

# CON HEARING

AUGUST 1, 2023, AUGUSTA, GA

Jimmy Lewis, CEO, HomeTown Health, LLC



HOMETOWN  
HEALTH



## JIMMY LEWIS, CEO

Jimmy Lewis, CEO at HomeTown Health, has roots in rural South Georgia where he was born in Cordele, Georgia. Having graduated high school in Cordele, he attended Middle Georgia College and then Auburn University. He received a Bachelor's Degree in Industrial Engineering from Auburn. Jimmy has held senior management positions in six fortune five hundred companies. He has been instrumental in passing key rural legislation and regulation for hospital-based nursing homes, state merit, PPS and critical access hospitals. All of these have been key to the survival of rural hospitals and rural health care in Georgia. Under his leadership, HomeTown Health has grown to a Georgia-based virtual company supporting rural healthcare across the southeast and throughout the nation. HomeTown Health activities range from the identification of best practice solutions, to education, collective purchasing, developing managed care strategies, reimbursement advocacy, as well as legislative representation. HomeTown Health's efforts have been very instrumental in saving many of Georgia's rural hospitals



# CLOSED RURAL HOSPITALS

1. Turner County (Ashburn)
2. Chatooga County (Summerville)
3. Truetlen County (Soperton)
4. Dooly County (Vienna)
5. Hancock County (Sparta)
6. Telfair County (McRae)
7. Calhoun County (Arlington)
8. Stewart County (Richland)
9. Charlton County (Folkston)
10. Wheeler County (Glenwood)
11. Hart County (Hartwell)
12. Gilmer County (Ellijay)
13. Lumpkin County (Chestatee)
14. Banks County (Commerce)
15. Randolph County (Cuthbert)
16. ...

Atlanta Medical Center – Rural Impact



Image Source: <https://www.georgiahealthnews.com/2021/12/rural-georgia-community-1>

