



Hazel Hawkins
MEMORIAL HOSPITAL



Strategic Planning
Hazel Hawkins Memorial Hospital
October 12, 2022



- September 2020 Strategic Plan:
 - Improved Customer Experience
 - Improved Patient Experience
 - Adding/Increasing service volumes
 - Community Education
 - Facility Master Planning & enabling projects
- Today's focus:
 - Market Changes/Growth
 - Provider Changes/Opportunities
 - Identification of gaps in services
 - Opportunities to improve referral patterns and limit out-migration.
 - Develop agreement on 2-3 courses of action to build revenue within the next 3-5 years, without major capital investment.

- Market Position Changes
 - Market Volumes
 - Hazel Hawkins Market Position
- Volume Trends
 - Acute Care
 - Ambulatory
- Provider Base
 - Recruitment/Attrition
 - Referral Patterns
 - Recruitment Opportunities
- Barriers and Missing Services
 - Service Line Development
 - Space Considerations
- Revenue Building Strategies
 - Outpatient Imaging
 - Surgical Services
 - GI/Endo
 - Oncology Services
 - Cardiac Diagnostics/NI Vascular
- Course Direction



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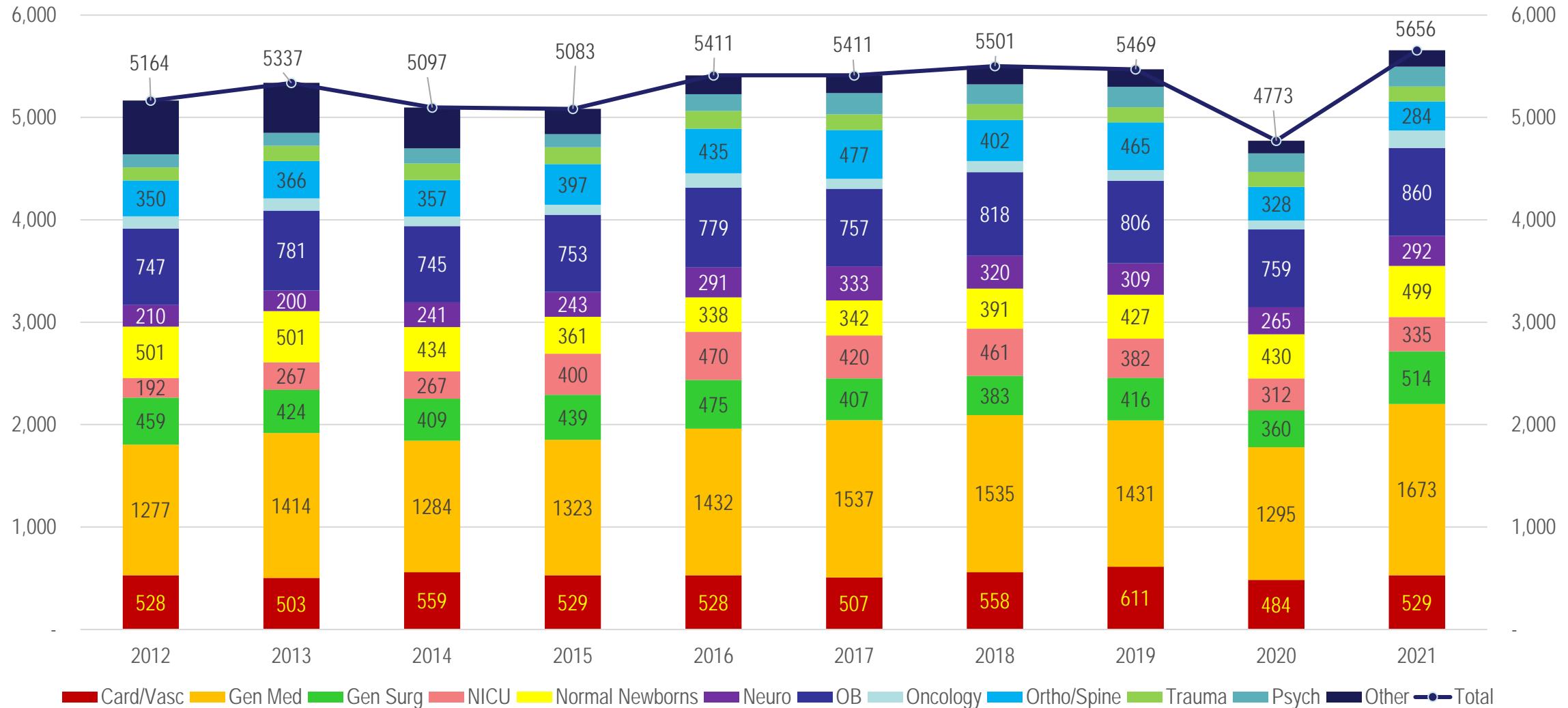
Market Position

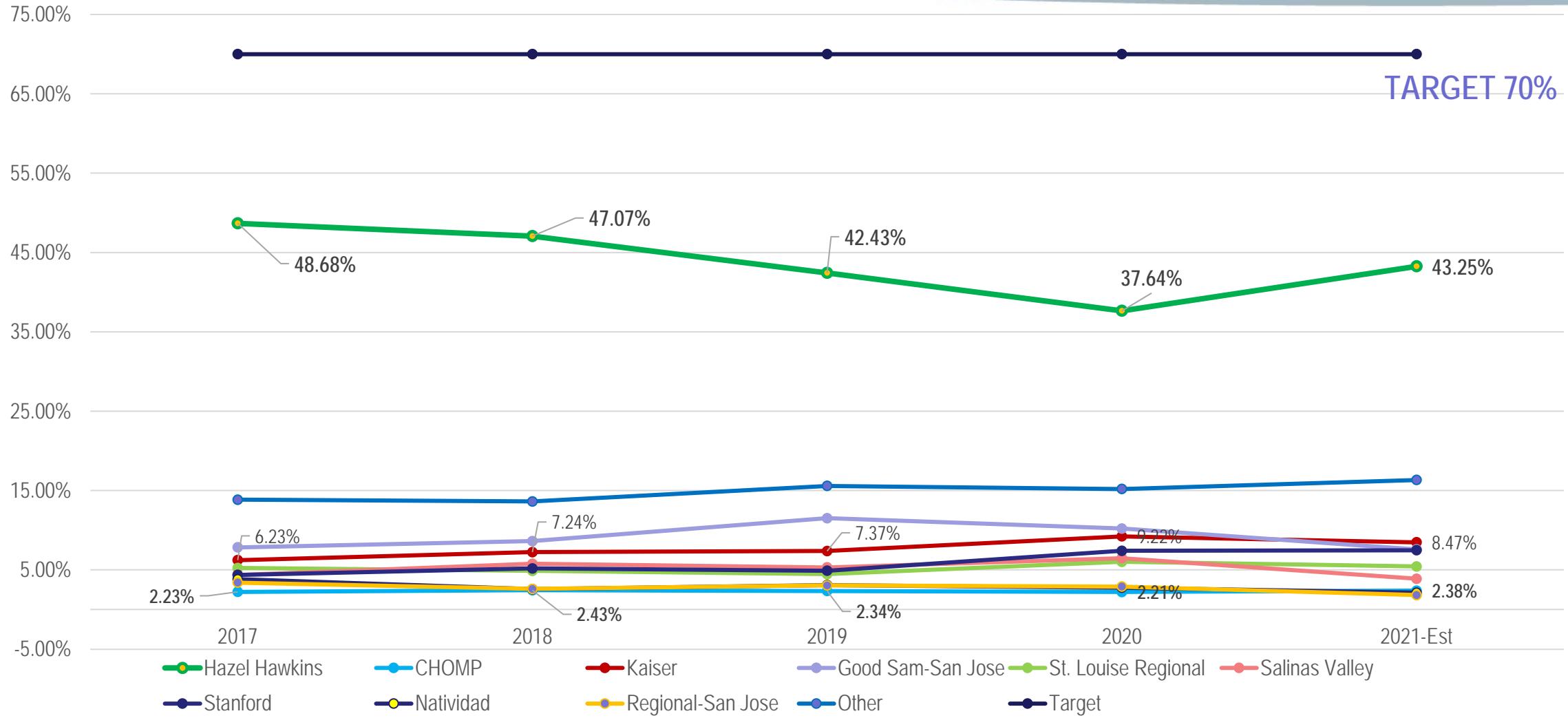


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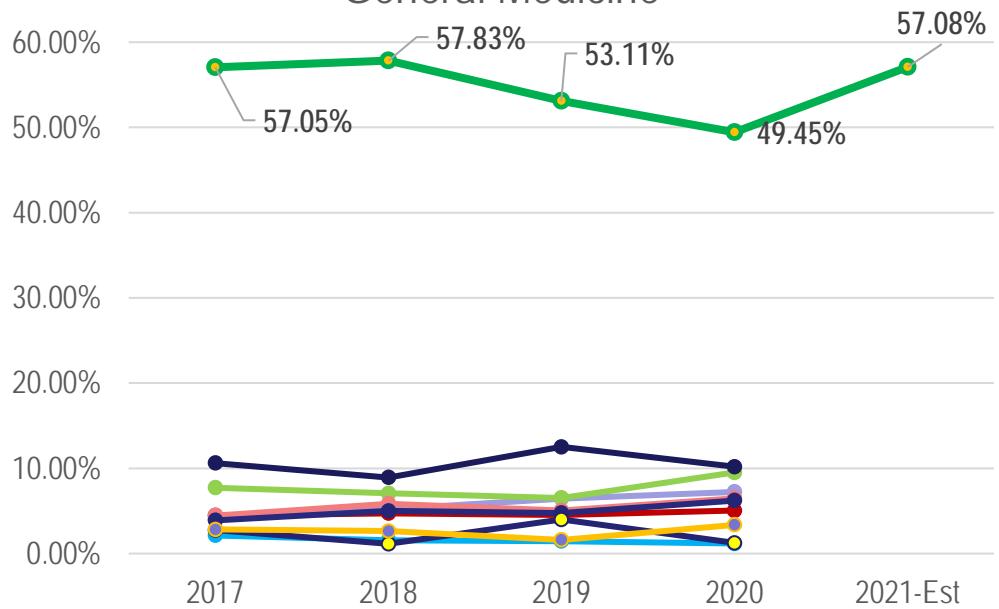
Inpatient Discharges by Service

