

Gathering Information about a Converting Hospital

If a nonprofit hospital in your area decides to convert, it will be very helpful to gather information on the quality of patient care, pricing, hospital finances and information about the health care delivery system in your community so that you can increase your influence in the conversion process.

The Hospital's Role in the Health Care Delivery System

Your local nonprofit hospital is part of a system providing health care services to the entire community. In that capacity, it plays a unique role. Providing regulators with information about the health care needs that are met by your hospital will ensure that important issues are not ignored. Your county health department or emergency services agency can provide valuable information about the role of your hospital in the health care delivery system. Often you can find out average travel times to facilities and whether that makes a difference in emergency situations, especially when there is heavy traffic. You may also be able to determine how often hospitals have been on "diversion," meaning how often they are unable to accept emergency patients because they do not have sufficient capacity, requiring the redirection of ambulances to other facilities. In addition, they may know if there have been times recently when all of the beds in a particular unit have been filled and patients have been forced to go to another facility for care. Finally, they may be able to tell you that the hospital serves a unique function, such as having the only trauma center or helicopter pad in the community.

What You Can Do:

Contact your local health department and emergency services agencies and ask:

What role does the hospital play in the health care delivery system?

How long does it take to travel to the hospital from various points in your community, especially in an emergency?

What unique services are offered by the hospital?

Are the local health department and emergency services agencies concerned about the conversion?

Find out about the amount and types of services provided at the hospital (i.e., whether it provides a significant level of Medicaid or other services to the indigent population).

Service Quality

Information on hospital service quality encompasses a wide array of possible measures. Data on service quality generally fall into five categories: 1) medical outcomes data on the hospital's success at specific medical procedures (coronary bypass surgery, for example) or in treating certain conditions (like heart attacks); 2) clinical process data (the percentage of patients receiving beta blockers upon admission for heart attack); 3) reports on medical errors or adverse events (such as unanticipated deaths); 4) surveys of patient experiences at the hospital and 5) volume data for specific procedures or conditions.

There is no standardized way to measure hospital quality. Most efforts to measure quality rely on voluntary cooperation from hospitals, and not all hospitals choose to participate. To obtain information about a particular hospital, it may make sense to check a number of resources, rather than relying on only one source. A number of public agencies and private organizations issue hospital report cards including U.S. News and World Report (www.usnews.com); Consumers Checkbook (www.checkbook.org), Health Grades, Inc. (www.healthgrades.com); and the Joint Commission on Accreditation of Healthcare Organizations (www.jcaho.org). In addition, several states make their report cards for hospital quality available on the internet. These websites include:

California at www.oshpd.state.ca.us, www.healthscope.org, and www.calhospitals.org;
Maryland at www.hospitalguide.mhcc.metro-data.com;
New Jersey at www.state.nj.us/health/reportcards.htm;
New York at www.health.state.ny.us/nysdoh/healthinfor/index.htm;
www.healthcarechoices.org; and www.myhealthfinder.com/iqi2001/index.php;
Pennsylvania at www.phc4.org;
Virginia at www.vhi.org;
Texas at www.thcic.state.tx.us; and
South-Central Wisconsin at www.qualitycounts.org.

If you cannot find publicly reported quality information about your hospital, you could ask the hospital to disclose that information to your group voluntarily. Most hospitals collect quality data for their own internal use, even if they do not disclose the information to outsiders. However, you could try and negotiate an agreement to review their quality data on a confidential basis in order to measure improvement over time. To get an idea of the type of quality information you want disclosed, you should look at the various hospital quality websites listed above. Other resources that may be helpful are the Foundation for Accountability at www.facct.org and the Agency for Research and Quality at www.ahrq.gov. In addition, the California Health Care Foundation has developed a patient satisfaction survey called the "Patient Experience Performance in California," or "PEP-C". Results of the survey for California hospitals are available at www.calhospitals.org and technical information about the survey is available at www.chcf.org.

What You Can Do:

- Check online for any available quality information about your hospital.
- Request that the hospital make quality information available to you.
- Use that information to give you a baseline from which to start your strategy discussions.
- Determine how you would like the hospital to improve its scores on various quality measures.
- Develop a process for your group to monitor the hospital's performance over time.
- Request that the hospital begin to monitor patient quality by using a patient survey.

Medical Services Pricing

There are several free resources that can assist you in obtaining information about the prices your hospital charges, such as the American Hospital Directory at www.ahd.com and Centers for Medicaid and Medicare Services where you can compare Medicare charges by facility at www.cms.hhs.gov. For a fee you can locate information about your hospital from Solucient at www.solucient.com.

What You Can Do:

Check online resources to find out how your hospital's prices compare to others.

Hospitals Financials

Tax-exempt organizations governed by § 501(c)(3) of the federal tax code must submit annual financial returns, called Form 990 filings¹ (otherwise known as 990s). Many 990s can be found at Guidestar, a national database for nonprofit organizations located online at www.guidestar.com. The tax code requires the public be permitted to review the last three years of 990 filings, as well as the organization's application for tax exempt status, in person at the organization's principal office, or to be able to obtain copies of these filings upon written request. (This requirement can be found in § 6104(e) of the federal tax code.) Under the law, the nonprofit may charge you a reasonable fee for reproduction and postage.

If you request these documents in person, the nonprofit is required to provide them to you immediately. If you submit your request in writing, the nonprofit has 30 days to comply. If the nonprofit already distributes its information widely on the internet, however, it may not have to comply with your request because the information is already available. In addition to the financial information located in the 990s, many state agencies compile financial data from hospitals that may prove useful to you.

What You Can Do:

Obtain the hospital's IRS 990 filings.

Obtain the organization's application for tax exempt status, annual reports, financial statements and information provided to any state agency, such as the Secretary of State's office.

Search for other information on the internet.

¹ Blue Cross & Blue Shield Health Plans have a special tax designation. They are 501(m) nonprofits and therefore do not have 990s. To learn more about this special tax designation go to "Tax Status" under the "What is unique about nonprofit health corporations?" button.