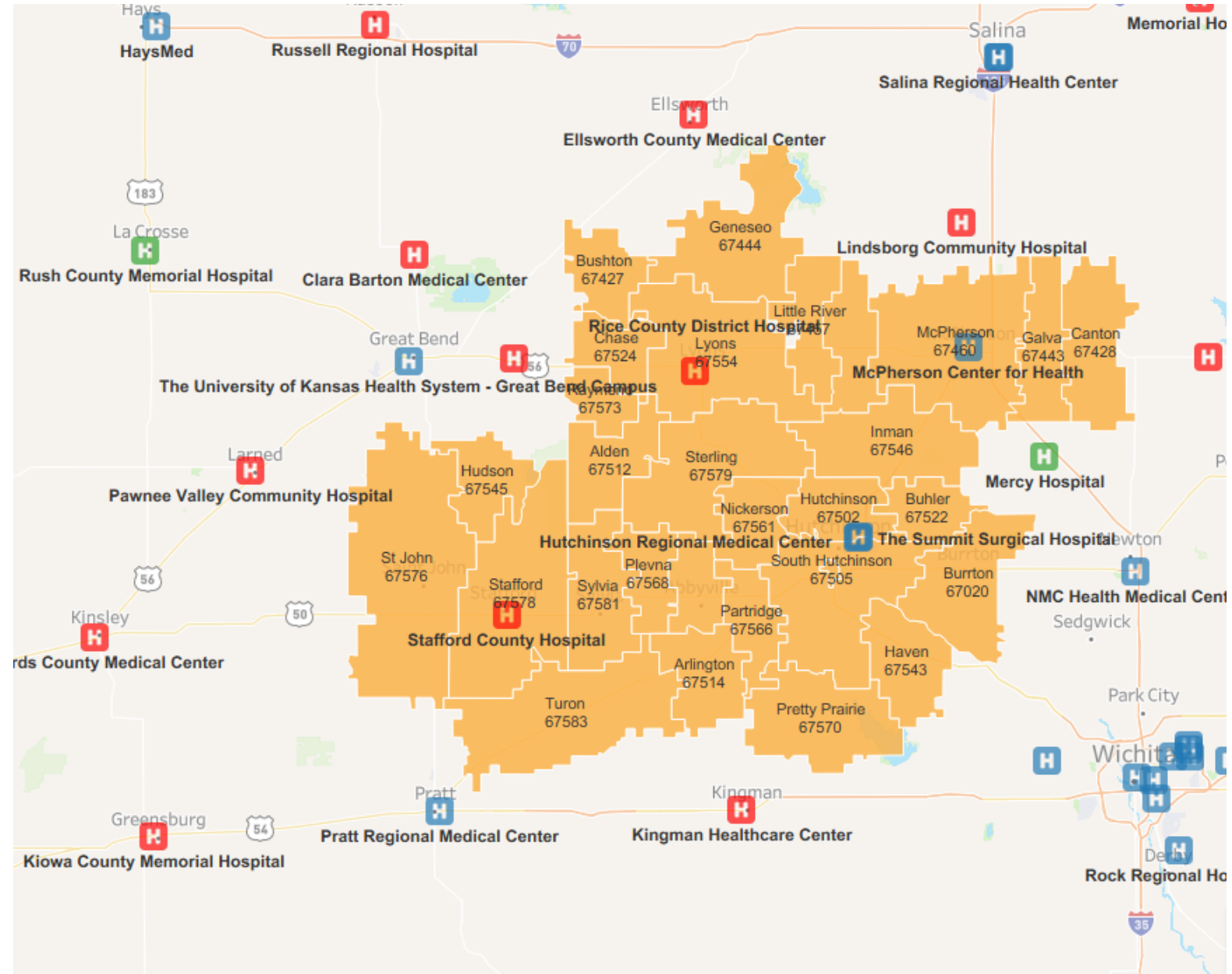




Building the Rural Workforce

Benjamin Anderson, MBA, MHCDS
*President and Chief Executive Officer
Hutchinson Regional Healthcare System*

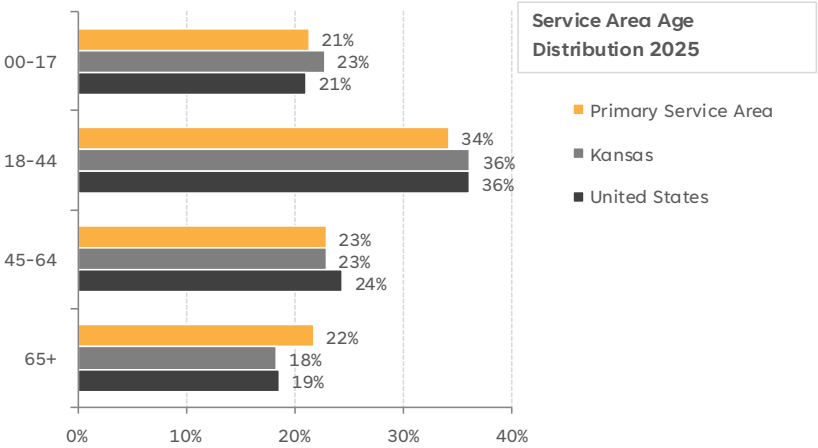
**Hutchinson Regional
Medical Center's
Primary Service Area
(PSA) is comprised of
30 ZIP codes**