# MORE HOSPITALS TO CLOSE

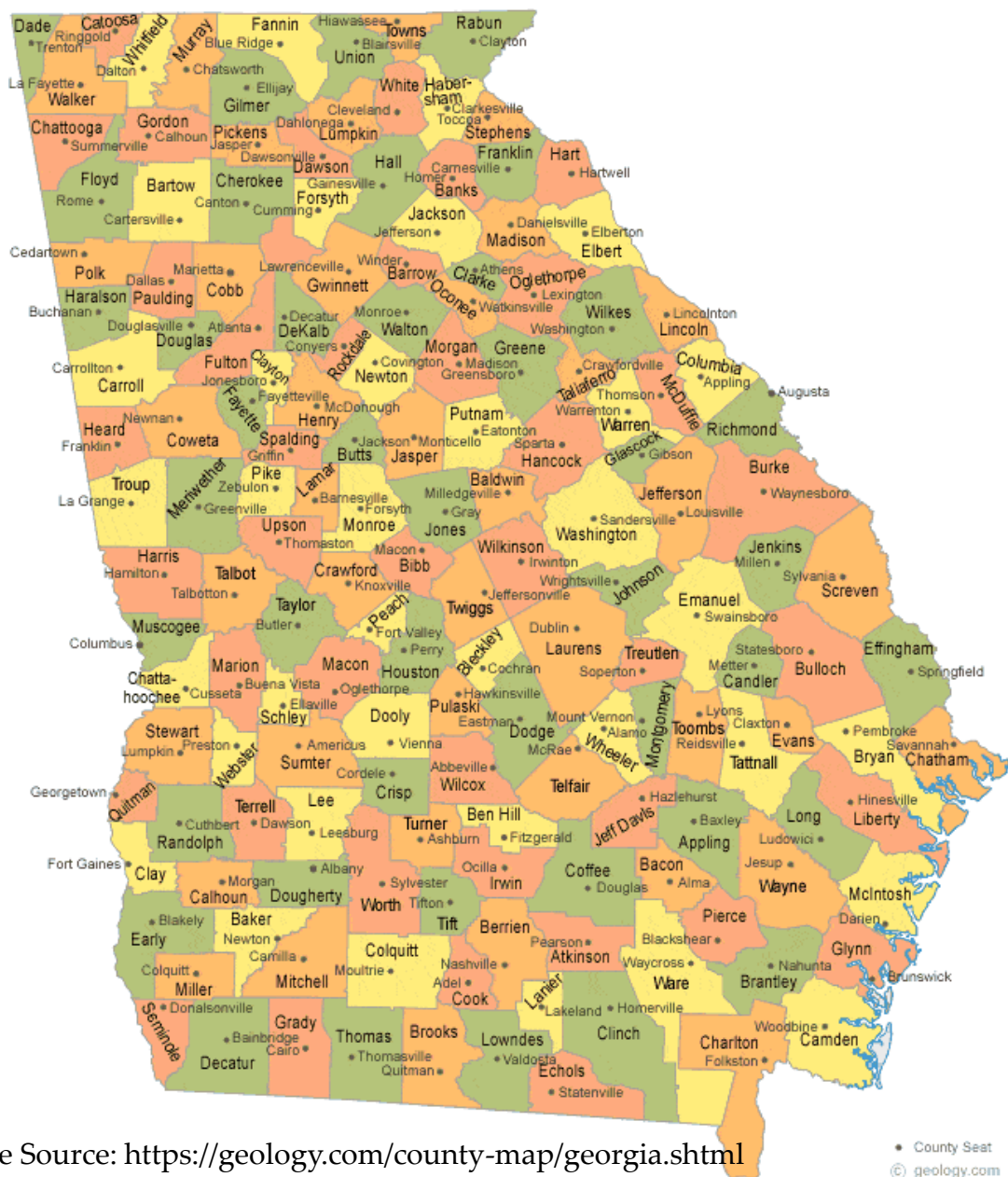


Image Source: <https://www.georgiahealthnews.com/2021/12/rural-georgia-community-1>



# PROBLEMS

- **Workforce Shortage**
  - Skills, Total
- **Financial Stress – Covid and the Pandemic**
- **AI Transition**
- **CON – AMSURG Center**
- **Pandemic Readiness**
  - Heat, Virus
- **Inflation**
  - Fixed Payment as in Medicare and Commercial contracts
- **Ten Initiatives – simultaneously e.g.,**
  - CMO RFP, Pathways, Medicaid Unwinding, etc.
- **Economic Consuming Labor e.g., UPS at \$21/hour**
- **Payor Mix**
  - Medicare Advantage
- **340B**
- **Transport Issues**
  - Many ambulance services require payment prior to transport
  - Skill set shortages are collapsing systems



# SOLUTIONS

## CASH

- Implement Medicaid expansion in order to cover the cash needs of rural hospitals by cash flowing payor mix and covering patients' medical needs.
- Increase Rural Hospitals Tax Credit to \$150 million annually for cleanest infusion of cash into rural hospital operating systems
- Replenish and fund the State Office of Rural Health's Rural Hospital Stabilization Grant to previous years' funding using the most current eligibility algorithms
- Subsidize OB units (as many as 12-14) for one million dollars annually to cover losses
  - Units that have been closed to cover their losses and to provide Economic Development ROI for effected counties
  - Units that currently are open in rural counties to prevent their closure (another 8-10 needing funding)
- Create a rural stipend for all physicians that practice full time in rural communities of counties of 35,000 population or less in the amount of \$50,000 annually or provided a tax credit overall of \$50,000 million (it works in hospitals)
- Telemedicine

## CON REVISION

- Create statutory exemption for 1 county for 1 hospital
- Leave all remaining CON guidelines intact to prevent revenue erosion due to AMSURG entry

# CONSOLIDATION, COLLABORATION (FEDERAL, STATE, LOCAL)

## POPULATION BASED HOSPITALS

- Requires **40,000** population to support without subsidy
  - Typical Rural Subsidy is \$1 to 3 million from county, DSH, etc.





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jimmy.lewis@hometownhealthonline.com