

GROWING HEALTHY FAMILIES



**RIVERTON
MEDICAL
CENTER**

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**RIVERTON
MEDICAL
CENTER**

A New Riverton Hospital Will.....

1. Be the 1st Pandemic-Ready hospital in the state

- Will serve as Western Wyoming's treatment hub for future pandemics
- Through innovative design, will provide multiple beds and surgical suites with independent ventilation systems to isolate sick patients, and keep other patients and staff safe
- Will be a model for future hospital construction for the state of Wyoming

2. Increase treatment capacity for COVID-19 and future pandemics

- Will allow central and western Wyoming to better respond to public health care crisis
- By increasing providers, it will improve access for tens of thousands of Wyomingites

3. Be telehealth focused to expand access, improve quality, and enhance safety during pandemic outbreaks

- Telehealth emphasis extends from outreach to care management to virtual visits to at-home monitoring

4. Improve health outcomes for Tribal members

- Overcrowded living conditions make tribal members more susceptible to pandemics
- The tribes have been severely affected by the lack of hospital services in Riverton
- New hospital will create economic growth for Eastern Shoshoni Tribe as it will be built in the Shoshone Business Park, part of Riverton's federally designated opportunity zone



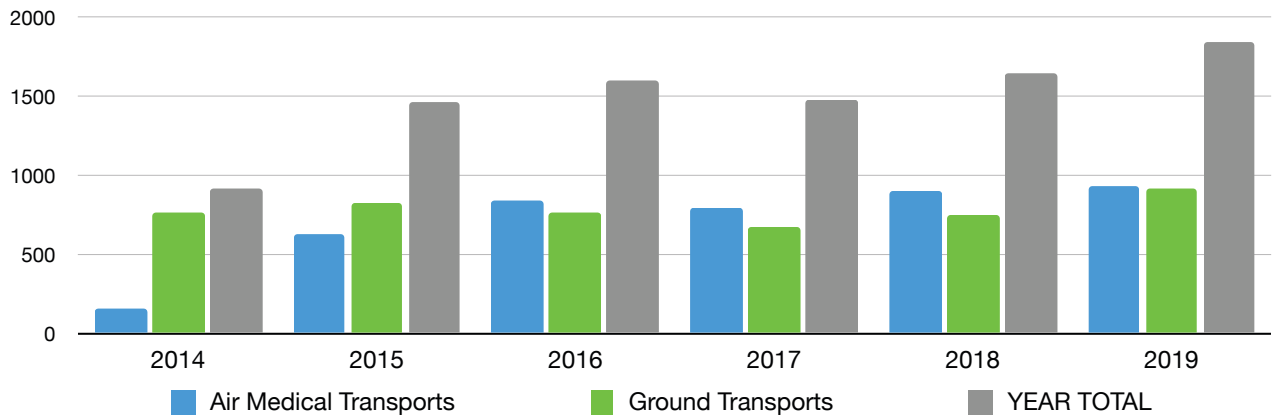
Fremont County Interfacility Transport Assessment

The listed counts of interfacility transports by EMS are filtered by the originating hospitals being either SageWest Health Care Lander or SageWest Health Care Riverton. Transports between the two SageWest facilities are removed. The counts per year include any receiving facility other than SageWest facilities. Interfacility EMS transports have varying incomplete information for flight services from 1/1/2014 through 6/30/2017.

Data provided by the Wyoming Department of Health

Fremont County Interfacility Transports

	2014	2015	2016	2017	2018	2019	TOTAL
Air Medical Transports	155	632	837	795	899	937	4255
Ground Transports	768	831	768	680	754	915	4716
YEAR TOTAL	923	1463	1605	1475	1653	1852	8971





**Cheyenne Regional
Medical Group**
Consultants in Surgery

Take G. Pullos, MD, F.A.C.S. ~ Jeremy Gates, MD, F.A.C.S.
Lisa K. Burton, MD, F.A.C.S. ~ Doug Schmitz, MD, F.A.C.S.
Napoleon Cieza, MD, ~ Shala Swarm, DNP, FNP-BC
Ashley Aylward, PA-C

March 16, 2020

**Mike Ceballos
Director
Wyoming Department of Health
401 Hathaway Building
Cheyenne, WY 82002**

Dear Mr. Ceballos,

At a recent meeting of the Wyoming Chapter of the American College of Surgeons Committee on Trauma, we became aware that trauma and other basic medical services in Riverton and the surrounding areas have become severely compromised over the past five years. Currently, Riverton has no surgical coverage. As a result, Riverton area patients with urgent and emergent surgical needs are having to be transferred to other health care facilities. This can often tax the resources at other facilities, but more importantly, this is a tremendous burden for Riverton patients, families, health care providers, prehospital and air ambulance staff. Since Riverton is so geographically isolated, most patients are having to be transferred by air ambulance. This adds additional travel expense for patients and their families and an additional flight risk to patients and the staff.

