



GEORGIA DEPARTMENT  
OF COMMUNITY HEALTH

# Rural Hospital Stabilization Grant Program

## Phase 6

## Program Report

December 31, 2022



## Rural Hospital Stabilization Grant Program (RHSGP) Phase 6

### Report to the Rural Hospital Stabilization Committee

#### Purpose

The purpose of this report is to describe the utilization of state funds provided to grant recipients of the Rural Hospital Stabilization Grant Program, Phase 6.

#### Rural Hospital Stabilization Grant Program Sites: Phase 6

<i>Fiscal Year Funding: 2021</i> <i>Eighteen sites selected; two declined</i>	<i>\$15,000,000 total funding</i> <ul style="list-style-type: none"> <li>• <i>\$900,000 applied to associated projects</i></li> <li>• <i>\$14,100,000 applied to Grant Program</i></li> </ul> <i>\$881,250 award to each site</i> <i>Project Period: May 01, 2021 – June 30, 2022</i>
<b>Funded Sites</b>	<b>Funded Sites</b>
<ul style="list-style-type: none"> <li>• <i>Appling County Hospital</i></li> <li>• <i>Bacon County Hospital</i></li> <li>• <i>Candler County Hospital</i></li> <li>• <i>Clinch Memorial Hospital</i></li> <li>• <i>Dodge County Hospital</i></li> <li>• <i>Donalsonville Hospital</i></li> <li>• <i>Elbert Memorial Hospital</i></li> <li>• <i>Jasper Memorial Hospital</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Jeff Davis Hospital</i></li> <li>• <i>Jefferson Hospital</i></li> <li>• <i>Jenkins County Hospital</i></li> <li>• <i>Memorial Hospital &amp; Manor</i></li> <li>• <i>Miller County Hospital</i></li> <li>• <i>Stephens County Hospital</i></li> <li>• <i>Taylor Regional Hospital</i></li> <li>• <i>Wills Memorial Hospital</i></li> </ul>

#### Rural Hospital Stabilization Grant Program

The Rural Hospital Stabilization Grant Program (referred to in this document as the “Program”) began as a legislatively directed Pilot initiative funded in State Fiscal Year (SFY) 2016. Three million dollars in state funds was included in the State Office of Rural Health (SORH) budget to support this initiative. The Pilot Program included three core elements required for Program participation:

1. “Hub and Spoke Model” Framework design
2. Community Engagement Meetings
3. Project-Driven Use of Funds

#### “Hub and Spoke” Model Framework

Through the “Hub and Spoke” model, Grantee hospitals function as the “hub” for the Program. The “spokes” included other local health care partners and stakeholders in each respective community, to include but not limited to, tertiary hospitals, physicians, nursing homes, public



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safety agencies, public health departments, home health and behavioral health facilities, educational institutions, local businesses and industries, and faith-based partners. Working together in partnership, communities will ensure that each patient is receiving the “Right Care, at the Right Time, and in the Right Setting”.

### *Community Engagement Meetings*

Meetings of the Grantee hospital leaders and Community Stakeholders are required by the Program to discuss the needs and challenges within the hospital and the community, evaluate existing and new technology, and determine the best use of Program funds. Initiatives funded through the Program are required to ensure that patients are provided with the appropriate level of care in a timely manner and at the most appropriate facility equipped to meet their medical needs.

### *Project-Driven Use of Funds*

Grantee hospitals are required to identify projects to support hospital and community needs. Projects selected should be designed to increase utilization of hospital services, strengthen the hospital’s financial base, and improve health outcomes for rural residents. All projects funded by the Program must meet one or more of the identified Core Objectives and support the “*Right Care, at the Right Time, and in the Right Setting*” philosophy of the Program. The Core Objectives are:

1. Increase access to primary care
2. Increase market share
3. Reduce potentially avoidable readmissions
4. Reduce inappropriate utilization of the Emergency Department

Upon conclusion of the Pilot initiative (also referred to as “Phase 1” of the Program), funding for the Program was continued at \$3M per year for SFY 2017 through SFY 2020 (Program Phases 2 through 5). In SFY 2021, funding increased from \$3M to \$15M to support Phase 6 of the Program.

