Palacios Community Medical Center

2025 COMMUNITY HEALTH NEEDS ASSESSMENT



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TORCH MANAGEMENT SERVICES, INC.

ACKNOWLEDGEMENTS

TORCH Management Services, Inc. (“TORCH”) would like to thank Brett Kirkham, Chief Executive Officer, and the Board of Directors of Mid Coast Health System for inviting TORCH to conduct a Community Health Needs Assessment (CHNA) for Palacios Community Hospital (“PCMC”)

Sincere appreciation is extended to Huyen Tran, Administrator, and Mashelle Seaman, for assembling the community focus groups and coordinating participation of diverse community constituents, city, county, and school district leaders, physicians, healthcare providers, and hospital staff.

Special thanks are offered to each participant who volunteered their time to share their observations of issues and opportunities related to the health of those living and working in the areas served by PCMC. Each participant contributed greatly to this assessment by sharing their thoughts, experiences, and individual perspectives. The diverse perspectives expressed by participants are an essential component to this assessment.

Community Health Needs Assessment for:

Palacios Community Medical Center

Site Visit: **December 2-3, 2025**

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Executive Summary

This document is a Community Health Needs Assessment … not a hospital needs assessment. Palacios Community Medical Center and its affiliated providers serve as a major contributor in promoting health and wellbeing for those who live and work within the service area.

This CHNA attempts to include additional factors beyond medical care that also impact community health. These other factors are often referred to as social determinants of health and include things like access to care, public services and utilities, housing, transportation, education, mental health, jobs and employment, faith community, etc.

Representative constituents who live and work within the hospital service area shared their insights into the primary health needs and access to care within the district. Public health data specific to Palacios and Matagorda County is used as an additional source of information for this assessment.

Some recommendations in this assessment extend beyond the scope and services of PCMC. The source of many of these issues that impact health is tied to complex social determinants that can best be met through the combined efforts of multiple community services, groups, and diverse organizations. An effort is made in this assessment to identify various local resources that can serve together as collaborative partners to improve the overall health and wellbeing of those living and working within the district.

Focus group participants for this CHNA are comprised primarily of ones who live or work within the western portion of Matagorda County. Public data is cited in this CHNA for comparative purposes with other Texas counties and the U.S.

Based upon comments by participants and supported by public health data, the following needs or opportunities are offered as recommendations that would contribute to improved community health in Matagorda County:

- Recruitment and retention of physicians and other medical providers
- EMS – Improve coverage and response times
- Promote and expand community health outreach through collaborative efforts with the Palacios Community HUB and other community networks
- Hospital facility renovations

Discussion of each of these recommendations can be found under the section “Key Findings from Community Interviews and Data Sources” and the following section entitled “Recommendations.”

Matagorda County ranks slightly below average(2rd quartile) in comparison with other Texas counties for community health conditions and outcomes. These social determinants of health include social, economic, and environmental factors beyond medical care that impact the physical, mental, social, and spiritual wellbeing of people.

Recommendations offered by this CHNA should be ranked and prioritized according to need, impact, and available resources. An action plan should be prepared according to this prioritization of need and available resources.

Progress will require the conjoined efforts of individuals from diverse public and private sectors working together. An attempt is made in this assessment to identify local and regional resources that may be available to help with efforts to improve the health and wellbeing of those who live, work, and play within the service area.

OVERVIEW OF COMMUNITY HEALTH NEEDS ASSESSMENT



A Community Health Needs Assessment ("CHNA") provides a systematic review of social determinants of health and their impact within a defined area. The purpose of a CHNA is to identify unmet or underserved health needs of a community regardless of financial impact to the hospital. Community health information is gathered through personal interviews, surveys, and meeting with community focus groups. The information gathered is useful to formulate strategies to improve health, well-being, and quality of life to those living within the community.

CHNA's became a requirement of the IRS in 2014 for all 501 (c) (3) organizations that operate one or more hospital facilities. The CHNA for these organizations must be updated every three years. Other hospitals, including governmental hospital districts, sometimes voluntarily choose to conduct an assessment because of the meaningful information a CHNA can provide as they seek to meet the diverse health needs of the communities they serve.

This CHNA was conducted for Palacios Community Medical Center and the population located within its service area. The objective is to gain a comprehensive view of the diverse needs of the community, recognize what needs are being met, identify gaps or populations where needs are not being met, and offer recommendations on how to meet these needs. The final step is for the findings and recommendations of the CHNA to be used by the hospital to generate an action plan for improvement.

A key method used to gather information is to meet with and listen to diverse people who live and work in the service area. Healthcare organizations cannot effectively know what the needs are nor how well they are meeting those needs without intentional efforts to listen to those living in the communities they serve. Feedback gained from these groups, combined with other public and internal data, enables the hospital to plan forward based on the needs of the community.

Another objective of the CHNA is to identify partnership opportunities with other local agencies and organizations that will benefit the community in ways greater than any one of the organizations can accomplish alone. Well meaning service organizations often

achieve only limited success because they operate as silos. The Association for Community Health Improvement ("ACHI") has pointed out that the combined efforts of these separate organizations working in partnership for common objectives can bring greater value in improving health for all citizens, from child to senior adult.

Three primary sources of information were gathered to prepare this CHNA: Community Health Survey; Public Data Sources; and face-to-face interviews with diverse community constituents.

Community Health Survey Gathered Through Community Health Focus Groups

The Community Health Survey developed for this study gathers real-time responses directly from community constituents. Questions are consistent with each person or group.

Public Data

Vital statistics and other demographic data specific to the service area is gathered from public sources and incorporated into this assessment. Comparisons of this data are made where applicable to state and national benchmarks. Insight into this public data is often gathered through discussion with focus groups.

Community Health Focus Groups

To gain perspective from community residents and local organizations, 20 people representing diverse consitituencies from within the service area met together in 4 separate focus group sessions plus one individual session to offer input on the health status and needs of Matagorda County. These focus interviews included individuals or representatives of:

- Palacios Community Medical Center Board of Directors
- City of Palacios leaders
- Palacios Police Chief
- Texas 329th Judicial District Judge
- PCMC Administrator
- ECMH CEO
- PCMC Medical Staff
- Business leaders
- Multiple other providers through The Palacios HUB
- Diverse citizens and residents living within the District and Service Area
- The Palacios Community HUB Director
- Various health providers through the HUB

The focus groups were well attended by knowledgeable and engaged persons representating various sectors of the population, including race, ethnicity, gender, income, education, employment and profession. All participants were well informed of

local area resources, and shared a genuine interest in wanting to improve the health and wellbeing in Palacios. In addition, random residents within the City and service area were approached to offer their perceptions of the local hospital and access to healthcare. All participants actively contributed to the content found in this assessment.

