

VISION 2020

STRATEGIC PLAN 2015 – 2020

Board of Directors Approved
December 4, 2014



WESTERN CONNECTICUT HEALTH NETWORK

DANBURY HOSPITAL
NEW MILFORD HOSPITAL



Table of Contents

I. Introduction	1
Overview of Western Connecticut Health Network (WCHN)	1
Purpose of the Strategic Plan	1
Development of the Plan.....	1
II. Environmental Analysis	2
Key Issues Affecting Health Care Delivery	2
Competencies to Succeed	3
WCHN Market	4
III. Strategic Plan	5
Mission.....	5
Values That Guide Our Behavior	5
Vision 2020.....	5
Strategic Imperatives.....	6
IV. Monitoring and Evaluation	8
Outcome Indicators.....	8

Overview of Western Connecticut Health Network (WCHN)

Western Connecticut Health Network, Inc. (WCHN) is an integrated health care delivery system comprised of three community hospitals and their affiliated entities. WCHN has a strong history of meeting the health care needs of the residents of western and southern Connecticut and surrounding communities. In addition to Danbury, New Milford and Norwalk Hospitals, the continuum of care includes a large medical group, home health care services, a nationally renowned biomedical research institute, the WCHN and Norwalk Hospital Foundations and other related affiliates. To adapt to and thrive in a rapidly transforming health care environment, a strategic planning process was undertaken to continue the tradition of successfully providing quality, accessible health care services.

Purpose of the Strategic Plan

The purpose of Vision 2020 is to guide the strategic direction of WCHN for the five-year horizon 2015 through 2020. Building upon the framework established in earlier individual organization strategic plans, the high level goals will guide decision-making in the following respects:

- Identify organizational priorities
- Provide the basis for detailed business planning and annual goals
- Provide the basis for determining requirements and allocating resources

Development of the Plan

The strategic plan was developed in a highly participatory manner over an approximately ten-month period from January to November 2014. The rigorous process was guided by the Strategic Planning Committee of the Board with administrative and clinical leadership support. This was accomplished by evaluating previous goals and performance, analyzing market data and trends and assessing how to succeed in an environment of health care reform. Activities were focused on establishment of a vision for the future, formulation of strategies to achieve the vision and development of measures to monitor outcomes and ensure progress in achieving goals.

Development of the strategic plan was guided by the following principles:

- Enduring: positions the organization for success in the future environment
- Respectful: continues the legacy organizations' purpose and commitment to community
- Aspirational: engages and empowers leadership and innovation
- Achievable: progress toward goals is measurable

The plan includes an update of the statements of purpose, including the Mission Statement and Values as well as overarching aspirational goals for the organization. The communities served by WCHN have been defined in the Primary and Secondary Service Areas as well as regional and expanded service areas. In addition, areas of focus essential to achieving the vision have been identified as Strategic Imperatives. Through continued rigor and discipline, plans for clinical services, community-specific plans and annual strategic objectives will be framed by the goals set forth in Vision 2020.

Key Issues Affecting Health Care Delivery

The Board of Directors, the Strategic Planning Committee and the Senior Leadership of WCHN reviewed key issues affecting health care delivery. Health care is in a period of great transition. The passage of the Affordable Care Act (ACA) and mandates from employers, consumers and payers are placing enormous pressures on hospitals and care providers to transform the care delivery system.

Two trends that are transforming the health care delivery system include:

The purchaser of health care is evolving from groups to individuals. Employers are shifting more of the cost of health care insurance to their employees through high-deductible health plans. As a result, cost is a greater factor in their health care decisions causing more self-directing to lower-cost care settings. Many “non-traditional” providers of care are emerging, from retail health providers to telehealth, with a focus on access, convenience and cost. There are growing demands for clinical integration, and care along a continuum rather than episodic care.