SERVICE AREA OVERVIEW

2025 Population Estimates							
Primary Service Area	Name	00-17	18-44	45-64	65+	Total	% of PSA
67502	Hutchinson	4,752	7,184	5,522	6,275	23,733	24%
67501	Hutchinson	4,951	9,667	5,772	4,066	24,456	25%
67510	Abbyville	80	102	77	85	344	0%
67561	Nickerson	348	444	358	279	1,429	1%
67566	Partridge	167	213	142	126	648	1%
67568	Plevna	53	84	68	71	276	0%
67505	South Hutchinson	514	736	558	781	2,589	3%
67514	Arlington	166	200	158	174	698	1%
67581	Sylvia	77	115	92	94	378	0%
67512	Alden	28	44	48	36	156	0%
67522	Buhler	489	604	424	494	2,011	2%
67573	Raymond	30	47	50	36	163	0%
67579	Sterling	581	1,173	576	563	2,893	3%
67457	Little River	179	219	184	195	777	1%
67546	Inman	525	730	610	652	2,517	3%
67491	Windom	79	101	92	87	359	0%
67543	Haven	496	669	450	398	2,013	2%
67583	Turon	195	277	204	213	889	1%
67444	Geneseo	120	150	131	146	547	1%
67545	Hudson	51	51	58	43	203	0%
67570	Pretty Prairie	329	358	305	309	1,301	1%
67554	Lyons	1,005	1,378	884	894	4,161	4%
67020	Burrton	426	559	426	326	1,737	2%
67524	Chase	93	111	106	113	423	0%
67578	Stafford	284	321	269	321	1,195	1%
67460	McPherson	3,454	5,994	3,501	3,269	16,218	17%
67443	Galva	411	541	385	315	1,652	2%
67427	Bushton	76	92	73	86	327	0%
67428	Canton	332	469	326	270	1,397	1%
67576	St John	457	607	430	429	1,923	2%
PSA Total		20,748	33,240	22,279	21,146	97,413	100%
Total Service Area		20,748	33,240	22,279	21,146	97,413	
Total Service Area		21%	34%	23%	22%	100%	
Kansas		23%	36%	23%	18%	100%	
United States		21%	36%	24%	19%	100%	

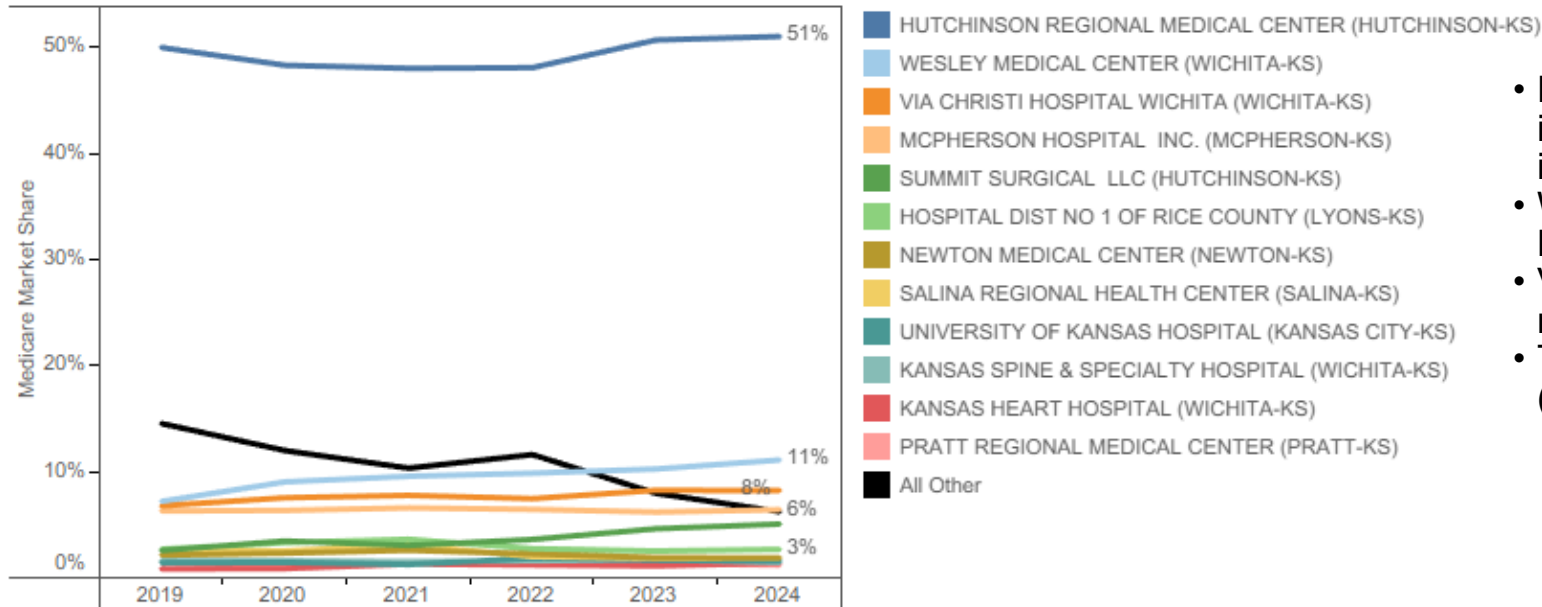
Source: Claritas



- The Total Service Area population is estimated to be approximately 97,413 in 2025
- Fifty-five percent (55%) of the total population is younger than 45 years of age
- The under 18 age cohort is expected to have a smaller percentage of people (21%) compared to the State (23%) and the same percentage as the United States (21%)
- The 18-44 age cohort is expected to have a smaller percentage of people (34%) than the State (36%) and the United States (36%)
- The 45-64 age cohort is expected to have the same percentage of people (23%) compared to the State (23%) and smaller than the United States (24%)
- The 65+ age cohort is expected to have a larger percentage of people (22%) compared to the State (18%) and the United States average (19%)

