PUBLIC HOSPITAL DISTRICT NO. 4, KING COUNTY
Board of Commissioners
Strategic Planning Workshop
NOTES

January 27, 2016, 1:00 - 5:00 p.m.
Snoqualmie Valley Hospital, South Conference Room
Snoqualmie, WA

COMMISSIONERS:
Dariel Norris, Vice President
David Speikers, Secretary
Joan Young, Vice President
Gene Pollard, Commissioner
Emma Herron, Commissioner

ADMINISTRATIVE STAFF:
Rodger McCollum, CAO/Superintendent
Tom Parker, COO
Steve Daniel, CFO
Kim Witkop, MD, VP Medical Affairs
Valerie Huffman, Recorder

FACILITATOR: Ben Lindekugel, Executive Director, AWPHD

Question posed to commissioners as to their expectations:

- Like to get more accomplished than the last session, see people on same plane, common knowledge based on information before them.
- Like to see the board to be more focused and zero in on more pressing issues: sustainability and viability and put personal personalities aside and do what we need to do
- Sustainability, very concerned. Believes in current configuration we are not sustainable
- Come together as a board rather than five individuals not coming to the road. Remember not just a hospital but a district. Look at what we can provide to citizens of the whole district
- Viability and sustainability – think outside the box. Needs to know what things are available and how we do them.

- Ben commented that in the time scheduled today it would not be possible to do a full blown strategic plan. This is beginning of the dialogue.

- Ben also stated viability and sustainability - every rural hospital and hospital system having same question and issue. Many are closing. Figure what needs to be done and how to do it is sustainability. Make it fit for your service area. Knowing what community is about is where it all starts.

POWERPOINT PRESENTATION – copies of slides are available upon request.

- A commissioner asked about drug use statistics that were not included on DOH/WSHA assessment handout – it's a serious problem for our community.

- Private, commercial, self-pay and charity is difference in 64% Medicare, 7% Medicaid stats

- Reduction in ED visits
- Commercial inpatient market share
- Negative margin on bottom line but improving

- SVHD Community health needs assessment
- Population
- Health risks – suicide becoming more relevant

- Comparison of Swedish Issaquah CHNA – some overlapping with ours – lower valley and upper Snoqualmie needs covering our area to suit their services

- External environment: what's going on in our community as well as what's going on outside community

- What are greatest unmet needs in our community:
    - Service area is different than hospital district. If don't have one significant impact on district.
    - Services to seniors, specifically home health care
    - Hospice and palliative care
        - State has applied for Medicaid global waiver – way to use dollars more effectively

- Washington, DC schedule:
    - Big bills SGR - Sustainable Growth Resolution in March, Omnibus appropriations Nov/Dec
    - It's an election year, so abbreviated legislative session

- MACRA: Medicare access children's reconciliation act
- Doc payment on quality or on participation in alternative payment models – as a district should pay attention to. Slow process – data collection 2017, MACRA payment 2019

- Ben referenced a children's doctor who spoke at the WSHA annual meeting – speech on website

- District does have provider-based clinics. Need to look into facility fee

Federal situation:

- 96-hour LOS fix: I CAH can have 96 hours on average in acute status. New interpretation Medicare conditions of payment will be enforced to say that no one patient can be there for more than 96 hours
  does not affect Swing beds
- 3 day stay – 3 midnight rule. Under the bundle for hips and knees pts going to skilled nursing the 3 day rule will be waived under the bundle payment
- Mental Health legislation;
  - Institutional beds – MI21-64 related to
  - Incentives to use Telemedicine to aid in screening
    - District employs full time psychiatrist and behavioral health therapist
- Health Information Technology
  - District has completed Stage 2; talk of delay in Stage 3

Bundled Payments – Medicare

- No formal proposal for - some reason to think there will be changes to CAH programs in 5-8 years but no formal proposal at this time.
- Hip replacement, pre and post care
- Some facilities may find ways to not get referrals but the district is the "only show in town" to handle more acute patients
- Cost of readmission from failed discharge

Short recess – 2:40; reconvened 3:00

State policies

- Short legislative session (60 day)
- Pharmacy commission – lot of laws out of date
  - Falls under DOH in org chart
  - May need legislation
- Limited medical license for those complete medical school but not residency – CEO/CMOs not supportive
- Non-competes

State policies – non legislative

- Payment reform – Medicaid payments
- Listen to tape – important point
- Resource community center could be something for District to look at
- ACHs ramping up

INTERNAL ASSESSMENT

- Mission shapes today

- Vision prepares us for tomorrow
- Can prepare for tomorrow if we believe in our values

- Mission statement reviewed – consideration can be given to revision

- If constituents don't have a palpable sense of the future, they will resort to the past – check tape

