



From the Director's Desk

Rural Hospitals and Velocity Related Trauma

This year's NWCCOG Regional Economic Summit on May 4, featured a panel of Hospital CEOs from 3 rural hospitals including Jason Cleckler CEO of Middle Park Health, Dave Ressler CEO of Aspen Valley Hospital and Will Cook, CEO of Vail Health. Each weighed-in aspects of their business that was shared by most employers and a few that are unique to their profession. Bolstered by repairing visitors involved in "velocity related traumas," as Ressler coined it, the otherwise precarious nature of a large organization doing business in a rural area was familiar to many in navigating sea-changes in today's workforce, and the high cost of doing business. Each spoke of constraints within the industry preventing necessary transformations, and each clearly had a strong passion for addressing evolving needs in their communities.



Two of the hospitals represented have deep roots in the West Slope. Aspen Hospital was established in 1891 as a Citizens Hospital," charging every miner one days' pay of \$3 to startup according to Ressler. The recently remodeled Kremmling Hospital was "once the only hospital between Denver and Grand Junction" which Cleckler surmised was likely due to a strategic position along the Moffat Tunnel rail line. The panel was moderated by Chris Romer CEO of the Vail Valley Partnership.



The backdrop for rural hospitals across Colorado is stark. In January of 2023, [9News](#) reported data from the Colorado Hospital Association report that stated that "more than half of Colorado hospitals are unable to make ends meet," with "total expenses in 2022 for hospitals are 21% higher than pre-pandemic levels," and rising expenses for staffing are "up more than 26%." [Fortune Magazine](#) in March of 2023 featured the Leadville hospital which "two years after opening a state-of-the-art \$26 million hospital...St. Vincent nearly ran out of money," requiring a \$480,000 bailout from Lake County

and "an advance of more than \$1 million... to keep the doors open and lights on." These organizations are often a top-employer in rural areas. [HealthCare Finance](#) reports that in 2020, rural hospitals supported 1 in 20 rural jobs in the U.S. as well as \$220 billion in economic activity in rural communities."

Top of mind for the three CEOs, **the declining pipeline of trained professionals**. In the health care industry, Cook noted “health care lost 1 in 5 workers before COVID” which as we know only accelerated the exodus from that and other front-line workers. The classic intern to resident to reach the pinnacle of a profession by being worked to the bone is not in fashion anymore. The New York Times reported on March 26, [Golf at 3pm Tuesday?](#) from a Stanford Study that found at the start of 2023 that “more than a quarter of paid full-time workdays were done from home.” Cleckler said, “we’ve seen a drastic change in 20-to-30-year-olds in the field and what they prioritize,” he continued, “it is hard to do remote work in the hospital world,” he noted that Middle Park Health is adapting with a hybrid model that has “our entire revenue cycle team” working remotely across several states. About those younger employees he says, “people talk about long term plans now and they mean two years.”

Both Aspen and Vail programs are teaming with Colorado Mountain College. Cook has challenged his team, “How do we build pipelines around everything we do?” Ressler extolled the CMC partnership while also saying there and across the university system “we need more slots in classes. More faculty. This is a restriction in the system.” He noted that “It’s not just nurses; we talk about it because that is the largest number, and we need pharmacy techs, x-ray techs; lets take people that are in our communities that are no longer satisfied with their work.” Cook noted that for most roles under the doctor level, “all those are 3-to-5-year runways. It is highly regulated, so without breaking any laws how do we get people to work at the highest level of their licensed ability and provide support workers for those other activities. We need to get out of regulatory hell.” Cook continued, “If someone is making \$20/hr making beds and a nurse makes \$60/hr. and the traveler (nurse) makes \$180/hr. the bedmaker has to work 10 more hours of overtime to make ends meet. Can we get that skill set and maybe have them do vitals and maybe make \$30/hr. It starts with changing the way work is done.”

The second issue they spoke about is how the degree of **regulation in the industry** threatens the viability of rural hospitals most acutely. As Cook said, “the stroke of a pen out of Denver could turn our finances upside down,” additionally noting that Vail Health spends approximately \$19 million per year on regulatory compliance”. Ressler believes the problem is systemic at a national level, “As a country healthcare has been too large, too many unnecessary tests and procedures. We can’t afford to pay for it. We can be much more efficient with our staff,” if given the chance. Ressler opined, “In our industry there is a lot of data and evidence. We need to reduce the practices that produce waste and poor outcomes. That means how physicians practice. The pathways of care. Colorado is a tort reform state with reduced fear of lawsuits which encourage ‘defensive medicine,’ those things that physicians do just to say they did for CYA.”



Third, healthcare jobs also require **housing**. Ressler says that Aspen Valley Hospital has been a top issue since the 1990s. With over 500 employees, AVH has about 66 units with a goal of building 200 more in the next 10 years. In other words, he believes they will need to be able to house half their workforce to continue to be viable. That puts them squarely in the housing business. He says, “that is the capital demand for us. Fortunately, for facilities, we have most of our cap projects out of the way.” Ressler also said that related to the traveling population their focus has shifted, “rather than focusing on housing we are working on ‘call rooms’ where 2-3 workers can rotate and live” between shifts and on call. That has to be especially painful when as Cleckler noted, traveling nurses cost 3- 5 times that of a normal employee. That puts us 300 to 500% over budget at certain seasons, and they have other demands, “I want a house across from the ski hill, I want a pass, I want...”