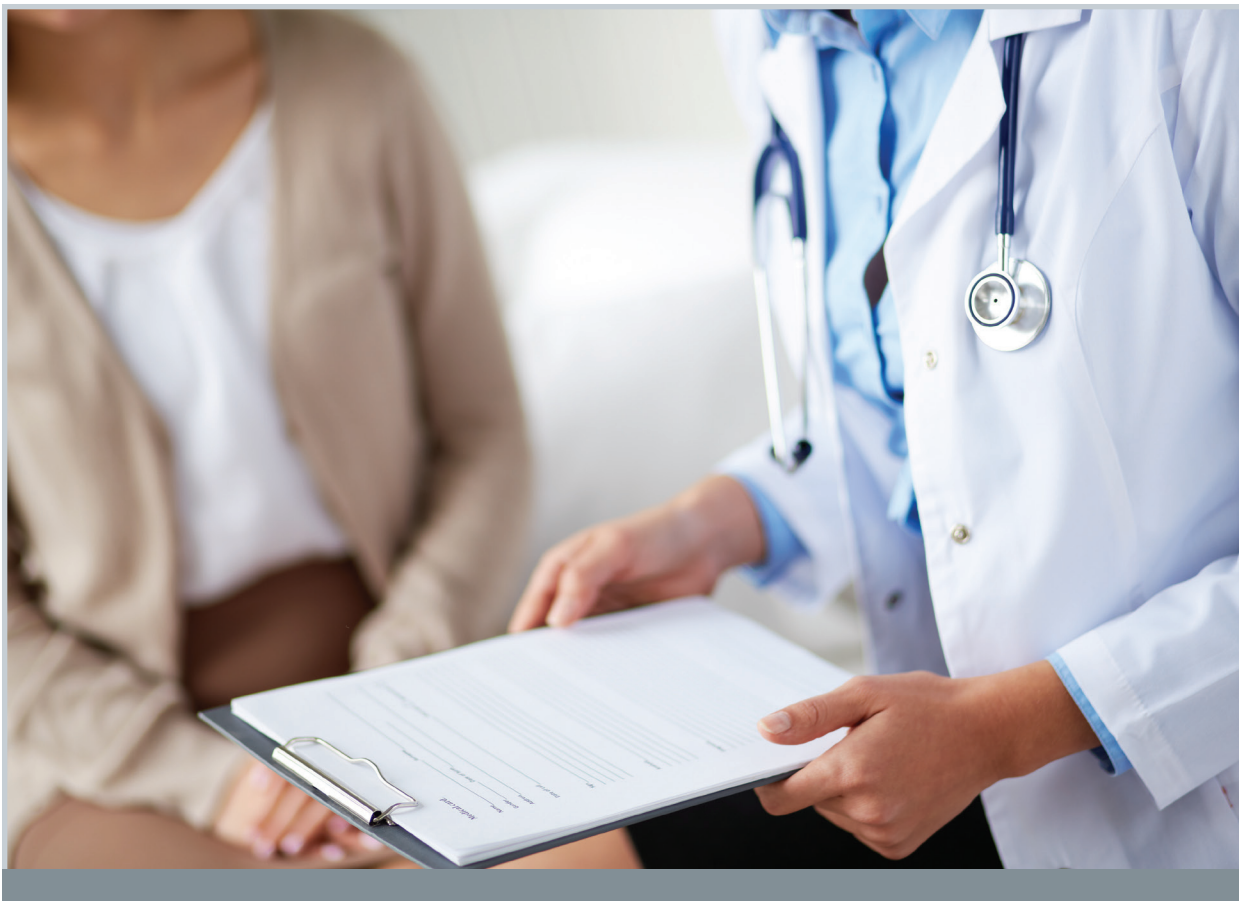
As consumers become increasingly sophisticated and focused on wellness and prevention, the role of the provider is shifting from one managing illness to one partnering in health and wellness. The network must adopt mechanisms to drive consumer involvement and engagement as active participants in their own health care.

This transformation is guided by the goals of a framework developed by the Institute for Healthcare Improvement (IHI) that describes an approach to optimizing health system performance. Three dimensions, which are called the “Triple Aim” include:

Improving the patient experience of care (including patient satisfaction) – focusing efforts to provide better care for individuals by improving the quality of care patients receive. The five key quality domains include the patient experience of care, care coordination, patient safety, preventive health and at-risk populations.

Improving the health of populations – better health for populations involves understanding the geographic location, age, gender, race, medical condition and other aspects of the community as a group. This is a shift in the model of care delivery from focusing on an individual’s illness and disease progression to the community as a whole.