- Go to where the puck is going to – Wayne Gretsky

SVH CAPACITY

- SWOT – strengths, weaknesses, opportunities, threats
- Internal: strengths, weaknesses
- External: Opportunities, threats
- Considering Possibilities versus opportunities makes you ground your assumptions
- Handout given on SWOT; time provided for each participant to fill out

SWOT:

STRENGTHS

- Meetings are open to public, public involvement
- New facility
- Great line and management staff, happy staff, no major complaints
- Proximity,
- CAH reimbursement
- Caregiving staff
- Administrative team with a vision for the future
- Live our values, innovation and collaboration
- Bootstrapping: we have a history of overcoming barriers
- Patient centered culture
- Efficient processes
- Being rural

WEAKNESSES

- Being rural
- Small in a big market
- Attracting median age of 36 to be able to use services; don't have continuum of care from birth to death, do not have resources to be everything to everybody
- Lack of understanding of what a district, what services are and how to get to them
- Lack of cooperation between commissioners and administrative staff
- Not being internally cohesive, top down
- 70% no pay. Have to turn into a positive. Facilitator suggested positioning; does not think cost based reimbursement is dong away. More likely it will become available to do different kinds of things than it does now. Right now cannot do anything except an acute care hospital. How can we influence how dollars are used in the future?
    - Suggestion: get rid of black/white issues. Feedback from public is not the only input. PHD statute does not require that public comment is required, but should take it.

Primary reason for board meetings is to do the business on the public's behalf. Maybe that board gets input on particular topic for public engagement.
    - Tired of having irrelevant discussions at board meetings and taking away from business of the district and taking up time.
    - Board meetings should be structured for commissioners. No work sessions for board to discuss the more pressing issues.
    - Citizen told commissioner the district does not have scope of services. Insurance does not cover second ambulance transfer
- Scope of services
- Diversification of services
- Ability to get information on scope of services and what we do out to the public
- How to sustain relationship with community

THREATS

- Overlake and Swedish
- Readi Clinics in drugstores
- Median age that we serve compared to median age in the Valley – question asked
    - How many people in the valley who pay taxes are using our services

OPPORTUNITIES

- Young families –
- More services to seniors
- Developing relationship with Snoqualmie Tribe
- Surgery department
- OB program
- Think outside the box of hospital for medical services that could be offered to, take resources and apply them in different ways
- Consolidate community resources
- Getting out in community
- Pulling other nonprofits in
- Mental health

- What are you deeply passionate about – Mission/vision/values
- What you can be best at in the world – core competencies
- What drives your resource engine – creating resources

Encouraged board and staff to get into core competency

- Fulfill three criteria:
    - Provides potential access to a wide variety of markets.
    - Should make a significant contribution to the perceived customer benefits of the end product.
    - Difficult to imitate by competitors.

- What are our core competencies, what should they be?

WHAT FUTURE DO WE WANT?

- Rich future
- Triple Aim: better health for the population, better care for individuals, lower cost through improvement
  - How do you do all three, make it all work together

Assessment demonstrates that to be ready for triple aim:

Commissioners want to know:
What percentage of ER patients go elsewhere via transfer
Median age of district

Urban/suburban medical center scenario

- Metropolitan versus CAH

Shared examples:

- Verdant Healthcare (formerly Stevens Hospital)
- Lincoln Hospital – aligns with where the puck is going

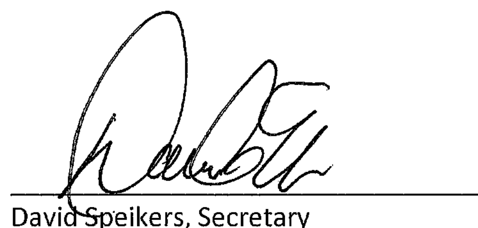
- Quality, money and data – conversation is around how do you prove value: quality

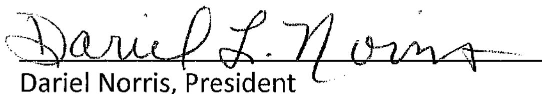
NEXT STEPS – recommended by Facilitator

- Board should have this conversation
- Use SWOT – encouraged to get staff engaged
- Doing some scenario planning; once have better grasp on the SWOT analysis and what core competencies are, urgency or not of finance situation
- Need to get to three dimensional thinking – what would it look like if this or that happens
- Should start looking at different models where linkages occur and where power is built on linkage. All kinds of examples: ones where you stay totally the same but contract this or that out, ones with formal affiliations, etc.

- Next steps summary: Scenario, data, drill down on strengths/weaknesses – engage community and staff, come back with a compilation of data and SWOT

Adjourned 4:44pm





Dariel Norris, President

David Speikers, Secretary