
- Community member, volunteer, or business owner

This group should reserve approximately four consecutive hours to complete the assessment. Once finished, we recommend it be reviewed by the organization's senior leadership team and then by the hospital Board of Directors or by the owners of the primary care practice.

Governance and Leadership

The leadership team of a rural hospital or primary care practice provides overall direction and guides organizational culture and practices. The members are ultimately responsible for and accountable to patients in their respective communities. They serve as a conscience or moral compass for the organization and make decisions that are informed by the expertise of clinicians and other health care workers. In this section, the characteristics of the leadership team are examined to identify gaps in representation or effectiveness.[a]

Board members

1. Describe how your Board is diverse. _____
   _____
   _____
   _____
   _____

2. How does your organization evaluate Board and CEO performance, and how do you address areas for improvement? _____
   _____
   _____
   _____
   _____

3. Describe your process for identifying qualified candidates to fill board positions.
   _____
   _____
   _____
   _____

4. How does the board manage potential conflicts of interest? _____
   _____
   _____
   _____
   _____

continued

Governance and Leadership

Senior leadership

5. How is your senior leadership team accountable to measurably:
   - Improve clinical quality and patient safety _____
   - Improve the patient experience _____
   - Reduce health disparities_____
   - Decrease per capita cost of health care _____
   - Increase employee engagement_____
   - Enhance health care provider wellness_____

6. How do your senior leaders invite employee input as it relates to the organization's mission, vision, core values, and strategic plan?_____

   _____

   _____

   _____

7. How does your organization view or address organizational affiliations, partnerships, or mergers?

   _____

   _____

   _____

Clinical leadership

8. How are clinicians involved in:
   - Strategic decision-making _____

     _____

     _____

   - Operational decision-making _____

     _____

     _____

   - Financial decision-making _____

     _____

     _____

Community Engagement

Effective community engagement provides a health care organization with necessary information to ensure services and products meet the needs of patients. Employing best practices for conducting a community health needs or similar assessment aligns organizational priorities with the health care needs of its community and positions the health care organization to thrive.[a,b] This section examines an organization's ability to understand and meet the needs of its community.

1. In what ways does your organization engage your community?
   a. Community Health Needs Assessment (or similar assessment)
      • Last date performed? _____
      • How did the involved individuals represent your community? _____
        _____
        _____
      • What strategic priorities did you identify in your community through this work?
        _____
        _____
        _____

   b. Patient and Family Advisory Council [PFAC] (or similar forum)
      • How often does the PFAC meet? _____
        _____
      • Describe the effectiveness of the PFAC leadership and how they source ideas from its members: _____
        _____
        _____
      • How is the PFAC incorporated into the strategic planning and implementation process?
        _____
        _____
        _____

2. Which of the following care management or population health services does your organization provide?
   (Check all that apply)
   ☐ Care managers for vulnerable patient populations
   ☐ Chronic disease management services
   ☐ Patient navigators
   ☐ Community paramedicine
   ☐ Community health workers
   ☐ Other _____

continued

Community Engagement

3. Which of the following community resources does your organization leverage to support health care delivery and how? *(Check all that apply)*
   - ☐ County/state governmental agencies, including local public health departments
   - ☐ Elected officials
   - ☐ Philanthropic organizations or foundations
   - ☐ School systems / early childhood centers
   - ☐ Faith-based organizations
   - ☐ Local businesses / Chamber of Commerce
   - ☐ Nursing homes and assisted living facilities
   - ☐ The county extension agency
   - ☐ Community volunteer groups
   - ☐ Other _____

4. What metrics does your organization track to understand performance in community engagement?

   _____

   _____

   _____

Financial Health

Amidst formidable financial challenges, rural health care delivery systems can seize opportunities to leverage community resources to ensure their vitality. In this section, an organization may examine its financial health using traditional metrics. This section also helps rural health care delivery systems evaluate strategies and ensure readiness for participating in value-based care.[a]

