Coordinating Strategic Planning System-Wide

St. David's HealthCare

Robyn Eckermann
Vice President, Strategic Planning
Session Agenda

- Overview Presentation
- Moderated Panel
- Q&A
Strategic Planning Process

**JAN-APR**
1. Gather & Assess Stakeholder Feedback; Survey as Appropriate

**MAY-AUG**
2. Conduct Gov. Retreat
3. Complete Env. Assessment
4. System-Level Planning Retreat
5. Eval. New Strat. Opportunities
6. Approve and Deploy SWAP

**SEPT-OCT**
7. Refresh Hospital and Support Service Plans based on SWAP
8. Prioritize & Submit Budget Plans

**NOV-DEC**
9. Consolidate and Gain Approval of Budget and Supporting Plan
10. Modify SWAP, as Necessary

**EXECUTE & MODIFY CURRENT YEAR PLAN**

Establish Direction

Establish Expectations

Ensure Facility Execution

Ensure Sys Execution & Alignment
Voice of Customer

**INPUTS:**
- Patients
- Physicians
- Employees
- Community
- Payors

**OUTPUTS:**
- Stakeholder requirements
- Market intelligence
- Outside perspective

1. Gather & Assess Stakeholder Feedback; Survey as Appropriate

**EXECUTE & MODIFY CURRENT**

**Establish Direction**
System-Wide Strategy Development

INPUTS:
- SWOT analyses
- Comprehensive environmental assessment
- Current challenges and strategies
- Voice of customer
- Expert insight
- Recommended dashboard measures

OUTPUTS:
- System-wide SWOT
- Performance dashboard
- Core competencies
- Strategic challenges and advantages
- Draft System-Wide Action Plan (SWAP)
- New strategic opportunities

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St. David's Healthcare
Malcolm Baldrige
National Quality Award
2014 Award Recipient
System-Wide Strategic Alignment

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System-Wide Strategic Alignment

MVVG
- Mission, Vision, Values and Goals
- System-Wide Performance Dashboard
- System-Wide Action Plan
- Entity-Specific Strategic Action Plans
- Facility & Departmental Performance Dashboards

7. Refresh Hospital and Support Service Plans based on SWAP
8. Prioritize & Submit Budget Plans
"Stories give color to black and white information"

— Todd Stocker, Author
Final Budgeting and Approval

9. Consolidate and Gain Approval of Budget and Supporting Plan
10. Modify SWAP, as Necessary
Strategic Implementation

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- Establish Expectations
- Ensure Sys. Execution & Alignment
- Ensure Facility Execution

**9.** Consolidate and Gain Approval of Budget and Supporting Plan
**10.** Modify SWAP, as Necessary

**St. David’s HealthCare**

Malcolm Baldrige National Quality Award 2014 Award Recipient
Organizational Agility and Operational Flexibility

- Review and modify plans regularly
- Incorporate continuous stakeholder input

Strategic plans are living, breathing documents

Key Improvements:

- Dedicated planning resource
- Quarterly plan reviews
- Formal review of new system-wide opportunities
- Integration into CEO Council agenda
Panel Discussion

- **David Huffstutler**
  President and CEO

- **Cindy Sexton**
  Chief Financial Officer

- **John Rebok**
  Vice President, Physician Operations

- **Esther Chung**
  Associate Chief Operating Officer
  St. David's Medical Center
Innovation

- Establish bold performance targets
- Prioritize programs and services where cutting-edge innovation is necessary to be the finest care and service organization in the world
- Ensure adequate resources to drive and promote innovation
- Support communities of sharing
- Formalize process through Innovation Council
- Celebrate innovative ideas
### Performance Targets

<table>
<thead>
<tr>
<th>Goals</th>
<th>Performance Measures</th>
<th>Current Status</th>
<th>Performance Targets</th>
<th>Benchmark</th>
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<td>2015</td>
<td>2016</td>
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<td>ED: Overall Satisfaction</td>
<td>67%</td>
<td>70%</td>
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<td>MD Office: Would Recommend</td>
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<td>Financial Strength</td>
<td>Employees: Employee Engagement</td>
<td>79%</td>
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<td>Voluntary Turnover Rate</td>
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<td>12%</td>
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<td>Physicians: Place to Practice Medicine</td>
<td>56.1%</td>
<td>59%</td>
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<td>Tier 1 Market Share</td>
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<td>49%</td>
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<td>EBITDA (excl. Waiver and HITECH)</td>
<td>105%</td>
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</table>
Organizational Profile

Strategic Challenges

- Patient expectations for service and quality
- Physician investment opportunities
- Changing reimbursement environment
- New and maturing competition (including FSEDs/UCCs)
Organizational Profile

Strategic Advantages

- Organizational culture
- Clinical expertise
- Physician collaboration/engagement
- Operating discipline
- Mgmt services & cost control systems provided by HCA
- Community benefit provided by partnership with SDF and HCA
Organizational Profile

Core Competencies

- Providing clinical expertise
- Ensuring a culture of excellence
- Collaborating with physicians
- Strong operating discipline
Exceptional Care

Risk-Adjusted Mortality Index

- Among nation’s top 5% of hospitals
- Nearly 3,000 mortalities prevented since 2006
Customer Loyalty

Patient Satisfaction Trends: HCAHPS Composite Score

- #1 market in HCA
- #1 system in Austin
- Actively evaluating & modifying plans to achieve top decile goal

![Graph showing patient satisfaction trends from 2006 to 2014.](chart.png)

- 2006: 66.7%
- 2008: 76%
- 2014: 76.1%
- US Top 10%
Customer Loyalty

Physician Satisfaction: % Physicians Very Satisfied

- 98% of physicians “would recommend”
- Top 10% nationally in 6 out of 8 key drivers of physician satisfaction for the past 3 years

Place to Practice Medicine: Top Box Positive (Excellent)

2014 impacted by CPOE implementation
Customer Loyalty

Employee Engagement: % Employees Engaged

- Top performing employee engagement for 6 years
- Recognized by Austin American-Statesman as “Top Workplace”: 4 consecutive years
Financial Strength

Volume Growth

**Admissions**
- SDH CAGR = 2.4%
- Mkt CAGR = 2.1%

**Births**
- SDH CAGR = 2.4%
- Mkt CAGR = 2.1%

**Surgeries**
- SDH CAGR = 2.3%
- Mkt CAGR = 1.9%

**Emergency Visits**
- SDH CAGR = 4.1%
- Mkt CAGR = 3.7%

- 55,905 in 2006 to 67,815 in 2014
- 12,586 in 2006 to 15,544 in 2014
- 66,968 in 2006 to 80,043 in 2014
- 224,199 in 2006 to 310,328 in 2014

*8-yr. CAGR*
Financial Strength

Market Share: % Inpatient Admits

SDH is increasing market share lead despite 45% increase in competitor capacity since 2008