Strategic Plan Development Update

February 3, 2005

Donna Katen-Bahensky
Director and Chief Executive Officer
Board of Regents
Strategic Plan Update
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Director and Chief Executive Officer

1. Introduction
2. Environmental Assessment
   – Interview Summary
   – Data Analysis Summary
3. Mission and Vision
4. Strategy Teams
5. Next Steps
Introduction
UIHC Planning Process

Where are we?
- Interviews
- Data Analysis
- Issue Identification

Where do we want to be?
- Mission
- Vision
- Culture Statement
- Goals

How will we get there?
- Strategy Development
- Plan Wrap-up
  - Implementation Plan
  - Financial Implications
Environmental Assessment Summary
Environmental Assessment
Summary - Interviews

Interview Process

Groups Interviewed

- Internal Interviews
- Board/Community Interviews
- Staff/Faculty Focus Groups
Internal Interview Summary
“What should be the top priority addressed in this plan?”

1. **CULTURE**
   - Create a service-focused culture; pay close attention to customer service
   - Emphasize partnership and interdisciplinary approach to care
   - Make this a good and easy place to work
   - Develop an environment that is supportive of innovation

2. **PATIENT FOCUS**
   - Make the patient experience better and more attractive
   - Develop a patient safety process
   - Enhance ease of patient access

*Top interview comments based on approximately 41 individual interviews*
Internal Interview Summary
“What should be the top priority addressed in this plan?”

3. FACULTY AND STAFF

- Recruit/retain top quality faculty
- Ensure that all faculty (including research faculty) receive hospital communications so they understand direction and decisions
- Maintain best possible UIHC staff

4. CLINICAL SERVICE LINES

- Identify primary services lines and secure/enhance their strength
- Utilize a business-like approach to support growth strategy for institution
- Evaluate balance between secondary and tertiary/quaternary services

Top interview comments based on approximately 41 individual interviews
5. OPERATIONS
- Continue focus on efficiency and revenue opportunities
- Invest in information systems
- Focus on quality and outcomes
- Continue facilities planning – make sure facilities support our services
- Keep technology current
- Evaluate clinics’ organization & structure

6. FINANCIAL
- Maintain financial stability by continued focus billing/collections system
- Maintain financial stability through revenue enhancement and operational efficiencies efforts
- Refine capital prioritization process
- Be financially accountable for clinical financial performance

Top interview comments based on approximately 41 individual interviews.
Internal Interview Summary
“What should be the top priority addressed in this plan?”

7. LEADERSHIP AND VISION

- Continue to communicate the vision at the CEO/Dean level to improve staff morale, motivation and establish culture
- Continue to review relationship between the hospital and COM – success of one is linked to the other
- Communicate the business we’re in – mission, vision and goals – and communicate where we’re going in an ongoing manner

Top interview comments based on approximately 41 interviews

H&C 3
Page 10
Board/Community Interview Summary
“What should be the top priority addressed in this plan?”

1. COMMUNITY RELATIONSHIPS
   - Enhance UIHC’s role in economic development
   - Develop true partnerships with hospitals, physicians, and employers
   - Become more politically involved
   - Be more available to local communities – key individuals need to be more visible; UIHC CEO currently very visible and seen as relationship-builder

2. USER- FRIENDLY
   - Make UIHC easy for people to use
   - Increase communication
   - Patient ombudsperson
3. **MARKET**
   - Tell UIHC story (research, indigent care, etc.)
   - Educate community on services provided
   - Develop “Mayo-like” identity/brand

4. **OPERATIONS**
   - Quality focus is essential
   - Eliminate duplication of services
   - Evaluate outsourcing options
   - Enhance use of information systems
   - Look at labor market
Environmental Analysis Summary

Environmental Assessment
Data Elements Reviewed

External Analysis
- Demographics
- National Healthcare Factors/Trends
- Competitor Analysis
- AMC Specific Issues
- Other

Internal Analysis
- Interview Summary
- Utilization Data
- Financial Analysis
- Market Share
- Satisfaction Data
- Physician Data
- Other
Environmental Assessment Summary
Conclusions and Implications

Local Conclusions

• Aging population will impact clinical services
• Growth in technology and organizational changes will continue to occur
• Consumers have easy access to healthcare information and are beginning to hold providers accountable
• AMC’s expenses are rising and margins eroding
• Physician and nurse shortages are projected to continue
• Growth in the uninsured and underinsured population will continue
• AMC competitors are positioning for their survival as well
• Longer-term, prepare for the genomic revolution