San Benito County

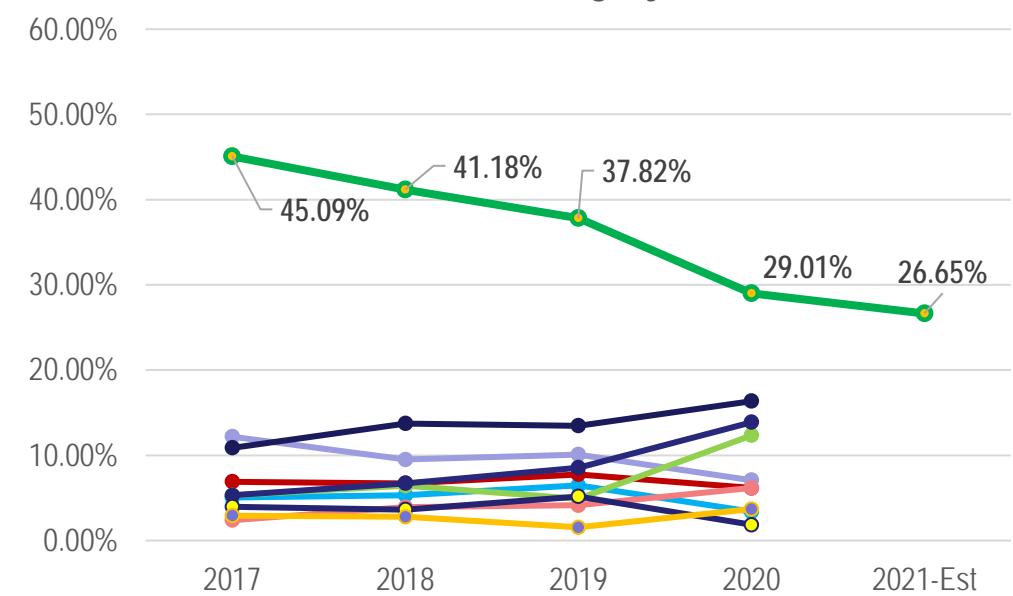




General Medicine



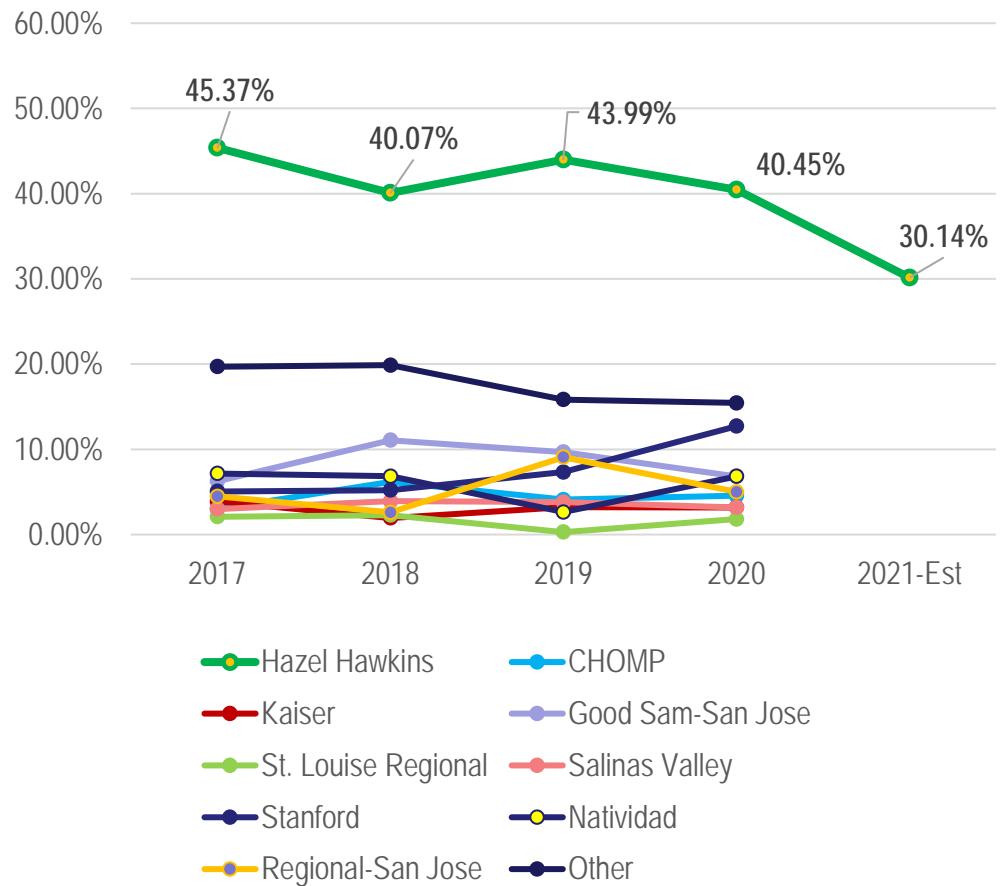
General Surgery



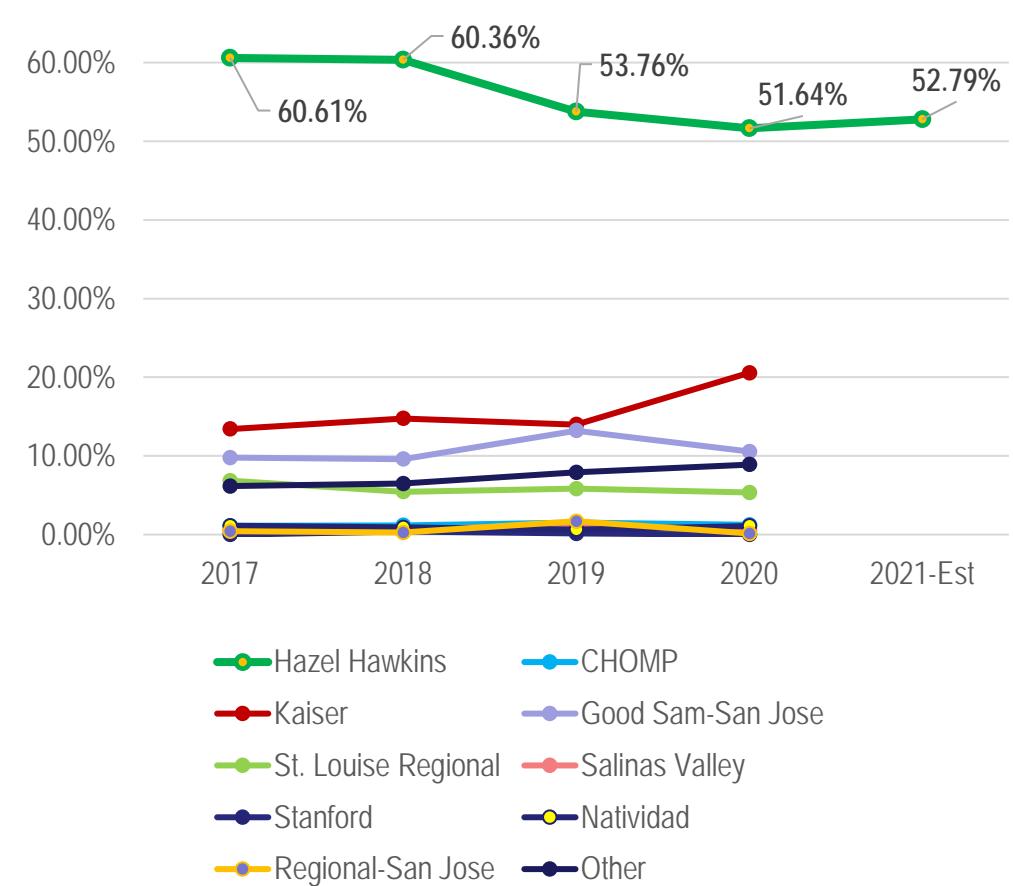
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● Kaiser ● Good Sam-San Jose
● St. Louise Regional ● Salinas Valley
● Stanford ● Natividad
● Regional-San Jose ● Other

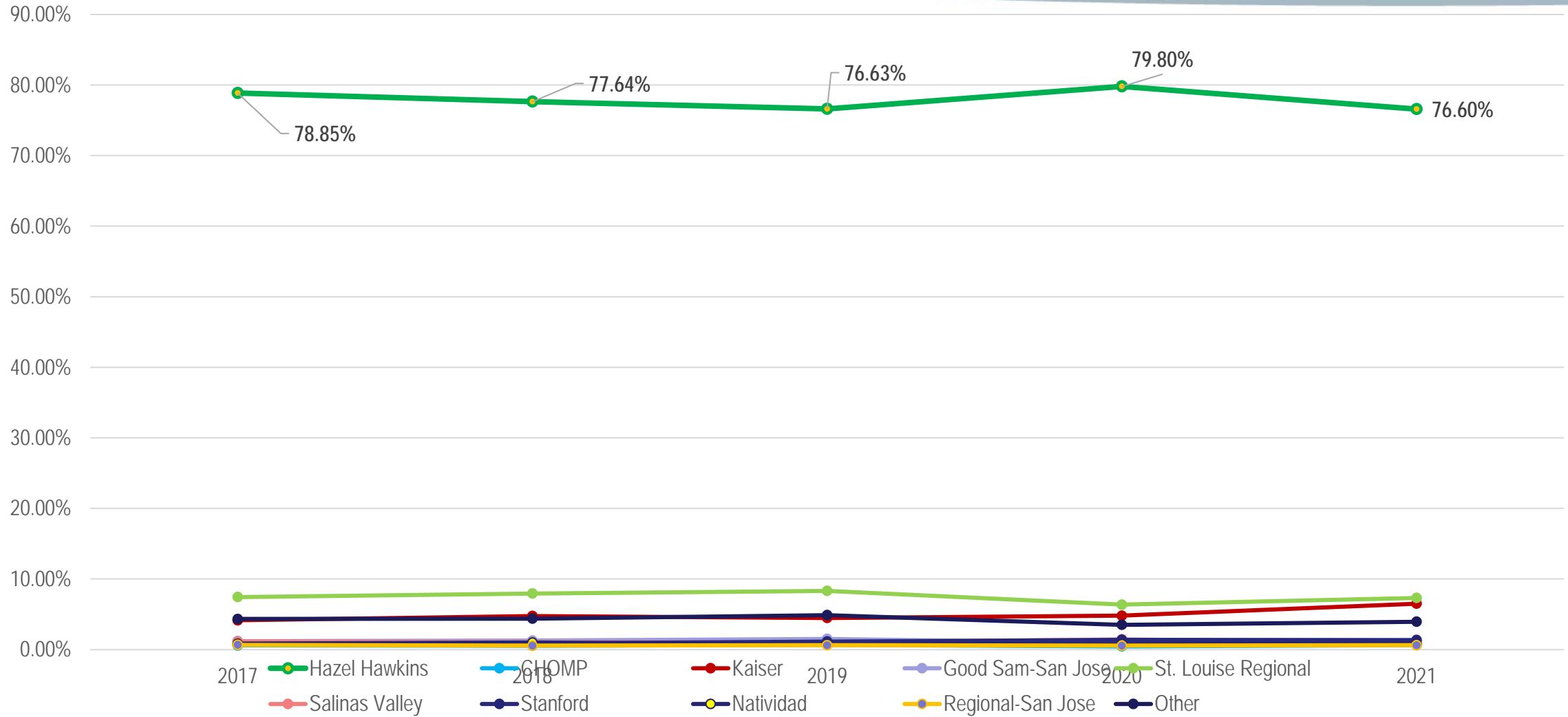
● Hazel Hawkins ● CHOMP
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● Regional-San Jose ● Other