Reducing the per capita cost of health care – this directs efforts toward reducing the total costs of care for an individual over time. Key initiatives, such as value-based reimbursement, episode payments or shared savings programs are all new payment methodologies designed to incent providers to manage care better, at a lower cost. Each of these initiatives provides greater reimbursement to providers if they can reduce the costs of care and simultaneously demonstrate improvements in clinical outcomes and patient satisfaction. Shifting incentives to reward providers who more effectively manage utilization and overall cost of care will result in downward pressures on traditional hospital volumes and volume-based reimbursement.



Competencies to Succeed

In order to thrive and continue the tradition of successfully providing quality, accessible health care services in a transforming environment WCHN will need to develop new competencies to effectively capture and manage the health of a population.

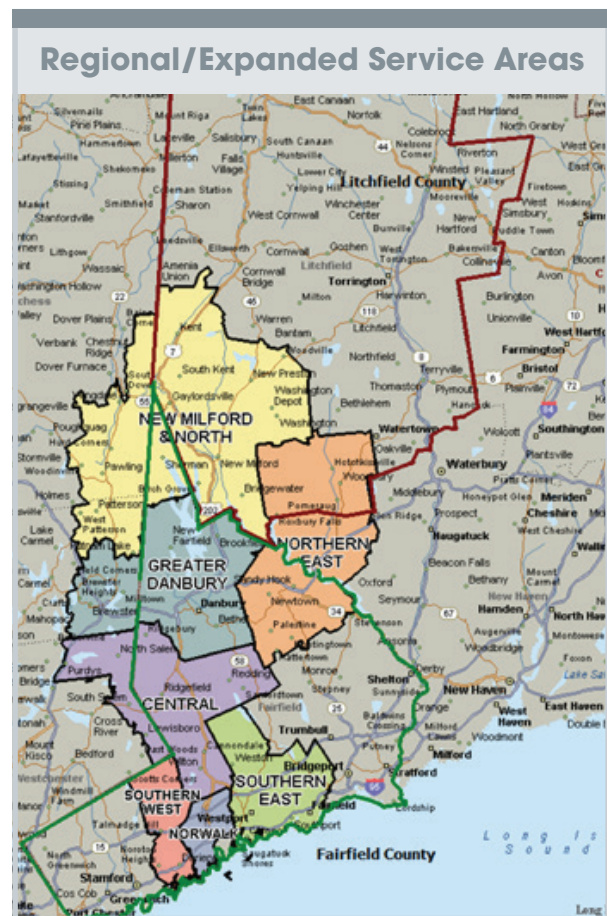
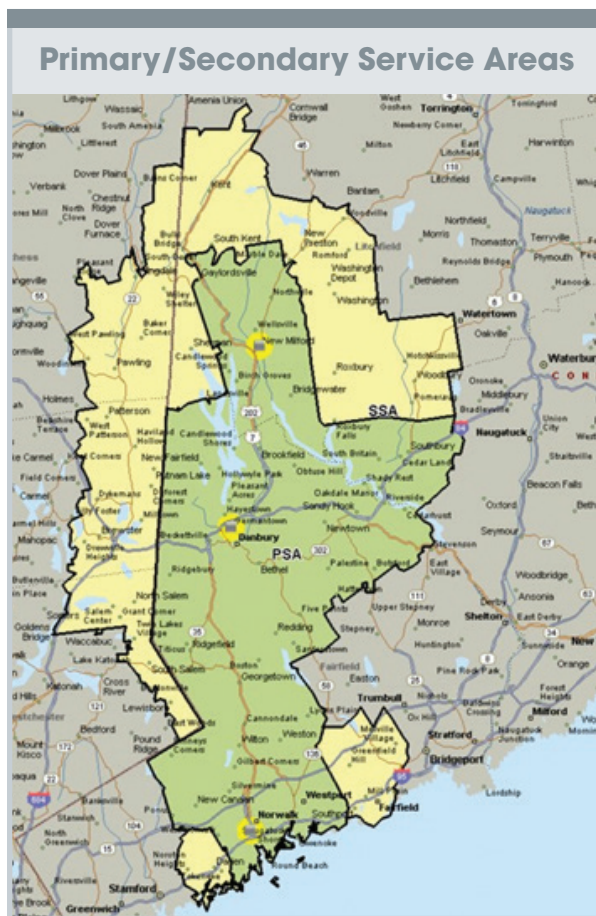
To serve the needs of a critical mass of enrolled population through improved access, expanded geographic coverage and demonstrated quality outcomes will require the network to secure scale to gain greater efficiency and broader geographic coverage. We will need to increase entry points and providers at all levels across the care continuum and achieve clinical integration with aligned physicians and other preferred providers.