### Program Review

Prior to implementation of Program Phase 6, SORH leadership conducted a review of the first five Phases of the Program to evaluate Program management and effectiveness. The review included, but was not limited to:

- Formal and informal meetings with Grantee hospital leadership and Project Managers
- On-going Grantee feedback
- Mandatory quarterly reports submitted to SORH by Grantees during each funding period
- Approved Program budgets and budget revision requests submitted during each funding period



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- Programmatic reports produced at the end of each funding period
- Survey results from the “*Where are They Now?*” surveys completed by former Grantees during a “look-back” period greater than 1 year beyond conclusion of Program participation
- Financial analysis data compiled by Draffin Tucker accountants during a “look-back” period greater than 1 year beyond conclusion of Program participation

Upon conclusion of the review, the need, appreciation, value, and support of the Program was clearly and unanimously stated. Rural Hospital leadership also emphasized that the needs of each rural hospital and each rural community are very unique. While there are many common challenges to all rural hospitals, the solutions to addressing those challenges can be quite different. Variances identified between hospitals included, but were not limited to:

- Geographical location, with specific focus on the proximity of an individual rural hospital to other rural and/or tertiary hospitals
- Resident (hospital) county population and market share of surrounding counties
- Out-migration patterns
- Payor-mix
- Provider shortages and/or limitations
- Service-line availability related to community health care needs
- Staffing challenges specific to recruitment/retention/local talent pool/competitive wages
- Availability of/limitations with local Emergency Medical Services
- Available local resources, both medical and non-medical
- Community support

Collectively, former Grantees expressed a desire for more flexibility with the use of Program funds to allow a more tailored approach to addressing their individual needs. As a result of this review process, SORH leadership drafted a proposal for the Rural Hospital Stabilization Committee (the “Committee”) to consider a modification to the Program.

### Program Modification Proposal

To maintain the integrity of the Program and support the original design, the proposal included a recommendation to maintain the Hub & Spoke Framework and Community Engagement mandates, as well as require a portion of funds to be directed to at least one “traditional” project. The proposal also offered two additional options which would allow Grantees to use funds for initiatives designed to strengthen the operational foundation of the hospital or to reduce existing debt.



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Three virtual meetings of the Rural Hospital Stabilization Committee were convened between January and May 2021 to discuss the increase in FY21 funds, eligibility criteria for Phase 6 Program participation, and the proposed modification of the Program. Phase 6 eligibility requirements were reviewed and approved during the Committee meeting held January 20, 2021 and the proposal for Program modification was reviewed and approved during the Committee meeting held March 12, 2021.

### Approach

Specific to the eligibility requirements approved by the Committee, the sixth cohort of rural hospitals was identified for participation in the Program. Eighteen rural hospitals were selected; two hospitals declined to participate.

Phase 6 of the Rural Hospital Stabilization Grant Program proceeded with sixteen participants funded at \$881,250.00 per site. The funding cycle for the Phase 6 Rural Hospital Stabilization Grant Program began May 01, 2021, with a scheduled end-date of August 31, 2022. The Grantee sites included:

#### Seven Prospective Payment System (PPS) Rural Hospitals

- Appling County Hospital (Baxley)
- Dodge County Hospital (Eastman)
- Donalsonville Hospital (Donalsonville)
- Jefferson Hospital (Louisville)
- Memorial Hospital & Manor (Bainbridge)
- Stephens County Hospital (Toccoa)
- Taylor Regional Hospital (Hawkinsville)

#### Nine Cost Based Reimbursed Critical Access Hospitals

- Bacon County Hospital (Alma)
- Candler County Hospital (Metter)
- Clinch Memorial Hospital (Homerville)
- Elbert Memorial Hospital (Elberton)
- Jasper Memorial Hospital (Monticello)
- Jeff Davis Hospital (Hazlehurst)
- Jenkins County Medical Center (Millen)
- Miller County Hospital (Colquitt)
- Wills Memorial Hospital (Washington)



## Grantee Requirements and Responsibilities

Representatives from each Grantee hospital were required to participate in one of two mandatory New Grantee Orientation sessions scheduled prior to execution of grants. These virtual sessions were offered on April 23, 2021, and April 30, 2021. Sessions thoroughly reviewed the goals and objectives of the Program and outlined all expectations and deliverables, to include the assembly of a community stakeholder group. The mission of the community stakeholder group is to identify the root causes of their communities' health issues and develop recommendations for community action. These stakeholders included:

1. Community members
2. Community healthcare providers, decision makers, and those who influence them
3. Community partners/implementers of programs

Grantees were required to host at least one stakeholder meeting within the first quarter of the funding cycle. Quarterly stakeholder meetings, thereafter, were strongly recommended.