Data Sources

Data referenced in this report is gathered from the most recent publicly available reports that provide health statistics for the county and city. Health data referenced for this assessment was selected for its applicability to community health, not for financial or operational benefit to the hospital.

OVERVIEW OF PALACIOS and MATAGORDA COUNTY





Palacios is a small community with a large boat harbor located on the Texas Gulf coast in the far southwest corner of Matagorda County. The town is one of the largest commercial seafood ports in Texas for purchasing, processing, and distributing seafood.

The Palacios economy is supported by diverse industries including commercial fishing and related businesses, aquaculture, maritime shipping, nearby petrochemical and power plants, farming agriculture, and tourism.

Matagorda County has a long history in the occupation and settlement of this region that predates either Texas or U.S. history. Native American history dates back in this region to prehistoric days. The county served as a major site for agriculture and transportation by early Spanish explorers, followed by Mexico, and the first Texas settlers who arrived from across the world. The Colorado River and extensive coastline have always been valuable resources for agricultural irrigation and maritime shipping.

The 2020 census records the population of Matagorda County as 36,255. Bay City is the largest city with a population of 17,614 and serves as county seat. Palacio is the second largest city with a population of 4,395 and is located toward the southwestern corner of the county. These two cities comprise more than half of the county population. The population of the county has been slowly declining since 2000.

Matagorda County holds a whole-county designation as a Health Professional Area (HPSA) for each of primary, dental, and mental health. The Matagorda County Hospital District encompasses the whole county, including Palacios.

Matagorda County government provides EMS services throughout the county and maintains a staffed unit in Palacios; however local emergency response time in Palacios and surrounding area is delayed when this single unit is called out or on a transfer.

Sources: Diana J. Kleiner. Texas State Historical Association: Handbook of Texas. Matagorda County. Published 1952, Updated May 28, 2021.

PROFILE OF MID COAST HEALTH SYSTEM

Palacios Community Medical Center



Mission

Mid Coast Health System is a community-oriented healthcare system dedicated to providing the highest standard of care for you and your family.

Mid Coast Health System is an integrated network comprised of rural hospitals, primary, specialty, and walk-in clinics operating as a 501 (c) (3) Not for Profit organization. MCHC was organized to bring added value and improved sustainability to rural hospitals through shared leadership services, quality management, reduced operational costs, and other tangible group benefits.

Palacios Community Medical Center, a subsidiary of Mid Coast Health System, operates as a Critical Access Hospital and has a long history of providing hospital and health services to Palacios and the southwest corner of Matagorda County. PCMC is depended on for providing local access to 24-hour healthcare to the west side of the county. Its services are open and available to all people regardless of race, gender, religion, ethnicity, age, or other federal qualifications. Financial assistance, charitable discounts, extended payment plans, and other services are available to help regarding ability to pay.

Maintaining a low-volume community hospital without receiving local tax support is a constant challenge for PCMC. Hospital leadership, including Board and Administration, have proven to be good stewards of their resources by maintaining focus on providing services most needed by the community that also strengthen hospital sustainability. Recruiting and retaining medical providers for the community is an ongoing challenge.

Shared services provided by Mid Coast Health System bring financial savings, quality review, and other benefits to operations and sustainability.
PCMC maintains strong support within the community as their trusted medical provider. On a scale of 1 to 10 (with 10 being the highest), customers who were polled consistently ranked their trust in the hospital as 8 to 10.

Service Lines

- Age-Friendly Services
- Emergency Services
- Imaging Services
- Laboratory
- Inpatient Rehabilitation
- Pharmacy
- Diabetic Management
- Primary Care Clinic
- Swing Bed
- Senior Care

Medical Providers

- 1 - Family Nurse Practitioner - Certified

Nearest Area Hospitals Within 50 Miles

Matagorda Regional Med. Center	Bay City	58 bed	29 miles
Memorial Medical Center Hospital	Port Lavaca	25 bed (CAH)	30 miles
Jackson County Hospital	Edna	25 bed (CAH)	41 miles
El Campo Memorial Hospital	El Campo	17 bed (CAH)	44 miles
Citizens Medical Center	Victoria	265 beds	56 miles
DeTar Healthcare System	Victoria	304 beds	57 miles

Multiple Community Contributions of Palacios Community Medical Center

Palacios Community Medical Center is recognized foremost as the primary local provider of hospital and health services within its service area.

In addition to health services, PCMC is also a significant contributor to the economic health and well-being of the City of Palacios and Matagorda County.

PCMC provides direct employment to approximately 40 full time equivalent employed and contract workers and generated annual payroll wages, salaries, and benefits of $1.9 million in 2024. The local presence of a hospital contributes significantly to the ongoing commercial, residential, and other growth of the region in addition to the direct economic value these jobs create for Matagorda County,

In fiscal year 2024, PCMC provided service to:
- 1,772 - ER Patients Registrations
- 3,350 - Outpatient plus Observation Patients Registrations

- 108 - Combined Inpatient and Swing Bed Patients Discharges
- 1380 - Combined Inpatient, Swing Bed, and Observation Days

PCMC is an integral part of the communities it serves and is a frequent participant at community events, often providing health information and free screenings. PCMC employees voluntarily participate in civic activities which support the communities it serves.

PCMC, and the communities served are on a quest to improve services, quality, facilities, technology, and cost-effectiveness. The hospital and community understand their synergistic relationship and are aligned to continue progress to improve health and wellbeing in Matagorda County.

Economic Impact of Palacios Community Medical Center

(Using Actual PCMC numbers)

Employment

Direct Impact FTEs 40
Multiplier 1.34
Secondary Impact FTEs 14
Total Impact 54

Wages, Salaries, and Benefits

Direct Impact $1.9 million
Multiplier 1.19
Secondary Impact $0.4 million
Total Impact $2.3 million

Average retail sales impact (.25 WSB): $2.15 million

SOURCE: National Center for Rural Health Works. Interactive Economic Impact Tool.
Economic Impact – National Center for Rural Health Works.
https://ruralhealthworks.org/tools-templates/economic-impact/?t+eit_cah

Palacios Community Medical Center is a major contributor to both the ***economic health*** of Matagorda County and the personal ***health*** of those who live, work, and travel in the county.