MEDICARE MARKETSHARE 2018 – 2024

	Medicare Market Share						Total Cases					
	2019	2020	2021	2022	2023	2024	2019	2020	2021	2022	2023	2024
HUTCHINSON REGIONAL MEDICAL CENTER (HUTCHINSON-KS)	50%	48%	48%	48%	51%	51%	2,764	2,229	2,078	2,224	2,349	2,459
WESLEY MEDICAL CENTER (WICHITA-KS)	7%	9%	10%	10%	10%	11%	398	417	414	456	475	535
VIA CHRISTI HOSPITAL WICHITA (WICHITA-KS)	7%	8%	8%	7%	8%	8%	375	348	336	345	382	396
MCPHERSON HOSPITAL INC. (MCPHERSON-KS)	6%	6%	7%	6%	6%	6%	348	293	285	298	287	309
SUMMIT SURGICAL LLC (HUTCHINSON-KS)	3%	3%	3%	4%	5%	5%	142	160	132	167	214	244
HOSPITAL DIST NO 1 OF RICE COUNTY (LYONS-KS)	3%	3%	4%	3%	3%	3%	149	153	157	127	117	129
NEWTON MEDICAL CENTER (NEWTON-KS)	2%	2%	3%	2%	2%	2%	118	107	112	104	88	90
SALINA REGIONAL HEALTH CENTER (SALINA-KS)	3%	3%	3%	2%	2%	2%	143	117	134	92	85	89
UNIVERSITY OF KANSAS HOSPITAL (KANSAS CITY-KS)	1%	1%	1%	2%	2%	2%	78	67	54	85	77	76
KANSAS SPINE & SPECIALTY HOSPITAL (WICHITA-KS)	2%	2%	2%	2%	2%	1%	89	74	66	74	79	70
KANSAS HEART HOSPITAL (WICHITA-KS)	1%	1%	1%	1%	1%	1%	46	40	56	56	52	67
PRATT REGIONAL MEDICAL CENTER (PRATT-KS)	1%	1%	1%	1%	1%	1%	79	59	59	63	63	58
All Other	15%	12%	10%	12%	8%	6%	804	553	447	537	369	300
Grand Total	100%	100%	100%	100%	100%	100%	5,533	4,617	4,330	4,628	4,637	4,822



- Hutchinson Regional Medical Center's inpatient Medicare market increased from 50% in 2019 to 51% in 2024
- Wesley Medical Center captured 11% Medicare market share in 2024
- Via Christi Hospital Wichita had 8% Medicare market share in 2024
- Total Medicare discharges decreased by 13% (711 cases) since 2019



MARKET SUMMARY

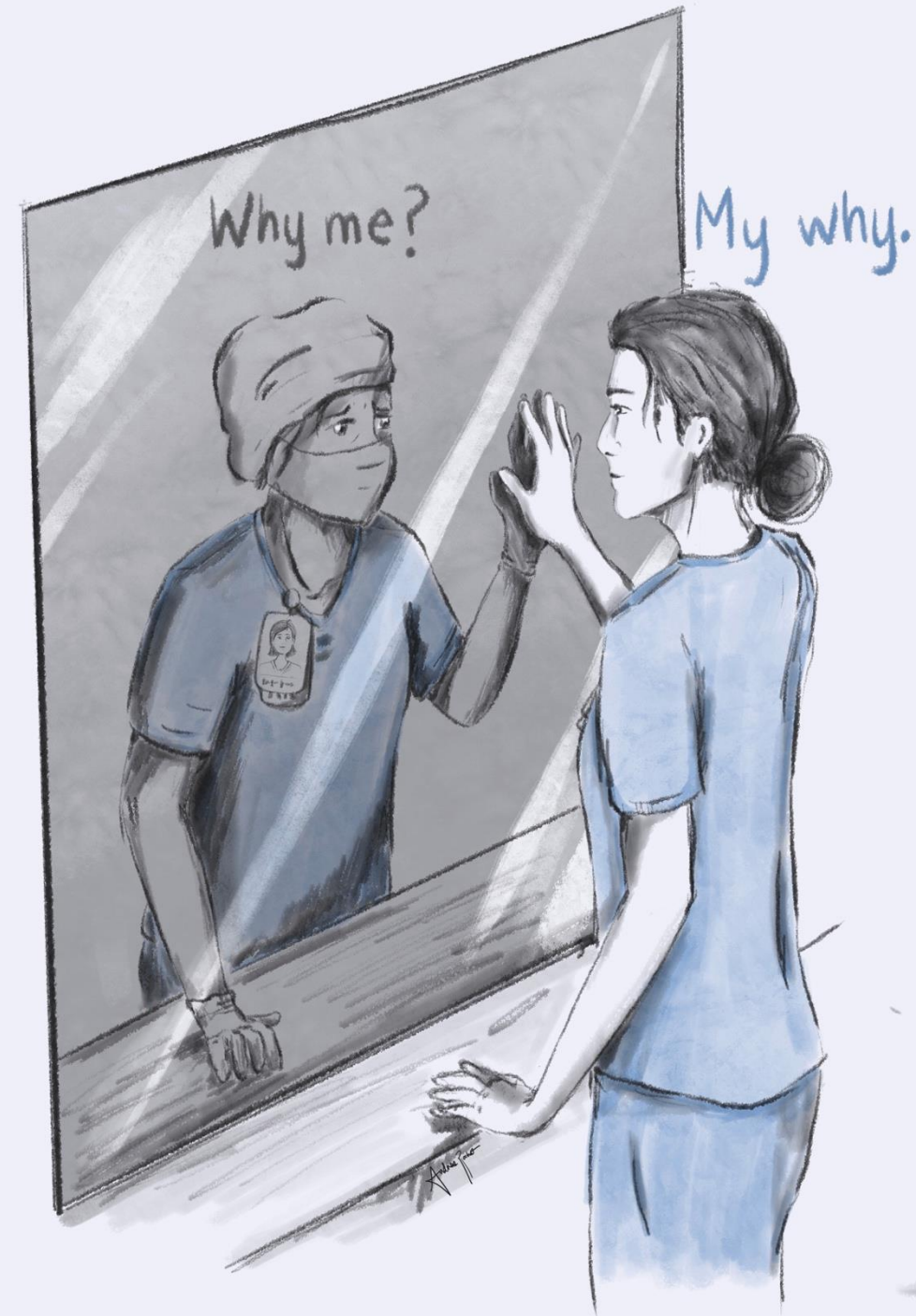
Hutchinson Regional Medical Center owns 51% of Medicare Market Share within MSA

- Expected growth to come from within Hutchinson and McPherson (Within MSA)
- Eighty-Five percent (85%) of growth in the total service area is projected to come from those 65 years and older



A Look in the Mirror in Spring of 2024

- LWBS rate of > 5% in hospital emergency department.
- Balance sheets had not been reconciled in 10 months.
- FY 2023 audited financials were not approved until end of December, 2023.
- Featured in Becker's Healthcare as only hospital in Kansas with "F" Leapfrog rating.
- HRHS EBIDA of -12% in FY 2023.
- Out of compliance with bondholders; at risk of payback.
- Over 50% of practicing physicians at HRHS living outside Reno County.
- Team member engagement scores were 7.4 (10 pt scale).
- Domestic utilization of internal health insurance plan: 50%



What could we learn about
growing people from how we
grow plants?



