Statement
Of

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To

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Government Information, and International Security
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Overview of the Competitive Effects of Specialty Hospitals

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My name is Dr. James E. Cain and I practice family medicine in rural Texas. I spent the first eighteen years of my life growing up in rural Arkansas in a town called Eudora on the banks of the Mississippi river. The next eighteen years were spent in Houston, Texas where I received my education at Houston Baptist University, Baylor College of Medicine, and the University of Texas Health Science Center. At the end of my education I chose to return to a rural setting and practice primary medicine.

I live and practice in Lampasas County, which is about 1.5 hours north of Austin, forty-five minutes west of Fort Hood, and about one hour south of Crawford, Texas. The county population is approximately 20,000 with a median household income of a little over $30,000 dollars per year. My clinic has four doctors and we are essentially the only group that serves Lampasas County. Our clinic also serves patients from surrounding counties. Rollins Brook Community Hospital and Metroplex Hospital are the primary facilities serving our community. It is important to understand that while providing excellent care to our patients, specialty services including cardiovascular services are not available in our community hospitals. Our patients must be transported to facilities providing a higher level of care.

Our primary sources of reimbursement are Medicare, Medicaid, Champus Tricare (which is the military's insurance), a handful of commercial insurances, and private paying patients. We work an average twelve-hour days and see patients regardless of their ability to pay. We see any patient that presents at our office.

A colleague recently asked me what I thought about Heart Hospital of Austin, and how their services affected my practice. My answer to those questions is the reason I am here with you today. What I shared with this colleague and with you today is a scenario that plays out in my life on an almost weekly basis.

- I get a call from the Emergency Department of Rollins Brook Community Hospital.
- A patient of mine is having chest pain and it doesn't look good.
- I get in my truck (Yes, I am from Texas and I drive a truck-no hat!) and drive to the hospital.
- I call Heart Hospital of Austin CV Stat line and within minutes I am speaking with a cardiologist.
- We discuss the case; he or she helps me to stabilize my patient.
- Together we decide - ambulance or helicopter.
- The patient is transferred and I return to work or home.

Within a few hours of transport, I receive a call back from the cardiologist who provides an update of my patient's condition – including whether that patient received a stent, surgery, or other therapeutic treatment. Within a few days, my patient has returned home and visits my practice for a follow-up. My patient has been returned to me and is obviously well cared for. In addition, the patient is very impressed with the care that they have received. The most significant point here is that at no point during this scenario has any one asked me about my patient's insurance or their ability to pay. During the past twelve months, 136 patients from Lampasas have been treated as inpatients at Heart Hospital of Austin. Of those – 67 were transported directly from Rollins Brook Community Hospital and 14 came from Metroplex. 74% of those patients were Medicare insured. Additionally, 54 patients from Lampasas County were treated at Heart Hospital of Austin as Outpatients (Emergency Department or Observation). 37% of those patients were self-pay (uninsured) and 35% Medicare.

The above scenario also demonstrates the effective use of time that HHA incorporates into their management. The time line with which this case is managed is as good as it gets. When you live and hour or more from a tertiary center, often minutes are everything. When I compare the service I receive from Austin Heart Physicians and Heart Hospital of Austin to the standard process I get at the

other hospitals I use, and I do use several others, there truly is no comparison. What I typically get right off the bat is an administrator and what is the first question asked?

- What is the patient's insurance?
- Next I am told I will need to speak to a utilization review nurse.
- When they hear my patient has Medicaid or, God forbid, no insurance then the conversation usually turns towards lack of bed availability.
- I am asked where my county hospital is located or if the patient is stable enough to transfer.
- In the end, if they accept transfer, it is usually through their Emergency Department because they feel a second workup in their Emergency Department might lead to different results – in other words, the patient will not have to be admitted and therefore utilize resources that they cannot pay for.

It also frustrates me to see a patient go to another facility on a Friday. When I call to follow-up after the transfer to find out what is being done for my patient, I am told that the patient is stable and since they can't do caths after hours or on the weekends my patient will have to sit in the hospital until Monday to figure out what is going on with them. This means two extra hospital days and a calculated but small increase in risk to my patient. And of course, this adds cost to the system. The Lewin data points out the following: HHA takes care of sicker patients, discharges more patients to their homes and has a shorter length of stay when compared to their central Texas peers. The fact is that I have done this long enough in rural practice to generally know what my patient is going to require without a lot of additional tests or procedures. But what do I know. I am just a country doctor.

