Emanuel Medical Center Strategic 5 Year Plan  
(Ersatz Strategic Plan Exercise)

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Mission Statement

One of the first mottos attributed to Emmanuel Medical Center’s early founders was actually its first mission statement. It was, “Christian service institution.” In the year 2002 it was updated and codified into its current mission statement which is to, “create a healthier community.”

Vision Statement

EMC’s vision is to be “a caring community, caring for our community.”

Values

EMC’s values are:

-the affirmation of life

-the pursuit of justice in the treatment of all individuals

-stewardship of the lives entrusted to it

-integrity in all of their actions

-collaboration with individuals and the community to achieve their shared goals

-excellence in a commitment to exceed all expectations for their institution
Emanuel Medical Center Description

Overview

Emanuel Medical Center (EMC) is an organization in Turlock California that is comprised of at 150 bed hospital, 145 bed skilled nursing facility, and a 49 bed assisted living facility. EMC was established in 1917 to, “serve the medical needs of all people in the local area, regardless of social, ethnic, or religious background.” EMC was originally set up by two pastors of the Swedish Mission Church and the Board of Benevolence of the Evangelical Covenant Church. EMC dedicates itself to improving performance metrics for all hospital functions, providing the best customer service and constantly improving patient satisfaction.

EMC Services

EMC is comprised of three distinct units of operation. The primary unit is the 150 bed acute care hospital called Emanuel Medical Center. The hospital offers acute inpatient services including, surgical services, general medical services, monitored care and intensive care. The emergency department handles over 45,000 visits a year and accounts for half of the patients admitted to the hospital. There is also a full complement of outpatient services available at the hospital including outpatient surgery, a clinical laboratory, and a radiology department. The main facility is a little older and it has semi-private rooms designed for two patients. The main facility is also known for excellence in primary care. Because the hospital is regularly occupied at a 50 percent rate, patients often get one of these rooms to themselves. On the same campus there is also a separate facility for diagnostics and rehabilitation. This separate facility gives
patients the ability of have occupational and speech therapy, and routine radiology exams, including mammograms.

The second unit of EMC is Brandel Manor. This is a 145 bed skilled nursing facility. Brandel Manor provides physical therapy and nursing services to patients 24 hrs a day following surgery or for a prolonged illness. This facility is for patients who can no longer safely live at home and require care because of mental impairment or loss of mobility. Brandel Manor is regularly at 90 percent occupancy.

The third unit of EMC is Cypress of Emanuel. It is a 49 bed assisted living facility. This is an apartment like environment. It is for patients/residents who are fully mobile but prefer communal aspects of their environment. Some of the benefits are a group dining experience along with social interactions. There is also medication oversight and administration. Cypress of Emanuel is usually 100 percent occupied with a waiting list.

**EMC Community Data**

EMC’s customer base is growing older, becoming more diverse and getting more numerous. The population in the primary service area increased 19 percent in the last four years, from approximately 169 thousand to approximately 200 thousand. The baby boom demographic makes up the fastest growing sector and they (we) are rapidly aging. Three years ago 40.1 percent of hospital patients were 65 years or older, the age cohort 15 to 44 made up 33.2 percent and 14 years and younger made up 10.2 percent. Hispanic patients are the fastest growing segment of emergency department admission for EMC.
EMC Strategic Development Process

Ordinarily the strategic plan session would be a process that was contributed to by many individuals and groups; groups like the board, key executives, important managers, vital supervisors, labor representatives and constituents in the supporting community. In this specific strategic planning process I alone acting as ersatz CEO am doing all aspects of developing the strategic plan.

EMC Strategic Plan Overview

1. Financial Strategy of Getting More Donated Moneys
   - Goal: Increase not-for-profit donations.
   - Goal: Increase governmental revenue from local, state and federal sources.

2. Penetration Strategy of Enlarging Our Market and Obtaining Better Saturation
   - Goal: Increase market share of assisted living housing.
   - Goal: Increase market share of skilled nursing facility.
   - Goal: Increase market share of primary care.

3. Product Development Strategy of Creating More Specialty Hospital Units
   - Goal: Create world class oncology unit.
   - Goal: Create world class cardiac unit.
   - Goal: Create world class cutting edge telemedicine unit.

4. Enhancement Strategy of Emergency Department
   - Goal: Increase size of emergency department to handle capacity.
   - Goal: Increase patient satisfaction of emergency department.

5. Alliance Strategy With Local Businesses and Government Agencies
   - Goal: Create and run wellness programs at local businesses.
   - Goal: Create and run wellness programs at local government agencies.
EMC Strategies and Goals

1. Financial Strategy of Getting More Donated Moneys

Goal: Increase not-for-profit donations.