Grantees were also required to identify a Project Manager for the program. Dates for mandatory quarterly Project Manager meetings facilitated by SORH were provided to all Grantees at the beginning of the funding cycle.

Project Managers were required to participate in a mandatory technical assistance workshop held June 11, 2021, which outlined requirements for project proposals, spending plans, and budgets. All final projects, spending plans, and budgets were approved by July 31, 2021.

## Distribution of Funding

Specific to Program modifications approved by the Committee, Grantees were required to apply funds to *Component 1: Traditional Projects*. In addition to supporting at least one traditional project within this component, Grantees were allowed to use funds to support costs associated with Program administration.

The amount of funding applied to Component 1 was at the discretion of the Grantee. Each project selected by the Grantee was required to meet one or more of the identified Core Objectives and support the "*Right Care, at the Right Time, and in the Right Setting*" philosophy of the Program. The Core Objectives are:

1. Increase access to primary care
2. Increase market share
3. Reduce potentially avoidable readmissions
4. Reduce inappropriate utilization of the Emergency Department



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To allow for more flexible use of funds, Grantees could also direct funds toward one or both of two optional spending components. *Component 2: Skills and Systems*, allowed funding to be applied toward initiatives to strengthen the operational foundation of the hospital, including staff professional development, recruitment, and retention initiatives. *Component 3: Debt Avoidance*, allowed Grantees to utilize up to 25% of the total grant award to reduce existing Accounts Payable debt.

The table below identifies the breakdown of approved funding per Component per Grantee:

<b>Grantee</b>	<b>Component 1: Traditional Projects</b>	<b>Component 2: Skills &amp; Systems</b>	<b>Component 3: Debt Avoidance</b>	<b>Total Award Per Grantee Hospital</b>
Appling County Hospital	\$306,250.00	\$575,000.00	N/A	\$881,250.00
Bacon County Hospital	\$77,500.00	\$583,438.00	\$220,312.00	\$881,250.00
Candler County Hospital	\$200,938.00	\$460,000.00	\$220,312.00	\$881,250.00
Clinch Memorial Hospital	\$809,642.00	\$71,608	N/A	\$881,250.00
Dodge County Hospital	\$583,687.50	\$77,250.00	\$220,312.50	\$881,250.00
Donalsonville Hospital	\$881,250.00	N/A	N/A	\$881,250.00
Elbert Memorial Hospital	\$881,250.00	N/A	N/A	\$881,250.00
Jasper Memorial Hospital	\$598,550.00	\$282,700.00	N/A	\$881,250.00
Jeff Davis Hospital	\$655,250.00	\$226,000.00	N/A	\$881,250.00
Jefferson Hospital	\$565,000.00	\$96,250.00	\$220,000.00	\$881,250.00
Jenkins County Hospital	\$600,437.50	\$78,000.00	\$202,812.50	\$881,250.00
Memorial/Manor	\$660,937.50	N/A	\$220,312.50	\$881,250.00
Miller County Hospital	\$881,250.00	N/A	N/A	\$881,250.00
Stephens County Hospital	\$648,540.70	\$232,709.30	N/A	\$881,250.00
Taylor Regional Hospital	\$881,250.00	N/A	N/A	\$881,250.00
Wills Memorial Hospital	\$337,868.00	\$323,070.00	\$220,312.00	\$881,250.00
<b>Totals:</b>	<b>\$9,569,601.20</b>	<b>\$3,006,025.30</b>	<b>1,524,373.50</b>	<b>\$14,100,000</b>
<b>% Funding Applied Per Component</b>	<b>68%</b>	<b>21%</b>	<b>11%</b>	<b>100%</b>

**Component 1: Traditional Projects (Mandatory)**

For the purpose of this report, funding utilized within Component 1 is divided into two categories:

- Administrative support costs
- Project-specific costs



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Administrative support costs are defined as expenses associated with Project Manager and other relevant support staff salaries, as well as community engagement expenses.

Project-specific costs are defined as expenses related to the design and implementation of the approved projects selected by each Grantee.

The table below provides the administrative support and project specific-costs breakdown per site for *Component 1: Traditional Projects*.

