

# PETERSBURG MEDICAL CENTER

## STRATEGIC PLAN

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### FY2019 – FY2023

#### MISSION, VISION & VALUES

**Our mission:** Excellence in healthcare services and the promotion of wellness in our community

**Our values:** Professionalism • Dignity • Integrity • Teamwork • Quality

**Our vision:** Petersburg Medical Center will remain committed to excellence in healthcare and responsive to community needs by being the best place for patients to receive care, employees to work, and physicians to practice medicine.

# Contents

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Strategic Planning Fundamentals.....	3
PMC Organizational Chart.....	4
Strategic Planning Overview .....	5
Board Governance.....	5
Planning Process.....	5
About PMC.....	5
Our Organization’s History.....	5
Mission, Vision & Values .....	6
Strengths of PMC .....	6
Positive Strategic Planning Outcomes To-Date .....	6
Operating Environment.....	7
Trends Affecting PMC.....	7
Challenges in Clinical Services Delivery .....	8
Opportunities .....	8
Visions, Objectives, Priorities .....	9
Service Integration.....	9
Community Outreach, Education, & Communications.....	9
Recruitment, Retention, & Growth .....	10
Financial Security.....	10
PMC’s Aging Facility .....	10

# Strategic Planning Fundamentals

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## **Background**

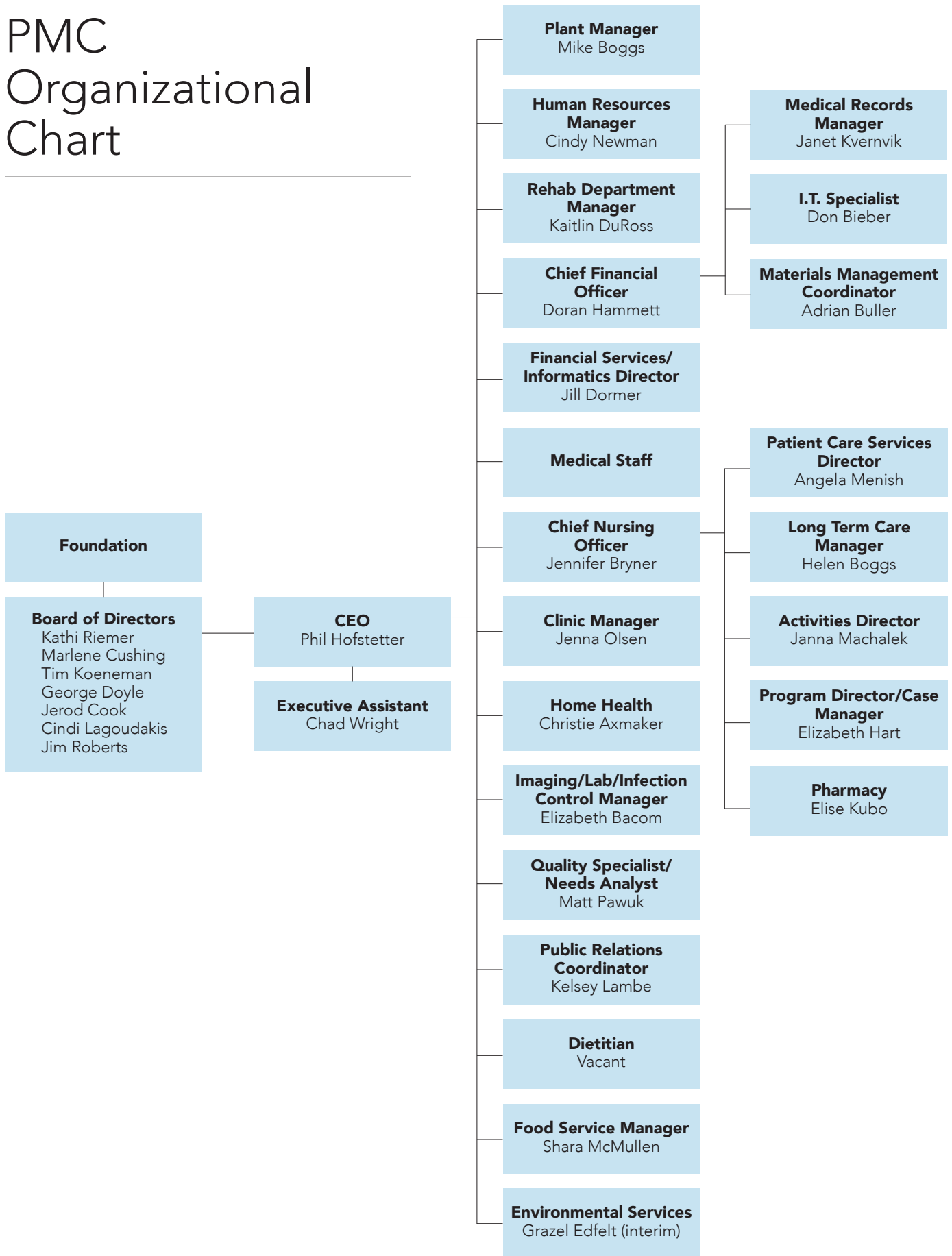
As a critical access hospital, we need to annually review the history, mission, and values of Petersburg Medical Center (PMC). A strategic planning session is the first step in setting goals and priorities for the following five years.

