

Center for Rural Health Policy Analysis

Rural Health Value UNDERSTANDING RURAL HEALTH TRANSFORMATION.



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## Frontier Extended Stay Clinics

## **Understanding and Facilitating Rural Health Transformation**

**What:** A Frontier Extended Stay Clinic (FESC) expands service in an existing clinic to include extended stay (up to 48 hours) and emergency services.

**Where:** A FESC may be a relevant service delivery option for rural clinics geographically isolated from a hospital, or for communities wishing an alternative to a low-volume Critical Access Hospital (CAH).

**How:** FESCs must provide 24/7 clinical staffing, meet life safety codes, and secure continuous funding (the federally funded demonstration program has ended).

Rural people, places, and providers will soon experience unprecedented health care system change. Rapidly developing provider affiliations, expanding health insurance options, and growing demands for health care value (not simply volume) will spur new health care delivery and financing models. The Center for Medicare & Medicaid Innovation (established by the Patient Protection and Affordable Care Act of 2010) and the Federal Office of Rural Health Policy (ORHP) initiate grants and demonstrations designed to test new health care delivery models, spark improvement and creativity, and serve as platforms for future innovations. The Rural Health Systems Analysis and Technical Assistance (RHSATA) project analyzes these and other rural health care innovations.

## **Key Points**

- FESCs provide essential emergency care, primary care, and monitoring/observation services to rural communities.
- Many small rural communities could benefit from expanded emergency and primary care services with an option for monitoring/observation care.
- The Alaskan FESC demonstration showed that clinics incurred an estimated \$1 million in additional clinic costs per year to provide 24-hour and monitoring/observation care.
- A minimum of 3 providers (physicians, nurse practitioners, or physician assistants) are likely necessary to provide 24-hour and monitoring/observation care.



The FESC demonstration is a joint project of ORHP and the Centers for Medicare and Medicaid Services. Although not currently available to new participants, the FESC demonstration is particularly relevant for many rural health care providers because it profiles a novel care delivery and payment option.

Rural people often consider a well-trained and well-equipped emergency medical care system (primarily pre-hospital emergency medical services and emergency departments) the community's most critical health care service. Emergency care professionals, facilities, and equipment immediately available to stabilize or treat unpredictable medical emergencies provide essential safety and security. Similarly, rural people prioritize access to a robust primary care team as the foundation for the entire rural health care system.

"Our new extended stay clinic offers great emergency care. Plus, if I'm not well enough to go home, I can stay overnight."

The FESC demonstration supports clinics designed to provide primary, emergency, and extended stay care 24 hours per day when hospital services are not readily available or not necessary. An extended stay clinic offers improved emergency services and a "monitoring and observation" option (up to 48 hours) at the clinic. Furthermore, monitoring and observation services may preclude the need for medical transport that is both expensive and disruptive to patients and families. Extended stay clinic monitoring and observation services are similar to those provided in observation units attached to many urban emergency departments.

The predominantly Alaskan FESC demonstration showed that expanding a typical clinic to an emergency and extended stay clinic requires a minimum of 3 providers (physicians, nurse practitioners, and/or physician assistants) and approximately \$1 million per year in additional staffing costs to provide afterhours and weekend care.

The Alaskan experience may be different in other areas.

A local rural health system that prioritizes advanced emergency services, comprehensive primary care, monitoring and observation options, and dependable medical transport for those requiring inpatient care, responds to the stated health care needs of many rural communities. In some areas, a medical clinic that includes emergency services and extended stay care may be a better option for rural community health care than a medical clinic with minimal emergency capacity (and limited hours of operation) or a financially undercapitalized Critical Access Hospital.

Initial findings from the FESC project show promise that could inform decisions about how best to deliver health care services in small rural communities. The RHSATA team supports development of new provider classification and financing models that make robust emergency, primary, and monitoring and observation care available to certain rural communities.

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