



NRHA
SERVICES CORPORATION

WELCOME

Rural Health Executive Educational Series

Please visit [NRHASC.com](https://www.nrhasc.com)

to see a complete list of our upcoming educational presentations as well as Case Studies, Toolkits, Partner lists and other valuable resources.

House Keeping Items

- We like to get through our presentations in about 45 minutes, offering time at the end for questions to the presenter
- All attendees are muted during the webinar
- If you have a question for the presenter, please type it into the question section of your GOTO webinar control panel. We will cover it at the end.
- This event is being recorded. You will receive an email before the end of the day with a link to the recording.



From Strategy to Action

A Rapid Approach to Optimal Strategic Positioning

Who are we?

- John Downes – Principal at Stroudwater
- Jason Amrich – CEO at Gunnison Valley Health



Haven't We Seen This Presentation Before?

- Stroudwater delivered a webinar presentation to NRHA on August 15, 2024, about strategic planning best practices for rural healthcare leaders...which were as follows:
 1. Engage your internal stakeholders as active AUTHORS of the plan!
 2. Ground planning in the realities of the local, regional and national healthcare market.
 3. Use real data!
 4. Streamline the process to keep focus, given limited resources (time, money, focus)!
 5. Organize your plan to transition the delivery system and payment system in unison.
 6. Prioritize the “here and now!”
 7. Measure, track and adjust as necessary.
 8. Celebrate success!
- This time...we're going to focus on the sharing a process that works to quickly get your strategic plan from start to results!

Keys To Successful Strategic Planning

Do strategic planning when you're ready and able to focus!

Compile and analyze data in advance and share it with the planning team to build a common foundation!

Get the right people in the room when you're planning!

Utilize some type of framework for organizing!

Prioritize and divide the efforts!

Track results consistently!

Streamline the Strategic Planning Process

- Keep focus
- Recognize resource limitations
 - Time
 - Money
 - Energy
- Produce an actionable document able to measure success

Learning Objectives

Identify the key participants

- Are we ready?
- Who must be there?
- Who should be there?
- What roles must be filled?

Understand the data required

- Demographics
- Volumes
- Finances
- Projections
- Local information

Incorporate a proven process and planning framework

- Balance delivery system and payment system
- Align with YOUR way of thinking about the organization

Polling Question #1

- How often does your hospital update its strategic plan?
 - Annually
 - Every 2-3 years
 - More than 4 years
 - No clue...we don't have one!



How Do We Start?

How Do We Start?

- Ask yourself honestly if your team is ready to engage in planning
- Identify and acquire key data in advance of beginning any planning!
- Who are the right people at the table?

Who Should Be “In the Room Where it Happens”?

- The number one success factor in completing an actionable strategic plan is the quality of the people in the room.
- This is less about any external resources...and much more about the internal / local personnel of an organization
- Categories of participants:
 - People that required to be there
 - People that need to be there
 - People that want to be there



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You Should Want People Who Want to Be There

- Negative personalities can infect culture – if you know you will have to deal with someone in this category, develop a plan of management in advance
- Identify who could bring a broad yet unique perspective
- Who are your influencers internally and within the broader community?
- Where are your next level leaders?

Strategic planning is an exceptional opportunity to grow and empower!!!

A Perspective From Leadership

- How did Gunnison Valley Health decide on strategic planning participants?
- Were there any concerns with inviting too many / too few participants from particular groups?





Bring the Right Information

What Data Do We Need?

- Historical volumes
- Financial statements
- Previous strategic plans
- Future projections (e.g., demographics, utilization, medical staff retirements / recruitments)
- Community Health Needs Assessments (CHNA)
- Specific local information
 - New / expanded industry
 - Housing starts
 - Significant risk factors (local industry causing population surge, changes in federal priorities, strong competition taking volume or unstable providers collapsing, etc.)

When Do We Need It?

- Ideally gather all data at least 1 month in advance of the strategic planning session
- Develop reports and analyses before getting into the planning session
- The time with your team is too valuable to waste on looking for / compiling data while they're around the table.

Polling Question #2

- What step in the planning process do you find the most difficult?
 - Gathering reliable data
 - Engaging stakeholders
 - Defining actionable priorities
 - Measuring progress
 - Other (please specify)



The Process and Framework

We're Starting the Strategic Planning Process – What are the Steps?