Community Apgar

understanding the communities' strengths, benefits, and areas of improvement needed for successful recruitment and retention of providers to the community.

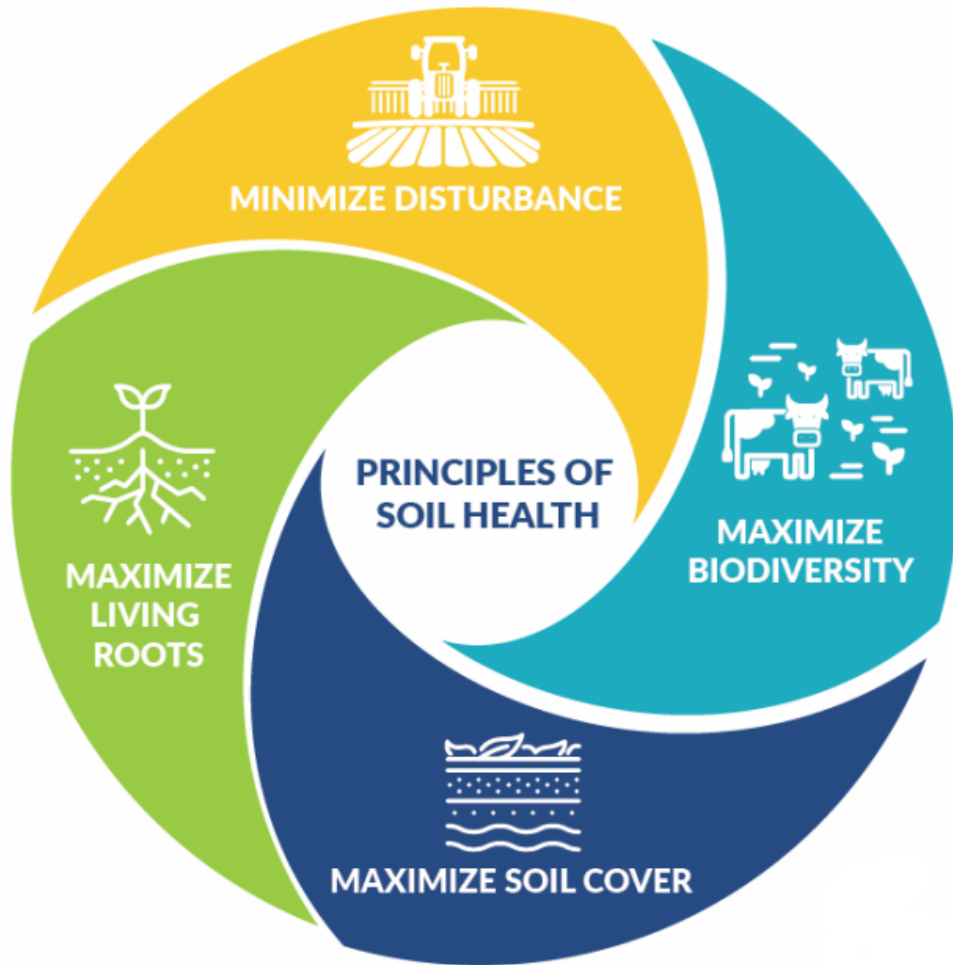
Five Classes

- Geographic
- Economic
- Scope of Practice
- Medical Support
- Hospital and Community Support

Dave Schmitz, MD

Professor and Chairman, Department of Family and Community Medicine
University of North Dakota School of Medicine





Doctors and Nurses (Advantages)

Ranking	Apgar Factor*	Apgar Class
1	Access to a Larger Community	Geographic
2	Benefits	Economic
3	Schools	Geographic
4	Social Networking	Geographic
5	Emergency Room Coverage	Scope of practice

Doctors and Nurses (Challenges)

Ranking	Apgar Factor*	Apgar Class
1	Perception of Quality	Medical Support
2	Day Care	Economic
3	Negative Community Perception	Geographic
4	Hospital Leadership and Management	Medical Support
5	Nursing Workforce	Medical Support
6	Specialist Availability	Medical Support
7	Recreational Opportunities	Geographic

Doctors and Nurses (Most Important)

Ranking	Apgar Factor* (Advantage)	Apgar Class
9		
1	Hospital Leadership and Management	Medical Support
2	Perception of Quality	Medical Support
3	Nursing Workforce	Medical Support
4	Physician Workforce	Medical Support
5	Schools	Geographic
6	Day Care	Economic

LEADERSHIP



Doctors and Nurses (Challenges)

Ranking	Apgar Factor*	Apgar Class
4	Hospital Leadership and Management	Class 4: Medical Support

Doctors and Nurses (Most Important)

Ranking	Apgar Factor* (Advantage)	Apgar Class
1	Hospital Leadership and Management	Class 4: Medical Support

- Transformational leadership cohort in partnership with Dartmouth College
- Dartmouth students serve as faculty for internal LDI.
- Health system-wide training on effective evaluation of team members.
- Promotion of physicians as service line medical directors.
- Learning expeditions to high-performing organizations.
- Board governance assessment and succession plan rooted in equity.