Riverton, the city with the largest population in Fremont County, needs a hospital with continuous quality basic medical, trauma, emergency, surgical and obstetrical care. Additionally, they need continuous support of laboratory and imaging services. These services are not currently being provided to this community. Any assistance that the Wyoming Department of Health may provide in helping Riverton obtain these basic health care needs would be greatly appreciated.

Sincerely,

**Lisa K. Burton, M.D., F.A.C.S
Medical Director of Trauma
Cheyenne Regional Medical Center**



Riverton Medical District Report
July 17, 2019
Thomas O. Forslund

Background and Experience

From March 2011 to March 2019, I served as Director of the Wyoming Department of Health. During this time period, I oversaw a variety of healthcare functions and facilities throughout the State of Wyoming. I worked extensively with health care professionals dealing with health challenges facing both the state and the nation. During my tenure I toured numerous health care facilities throughout Wyoming. My experience at the Department of Health allowed me to develop an informed opinion regarding health care issues.

Assignment

SageWest - Lander and SageWest - Riverton are two separate facilities licensed as a single hospital and are owned by LifePoint Health. I was asked by the Riverton Medical District to review the current status of services offered at the SageWest - Riverton Hospital and to outline my opinion regarding the scope of services currently offered at the facility.

Review of Information

Public Documents

As part of my review I read numerous articles, editorials, and letters published in the *Riverton Ranger* newspaper. As a result of that review, I concluded that historically, the Riverton and Lander hospitals have generally provided similar services to their respective communities. However, in recent years reports indicate that numerous services have been reduced or eliminated at SageWest - Riverton. Some example of services reduced or eliminated in Riverton include:

- Obstetrics & gynecology;
- 24-hour surgery;
- Anesthesia services;
- Lab services; and
- Level III Emergency Room status.

Historically two (2) orthopedic surgeons were located in Riverton; currently there are none. It has also been reported that there has been staff reductions made at Riverton facility and there has been a significant reduction in the number of beds being occupied by patients.



During the same time period, the services listed above have either been maintained or expanded at the SageWest - Lander facility. In addition, it has been reported that orthopedists, neurologists, and pathologists have been relocated to Lander.

This trend of decreasing services at the SageWest - Riverton facility has caused impacts in the Riverton community. At a recent public meeting a representative of the Central Wyoming College nursing program stated that students in their program were being sent to Lander, Jackson, and Casper WY to do their clinical work due to the lack of patients in the SageWest-Riverton facility. Additionally, the representative stated that there is a demand for the expansion of the nursing program; however, the program is currently unable to meet that demand due to the lack of patients at the SageWest - Riverton facility. This lack of patients makes local clinical work difficult if not impossible, and has a negative impact on the ability of the program to expand.

The *Riverton Ranger* also reported a local EMS representative commenting that nearly 40% of ambulance runs in Fremont County are now transfers from SageWest-Riverton to SageWest-Lander. The lack of a full array of hospital services and supports at SageWest - Riverton may be a determining factor in having to make these transfers. There have also been reports that a significant number of Fremont County patients being sent in air ambulances to other facilities, both within and outside of the state.

Finally, it was reported that in four positions on the hospital board previously filled by Riverton residents are now filled by Lander residents.

Stroudwater Study

A local Riverton community group recently contracted with Stroudwater Associates, a leading national healthcare consulting firm, to perform a greenfield hospital market study. In their study Stroudwater reported SageWest's combined Medicare market share for both Riverton and Lander declined from 60.5% in 2013 to 44.4% in 2017. Stroudwater reported other instate hospitals were the primary beneficiary of this loss of market share. This loss of market share seems to indicate that the lack of a full-service hospital in Riverton causes some Riverton residents to elect to receive their medical care elsewhere.

Stroudwater also reported that "current indications point toward further reductions of services at Riverton and potential abandonment of all services as entities have been approached to lease SageWest Riverton campus for non-hospital services." This report confirms the trends I observed within my review of news articles as stated previously.

Recent Changes

Recently John Ferrelli has been appointed as the new hospital CEO overseeing the SageWest facilities. Mr. Ferrelli has been meeting with members of the Riverton community to discuss the



future of the local hospital. According to reports from these meetings Mr. Ferrelli stated the Riverton facility will be focusing on mental health and long-term care services. These statements seem to indicate LifePoint Health does not intend to offer a full-service hospital in Riverton in the future.