Demographic Information for Palacios and Matagorda County



Population		**Race**	
2000	5,153	White non-Hispanic	24%
2010	4,718	Hispanic	63%
2020	4,395	Black	3%
		Asian	10%
		Native American	< 1%

Source: U.S. Census Bureau Quick Facts Population estimates 2024

Median Age of Total Population

Matagorda County	37.5 years
Texas	35.5 years

Source: Matagorda County, TX - Profile data - Census Reporter

Age Distribution

2024	0-4	5-17	18-24	25-34	35-44	45-54	55-64	65+
Matagorda County	7.2%	18.5%	7.9%	12.8%	11.7%	10.5%	13.4%*	17.9%*
Texas	6.5%	18.7%	9.7%	14.4%	14%	12.3%	11.2%	13.1%
U.S.	5.7%	16.4%	9.1%	13.7%	13%	12.3%	12.3%	16.8%

** Note: Population 55 and over much higher than Texas and U.S.

Source: U.S. Census Bureau Quick Facts Population estimates 2024

Median Household Income	**Matagorda County**	**Texas**
Median Income	$55,174	$76,292
Per Capita Income	$30,189	$39,446

Source: U.S. Census Bureau Quick Facts Population estimates 2024

MATAGORDA COUNTY POPULATION HEALTH and WELL-BEING



Comparison of Community Health Infrastructure and Outcomes

2025 County Health Rankings (244 counties reporting)

Matagorda Overall Health Ranking	Matagorda Health Factors Ranking
County Health Rankings & Roadmaps Matagorda County Population Health and Well-being - 2025 Matagorda County Least Healthy in US Healthiest in US National Average State Average Diagram summarizes data released on 03/19/2025 **Matagorda County is faring slightly worse than the average county in Texas for Population Health and Well-being, and slightly worse than the average county in the nation.**	County Health Rankings & Roadmaps Matagorda County Community Conditions - 2025 Matagorda County Least Healthy in US Healthiest in US National Average State Average Diagram summarizes data released on 03/19/2025 **Matagorda County is faring worse than the average county in Texas for Community Conditions, and worse than the average county in the nation.**

Source: County Health Rankings and Roadmaps. www.countyhealthrankings.org/health-data

Comparison of Community Health Outcomes

Population Health and Wellbeing	Matagorda County	Texas	U.S.
(Rank)	Qtr Qtr. / Below Average		
Length and Quality of Life *(Rank)*			
Life Expectancy	74.2	76.7	77.1
Poor or fair health	28%	20%	17%
Frequent Physical Distress	16%	12%	12%
Frequent Mental Distress	20%	16%	16%
Poor Physical Health Days (per 30 days)	4.8	3.8	3.9
Poor Mental Health Days (per 30 days)	5.8	5.1	5.1
Diabetes Prevalence	15%	13%	10%
HIV Prevalence (per 100k)	293	425	387
Suicides	14+	14	14

Source: County Health Rankings and Roadmaps. 2025. www.countyhealthrankings.org/health-data

MATAGORDA COUNTY COMMUNITY CONDITIONS

Community Health Factors and Conditions	Matagorda County	Texas	U.S.
(Rank)	2nd Qtr. / Below Average		
Food Environment Index (Scale 1 to 10 / Higher is better)	5.5	5.7	7.4
Food Insecurity	21%	16%	14%
Alcohol-Impaired Driving Deaths	13%	25%	26%
Excess Alcohol Consumption*	18%	19%	19%
STI's (per 100k)	362	518	495
Teen Births (per 1,000)	39	23	16
Adult Obesity	41%	36%	34%
Physical Inactivity	34%	25%	23%
Access to Exercise Opportunities	72%	82%	84%
Smoking (Adult)	20%	12%	13%
Uninsured Adults	26%	22%	11%
Uninsured Children	13%	11%	5%
Primary Care Physicians *Year 2022 data	3,010:1	1,660:1	1,330:1
Dentists *Year 2023 data	2,800:1	1,590:1	1,360:1
Mental Health Providers *Year 2025 data	1,650:1	590:1	300:1
Other Primary Care Providers *Year 2025 data	1,210:1	870:1	710:1
Mammogram Screening	33%	41%	44%
Flu Vaccinations	36%	45%	48%
Social and Economic Factors	**Matagorda County**	**Texas**	**U.S.**
Median Household Income	59,000	$75,721	$77,700
Children in Poverty	26%	18%	16%
Children Eligible Free Lunch	67%	63%	55%
Child Care Cost Burden	33%	24%	28%
Injury Deaths (per 100k)	101	66	84
Motor Vehicle Crash Deaths (per 100k)	25	14	12
Firearms Deaths (per 100k)	17	14	13
Social Associations (per 10k)	33	7.4	9.1
High School Completion	83%	86%	89%
Lack of Social and Emotional Support	30%	29%	25%

Physical Environment	Matagorda County	Texas	U.S.
Severe Housing Problems	16%	18%	17%
Access to Parks	4%	46%	51%
Broadband Access	82%	90%	90%
Air Pollution Particulate (micr/m3)	9.5	8.1	7.3
Drinking Water Violations	Yes		

Source: County Health Rankings and Roadmaps. 2025. www.countyhealthrankings.org/health-data

Chronic Disease Prevalence, Mortality, and Other Health Data

Prevalence of Chronic Illness and Disease in Matagorda County

	Matagorda	Texas	U.S.
Asthma	3.9%	4.9%	5%
Diabetes (Adult)	8.2%	9.3%	8.9%
Diabetes (Medicare)	33%	27%	26%
Heart Disease (Medicare)	35%	23%	21%
High Blood Pressure (Medicare)	73%	67%	65%
Cancer	475	424	444

SparkMap.org. CHNA Report. Health Outcomes

- *Asthma: Data Source: Centers for Medicare and Medicaid Services, CMS Geographic Variation Public Use File . 2018*
- *Diabetes (Adult): Data Source: Centers for Medicare and Medicaid Services, CMS Geographic Variation Public Use File . 2021.*
- *Diabetes (Medicare): Data Source: Centers for Medicare and Medicaid Services, CMS Geographic Variation Public Use File . 2023.*
- *Heart Disease: Data Source: Centers for Medicare and Medicaid Services, Mapping Medicare Disparities Tool. 2023.*
- *Hypertension: Data Source: Centers for Medicare and Medicaid Services, Mapping Medicare Disparities Tool. 2023.*

Mortality of Chronic Illness and Disease in Matagorda County (per 100k population)

	Matagorda County	Texas	U.S.
Heart Disease	133	90	111
Lung Disease	47	34	45
Stroke	63	40	48
Cancer	230	144	183

SparkMap.org. CHNA Report. Health Outcomes.

