



A Publication of the Maine Hospital Association

W I N T E R 2 0 0 5

Maine Hospitals: Contributing to Our Quality of Life and Prosperity

For generations, families in Maine have relied on a strong, stable health care system to care for them 24 hours a day, seven days a week, 365 days a year. We have all come to expect the best that hospitals offer... helping to keep us healthy, healing the sick, tending the injured, and comforting the dying.

Health care...two simple words that evoke powerful, often personal images.

Health care plays a vital role in the overall health and well-being of communities. But, it's easy to take a hospital for granted, passing it by each day, never giving it much thought until that day or night when your life may depend on it.

When we think about hospitals, our thoughts turn to emergency rooms and injury, operating rooms and illness, or the beginning of life with a new infant. Yet, today's hospitals are so much more. Maine hospitals offer continuing care, hospice, home care, outpatient care, community wellness programs, rehabilitation, disease prevention, behavioral health, research facilities, and more. They also provide screenings, education and preventive services.

"Hospitals in a rural state like Maine help make sure there are enough physicians and other health care professionals to care for geographically dispersed populations," said Steven Michaud, president of the Maine Hospital Association. "Because it is difficult to recruit and retain physicians in rural areas, hospitals help bring physicians to a local community—and they continue to help support them by providing office space, insurance, and administrative help. In many instances, if hospitals didn't employ them, patients wouldn't have access to family doctors and specialists."

Hospitals are important to the economy

Hospitals are major employers in the community. Throughout the country, one in nine people are employed in health care. In Maine, health care is one of the state's largest employers, employing more people than the paper industry and state government combined. Hospitals alone employ over 22,000 people with a payroll of about \$1.2 billion.

Health care is also one of the economy's fastest growing sectors—it is estimated that 13,000 new jobs will be created in health care in Maine from 1998 to 2008.

"Each year, Maine hospitals generate more than \$4.5 billion for the state and local economies," said Michaud. "This happens due to the economic 'ripple' effect that the hospital industry has in other sectors of the economy. For example, hospitals spend some \$1 billion per year on goods and services, such as electricity and food for patients. Funds spent to buy goods and services flow from the hospital to vendors and then ripple throughout the local economy for a total direct and indirect impact of \$1.9 billion.

"The total economic impact also takes into account that hospital employees spend money on groceries, clothing, mortgage payments, rent, etc.," said

Michaud. "These dollars generated about \$2.2 billion in total economic activity for the local economy."

So, not only are hospitals among the largest employers in their communities, their purchasing patterns and the spending of their employees have important secondary benefits to the local economy. In fact, the \$4.5 billion

in economic activity generated by Maine hospitals is about 12% of the Gross State Product.

As baby boomers age, creating greater demand for health care services, our local hospitals will play an even more important role both in the economy and in the overall health and well-being of our communities.

Defining Reform

There's a lot of talk about health care reform both in Maine and throughout the country. In Maine, the focus is on the many aspects of the Dirigo Health Law, which is attempting to achieve improvements in the access, cost, and quality of our health care system. But, whether you are in Maine or Minnesota, a great deal of the discussion about health care reform is being driven by the rapidly rising cost of health insurance premiums and the increasing costs of health care in general. Whether you are a health care professional, a community member, a government leader, a business owner, or an individual who requires health care services, you are part of the growing chorus of individuals who know that health care reform is needed—that is something we all agree on. But what does reform mean and how do we achieve it?

Given that this debate is ongoing, this edition of *Maine's Healthcare* takes a look at how hospitals in the state are working to improve and manage health care services—from both a cost and quality perspective—and it provides a glimpse of the many contributions hospitals make to their communities. Also in this issue are stories about how the Maine Recruitment Center, a collaborative initiative under the auspices of MHA, is bringing top-notch physicians to care for community members throughout Maine.

Sincerely,

Steven R. Michaud
President, Maine Hospital Association



Hospitals and physicians are reforming health care

Every year

Maine hospitals:

Treat patients 3.8 million times (inpatient and outpatient)

Provide 3 million outpatient treatments and procedures

Care for people seeking emergency room care 709,000 times

Deliver 13,000 new babies

Source: American Hospital Association



Most people, when they talk about health care reform, are talking about lowering the cost of care.