On-Site Visit

I visited the SageWest-Riverton campus in the early afternoon on June 12, 2019. I visited those areas that were open to the general public, including several corridors within the facility. I did not tour the ER. During my visit, I observed two (2) patients in the facility, one inpatient and one infusion outpatient. I did not see any other patients in the facility. There were a number of rooms available, with doors open and lights shutoff. My general impressions were consistent with the newspaper articles, public meetings, and the statement made in the Stroudwater report. It appeared that during my visit, the facility was not operating at anywhere near capacity, and was indeed being minimally utilized.

Conclusion

It appears as if LifePoint has made the decision to consolidate the Lander and Riverton facilities. It is my observation that moving forward each facility will likely have separate missions. According to Mr. Ferrelli, SageWest - Riverton facility will have a primary focus on treating individuals with mental health issues and providing long-term care services. In the future it does not appear as if the SageWest - Riverton facility will be providing the same level of services it has historically provided and as a result residents of the Riverton area will need to drive, be driven, or be transported to other facilities to receive those services. This trend of having to travel outside of the community to receive medical services has already started and likely will continue moving forward.





*Eastern Shoshone Business Council
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(307) 332-3532/4932
Fax: (307) 332-3055*

April 20, 2020

Riverton Medical District
PO Box 433
Riverton, WY 82501

Re: Letter of Support for the new Riverton Hospital

Gentry:

The Eastern Shoshone Tribe is in full support of the efforts by the Riverton Medical District to build a new Hospital in Riverton WY, at the Eastern Shoshone Business Park which will meet the needs of tribal members and non-tribal members alike. We also recognize that access to high-level healthcare is an urgent issue for our community and believe the association of the Eastern Shoshone Tribe with your non-profit corporation will improve health care outcomes for tribal members and others in our community. We would like to acknowledge the Eastern Shoshone Tribe's willingness to join with the Riverton Medical District in this effort.

We also believe that a new "State of the Art Hospital" will help create additional economic growth and activity for the City of Riverton and the Eastern Shoshone Tribe.

We are willing to continue to collaborate with the Riverton Medical District on the possibility of obtaining critical access designation.

Kind Regards,


Vernon Hill, Sr., ESBC Chairman
EASTERN SHOSHONE TRIBE

https://trib.com/news/state-and-regional/govt-and-politics/health/hospitals-in-wyoming-charging-significantly-more-than-medicare-national-study/article_0ee7ea88-0964-596c-8cfd-6581e726367a.html

Hospitals in Wyoming charging significantly more than Medicare, national study finds

Seth Klamann
Jun 10, 2019



Dr. Tom Kopitnik performs a lumbar fusion on a patient in 2009 at Mountain View Regional Hospital. The hospital, which has since been purchased by Wyoming Medical Center, charged insurers 424 percent more than Medicare in 2017, according to a new report.

File, Star-Tribune

Hospitals in Wyoming charged private insurance plans more than three times what Medicare would pay for the same care in 2017, according to a national study that looked at 14 hospitals here and nearly 1,600 facilities nationwide and found further evidence that the Equality State has a serious

problem with health care prices.

“What this helps us understand is that yes, in fact Wyoming hospitals are charging significantly more above Medicare than hospitals in other states, even highly rural states,” said Anne Ladd, who runs the Wyoming Business Coalition on Health, an employer group organized to improve health care quality and pricing.

The report examined data from 25 states — including a number of rural states like Montana, Kansas, New Mexico and Washington — and compared what private health care plans paid hospitals versus what Medicare paid. Nationwide, the report’s authors found private insurance paid 241 percent what Medicare paid.

Of the 25 states, Wyoming had the second-highest disparity between Medicare and private insurance for outpatient services: Private plans were charged 302 percent more than Medicare, a difference of \$8 million. Only Indiana had a higher percentage disparity.

The goal of comparing what Medicare paid to what private insurers paid was to set a benchmark — Medicare — and use it to weigh the more variable insurance payments. The numbers fluctuated significantly across Wyoming. Of the 14 hospitals surveyed, only two were within 200 percent of Medicare. Weston County Health Services charged private insurers just 128 percent of what they paid Medicare, while Washakie Medical Center charged 198 percent of the federal program.



Health care prices are higher in Wyoming than elsewhere. But no one is sure exactly why.
Seth Klamann

But there were hospitals who were significantly higher. SageWest Health Care in

Fremont County had the highest relative price in the state: The hospital charged private insurance more than eight times what the facility was paid by Medicare. Evanston Regional was 589 percent higher, and insurers paid Mountain View Regional — the Casper hospital that was acquired by Wyoming Medical Center last year — 424 percent more than Medicare.