- Heart Disease: *Data Source: Centers for Disease Control and Prevention, CDC - National Vital Statistics System. Accessed via CDC WONDER. 2019-2023.*
- *Lung Disease: Data Source: Centers for Disease Control and Prevention, CDC - National Vital Statistics System. Accessed via CDC WONDER. 2019-2023*
- *Stroke: Data Source: Centers for Disease Control and Prevention, CDC - National Vital Statistics System. Accessed via CDC WONDER. 2019-2023.*
- *Cancer: Data Source: Centers for Disease Control and Prevention, CDC - National Vital Statistics System. Accessed via CDC WONDER. 2019-2023*

*** *Observation*:

- *Prevalence of chronic disease in Matagorda County is close to or equivalent with Texas and U.S.*
- *Mortality rates for these same chronic diseases, however, are much higher than Texas and U.S.*
- *Average Lifespan is more than two years shorter than Texas and U.S.*
- *Question: Why is this? This observation is worth further review. Culture, diet, and social behavior may contribute to this deficit.*

Summary of Population Health Outcomes and Conditions

(Summary from above tables)

FAVORABLE **Community Health and Wellbeing *OUTCOMES* and FACTORS**	**UNFAVORABLE** **Community Health and Wellbeing *OUTCOMES***
• HIV Index • STI's • Adult Driving Deaths • Social Associations	• Life Expectancy • Poor Physical and Mental Health Days • Frequent Physical and Mental Health Distress

UNFAVORABLE

Community *FACTORS AND CONDITIONS* Impacting Health

- Motor Vehicle Crash Deaths
- Teen Births
- Cost of Child Care Burden
- Adult Obesity
- Physical Inactivity
- Adult Smoking
- Uninsured Adults
- Mammogram Screening
- Flu Vaccinations
- Primary Care Physicians, Dentists, Mental Health Professionals
- Children on Free Lunch
- Injury Deaths
- Alcohol Related Driving Deaths
- Firearm Deaths
- Access to Exercise
- Access to Parks
- Access to Broadband
- Air Pollution
- Food Insecurity
- High School Completion

Unfavorable Mortality of Illness and Disease

- **Heart Disease**
- **Lung Disease**
- **Stroke**
- **Cancer**

COMMON CHALLENGES FACED BY RURAL HOSPITALS

Rural hospitals in Texas and the U.S. are increasingly threatened with survival. The *Cecil Sheps Center for Health Services Research* reports that 109 rural hospitals have closed in the U.S. since 2005, with 24 of those hospitals being in Texas. A 2025 study by the *Center for Healthcare Quality and Payment Reform* identified 22 rural hospitals in Texas at risk of closure in the next 2-3 years. Texas leads the nation in the number of rural hospital closures. (https://ruralhospitals.chqpr.org/).

The average person living in rural America is growing increasingly older and sicker as younger people move to urban areas for better jobs and wages. Rural hospitals struggle to maintain a workforce of doctors, professional providers, and other trained staff to provide care to the community. Over 60% of hospital revenue in rural communities is from Medicare, Medicare Advantage, and Medicaid which most often fails to cover the cost of providing services. Many of the remaining population are largely uninsured or underinsured.

Three common factors threaten all rural hospitals: 1. Lack of primary care physicians, advanced practice providers (APP's), nurses and other specialized staff; 2. Outmigration to larger urban or regional hospitals; 3. Lack of financial resources to maintain technology and facilities necessary to keep up with medical practice standards of care. With the population of rural communities becoming increasingly older, this creates real hardships on those living in these areas.

So how does Matagorda County compare to other Texas counties? Like most rural counties, age demographics are higher and income demographics are lower in Wharton County compared with overall Texas and U.S. counties. Likewise, the number of medical providers serving Matagorda County is lower than Texas and the U.S.

Community Networks: Communities must begin thinking of "healthcare" more broadly than merely "hospital." Rural hospitals must actively become engaged with their community greater than ever before in seeking innovative ways to sustain operations and fulfill their mission to improve health and wellbeing.

Community health involves much more than the presence of a hospital or any single medical provider. Rural hospitals are beginning to see benefits in establishing collaborative networks that include other area health providers, social and service resource groups, public services, faith communities, and others to collectively meet local health needs. This is much more effective to truly improve the wholistic health and well-being of a community. Health issues are rarely single dimensional. They typically include intertwined wholistic factors involving body, mind, social, and spiritual components. *(Hancock, Katie, Texas A&M University Health Science Center; Brian Sasser, Episcopal Health Foundation. "Texas Communities Facing Rural Hospital Closures. Texas A&M Rural and Community Health Institute. May 23, 2017. https://architexas.org/news/rural-hospital.html)*

Health and well-being involve much more than the absence of illness and disease. Collaborative networks of local community groups and service providers can be more effective in improving the health and well-being of a community than waiting for an adverse event to occur that leads to hospital admission.

There is growing evidence that improving social factors that impact health and wellbeing of a community can contribute to reduced crime and violence. Many life-threatening safety calls involving police are related to health and adverse social behaviors that escalate over periods of time. Police and Sheriff departments today actively seek ways to interact with other social services to reduce the incidence of crime and create safer communities.

Public services in Matagorda County maintain collegial and positive networking relationships with the various civic, business, charitable, faith, private, and other public organizations within the county. This provides PCMC an opportunity to build upon collaborative networks already established to improve community health and well-being.

The Palacios Community HUB is a forward-thinking model that showcases the exponential impact collaborative networking can have to improve community health and wellbeing in small, limited resource communities. The HUB serves as a collaborative network of providers that are integrated into every facet of health impacting social determinants, medical, mental health, lifestyle and behavior.

Information Technology and Data Access: Access to sound, analytical data needed for hospital leadership to make informed strategic decisions has historically been a weakness for rural community hospitals. This is much improved today through the electronic health record and internet access to many sources of data analytics. This enables hospitals today to make better, safer, more informed decisions than in the past.

PCMC has adopted CPSI as its electronic health technology system. CPSI has a long history as a cost-effective EHR in rural hospitals that meets meaningful-use standards required for future growth, changes in healthcare delivery, and access to vital patient health data.

Governance: Stability of a local hospital board focused on governance while empowering an accountable senior leadership team is and has always been a key factor in achieving ongoing success. One key success indicator for rural hospital survival is effective board governance led by capable and engaged community board members. Conversely, hospitals that are led by boards focused on personal agendas or micro-managing rather than policy and accountability are the ones most likely to fail. (*Toney, Mark E. and Richard B. Becker, M.D. "Rural and Community Hospitals – Disappearing Before Our Eyes.": Rural Health Voices. National Rural Health Association. Friday July 31, 2020. https://www.ruralhealthweb.org/blogs/ruralhealthvoices*)

Palacios Community Medical Center is a 501 (c) (3) private non-profit hospital governed by a voluntary board of directors. These directors serve to ensure that the hospital is

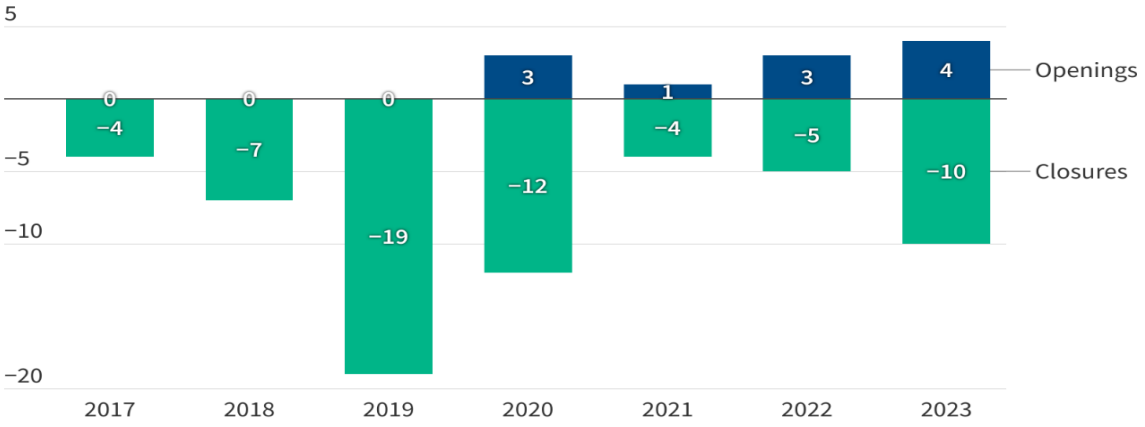
operated by competent and accountable leadership. PCMC operates as a part of the Mid Coast Health System.