- EMC is owned and operated by the Evangelical Covenant Church. This is a religious community that is made up of 800 congregations throughout the United States and Canada. Because Canadians are already blessed with single payer universal health care and we here in the United States are not, the Evangelical Covenant Church members up in the great white north should be willing to tithe a small percentage of their income to help the less fortunate. This Christian tithing would be strictly for those of God’s children who show up for treatment at EMC emergency department but cannot pay for basic care, the basic care that all of God’s children deserve but Americans are not willing to provide.

- Since EMC is an Evangelical Christian organization, EMC will embark on a massive outreach program to every Christian (especially the most right wing) community in North America. This campaign will emphasize the need to “keep our God Fearing, God Blessed, American, government out of healthcare!” This campaign will also quote freely from the bible, using every single instance and utterance from Jesus Christ championing the Christian compulsory virtue of charity. “Jesus helped the sick and dying, and to be a good Christian, you must too!”

Goal: Increase revenue from local, state and federal sources.

- Because EMC has the only Emergency Department in Turlock, its expansion and continued availability is vitally important to every person who lives there. There are hundreds of examples of ED’s closing in rural and semi-rural communities. This greatly increases ambulance
time and probability of death. So EMC will embark on a local campaign to get a city sales tax increase passed so that it will be able to finance the continuation of its emergency department. So that the people of Turlock California will not have to travel all the way to Modesto or Merced to receive life saving care. Because if this city sales tax fails, people in Turlock may die!

-California state government is so completely broke, this will be considered an avenue of funding during the next strategic planning meeting. It will be continually brought up at every single strategic planning meeting until the state of California can be considered a credible source of funding. But this will undoubtedly be a while.

-Presidential elections are in the fall of this year. If the democrats prevail there will be hope for federal funding. EMC will then present our astonishingly comprehensive, logical, valuable, and persuasive strategic plan to federal officials. This will guarantee a massive federal funding for our socially imperative health care work. If the republicans prevail then even more effort will be spent appealing to “good” Christians. (see above)

2. Penetration Strategy of Enlarging Our Market and Obtaining Better Saturation

Goal: Increase market share of assisted living housing.

- Currently Cypress of Emanuel, EMC’s assisted living facility, has an occupancy rate of 100% with a waiting list. This proves that the business model is successful. According to the American Hospital Association, when using federal census data, the number of Americans over the age of 65 will almost double by 2030, from 2000 numbers. This proves that demand will exponentially increase, not only for assisted living accommodations, but for all health care in general. So with our successful model and exponential increase in demand, EMC will double its
assisted living capacity over the 5 year scope of this strategic plan. This will allow EMC to take advantage of economies of scale in the build out and also give us some room to grow afterwards. We will add to Cypress of Emanuel’s current building an additional 51 units for a total of 100 units. Because the population should increase by 25% in this five year period, we will be able to accommodate another 25% expansion over a ten year period. EMC will increase the number of units by adding on to the current Cypress of Emanuel building and also building more units on the un-used land on that same campus. The additions to Cypress of Emanuel will not only increase occupancy, but they will also increase the sense of community by designing highly desirable shared spaces for the residents such as a larger atrium. Profitability will also be increased by the addition of a gift shop and café. EMC will continually reassess capacity for its assisted living facilities and plan build-outs as deemed necessary.

**Goal: Increase market share of skilled nursing facility.**

- Over the As mentioned above, according to the American Hospital Association, when using federal census data, the number of Americans over the age of 65 will almost double by 2030, from 2000 numbers. This not only will increase demand for EMC’s successful assisted living facility Cypress of Emanuel, it will also increase demand for the equally successful skilled nursing facility Brandel Manor, which is usually at 90% occupancy. Again, 90% occupancy proves that the business model is successful. Again, with our successful model and exponential increase in demand, EMC will increase by one third its skilled nursing facility capacity over the scope of this strategic plan. EMC will add an additional 55 beds, for a total of 200, to Brandel Manor. EMC will use the open space right beside Brandel Manor to seamlessly add onto its current building. Profitability will also be increased by the addition of a gift shop and café.
Goal: Increase market share of primary care.

- EMC is already known for its eminence in primary care, increased market share in our area will be accomplished by a saturation of local media. This will include radio, bill boards and a targeted web presence. This increased market share of primary care will in turn disseminate patients to all the units of EMC and increase market share to those other units of EMC.

3. Product Development Strategy of Creating More Specialty Hospital Units

Goal: Create world class oncology unit.

- One of the things that our market research has told us is that patients are leaving our primary service area and going to Stockton or Sacramento for oncology care. This is a 45 or 90 mile trip respectively, which translates into a 1 or 1 ½ hour trip under the best of circumstances. EMC can take advantage of a huge opportunity when it creates its own oncology unit. If EMC hires one world class doctor and several assistants it can capture this lucrative and much needed segment of our service area. And once this world class doctor has set up our oncology department it will be a magnet for other respected physicians. This will synergistically build upon its self and continue to expand. When we start this world class oncology unit here at EMC we will eventually be the destination for cancer patients throughout the entire San Joaquin Valley and beyond.

