Strategic Planning

McKenzie County Healthcare Systems, Inc.

Facilitated by
Ken Hall, JD
Center for Rural Health
The University of North Dakota School of Medicine and Health Sciences

Funded by
The Department of Health and Human Services,
Health Resources and Services Administration, Federal Office of Rural Health Policy, North Dakota Medicare Rural Hospital Flexibility Grant Program
Introduction

McKenzie County Healthcare Systems, Inc. (MCHS), a Critical Access Hospital (CAH), held a strategic planning workshop in Watford City, ND on June 20, 2013. Eleven community members were in attendance representing hospital administration and staff, the hospital board of trustees, education, the business community, and public health.

The strategic planning workshop was a continuation of the overall Community Health Needs Assessment (CHNA) process, which is a requirement under the Affordable Care Act (ACA). The legislation mandates that non-profit hospitals conduct a CHNA every three years, examine input from community representatives, publicly disseminate the results, prioritize community health needs, and develop a written implementation strategy (a health improvement plan) to meet the needs identified in the CHNA. Whereas the community assessment phase identifies issues and health needs, the implementation strategy phase applies solutions to the identified needs.

To begin the strategic planning workshop, a facilitator from the Center for Rural Health shared findings from the recent (2012-13) CHNA report with the hospital and community group. Data analyzed during the CHNA process included primary data (community health survey, key informant interviews, and focus groups) and secondary data (analysis of the County Health Rankings and other sources). Through an earlier community needs prioritization process, the CHNA in the Watford City area identified four significant needs:

1. Limited number of primary care physicians
2. Traffic concerns/Elevated motor vehicle crash death rate
3. Maintaining levels of emergency services
4. Financial viability of hospital

Survey results, specific community member comments, and secondary statistics about these needs were presented to the group to contextualize the needs. The corresponding PowerPoint presentation is attached as Appendix A.

The workshop focused on generating ideas and strategies to address the first and fourth needs: limited number of primary care physicians and the financial viability of the hospital. The hospital does not plan to actively address the other two identified significant needs, those relating to traffic concerns (and accompanying elevated rates of motor vehicle crash fatalities) and maintaining levels of emergency medical services (e.g., ambulance services). Addressing traffic concerns is outside the scope of the hospital’s mission and the hospital lacks the resources and knowledge to adequately address this need. The hospital has shared this assessment
finding, along with the accompanying data and community concerns, with local law enforcement so that those with proper skills and competence can work on addressing this community need. With respect to maintaining emergency services, a separate organization runs the emergency medical services in the county, and the hospital lacks the resources to address this need. As with traffic concerns, the hospital has shared this assessment finding, along with the data and community input pertaining to it, with the county’s EMS organization.

The purpose of the workshop was to initiate a more formalized strategic planning process resulting in a plan that addresses the identified significant community health needs. Strategic planning is a technique to assist a group to analyze current conditions and to then develop strategies to address a set of issues and/or concerns. A logic model provided a framework for evaluating, analyzing, and organizing ideas to address the enumerated needs. Logic models are widely practiced in social science research to state future goals, outline responsibilities and actions needed to achieve the goals, and demonstrate a program’s progress.

To initiate the brainstorming process, participants were presented with the first identified significant need as the beginning point on a continuum. The end point was the outcome, or the future vision if that need was addressed. Participants were handed sticky notes and asked to write down a goal or a change they would like to see, related to this need. The facilitator organized the sticky notes into thematic categories and read them to the group and then typed them into a laptop and projected them onto a screen so all could see. The outcomes were reviewed collectively so participants could discuss them.

Working backwards from the goals, as a group, participants were then asked to brainstorm activities that could help address the generated outcomes. Once a list of activities was produced, resources including people, facilities, necessary supplies, and financial resources were identified to accomplish the activities. Finally, to complete the logic model, a list of outputs, or evidence that the activity was accomplished, was discussed but not produced as the activity needs to be enacted first. The output column in the table will be completed later. For example, sample outputs for need one: limited number of primary care physicians, may include the completion of post-interview surveys by a certain percentage of physician candidates who decide not to practice in Watford City, the number of community meetings to educate community activists about effective messaging for recruiting, and the frequency of updates on Facebook pages that set forth a positive image for the community.