The following two tables are included as added emphasis to show the very real threats to sustainability of rural hospitals in the U.S.

Figure 20

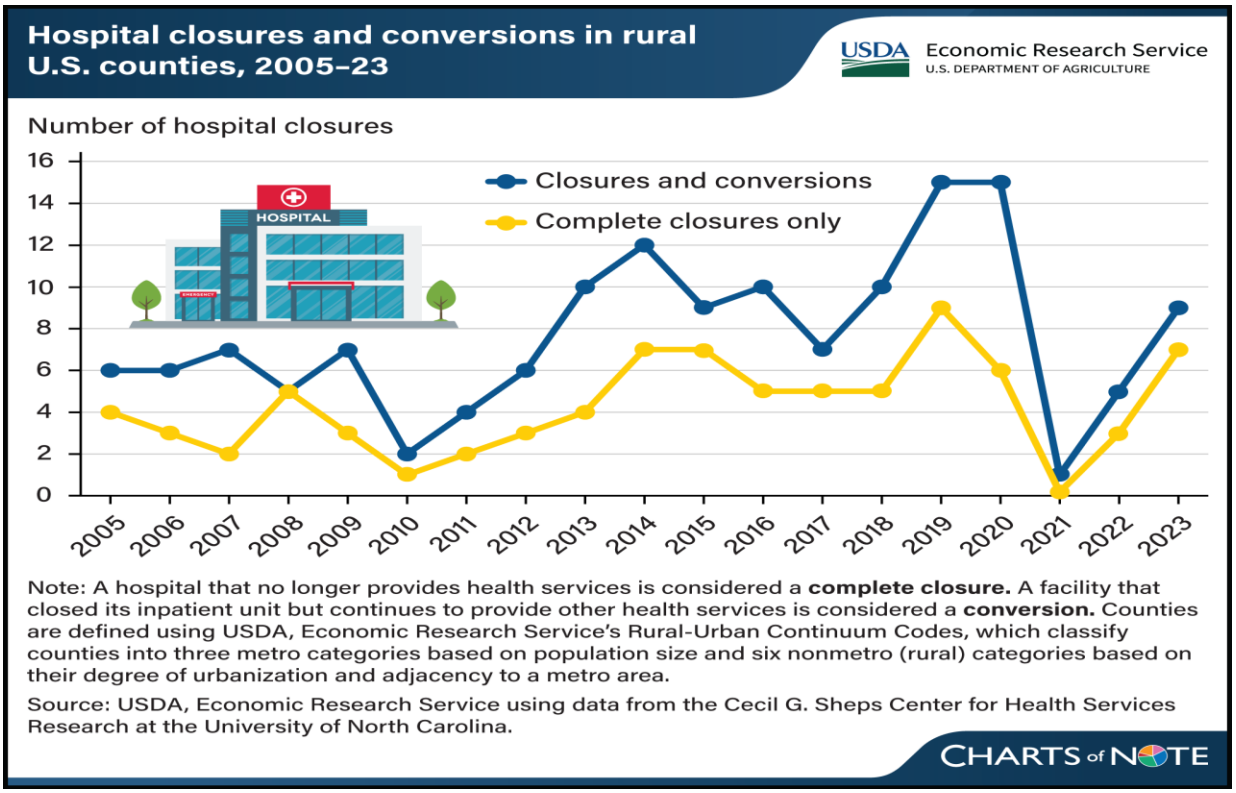
Hospital Closures Outpaced Openings in Rural Areas From 2017 to 2023

Number of general acute care hospital openings and closures in rural areas, 2017 to 2023



Note: Rural is defined as nonmetropolitan.
Source: MedPAC Data Books, 2022 and 2024.

KFF



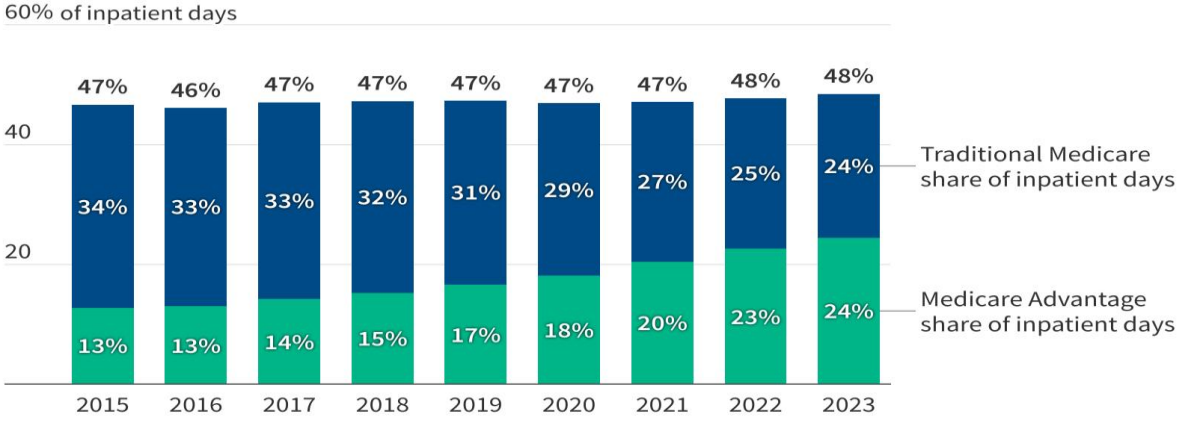
Growth of Medicare Advantage Plans v. Traditional Medicare *(national aggregate)*

- MC Advantage plans have an adverse impact on Critical Access Hospitals

Figure 24

Medicare Advantage Steadily Increased As Share of Inpatient Days Between 2015 and 2023, While the Share Attributable to Traditional Medicare Decreased

Traditional Medicare and Medicare Advantage inpatient days as a percent of total inpatient days



Note: Analysis of general short-term hospitals, excluding those in U.S. territories. The total Medicare share in 2023 may differ from the share reported in Figure 23 because the latter is based on discharges rather than days and pulls from a different data source and group of hospitals.

