

One of the Worst Flu Seasons in a Decade Puts a Serious Strain on Hospitals

No matter what the level of preparedness with which hospitals enter flu season, a highly infectious virus is bound to present taxing challenges to even the best facilities. But the flu season we're in now is not typical, and it's placing an unusual strain on healthcare facilities...with much more of the season still ahead of us.

Hospitals "too close to the margins"

Late last month Dr. Tom Inglesby, director of the Center for Health Security at the Johns Hopkins Bloomberg School of Public Health, spoke at a Senate health committee hearing. The country's hospital system cannot manage a massive epidemic of influenza, he said. "They are simply not equipped for those larger events, and they are living too close to the margins with just-in-time inventories to be able to surge."

Surge capacity refers to a hospital's ability to pay overtime wages and handle increased supply needs without running out of resources. Also, many patients seeking help at a hospital rather than at their family physician tend to drop in to the ER first, and this surge leads to much longer wait times for everyone.

This year's flu sends double the sufferers to the hospital

Experts say the 2017-18 flu season is one of the worst in the last ten years. According to the Centers for Disease Control and Prevention (CDC), by late January there were around 42 hospital admissions for every 100,000 people in the nation, the second-highest of the past decade and more than double the most recent two flu seasons' hospitalization frequencies. As of early this month, more than 50 children had died due to flu-related complications in this season so far.

The CDC says that between five and twenty percent of the nation's population contracts the influenza virus in any given year, with an estimated \$10.4 billion expended annually for the resultant healthcare. The flu virus dominating this season is particularly severe, not just in light of its reach (the CDC says that widespread flu activity is occurring in 49 states), but also in light of the severe impact of the strain on its human hosts.

H3N2 strain particularly problematic for older adults

Of particular note: the CDC-reported on 11,000 flu-related hospitalizations that occurred between October 1st and January 20th. Laboratory findings determined that those were indeed cases of the flu, and over 88% of them represented the H3N2 strain, an iteration of influenza that hits older individuals especially hard, many of whom will have underlying health conditions exacerbated by the flu, or that make fighting the virus more difficult.

Dr. John Segreti is an infectious disease specialist at Rush University Medical Center in Chicago. "This is the more difficult type of flu season," he told *Modern Healthcare*. He said that the Rush Center routinely plans for every flu season, and not just right before the season hits, but over the course of the entire year. He credits that type of preparation with the hospital mitigating its losses regarding the financial toll the flu season typically exacts, but he said the past few weeks saw a spike in hospital admissions involving complications of the flu.

Segreti wasn't ready to hazard a guess about how this year's flu season might impact Rush fiscally, but he did remark on the fact that healthcare for patients of an advanced age often demands greater resources, longer hospitalizations, and therefore, a higher cost. "If they get sick, they tend to be in the hospital longer and more likely to be in the intensive-care unit," he told *Modern Healthcare*.

Low-acuity + high volume = potential monetary losses for

hospitals

Some flu-besieged hospitals are taking measures to deal with the severity of this year's flu, such as setting a visitor limit, rescheduling elective surgeries to post-flu season, and setting up triage tents outside of ERs. In terms of the bottom line, logic might say that if the flu epidemic is sending more people to hospitals, hospital systems are taking in more revenue and therefore won't be financially unwell during this severe season.

However, Daniel Steingart, VP and senior credit officer at Moody's Investors Service, told *Modern Healthcare* that "[m]edical admissions tend to reimburse at lower rates than surgical admissions." He found that a surge of low-acuity cases like flu admissions, despite being high volume, many times will lead to healthcare facilities being in the red after patients are treated.

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