Orthopedics



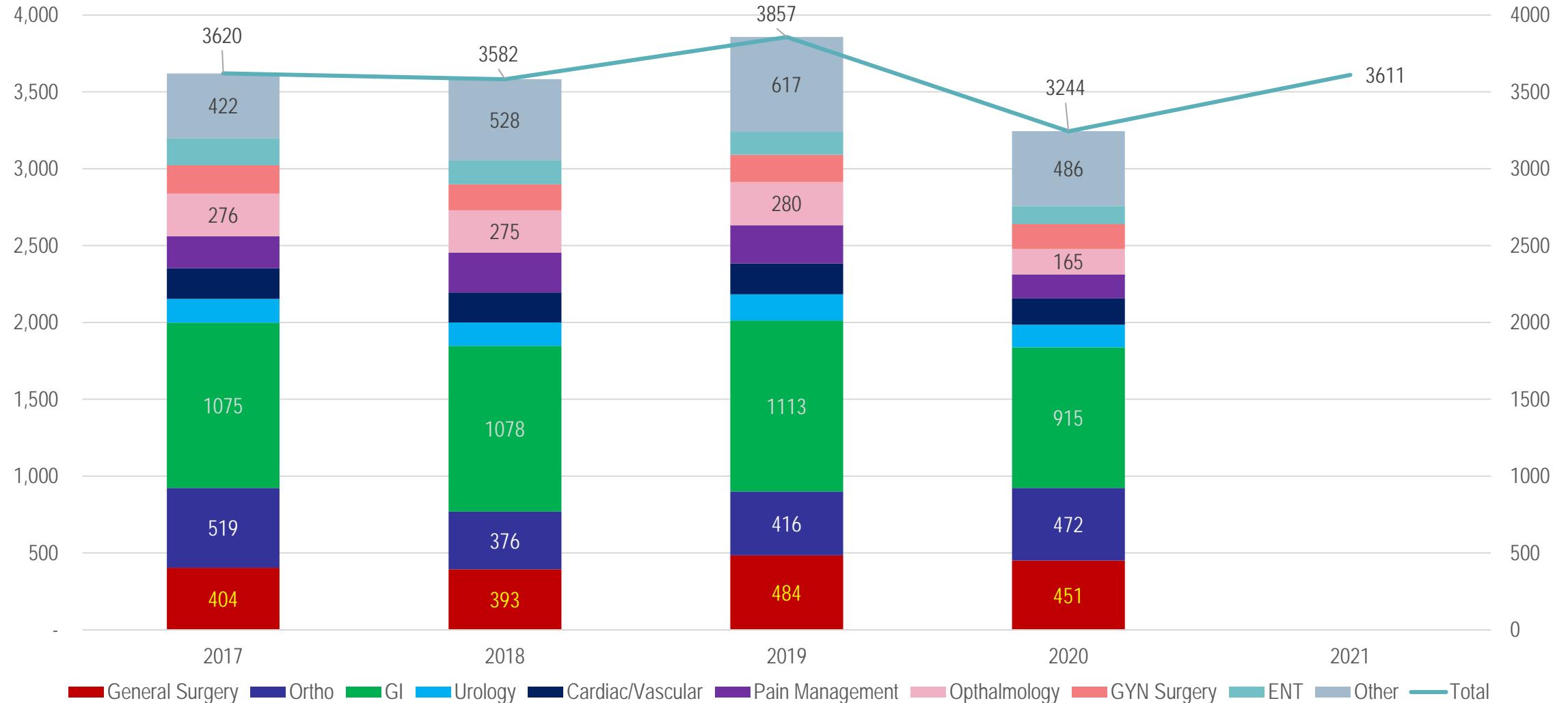
Obstetrics

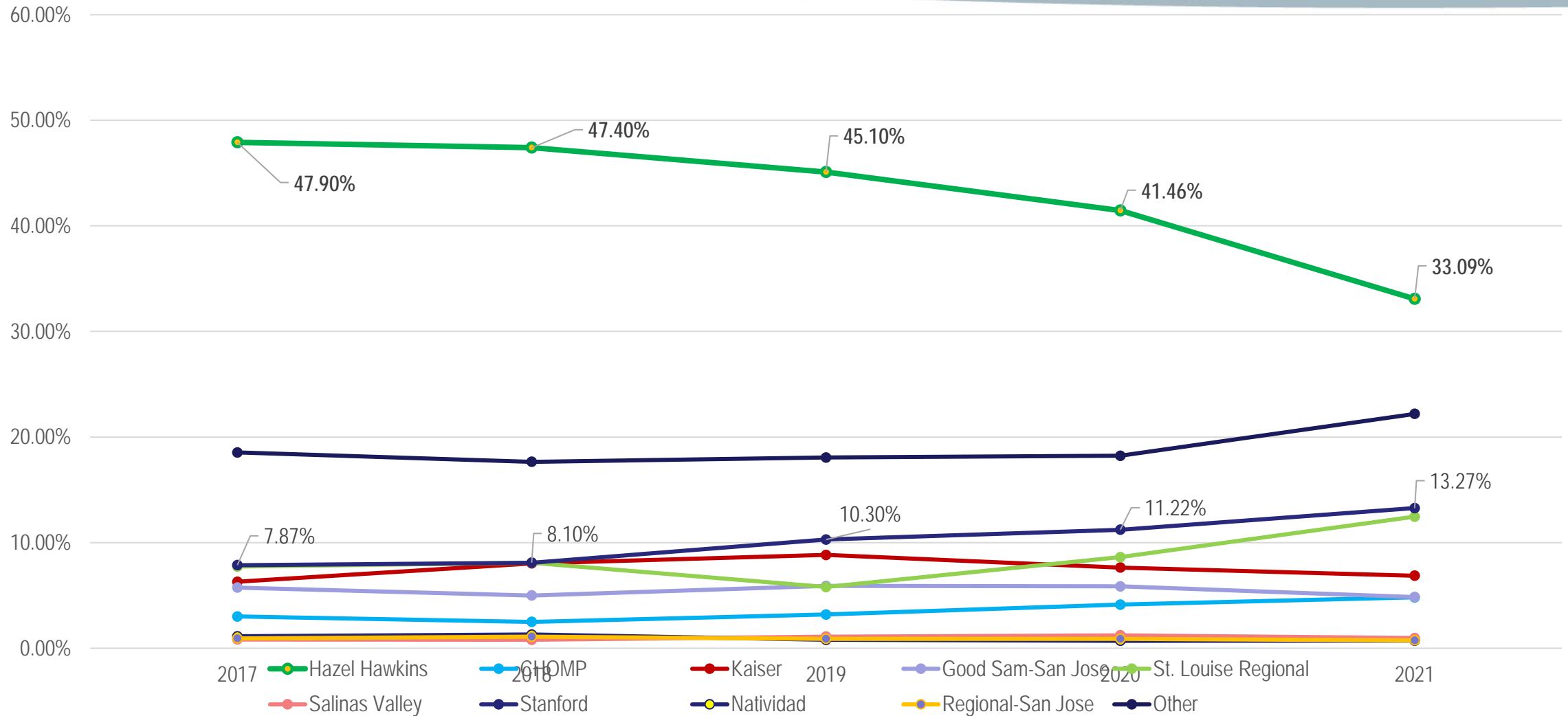




Ambulatory Surgery Encounters

Stark Service Area-Hospitals Only





Does not include non-hospital ASC Volumes

Hazel Hawkins Memorial Hospital
Ambulatory Surgery & GI

	Outpatient			Outpatient	
	Service Area	In-Migration	Total Cases	Market-2019	OP Market Share
Cosmetic Procedures	-	-	-	344	0.0%
ENT	18	1	19	993	1.8%
Gastroenterology	787	116	903	3,307	23.8%
General Surgery	294	51	345	916	32.1%
Gynecology	96	15	111	734	13.1%
Neurosurgery	-	-	-	132	0.0%
Obstetrics	-	-	-	43	0.0%
Ophthalmology	116	18	134	2,319	5.0%
Orthopedics	142	15	157	3,086	4.6%
Pain	241	26	267	1,471	16.4%
Pulmonology	-	-	-	75	0.0%
Spine	-	-	-	211	0.0%
Thoracic Surgery	-	-	-	74	0.0%
Urology	15	4	19	1,319	1.1%
Vascular	-	-	-	60	0.0%
Grand Total	1,709	246	1,955	15,084	11.3%

Source:HHMH Surgical Services Case Log, Advisory Board

- The Service Area generated over 15,000 ambulatory surgery and endoscopy procedures in 2019.
 - Only about 25% of those were done in a hospital setting.
- HHMH captured about 11% of those volumes.



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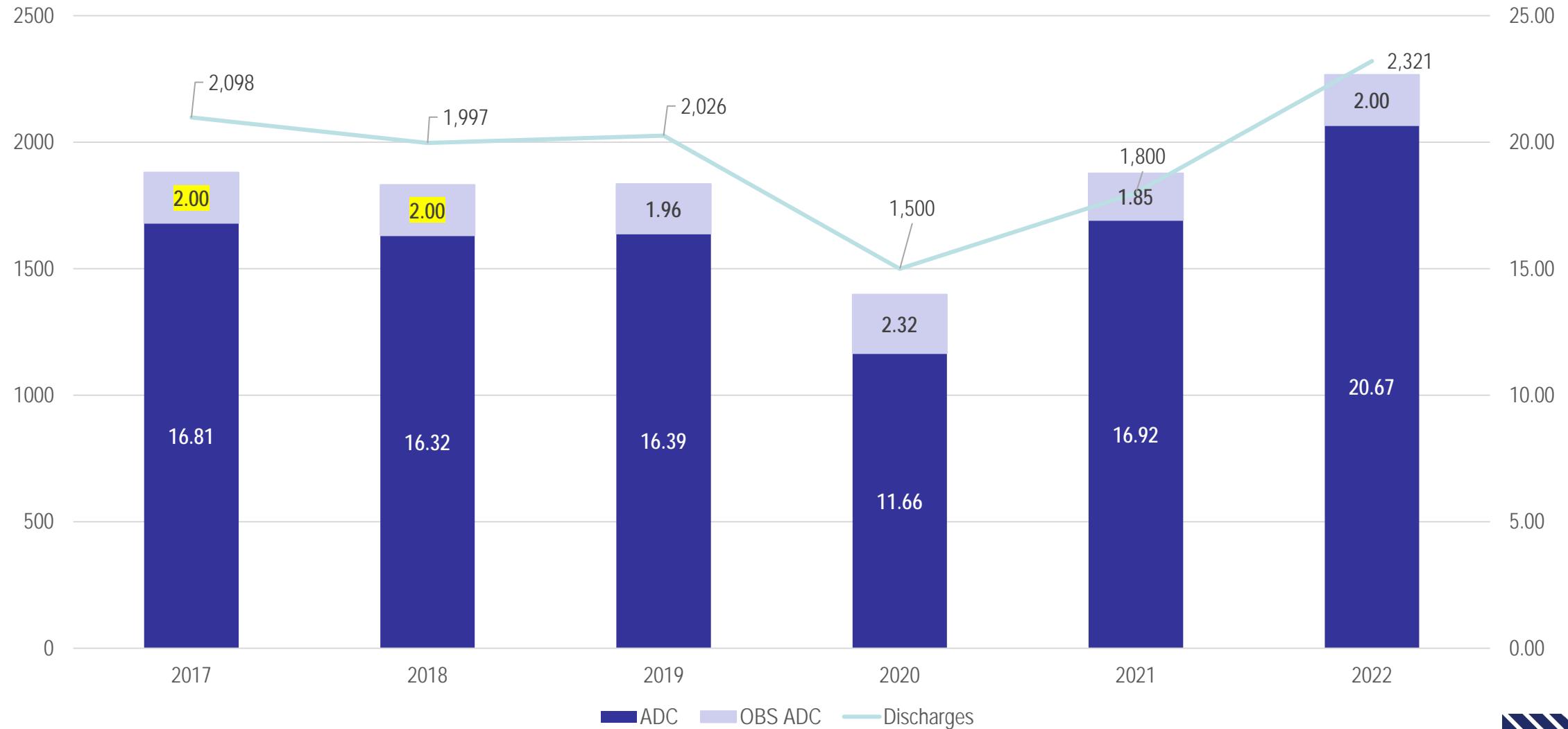