## **During the annual strategic planning process, the board will:**

1. Review the organizational chart, mission, vision, and governance.
2. Review current operations and discuss trends.
3. Discuss opportunities.
4. Set five goals and priorities for the organization, with action items.
5. Monitor progress on past goals and priorities and define steps to ensure continued progress.

# PMC Organizational Chart

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# Strategic Planning Overview

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## BOARD GOVERNANCE

The board will:

- Make significant and strategic decisions.
- Oversee the organization’s activity.
- Establish policy.

### Board Process for Change

*“Doing what has always been done will not yield new results.”*

The process of change draws upon all components of the organization. Perceptions, ideas, and behaviors must be adaptable? The people of PMC must have the capacity to modify their perceptions, ideas, and behaviors in order to facilitate change at an organizational level? Relationships, both within PMC and with the public, must have the flexibility to adapt to new needs as PMC evolves.

## PLANNING PROCESS

The strategic planning process is designed to build on and advance prior plans and strategies by following a set of steps. Each step of the process builds upon the prior step, providing a comprehensive approach that reflects various perspectives, timeframes, and options.

STRATEGIC PLANNING PROCESS	TIMEFRAME
<b>Review PMC History</b>	Past through present
<b>Assess Current Operational Services</b> Assess the operating services and current environment including positive outcomes from past work, strengths/advantages, trends, challenges, and opportunities.	Present: 2018
<b>Vision, Goals, &amp; Objectives (our future)</b> Refine organization goals and strategic projects	Future: 2019
<b>Priorities</b> Determine the top priorities for guiding action over the next five years, as well as a roadmap with action items for each priority.	Annually: 2019-2023

## About PMC

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### OUR ORGANIZATION’S HISTORY

**1917:** The Petersburg Hospital Association buys a three-story wooden home on Second Street and converts it into a medical facility.

**1922:** The City of Petersburg buys the hospital. It has been owned and operated by the city/borough ever since.

## History of Petersburg Medical Center: 1917, 1953, 1983



**1945:** Alaska House Bill 54 is passed, authorizing \$27,500 for construction of a new hospital building in Petersburg. Matching bonds are garnered by special election three months later.

**1952:** Two more lots are purchased, and hospital construction begins.

**1955:** The hospital is finished using funds from the Alaska Territory.

**1969:** The long-term care wing with 12 beds is added.

**1984:** The acute care and outpatient services building is finished.

**1994:** The clinic addition is built, completing the current configuration of PMC.

**2011:** The Joy Jansen Clinic is remodeled to provide a larger waiting area and more exam rooms. (more about PMC)

## MISSION, VISION & VALUES

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### Caring for Our Organization:

- Develop ladder opportunities for hiring locals maximize our work pool and ensure continued staffing.
- Sustain and maximize healthcare resources for strengthening Petersburg Medical Center to deliver services now and in the future.
- Improve communications with employees, patients, and the community for improved satisfaction and promotion of services.
- Use resources leveraged with partners to expand our value to the community and strengthen delivery of services.



## STRENGTHS OF PMC

People are our most valuable resource. Our employees are strongly committed to staff, organization, and patient care. PMC's strengths include:

6. High quality of care
7. Financially healthy and independent
8. Our top-notch home health program is in high demand.
9. PMC's Rehab Therapies Department offers speech language pathology, occupational therapy, & physical therapy.
10. We have an assisted living facility in the community.

## POSITIVE STRATEGIC PLANNING OUTCOMES TO-DATE

- Retention of employees - lower turn-over rate
- Growing our own initiative – employees and management
- Working together to provide and improve health care for our patients
- Stability and financial strength to maintain service lines

# Operating Environment

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In strategic planning it is important to assess the operating environment in order to determine our current condition and define the factors that affect us.

