

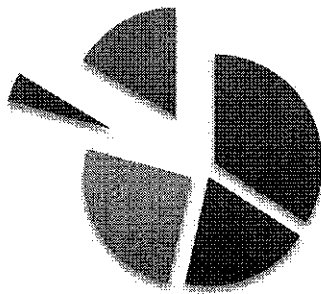
Strategic Path 2017 Sustainability, Access and Growth

Lincoln County Public Hospital District #1, Odessa Memorial Health Care Center (the District) held a Board strategic planning retreat on November 15, 2016. The purpose of the retreat was to:

- Create a common understanding of payment reform, rural delivery and community health status; and
- Prioritize no more than 2-3 strategic initiatives.

In addition to the hospital, the District operates the EMS Ambulance Service, a Rural Health Clinic, Quail Court (a 12-unit Assisted Living Facility) and a swing bed program. The geographic boundary

Figure 1. Service Breakdown



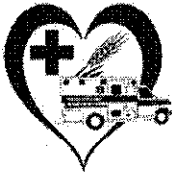
- LTC (34%)
- Oupatient (20%)
- Primary Care (26%)
- ED, Swing, Observation, Ambulance and Inpatient (4%)
- Assisted Living (17%)

of the District is a single zip code, 99159 (Odessa), and the District is the only provider of health care within the District. The District is the smallest hospital in Washington State, both in terms of

census/volume and number of residents. On any given day, the District cares for about 65 patients. Figure 1 depicts the services utilized by these patients.

Strategic Priorities:

1. Develop/grow services that are needed by the community and that generate new revenue
2. Diagnostics that enable the community to stay locally
 - a. Evaluate feasibility of adding CT Scanner
 - b. Develop plan to grow patient-centered, family-oriented primary care — services to evaluate include: wellness, education, health promotion, behavioral health, care coordination and group visits
 - c. Retain existing patients and provide more marketing and better information to the community to increase use of primary care.
3. Develop infrastructure and culture needed to sustain quality and efficient District service
 - a. Process improvement
 - b. Staff development- accountability, training and culture (every time, every touch)
 - c. Develop a set of values to support mission and vision and guide day to day operations
 - d. EHR for patient portal, inter and intra operability, data and analytics
 - e. Succession plan for leadership



The population of the District is currently estimated at 1,269 and is expected to decline slightly over the next five years. However, the 65+ age cohort, which today represents 28% of the total population, is expected to increase by 6%, with the largest growth in the 65-74 age group (+13%). At 28% over the age of 65, the District is one of the oldest communities in the State. By comparison, Washington State is 13% over the age of 65.

The District is also an active participant in the State's WRHAP initiative.

What is WRHAP?

In 2014, the Washington State Hospital Association (WSHA) and the Washington Department of Health (DOH) formed the Washington Rural Health Access Preservation (WRHAP) initiative in an effort to preserve access to quality, essential health services in Washington's most vulnerable rural communities. Vulnerable communities were defined as those that have at at-risk of losing their Critical Access Hospital (CAH) and the services they support (primary care, outpatient diagnostics, long-term care, etc.). To be deemed at risk, a CAH had to be at least 30 miles from another hospital, have a low inpatient census and have 60% of their financial measures found to be "of concern" in the State's Flex monitoring financial report. Today WRHAP includes 14 hospitals. The District is the smallest CAH in both the State and the WRHAP initiative.

Three services/programs have been deemed the most essential to the communities served by WRHAP members—these services include primary care, ED care and long-term care. Using national and local consultants, the WRHAP initiative found that Medicaid and Medicare reimbursement for each of these three services fails to cover the actual costs of operating the service in nearly every one of the WRHAP hospitals. While other services are "subsidizing" these essential services, most WRHAP hospitals currently have negative operating margins overall. Specific to the District the study found:

- 70% of all Medicaid resident primary care visits occur at the District's clinic.
- The District has a -7% operating margin before taxes.
- The emergency department's margin is -37%.
- The primary care clinic's margin is -38%.
- If the District closed, the average drive time for the next closest services would be a minimum of 35 minutes, but more typically close to 60 minutes.



In preparation for the retreat, and using available WRHAP funds, a series of 4 community discussion groups were held in October. The input from these groups are depicted in Figure 2 and

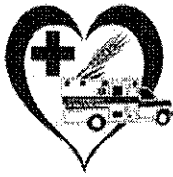
Figure 2. Input from Community Discussion Groups

- Despite frustrations about what is perceived as a “revolving” door of providers, attendees were very satisfied with local primary care. They report good access and when asked about the attributes of good primary care, attendees repeatedly noted that what they have locally meets their definition.
- Attendees generally see the District doing better than it has in the recent past. The only main concern was provider turnover. The vast majority thought that mid-levels could meet local needs.
- The three most important services attendees desire to see locally are emergency care, primary care and long-term care.
- Universally, every attendee was familiar with the nursing home and the overwhelming majority had personal experience with it (family member). It was rated exceptionally high by all attendees.
- The Davenport hospital was perceived as offering more services, and a higher level of care than Odessa. That said, those that have experienced Davenport noted that they found the experience to be much less personalized than the care available locally. Others noted that if they are “already on the road” they will continue past Davenport to Spokane.
- Attendees shared the importance of the hospital’s long-term viability to their family personally and to the larger Odessa community.

were shared with the Board and Leadership at the retreat.

Data on health care utilization and trends within the District and on the state of rural healthcare reform and value-based payment was also shared. A robust discussion followed. During the discussion, the following community and District needs were noted:

- 1) More diagnostic equipment, specifically a CT Scanner, and the ability to recruit the necessary technicians.
- 2) Process improvement as a means of enhancing culture and efficiency.
- 3) Stable, right-sized primary care.
- 4) Marketing/education to better inform the community about the quality services available locally.
- 5) Succession planning for leadership team and managers.
- 6) Creating a EHR Plan.
- 7) Adequate staffing.
- 8) A set of organizational values to share with staff and the community.



In addition to these needs, the need for an updated vision statement and concepts for a values statement were discussed. A **vision statement** should reflect what an organization aspires to be. In

Odessa Memorial Health Care Center

Current Vision Statement:

Our Professionals will provide well-rounded, individualized and excellent care to you and your family for generations to come.

Current Mission Statement:

"...bringing caring, quality healthcare to our community."

terms of the vision statement, there was suggestions for modification that includes themes such as providing services that allow our rural community to thrive. Services identified included robust, patient-centered, family-oriented primary care and diagnostics that enable the community to stay locally.

Values represent the core priorities of an organization's culture. They serve to inform the public, users and staff about how the organization will conduct its business and treat customers and each other. Concepts discussed during the retreat that that should be vetted as part of developing a set of values include integrity, compassion, respect, teamwork,

stewardship, efficiency and accountability.

Success of this Strategic Path should be measured by gains in access, availability, culture, quality of services rendered and financial stability. It will require alignment between the board, leadership, providers and staff. It will also require investment in people, technology, culture and facilities/equipment. Given the limited resources of the District for investment, priorities will need to be established and communicated widely.