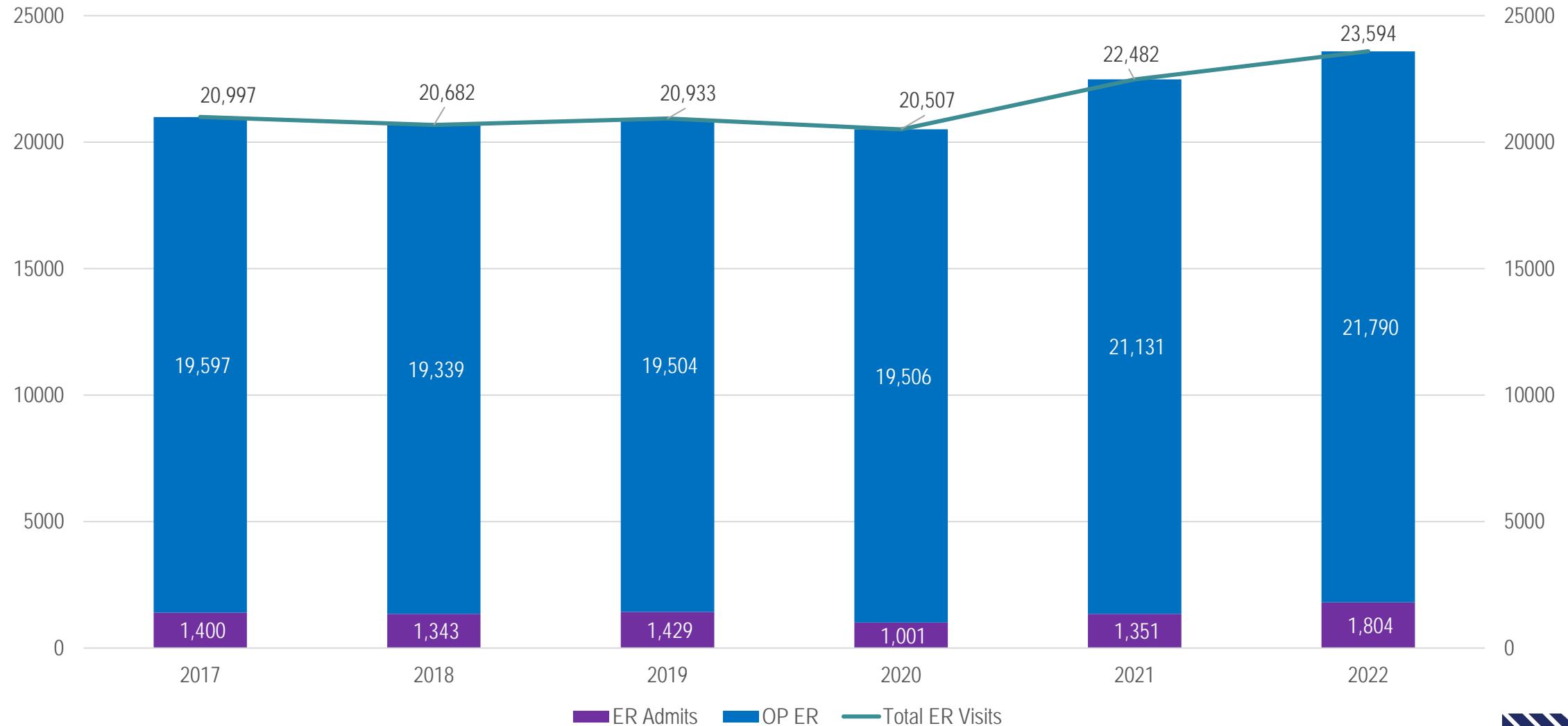
Hospital Volume Trends

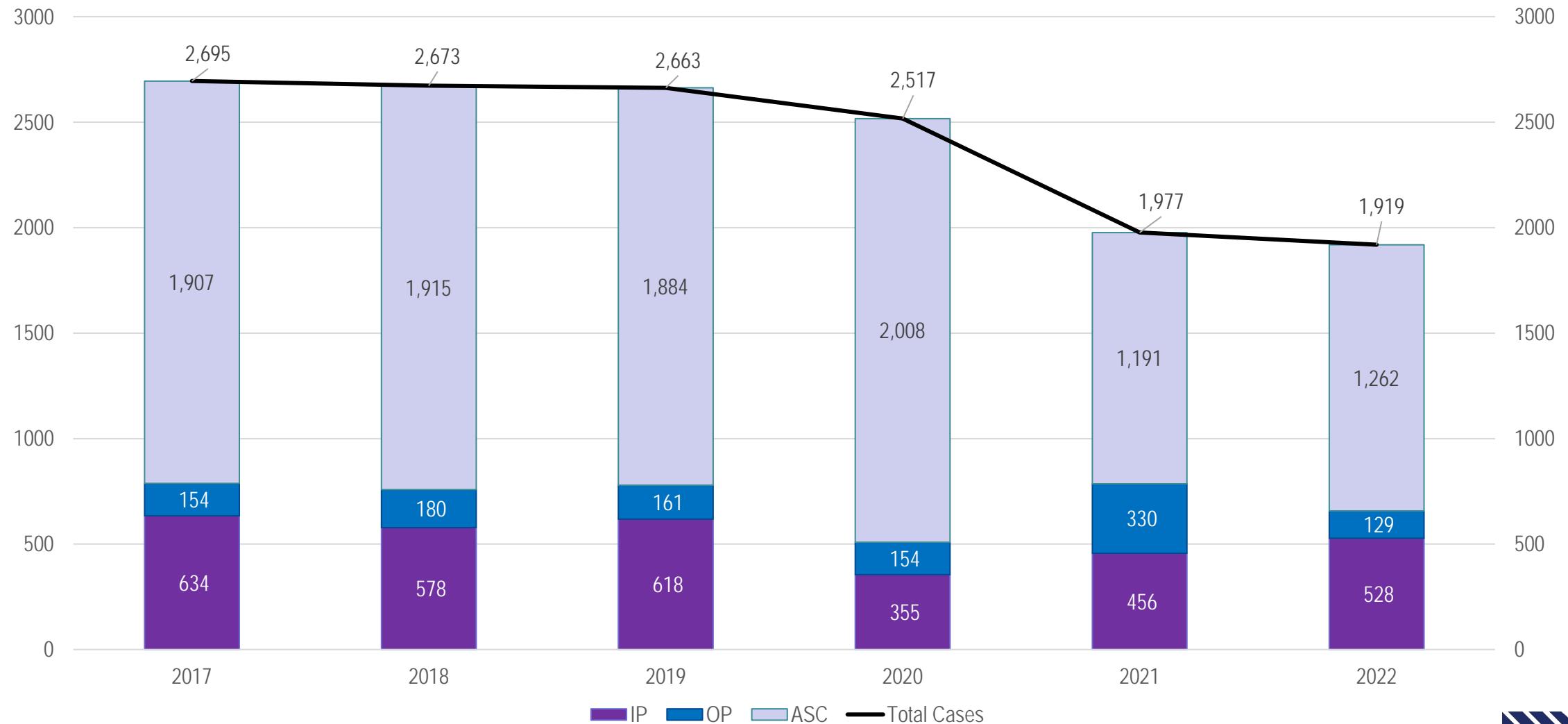


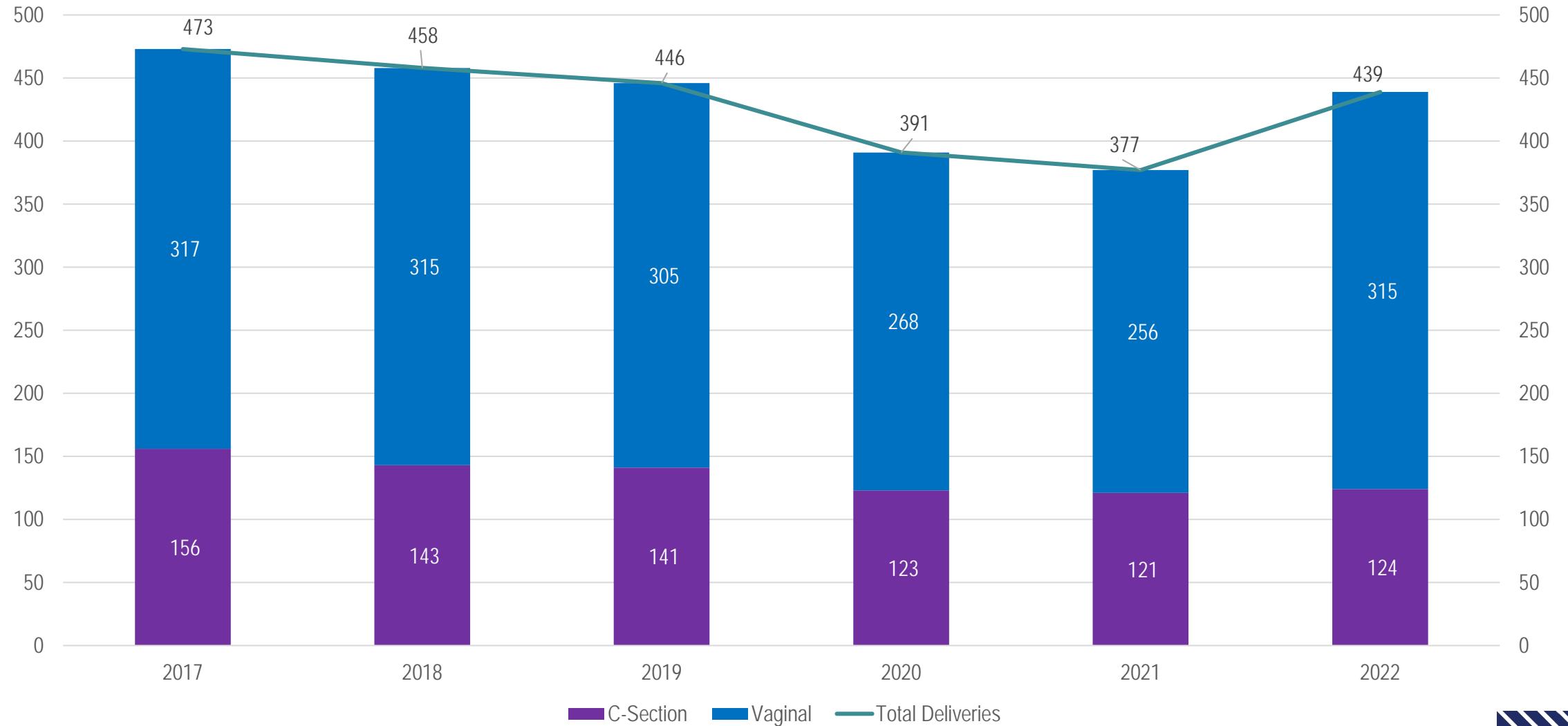
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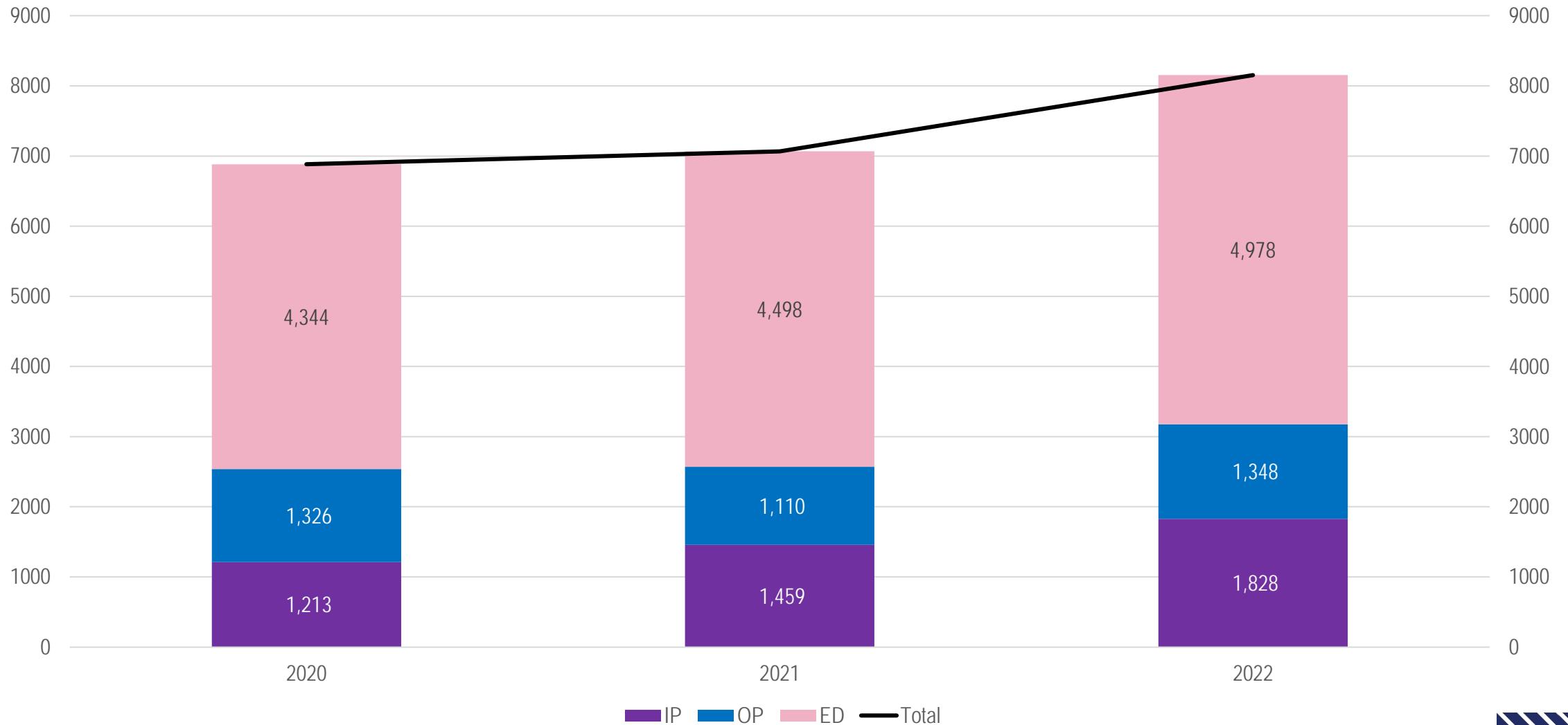
Inpatient Discharges & Average Daily Census