Maine hospitals believe that one of the best ways to reduce health care costs is improving care so that illnesses are prevented and chronic conditions treated before they turn into crises requiring expensive treatments and hospitalizations. And, when hospitalization is necessary, reform means ensuring that patients have access to effective, high quality treatments and are cared for in an environment that is supportive and comforting. In this regard, Maine hospitals and their affiliated physician offices have been at the forefront of health care reform—always striving to improve the system so that patients can obtain the right care at the right time in the right setting.

Four chronic diseases—cardiovascular disease, cancer, chronic lung disease and diabetes—are responsible for 70 percent of the health care problems in Maine. Managing these diseases better will not only improve the patient's quality of life, but also reduce the number of hospitalizations and the associated costs of those hospitalizations.

To that end, a number of Maine hospitals and their affiliated physician practices are working to implement the community-based chronic care model. For example, the health care providers associated with the Central & Western Maine Regional Physician Hospital Organization (PHO) are using the chronic care model with their diabetic patients. The PHO includes Central Maine Medical Center, Rumford Hospital, Bridgton Hospital, Franklin Memorial Hospital and Parkview Adventist Medical Center.

Preventing diabetes complications

Diabetes is a chronic condition that has devastating complications if it isn't managed properly.

"Today's diabetic is tomorrow's four-way bypass," said Joel Johnson, director of medical management at the Central & Western Maine Regional PHO. Other complications associated with diabetes include blindness, amputation because of circulatory and nerve problems and kidney failure.

The PHO worked out a contract with Anthem that would change the way physicians were reimbursed. Instead

of being paid a flat fee for each member every month, doctors agreed to be paid according to how well they followed a chronic care model.

Primary care physicians developed a registry of all their diabetic patients. As a result, rather than treat diabetics randomly, each physician would know how many diabetic patients he or she had and how many had taken the hemoglobin A1C blood test in the past year. The test shows a person's average blood control sugar over a three-month period.

The registry enables physicians to see who has taken the test, whose blood sugar levels are in range and who needs to be seen again. The registry also allows physicians to make sure their diabetic patients receive education materials and community resources such as support groups and diet classes relating to their condition.

Controlling asthma

By closely monitoring their diabetic patients in this way, physicians can prevent complications before they start. Similar preventative models are widely used in Maine to monitor and educate asthma patients. Hospitals that are members of the MaineHealth Network participate in AH! Asthma Health Program.

The AH! Asthma Health Program was created in 1998 by MaineHealth, Blue Cross and Blue Shield of Maine and the American Lung Association of Maine, in an effort to measurably improve asthma care among children ages 3 through 17. The program since has expanded to include adults.

Guidelines for Asthma Education and Prevention, published by the National Heart Lung and Blood Institute, provide the scientific basis for the AH! Program. Three basic elements form the core of the AH! model: the individual who has been diagnosed with asthma and his/her family; the primary care provider; and an Asthma Educator, who is specially trained with significant expertise in asthma management. Education that is tailored to individual needs, care coordination, and regular assessment of results are key components of the program. The AH! model is community-based, which means that many sectors are involved in implementation, including the hospital, schools, daycare, medical specialists, pharmacy, housing, public health, and home health.

Promoting healthy lifestyles

Hospitals promote healthy lifestyles to prevent illnesses. The Healthy Community Coalition, part of the Franklin Community Health Network of Franklin Memorial Hospital has a mobile health unit that travels around the hospital's service area offering health screenings and information. The coalition sponsors Strides, a year-round community fitness program designed to keep people striding toward their own personal health goals.

Collaborating with peers

Hospitals are also reforming the health care system by collaborating to improve inpatient care. Earlier this year, Maine hospitals through the Maine Hospital Association, released a report showing the results of two quality improvement projects: The Clinical Quality Project and the Patient Satisfaction Project.

The Clinical Quality Project measures how often hospitals used evidence-based clinical protocols to treat heart attacks and heart failure. Staff members from participating hospitals regularly meet to discuss various ways to improve how often these protocols were followed.

The Patient Satisfaction Project measures patients' evaluations of the care they received while in the hospital. Aspects of the stay such as admissions and billing were among the areas evaluated. These measures were chosen because patients who feel well-cared for are more likely to communicate their needs to their caregivers. Like the Clinical Quality Project, hospitals participating in the Patient Satisfaction Project met to share with each other how they can improve the quality of their patients' experiences in the hospital.

The report "Caring for our Communities" with the results of these projects is available at www.themha.org.