“A primary responsibility of an effective administrator is to help doctors and nurses help other people. If you’re not doing that, what good are you?”
-Todd Stephens, MD, Associate Program Director, Via Christi FM Residency



Doctors and Nurses (Challenges)

Ranking	Apgar Factor*	Apgar Class
5	Nursing Workforce	Class 4: Medical Support

Doctors and Nurses (Most Important)

Ranking	Apgar Factor* (Advantage)	Apgar Class
3	Nursing Workforce	Class 4: Medical Support

- Full tuition nursing scholarships in partnership with nursing foundation.
- Modifications to health care benefits, eliminating out-of-pocket expenses.
- Cross-training BTW departments to reduce the utilization of low-census policy.
- Paid maternity/paternity leave.
- Management and leadership training for all charge nurses.
- Hands-on training in partnership with Children's Hospital Colorado.
- Funding down-payments for nurses to purchase newly built local homes.

“Constant attention by a good nurse may be just as important as a major operation by a surgeon.” -Dag Hammarskjöld, Swedish economist and diplomat



Doctors and Nurses (Challenges)

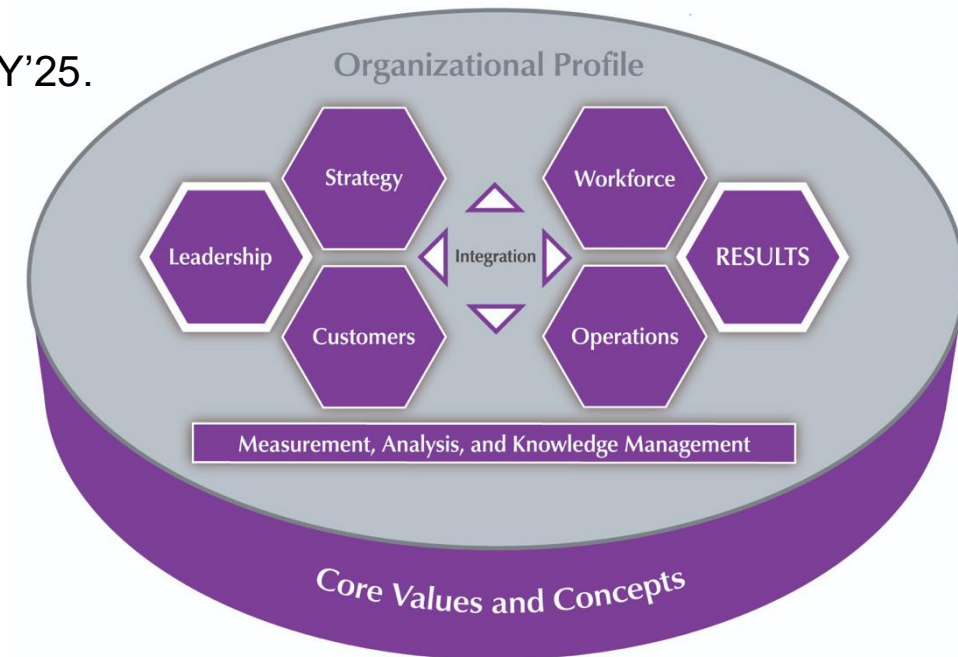
Ranking	Apgar Factor*	Apgar Class
1	Perception of Quality	Class 4: Medical Support

Doctors and Nurses (Most Important)

Ranking	Apgar Factor* (Advantage)	Apgar Class
2	Perception of Quality	Class 4: Medical Support

- 20% reduction in observations from The Joint Commission, from FY'22 to FY'25.
- ED “Left without Being Seen” Rates improved from >5% in FY'24 to <1% in FY'25.
- Leapfrog rating improve from “F” in FY'24 Q2 to “D” in FY'24 Q3.
- Average Google reviews improve from 3.4 in FY'24 to 4.0 (current).
- Completed first ever-application for state-level Malcom Baldrige Award.
- Strengthened After Action Review process in response to sentinel events.
- Organization-wide customer service training.

“Any instance where a person is avoidably harmed due to broken processes, or even good processes that could have been improved, that harm was preventable and was therefore morally unacceptable.” – Sr. Mary Jean Ryan



From Baldrige Performance Excellence Program. 2023. 2023–2024 Baldrige Excellence Framework®: Proven Leadership and Management Practices for High Performance (Health Care). Gaithersburg, MD: U.S. Department of Commerce, National Institute of Standards and Technology. <https://www.nist.gov/baldrige>.

Doctors and Nurses (Challenges)

Ranking	Apgar Factor*	Apgar Class
6	Specialist Availability	Class 4: Medical Support

Doctors and Nurses (Most Important)

Ranking	Apgar Factor* (Advantage)	Apgar Class
4	Physician Workforce	Class 4: Medical Support

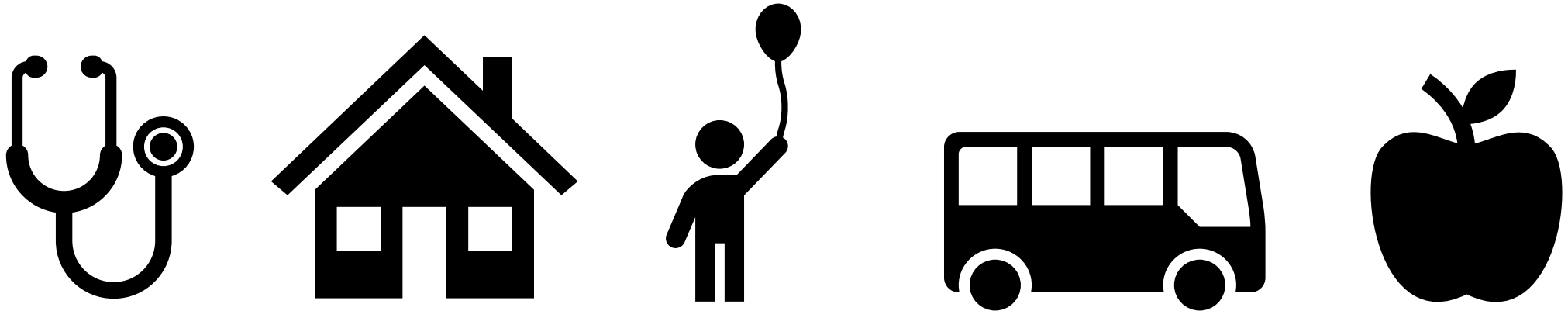
- 25 medical provider families recruited to the county in FY'25.
- Housing bonuses for new recruits; \$50K for physicians; \$30K for APPs.
- Twice annual recruitment weekends with local Chamber of Commerce.
- Shared employment opportunities.
- First travel to recruits, instead of recruits traveling to us.
- Recruit in pairs or groups.
- Transparent contract negotiation process.