- Align:
 - The goals of the process and the reason for doing it now
 - The data
 - The organizing structure (e.g., pillars, buckets, themes, initiatives, etc.)
 - The desired output and timelines
- Gather perspectives
 - Individual interviews
 - Group interviews
 - Listening sessions
 - Focus groups
- Develop the plan (e.g., make the sausage)

Focused Process of Strategic Planning

Three-day intensive planning effort – the **R**apid **S**trategic **P**lan (RSP)

- Evening 1 – Creating Alignment
 - Kickoff presentation to align and ground the audience with a common fact base re: the “Future of Rural Healthcare”
 - Introduce a planning framework for organizing the plan
 - Informal discussion among management, medical staff and board members
- Day 2 – Gathering Perspectives
 - Individual interviews with key senior leaders, providers and board members
 - Sometimes people are more comfortable in group sessions
 - Be careful in group sessions to dig for “quieter” perspectives
- Day 3 – Building the Plan
 - Common data set of historical volumes and future projections
 - Share common themes from Day 2
 - Identify biggest issues / areas of concern
 - Group using your chosen framework (Themes → Goals → Action Items)

Vision to Measurement



Vision



Strategic Themes



Goals /
Action Items



Tactical Plans



Measurement

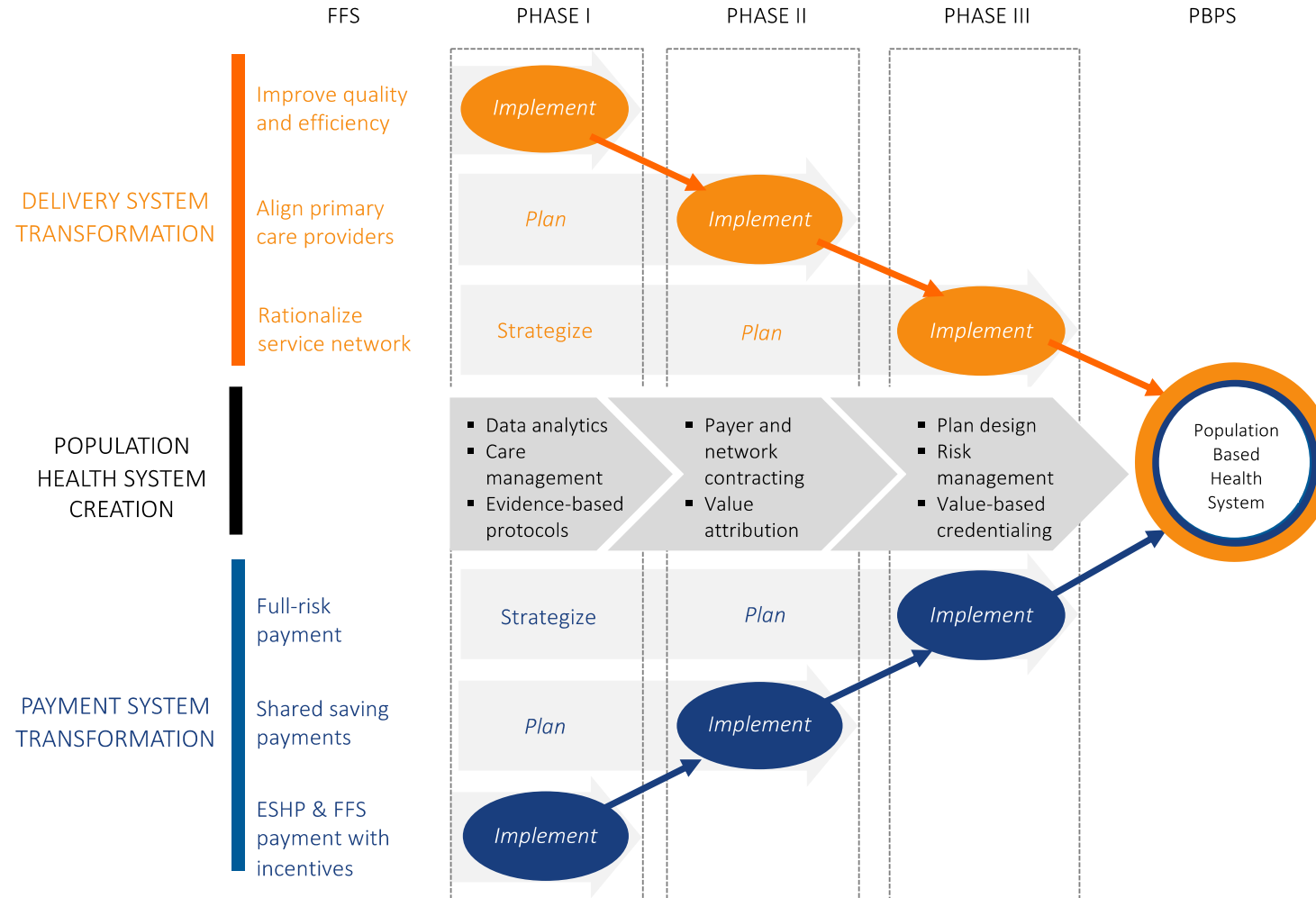
Strategic Planning Process

*Best delivered by next level
leaders / departmental
managers*

Organizing Structure of a Strategic Plan

- Vision
- Strategic Themes
- Strategic Goals
 - High-level objective organized under strategic themes
 - Should have an overall Goal Leader from Senior Leadership Team (SLT)
- Action Items
 - For each strategic goal, how can this be achieved?
 - Should have an action item leader...can be SLT or can be delegated/assigned
- Tactical Plans
 - What are the process steps that must be implemented to move an action item forward?
 - These steps are to be developed and shared by the action item leaders to ensure ownership.
- Measurement/Metrics
 - Is there an end metric we're striving for and by when?
 - Is there a progress metric we're looking to achieve in the interim?

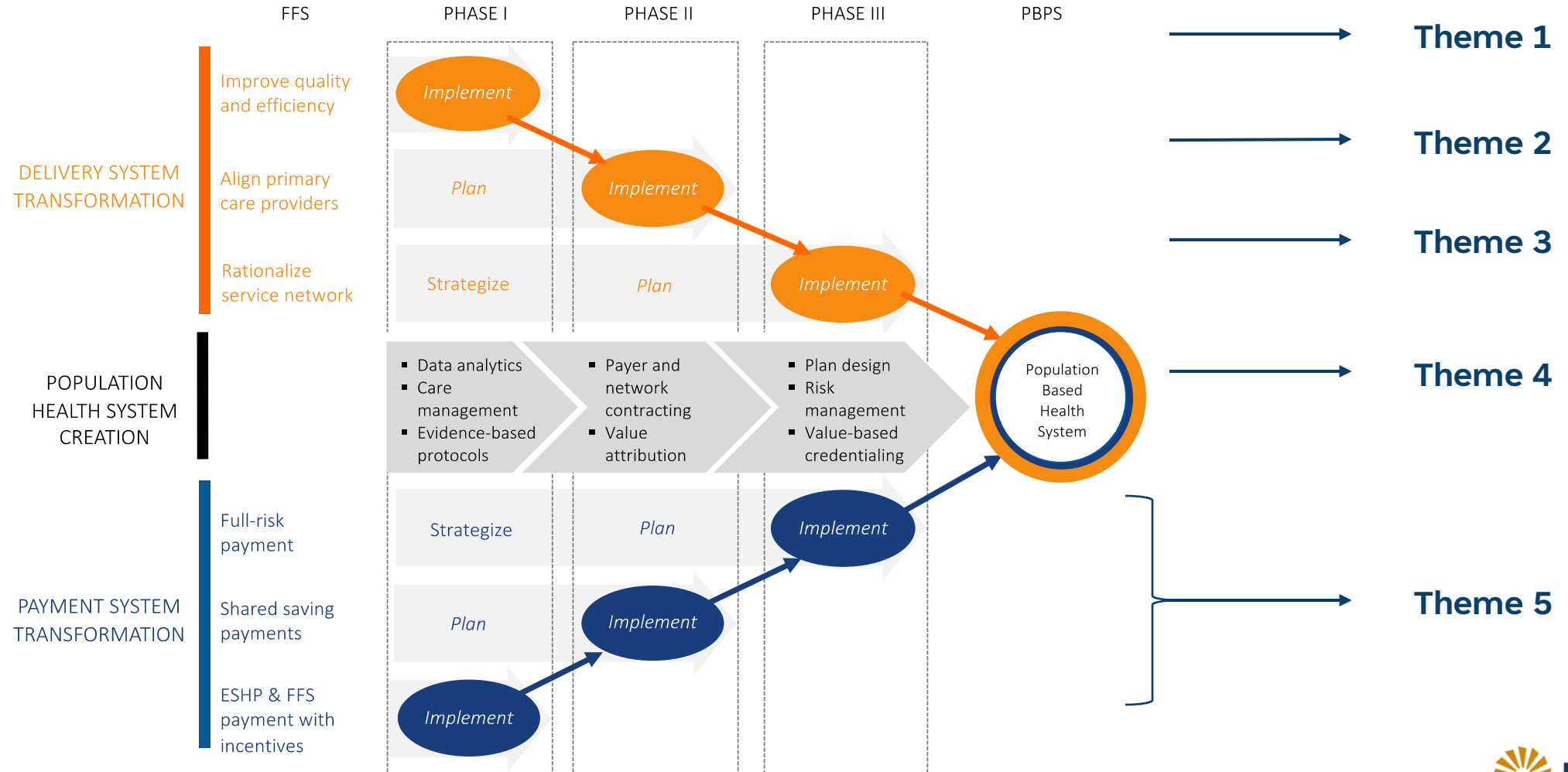
Strategic Planning Must Align Delivery System and Payment System