Prevention, managing chronic illnesses, and improving the quality of hospital care benefit patients. Likewise, these same initiatives ultimately save money by creating a health care system where hospitalizations are as infrequent and short term as possible. Reforms that mean people are healthier and well-cared for are the sorts of reforms we should all embrace.

by the numbers

Hospitals' impact on Maine's economy

- ▶ \$4.5 billion = Maine hospitals' total impact on economy
- ▶ 22,270 = Maine hospital employees
- ▶ \$1.2 billion = total payroll of Maine hospitals
- ▶ \$2.2 billion = total economic activity driven by hospital employees spending on groceries, clothing, mortgage payments, rent, etc.
- ▶ \$1 billion = dollars spent by hospitals on goods and services to provide health care
- ▶ \$1.9 billion = economic activity generated throughout Maine's economy as a result of hospital purchases

Source: Healthcare Association Of New York State

Maine Recruitment Center brings doctors to Maine

A residency in Philadelphia solidified Bill Kiley's feeling that he wanted to practice general surgery in a rural, rather than urban area.

Through a friend who was already practicing in Maine, he got the name of Jane Ham, director of the Maine Recruitment Center (MRC).

"I'd spoken to a few recruiters, but Jane was so user-friendly, I just stuck with her," said Kiley, who is now practicing in Rumford.

Rural challenges

It's hard to be a physician in a rural state like Maine with a high percentage of poor and elderly people. The pressures and expenses of liability insurance, the losses because Medicare and Medicaid don't reimburse enough and administration costs all make it difficult for a physician to earn a living. That's why so many family doctors and specialists work for practices that are owned or closely affiliated with hospitals.

Even with the support of hospitals, it's often difficult to find physicians willing to practice here. Physicians, particularly specialists, often can make more money in more urban or suburban areas—for doctors with large student loans, finances can be a deciding factor. In 1998, the Maine Hospital Association (MHA) surveyed hospitals and found that they were spending \$2 million a year to recruit physicians.

The birth of MRC

MHA created a committee of hospital presidents, recruiters and other interested parties to develop a cooperative solution to finding qualified doctors. The nonprofit Maine Recruitment Center (MRC), modeled on a similar program in Vermont, became their solution.

Hospitals pay a membership fee that entitles them to have MRC recruit for as many positions as they have open. The hospital then pays a placement fee when a physician is placed. This year, 30 of MHA's 39 hospitals are MRC members. In addition, one large physician practice is a member.

Since its inception, MRC has enabled the hiring of 93 physicians at 29 hospitals and four health centers. Most of those doctors are primary care physicians, but MRC has recruited specialists ranging from a dermatologist for

Maine Coast Memorial in Ellsworth and Mount Desert Island hospitals to an anesthesiologist for Houlton Regional Hospital.

"I think it's a wonderful service," said Roy Hitchings, CEO of Penobscot Bay Medical Center in Rockport, which has hired seven physicians, including a pathologist and a urologist through MRC. "The idea of recruiting to Maine makes a tremendous amount of sense.

"You can make more money in other states," Hitchings said. "If you're here, it's for other reasons."

Since its inception, MRC has enabled the hiring of 93 physicians at 29 hospitals and four health centers, saving hospitals and the health care system \$1,171,000.

Recruiting specialists such as gastroenterologists, orthopedists and ear nose and throat doctors is the most challenging, Ham said. These specialists often like to have academic affiliations so they can be involved in research. There are few such opportunities in Maine.

Quality of life

Yet, it's Maine's rural character and quality of life that draws so many doctors from across the country.

"It's all about family life, recreation opportunities and small communities," Ham said.

It was the opportunity to practice in a small community that drew Kiley to Rumford.

"I like Rumford a lot," he said. "It's the kind of place where you go to the post office and it takes half an hour to buy stamps and mail a letter because you're talking to people."

MRC has been most successful in recruiting people who became physicians mid-career. As a result, they already have families and are looking for safe communities and good schools, Ham said.

While southern Maine and coastal hospitals appeal to a broader range of doctors, MRC has had a lot of success recruiting doctors for the state's most northerly hospital, Northern Maine Medical Center in Fort Kent. Ham

credits the hospital with doing a good job of showing off its collegial atmosphere, the area's natural beauty and all the recreation opportunities. The doctors already on staff also do a good job of showing their success and happiness at being there.

"The hardest part is getting a candidate to look at northern Maine," Ham said. "But when they do get someone to interview, they leave with a contract."