“More than any amount of money, my wife and I are after deep, authentic, meaningful relationships. We desire to know others and to be known by others.” – Josh McCoy, MD, Family Physician



ADDRESSING THE VITAL CONDITIONS OF THE WORKFORCE

- What if growing our people means helping them grow their families?
- What if we make investments in our people OUTSIDE the workplace?
- What is most important to our people?



RETHINKING BENEFITS

For those on our no-deductible plan...

- \$0 out of pocket for services provided at HRHS facilities (excl. ER & some DME)
- \$0 for prescriptions filled in our pharmacy (excluding GL1 drugs)

For Nurses

- Robust scholarship program in partnership with area colleges

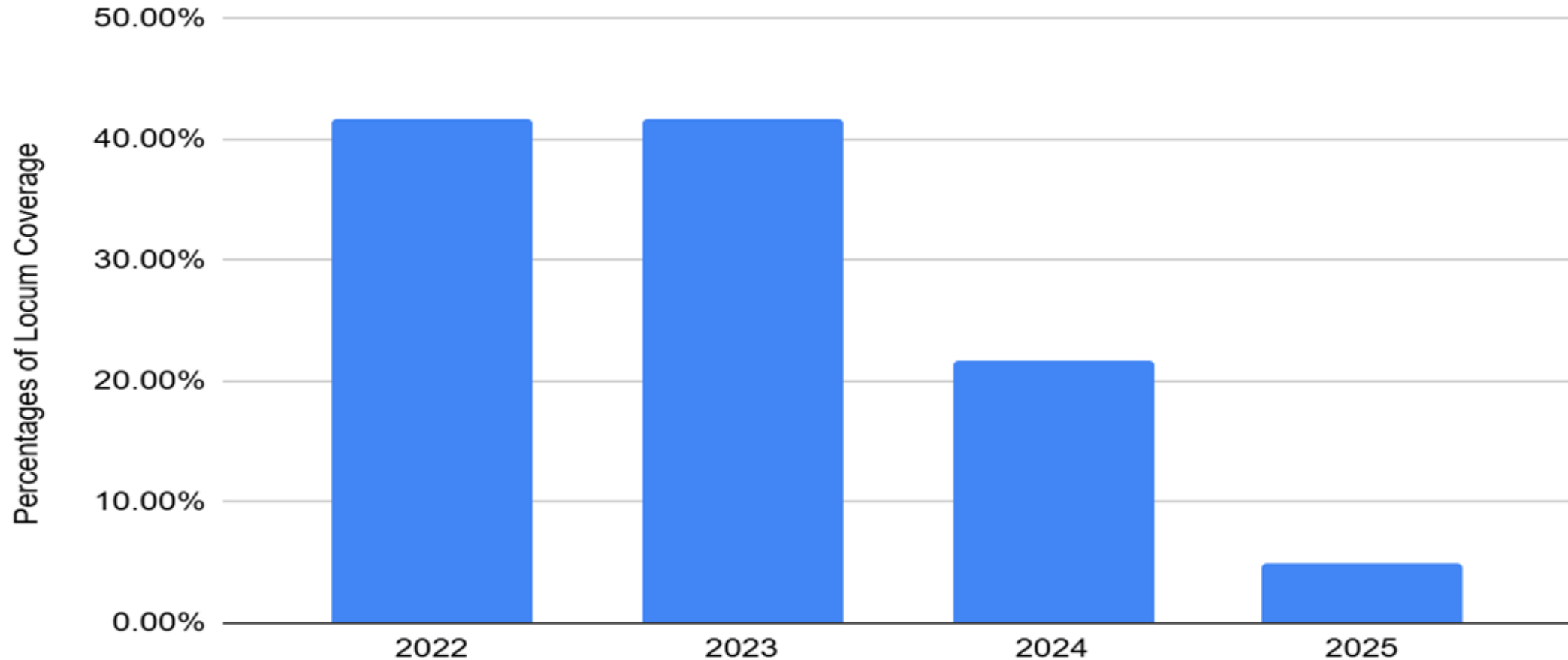
For everyone in the health system...

- 6 Weeks of Paid Parental Leave - allowing for greater utilization of bonding time
- \$25,000 down payment assistance grants being awarded (3-year commitment); \$5,000 county match
- On-site drop off for auto services (with a discount) to free up valuable off-duty time
- Shared PTO pool for people in need
- SAFE Fund provides financial support for team members in crisis