- Our same market research has told us that other patients are traveling to those same destinations for expert cardiac care. EMC has the same opportunity to serve those patients if we create a world class cardiac unit. Again, if we can hire one world class cardiac physician and
assistants, he/she can set up a cardiovascular department to rival any other service area. When this happens we can capture those patients who are leaving our area. EMC can also use that starting point to synergistically build upon its self and continue to expand its quality base.

**Goal: Create world class cutting edge telemedicine unit.**

- With the advancement in telemedicine and the expansion of EMC’s skilled nursing facility and assisted living units. It has been determined that remote monitoring will help with labor costs at both places. When this remote monitoring infrastructure is set up and running it will be a very easy “next step” to set up a preliminary telemedicine diagnostics center for those two remote locations. If this local trial goes well, then expansion into remote diagnostics throughout the valley and mountain region will be the next step.

### 4. Enhancement Strategy of Emergency Department

**Goal: Increase size of emergency department to handle capacity.**

- The EMC emergency department was originally designed for 16,000 visits a year. It is now handling 45,000 a year. The lack of capacity is driving patient satisfaction scores down. The number of uninsured and underinsured patients who use the ED is increasing rapidly and draining funds from the rest of the profitable units of EMC. A larger ED will serve the community better and create a better working environment for employees. With the additional funds from all the other improvements and expansions in this strategic plan, EMC will increase the size of the ED to a capacity of 60,000 visits a year. This will be done using extra space from the acute care unit, which is at 50% occupancy.

- With this ED expansion we are expecting patient satisfaction scores to improve. Our goal is to improve those scores so that there is a consistent 92% patient satisfaction rate. There is
no expectation that more patients will be better insured but an increase in capacity should
improve profitability from efficiencies of scale.

5. Alliance Strategy With Local Businesses and Government Agencies

Goal: Create and run wellness programs at local businesses.

There are many large businesses in the general Turlock area. Most of these businesses are not affiliated with HMOs. Because health insurance is a major cost to business, and because premiums can be lowered if populations are healthier, EMC will partner with local businesses to create and run wellness programs for them. Numbers have been calculated that show for every person who gets at least 20 minutes of exercise 4 times a week; insurance premiums can be lowered by several hundred dollars a year. This shows that EMC can not only help businesses lower their premiums, help people become healthier, but can turn a profit on this untapped market.

Goal: Create and run wellness programs at local government agencies.

-This is exactly the same goal for local government agencies as well.
EMC Implementation & General Timeline

This strategic plan is for a five year time period starting at the beginning of the next fiscal year in July 2012. Year one will concentrate on increasing donations, planning activities for expansion of Brandel Manor and Cypress Emanuel, and building the Wellness alliances with local businesses. Year one will also be when the implementation of advertising campaign to increase market share of primary care. Year two will start with the ground breaking for construction of the expansion of Brandel Manor and Cypress Emanuel and continue on with planning activities for the ED expansion. Year three will finish construction on Brandel Manor and Cypress Emanuel and start construction on the ED expansion. Year four will finish construction of the ED expansion and hire our first world class physicians for the oncology unit, the cardiac unit and the telemedicine unit. Year five will be spent reassessing all programs for effectiveness and profitability.
Appendix 1 - Emanuel Medical Center SWOT Analysis

Strengths
-Skilled nursing facility occupancy rate at 90%
-Assisted living facility occupancy at 100% with wait list
-Full complement of outpatient services available
-Long term employees, close-knit environment
-From 70% to 90% in patient satisfaction (reduced costs)
-Independent hospital
-Multiple revenue sources
-Large reserve of liquid assets

Weaknesses
-Reduced payments from Governments and HMOs for all procedures especially ED
-Increased regulatory and paperwork burdens
-Staffing shortages, especially nurses and backup specialists
-ED too small built for 16,000; now handling over 45,000 patients
-Acute care facility at 50% occupancy
-Over half of patients admitted to acute care facility come from ED, and half of those are under/no insurance.
-EMC perceived as low-tech
-Lack of some specialties

Opportunities
-Not for profit donations from community
-expansion of assisted living facilities
-expansion of SNF
-Governmental revenue from local and federal sources
-Expansion of ED
-Technological efficiencies (Electronic records, remote specialists/telemedicine, remote patient surveillance, energy efficiency)
-Increasing population, especially older people
-Create and run wellness programs for local businesses

Threats
-Publicity from Haley Eckman incident
-Emergency Medical Treatment and Active Labor Act (EMTALA)
-Sicker and older patients for the ED
-Proposed Kaiser Permanente facility in the EMC area
-Increasing expenses
-Fewer overall EDs
-Other existing hospitals and clinics
## Appendix 2 - EMC Timeline

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