Cheyenne Regional and Wyoming Medical Center — the two largest hospitals in Wyoming — charged insurers 480 percent and 392 percent of Medicare in 2017, respectively.

In all, only five of the 14 Wyoming hospitals surveyed charged private insurance less than 300 percent of what they would've charged Medicare.

Hospital group responds

Eric Boley, the president of the Wyoming Hospital Association, said one of the report's broad conclusions — that prices are high — isn't surprising. But he was broadly critical of the rest of the report. He noted that there's data missing elsewhere — though not in the outpatient data that the percentages are based off of — and that the information itself is old.

Further, and more fundamentally, Boley took issue with using Medicare as a baseline.

"Medicare is not the gold standard," he said. "It doesn't pay the actual cost of delivering care. They're using that as the measuring stick, but it's a bad place to start, to begin with."

But Medicare isn't far off the cost of care in Wyoming, others said. A preliminary analysis of Medicare cost data by the state Department of Health found that Medicare, along with patient cost-sharing and third-party liability, pays about 98 percent of cost to critical access hospitals, which make up the bulk of facilities here (though the department stressed that how Medicare calculates cost may

differ from how hospitals do it).

For the other, non-critical access hospitals in the state, the Medicare share pays about 90 percent of cost.

That meshes with **a broader report by the Medicare Payment Advisory Commission from earlier this year**, which found that Medicare paid not far off from cost for some hospitals, and that hospitals having low Medicare rates may be a result of them charging too much elsewhere.

“In other words, when providers receive high payment rates from insurers, they face less pressure to keep their costs low, and so, all other things being equal, their Medicare margins are low because their costs are high,” the report stated.

Ladd, of the business coalition, said in an email that there was no mix of Medicare and privately insured patients “that justifies charging 399% of Medicare, much less 400%, 500%, 600% and even over 800%.”

She said that Wyoming’s rural nature wasn’t a satisfactory explanation for the high hospital costs; she pointed to other rural states like Michigan, which had hospitals that paid closer to Medicare. But there were rural, Western states like Montana and Colorado that had high costs closer to Wyoming.

Evidence of high costs

Still, the study is not a surprise in that it shows Wyoming has high health care costs. That was anecdotally considered true for some time, and recent data has provided further evidence to show that Wyoming has some of the highest health care costs in the nation. And the RAND report doesn’t offer solutions — one of the report’s authors told the Star-Tribune that they didn’t look at why or what’s next.

What the report does is give policymakers here — and Ladd’s group specifically

— more evidence that the insurance they provide is being charged significant amounts.



Casper neurologist named national physician of the year by the American Heart Association

Seth Klamann

“Employers can exert pressure on their health plans and hospitals to shift from (the) current pricing system to one that is based on a multiple of Medicare or another similar benchmark,” RAND researcher Chapin White said in a statement.

“The purpose of this hospital price transparency study is to enable employers to be better shoppers of health care on behalf of their employees,” said Gloria Sachdev, who runs a employer coalition in Indiana, in a statement. “We all want to know which hospitals provide the best value. Numerous studies have found that rising health care costs are due to high prices, not because we are using more health care services.”

Chris Whaley, another RAND researcher, told the Star-Tribune that employers can pressure hospitals to lower their prices or those employers can start sending their workers elsewhere to get care. That may be harder in rural places like Wyoming, he said, but it remains an option.

Ladd said that’s an option employers have — to start providing coverage for cheaper, larger hospitals in Colorado or Utah. But that doesn’t solve the problem of basic care.

Therein lies a central question for all Wyomingites, whether they’re policymakers, hospital CEOs, patients or employers. It’s a question both Ladd and Boley agree that the state must pose if it wants to address cost: What services should communities have immediate access to, and which should



patients have to drive for?

“Which community’s ready to start deciding which services should and should not be provided?” Boley said. He stressed that many of the facilities he represents operate on thin margins and aren’t flush with cash. “It’s a really difficult decision that needs to be made from a regulatory or a governance standpoint for each facility and for the communities. If you take that service out of the hospital line, who’s going to pick it up?”

He added that Wyoming hospitals “absolutely care about the businesses and the communities that we serve.”

“My hope would be that employers would start working together to go to their local hospital and say, ‘We don’t want to put you out of business, but you are putting us out of business,’” Ladd said. “We have got to come to some kind of reasonable middle ground, where you’re viable and you’re functioning and you’re good, and I can also make my next hire and I can expand my business because right now, frankly, that’s not happening because of health care costs.”