Site	Administrative Support Costs	Project-Specific Costs	Total Component 1 Funding Requested
Appling County Hospital	\$0.00	\$306,250	\$306,250.00
Bacon County Hospital	\$0.00	\$ 77,500	\$ 77,500.00
Candler County Hospital	\$17,500	\$183,438	\$200,938.00
Clinch Memorial Hospital	\$37,500	\$772,142	\$809,642.00
Dodge County Hospital	\$12,000	\$571,687.50	\$583,687.50
Donalsonville Hospital	\$0.00	\$881,250	\$881,250.00
Elbert Memorial Hospital	\$0.00	\$881,250	\$881,250.00
Jasper Memorial Hospital	\$ 8,314	\$590,236	\$598,550.00
Jeff Davis Hospital	\$0.00	\$655,250	\$655,250.00
Jefferson Hospital	\$5,000	\$560,000	\$565,000.00
Jenkins County Hospital	\$0.00	\$600,437.50	\$600,437.50
Memorial Hospital & Manor	\$0.00	\$660,937.50	\$660,937.50
Miller County Hospital	\$0.00	\$881,250	\$881,250.00
Stephens County Hospital	\$0.00	\$648,540.70	\$648,540.70
Taylor Regional Hospital	\$0.00	\$881,250	\$881,250.00
Wills Memorial Hospital	\$9,659.87	\$328,208.13	\$337,868.00
<b>Total:</b>	<b>\$89,973.87</b>	<b>\$9,479,627.33</b>	<b>\$9,569,601.20</b>

**Descriptions of Projects**

Grantees were required to provide SORH with a project description for review and approval prior to beginning work or incurring expenses related to the project. Each individual project was required to address one or more of the 4 core objectives identified previously in this report.

***Appling County Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$306,250	\$0.00	\$306,250

Appling County Hospital requested approval of \$306,250 funds for Component One to cover expenditures for one traditional project.

**Project #1: Appling Pediatrics Building Renovations and Upgrades**





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*Project Description:* Funds were used to upgrade and improve clinic space for pediatric primary care services to expand capacity and improve patient flow. By increasing exam rooms from 6 to 10, updating space and improving flow, and advertising heavily to the community, this project **meets core objectives: 1) increase access to primary care, 2) increase market share, 3) decrease avoidable readmissions, 4) decrease inappropriate utilization of the emergency department.**

***Bacon County Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$77,500	\$0.00	\$77,500

Bacon County Hospital requested approval of \$77,500 funds for Component One to cover expenditures for two traditional projects.

**Project #1:** Expansion of Primary Care

*Project Description:* Bacon County Hospital used funds to expand Provider services into the neighboring communities. Funds were used to support the increase in salaries resulting from the expanded practice hours for two physicians. Funds were also used to support administrative time while awaiting the credentialing of a third physician, and advertising costs for the new clinic and expanded clinic hours. This project **meets core objectives: 1) increase access to primary care, 2) increase market share.**

**Project #2:** Patient Courier Service

*Project Description:* Bacon County Hospital identified significant transportation challenges resulting in missed appointments with primary care providers. The hospital has established a courier service to transport patients to and from appointments and funds will be used to support the salary of the transport driver as well as cost of fuel. This project **meets core objectives: 1) increase access to primary care.**

***Candler County Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$209,937	\$17,500	\$183,437

Candler County Hospital requested approval of \$209,937 funds for Component 1, which included \$17,500 funding applied to administrative costs and \$183,437 to cover expenditures for one traditional project.

**Project #1:** Increased Access to Primary Care



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*Project Description:* This project expands access to primary care through the addition of a primary care provider, renovations to the clinic to improve patient flow and capacity, and utilization of a chronic care management program to increase compliance. This project **meets core objectives: 1) increase access to primary care, 2) increase market share, 3) decrease avoidable readmissions, 4) decrease inappropriate utilization of the emergency department.**

***Clinch Memorial Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$809,642	\$37,500	\$772,142

Clinch Memorial Hospital requested approval of \$809,642 funds for Component 1, which included \$37,500 funding applied to administrative costs and \$772,142 to cover expenditures for two traditional projects.

**Project #1: Clinch Memorial Family Practice Expansion and Stabilization**

*Project Description:* Through this project, Clinch Memorial Family Practice established a clinic in Fargo, to increase availability of care and decrease transportation challenges for residents living in the farthest areas of the county. This project **meets core objectives: 1) increase access to primary care, 2) increase market share.**

**Project #2: EMS Support**

*Project Description:* Through this project, CMH assisted new EMS 9-1-1 Provider with equipment costs to enhance availability for transfers from CMH emergency department to other facilities for continuation of care. This project **meets core objective: 4) decrease inappropriate utilization of the emergency department.**

***Dodge County Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$583,687.50	\$12,000	\$571,687.50

Dodge County Hospital requested approval of \$583,687.50 funds for Component 1, which included \$12,000 funding applied to administrative costs and \$571,687.50 to cover expenditures for one traditional project.