To manage the health of the population across a continuum of care, the network requires the ability to identify and manage high-risk patients and engage low-risk patients. An estimated 5% of the population has at least one complex illness and multiple co-morbidities. We will need to deliver intensive, comprehensive and proactive management of their care. For the 15–35% of the population that have chronic conditions at risk of escalation if unattended, efforts will have to be directed toward managing the patient through enhanced primary care, such as the medical home. For the 60–80% of individuals that are either healthy or with minor conditions that are easily managed, our efforts will be aimed toward keeping them healthy and engaged with the system, while collecting data through vehicles such as a patient portal to treat them more effectively when they do need care.

The capacity to manage per capita reimbursement will require building a business model that is sustainable with fewer inpatient admissions and an integrated panel of providers. We will need an information technology infrastructure that can effectively manage utilization risk and per capita cost, while capturing patient outcomes and aligning incentives with physicians, providers and payers across the continuum of care.

WCHN Market

The WCHN service area currently comprises 28 towns with an estimated 2015 population of 564,011, representing towns in western and southern Connecticut, including those located in Fairfield and Litchfield counties and adjacent communities.



The Primary Service Area (PSA), which is shaded in green, was defined by the towns yielding up to 75% of system inpatient volume, plus any towns with market share > 75%. Also included in the PSA were the historical service areas of the three community hospitals. The Secondary Service Area (SSA), which is shaded in yellow, was defined as the top volume towns with market share > 8%. Our network market volume for these areas represents more than 32,000 inpatient discharges and a blended inpatient market share of 59% in 2014.

In the course of identifying the new competencies needed and the vision for future growth, the need for regional strategies emerged, with our service areas defined by seven distinct regions, as shown above.

To sustain the network and secure the necessary covered lives, additional growth opportunities, partnerships and alliances will be sought in the expanded service area in Fairfield and Litchfield counties and across the state.

MISSION

WCHN will **improve the health of every person we serve** through the efficient delivery of excellent, innovative and compassionate care.

Values That Guide Our Behavior

Our values reflect who we are as an organization. They provide clear guidance as to behavior expectations and motivate us by promoting a sense of belonging and pride. We are all accountable for living up to and demonstrating these values in our day-to-day actions:

Excellence – We deliver the highest quality of care and service and surpass established standards through a continuous focus on improvement, innovation and education.

Integrity – We approach our work with the highest standards of openness, honesty and ethical behavior, with freedom from any inappropriate influence or motive.

Compassion – We serve others with empathy and a desire to alleviate their suffering while honoring each individual's dignity and privacy.

Teamwork – We work together in a cooperative, coordinated and supportive environment that places the team's or organization's goals ahead of individual goals.

Fiscal Responsibility – We achieve our mission through efficient and effective use of our resources and personal accountability for ensuring financial integrity and performance.

VISION 2020

WCHN will be the **preferred partner in health and provider of care** for the communities we serve and will be among the most respected community health care systems in the nation.

WCHN will be the market leader in the region, with more enrolled lives in Fairfield and Litchfield counties than any other network. WCHN will continue to meet national standards for care in the full range of services expected from health care networks. We will commit resources and priorities to developing a focus on key service lines which offer opportunities for market development and differentiation and are a network strength or patient point of entry. We will deliver or partner with other providers to meet our communities' health care needs. WCHN will achieve distinction in providing: Cancer Services, Cardiovascular Services, Musculoskeletal Services, Neurosciences, and Women's Services.

Cancer and Cardiovascular Services demonstrate to the community the health system's readiness and commitment to care for patients in life-altering and life-threatening situations. Women's Services provides an access point to the hospital – often a family's initial experience with health care. Musculoskeletal Services will increasingly be in demand with the aging of the population, and Neurosciences is an emerging opportunity for this growing population.

Strategic Imperatives

In order to succeed in achieving our mission it is critical that we deliver on the following strategic imperatives and goals.

	Quality & Service	Provide safe, high quality care that results in exceptional clinical outcomes and an unparalleled patient experience.
	Physician Partnership	Be the partner of choice for physicians to deliver exceptional health care to the people we serve.
	People & Culture	Foster a collegial environment and culture of excellence through inquiry, learning, innovation, compassion and respect.
	Population Health	Align and integrate providers and services to transform from volume-based to value-based care for the communities we serve.
	Financial Strength	Use our resources responsibly and efficiently to enable the provision of high quality care at a margin sufficient to sustain our mission.

