



**Strategic Plan**  
**Madison Valley Medical Center**  
**September 2017**

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## Introduction and Purpose

Madison Valley Medical Center is a 10-bed Critical Access Hospital with an attached rural health clinic, and is a public non-profit organization based in Ennis, Montana. Madison Valley Medical Center is the only hospital and clinic in the Madison Valley Hospital District and serves a resident population of approximately 4,586 people. The Medical Center provides primary care to the district residents and is a designated trauma receiving facility with twenty four hour emergency services.

Madison Valley Medical Center has been in its new building since March of 2009. Since moving to the new building the organization has been met with significant financial strain. The purpose of this strategic plan is to create a basic outline that will allow the organization to successfully fulfill its Mission and Vision. The board of directors met in July and August of 2013 to revise the Mission and Vision of the organization as the first steps in producing this plan. The following pages are designed to act as a basic outline of necessary steps in order to continue to fulfill our commitment to our community as their healthcare provider.



## Brief History

In 1949 a dedicated group of local citizens organized a campaign to bring resident medical services to the Madison Valley. Dr. Ron (*Doc*) Losee responded to the search initiative that sought to hire a physician, and when hired, was instrumental in conceptualizing a plan

for a hospital. Fund raising efforts were successful and construction of the “Madison Valley Hospital” was completed in late summer – 1950.

Dr. Losee served as the first physician and Dr. Gene Wilkins, the second permanent resident medical doctor, started in December of 1964. Since then a number of medical professionals have served the local community. The current Medical Staff consists of R.D. Marks, MD, Maura Davenport, M.D., David Newton, M.D. Marty Hensel, PAC, and Krystin, Nutt, FNP.



In March of 2009 Madison Valley Hospital completed construction of the new building. Shortly after moving into the new building the organization adopted the DBA (doing business as) of Madison Valley Medical Center. The new building brought increased capacity, improved diagnostic services, and increased emergency medicine capabilities to the valley.

## Mission Statement

Mission: To inspire and promote health and wellness for each patient through excellence in healthcare.

## Vision Statement

Vision: To become the healthcare provider of choice by establishing meaningful relationships with patients.

## Our Community

The primary communities served by Madison Valley Medical Center include: Harrison, Pony, Norris, McAllister, Ennis, Virginia City, Cameron, and West Yellowstone. The hospital district boundaries are contained within and follow the Madison County border on the North, East, and South Borders. The western edge of the border stops on the Virginia City Hill and extends south towards Reynolds Pass and North through the Tobacco Root Mountains. The western portion of Madison County is contained within the district of Ruby Valley Hospital.

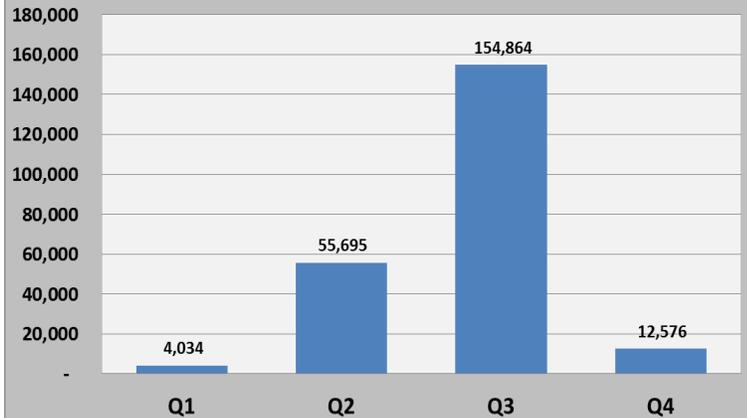
## Population

According to the Census and Economic Information Center growth trends for the Madison County are predicted to continue. Between 2010 and 2020 it is estimated that the population of Madison County will increase by 12%. Madison Valley Medical Center is well equipped and adequately staffed to support an increase in service population.

[Source: Census & Economic Information Center, MT Dept. of Commerce ([www.ceic.mt.gov](http://www.ceic.mt.gov))]

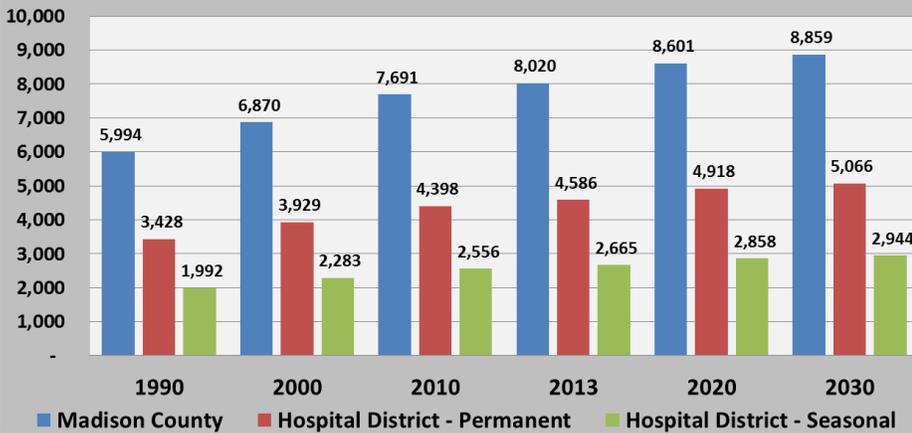
opportunities to staff up with temporary seasonal employees where appropriate in the summer months rather than staffing down during the winter months. This will help improve morale of permanent employees while bring improved operational conditions to the Medical Center. Below is the most recent study regarding non-resident visitors through Ennis.