**Project #1: Rural Health Clinic**

*Project Description:* Funds were used to renovate a 6400 square foot office building located adjacent to the hospital campus to expand the physician practice to a Rural Health Clinic. The increased space, addition of providers, and expanded clinic hours reduces the burden on the



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emergency department. This project **meets core objective: 4) decrease inappropriate utilization of the emergency department.**

***Donalsonville Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$881,250	\$0.00	\$881,250

Donalsonville Hospital requested approval of \$881,250 funds for Component 1 to cover expenditures for one traditional project.

**Project #1: Radiology Upgrades**

*Project Description:* Funds were used to replace outdated radiology machines including ultrasound and CT. The upgraded technology and enhanced imaging provided by the new machines allows physicians to identify areas of concern more quickly, provide better quality of care, and reduce the need for patients to seek screenings at other facilities. This project **meets core objectives: 2) increase market share, 3) decrease avoidable readmissions**

***Elbert Memorial Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$881,250	\$0.00	\$881,250

Elbert Memorial Hospital requested approval of \$881,250 funds for Component 1 to cover expenditures for two traditional projects.

**Project #1: Outpatient Therapy Growth**

*Project Description:* Funds were intended to be used to re-design current space to expand and enhance Outpatient Therapy Services to include physical therapy, occupational therapy, and speech therapy. In addition, funds would be used to support salary costs for additional staff and purchase the necessary rehabilitation equipment for the expanded services. This project **meets core objectives: 1) increase access to primary care, 2) increase market share, 3) decrease avoidable readmissions, 4) decrease inappropriate utilization of the emergency department.**

**Project #2: Enhanced Swing Bed Services**

*Project Description:* Intended use of funds was to support costs for the expansion and enhancement of current Swing Bed Services. This included the addition of treatment rooms and a Daily Living Suite to provide transitional therapy, better preparing swing bed patients for self-sufficient transition to home. This project **meets core objectives: 2) increase market share, 3) decrease avoidable readmissions, 4) decrease inappropriate utilization of the emergency department.**



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Note: Additional information regarding these approved projects is provided in the Summary of this report.

***Jasper Memorial Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$598,550	\$8,314	\$590,236

Jasper Memorial Hospital requested approval of \$598,550 funds for Component 1, which included \$8,314 funding applied to administrative costs and \$590,236 to cover expenditures for one traditional project.

**Project #1: IP/OP Surgery Suite**

*Project Description:* Funds were used to offer a new service line of Gastroenterology screening procedures for cancer prevention and other general outpatient procedures. Bringing this service into the community reduces some of the transportation burdens and increases chances for earlier diagnosis and treatment for many rural residents. This project **meets core objectives: 1) increase access to primary care, 2) increase market share.**

***Jeff Davis Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$655,250	\$0.00	\$655,250

Jeff Davis Hospital requested approval of \$655,250 funds for Component 1 to cover expenditures for one traditional project.

**Project #1: Renovation of Jeff Davis Hospital Annex Building**

*Project Description:* Jeff Davis Hospital has undergone renovations inside the hospital to re-claim patient rooms previously being used for staff offices. As the bed capacity needs increased, staff offices were moved to an annex building and funding was used to support renovations for hospital support staff offices. This project **meets core objective: 2) increase market share.**

***Jefferson Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$565,000	\$5,000	\$560,000

Jefferson Hospital requested approval of \$306,250 funds for Component 1, which included \$5000 funding applied to administrative costs and \$560,000 for three traditional projects.