Following brainstorming and discussion related to need one, the same process was used for the other addressed need: financial viability of the hospital. Overall, participants of the strategic implementation workshop collaborated well and identified some clear and measurable action
steps that can be taken to address the significant needs. A further step of delineating who will responsible for what activity and assigning a timeline to the tasks will be helpful in conveying ownership.

The following tables represent the logic models as generated by those participating in the strategic planning workshop.

### Need 1: Limited Number of Primary Care Physicians

<table>
<thead>
<tr>
<th>Need</th>
<th>Resources</th>
<th>Activities</th>
<th>Outputs</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limited Number of Physicians</td>
<td>• CRH</td>
<td>• Publicize vision of future medical facility/use visuals</td>
<td>To be completed once activities are accomplished.</td>
<td>• Addition of 3 to 5 physicians/midlevels</td>
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<tr>
<td></td>
<td>• Recruiting video</td>
<td>• Support local student in med school</td>
<td></td>
<td>• Effective succession planning</td>
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<tr>
<td></td>
<td>• St. Alexius</td>
<td>• Post-interview survey to gauge why not choosing WC/survey for locums</td>
<td></td>
<td>• Partnerships/affiliations that bolster access to physicians</td>
</tr>
<tr>
<td></td>
<td>• Delta Recruiters</td>
<td>• Promote upcoming community improvements/&quot;urban conveniences&quot;</td>
<td></td>
<td>• Continuity of care</td>
</tr>
<tr>
<td></td>
<td>• Potential new facility (as a draw)</td>
<td>• Public meetings to promote vision of future health care delivery/reach out to public officials</td>
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</tr>
</tbody>
</table>


- Coaching community members meeting with candidates re: emphasizing positives/co-marketing with Chamber, economic development
- More active Facebook presence/work with other Facebook pages in community
- Marketing group involving hospital group, economic development, Chamber of Commerce
- Facebook, YouTube, blogs, other social media
- Include current docs and staff in recruiting
# Need 2: Financial Viability of Hospital

<table>
<thead>
<tr>
<th>Need</th>
<th>Resources</th>
<th>Activities</th>
<th>Outputs</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial viability of the hospital</td>
<td>• State appropriations for ER bad debt</td>
<td>• Clarify legal requirements to treat in ER (EMTALA)</td>
<td>To be completed once activities are accomplished</td>
<td>• Bad debt</td>
</tr>
<tr>
<td></td>
<td>• Software to identify credit issues</td>
<td>• Focus on successful recruiting to reduce locum costs</td>
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<td>• Positive operating margins</td>
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<td></td>
<td></td>
<td>• Community education/engagement re: vision and countering negatives, other hospitals facing similar issues, what contributes to “bad debt”, help people understand why sales tax is needed</td>
<td></td>
<td>• Communicating vision</td>
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<tr>
<td></td>
<td></td>
<td>• Communication about finances and what’s behind “bad debt”</td>
<td></td>
<td>• New facility</td>
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<tr>
<td></td>
<td></td>
<td>• Meet with stakeholders and community communications to help disseminate information and help tell the story (tourism, econ development)</td>
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These proposed activities situate MCHS to successfully accomplish its outlined needs, provide a benefit to overall community health, and satisfy the mandates of the ACA. During the next three years, MCHS will focus its efforts on the following activities to meet these identified needs:

**Implementation Strategy: Limited Number of Primary Care Physicians**
- To gauge candid feedback about why physician candidates who visit the community but decide to practice elsewhere, design written/online survey.
- To ensure consistent and positive messaging about the quality of life in the community, hold meeting/workshop with community members who meet with physician candidates and share a positive vision of the future of health care delivery in the community.
- Prepare written and visual materials about the future medical facilities to share with physician candidates that will present the short-term and long-term vision of what future health care will look like.
- Increase postings on hospital’s social media sites, including Facebook, that convey vision of future health care delivery and present a positive message of where the hospital is going.

**Implementation Strategy: Financial Viability of Hospital**
- To better understand hospital’s rights and obligations, clarify the requirements of EMTALA.
- To increase potential community financial support of hospital, hold series of community meetings (and seek local media coverage of the meetings) to explain the “bad debt” situation, what constitutes bad debt, and hospital’s legal requirements to treat patients in the emergency room. At these same meetings, present the vision for the community hospital of the future.