•The Transition Framework helps organizations through the transition from a fee-for-service (FFS) payment system to a population-based payment system

- Delivery system** addresses strategic imperatives for providers to transform their delivery system
- Payment system** addresses strategies for providers to influence the evolution of the payment system
- Population health/care management** requires the creation of an integrating vehicle so that providers can contract for covered lives, create value through active care management, and monetize the creation of that value

These Become Our Themes



Strategic Themes to Achieve the Vision

Theme 1 – Quality, Patient Safety and Operating Efficiencies

Theme 2 – Provider Network Alignment

Theme 3 – Clinical Services Network Development

Theme 4 – Population Health Management

Theme 5 – Transitioning Payment Systems

A Perspective from Leadership

- How did GVH incorporate the “Transition Framework” into its historical strategic planning organizational tools?



People First



Financial Excellence



Experience Excellence



Sustainable Seniors



Volume for Viability



Ambulatory as the Anchor



Physician Practice Optimization



Prepare for the Future

Polling Question #3

- What is the most important focus of your hospital's strategic planning right now?
 - Financial sustainability
 - Improving patient outcomes
 - Workforce development
 - Community outreach
 - Other (please specify)

Most Common Goals Within Theme 1

- **Theme 1 – Quality, Patient Safety and Operating Efficiencies**
 1. Become / maintain status as employer of choice
 2. Grow volumes and / or market share
 3. Increase efficiency / utilization of clinic
 4. Identify new / alternative revenue sources
 5. Ensure financial stability
 6. Complete facility plans
 7. Staff / community housing

Most Common Goals Within Theme 2

- **Theme 2 – Provider Network Alignment**

1. Medical staff development plans
2. Specialty care growth
3. External provider relationships
4. Referral patterns
5. Contracting

Most Common Goals Within Theme 3

- **Theme 3 – Clinical Services Network Development**
 1. How to maintain independence
 2. Partnership / alignment needs
 - Capital
 - EHR

Most Common Goals Within Theme 4

- **Theme 4 – Population Health Management**

1. Improving access to care across the service area
2. Development of care management processes
3. Value attribution

Most Common Goals Within Theme 5

- **Theme 5 – Transitioning Payment Systems**

1. Exploring alternative payment models (e.g., ACO, Direct Contracting, etc.)
2. Maximizing incentives for health-related activity
3. Targets of % of revenue from non-Fee-For-Service sources
4. Employee health opportunities (in conjunction with TPA)

From Themes to Action Items...an Example

- **Theme 1 – Quality, Patient Safety and Operating Efficiencies**
- Goal = Explore, Maintain and expand services to increase patient volume and market share

- Action Items =
 - a) Take a proactive approach with internal discharges and tertiary centers to achieve an average daily census of swing patients of 5
 - b) Achieve an average daily acute care and observation census of 8
 - c) Develop comprehensive communications strategy to engage community around current efforts and initiatives
 - d) Grow outpatient surgical volumes by Y%
 - e) Capture market growth of ancillary volumes (lab, imaging, PT, etc.)