My experience with Heart Hospital of Austin demonstrates a seven-day a week operation - and they take the good with the bad. I am also keenly aware that the cardiologist accepting my patient to Heart Hospital of Austin has the best interest of my patient at heart – and that is what is most important here. In addition my patients can receive follow up care from HHA cardiologists who work and live in our local communities. There are just no comparisons to the quality and efficiency of the care my patients receive at Heart Hospital of Austin. I consistently see data in medical journals confirming that good patient outcomes are becoming the focus for medical models. Good patient outcomes not only have a positive impact on the cost effectiveness of managed care health dollars, but also lead to higher patient satisfaction, fewer complications and fewer lawsuits. In the end this correlates with one thing…saving money. Many insurance companies now reward physicians based on patient outcomes. In terms of my sickest patients there is no one that comes close to matching what Heart Hospital of Austin does for me in this regard. There are many studies and recognitions by reputable organizations that speak favorably about the outcomes, length of hospital stay, and quality of care my patients receive at Heart Hospital of Austin. The following are some of the organizations that provide such information:

Solucient Top 100 Hospitals: Heart Hospital of Austin was named as a 2004 Solucient Top 100 Hospital. This Cardiovascular Benchmark for Success study identifies hospitals that are setting benchmark levels of performance for cardiovascular services throughout the nation. HHA is acknowledged for its high-performing cardiovascular clinical and management teams.

Texas Business Group on Health: TBGH believes that "hospitals aren't all the same—some have better results than others for the surgeries and procedures they do." The Texas Hospital Checkup for Heart Care was developed to enable consumers to compare outcomes and cost for abdominal aortic aneurysm repair, balloon angioplasty, carotid artery surgery, and heart bypass surgery.

- HHA meets or exceeds mortality expectations for high volume hospitals.
- HHA averages the lowest length of stay and lowest average charge when compared to all hospitals serving the Central area.

United Health Group Center of Excellence: United Health Group lists Heart Hospital of Austin as one of its Premium Cardiac Centers. The well-recognized Centers of Excellence program, organized around scientific evidence, expert physician input and robust clinical data, has continued to demonstrate sharp improvements in patient survival as well as significant cost savings for individuals and payers.

Lewin Group: A comparative study was done to determine how cardiac care services provided in MedCath heart hospitals compare on measures of patient severity, quality of care and community impact to cardiac services provided in peer hospitals across the country that perform open heart surgery. Following are the 2005 study findings based on 2003 data comparing Heart Hospital of Austin to its peer Central Texas community hospitals.

- HHA discharges 12.7% more patients to their homes as compared to peer community hospitals.
- HHA has a 6% higher case mix severity for cardiac patients than the peer community hospitals.
- After adjusting for risk of mortality, HHA exhibits a 31.9% lower in-hospital mortality rate for Medicare cardiac cases compared to the peer community hospitals.
- HHA has a shorter average length of stay (ALOS) for cardiac case (3.39 days) than the peer community hospitals (4.47 days) after adjusting for severity.
- An analysis of fiscal year 2003 data found that in comparison to the peer group of community hospitals, MedCath heart hospitals had relatively higher severity-adjusted cardiac case mix, lower mortality rates and lower average length of stay. We further found that MedCath heart hospitals discharged a higher proportion of their Medicare cardiac patients to their homes and transferred fewer discharged cardiac patients to other facilities. These conclusions are consistent with the results found in similar studies covering fiscal years 2000, 2001 and 2002. And because MedCath heart hospitals discharged a higher percentage of cardiac patients to their homes, that may have resulted in reduced Medicare expenditures.

It is my personal experience and that of my patients that leave no doubt in my mind about the quality of care we receive at Heart Hospital of Austin. If you told me tomorrow that I would lose Heart Hospital of Austin, I would seriously have to rethink how I practice medicine in rural America. In this day and age of frustrated doctors, skeptical patients, confused administrators and politicians trying to figure out how to make the dollar cover expenses it is easy to become cynical. I can tell you I am no cynic. I love what I do, I still enjoy going to work every day, and I am proud to be a country doctor. Heart Hospital of Austin and services like theirs help me practice medicine in rural Texas like no others have. The designated facility for patients from our area without payment abilities is in Galveston, Texas, which is a six to seven hours trip by ground transportation. Sending patients there or spending hours finagling others to take my uninsured is impractical. If I were to lose Heart Hospital of Austin as a referral destination for my non-resource patients, it would be very difficult to continue practicing rural medicine in Central Texas. I ask that you look closely at facilities such as Heart Hospital of Austin that are doing such effective work, model them and learn from them. In the end the organizations taking the best care of patients enable the most cost effective care. Thank you.