RESULTS

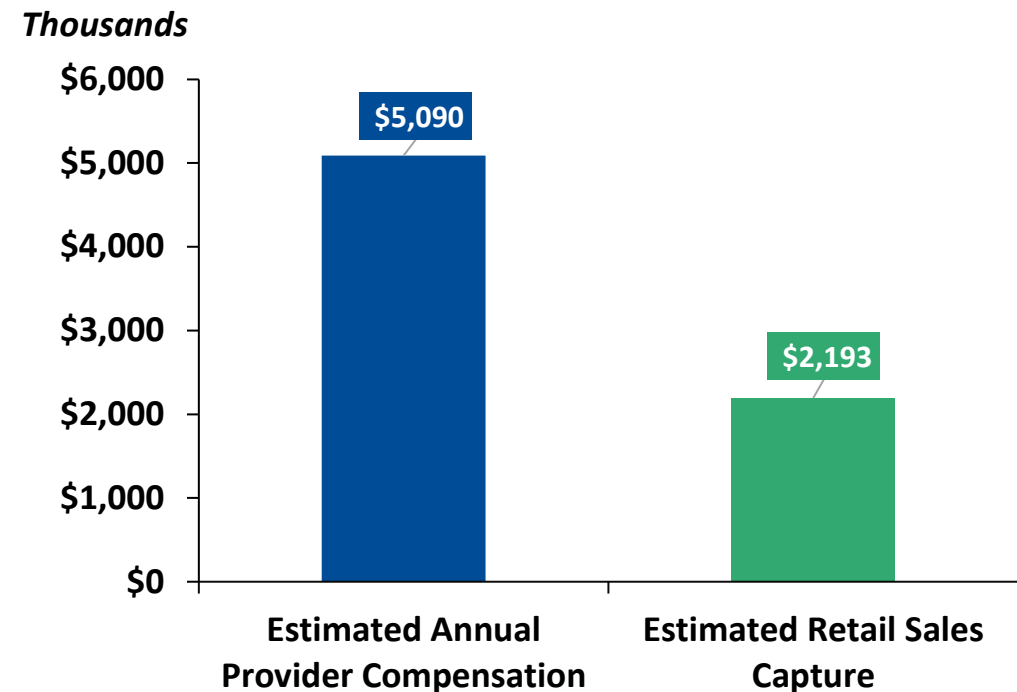
- Turnover is DOWN 10.2% year-over-year since implementation
- Domestic utilization (our team using our services) is up 50%+
- Our actual cost (excluding domestic claims) is steady year-over-year
- Steady reduction in the use of contract labor for nursing shifts since January of 2024
- 18 medical providers recruited to Reno County since 2024

Lower labor expenses through expanded full-time provider staffing and reduced locum utilization.



Reno County Economic Benefit from New Providers

- Provider recruiting in Reno County through October 2025 has an annual economic benefit of \$2.2M, estimated using the Retail Sales Capture Ratio for Reno County of 43% multiplied by \$5.1M of direct provider compensation.
- Source: *The Importance of the Health Care Sector to the Reno County Economy* prepared by the Institute for Policy & Social Research, University of Kansas.