Quality & Service: *Provide safe, high quality care that results in exceptional clinical outcomes and an unparalleled patient experience.*

Our goals are to exceed customer expectations and achieve optimal patient outcomes on a continuous basis. Through enhanced teamwork and communication, we will provide exceptional patient experiences and reduce the incidence of preventable harm. We will create a high-reliability organization (HRO) focused on patient safety, and empower staff to continuously improve the environment of care.

By 2020, we will demonstrate success through achievement of patient experience ratings in the top decile, demonstrated health outcomes among top performers, utilization rates at best practices and delivering care across the continuum, including prevention and screening services and chronic disease management.

Physician Partnership: *Be the partner of choice for physicians to deliver exceptional health care to the people we serve.*

Our goals are to recruit and retain quality physicians and expand physician alignment. Building from our Physician Resource Plan, we will recruit the required number of physicians and place them in the appropriate locations to serve our communities. To retain quality physicians in our system we will develop a supportive environment, including appropriate teaching and research opportunities. We will expand physician alignment through numerous vehicles and partners.

By 2020, we will demonstrate success through initiatives designed to achieve physician engagement in the top decile and secure an aligned physician network with capacity to manage 500,000 lives.

People & Culture: *Foster a collegial environment and culture of excellence through inquiry, learning, innovation, compassion and respect.*

Our goals are to enhance leadership development and accountability, ensure an engaged and empowered workforce and foster learning and discovery. We will implement and expand both formal and informal leadership development programs for physician leaders, nurse leaders and administrators. We will hold these leaders accountable for engaging their staff and developing an environment that fosters learning and discovery. We will provide opportunities for employees to engage in “hands-on” learning in a simulation based curriculum, and empower employees to apply that learning in innovative new programs and processes.

By 2020, we will demonstrate success through staff engagement ratings at top decile performance levels, and by being recognized among top places to work and as a leader in innovation and learning.

Population Health: *Align and integrate providers and services to transform from volume-based to value-based care for the communities we serve.*

Our goals include developing healthier communities, transforming the delivery of health care and building the necessary information systems. We will develop community partners to provide services in the most appropriate care setting, and develop programs to empower patients to become partners in managing their health. We will enhance quality and lower the cost of care by reducing unnecessary clinical variation and focusing on prevention, wellness, and the management of chronic health conditions. We will develop information systems that allow providers and patients to share data across the continuum of care.

By 2020, we will demonstrate success in the management of approximately 500,000 lives, the provision of seamless access to information across the continuum and our accreditation as a clinically integrated network.

Financial Strength: *Use our resources responsibly and efficiently to enable the provision of high quality care at a margin sufficient to sustain our mission.*

Our goals include achieving success in a value-based performance environment with appropriate, focused growth, and leveraging philanthropy to support our programs. We will develop the tools and skills to share risk data and quality metrics with payors, employers and eventually, patients. We will utilize clinical analytics to reduce costs and variations in care. We will target appropriate opportunities and services for growth, many of which will be outside the four walls of a hospital. We will continue to work with key members of the community and grant funding agencies to achieve the philanthropic support necessary to fund needed and innovative programs and services.

By 2020, we will demonstrate success through the maintenance of a strong bond rating, realization of more than half of revenue gained from managing health, and breaking even on care for Medicare beneficiaries.

IV. Monitoring and Evaluation

Outcome Indicators

WCHN will routinely measure the progress it makes toward the goals established in this strategic plan. This progress will be demonstrated through the achievement of annual objectives with quantitative and qualitative measures and reported on a semi-annual basis to the Strategic Planning Committee of the Board. Internal and external environmental conditions and performance may lead to the refinement of Vision 2020 over time.



MISSION

WCHN will **improve the health of every person we serve** through the efficient delivery of excellent, innovative and compassionate care.

VISION 2020

WCHN will be the **preferred partner in health and provider of care** for the communities we serve and will be among the most respected community health care systems in the nation.



 WESTERN CONNECTICUT HEALTH NETWORK

DANBURY HOSPITAL
NEW MILFORD HOSPITAL

 Norwalk
Hospital