Psychiatrist Simona Suchan needed to find a rural area in which to practice. The Canadian's visa required that she practice in an underserved area. After receiving her training at Dartmouth, she knew she wanted to stay in New England when she called the Maine Recruitment Center three years ago.

"I considered (the nonprofit state recruiters) more honest than the ones who do it for money," she said.

A position had just opened at Northern Maine Medical Center for a psychiatrist. Suchan, her husband and their two sons interviewed at the hospital.

"We pretty much immediately decided if the contract was reasonable and the offer sound we would come," she said. "We found a community that suits us."

"We've arrived"

At any given time MRC has about 130 openings. Many of those openings occur because doctors retire. Some occur because younger doctors start families and want to move back to their home state to be closer to relatives. Less frequently, hospitals have openings because they are adding more services.

Of the 93 placements since MRC's inception, 35 have been this year.

"We've sort of arrived," Ham said. "We've been here long enough that people are referring other people to us. We've built a pretty solid reputation."

Unlike for-profit recruitment firms that are inclined to just send out candidates' resumes, MRC screens candidates before referring them to a hospital.

"We're not a paper mill. We want to make sure it's the right fit," Ham said. "We don't apply pressure or sales tactics. We're scrupulous because we're the face of Maine hospitals."

Recruitment Service Helps Island Get Town Doctor

It sounds romantic—practicing medicine on an island off the coast of Maine.

But for the tiny island town of North Haven, romance wasn't enough to quickly fill the position of town doctor. It took two years and the help of the Maine Recruitment Center to finally get a physician.

North Haven, with a wintertime population of between 325 and 350, is an hour and fifteen minute ferry ride from Rockland. The town provides a house, attached to the clinic. The physician is on call all the time he is on the island and is responsible for the management of the clinic, including ordering supplies.

The island turned to the Maine Recruitment Center, part of the Maine Hospital Association. With MRC's help, North Haven found a doctor.

Dr. Dettleff Olson's wife found the job posting on the Internet. The family was living in Ohio where Dr. Olson was working in a suburban physician practice. Their children were almost grown and the couple was deciding what they wanted to do with the rest of their lives.

"I wanted a big change and to get away from the big suburban practice," Olson said. He and his family fell in love with the island despite a rough crossing in February.

With limited access to diagnostic tools like MRIs and CAT scans, Olson will have to make use of his diagnostic skills, a challenge he's looking forward to.

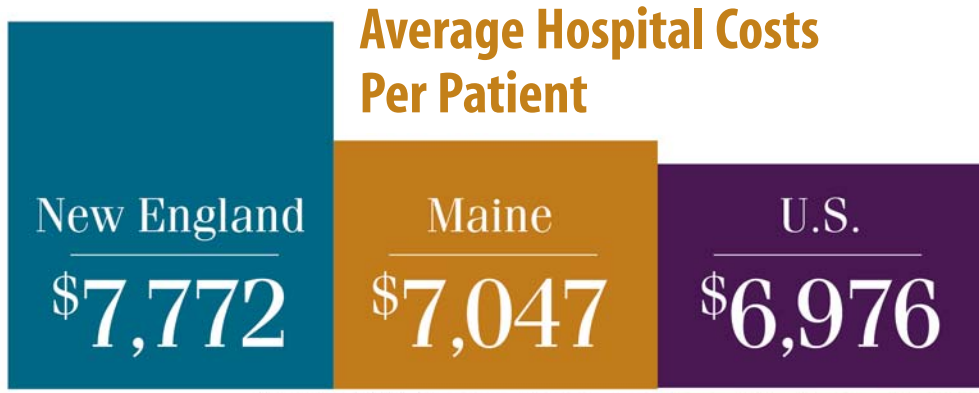
Olson moved to the island in June and started seeing patients almost instantly. In the first couple of months he saw two patients having heart attacks, removed several fish hooks, had newborns come in for well baby visits, treated broken fingers and a variety of cuts and bruises.

He has daily office hours with a break in the middle of the day for paperwork or visiting shut-ins (some of whom haven't been off-island in 20 years). Right now, until he gets permanent licensing and hospital privileges, he's charging a flat \$20 fee. Once he has privileges, he'll be able to accept Medicaid, Medicare and insurance.

"I'm loving it," he said of the new job. "I feel at home, the whole town has been very open and willing to accept me into the community. You drive around and everyone waves."

