

**Bartlett Regional Hospital
2015 Marine Passenger Fee Proceeds Fund**

Grant Request:

To reimburse Bartlett Regional Hospital (“BRH”) \$565,500 from the Marine Passenger Fee Proceeds Fund for costs associated with providing medical care to un-insured and insured cruise ship passengers.

During the five months from May through September, BRH incurs incremental expenses as Juneau visitors seek medical care at BRH:

Description	\$’s	
Emergency Department Physician Coverage		\$257,000
“No Doc” Coverage		\$ 94,500
Nursing Personnel		
• Med-Surgical Department	\$79,000	
• Critical Care Department	\$49,000	
• Emergency Department	\$31,000	\$159,000
Case Management Personnel		
• Emergency Department	\$32,000	
• In-Patient Departments	\$18,000	\$50,000
Cruise Ship Liaison		<u>\$5,000</u>
Total Request		\$565,500

It is important to note that Bartlett had not received reimbursement totaling \$600,000 for clinical services provided to cruise ship passengers and other non-Alaskan patients. Bartlett submitted claims totaling \$3.8 million to insurance companies and patients.

Bartlett is solely requesting reimbursement for incremental expenses related to cruise ship passengers who use the hospital’s services.

Description of Need:

As the sole hospital and Emergency Department in Juneau, Bartlett Regional Hospital provides timely physician and clinical care to cruise ship passengers having medical emergencies, serious illnesses, injuries and those who need medical diagnosis or hospitalization.

The emergency department (ED) is the initial point of entry to the hospital for injured or ill cruise ship passengers. Some are treated and released. Others are admitted as inpatients or, when necessary, are evacuated to other facilities. Each summer our emergency department experiences a significant increase in patient load due to cruise passenger visits. While every hospital department is affected, the greatest impact is experienced by our clinical departments including the Emergency Department, Ancillary Services, Medical-Surgery in-patient department and Critical Care in-patient department.

Cruise ship passengers admitted to the hospital have more complicated logistics and are thus more time consuming for case management to handle than local patients. In 2014, 18% of passenger/inpatients requiring case management were from foreign countries.

Due to the increase of non-local patients in the summer, Bartlett contracts with local physician to cover as the hospitalist for patients admitted to the hospital who do not have a local physician. This coverage is only for May through September. No such contract is needed in the winter months.

Personnel Impacts – Emergency Department (ED)

The ED experiences a 25.4% increase in average monthly patient load in Summer (May – September) when compared to non-Summer months (October – April). This increase is primarily due to cruise ship passengers. To address this increase in patient load the hospital increases its physician and support staff coverage in the ED:

1. ED physicians

Bartlett’s contracts with emergency department physicians define a \$51,428 increase in remuneration per month from May – September to accommodate the increased patient load. The total cost of this increase is \$257,000.

2. Nursing Personnel

During May – September, nursing personnel overtime cost increased 87% above the prior seven (7) months. The increased cost for summer above the winter cost is \$4,767 a month. When adding incremental benefits, the five month impact for overtime during summer months is \$31,000.

3. Case Manager ED Liaison

The increased patient volume from cruise ship passengers requires BRH to expand its case management personnel. The case manager:

- Handles medical and travel insurance and financial issues for passenger/patients
- Makes transportation arrangements for passenger/patients within the U.S. and foreign countries, and
- Obtains patient-specific durable medical equipment as needed.

Often, arrangements are also made for accompanying family members, some of whom have additional logistical and medical needs. The cost of the part-time case manager including incremental benefits for May – September is \$32,000.

4. Cruise Ship Passenger Liaison

To meet the needs of cruise ship passengers, Bartlett contracts with Juneau Emergency Medical Associates to provide an emergency department liaison. The liaison conducts an education meeting at the beginning of the cruise ship season to describe Bartlett’s services and protocols. The liaison also reviews patient clinical findings and communicates results to the patient’s cruise ship medical personnel. The liaison also

counsels patients and cruise ship medical personnel for any follow up care at another port. Cost of the contract is \$5,000.

Personnel Impacts - Inpatient Case Management

The case management department assists passenger/patients with insurance and financial issues, arranging transportation and air ambulance services, obtaining medical equipment, and facilitating out-of-home placement care. The case management staff handles discharge planning and care coordination with patient families and physicians. There are two components that add to \$18,000:

During May – September, case management staff overtime cost increases 69% above October – April. When incremental benefits are added, the five month cost for summer is \$4,000.

In addition and not included above, a casual case manager was utilized to meet the increased summer patient load during cruise ship season with a cost of \$14,000.

Personnel Impacts – Medical-surgical Unit

The medical surgical unit averaged 234 patients a month in the winter and 301 in the summer of 2014 – a 29% increase. However, OT and premium pay for nursing staff increased by 153% an average monthly difference between winter and summer of \$12,005 or \$79,000 for five months including benefits.

Personnel Impacts – Critical Care Unit

The Critical Care Unit averaged 50 patients a month in the winter and 78 in the summer of 2014 which is a 56% increase. OT and premium pay for nursing staff increased by 175% an average monthly difference between winter and summer of \$7,390 or \$49,000 for five months including benefits.

“No Doc” coverage – Inpatient Units

The hospital contracts with local medical clinics to supply physicians to cover patients who are admitted and who do not have a local physician. The cruise passengers/patients are assigned a physician for their hospital stay. The total cost of the contracts is \$94,500 for May – September 2014.

Bartlett Regional Hospital Funding Request Summary

To ensure cruise ship passengers receive the quality clinical care from Bartlett’s physicians and clinical staff, Bartlett is requesting \$565,500 from the Marine Passenger Fee Fund.

This funding will offset the direct impact of the increase in patient load caused by the cruise ship industry to inpatient case management, inpatient clinical staff and ED physician and staff requirements and “No Doc” call coverage.

Bartlett Regional Hospital

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December 23, 2014

Ms. Kim Kiefer
City Manager
155 South Seward Street
Juneau, AK 99801
Fax: 907 586-5385

Re: Marine Passenger Fee Proceeds Fund Proposal

Dear Ms. Kiefer:

Bartlett Regional Hospital appreciates the opportunity to request funds from the Marine Passenger Fee Fund to off-set its incremental costs related to cruise ship patients who seek care at the hospital. This letter provides documentation of the \$565,500 requested – a significant change from 2014 but indicative of the hospital's costs.

The hospital submits claims to the patients and their insurance carriers – over \$3.8 million in 2014. Our most recent financial reports reveal that Bartlett still has \$600,000 receivable from 2014 patients originating from outside Alaska.

Your funding will enable us to continue to maintain excellent care of our summer visitors in 2015.

If you have any questions about the request or supporting documentation, please contact Ms. Darcy Lockhart, Mr. Alan Ulrich, Chief Financial Officer, or me.

Happy Holidays!

Sincerely,

Charles "Chuck" Bill
Chief Executive Officer

Enclosure

Cc: Darcy Lockhart, Grants Coordinator
Alan C. Ulrich, Chief Financial Officer