

# Bartlett Regional Hospital

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www.bartletthospital.org

December 23, 2013

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:

We would like to participate in the Marine Passenger Fee Proceeds Fund as we provide medical services to cruise ship passengers from May to September each year. We are requesting \$273,618 from the fund to offset the direct impact to case management and emergency departments operations due to the increase in patient load caused by the cruise ship industry and our bad debt incurred by foreign cruise ship passengers.

These funds will enable us to continue to maintain excellent care of our summer visitors in 2014.

Happy Holidays!

Sincerely,



Jeff Egbert, Interim CEO

## 2013 Marine Passenger Fee Proceeds Fund Proposal

**Purpose:** To cover costs associated with providing timely medical care to cruise ship passengers.

### **Description of Need:**

Bartlett Regional Hospital addresses the safety and accessibility of cruise ship passengers by providing timely medical care to passengers with serious illness, injury or to those who need medical diagnosis or hospitalization. Hospital services are significantly impacted by the marine passenger ship industry. 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 2013, 63% of passenger/inpatients requiring case management were from foreign countries.

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, admitted as inpatients or evacuated to other facilities. Rarely are patients returned to the ship. Each summer our emergency department experiences a significant increase in patient load due to cruise passenger visits. Passenger/patients medically evacuated from Juneau are first seen at Bartlett's emergency department. Medical evacuations in the summer months accounted for 53% of the annual total. This is an indication that passenger/patients are critically ill thereby necessitating greater level of care and time in the Emergency Department. While every department is affected, the greatest impact is experienced by our billing, emergency and case management departments.

### **Personnel Impacts – Emergency Department**

The ED experienced a 13% increase in average monthly patient load in summer (May – September 2013) above non-summer months (October 2012 – April 2013). Summer average monthly patient load was 1,150 while non-summer patient load was 1,017. This increase is primarily due to cruise ship passengers. To address this increase in patient load the hospital incurs cost for ED staff overtime, a dedicated case manager and patient liaison:

#### **1. Nursing Personnel**

During May – September 2013, nursing personnel overtime cost increased 30.5% above October 2012 – April 2013. The monthly average overtime in the winter months was \$8,227 and in summer months \$10,737. The increased cost for summer above the winter cost is \$2,510 a month. When adding incremental benefits, excluding health insurance, the five month impact for overtime during summer months is \$16,461.

#### **2. Case Manager ED Liaison**

The Emergency Department was overwhelmed with case management issues related to cruise ship passengers. A part time case manager/ED liaison was hired specifically to handle cruise ship passenger needs in the ED. 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



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 for May – September is \$28,580 including benefits.

### 3. Cruise Ship Passenger Liaison

To meet the needs of cruise ship passengers, we contract ( \$5,000) with Juneau Emergency Medical Associates each summer to provide an emergency department liaison. The liaison conducts an education meeting at the beginning of the cruise ship season for medical representatives of the ships to describe Bartlett's services. The liaison reviews patient lab/ radiology findings for critical values, flags if significant, ensures a physician has been notified, counsels patients on follow up care and informs the ship for the need for any follow up care at another port.

### **Personnel Impacts - Inpatient Case Management**

During May – September 2013, case management staff overtime cost increased 267.7% above October 2012 – April 2013. The monthly average overtime cost in the winter months was \$654 compared to \$2,405 in the summer months. The increased cost for summer above the winter cost is \$1,751 a month. When benefits, excluding health insurance, are added, the five month incremental cost for summer is \$11,482.

Cruise ship passengers accounted for 9% of inpatients in the summer 2013. 63% were from foreign countries. 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 placements care. The case management staff handles discharge planning and care coordination with patients' families and physicians.

### **Financial Impacts –by foreign cruise ship passengers and cruise ship crew**

A total of \$212,095 in bad debt was incurred by 25 foreign cruise ship passengers during May – September 2013. These patients include outpatients seen in the ED and on obstetrics unit and inpatients. The inpatients account for \$161,165 of the total debt. The average debt by six inpatients is \$26,861. Foreign passengers are typically elderly and do not possess credit cards. Collection agencies currently contracted by the hospital do not operate outside the U.S.

### **Description of impacts:**

#### Emergency Department Impacts

- The overtime cost of ED nursing personnel for summer months above the cost of winter months is \$16,461.
- The cost of a dedicated part-time case manager to service the logistical and financial needs of cruise ship passengers in the ED is \$28,580.
- The cost of a contracted ED passenger liaison to interface with the cruise ship industry and to expedite cruise ship passenger patient care is \$5,000.

#### Inpatient Case Management Impacts

- Overtime cost of Case Management personnel for inpatients who were passengers for summer months above the cost of winter months is \$11,482.

Financial Impacts

Bad debt incurred by 25 foreign cruise ship passengers which is not recoverable given the lack of foreign collection is \$212,095.

**Funding request:**

Our proposed project is the continuance of services for our cruise passenger services for 2014 based on 2013 impact figures. We are requesting **\$273,618** from the Passenger Fee Proceeds Fund to offset the cost of this impact for 2014.

ED Nursing staff overtime	\$ 16,461
Part time Case Manager	\$ 28,580
Summer months ED liaison contract	\$ 5,000
Inpatient Case Management staff overtime	\$ 11,482
Foreign passenger bad debt	<u>\$212,095</u>
<b>TOTAL</b>	<b><u>\$273,618</u></b>

The benefit is to offset the direct impact of the increase in patient load caused by the cruise ship industry to inpatient case management and ED staff requirements and bad debt incurred by foreign passengers.