Source: KFF, Medicare Advantage Enrollees Account for a Rising Share of Inpatient Hospital Days, updated with 2023 data.

KFF

LOOKING FORWARD



COVID-19 and the years 2020 - 2021 will be looked back upon as a major transformational period in healthcare, all of America and the entire world. The foundations of these transformations have been evolving for more than a decade but have now escalated into full force. Many of these changes will remain and bring added value to healthcare access and delivery.

Following is a summary of some innovative practices using new ideas or improved methods that have potential to improve access and quality of care to rural communities.

Technology: *Telehealth and other digital* technology to support virtual and remote patient care is rapidly becoming accepted as the new norm. Advanced uses of telehealth are expanding exponentially. New digital applications are being introduced almost daily to provide face-to-face virtual patient care visits. Numerous healthcare apps for chronic care conditions are available to download onto personal devices such as watches and phones, monitored 24/7 by your provider. Many of these are beginning to interface with the patient's personal medical record. (Harrison, Marc. Psychiatric Services 68:5, May 2017. Harvard Business Review. https://hbr.org/2020/07/what-one-health-care-ceo-is-learning-from-the-pandemic)

This technology can present a range of new options and opportunities for rural communities. Technology is being effectively used to bring primary and specialty medical consultations to small rural communities that cannot attract or support physicians. In communities that have basic primary care coverage, diagnostic equipment can be placed in the local clinic or hospital that will transmit results to a specialist located elsewhere.

Technology and alternate care models will continue reducing demand for hospital beds as patients are able to be treated at home, outpatient centers, or other non-hospital sites.

Prevention and Reduction of Social Disparities: Health delivery in the U.S. is slowly shifting from sick care to health care. Healthcare in the U.S. has historically been built around an episodic model where people seek access to care only after an adverse event happens. Delivery now is shifting toward a focus on prevention by maintaining health and wellbeing. It has been estimated that roughly 60% of health conditions in the U.S. are determined by behavioral lifestyle and environmental factors, 30% by genetics, and approximately 10% to 20% to actual medical conditions.

It has been determined that the greatest single determinant of health in the U.S. is the zip code in which a person lives. Focusing on social determinants of health leads to the formation of community networks involving medical providers including the hospital, school district, city, county and state services, social and mental health services, faith communities, and others. These community networks work collaboratively to reduce the incidence of illness, disease, accidents, violence, drugs, malnutrition, and other factors that impact health. (O'Neill Hayes, Tara and Rosie Delk. Sept. 4, 2018. American Action Forum. https://www.americanactionforum.org/research/understanding-the-social-determinants-of-health/)

Integrate Mental Health with Primary Care: The national shortage of mental health providers and services is multiple times worse in rural populations than urban across Texas and the U.S.

There is a movement to use primary care practitioners to detect mental health issues in patients during routine medical exams, hopefully before harmful events occur. Telehealth is now being used to effectively expand the reach of mental health professionals into rural populations. It is further believed that the reduction of social disparities through the collaborative efforts of community networks discussed above can lead to improved mental health in rural areas. (Carpenter-Song, Ph.D., Elizabeth, and Claire Snell-Rood, Ph.D. "The Changing Context of Rural America: A Call to Examine the Impact of Social Change on Mental Health and Mental Health Care." Psychiatric Services 68:5, May 2017. https://ps.psychiatryonline.org/doi/pdf/10.1176/appi.ps.201600024#:~:text=The%20Changing%20Context%20of%20Rural%20America%3A%20A%20Call,States%20have%20affected%20the%20experience%20and%20meaning%20of)

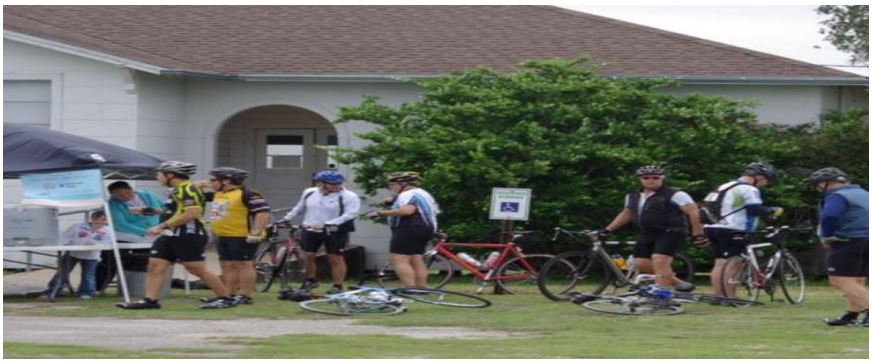
Accelerated Innovation: The speed at which new innovations in healthcare delivery is being introduced will continue at an even faster rate. Besides new technology and community networks mentioned above, new models for healthcare delivery are being introduced almost daily. CVS, Walgreen, and Walmart are all beginning to offer primary care services. Amazon has created a healthcare division that they claim will revolutionize the delivery of healthcare the same way they have redefined retail purchasing. Innovative methods of providing home visits to check on patients following discharge from the hospital or Emergency Department are becoming common.

Consumer Centric: Consumers have become a significant driver of changes in health delivery over the past decade and will only become more dominant. In the past doctors mostly determined the care plan and patients mostly followed their doctor's recommendations. Today, through internet access to information, satisfaction surveys, new technologies, etc., consumers are more knowledgeable and aware of options and express their opinions for courses of action. This trend will continue.

Consolidation of Healthcare Providers: Consolidation of healthcare providers working for or with hospitals and health systems is expected to continue in the future. (Toney, Mark E. and Richard B. Becker, M.D. "Rural and Community Hospitals – Disappearing Before Our Eyes.": Rural Health Voices. National Rural Health Association. Friday July 31, 2020. https://www.ruralhealthweb.org/blogs/ruralhealthvoices)

Hospital Alternative Delivery Models and Options: Community health is in a current state of transition. Despite best efforts, many rural communities will not be able to sustain their hospital into the future. There are viable alternatives to consider for communities that are threatened with losing their hospital. Rural Emergency Hospitals (REH) is one new classification enabling qualified hospitals which are endangered to offer services limited to Emergency Department and outpatient services. A new payment model is in place to support these limited service REH's.

KEY FINDINGS FROM COMMUNITY INTERVIEWS AND DATA SOURCES



This section provides an account of direct feedback, perceptions, and other key findings received from community constituents related to access and availability of local healthcare services. It includes comments about services that are currently available or lacking but needed. Community focus groups were asked to comment about other facets of the community that impact health: Social and Physical Environment; Chronic Illness and Disease; Mental Health and Drug Abuse; and Lifestyle Behaviors. This section includes ideas from the general public on opportunities to improve community health and their perception of top priorities.