Each of these goals (a-e) are then assigned to someone who will develop tactical plans and measurement criteria. Ideally, the people developing these tactical plans will be the people most connected to their implementation.

Divide and Prioritize

- The CEO cannot be responsible for all the goals!
- The team cannot focus on all goals at once!
- Ask these questions:
 - Identify what is mission critical (e.g., we may close, we have a safety issue, etc.)
 - What requires something else to happen first?
 - When is it reasonable to complete a goal / task?
- Group elements into rough buckets:
 - 0-6 months
 - 6-12 months
 - 12-18 months
 - 18-36 months

A Perspective from Leadership

- How did GVH determine what strategic initiatives were the highest priority?
- Who assigned next steps and follow up?



Mission Critical



High Priority



Medium Priority



Important but not Urgent

Develop Tools for Tracking

From WRIKE									
New Measurables									
% Change Month Over Month Calculation									
Notes / Comments as Needed									
Longitudinal Measurement									
Title	Status	Last Month Wrike	This Month Wrike	Goal / Target	Frequency of Update (Monthly, Quarterly, Annually)	Last Month Metric	This Month Metric	% Change Month over Month	Notes / Comments
CHN Strategic Plan	In Progress								
Strategic Initiative I: Quality Patient Safety and Operating Efficiencies	In Progress	48%	48%						
Goal I A: CHN to become employer of choice	In Progress	34%	34%						
Overall Job Satisfaction Score									Survey completed annually in July. Rating 07/2020 @ 64%; target goal for 07/2021 @ 60% (BOD APPROVED)
Overall Employee Engagement Index Score									Survey completed annually in July. Rating 07/2020 @ 70%; target goal for 07/2021 @ 75% (BOD APPROVED)
Goal I B Achieve highest quality safety and satisfaction scores throughout the region as determined by relevant measures	In Progress	80%	80%						
HCAHPS Top Box									Rolling 12 month - already provided to Board of People/Service Subcommittee
Outpatient Top Box									Rolling 12 month - more granular data already presented at Board People/Service Subcommittee
Core Measures Meeting Goal									Numerator=Number of metrics meeting goal/benchmark. Denominator=Number of total metrics being monitored. *Pending approval of metrics list 2021 with MSQC. Granular data already presented through Board of Directors Quality Subcommittee
Core Measures Aggregate									
Goal I C: To explore maintain and expand services to increase patient volume and market share	In Progress	39%	39%						
Net Patient Revenue									already in reports
Adjusted Patient Days									
Goal I D: Evaluate and develop other revenue sources	In Progress	35%	35%						
Revenue from Non-Traditional Revenue Sources									
340b Revenue									There will be little to no income to show for this program in the first few months of 2021 then retro payments will start flowing in from first of year. Revenue will be captured in the "Other Operating Revenue" line of income statement.
Goal I E: Continue to improve financial strength	In Progress	100%	100%						already in reports
Days Cash and Investments on Hand									already in reports
Gross Days in A/R									already in reports
Net Operating Margin									already in reports
Total Margin									already in reports

- The overarching goal of measurement should be:
 - Improve patient care for the community
 - Ensure financial sustainability of the health network
 - Increase efficiency of management to Board communication
- Don't waste anyone's time tracking less important information.

Keys To Success

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Prioritize and divide the efforts!

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Ask the Expert

This concludes the presentation portion of today's session, and we will now move to Q&A.



About the Presenting NRHA Partner

Stroudwater Associates is committed to increasing the impact of rural and community healthcare.

Our team of rural and community healthcare experts support the leadership of hospitals, health systems with a rural footprint, and the groups and clinics that form an essential care network across the 97% of the US that is defined as rural.



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THANK YOU

This Concludes Our Presentation

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Thank you for joining us today, and thank you to our education and content partners.