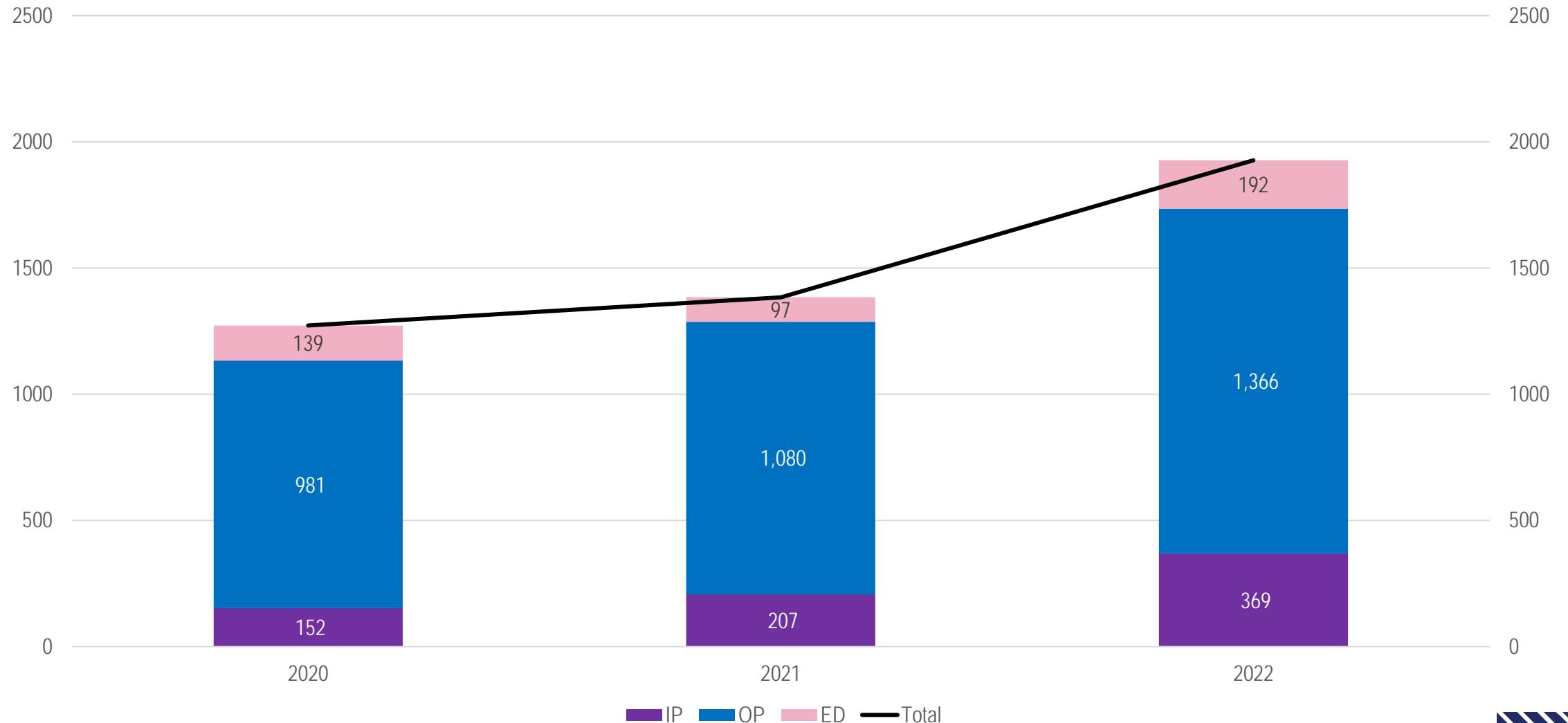


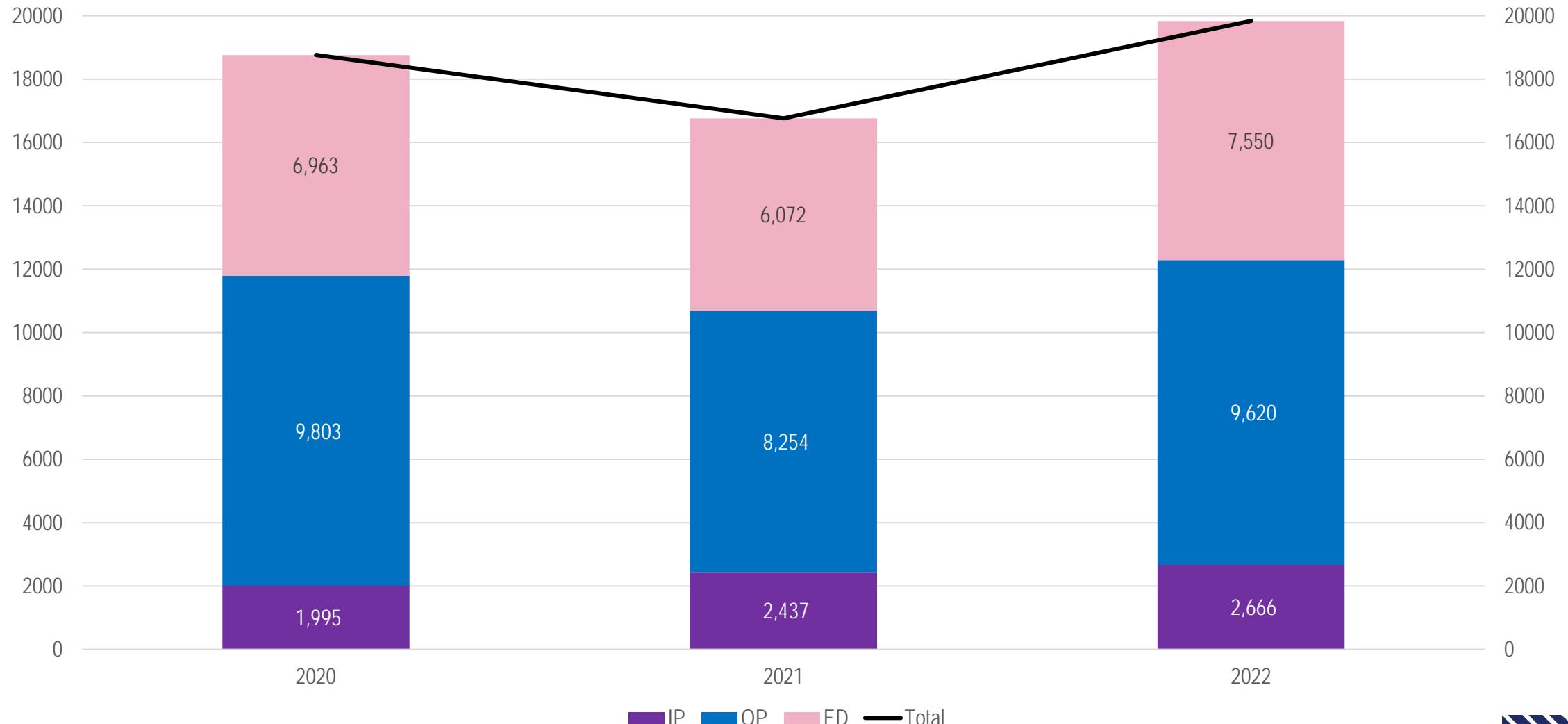


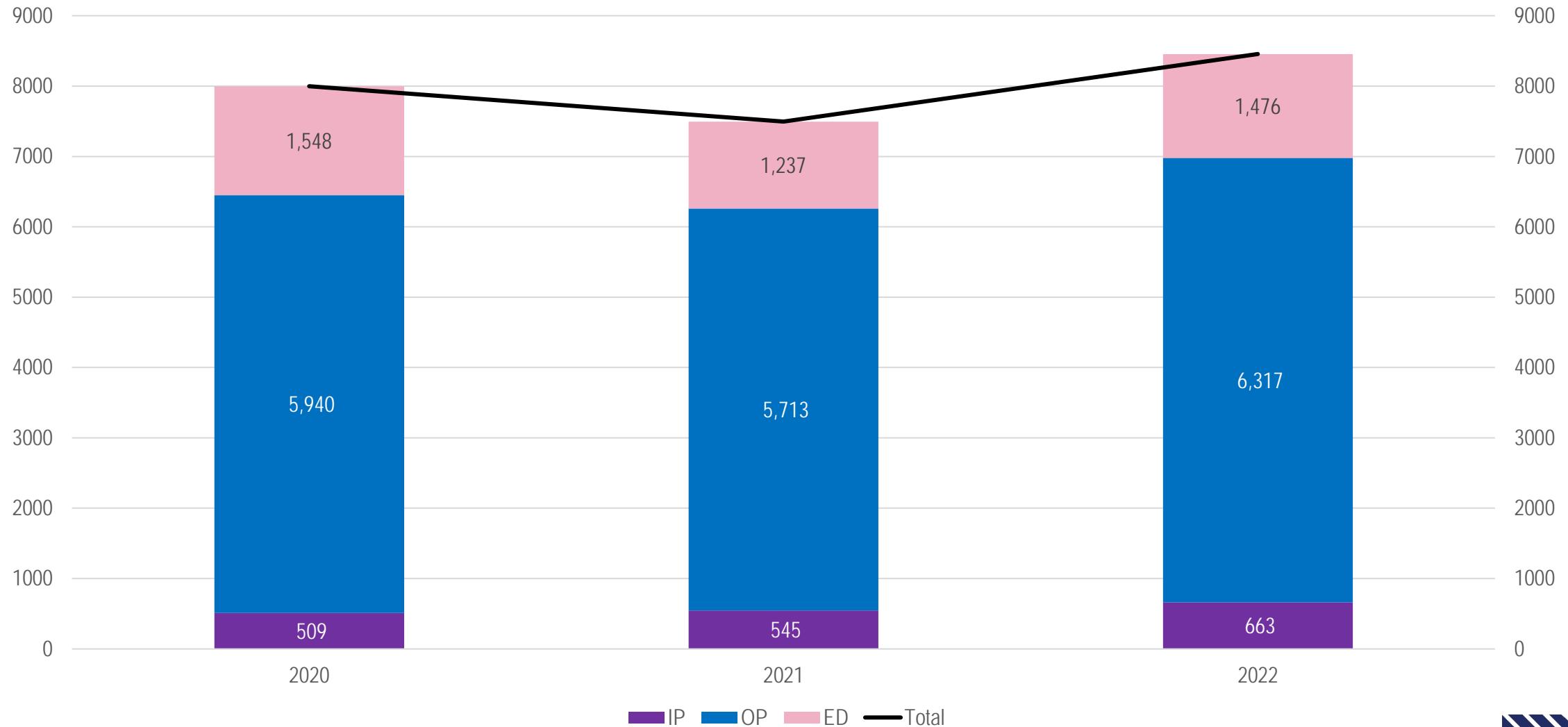


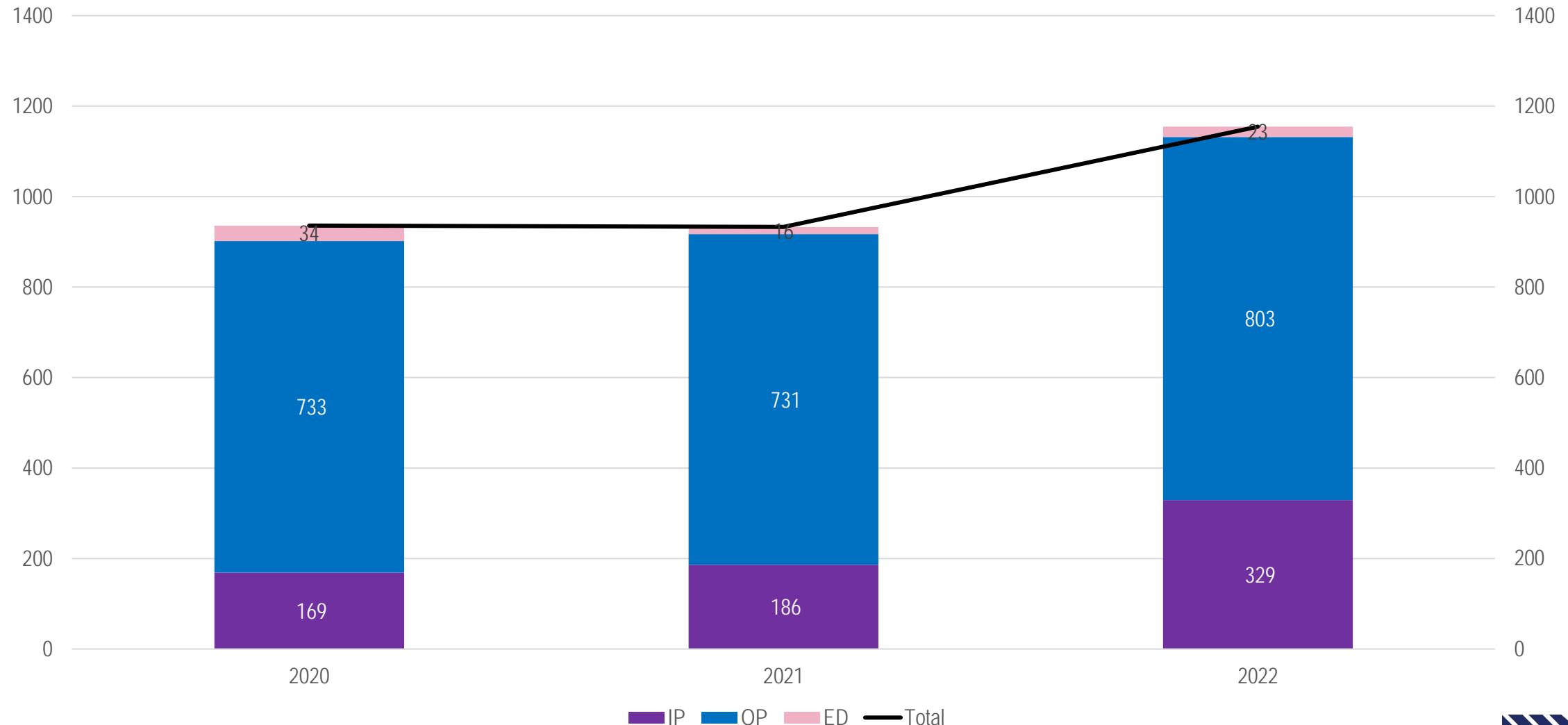


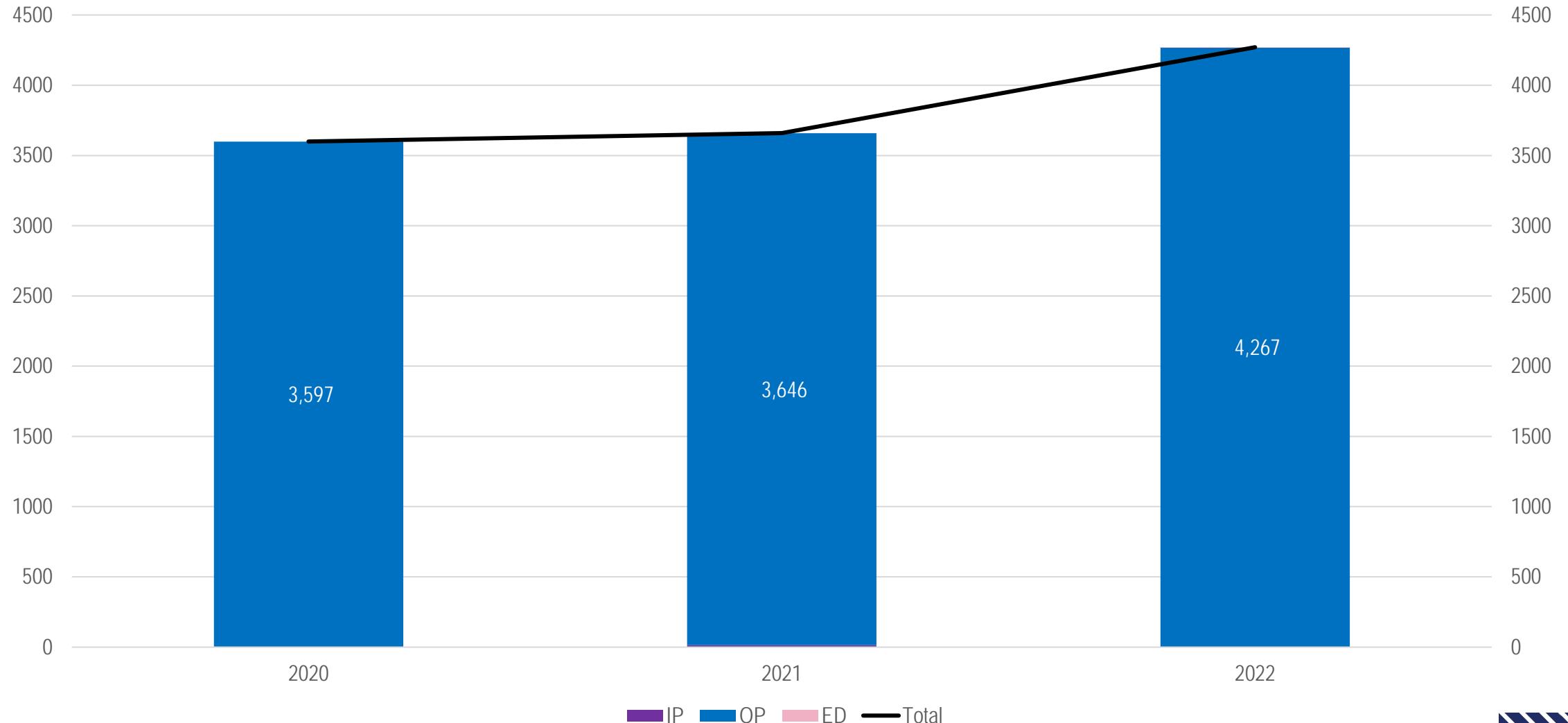














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Provider Base



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	San Benito (SN) County	Trend 	Error Margin	Top U.S. Performers 	California
Clinical Care					

Uninsured	9%		8-10%	6%	9%
Primary care physicians	3,490:1			1,010:1	1,240:1
Dentists	2,000:1			1,210:1	1,130:1
Mental health providers	780:1			250:1	240:1
Preventable hospital stays	<u>2,575</u>			2,233	3,067
Mammography screening	<u>39%</u>			52%	37%
Flu vaccinations	<u>48%</u>			55%	43%
Other primary care providers	2,560:1			580:1	1,370:1

	San Benito (SN) County	Trend 	Error Margin	Top U.S. Performers 	California
Health Behaviors					

Adult smoking		12%		10-14%	15%	10%
Adult obesity		30%		29-32%	30%	26%
Food environment index		9.2			8.8	8.9
Physical inactivity		25%		23-28%	23%	22%
Access to exercise opportunities		82%			86%	93%
Excessive drinking		20%		19-21%	15%	19%
Alcohol-impaired driving deaths		28%		21-35%	10%	28%
Sexually transmitted infections		436.3			161.8	599.1
Teen births		<u>16</u>		14-18	11	16
Frequent physical distress		12%		11-14%	10%	11%
Frequent mental distress		12%		11-14%	13%	12%
Diabetes prevalence		11%		10-12%	8%	9%

- High Level Primary Care analysis shows that the market is significantly understaffed.

Source: County Health Rankings & Roadmaps

Primary care physicians in San Benito County, CA
County, state and national trends

San Benito County is getting worse for this measure.



Notes:

The data in this table reflect the average population served by a single primary care physician.

Source: County Health Rankings & Roadmaps

- Provider needs models are based on a mixture of population and productivity models for your specific market. Key consideration is given to:
 - Demographics; Age and Sex
 - Uninsured population
- Provider FTEs were compiled with the assistance of the facility to ensure all providers were accounted for:
 - Advanced Practice Providers are accounted for as a percentage of the Physician FTE capacity, based on specialty group.