1. How does your organization utilize the following strategies to ensure financial vitality?
   - ☐ Monitors outmigration data (market share) for different service lines
   - ☐ The organization utilizes efficiency methodologies such as Lean or Six Sigma
   - ☐ The organization can accept risk of spending greater than targets
   - ☐ Participation in risk contracts, stop-loss insurance, or risk corridors
   - ☐ Ongoing monitoring of cost to deliver services compared to revenues
   - ☐ Cost accounting system capable of quantifying cost per encounter or service
   - ☐ Other _____

2. What is your organization's three-year trend for the following measures:
   - ☐ Profit margin/operating margin _____
   - ☐ Days cash on hand _____
   - ☐ Days in accounts receivable _____
   - ☐ Debt-to-equity ratio _____
   - ☐ Bad debt _____
   - ☐ Payer mix _____

Rural hospitals are also able to evaluate the probability of financial distress using the "financial distress index" (FDI) designed specifically for them.[c] The FDI is a model predicting a latent index of financial distress by unprofitability, equity decline, insolvency, and closure.[c]

continued

Financial Health *continued*

Index of financial distress (FDI)

3. Financial performance:
   - ☐ Percent total margin _____
   - ☐ Retained earnings _____
   - ☐ Present benchmarks met _____

4. Government reimbursement:
   - ☐ Critical access hospital status _____
   - ☐ Medicaid-to-Medicare fee index _____
   - ☐ Certified Rural Health Clinic status _____

5. Organizational characteristics:
   - ☐ For-profit status _____
   - ☐ Government facility _____
   - ☐ Net patient revenue _____

6. Market characteristics:
   - ☐ Miles to nearest hospital with greater than 100 beds or ambulatory care center _____
   - ☐ Market share _____
   - ☐ Proportion of households in poverty _____
   - ☐ Market population _____

Value-based care

7. What percentage of your organization's revenue is tied to value-based contracts, and what are those methodologies (e.g., per member per month [PMPM], accountable care organizations [ACOs], global budgets, etc.)? _____

   _____

   _____

   _____

8. In what ways does your organization participate in value-based care?
   - ☐ Clinician contracts provide incentives related to clinical care performance
   - ☐ The organization is financially capable of managing the total cost of care for a defined population
   - ☐ Your organization validates payer-defined cost targets and risk adjustment methodologies
   - ☐ Not applicable

Clinical Care

Clinical care is the overarching purpose of the health care delivery system. This section equips organizations to consider how their services are responsive to the needs of their staff and communities and how they are engaged in improving health equity and making care more accessible.[d,e]

H

Health outcomes and performance improvement

1. Describe your performance in quality and patient safety metrics.

	List three metrics in which you are performing well	Benchmark	List three metrics in which your performance needs improvement	Benchmark
Quality of Care	1. 2. 3.		1. 2. 3.	
Patient Safety	1. 2. 3.		1. 2. 3.	

2. What structure and processes does your organization have in place for performance improvement?

_____

_____

_____

continued

H

Access to care

3. Describe your identified community health needs and the services your organization provides to meet those needs. Examples are provided in each category.

Health Needs Identified (based on CHNA or other health needs assessments)	Services Available (number of providers or service lines, clinics, virtual care, etc.)
Primary Care 1. *Well-child visits* 2. 3.	
Chronic Conditions 1. *Diabetes mellitus* 2. 3.	
Behavioral Health 1. *Substance use treatment* 2. 3.	
Specialty Care 1. *Cardiology* 2. 3.	
Other/Non-clinical 1. *Physical therapy* 2. 3.	