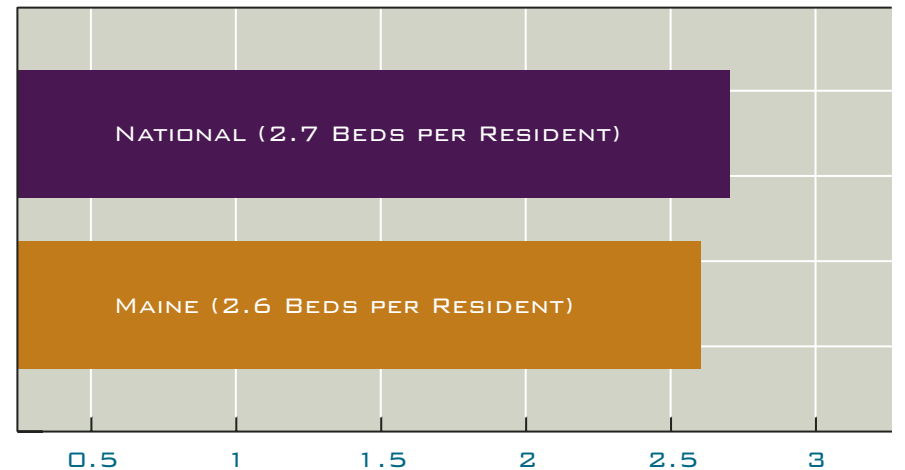
Healthwatch Data Bank

A look at hospital care in Maine



SOURCE: 2001, AMERICAN HOSPITAL ASSOCIATION (AHA) HOSPITAL STATISTICS

Inpatient Beds Per 1000 Residents

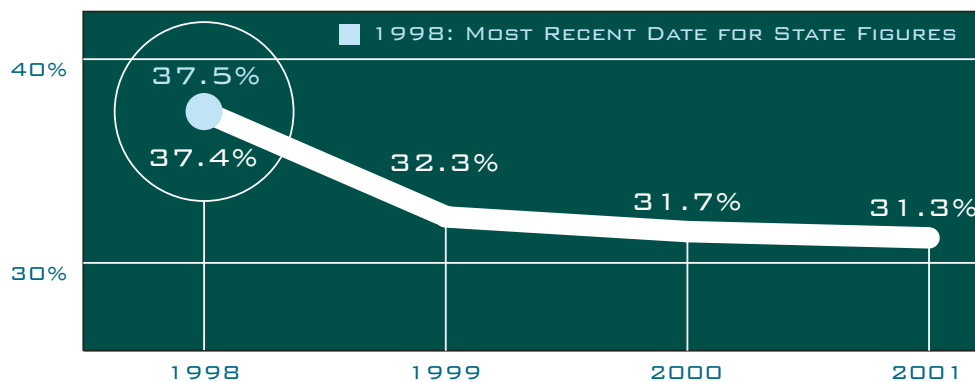


RATIO OF HOSPITAL BEDS TO POPULATION

	NATIONAL	MAINE
POPULATION	281,421,906	1,274,923
INPATIENT BEDS	759,839	3,315
INPATIENT BEDS (PER 1,000 RESIDENTS)	2.7	2.6

