COMPREHENSIVE WOUND CENTER

Kaweah Delta Rehabilitation Hospital

The Need For A Wound Center

- There is a high incidence of diabetes and other conditions in Tulare and Kings counties. These patients are at high risk for non healing wounds.

- KDRH is already well established as a center for care of chronic wounds. Therapy staff have pursued advanced training and certification in wound care. Medical staff referral patterns well established with growing demand for service.

- Opportunity to provide more comprehensive, integrated services to patients with complex wounds under a physician model. Build on established reputation and further enhance position as a regional center of excellence in rehabilitation services.

- Current services within the community are fragmented due to variation in practice amongst physicians. There is an absence of a coordinated approach to the management of disease and timely intervention for chronic wounds.

- More progressive outpatient services for wound management can facilitate decreased length of stay for inpatients, as well as facilitating decreased re-admissions. Patients experience an improved outcome, resulting in higher patient and physician satisfaction.

- Comprehensive wound center offers excellent reimbursement potential.

- Provides a level of care not currently available in Tulare and Kings Counties.

- Appropriate next step in development of progressive, regional center of excellence in wound management.
- Commensurate with District commitment to providing the highest quality of most progressive specialty care to our patients.

Wound Center Services

Wound Center offers intensive services targeted to the most difficult wounds:

- Hyperbaric Oxygen Therapy – recognized as the gold standard for patients with chronic wounds that have been unresponsive to traditional intervention. Allows improved oxygenation of the blood, facilitating healing which may not have occurred otherwise.

Wound Center Services continued…

- Physicians on site provide comprehensive wound assessment and more aggressive interventions. Sharp debridement, bioengineered skin grafts, application of state of the art dressings and treatments, wound vacuum, medications to support regranulization of tissue.

- Coordinated multidisciplinary team approach to care. RN's and physical therapists provide case management, education, disease management, and work with physician in provision of direct wound care.

- Medical Director provides clinical and administrative leadership, outreach to community and medical staff, ensures practices reflect current state of the art in wound care.

Anticipated Outcomes

- **Decrease** inpatient length of stay for patients with wounds due to availability of comprehensive outpatient services.
- **Improved** clinical outcomes: increased success in healing wounds, decreased amputations, improved quality of life, higher patient satisfaction.
- **This patient population** will continue to present for District Services. A comprehensive wound center allows us to meet the needs of these patient more effectively while managing our resources more wisely.
- **Opportunity exists** for program growth secondary to high incidence of diabetes and other conditions that lead to chronic wounds within Tulare and Kings Counties.

Program Structure and Volume

- Analysis of current volume of wound care patients used to develop preliminary proforma
- Initial investment involves remodel of facility to support hyperbaric oxygen, purchase of hyperbaric chambers and supporting equipment, training of involved medical and facility staff in hyperbaric treatment and safety procedures.

Staffing Model:

- Physicians from appropriate specialties (vascular, podiatry, plastic and general surgery, emergency etc.) on site to supervise hyperbaric treatments and provide wound assessment and intervention
- 1.5 licensed clinicians with appropriate wound care certification assist in direct wound intervention as well as overall coordination of care and disease management
- Hyperbaric technician present for all “dives”
- 1 medical assistant to provide supportive assist to physicians and licensed staff
- Use existing rehabilitation services infrastructure for administrative and clerical support initially
- Anticipate program will quickly establish a demand for growth.

Wound Care Proforma – without growth

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Patients	**154**	**154**	**154**	**154**	**154**	**154**	**154**	**154**	**154**	**154**	**1,540**
Net Patient Revenue	**$560,781**	**$560,781**	**$560,781**	**$560,781**	**$560,781**	**$560,781**	**$560,781**	**$560,781**	**$560,781**	**$560,781**	**$5,607,810**
Expenses											
Salaries & Benefits	**246,314**	**253,703**	**261,314**	**269,153**	**277,228**	**285,545**	**294,111**	**302,934**	**312,022**	**321,383**	**2,823,707**
Depreciation	**59,267**	**59,267**	**59,267**	**59,267**	**59,267**	**59,267**	**59,267**	**59,267**	**59,267**	**59,267**	**592,670**
Supplies	**12,745**	**13,127**	**13,521**	**13,927**	**14,345**	**14,775**	**15,218**	**15,675**	**16,145**	**16,629**	**146,107**
Physician Fees	**27,000**	**20,000**	**20,600**	**21,218**	**21,855**	**22,511**	**23,186**	**23,882**	**24,598**	**25,336**	**230,186**
Repairs	**5,000**	**5,150**	**5,305**	**5,464**	**5,628**	**5,797**	**5,971**	**6,150**	**6,335**	**6,525**	**57,325**
Education & Travel	**12,000**	**2,000**	**2,060**	**2,122**	**2,186**	**2,252**	**2,320**	**2,390**	**2,462**	**2,536**	**32,328**
Certification & Maintenance Fees	**6,000**										**6,000**
Minor Equipment	**1,000**										**1,000**
Total Expenses	**369,326**	**353,247**	**362,067**	**371,151**	**380,509**	**390,147**	**400,073**	**410,298**	**420,829**	**431,676**	**3,889,323**
Contribution Margin	**$191,455**	**$207,534**	**$198,714**	**$189,630**	**$180,272**	**$170,634**	**$160,708**	**$150,483**	**$139,952**	**$129,105**	**1,718,487**

Annual expense inflation factor 3.0%

Wound Care Proforma – with growth

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Patients	154	161	169	177	185	194	203	213	224	235	1,915
Net Patient Revenue	$560,781	$588,993	$618,443	$649,129	$681,486	$715,781	$751,582	$789,321	$828,731	$870,348	$7,054,595
Expenses											
Salaries & Benefits	246,314	265,235	286,767	309,352	333,034	359,713	387,693	418,995	453,852	490,424	3,551,379
Depreciation	59,267	59,267	59,267	59,267	59,267	59,267	59,267	59,267	59,267	59,267	592,670
Supplies	12,745	13,724	14,838	16,007	17,232	18,612	20,060	21,680	23,484	25,376	183,758
Physician Fees	27,000	20,000	20,600	21,218	21,855	22,511	23,186	23,882	24,598	25,336	230,186
Repairs	5,000	5,150	5,305	5,464	5,628	5,797	5,971	6,150	6,335	6,525	57,325
Education & Travel	12,000	2,000	2,060	2,122	2,186	2,252	2,320	2,390	2,462	2,536	32,328
Certification & Maintenance Fees	6,000										6,000
Minor Equipment	1,000										1,000
Total Expenses	369,326	365,376	388,837	413,430	439,202	468,152	498,497	532,364	569,998	609,464	4,654,646
Contribution Margin	$191,455	$223,617	$229,606	$235,699	$242,284	$247,629	$253,085	$256,957	$258,733	$260,884	2,399,949

Annual expense inflation factor 3.0%