Local Implications

• Expect shift from acute care to chronic care disease management
• Embracing innovation and the ability to change quickly will be essential
• Quality and other measures will be utilized by consumers in making choices for care
• Unique revenue strategies and cost cutting efforts will need to be explored
• Physician and nurse recruitment will be difficult/costly and retention will be essential
• Healthcare delivery will continue to be impacted by the uninsured population
• Competitive efforts by other AMC’s through outreach and marketing strategies will impact UIHC
• No effect likely in next 5 years; longer-term???
Local Conclusions

• Payment pressure from Medicare, Medicaid and private health plans will continue

• Consumerism is growing in Iowa, but at a slower pace than nationally

• Local competitors will continue to climb the specialty ladder by recruiting sub-specialty physicians

• Marketshare is strong but local competitive pressures will continue

• Service and access are very important

Local Implications

• Successful ongoing cost reduction and revenue enhancement will be needed

• It is important to recognize consumer need and meet that need

• UIHC will need to continue to differentiate clinical services, solidify and nurture referring physicians, etc.

• Creating a strong brand and value to our “customers” will be important

• Improve service levels and access
Mission and Vision
Mission/Vision

**Mission Statement**

What is our organization’s purpose?
(Enduring, for internal and external audiences)

**Vision Statement**

What does our organization aspire to be in 5-10 years?
(Motivator, short description, primarily for internal audiences)
UIHC Mission Statement

- The University of Iowa Hospitals and Clinics, in compliance with the Code of Iowa, serves as the teaching hospital and comprehensive health care center for the State of Iowa, thereby promoting the health of Iowans regardless of their ability to pay. The University of Iowa Hospitals and Clinics, in concert with the University of Iowa health science colleges, functions in support of health care professionals and organizations in Iowa and other states by:

1. Offering a broad spectrum of clinical services to all patients cared for within the Center and through its outreach programs;

2. Serving as the primary teaching hospital for the University; and,

3. Providing a base for innovative research to improve health care.
Proposed Vision
University of Iowa Hospitals and Clinics

- We will be the hospital that people choose for innovative care, excellent service and exceptional outcomes. We will be an internationally recognized academic medical center in partnership with the Carver College of Medicine.
Charge to UIHC Strategy Teams

- Recommend a goal(s) for 2010 which represents the desired state of achievement for UIHC relative to the vision element your team is responsible for
- Recommend the major initiatives which will need to occur over the next 5 years to achieve the goal(s) and the relative priorities among the initiatives

Each strategy team will:
- Define/describe the vision element
- Gain a clearer understanding of all related issues
- Develop goal(s) that support the vision
- Identify how to address the issue via major initiatives
- Develop recommendations and rationale
## Strategy Team Membership

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<thead>
<tr>
<th>Innovative Care</th>
<th>Excellent Service</th>
<th>Exceptional Outcomes</th>
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<tbody>
<tr>
<td>Dr. Paul Rothman, co-chair</td>
<td>Dr. Eric Dickson, co-chair</td>
<td>Dr. John Buatti, co-chair</td>
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<tr>
<td>Anthony DeFurio, co-chair</td>
<td>Ann Madden Rice, co-chair</td>
<td>Linda Everett, co-chair</td>
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<tr>
<td>Paul Abramowitz</td>
<td>Mary Ameche</td>
<td>Lee Carmen</td>
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<td>Linda Chase</td>
<td>Randall Atchinson</td>
<td>Shane Cerone</td>
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<td>Dr. John Fieselmann</td>
<td>Kimberly Chamberlin</td>
<td>Cindy Doyle</td>
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<td>Dr. Mark Iannettoni</td>
<td>Tim Gaillard</td>
<td>Dr. Dan Fick</td>
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<tr>
<td>Deann Montchal</td>
<td>Dr. Laurie Fajardo</td>
<td>Dr. Bruce Gantz</td>
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<tr>
<td>Jackie Nelson</td>
<td>William Hesson</td>
<td>Dr. Charles Helms</td>
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<td>John Staley</td>
<td>Beth Houlahan</td>
<td>Jessica McAllister</td>
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<td>Kristy Walker</td>
<td>Christopher Klitgaard</td>
<td>Chris Miller</td>
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<td>Dr. Barbara Muller</td>
<td>Mark Moser</td>
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<td>Christine Scheetz</td>
<td>Marita Titler</td>
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Next Steps
Next Steps

• Strategy Teams to complete work
• Final strategies to be reviewed by Strategy Task Force and SELC
• Plan wrap-up
  – Develop implementation plan
  – Develop financial implications
• Plan execution and monitoring