4. How does your organization address provider/staff wellness? _____

   _____

   _____

   _____

   _____

5. How does your organization assess equitable access to health care services? _____

   _____

   _____

   _____

   _____

Clinical Care *continued*

H

6. Does your organization provide patients the option to access virtual care (including telemedicine)?[f,g]

☐ Yes
- What telemedicine services does your organization provide? _____
  _____
  _____

- How does your organization staff telemedicine services? _____
  _____
  _____

- What feedback have you received from patients on virtual care options?_____
  _____
  _____

- What training does staff receive on providing telemedicine services? _____
  _____
  _____

- What impact has telemedicine volume had on your financial performance? _____
  _____
  _____

☐ No
- Does your organization have a champion(s) for bringing telemedicine to your organization?
  _____
  _____

- Does your organization have the technical capability to provide telemedicine services?
  If not, which capabilities are missing? _____
  _____
  _____

- Has your organization created telemedicine policies?_____
  _____

- Has your organization begun training staff on providing telemedicine services? _____

- Does your organization have a financial model for the use of telemedicine? _____
  _____

Emergency Preparedness and Resilience

Emergency response preparedness is vital for a health care delivery system to maintain the ability to care for patients during incidents, including natural disasters, mass casualty accidents, bioterrorism emergencies, and emerging infectious diseases, that would normally exceed usual demands. The U.S. Department of Health and Human Services Office of the Assistant Secretary for Preparedness and Response has outlined Health Care Preparedness and Response Capabilities to guide the elements of preparation for health care delivery systems.[h] In this section, three preparedness capabilities are examined that take into consideration the unique challenges facing rural health care organizations.

Health care and medical response coordination

1. In reviewing your Emergency Operations Plan (EOP), describe how your organization will:
    a. Continue to provide clinical care _____

    b. Modify staff roles and responsibilities _____

    c. Collaborate with local public health, community, and governmental organizations _____

2. What is your strategy for sharing information internally with staff and externally to the public?

    _____
    _____
    _____

Continuity of health care service delivery

3. What are key health care functions that your organization intends to continue during an incident?

    _____

4. How will your organization manage administrative and financial functions during an incident?

    _____

5. How will your organization acquire supplies, equipment, pharmaceuticals, and other necessary resources in the event of supply chain disruptions? _____

    _____

6. What procedures does your organization have in place to protect health care information systems, networks, and privacy? _____

    _____

Medical surge

7. Describe your organization's plan for responding to a medical surge during an incident.

    _____
    _____
    _____

Methods

To develop this assessment tool, a peer-reviewed literature search for existing tools was conducted within PubMed and Google Scholar, starting with the search terms "rural health" + "assessment" + "tool". Abstracts of the search results were reviewed to identify relevant tools and background articles. Search results that were not written in English were excluded. References in the relevant articles were also reviewed to identify snowball resources. From this initial search, the review of the resulting articles prompted the team to conduct additional, narrower searches using the following search terms:

"Rural hospital" **+** "financial"

"Rural" **+** "primary care" **+** "assessment" **+** "tool"

"Rural" **+** "health care delivery system" **+** "assessment"

"Rural" **+** "value-based care"

"Rural" **+**" telehealth" **AND/OR** "telemedicine" **AND/OR** "virtual health"

"Assessment" **+** " telehealth" **AND/OR** "telemedicine" **AND/OR** "virtual health"

"Assessment tool" **+** "primary care" **AND/OR** "hospital"

"Emergency preparedness" **OR** "public health emergency" **+** "rural"

We evaluated the tools that were identified based on their ability to assess multiple domains within health care delivery systems; relevance to rural communities; and ease of use. Key informant interviews and feedback from subject matter experts additionally informed the ultimate selection of domains for this new tool, as well as the areas of focus within each domain. In some cases, such as with the financial health domain, established measures already existed. In these instances, the team supplemented existing measures with questions designed to gauge how prepared an organization is to respond to health care trends, such as value-based care. Once the draft tool was created, including domains, areas of focus, and the assessment questions themselves, it was evaluated iteratively by an advisory group comprised of rural hospital, primary care, and public health representatives until the final version was complete.

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References

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[b] Forming a Patient and Family Advisory Council (PFAC)Patient and family perspectives can help you achieve more patient-centered care in your practice. Published online 2018:16.

[c] Holmes GM, Kaufman BG, Pink GH. Predicting Financial Distress and Closure in Rural Hospitals. The Journal of Rural Health. 2017;33(3):239-249. doi:10.1111/jrh.12187

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