

# PRESIDENT'S LETTER

## to the Medical Staff

From the desk of Jay Fisher, M.D.

President of the Medical Staff, Beaumont, Royal Oak

Beaumont

Dear colleagues,

In the light of the significant financial losses health care systems in general, and Beaumont, Royal Oak specifically, have endured in 2022, it is important to recognize the effects of the COVID-19 pandemic and the economy have had on costs and expenses. **Beaumont, Royal Oak lost \$2.5 million last month and \$13.8 million so far this year, and the Beaumont Health division has lost over \$100 million.** The majority of these losses are a result of higher staffing costs and inflationary effects on supplies. This is occurring despite our hospital being at critical bed status (>95% capacity) almost every day. The downstream effects of this problem are infinite, including excessive PACU and EC holds every day. As a result, patient care (and satisfaction) suffers, and the strain on an already overworked nursing and support staff grows.

This affects all of us who are trying to do the best we can for our patients. We have implored the hospital administration to make sure they are doing all they can to address these issues from their end. For their part, **efforts have been amplified to hire more staff in almost all areas**, but as is true throughout the country, qualified staff is extremely hard to find. **Valuing our current staff, hiring more agency/travel nurses (at a premium wage), extending critical staffing level pay to current staff and partnering with nursing schools to encourage training/retention of nurses and techs have been recently implemented.** Specifically, Beaumont President Dr. Ben Schwartz has recognized how important keeping the operating rooms open and running efficiently is to the entire enterprise. He has empowered local leaders to do whatever is needed to reopen currently closed operating rooms and improve efficiency by adequately staffing the pre-op, OR and recovery room areas. This will potentially provide significant relief for many of our ER hold and length of stay issues.

We have historically rationalized that Beaumont costs more because we have sicker patients, but the Case Mix Index data (a measure of acuity) clearly do not show this to be the case. In fact, we are at the bottom of all comparable teaching hospitals (and well below the mean even when compared to large community hospitals), in terms of CMI and length of stay. While we do have many sick patients, a significant percentage of our admissions are low acuity. Yet we spend more and keep them in the hospital longer than our comparison cohort. To address this, the hospital administration has invested considerable time and resources to improve coding – to ensure that we are credited with the appropriate acuity. The CDI department may reach out to providers to assure that we are properly documenting comorbidities that affect the CMI.

**Please be respectful of their efforts to address these issues and assist them in doing their job by documenting correctly. This is critical to getting reimbursed for the excellent care that we are providing.** These departments are also going to be stepping up their educational efforts (including resident education – an essential element to their education that has been missing).

Finally, with respect to length of stay, we can all play a part. In the past, this has been considered by many to be an “it isn’t me” issue. And because so many issues play a role in length of stay, it is easy to think this. **Many of our length of stay issues are related to culture and patient expectations. As a tertiary/quaternary care facility, we are expected to admit and do everything for almost everyone, and our patients know and expect this.** We end up admitting patients that often could be cared for as an outpatient and keeping them longer to obtain additional studies or consultations that may not be immediately necessary. But the patients expect it, and our culture supports it, so it is what we do. Unfortunately, our specialist and consultant services are often over-utilized and over-stressed, and they cannot see the patient in a timely fashion, so the discharge is delayed. We need to make an effort to provide the appropriate care for patients in the appropriate setting at the appropriate time.

Efforts are underway to address this issue as well. The hospital is looking at mechanisms to **create a “Gold Card” program so that a short-term follow up for the testing or consultation is arranged prior to discharge.** Care managers have been trained and mechanisms are in place utilizing **progression rounds to help expedite discharges,** including scheduling appropriate testing (that would otherwise delay discharge) as an outpatient if it would not alter patient care. Physician leaders, APPs and other staff are being tasked with assisting with discharge planning, including writing prescriptions, counseling patients and planning discharge in advance when appropriate. **Expanding other services, including palliative care and hospice availability and expedited sub-acute rehab with patient-driven placement is being facilitated.** We are asking that you please be cognizant and accepting of these efforts to assist you in providing the best possible care for your patients.

Thank you all for the outstanding care that you provide for our patients every day. Your dedication and devotion are critical to us continuing to focus on what is truly important - putting patients first.

Professionally and respectfully,

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