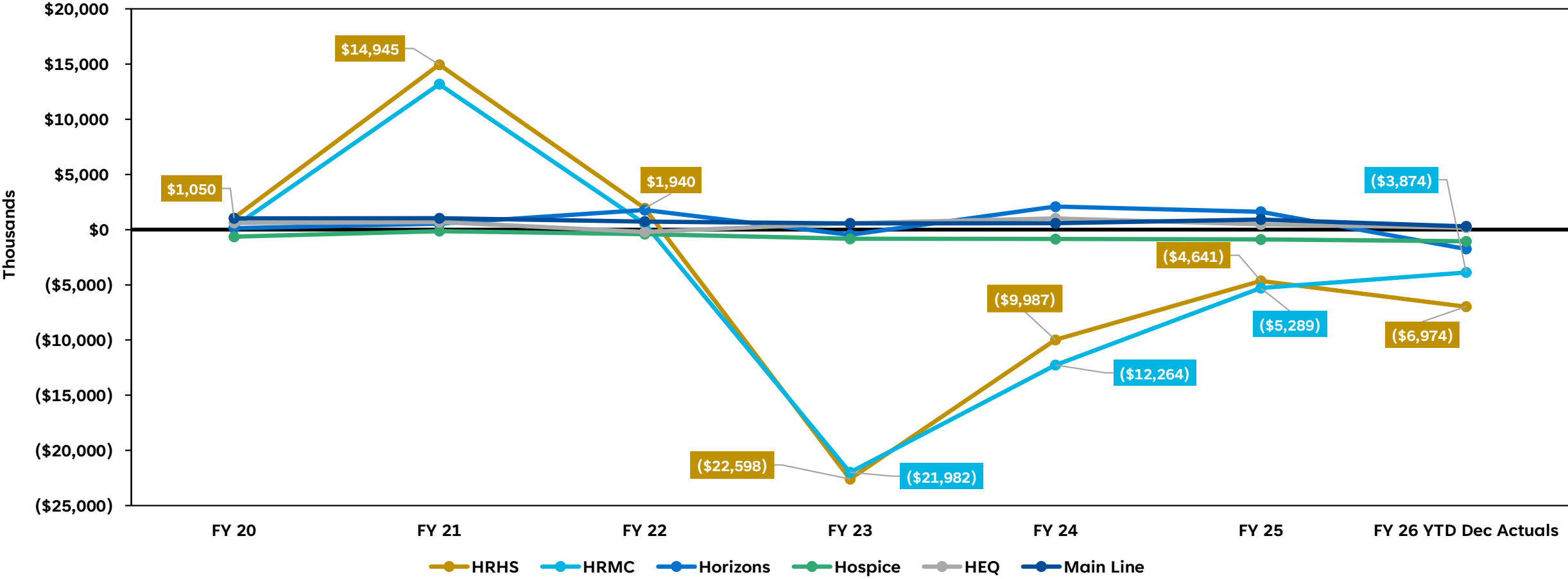








Hutchinson Regional Healthcare System EBIDA



Importance of Stable Leadership

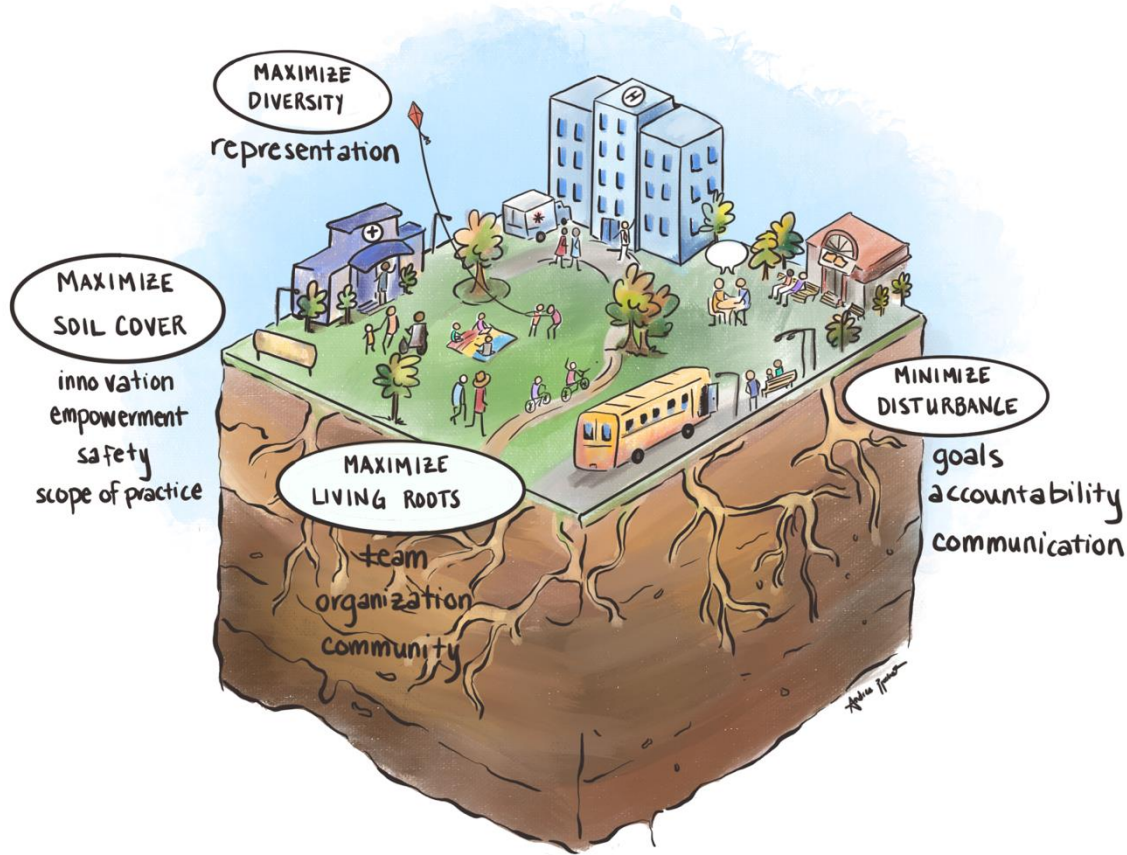
Alaina Longwell, DO

Inpatient Rehabilitation Medical Director
Hutchinson Regional Healthcare System





A New Look in the Mirror



Average ED LWBS rate < 1% since June, 2024.

Audit-ready FY 2025 financials ready for audit in July, 2025.

2 HRHS leaders featured in Becker's Healthcare as one of 50 innovation sites in 50 states.

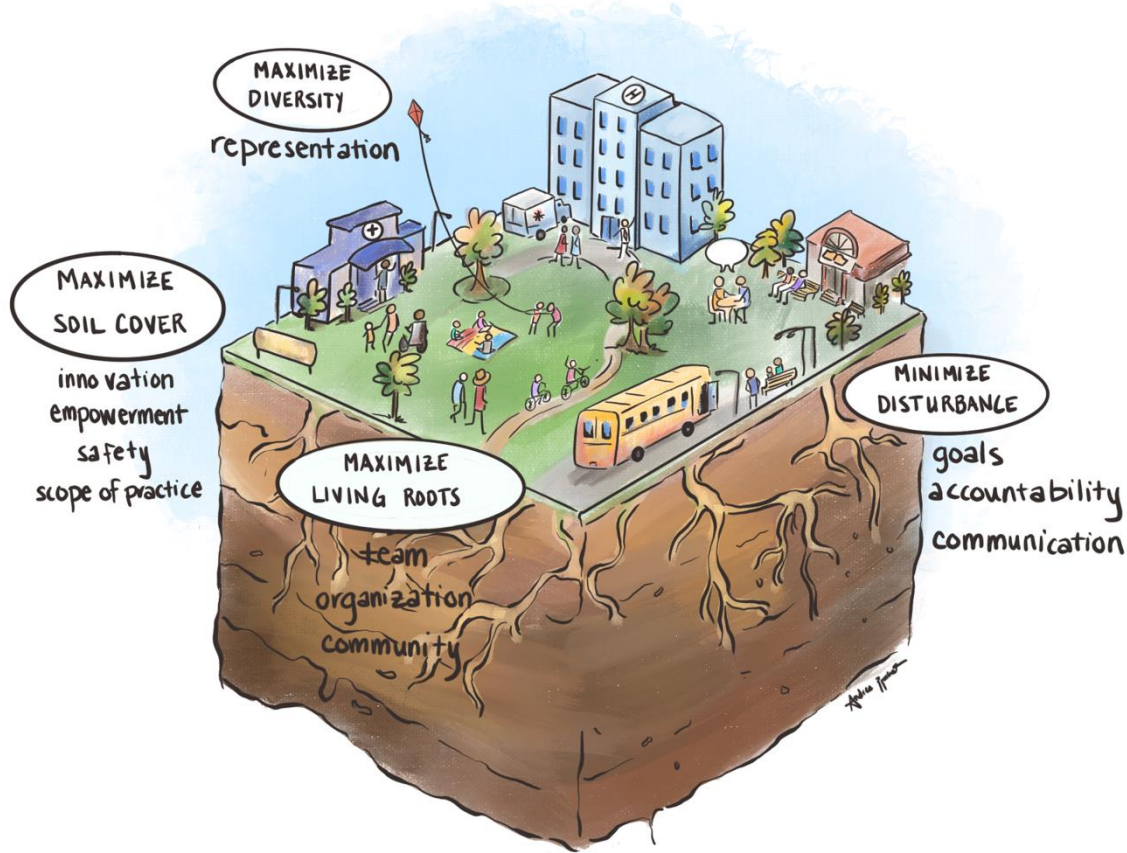
Compliant with bondholder forbearance agreement.

24 new HRHS medical providers for Reno County.

Team member engagement scores increased to 7.9.

65% domestic utilization of team member health insurance plan.

Leading Systemic Change



Identify the “right thing” to do by asking the right questions.

Hack the system, bootleg the funding to do the “right thing.” (starts with leadership)

Track the outcomes for doing the “right thing.”

Leverage the outcomes and tell the story to scale the intervention and change policy.



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