Four areas were reviewed:

- Positive strategic planning outcomes to date
- Trends affecting the organization
- Challenges in service delivery
- Opportunities in ongoing and future strategies

## TRENDS AFFECTING PMC

**Positive Trends:** What are the trends noted by the governing board that have a positive contribution to PMC?

1. **LTC:** Our long-term care (LTC) facility provides increased opportunity for growth in an aging community.
2. **Growing Our Own:** PMC's increased growth of local hires through certificate programs and training affiliation with University of Alaska (e.g. CNA and RN programs) creates job prospects for our community members.
3. **Initiatives:** Through collaboration with various community organizations, we have been able to promote initiatives with PMC.
4. **Demographics:** The aging trend in our community will increase demand for services at PMC; this can provide opportunities for growth across many departments (e.g. LTC, home health, therapies, etc.)
5. **Mountain View Manor:** Increased demand for independent living and assisted living facilities creates opportunities for PMC to collaborate on providing health services.
6. **Continuing Education:** The education system in place at PMC is excellent at providing improved retention and boosts our ability to recruit from outside of Petersburg.

**Negative Trends:** What are the trends noted by the governing board that have a negative contribution to PMC?

1. **APMs:** The decrease in 3rd party fee for service reimbursement models and the risk of alternative payment models (APMs) coming to Alaska may negatively impact the facility financially.
2. **Benefits:** The recent trend of high deductibles and overall higher costs of insurance, combined with competitive organizations offering increased benefits across the state, makes it hard to recruit and retain employees.
3. **Cost of Living:** Rural Alaska has increasingly high costs of living and salaries are not increasing to offset the trend.
4. **Specialties:** PMC's ability to provide specialized services is decreasing as independent specialists retire, the demand for specialty services elsewhere increases, and it becomes cost prohibitive to provide these services at PMC.
5. **Access:** Getting healthcare is becoming more difficult due to higher demand for health services concurrent with a decrease in physician

- staffing.
6. **New Rules:** The increased regulation of health care makes it costlier for organizations to stay in compliance.
  7. **Mental Health:** There is a decrease in mental health professionals at a time when they are greatly needed in combatting the opioid abuse epidemic.

## CHALLENGES IN CLINICAL SERVICES DELIVERY

### Internal Challenges

1. **Physician Recruitment:** Our salary is not competitive with other organizations in Alaska and there is significant demand for physicians nationwide.
2. **Pharmacy Trends:** Our community pharmacy cannot offer competitive pricing due to the inability to receive specialized products that are covered by commercial insurance and Medicare/Medicaid.
3. **Insufficient Ancillary Services:** There is an increased demand for dental, eyecare, and audiology services in both the pediatric and aging population.
4. **Salaries and Benefits:** Other organizations in Alaska outcompete PMC.
5. **Workforce:** Petersburg has limited staffing due to a smaller work pool, our geographic isolation, and difficulties with retaining staff.

### External Challenges

1. **Wrangell:** With our neighbors building a new facility, Wrangell could offer a better place to work for those living in Southeast Alaska. Their new long-term care facility may be preferable to PMC's since it will be more up-to-date.
2. **Expensive:** The cost of healthcare is increasing nationwide.
3. **Pediatrics:** PMC doesn't offer pediatric services.
4. **Specialties:** PMC doesn't offer many specialty services (e.g. allergy, surgery, etc.).
5. **Housing:** Local housing shortages make it hard to recruit staff and difficult to place short-term workers—and the cost of housing is only expected to increase.
6. **Seasonal Economy:** As a fishing community, Petersburg is prone to seasonal variations in population. The recent shutdown of one local cannery is an example of the impacts changing markets and biomass have on our community.
7. **Childcare:** A lack of daycare availability and the high cost of existing options cause difficulties for staff; this is one of the primary retaining and recruiting challenges faced by healthcare organizations.

## OPPORTUNITIES

### Top Opportunities: Ongoing and Future

1. Patient Centered Medical Home (PCMH) – integrated care and case management model that includes prevention, population health, and community integration.



2. Expansion of technology and telehealth to deliver healthcare services locally and to a wider population network.
3. Grant opportunities to support integrated and technology services.
4. Develop premiere long-term care facility with more beds.
5. Potential ability to add an MRI service-line.
6. Potential to build out ancillary services (eyecare, dental, audiology).
7. Our current facility is aging and past its' life expectancy. A new facility is an opportunity to incorporate additional services and design a medical center that meets Petersburg's needs.

## Visions, Objectives, Priorities

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### Strategic Plan Priorities

1. New facility: planning, designing, and building
2. Integrating care through a patient centered medical home (PMCH)
3. Recruitment, retention, and growth of staff
4. Community outreach, education, and communication
5. Improve financial strength

Objectives and vision to operationalize the priorities.

### SERVICE INTEGRATION

What is the patient centered medical home (PCMH)? What is integration of services?

PCMH is a model of care that makes primary care more organized. It is not a place but a model that includes comprehensive services, is relationship based (patients, families), coordinates care, increases access, and improves the safety of patients.