The fourth major issue is **financial viability and acute community needs**. Ressler noted that “we cannot be everything to everybody.” Cleckler concurred using the example, “if Middle Park Health starts a cardiac lab —sometimes hospitals chase that bright shiny object, does that mean we should also get into pediatric oncology?” The example is a sharp one, a [Colorado Sun](#) article from Feb 14th, 2023 covered the challenges of Memorial Regional



Hospital in Craig which “had zero days cash-on-hand” and turned around by changing how it staffed the emergency room and “shut down its labor and delivery department.” For a community one to two hours from the next birth center, that is a tough decision. That article noted that there were 18 rural hospitals in the state (none in resort areas) that were operating in the red.” For The three hospitals represented on the panel and a fourth which was interviewed, Bryan Murphy CEO of Valley View Hospital each said something similar to Cook, “for many years we had a good

financial situation with medical resort bringing people paying the highest out of network rates.” Cook commented that Vail Health has invested its reserves in addressing community needs such as behavioral health, assisting those who cannot afford healthcare and working with other community partners to address social determinants of health. Cook mentioned that Vail Health in collaboration with Eagle County and other partners started up Eagle Valley Behavioral Health (a fully owned subsidiary of VH) pledging \$60 million to address the high substance abuse and suicide rate in the region, Cook noted that due to the financial headwinds, “last year Vail Health didn’t make a margin.” Cook indicated that this tradeoff was urgent.

Vail Health is hardly alone in shifting focus to community needs that may be unprofitable. Ressler noted that “75% of healthcare is caused by chronic conditions,” even in Pitkin County which like Eagle and Summit are regularly rated among the healthiest in the nation (according to [Dwellics.com](https://www.dwellics.com) Eagle County is 32nd in the nation), and with the highest life expectancies (according to [US News](https://www.usnews.com) Summit County is 4th at 93.5 yrs., Pitkin County is 5th at 92.5 yrs., and Eagle County is 10th at 91.4) each still have among the highest suicide rates in the state per [CDPHE](https://www.cdphe.com).

One solution is to collaborate using what Aspen Valley CEO Ressler called “**co-opetition: the nexus between competing and collaborating.**” He says that while competition certainly “raises our game” he notes that they have “one oncologist that spends a couple days each week with us and a few at Valley View.” Cook doubled down on that model saying that communities need to “look backward” from the threat of remaining independent. Regulations in Colorado are “threatening to make us California” Cook said, noting that prior to coming to Vail Health he too was in the hospital “arms race” in the I-25 corridor which, along with competition from Utah, is coming for Western Colorado. He says the best pathway for countering that trend is to collaborate because, “the first thing a buy-out would do is reduce back office, delete services which are not profitable at volume and remove the “super groups of medical surgical sub-specialties” that are cost recovered by more profitable sides of the work. Ressler put a fine point on it, “we are in a crisis. We are in the midst of a transformation. Kaiser Permanente just merged combining a provider with an insurer creating a pro-surer.” Cook said, Dave (Ressler) and I as well as Brian Murphy at Valley View have said “our best pathway to remaining independent is to collaborate.”

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Photo Credit: Jon Stavney. Panel Members from Left to right: Chris Romer, Dave Ressler, Jason Cleckler, Will Cook



Table talk



Healthcare Panel

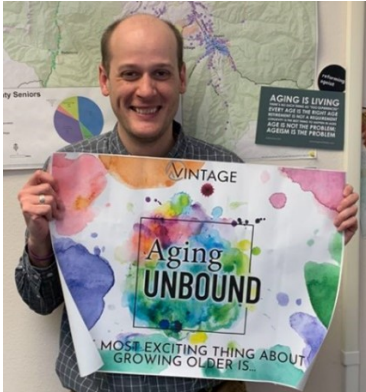


More table talk

How are you Aging Unbound?

Every May, the Administration for Community Living leads the nation's observance of Older Americans Month. The 2023 theme is *Aging Unbound*, which offers an opportunity to explore diverse aging experiences and discuss how communities can combat stereotypes. Vintage decided to ask questions to providers and older adults in our region on how they're aging unbound and something that excited them about growing older. Below is a snippet of some of the answers, but be sure to [follow us on Facebook to watch our videos and see more responses!](#)

And this month, we invite you to join us in promoting flexible thinking about aging – and how we all benefit when older adults remain engaged, independent, and included.



Chad at Pitkin County
Senior Services:

*"All the opportunities that
arise as you get older!"*



Ann at Eagle County
Healthy Aging:

*"Being able to watch my
grandkids play and
grow."*



Diane at Eagle County
Healthy Aging:

Loves volunteering at the
senior center, where she
has met a lot of new people
and made friends



Our friends at Jackson County Council on Aging (JCCOA) had plenty of good things to say about growing older. Some of our favorite responses is that they liked being retired (more free time!) and having Medicare (more affordable healthcare!).

Energy Program Continues to Grow

Jacob Johnson, a man of adventure and new challenges, is joining the Energy Program, bringing with him many diverse experiences from his time in Chicago, Denver, Lander WY, Seattle, and now returning to Leadville after a two-year hiatus.

Eager to learn and contribute, Jacob looks forward to immersing

himself in the Energy Program and making a difference in the community. His wife, Bryanne Busato, introduced him to the NWCCOG, where she works as a Support Specialist in the Elevator Inspection Program.

Jacob has a passion for homebrewing and music. He enjoys experimenting with different flavors and techniques when brewing, and he loves playing the guitar, singing, and exploring various instruments.

Jacob is excited about his new role with the Energy Program, bringing his enthusiasm for improving energy efficiencies and positively impacting the lives of those in need.



Next Board Meeting

Next Council Meeting - Thursday, July 6

Full Council Meeting, EDD Board Meeting

Location: On site TBD and ZOOM

Time: **Council** 10:00 AM - 12:00 PM - **EDD** 12:30 PM - 2:30 PM

Agenda : Approval of 2024 dues; discussion re: Annual Planning Meeting Agenda, Goals/Objectives.

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