**Project #1: Hospitalist Program Support**



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*Project Description:* Funds were used to support a Hospitalist program collaboration between Jefferson Hospital and Augusta University. This project includes telemedicine services which increased access to Provider support for local physicians and expanded physician support for outpatient clinics and emergency department services. This project **meets core objectives: 1) increase access to primary care and 2) increase market share.**

**Project #2:** Behavioral Health Unit Services Support

*Project Description:* Jefferson Hospital was near completion of construction of the 10-bed adult in-patient unit that had been supported by Stabilization funding in the previous Phase. Funds from this phase of the grant program were used to offset operational costs during the initial quarters of operation while the clinic identified referral patterns and built census volume. This project **meets core objective: 4) decrease inappropriate utilization of the emergency department.**

**Project #3:** Care Coordination Program in Rural Health Clinics

*Project Description:* Jefferson Hospital has hired a Nurse Practitioner and a Registered Nurse to manage a newly established Care Coordination Program. This program assists patients with care coordination, to include follow up and annual wellness appointments, transitional care visits, chronic care management, and health education. Funds were used to support the administrative costs to establish the program. This project **meets core objectives: 3) decrease avoidable readmissions, and 4) decrease inappropriate utilization of the emergency department.**

**Jenkins County Hospital**

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$600,437.50	\$0.00	\$600,437.50

Jenkins County Hospital requested approval of \$600,437.50 funds for Component 1 to cover expenditures for one traditional project.

**Project #1:** Upgrade, Update, and Replace Equipment for Patient Care Services

*Project Description:* Necessary assessment and diagnostic equipment in crucial areas of patient care services had reached end-of-life, was too outdated to repair, or did not offer high quality, competitive, up-to-date technology and had to be replaced. Funds were used to upgrade current equipment and purchase new equipment as needed in Out-Patient Radiology, OP Therapy, and In-Patient Swing Bed services. This project **meets core objectives: 1) increase access to primary care and 2) increase market share.**



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### **Memorial Hospital & Manor**

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$660,937.50	\$0.00	\$660,937.50

Memorial Hospital & Manor requested approval of \$660,937.50 funds for Component 1 to cover expenditures for three traditional projects.

#### **Project #1: Ophthalmology and Orthopedic Services**

*Project Description:* Funding was used to recruit an Ophthalmologist (replacing the surgeon who had previously left the area), and cover expenses for a Tallahassee-based Orthopedic surgeon to see patients in Bainbridge three days per week. In addition to physician costs, funds were also used to upgrade existing, and purchase new surgical equipment for the Ophthalmologist and Orthopedics surgeons to perform procedures locally. This project **meets core objective: 2) increase market share.**

#### **Project #2: CT Perfusion**

*Project Description:* To enhance the care of stroke patients, funds were used to purchase an automated software tool for analyzing CT Perfusion images allowing perfusion imaging to be included in routine acute stroke care and allowing individualized treatment of stroke patients. This project **meets core objective: 2) increase market share.**

#### **Project #3: Expand Primary Care Physician Practices**

*Project Description:* Funds were used to equip and furnish a vacant medical office and to recruit a Primary Care Physician. This project **meets core objectives: 1) increase access to primary care, 2) increase market share.**

### **Miller County Hospital**

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$881,250	\$0.00	\$881,250

Miller County Hospital requested approval of \$881,250 funds for Component 1 to cover expenditures for two traditional projects.

#### **Project #1: Development of a Microbiology Laboratory**

*Project Description:* Funds were used to offset the total costs associated with the development of an in-house Microbiology Lab. Previously, Miller County Hospital used an outside vendor for processing and analysis of 6,000 cultures annually to determine bacteria sensitivity to antibiotics. These cultures were sent out of state for testing, which resulted in a delay in



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determining the best course of action and treatment plan for patients in Miller County. This project **meets core objectives: 2) increase market share, 3) decrease avoidable readmissions, 4) decrease inappropriate utilization of the emergency department.**

**Project #2:** Renovation of South Wing

*Project Description:* Funds were used to offset the total costs associated with the renovation and remodeling of the South Wing of Miller County Hospital. The South Wing was over sixty-four years old and housed an active wound care program and dialysis program. The wound care program treats approximately 925 wounds monthly and is an integral part of the Ventilator Program. The renovations increased capacity, improved work-flow and provided for better visualization of each patient during treatment. This project **meets core objective: 2) increase market share.**

**Stephens County Hospital**

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$648,540.70	\$0.00	\$648,540.70

Stephens County Hospital requested approval of \$648,540.70 funds for Component 1, to cover expenditures for one traditional project.