Efforts to integrate wellness services at the time of a primary care visit include:

- Developing care teams for patients.
- Integrating mental health into direct primary care.
- Establishing case managers to manage care, referrals, and communication with patients.
- Making electronic health records accessible.
- Incorporating telehealth to access specialty services or to provide remote access to our existing health system.
- Improving accessibility of chronic care registries
- Increasing preventative healthcare visits with mammography, tobacco prevention, and colonoscopies.
- Increasing prevention by outreach.
- Increasing physician and possibly mid-level staffing.
- Expanding clinic hours to facilitate access to primary care.

### COMMUNITY OUTREACH, EDUCATION, & COMMUNICATIONS

The healthcare system is a foundation of the community. Providing services from birth to death in a small town keeps people at home and improves the

quality of care. Promoting overall wellness is the future of healthcare, not just treating illnesses that come through the door. PMC provides an opportunity to grow the local economy and increase quality of care as a result. The healthcare facility can provide connections to education, nutrition, wellness, activity, and behavioral health. PMC can foster community wellness and education through:

- Educational opportunities in the school systems.
- Entry level positions to the community with certificate programs.
- Community education classes.
- Integrating a wellness program to become healthy community
- Addressing health issues in the community, like substance abuse.

## RECRUITMENT, RETENTION, & GROWTH

Petersburg Medical Center provides quality healthcare by establishing a strong physician/provider presence in addition to continued excellence in nursing, supportive amenities, and allied services.

PMC supports employees by providing access to:

- Leadership programs for managers.
- Entry level certificate programs in collaboration with university education systems.
- Certified Nursing Assistant (CNA) and Registered Nurse (RN) programs through the University of Alaska Anchorage.
- Increased opportunities for hiring staff and local hires job availability (growth) in the community and the region.

## FINANCIAL SECURITY

PMC maintains financial security by:

- Obtaining the federal designations that allow for more funding opportunities, like the Health Professional Shortage Area (HPSA) and Medically Underserved Area (MUA)/Medically Underserved Population (MUP) designations.
- Investments
- Housing- investments, housing for staff (locums); housing for short patient stay.
- Service line growth, including:
  - » Surgery & procedures
  - » PCMH – integrated care model focused on prevention and outreach.
  - » Ancillary service line expansion (e.g. audiology, optometry, etc.)
  - » Magnetic Resonance Imaging (MRI)
- Supporting fundraising efforts by the PMC Foundation for education
- New grant opportunities from the Health Resources & Services Administration (HRSA), United States Department of Agriculture (USDA), and more.

## PMC'S AGING FACILITY

**The following are action items to address the current, aging facility:**

- Workgroup with Borough:

- » Rebuild a strong relationship between the hospital and the Borough.
- » Establish partnership opportunities with other borough and/or community organizations.
- Community needs and healthcare forum to begin conversations with the community.
  - » Work on developing a community café series to provide and obtain feedback on healthcare initiatives, including the aging facility.
- Master planning of new facility:
  - » The location selected for the new facility depends on the following factors:
    - Financial security/capital funding.
    - The effect of hospital location on the community.
    - Expansion of services on campus: parking; office space; storage; and increased future space needs for services, regulatory changes, or growth
    - Tsunami line: Do we need to evacuate to the 100-foot/mile-back line?
    - What happens to the existing PMC structure if it is vacated?
  - » Decisions to consider following site selection:
    - Capital funding to replace or renovate.
    - Site preparation: secure site location to assure lot size and get “shovel ready.”
    - Secure the project engineering firm.
    - Create a design with the architect using existing staffing models.
    - Certificate of Need once the project is determined to move forward.

**OPTION 1: Stay in downtown location**

- Do site planning to decide what kind of structure can be built and how much space we need.
  - » Could additional plots be purchased or donated to enlarge the building?
- Mimic the 1983 construction concept where part of the facility was renovated, part of the facility was demolished, and part of the facility was built brand new. The cost of adding new segments/services is based on the projected occupancy. Some support departments are cost-based (e.g. LTC, acute care, & emergency room [ER]). It is possible to build these as a new structure, demolish, or renovate the B (business) occupancy for medical offices.
- New structure: LTC, acute care, ER, Imaging, Lab
- New service lines: expanding procedures, low risk outpatient surgery, MRI
- Can we provide space to support or expand local medical business?
 

For instance:

  - » Dental
  - » Optometry
  - » Pharmacy

» Mental health

**OPTION 2: Relocate up the hill near the airport (outside the tsunami zone) and build a new facility with unlimited space for growth.**

- There is a higher potential cost to develop a site that does not have existing infrastructure (think muskeg site prep).
- We must consider the cost of repurposing the old structure and the risk of decreasing property value and traffic flow into downtown. This may impact local businesses and housing markets.
- It's important to evaluate in the master planning what occurs when the traffic and workforce of 100+ employees flow away from downtown.
  - » How will this impact traffic at the intersection of Haugen and Main Street?