**Summary and Next Steps**

The strategic planning session held on June 20, 2013 was the starting point to begin the CHNA implementation strategy as required under the ACA. Participants met for three hours and engaged in thoughtful discussions related to the goals and future of MCHS. Specific activities, resources and outcomes were generated from the previously prioritized needs as identified in the CHNA. The general ideas discussed by the participants relevant to meeting physician recruitment needs and addressing concerns about the financial viability of the hospital offer opportunities to build on as the strategic planning process unfolds. The strategic planning process being used by MCHS is a tool to foster collaboration and increase the scope and reach of MCHS’s services. By identifying common values and focusing on efforts and activities to build a healthier community, MCHS has the opportunity to establish stronger relationships that can benefit the communities involved and local organizations.
Although the logic model provides initial structure and framework, a complete strategic planning process will require a number of additional sessions involving MCHS and possibly other health and business partners. Next steps include forming committees to meet again and keep the process moving forward. As more activities are planned stemming from this logic model, the Center for Rural Health may be able to provide further technical assistance and/or funding source(s) necessary to carry out a proposed community activity.
Appendix A
Power Point Presentation

McKenzie County Healthcare Systems
Implementation Strategy Planning

Ken Hall, JD

Center for Rural Health

- Established in 1980, at The University of North Dakota (UND) School of Medicine and Health Sciences in Grand Forks, ND
- One of the country's most experienced state rural health offices
- UND Center of Excellence in Research, Scholarship, and Creative Activity
- Home to seven national programs

Focus on
- Educating and Informing
- Policy
- Research and Evaluation
- Working with Communities
- American Indians
- Health Workforce
- Hospitals and Facilities

ruralhealth.und.edu
Agenda

1. Overview of new IRS regulations.
   - New updates regarding implementation strategy.
2. Review of CHNA methodology and findings.
   - Significant needs.
3. Implementation Planning.
   - Brainstorming session to address significant needs.

Goal: Identify specific steps required to meet community health needs and be in compliance with ACA.

Timeline

Affordable Care Act – 2013 Regulation

IRS REG-106499 (April 5, 2013):

- IRS relaxes stance on penalties: No penalty if failures to meet requirements were minor, inadvertent, and due to reasonable cause.

- Errors/omissions not willful or egregious will be excused if corrected and disclosed.

Affordable Care Act – 2013 Regulation

- Must identify “significant” needs, prioritize significant needs, and identify measures and resources to address those needs.
  - Determine whether need is significant “based on all the facts and circumstances present in community.”

- Examples of prioritization criteria include:
  - Burden, scope, severity, or urgency of the health need
  - Estimated feasibility and effectiveness of possible interventions
  - Health disparities associated with need
  - Importance the community places on addressing the need
  - But: Hospital “may use any criteria it deems appropriate.”
Affordable Care Act – 2013 Regulation

- Must make CHNA report widely available to public.
  - Conspicuously post report on hospital’s website (or link to other website with report).
  - Report must remain on the website until two subsequent reports have been posted.
  - Must make a paper copy available for public inspection at hospital without charge.
  - May post draft of report without starting 3-year cycle.

Affordable Care Act – 2013 Regulation

Transition Rules

- For CHNAs “conducted” in first taxable year beginning after March 23, 2012, implementation strategy requirement satisfied if adopted by 15th day of fifth calendar month following that tax year.
  - Example: If hospital conducts CHNA between July 1, 2012 and June 30, 2013, it must adopt implementation strategy by November 15, 2013.
- For CHNAs “conducted” in taxable year that began before March 23, 2012, hospital does not need to meet CHNA requirements again until third taxable year following taxable year CHNA was conducted.
Affordable Care Act – 2013 Regulation
Implementation Strategy – Basics
For each significant health need, must:
1. Describe how hospital plans to address need
   a) Describe actions and anticipated impact.
   b) Identify programs and resources to commit.
   c) Describe collaboration with other facilities/organizations.
2. Or: Identify need as one hospital does not intend to address and explain why.
   • Brief explanation is sufficient.
Hospital must adopt implementation strategy in same taxable year CHNA is conducted.

