CASE STUDY



Partnerships Accelerate Small Hospital's Big Plans for the Future: Bayou Bend Health System, Franklin, LA

THE SITUATION

Across the nation, many hospitals are floundering. By contrast, Bayou Bend Health System (BBHS) is flourishing, with robust finances including more than 120 days cash on hand. The health system even had the capacity to pay cash for its planned \$23 million wellness center addition. BBHS's success rides on its commitment to continuous improvement and strategic growth, as well as its belief in the power of partnerships.

The key was finding the right partner. Before contracting with Community Hospital Corporation (CHC), a mismatch had developed over time with the services offered by the health system's previous advisory firm. Seeking a more customized relationship, BBHS leaders reached out to CHC Consulting, the managing and consulting arm of CHC, for a needs-based and goal-aligned "a la carte" services contract designed just for BBHS.

The partnership has enabled an excellent health system to perform even better.

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Stephanie Guidry, CEO Bayou Bend Health System

Community Hospital Corporation

BACKGROUND

BBHS (formerly Franklin Foundation Hospital) is a 22-bed critical access community hospital in South Central Louisiana that has served the residents of St. Mary Parish and surrounding communities for more than half a century. While the hospital is a community pillar, area residents face a variety of health challenges. In fact, a recent Community Health Needs Assessment (CHNA) revealed that the population overall is in "very poor" health, with high rates of obesity, diabetes, heart disease and cancer.

The situation inspired hospital leaders to seek a new way to focus on residents' wellness needs, and to find a partner to join them on the journey.

"We didn't come to CHC Consulting because we were in dire straits of any kind, but what CHC has enabled us to do is fine-tune what we were doing well so things just keep getting better," says Chief Executive Officer Stephanie Guidry. "It has been a fabulous relationship from day one, and it offers us so many more valuable services and so much more support than the previous company could ever offer."

THE PLAN

Propelling BBHS forward, CHC Consulting helped with the following:

- Conducting an operational assessment, with a deep dive into materials management
- · Conversion to CHC Consulting's group purchasing organization, CHC Supply Trust
- Conversion to one primary distributor offers greater visibility of savings
- Completing the CHNA, which validated the need for the wellness center and cardiopulmonary and senior behavioral health programs
- Executive recruitment and placement, including CNO and CFO positions
- Reviewing insurance programs and providing recommendations relative to cost savings
- Convening monthly operations reviews with the senior leadership team
- CHC Consulting's ongoing support of day-to-day operations is such that each of the BBHS's
 departments and cost centers (business office, revenue cycle, materials management,
 human resources, health information management) has an expert counterpart at CHC they
 call for guidance.
- Completing pro forma financial reports affirming the feasibility of the wellness center and service line additions
- Identifying a partner, Dallas-based Cooper Wellness Strategies, to manage the new fitness center



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THE RESULTS

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The most talked-about improvement is a 60,000-square-foot wellness center, centered around a fitness facility with state-of-the-art exercise equipment that comes with software demos for proper use and generates progress reports that can be shared with healthcare providers. The center also has group-class studios, an indoor walking track, a four-lane lap pool and an exercise therapy pool. The new building will also house an orthopedic group and a sports medicine program for area schools.

"The whole concept is to create an environment where people don't feel like they have to look great in their workout shorts to enjoy the facility. It's all about making the community healthier," Guidry says.

The wellness center is a pilot study being monitored by the Louisiana Department of Health to assess whether expanding the concept to other rural communities will improve population health. But actuarial data suggests that even if the BBHS wellness center bumps the community's health up from "very poor" to just "poor," that would extend life expectancy by 10 to 15 years.

Recruitment is a challenge for rural hospitals, so knowing that if someone retires, CHC will find a candidate to fill the role has been a godsend.

Stephanie Guidry, CEO Bayou Bend Health System

After employee and community focus group input, the hospital recently changed its name to reflect its location on the third bend of Bayou Teche and to remind residents of South Central Louisiana that comprehensive healthcare is "just around the bend."

"We're no longer just a hospital, so we needed a name we can grow into," says BBHS CEO Stephanie Guidry, adding that the hospital is in "growth mode," having recently added cardiopulmonary and senior behavioral health programs. BBHS is also working with CHC to evaluate adding an ENT service line and an urgent care center.





BBHS's rebranding efforts and strategic vision are guided by the slogan "Moving Forward for Greater Healthcare." The health system is indeed moving forward and credits CHC Consulting for enhancing its performance.

Other positive performance indicators include:

- Identifying room for cost savings and waste reduction, CHC Consulting created an inventory reorganizational chart for materials managers, reducing the amount of inventory on hand. By reducing inventory, BBHS is saving thousands of dollars annually on supply costs.
- CHC recruited then trained a new materials management director, further optimizing supply chain management and inventory control.
- CHC took charge of executive recruitment, resulting in interim and permanent placements. "Recruitment is a challenge for rural hospitals, so knowing that if someone retires, CHC will find a candidate to fill the role has been a godsend," Guidry says.
- Investments BBHS is making in the community, particularly the wellness center, were cited as a factor in a major industrial corporation's decision to open for business in Franklin.
- Along with a reputation for helping struggling hospitals, CHC boasts a strong track record for helping well-resourced hospitals like BBHS that are striving to perform even better.

Moving Forward for Greater Healthcare.







About Community Hospital Corporation

Community Hospital Corporation owns, manages and consults with hospitals through CHC Hospitals, CHC Consulting and CHC ContinueCARE, with the common purpose to guide, support and enhance the mission of community hospitals and healthcare providers. Based in Plano, Texas, CHC provides the resources and experience community hospitals need to improve quality outcomes, patient satisfaction and financial performance. For more information about CHC, please visit www.communityhospitalcorp.com.

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