**Project #1:** Telemedicine Services

*Project Description:* Through evaluation of needs assessments and out-migration data, Stephens County Hospital responded to a need to expand telemedicine services in the fields of neurology, psychiatry, and cardiology. Funds were used to secure contracts and agreements with physician specialists, cover service fees, as well as upgrade existing or purchase new telemedicine equipment and software as needed. This project **meets core objectives: 2) increase market share, 3) decrease avoidable readmissions, 4) decrease inappropriate utilization of the emergency department.**

**Taylor Regional Hospital**

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$881,250	\$0.00	\$881,250

Taylor Regional Hospital requested approval of \$881,250 funds for Component 1 to cover expenditures for one traditional project.

**Project #1:** Renovation of Med-Surg Floor



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*Project Description:* Taylor Regional Hospital incurred damage to the Med Surg floor which impacted the ability to admit patients for approximately 8 months, resulting in loss of revenue. Funds were used to offset the expense of renovations, including repairs to the floors, walls HVAC system, ceiling, doors, plumbing, lights, bathrooms, and improvements to ventilation systems to decrease cross contamination. Double occupancy rooms were converted to single occupancy to better protect patient privacy and enhance patient comfort during admission. This project **meets core objective: 2) increase market share.**

***Wills Memorial Hospital***

Approved Component 1 Funding	Administrative Costs	Project Specific Costs
\$337,868	\$9,659.87	\$328,208.13

Wills Memorial Hospital requested approval of \$337,868 funds for Component 1, which included \$9,659.87 funding applied to administrative costs and \$328,208.13 for one traditional project.

**Project #1: Community Medical Associates (Primary Care Clinic) Expansion**

*Project Description:* Wills Memorial Hospital continues to improve access and increase market share with the expansion of Community Medical Associates Primary Care Clinic located in Washington, Georgia. Funds were used to recruit a new full-time physician and LPN for clinic expansion, as well as remodeling the facility to provide space for the expanded practice. Funds were also applied to salary support for the Physician Assistant hired after two physicians were lost during the peak of COVID 19. This project **meets core objective: 1) increase access to primary care.**

**Summary of Component 1: Traditional Projects**

The table below identifies the breakdown of Component 1 funding per objective:

	<b>Administrative Costs:</b>	<b>Objective #1:</b> Increase Access to Primary Care	<b>Objective #2:</b> Increase Market Share	<b>Objective #3:</b> Reduce Avoidable Readmissions	<b>Objective #4:</b> Reduce Inappropriate Use of ED
<b>Appling</b>	\$0.00	\$76,562.50	\$76,562.50	\$76,562.50	\$76,562.50
<b>Bacon</b>	\$0.00	\$51,667	\$25,833	\$0.00	\$0.00
<b>Candler</b>	\$17,000	\$45,859.50	\$45,859.50	\$45,859.50	\$45,859.50
<b>Clinch</b>	\$37,500	\$257,380.66	\$257,380.66	\$0.00	\$257,380.68
<b>Dodge</b>	\$12,000	\$0.00	\$0.00	\$0.00	\$571,687.50
<b>Donalsonville</b>	\$0.00	\$0.00	\$440,625	\$440,625	\$0.00





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<b>Elbert</b>	\$0.00	\$125,892.90	\$251,785.70	\$251,785.70	\$251,785.70
<b>Jasper</b>	\$8,314	\$295,118	\$295,118	\$0.00	\$0.00
<b>Jeff Davis</b>	\$0.00	\$0.00	\$655,250	\$0.00	\$0.00
<b>Jefferson</b>	\$5,000	\$112,000	\$112,000	\$112,000	\$224,000
<b>Jenkins</b>	\$0.00	\$300,218.75	\$300,218.75	\$0.00	\$0.00
<b>Memorial</b>	\$0.00	\$165,234.37	\$495,703.13	\$0.00	\$0.00
<b>Miller</b>	\$0.00	\$0.00	\$440,625	\$220,312.50	\$220,312.50
<b>Stephens</b>	\$0.00	\$0.00	\$216,180.23	\$216,180.23	\$216,180.24
<b>Taylor</b>	\$0.00	\$0.00	\$881,250	\$0.00	\$0.00
<b>Wills</b>	\$9,659.87	\$328,208.13	\$0.00	\$0.00	\$0.00
<b>Totals:</b>	<b>\$89,973.87</b>	<b>\$1,758,141.81</b>	<b>\$4,494,391.47</b>	<b>\$1,363,325.43</b>	<b>\$1,863,768.62</b>

As described in the table above, Phase 6 Grantees selected projects that met one or more of the four core objectives.