CHNA Review

• Goal was to present snapshot of community health
• Mixed methods research design:
  • Primary data—
    – 1-1 interviews
    – Focus groups
    – Survey
  • Secondary data
    – Compilation of county specific, state and national health indicators and outcomes for McKenzie County
McKenzie County Strengths

- Engaged community:
  - Approx. 130 people participated in assessment.
- Expressions of appreciation for hospital and caregivers:
  - “Wonderful” hospital
  - Grateful to have hospital, clinic and wellness center here
- Community assets:
  - Health care strongly viewed as asset in community
  - Wellness Center
  - People: Friendly, helpful supportive
  - Schools: quality school system
  - Economic/employment opportunities
  - Natural setting, outdoors, and nature
Prioritization Criteria

Rank health concerns based on:
✓ Importance
✓ Impact
✓ Severity
✓ Reach
Not:
≠ Feasibility

Assessment Findings

Tier 1 Significant Needs

1. Limited number of physicians (12 votes)
2. Traffic concerns/Elevated motor vehicle crash death rate (12 votes)
3. Maintaining levels of emergency services (9 votes)
4. Financial viability of hospital (7 votes)
### Limited number of physicians

<table>
<thead>
<tr>
<th>Clinical Care</th>
<th>McKenzie County</th>
<th>National Benchmark</th>
<th>North Dakota</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Care Physician Ratio</td>
<td>6,412:1</td>
<td>1,067:1</td>
<td>1,297:1</td>
</tr>
</tbody>
</table>

**Figure 20:** Community Health Concerns of Community Members

- Adequate number providers/specialists: 4.56
- Not enough health care staff in general: 4.45
- Higher costs of health care for consumers: 4.10
- Financial viability of hospital: 4.09
- Emergency services available 24/7: 4.08
- Addiction/substance abuse: 3.84
- Cancer: 3.78
- Access to needed technology/equipment: 3.76
- Mental health: 3.72
- Heart disease: 4.72
- Distance/transportation to health care facility: 3.70
- Diabetes: 3.67
- Violence: 3.63
- Accident/injury prevention: 3.56
- Obesity: 3.52
- Focus on wellness and prevention of disease: 1.47
- Suicide prevention: 3.25
Limited number of physicians

Figure 21: Community Health Concerns of Health Care Professionals

Traffic concerns/
Elevated motor vehicle crash death rate

<table>
<thead>
<tr>
<th>Health Behaviors</th>
<th>McKenzie County</th>
<th>National Benchmark</th>
<th>North Dakota</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Vehicle Crash Death Rate</td>
<td>48</td>
<td>10</td>
<td>19</td>
</tr>
</tbody>
</table>
Traffic concerns/
Elevated motor vehicle crash death rate

Figure 18: General Community Concerns of Community Members

Traffic concerns/
Elevated motor vehicle crash death rate

Figure 19: General Community Concerns of Health Care Professionals
Traffic concerns/
Elevated motor vehicle crash death rate

- Older adults don’t want to drive especially at night or to Williston for medical needs.
- Police are unavailable when called about excessive speeding on country roads or highways.
- It’s important to have a local health care system in Watford City because traveling for medical issues in this crazy time is very difficult and adds stress to a stressful situation.
- Fund unmarked police vehicles and patrol all country roads and highways.
- Community doesn’t feel safe. We have to watch out for the other drivers, out of staters don’t care about our community and the law. Semi-trucks speeding through town on our main street.
- The elderly do not want to drive because of traffic, trucks, etc.
- Traffic is a huge, huge concern. McKenzie County led state in fatalities for 2 years.
- We’re living in a dangerous place. Our highways weren’t designed for how they’re being used.
- People do not feel safe on roads, so they stay local to avoid having to drive to get care.
- In rural areas, people aren’t driving as much. It’s harder for people to get to Williston.

Maintaining levels of emergency services

Figure 20: Community Health Concerns of Community Members
Maintaining levels of emergency services

- There is good ambulance service, but there will be burnout. Need to add more volunteers or pay them.
- Focus on emergency services. We cannot afford or maintain a new hospital. Would favor sales tax only if used for emergency services, not construction of new hospital, etc.
- The biggest issue is on the emergency services side. We have very good ambulance/crash rescue. It's volunteer for the most part and very demanding. Some employers pay volunteers their salary when they're on a call, but not others.
- We need to look at professional-staffed EMS. It could take up to $1 million/year to do that appropriately.
- This year, we'll probably end up at 250 EMS calls. Four years ago it was 60, before that it averaged 20.
- Trauma here can be so diverse – crushed by rig, crushed by equipment, falling off rig, stomped by cattle.
Financial viability of hospital

Figure 20: Community Health Concerns of Community Members

Figure 21: Community Health Concerns of Health Care Professionals
Financial viability of hospital