❖ FOCUS GROUP PERCEPTION OF LOCAL HEALTHCARE SERVICES, NEEDS AND OPPORTUNITIES

- **Describe current access to local primary healthcare services**
  - Access to primary care clinics is good
    - Walk-in patients and appointments both accepted
  - Access to hospital services is good
    - Services are available to all who present for care
  - Addition of a primary care physician is most needed
  - Hospital maintains a charity policy and provides extended payment plans, assists with qualification for payment programs, insurance support, etc.

- **What hospital or medical service lines do you consider to be most critical to be maintained locally?**
  - Clinics
  - General acute inpatient hospital services
  - Swing Bed
  - Outpatient Services including Physical Therapy
  - Emergency Department
  - EMS

- **What medical specialty services <u>not currently available</u> do you consider most needed in the community?**
    - None cited.
    - Primary, Emergency, Clinics, Swing Bed are most essential

- **What medical services are local residents most likely to travel out of town to receive?**
    - Specialty physician services

- **What do you consider to be the most critical health needs in your service area that are most needed?**
    - Retention of doctors and practitioners
    - Geriatric services
    - LifeFlight EMS
    - Orthopedic and Cardiology specialty consults

- **What current hospital service lines do you consider to be high quality?**
    - Nursing
    - Physician Assistant
    - Swing Bed
    - Radiology / Lab
    - Physical Therapy
    - Senior Life Solutions

- **How would you rate your confidence in Palacios Community Medical Center and its providers to care for your emergency and primary care needs?** (scale of 1 to 10 with 10 being the highest)
    - Scores unanimously ranged from 8 to 10 with most responding 9/10
    - Very strong support for and confidence in the hospital and local providers
    - Palacios was unanimously cited as first stop for primary care and emergency services
    - Honest expression of capital improvement needs but recognition of recent improvements and upgrades

❖ FOCUS GROUP PERCEPTION OF ISSUES RELATED TO SOCIAL DETERMINANTS IMPACTING LOCAL HEALTH

Social and Physical Environment

Favorable / Resources Available	Issues / Opportunities / Requests
○ The HUB - Community networks working together in shared social outreach ○ Senior Center – Meals and social activities ○ Palacios Wellness Council ○ Palacios Housing Authority ○ Food pantry and clothing outlet ○ Workforce Solutions / Job Fair / Job Search / GED, Computer and Literacy classes / Benefits Assistance ○ Vibrance Health FQHC ○ Victoria Transit - Public transportation for medical and other appointments	○ EMS – Shortage of units provided by Matagorda County periodically leaves Palacios and western parts of county with delayed response times ○ Senior housing – Independent and Assisted Living

Mental Health and Substance Abuse

Favorable / Resources Available	Issues / Opportunities / Requests
○ Texana Center ○ Crisis Center ○ Vibrance Health FQHC ○ Celebrate Recovery Ministry	Issues like other communities but not considered major. Locally managed through local services and networks

Chronic Illness & Disease

Favorable	Issues / Opportunities / Requests
○ Primary Care Providers do a good job managing chronic illness and offering personalized education in the clinic. ○ The HUB provides nutrition and lifestyle education to self-manage chronic illness ○ Wellness Nurse ○ Immunizations ○ Texas A&M AgriLife provides ongoing nutrition education and individual consultations upon request	○ Improved chronic care supervision and home management following clinic visits and hospital discharge. Virtual device monitoring. ○ Addition and retention of physicians and other medical providers

Lifestyle Behaviors

Favorable	Issues / Opportunities / Requests
○ Senior Center – Socialization, meals, and other activities ○ YMCA including Zomba water aerobics ○ Boys and Girls Club ○ Plenty of local options for healthy activities – both natural and provided	

❖ **AREA RESOURCES IDENTIFIED FOR POTENTIAL COLLABORATIVE OPPORTUNITIES**

• Palacios Community HUB – Integrated Services Network • Palacios Community Medical Center • Senior Center in Palacios • Palacios Independent School District • City of Palacios and public services • Matagorda County Public Services • Texas A&M AgriLife • Victoria Transit Network	• The Wellness Council • Celebrate Recovery at FBC • Texas Community Coordination Resource Group (CCRG) – Bay City • Call 211 – Texas Information and Referral Network (TIRN) • Other area hospitals • Texas Tech University Rural Health Outreach Programs

✓ **NOTE:** The Palacios Community HUB is an invaluable community resource that must be highlighted. The HUB could serve as a community health model to be replicated in communities everywhere. The Community HUB serves as a collaborative network of providers that are integrated into every facet of health impacting social determinants, medical, mental health, lifestyle and behavior.

Palacios Community Medical Center is actively engaged with the HUB in multiple roles as a provider, participant, and supporter of the HUB and its mission objectives. In addition, PCMC employees individually engage in volunteer support for numerous HUB programs and services.

- **<u>PRIORITY</u> ISSUES AND RECOMMENDATIONS EXPRESSED BY COMMUNITY FOCUS GROUPS (no rank order)**
  - **<u>Most Frequently Cited</u>**
    - Recruitment and retention of physician and other providers
    - EMS – Improved coverage and response times
    - Communication and awareness of local Services

RECOMMENDATIONS

The following recommendations for community health improvement are based upon a combination of recurring feedback from direct community response and supported with public data pertaining to community health.

Some of these recommendations for improving community health extend beyond the scope of Palacios Medical Center. The hospital lacks the resources, scope, or ability to address these recommendations alone. Effective action will be achieved only through the collaborative efforts of other organizations working together to improve community health.

- Recruitment and retention of physicians and other medical providers
- EMS – Improve coverage and response times
- Promote and expand community health outreach through collaborative efforts with the Palacios Community HUB and other community networks
- Hospital facility renovations

➢ RECOMMENDATION: Recruitment and Retention of Physician and Other Medical Providers

It is recommended that efforts be made to recruit a physician and other medical providers according to need.

Recruitment and retention of physicians and other medical staff providers is a continual challenge in Palacios. Continuing efforts are needed to recruit, maintain and sustain physician and other provider practices.

➢ RECOMMENDATION: EMS – Improve Coverage and Response Times

It is recommended that efforts be made with Matagorda County Hospital District to improve upon consistency of response times by maintaining staffed EMS units available to respond to local emergencies in or near Palacios.

The City of Palacios lies wholly within the boundaries of the Matagorda County Hospital District. One EMS unit is maintained in Palacios. During episodes when this single unit is on a transfer or other service call Palacios and surrounding areas are left for extended periods with delayed coverage. Efforts are recommended to continually improve emergency response times and reduce situational variances.

- **RECOMMENDATION: Promote and expand community health outreach through collaborative efforts with the Palacios HUB and other community networks**

> ***It is recommended that efforts continue to p*romote and expand community health outreach through collaborative efforts with The HUB and other community networks**

Health is more than the absence of illness and disease. It involves social, mental, physical, and spiritual dimensions. It includes public health, employment opportunities, education and multiple other facets.