The funding breakdown per core objective is as follows:

- **1%** (\$89,973.87) of funding was spent on **Administrative Costs**,
- **18.4%** (\$1,758,141.81) of funding was spent on projects meeting **Objective #1: Increase access to primary care**,
- **47%** (\$4,494,391.47) of funding was spent on projects meeting **Objective #2: Increase market share**,
- **14.2%** (\$1,363,325.43) of funding was spent on projects meeting **Objective #3: Reduce potentially avoidable readmissions**,
- **19.4%** (\$1,863,768.62) of funding was spent on projects meeting **Objective #4: Reduce inappropriate utilization of the Emergency Department**.

### Component 2: Skills and Systems (Optional)

As indicated earlier in this report, **21%** (\$3,006,025.30) of the total Phase 6 award was used to support initiatives approved in the optional *Skills and Systems* component. This funding option allowed Grantees to strengthen the operational foundation of the hospital by investing in existing staff through staff development and retention initiatives, recruiting new staff and/or providers, and creating, updating or improving internal systems and processes.

Eleven Grantee Hospitals exercised the option to apply a portion of the grant award to Component 2: Skills and Systems.



The table below identifies the use of funds for Component 2:

<i><b>Use of Funds Description</b></i>	<i><b>Component 2 Funds Applied</b></i>	<i><b>Percentage of Funds</b></i>
Retention Initiatives for existing staff	\$881,884.74	28%
Recruitment initiatives for new staff and providers	\$583,688	20%
Staff education initiatives, systems improvements, consulting fees	\$1,540,452.56	52%
<b>Total:</b>	<b>\$3,006,025.30</b>	<b>100%</b>

### Component 3: Debt Avoidance (Optional)

As previously referenced in this report, **11%** (\$1,524,373.50) of the total Phase 6 award was used to support initiatives approved in the optional *Debt Avoidance* component. This funding option allowed Grantees to reduce existing debt. Grantee Hospitals **were allowed to apply up to 25%** of total grant funding to reduce accounts payable associated with overall ongoing hospital operations.

Seven Grantee Hospitals exercised the option to apply a portion of the grant award to Component 3: Debt Avoidance.

The table below identifies the use of funds for Component 3:

<i><b>Use of Funds Description</b></i>	<i><b>Component 3 Funds Applied</b></i>	<i><b>Percentage of Funds</b></i>
Payroll taxes or mortgage reserve	\$440,624	29%
Equipment lease pay-off/pay-down	\$440,312	29%
Quarterly fixed Accounts Payable vendors	\$643,437.50	42%
<b>Total:</b>	<b>\$1,524,373.50</b>	<b>100%</b>



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### Elbert Memorial Hospital Phase 6 Participation

During the Phase 6 funding period (May 2021 through June 2022), Grantee Elbert Memorial Hospital encountered significant administrative and financial distress resulting in delays in completing approved projects. The Grantee requested and received approval for an extension of the funding period through December 31, 2022. In July 2022, in an effort to move forward with approved projects, the Grantee requested and received approval for an advance of Phase 6 funds in the amount of \$91,599.47. However, Elbert Memorial Hospital ultimately decided the challenges encountered during Phase 6 were insurmountable and chose to terminate the grant. The Rural Hospital Stabilization Phase 6 Grant to Elbert Memorial Hospital was officially terminated on September 13, 2022, leaving an unspent balance of \$366,397.87 of the grant award.

### Summary

The State Office of Rural Health, in partnership with the Georgia Rural Health Innovation Center (GRHIC), and Draffin Tucker, LLP, conducted a review of the programmatic modifications implemented in Phase 6. Through this comprehensive, in-person, 2-day workshop including leadership from each of the sixteen Phase 6 Grantees, survey data and small group discussion feedback was collected and compiled by GRHIC staff and presented to SORH for review. The results were overwhelmingly positive, indicating the programmatic modifications allowing more flexibility with use of funds were greatly valued by Grantees.

Overall, the results indicated that allowing Grantee Hospital leadership to determine the best use of funds based on individual hospital and community needs, better aligned with strategic planning and financial stability. Limiting the focus on project-based use of funds, allowing funds to be used for staff development, retention, and recruiting initiatives, as well as infrastructure improvement and reduction of debt, provided for more long-term goal development and a focus on sustainability.

Technical assistance was provided to Grantees by SORH staff throughout the entire project period. The Rural Hospital Stabilization Program Phase 6 grant officially concluded on June 30, 2022.