Specialty Group	Provider Specialty	Provider Demand		APP Supply		Physician Supply		Effective Provider Supply		Expected Provider Retirement	Percent Provider Retirement	Provider Surplus (Shortage)		Recommended Recruitment	
		2022	2027	2022	2027	2022	2027	2022	2027			2022	2027	Physician	APP
Primary Care	Family Practice	23.7	24.7	7.8	7.0	9.3	8.9	13.2	12.4	(0.80)	-6.1%	(10.5)	(12.3)	3.0	3.0
Primary Care	Geriatric Medicine	2.1	2.2	0.0	0.0	1.0	1.0	1.0	1.0	-	0.0%	(1.1)	(1.2)	1.0	0.4
Primary Care	Internal Medicine	17.8	18.5	1.0	1.0	4.0	3.0	4.5	3.5	(1.00)	-22.2%	(13.3)	(15.0)	4.0	4.0
Primary Care	Pediatrics	10.5	11.0	1.4	1.4	2.0	2.0	2.7	2.7	-	0.0%	(7.8)	(8.3)	2.0	2.0
Primary Care	Hospitalist	2.2	2.3	0.0	0.0	2.9	2.8	2.9	2.8	(0.10)	-3.4%	0.7	0.5	0.0	0.0
Primary Care	Primary Care	56.3	58.6	10.2	9.4	19.2	17.7	24.3	22.4	(1.90)	-7.8%	(32.0)	(36.2)	10.0	9.4
Medical Specialties	Allergy/Immunology	0.8	0.8	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0%	(0.8)	(0.8)	0.5	0.0
Medical Specialties	Cardiology	3.0	3.2	0.0	0.0	1.4	0.8	1.4	0.8	(0.60)	-44.4%	(1.7)	(2.4)	1.0	0.0
Medical Specialties	Dermatology	2.1	2.2	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0%	(2.1)	(2.2)	1.0	0.0
Medical Specialties	Endocrinology	0.7	0.8	0.0	0.0	1.0	1.0	1.0	1.0	-	0.0%	0.3	0.2	0.0	0.0
Medical Specialties	Gastroenterology	1.8	1.9	0.0	0.0	0.4	0.4	0.4	0.4	-	0.0%	(1.4)	(1.5)	1.0	0.0
Medical Specialties	Hematology/Oncology	1.5	1.6	0.0	0.0	0.2	0.2	0.2	0.2	-	0.0%	(1.3)	(1.4)	1.0	0.0
Medical Specialties	Infectious Disease	0.6	0.6	0.0	0.0	0.4	0.4	0.4	0.4	-	0.0%	(0.2)	(0.2)	0.0	0.0
Medical Specialties	Nephrology	0.8	0.8	0.0	0.0	0.2	0.1	0.2	0.1	(0.15)	-65.2%	(0.5)	(0.7)	0.0	0.0
Medical Specialties	Neurology	1.7	1.8	0.0	0.0	1.0	1.0	1.0	1.0	-	0.0%	(0.7)	(0.8)	0.0	0.0
Medical Specialties	Physical Medicine	1.2	1.2	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0%	(1.2)	(1.2)	0.0	0.0
Medical Specialties	Psychiatry	7.2	7.4	0.0	0.0	1.0	1.0	1.0	1.0	-	0.0%	(6.2)	(6.4)	1.0	2.0
Medical Specialties	Pulmonology	1.2	1.3	0.0	0.0	0.4	0.4	0.4	0.4	-	0.0%	(0.8)	(0.9)	0.6	0.0
Medical Specialties	Radiation Therapy	0.6	0.7	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0%	(0.6)	(0.7)	0.0	0.0
Medical Specialties	Rheumatology	0.7	0.8	0.0	0.0	0.5	0.5	0.5	0.5	-	0.0%	(0.3)	(0.3)	0.0	0.0
Medical Specialties	Other Medical Specialties	0.9	0.9	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0%	(0.9)	(0.9)	0.0	0.0
Medical Specialties	Medical Specialties	24.9	25.9	0.0	0.0	6.4	5.7	6.4	5.7	(0.75)	-11.7%	(18.4)	(20.2)	6.1	2.0

▪ Note:

- APP Providers in Primary Care are considered to manage 50% of a Physician's Workload

Provider Needs Summary

		Provider Demand		APP Supply		Physician Supply		Effective Provider Supply		Expected Provider Retirement	Percent Provider Retirement	Provider Surplus (Shortage)		Recommended Recruitment	
Specialty Group	Provider Specialty	2022	2027	2022	2027	2022	2027	2022	2027			2022	2027	Physician	APP
Surgical Specialties	Cardiothoracic Surgery	0.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0%	(0.5)	(0.5)	0.0	0.0
Surgical Specialties	General Surgery	7.3	7.6	0.6	0.6	3.0	3.0	3.1	3.1	-	0.0%	(4.2)	(4.5)	2.0	1.0
Surgical Specialties	Neurosurgery	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0%	(1.0)	(1.0)	0.0	0.0
Surgical Specialties	OB/GYN	7.6	8.0	1.8	1.8	2.9	2.4	3.3	2.8	(0.50)	-15.0%	(4.3)	(5.1)	3.0	2.0
Surgical Specialties	Ophthalmology	4.0	4.2	0.0	0.0	1.8	0.8	1.8	0.8	(1.00)	-57.1%	(2.3)	(3.4)	0.0	0.0
Surgical Specialties	Orthopedic Surgery	4.6	4.7	1.0	1.0	1.8	1.3	2.0	1.5	(0.50)	-25.0%	(2.6)	(3.2)	2.0	1.0
Surgical Specialties	Otolaryngology	1.5	1.6	0.0	0.0	0.1	0.1	0.1	0.1	-	0.0%	(1.5)	(1.5)	0.8	0.0
Surgical Specialties	Plastic Surgery	1.1	1.2	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0%	(1.1)	(1.2)	0.0	0.0
Surgical Specialties	Urology	2.3	2.4	0.0	0.0	0.3	0.3	0.3	0.3	-	0.0%	(2.1)	(2.2)	1.0	0.0
Surgical Specialties	Vascular Surgery	0.9	1.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0%	(0.9)	(1.0)	0.0	0.0
Surgical Specialties	Other Surgical Specialties	3.1	3.2	0.0	0.0	2.0	2.0	2.0	2.0	-	0.0%	(1.1)	(1.2)	0.0	0.0
Surgical Specialties	Surgical Specialties	34.0	35.4	3.3	3.3	11.7	9.7	12.5	10.5	(2.00)	-16.0%	(21.5)	(24.9)	8.8	4.0
Hospital-Based	Anesthesiology	12.7	13.2	2.0	0.0	1.8	1.8	3.8	1.8	(2.00)	-53.3%	(8.9)	(11.4)	1.3	1.3
Hospital-Based	Emergency	8.7	9.1	0.3	0.3	2.0	1.8	2.1	1.9	(0.25)	-11.8%	(6.6)	(7.2)	3.3	0.0
Hospital-Based	Radiology	13.4	13.9	0.0	0.0	0.8	0.8	0.8	0.8	-	0.0%	(12.6)	(13.2)	0.0	0.0
Hospital-Based	Pathology	8.5	8.9	0.0	0.0	1.0	1.0	1.0	1.0	-	0.0%	(7.5)	(7.9)	0.0	0.0
Hospital-Based	Hospital-Based	43.3	45.0	2.3	0.3	5.5	5.3	7.6	5.4	(2.25)	-29.5%	(35.7)	(39.7)	4.6	1.3

Clinic	Type	Exam Rooms	Max Providers/Day			Target Exam Rooms 3/MD, 2/APP
			Physician	APP	Other Provider	
First Street	Primary Care	7	2	6	1	20
Fourth Street	Primary Care/OB	7	2	4		14
San Juan Bautista	Primary Care	3	1	1		5
Sunset / Annex	Primary Care	9	7	3		27
Barragan Center	Primary Care/Endocrine	6	4	2	1	18
Multi-Specialty (MSC)	Specialist Clinic	6	6	0		18
Orthopedic Specialty	Surgical Specialists	6	3	0		9
Current Exam Room Needs		44				111
Recruitment Plan	Primary Care		10	10		50
	Medical Specialists		6		2	22
	Surgical Specialists		3	4		17
						89
Exam Room Needs-2026						200
Note: Target Exam Rooms 3/MD, 2/APP, 1 Office for Virtual/Prov						

- Current State:
 - Current facilities lack adequate exam room space.
 - Buildings are relatively small and lack a cohesive appearance/attachment to HHHM.
- Impact of Recruitment Plan:
 - Significant additional clinic space needs to be acquired.
- Evolving Care Models:
 - Expansion of Virtual Care will impact the types/numbers of rooms needed for providers.

- Target Recruitment Areas:
 - Primary Care:
 - 10 MDs plus 10 APPs
 - Specialists:
 - OB/GYN & APP support
 - Ortho & APP support
 - GI
 - ENT
 - Urology



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Barriers/Missing Services



Market Opportunity Summary

- What service limitations at Hazel Hawkins result in patients being sent to other systems for care?

Opportunity Identification

Procedural Splitting

- **\$9.2M** in additional procedural opportunity from loyalist & splitter physicians within Hazel Hawkins Memorial Hospital's defined primary markets

PCP Referral Opportunity

- **\$32.6M** in remaining downstream PCP referral opportunity from all PCPs based within the above-defined market



Outreach Execution

- Develop **initiatives** around prioritized action items
- Plan **approach strategy** and develop **talking points** for conversations
- Log **visit reports** on physician or practice group level
- Track change in **referral/procedural activity** to Hazel Hawkins Memorial Hospital over a user-defined time period

Small changes can drive quick returns

\$9.2M

Estimated
Procedural Opportunity

+

\$32.6M

PCP Downstream
Opportunity

x 1% =

\$454K

Estimated
Potential Return

- Physician Offices
 - Option 1: 3rd Floor Women's Center
 - 30 exam rooms
 - Capacity for up to 10 providers at a time
 - Option 2: Medical Office Complex
 - Developer Build?
 - Existing Space Lease?



