



**PUBLIC HOSPITAL DISTRICT NO. 4,
KING COUNTY
Board of Commissioners
STRATEGIC PLANNING SESSION #1
NOTES**

July 20, 2016, 1:00 - 5:00 p.m.

**Snoqualmie Valley Hospital, North / South Conference Rooms
Snoqualmie, WA**

COMMISSIONERS:

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

ADMINISTRATIVE STAFF:

Tom Parker, CEO
Steve Daniel, CFO
Kim Witkop, MD, VP Medical Affairs
Jay Rodne, General Counsel
Valerie Huffman, Recorder

FACILITATOR: Andrew Ballard, Growth Strategist, Marketing Solutions

Preliminaries

- Time horizon looking 2 years out
- Focus will be to establish strategic priorities; staff will bring back metrics and action plans
- Agenda reviewed and accepted for both today's session and Day 2 on August 29th

Guiding Principles

- Roles & Responsibilities
 - Participants (agree on agenda)
 - Participate versus dominate
 - Disagree versus disagreeable
- Facilitator (authority based on agenda):
 - Keep group focused and on track

- Limit sidebars, keep conversation at strategic level
- Parking Lot:
 - Place for ideas and issues not covered in today's session
 - Ambitious agenda, move to committee if necessary

The following areas of research were briefly reviewed:

Industry Overview:

- U.S. has 7100 hospitals with combined annual revenue of \$1 trillion
- Top 60 organizations generate approximately 30% of revenue
- Inpatient/outpatient accounts for 55/45% of revenue
- Public/private insurance accounts for 40/60% of revenue
- Working capital turnover ratio for smaller size hospitals is 0.21 average
- Industry employment growth at 4% first quarter 2016
- Average hourly rate increased 2% in 2015
- Equipment and supply costs increased 2.4% from March 2015 to March 2016
- Consumer prices for medical care services rose 3.6% March 2016 compared to March 2015
- U.S. hospital revenues increased by 2.9% in fourth quarter 2015 compared to previous year
- Annual compounded growth rate estimated at 6% per year by 2020

Key industry drivers: Technology Innovation and Government Regulations

Critical Issues: Affordable Care Act and Managed Care

Key Business Challenges:

- Capital Spending Required
- Rising Cost of Hospital Care
- Medical Errors
- Staffing Shortages
- High Risk of Employee Injury

Business Trends:

- Consolidation
- Health Care IT
- Reduced Patient Hospital Stay
- Medical Tourism
- Growth of Outpatient Services
- Growth of Accountable Care Organizations

Needs Assessment:

- Service area: Carnation, Fall City, North Bend, Snoqualmie, Preston and Snoqualmie Pass
- Significant health needs identified from secondary data:
 - Access to health care
 - Cancer
 - Heart disease
 - Lung disease
 - Mental health

- Overweight and obesity
- Preventive practices (vaccines and screenings)
- Smoking

- SVH Commissioner/Leadership Interviews briefly reviewed
- Community Survey Report reviewed
- SWOT briefly reviewed as prepared by Board of Commissioners, leadership and management team

MISSION STATEMENT –

Task was to determine, affirm or revise statement. The existing Mission Statement is:

Promote the health and wellbeing of people in our community by providing quality care in a collaborative environment

The following points of discussion to revise the statement were:

- The word “community” needs to be better defined
- Adding the word “District” could be confusing
- Could strike “community”
- Change “Promote” to “Improve”, or use both words
- Thumbs up Vote 8:1 to revise mission statement to include both words “Improve” and “Promote”
- A friendly amendment to reverse the words was accepted. The new mission statement is

Promote and improve the health and wellbeing of people in our community by providing quality care in a collaborative environment

VISION STATEMENT – Task was to determine, affirm or revise statement. The existing Vision Statement is:

We will safeguard the health of our community

It was unanimous that the group did not like the vision statement as written. Therefore, the following points of discussion to revise the statement were:

- We “are safeguarding”
- We will “enhance”
- Switch “safeguard” to “enhance”
- We will have a health community
- We will thrive financially to dream, plan and respond. In so doing we will direct our energies to create highly satisfying patient experiences to improve the health of our community and create a highly satisfying workplace for providers and staff.
 - The above statement was put forth as a means to get to the vision


 Initials

- Relates more to core values
- Valley residents healthier from hospital initiatives and leadership
- Add patient safety or wellbeing
- Quality of care
- *We will have a healthy community* chosen as a basis for new vision statement

Ideas to build from the above statement:

- Strength, improve and secure
- We will have a healthy community because of our hospital initiatives and leadership
- Add cause and effect

The new Vision Statement is:

Our Community will become the healthiest in the Nation

STRATEGIC FOCUS – The task was to affirm, change, or start from scratch

The existing areas are: Quality, Finance, Relationships and Growth

- New Order: Finance, Quality, Relationships and Growth
- A descriptive statement for each area needed
- Operationally all but “Growth” have been easy to use
- Add Sustainability
- Change Finance to Viability

The agreed upon focus areas are:


Viability, Quality, Relationships, & Growth

- Between now and 8/29 ad hoc process is to create one sentence description for each of the four focus areas
- Agreed on four areas now, not necessarily the order

NEXT STEPS

- **Assignment:** Create a concise and clarifying description for each focus area, 15-20 words.
- Will be done at committee level with at least 1 commissioner and 1 administrative staff

- **VIABILITY – Comm. David Speikers, Steve Daniel, Comm. Emma Herron**



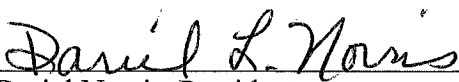
 Initials

- **QUALITY** – Dr. Kim Witkop, Comm. Joan Young
- **RELATIONSHIPS** – Exec Team, Pres. Dariel Norris
- **GROWTH** – Jay Rodne, Comm. Gene Pollard

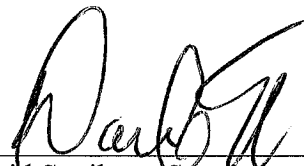
- **DUE DATE First Draft: Friday, August 5**
- **DUE DATE FINAL: Friday, August 19**

PUBLIC COMMENT: None

Adjourned at approximately 4:53pm



Dariel Norris, President



David Speikers, Secretary