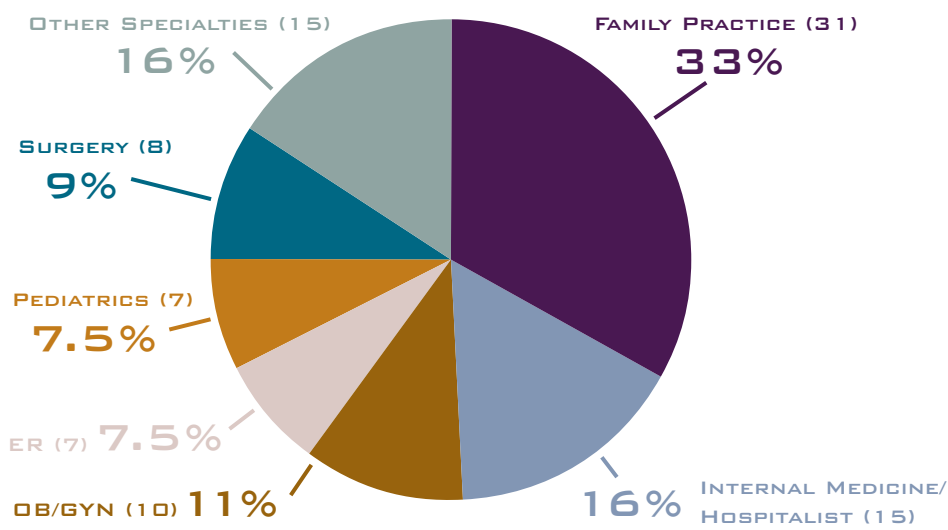
SOURCE: 2/20/04 MILLIMAN USA STUDY COMMISSIONED BY MAINE BUREAU OF INSURANCE

Hospital Spending as a Percentage of Total Healthcare Spending

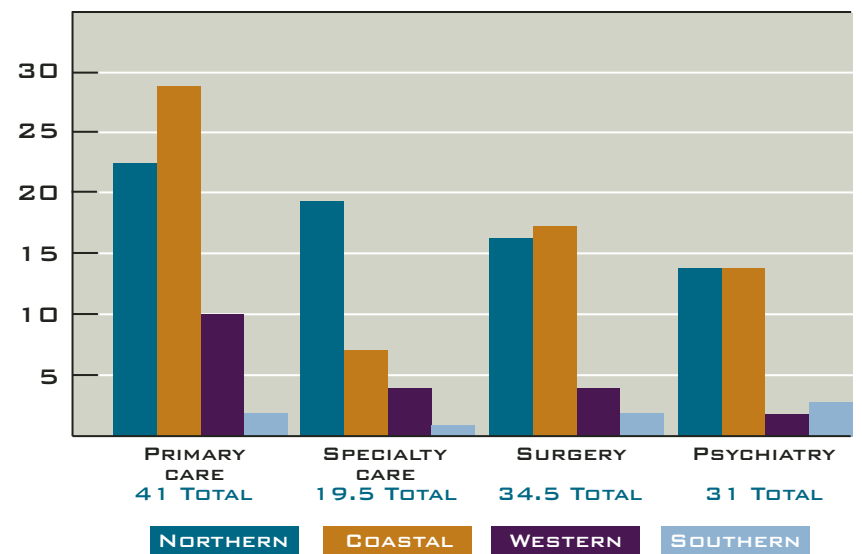


SOURCE: U.S. CENTERS FOR MEDICARE & MEDICAID SERVICES

Maine Recruitment Center Placements



Maine Physician Vacancies by Category and Region



Primary Care: Family Practice, Internal Medicine, Pediatrics, OB/GYN **Specialty Care:** Anesthesia, Cardiology, Dermatology, Emergency, Hospitalist, Hematology, Oncology, GI, ENT, Infectious Disease, Rheum, Phys, Neuro, Pulm, Urology, Radiology **Surgery:** General/Trauma/Vasc, Orthopedics

SOURCE: MAINE RECRUITMENT CENTER

MHA Member Hospitals

The Acadia Hospital
Bangor

The Aroostook Medical Center
Presque Isle

Blue Hill Memorial Hospital
Blue Hill

Bridgton Hospital
Bridgton

Calais Regional Hospital
Calais

Cary Medical Center
Caribou

Central Maine Medical Center
Lewiston

Charles A. Dean Memorial Hospital
Greenville

Down East Community Hospital
Machias

Eastern Maine Medical Center
Bangor

Franklin Memorial Hospital
Farmington

Goodall Hospital
Sanford

Houlton Regional Hospital
Houlton

Inland Hospital
Waterville

MaineGeneral Medical Center
Augusta/Waterville

Maine Coast Memorial Hospital
Ellsworth

Maine Medical Center
Portland

Mayo Regional Hospital
Dover-Foxcroft

Mercy Hospital
Portland

Mid Coast Hospital
Brunswick

Miles Memorial Hospital
Damariscotta

Millinocket Regional Hospital
Millinocket

Mount Desert Island Hospital
Bar Harbor

New England Rehabilitation Hospital
Portland

Northern Maine Medical Center
Fort Kent

Parkview Adventist Medical Center
Brunswick

Penobscot Bay Medical Center
Rockport

Penobscot Valley Hospital
Lincoln

Redington-Fairview General Hospital
Skowhegan

Rumford Hospital
Rumford

St. Andrews Hospital
Boothbay Harbor

St. Joseph Hospital
Bangor

St. Mary's Regional Medical Center
Lewiston

Sebasticook Valley Hospital
Pittsfield

Southern Maine Medical Center
Biddeford

Spring Harbor Hospital
Westbrook

Stephens Memorial Hospital
Norway

Waldo County General Hospital
Belfast

York Hospital
York