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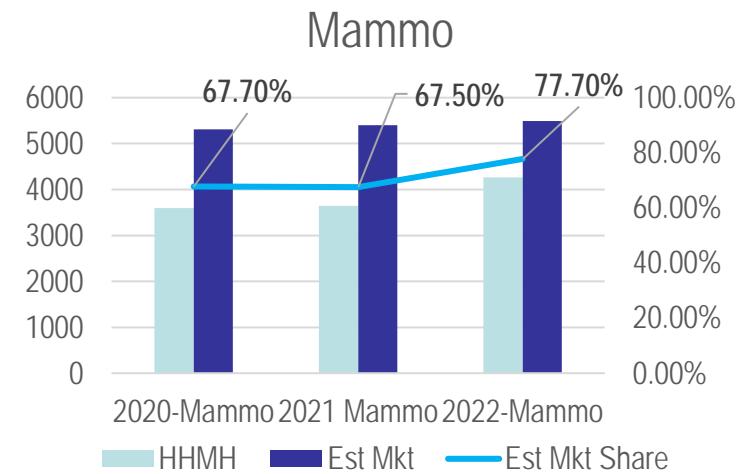
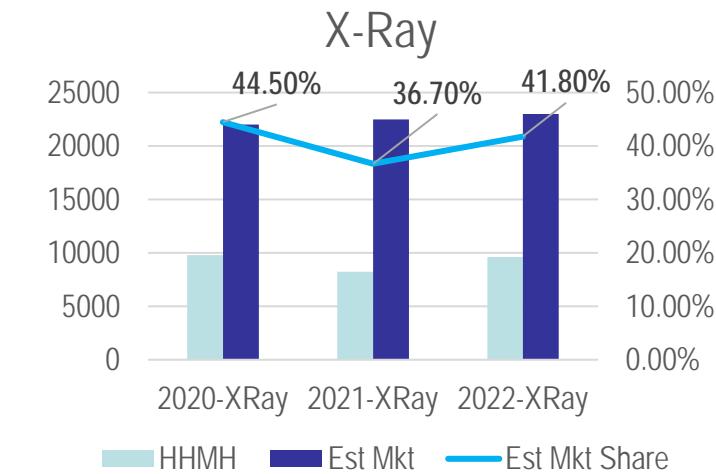
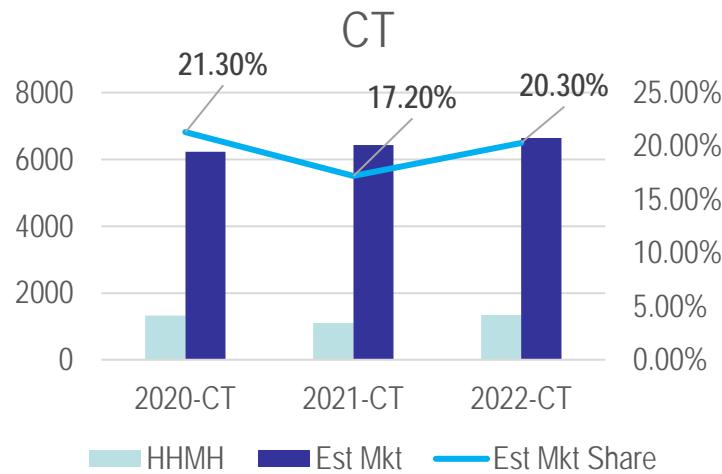
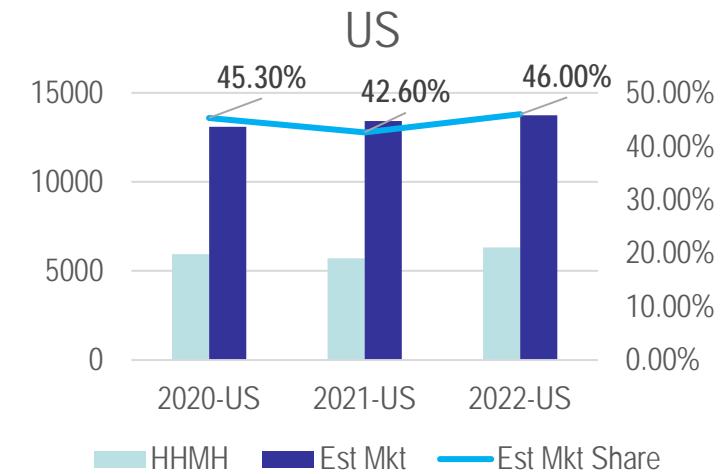
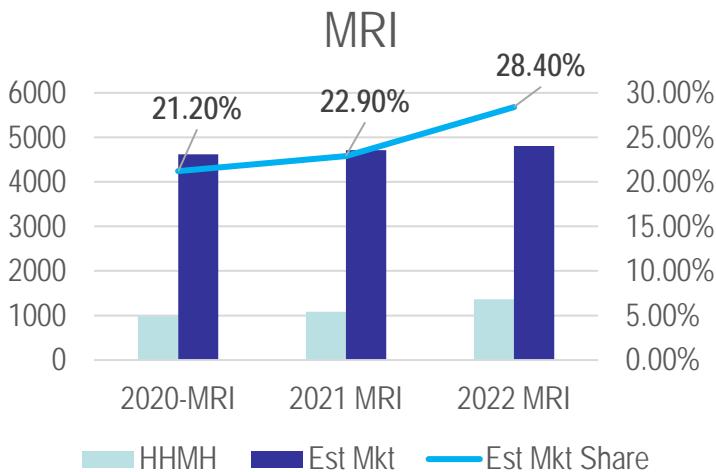
Revenue Building Strategies



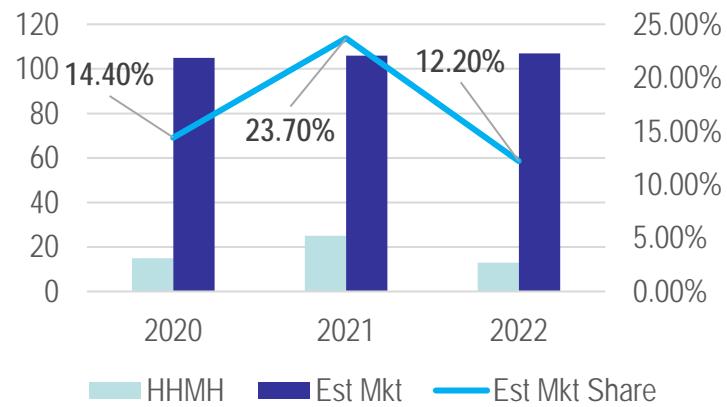
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- Provider Recruitment Strategies:
 - Precepting APP Students
 - Precepting Medical Students
 - National Search Firms
 - Internal Provider Recruiter

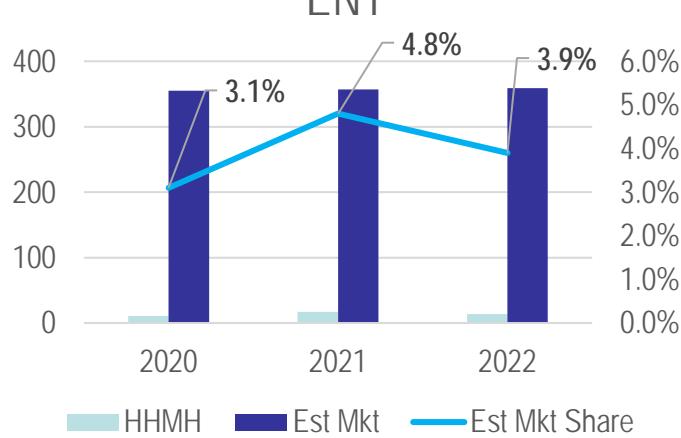
- Outpatient Imaging
 - Payor preference for non-hospital services which don't exist in Hollister.



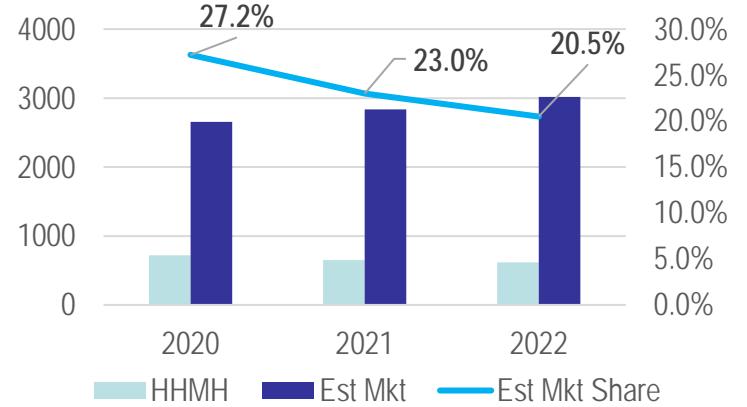
Breast Surgery



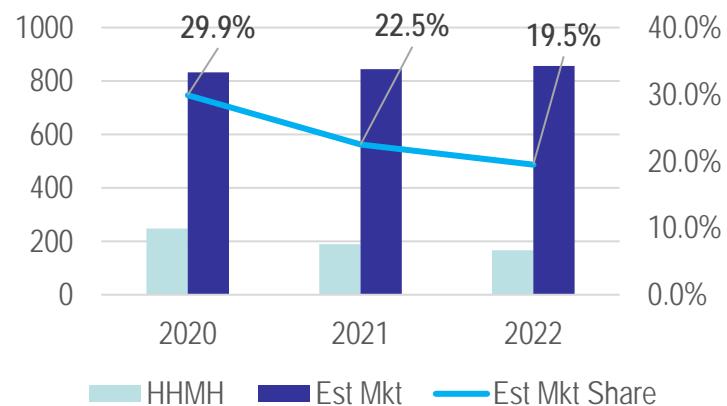
ENT



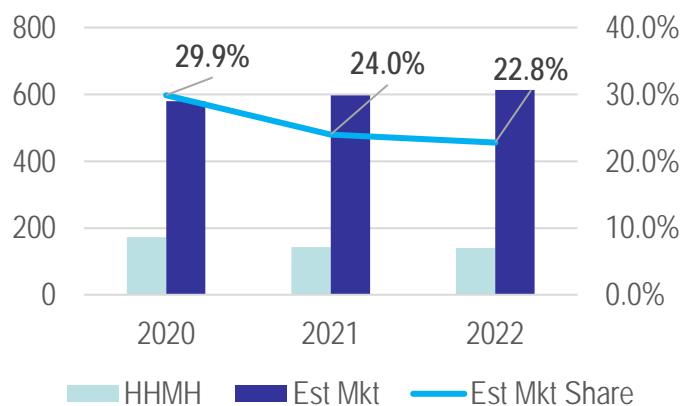
GI/Endo



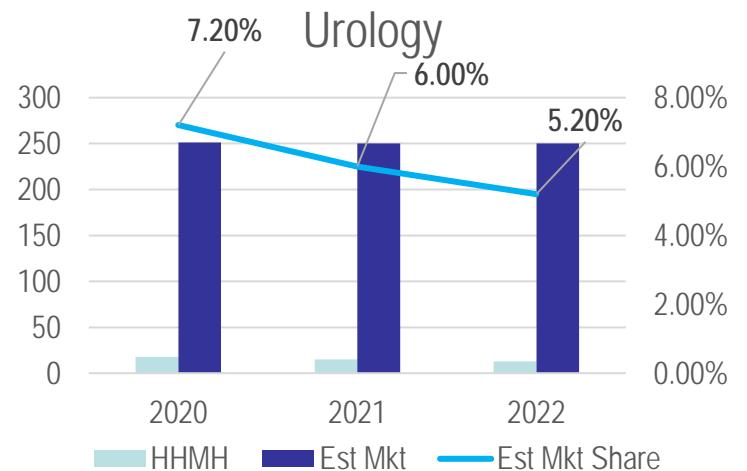
General Surgery



Ortho



Urology



- Surgical Services:
 - General Surgery
 - Breast Program Development
 - Bariatrics
 - Orthopedic Surgery
 - Joint Replacement
- Gastroenterology
 - Endo Procedures
- Urology
 - Lithotripsy
 - Prostate

- Medical Oncology
 - Infusion
 - Clinic
- Non-Chemo Infusion
- Cardiac Imaging/NI Vascular
- Other Ideas/Considerations?



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Course Direction



- Priorities from workshop:
 - 1) Provider Recruitment
 - A) Primary Care Recruitment
 - B) Medical Office Building Development
 - 2) Practice Management
 - 3) Breast Surgery Program
 - 4) Outpatient GI
 - 5) Outpatient Imaging
- Re-Ordered Priorities, considering cost and time factors:
 - 1) Outpatient GI
 - Relatively low cost of expanding services in current GI Procedure room in ASC.
 - Contract opportunity in progress.
 - 2) Breast Surgery Program
 - Relatively low cost of adding Mammotome to expand service capabilities.
 - 3) Practice Management
 - Work on referral patterns for surgical and GI services.
 - Data Sources (Optum vs. Internal)
 - Imaging data sharing to improve reporting of imaging back to providers.
 - 4) Provider Recruitment
 - Primary Care Providers
 - New Primary Care office in same complex as MSC, if space is still available for lease.