- Financial viability of the hospital is so important. The hospital is one of the heartbeats of the community.
- I am truly concerned about the solvency of our health care systems due to all the patients the hospital sees and their inability to pay. I want the legislative session to give us access to money to provide health care to our community.
- The two big issues now are 1) how to get a new hospital built—price tag is $58 million; and 2) how to partner—it’s critical to have some partnership with a bigger system.
- The hospital is experiencing the largest amount of bad debt in its history. People are being seen but not giving accurate contact information. The real challenge in the community is a new facility. How do you fund something like that? City sales tax may be a component if they put together a serious plan, but not if it’s just “the” solution—will need a larger provider partnership to make it happen.
- Financial viability of hospital is a big concern. A/R has skyrocketed.
- How do we deal with the viability issue? In the clinic, you have to pay a co-pay, or you if have no insurance, you pay upfront. What do we do in the hospital?
- It’s really important that people can feel comfortable going to any facility. People might feel more comfortable if there was an affiliation. It gives comfort to know that there’s more than what’s available here and that it’s seamless.

Strategic Planning

<table>
<thead>
<tr>
<th>Beginning</th>
<th>End</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need</td>
<td>Outcome</td>
</tr>
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</table>

1. Limited number of physicians

Future vision or goal—what change would you like to see?
Logic Model

➤ Useful for stating future goals.
➤ Encourages “thinking backwards.”
➤ Identifies measurable steps taken.
➤ Outlines responsibilities and actions needed.
➤ Demonstrates program’s progress.
➤ Efficient and transparent model to chart improvement and intended change.

Logic Model

<table>
<thead>
<tr>
<th>Need</th>
<th>Resources</th>
<th>Activities</th>
<th>Outputs</th>
<th>Outcomes</th>
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<tbody>
<tr>
<td></td>
<td>In order to accomplish our set of activities we will need the following:</td>
<td>In order to address our need we will accomplish the following activities:</td>
<td>Once accomplished we expect the following evidence of delivery:</td>
<td>We expect that if accomplished these activities will lead to the following changes in 1-3 years:</td>
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23
### Sample Logic Model

<table>
<thead>
<tr>
<th>Need</th>
<th>Resources</th>
<th>Activities</th>
<th>Outputs</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elevated rate of physical inactivity</td>
<td>• Donated fitness space</td>
<td>• Launch fitness program</td>
<td>• # of participants in class</td>
<td>• Change in attitude about fitness</td>
</tr>
<tr>
<td></td>
<td>• Instructor’s salary</td>
<td>• Secure space for classes</td>
<td>• # of flyers distributed</td>
<td>• Change in physical behavior</td>
</tr>
<tr>
<td></td>
<td>• Promotion materials</td>
<td>• Recruit fitness instructor</td>
<td>• # of calls/month seeking info about it</td>
<td>• Increased flexibility</td>
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<tr>
<td></td>
<td></td>
<td>• Design fitness flyer</td>
<td></td>
<td>• Decreased blood pressure</td>
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</table>

### Outcomes
(Desired results)

<table>
<thead>
<tr>
<th>Need</th>
<th>Resources</th>
<th>Activities</th>
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<th>Outcome</th>
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<tbody>
<tr>
<td>Limited number of physicians</td>
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<tr>
<td>Need</td>
<td>Resources</td>
<td>Activities</td>
<td>Outputs</td>
<td>Outcome</td>
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<th>Resources</th>
<th>Activities</th>
<th>Outputs</th>
<th>Outcome</th>
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</thead>
<tbody>
<tr>
<td>Traffic accidents/ elevated motor vehicle crash death rate</td>
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</table>
Activities
(needed to accomplish outcome)

<table>
<thead>
<tr>
<th>Need</th>
<th>Resources</th>
<th>Activities</th>
<th>Outputs</th>
<th>Outcome</th>
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<tr>
<td>Maintaining levels of emergency services</td>
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Activities
(needed to accomplish outcome)

<table>
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<th>Outputs</th>
<th>Outcome</th>
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</thead>
<tbody>
<tr>
<td>Financial viability of the hospital</td>
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</tbody>
</table>
Next Steps

• Select activities to implement.
• Form committees to meet again.
• Follow up:
  • Keep Center for Rural Health updated of progress.
  • Identify potential resources and grants.

Contact us for more information!

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