Housing, education, employment, access to food, transportation, public utility and environmental services, public safety, faith and spirituality, recreation, etc. all factors in the health and wellbeing of individuals and communities.

The Palacios Community HUB is a community health model to be replicated in communities everywhere. The HUB serves as a centralized "hub" offering access to a wide range of diverse provider organizations. This collaborative network provides services that are integrated into every facet of community health including social determinants, medical, mental health, lifestyle and behavior.

The mission of the Palacios Community HUB is

> *"To improve the quality of life and strengthen the Palacios community by encouraging self-sufficiency through literacy, support for children, workforce preparation, adult education, and health services."*

The HUB is a showcase model demonstrating the exponential impact collaborative networking can have to improve community health and wellbeing in small, limited resource communities.

Palacios Community Medical Center is an active participant with the HUB in co-hosting an annual health fair and numerous other outreach activities as a provider and supporter in this collaborative network. In addition, PCMC works with the Wellness Center, City and local leaders to develop and maintain an emergency preparedness plan for hurricanes and other disaster events.

Palacios ISD provides an annual community assessment through its Student Health Advisory Council (SHAC). It is recommended that the hospital and school district compare outcomes from these independent assessments and look for overlapping needs and opportunities.

A partial list of other community health resources available include:

- Texas A&M AgriLife
- Texas Area on Aging
- Call 211 – Single number gateway to reference and access a full range of Texas public services
- Education assistance offered by Palacios Community Medical Center on insurance plans available and differences between plans

- Celebrate Recovery at First Baptist Church
- Texas Community Resource Coordination Groups (CRCGs) - County based groups of local partners and community members that work with parents, caregivers, youth and adults to identify and coordinate support services, including behavioral health, basic needs and caregiver support. They help people whose needs can't be met by one single agency and who would benefit from interagency coordination. CRCG's are State funded resources. Contact:
    - Rachel Kile, Coordinator
      mcuwsec@sbcglobal.net
      (979) 245-5852

- **RECOMMENDATION: Hospital Facility Upgrade**

It is recommended, within responsible use of resources, that efforts be continued to progressively improve and upgrade the structural, logistical design, safety, and cosmetic functionality of the hospital facility.

Efforts to progressively improve upon the functional integrity and cosmetic appearance of the hospital should continue.

SUMMARY

Palacios Medical Center is an essential healthcare provider serving the western side of Matagorda County. The value of this hospital, associated clinics and services to the community is widely evident and openly expressed.

The hospital and leadership have earned strong trust and support from their stakeholders in Palacios and western Matagorda County. High confidence in the hospital is consistently expressed by diverse residents who depend on PCMC and its providers.

The collaborative networking among providers in Palacios and the region serves as a model for other limited-resource communities to follow. PCMC clearly uses all resources as a 501 (c) (3) non-profit organization to serve the community, promote access, and improve the health and wellbeing of those who live and work in the service area.

PCMC is guided by a dedicated board of directors, leadership team, medical staff, and employees. Hospital leadership has built relationships with city, county, school, public entities other providers, and constituents to improve upon the wholistic needs of the people they serve. Each of these public and private entities share a common struggle with funding shortages. Collectively they find ways to meet the needs of diverse constituents who live and work in Palacios and Matagorda County.

This is a Community Health Needs Assessment … not a hospital needs assessment. The primary issues impacting the health and wellbeing of Palacios as presented by survey participants are indeed community issues, not merely hospital issues. PCMC strives to do its part to improve community health, but, as this CHNA indicates, greater impact is being achieved through the combined efforts of all community sectors working together.

The strong “spirit of community” within the Palacios service area creates favorable opportunity to act on these recommendations. This cooperative culture provides a positive framework to make a tangible impact in improving community health.

Next Steps: *Present this CHNA to the hospital Board of Directors and hospital leadership team.*

- *Share this CHNA with all focus group participants who contributed to this assessment.*
- *Post this CHNA on the hospital website for public access. Sharing this assessment with the community is required and often creates synergy leading to combined strategic efforts of individuals and groups.*

- *Rank and prioritize the recommendations of this CHNA based upon urgency, impact, and available resources. All cannot be implemented at once.*
- *Invite collaborative partners from other service providers to join in reviewing, responding, and contributing to the recommendations*
- *Prepare an action plan and timeline to address these recommendations.*

Thank you for inviting TORCH Management Services, Inc.to conduct this Community Health Needs Assessment on behalf of the hospital and community. Special thanks are extended to all the participants who took their time to meet and contribute to this assessment. The recommendations in this report are a direct result of their input combined with public data. The recommendations are intended to serve as a platform to promote concerted efforts, identify solutions, and overcome obstacles leading to improved community health for all who live and work in the Matagorda County service area.



END OF REPORT

FOCUS GROUP QUESTIONS

Community Health Needs Assessment

***From your perspective*:**

- How would you describe the current access and availability of health services in this area?
- What do you consider to be the most critical health needs in your county?
    - How well are these needs being met by the hospital and other providers or resources in the area?
- What service lines provided by your local hospital do you consider to be most critical to this community?
    - What would the impact be if those services were not available?
- What service lines that are NOT available do you think are most needed in the community?
- What physician specialties that are NOT available locally do you consider to be most needed?
- What medical services are local residents most likely to travel out of town to receive?
- How much confidence do you (and the community) have in the services provided by this hospital?
    - On a scale of 1 to 10 (10 being highest) how would you and/or the community rank the hospital for the services provided?
    - What hospital service lines do you consider to be high quality?
    - What hospital service lines do you think need improvement?

Community Health

- When I speak of “community health” or “healthy community,” what is the first thing that comes to your mind?
- What do you consider to be “healthy” or “unhealthy” about your community?

- In describing health and wellbeing, ***what aspects other than*** illness and disease do you consider?

- "Other" Categories of Community Health

    - Social and Physical Environment (*Nutrition, Housing, Transportation, Violence, Domestic Abuse, etc*.)
        - What are the 2 biggest issues in this category?
        - What area resources are available?

    - Chronic Illness and Disease (*Diabetes, Hypertension, COPD, CHF, etc*.)
        - What are the 2 biggest issues in this category?
        - What area resources are available?

    - Mental Health and Substance Abuse
        - What are the 2 biggest issues in this category?
        - What area resources are available?

    - Lifestyle Behaviors (*Teen pregnancy, STI's, Obesity, Smoking, Exercise, Recreation, etc.)*
        - What are the 2 biggest issues in this category?
        - What area resources are available?

    - How aware do you think people in your community are of the availability of services for the above issues?

    - Of every issue or need expressed today, what would you say are the "Top 3 priority issues?

Palacios Community Medical Center