Non-Resident Visitors Passing Through Ennis in 2012



[Source: ITTR; University of Montana Institute for Tourism and Recreation Research]

Population Growth Trends



## Tourism

Tourism is the largest industry in our community. The graph below shows the number of individuals from outside the state of Montana that pass through Ennis, Montana, each quarter. This is the primary cause of many of the staffing and operation issues faced by the organization. The organization should focus on

“Madison Valley Medical Center is well equipped and adequately staffed to support an increase in Service Population”

## Household Income

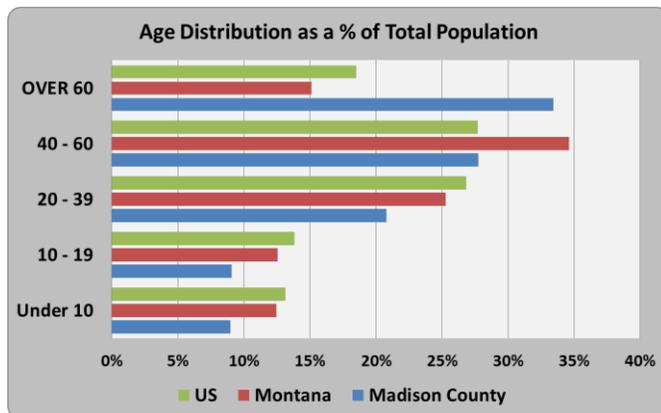
Income distribution is an important community characteristic to consider in decision making for healthcare entities. Madison County has a lower than average poverty level but also has a lower than average percentage of residents in higher income brackets. As a result our service area represents a larger than average lower middle class of income ranges from \$15,000 to \$49,999. Many of these individuals are not currently insured and will qualify for significant subsidies in the healthcare exchange market place.

Household Income	Ennis	Madison Co.	MT	US
Less than \$10,000	3.0%	5.3%	7.2%	7.1%
\$10,000 to \$14,999	5.5%	4.0%	6.4%	5.4%
\$15,000 to \$24,999	12.9%	15.5%	13.0%	10.6%
\$25,000 to \$34,999	23.8%	12.4%	12.3%	10.4%
\$35,000 to \$49,999	18.4%	16.9%	15.7%	13.8%
\$50,000 to \$74,999	17.7%	18.2%	19.4%	18.3%
\$75,000 to \$99,999	12.7%	14.0%	11.9%	12.4%
\$100,000 to \$149,999	3.6%	6.5%	9.6%	12.7%
\$150,000 to \$199,999	0.0%	2.5%	2.5%	4.7%
\$200,000 or more	2.3%	4.6%	2.1%	4.5%

[Source: Census 2010; US Census Bureau]

## Age Profile

The age distribution of the Madison County is strong in the over 60 demographic. This accounts for the high Medicare population and utilization in our facility. As the baby boomer generation reaches Medicare age this percentage will increase. In the existing cost reporting structure this will benefit our hospital as a designated Critical Access Hospital.



[Source: Census 2010; US Census Bureau]

## Community Benefit

Madison Valley Medical Center is classified as a 501(c)3 by the Internal Revenue services which is more commonly known as a non-profit. The purpose of our organization is to “To inspire and promote health and wellness for each patient through excellence in healthcare.”

Madison Valley Medical Center strives to be a strong community partner. This is not only accomplished by providing quality healthcare but also by participating in community events, allowing other organizations with similar missions to utilize the conference rooms

in the building, and by providing educational opportunities for students ranging from pre-kindergarten programs through medical residency rotations.

Summarized below are the volumes of patients served by Madison Valley Medical Center and the amount of uncompensated care provided to our community neighbors.

## Uncompensated Care

Madison Valley Medical Center believes strongly that our mission applies to all patients regardless of ability to pay. As such, Madison Valley Medical Center established a financial assistance program that allows patients to receive discounted or free care based on a sliding fee scale from the federal poverty guidelines. In Fiscal Year 2017 Madison Valley Medical Center applied \$161,442 to accounts that qualified for discounted or free care through our financial assistance program.

In addition, every year Madison Valley Medical Center writes off hundreds of thousands of dollars of uncollectible care known as bad debt. In fiscal year 2017 Madison Valley Medical Center wrote off \$302,449 to allow for accounts that are deemed to be uncollectible.

In total, the organization provided \$463,891 in uncompensated care during the fiscal year ending 09/30/2017.

# Patient Volumes and Growth

Madison Valley Medical Center continues to achieve strong financial growth from new patients and additional health care services.

MVMC saw 1423 new patients in 2017

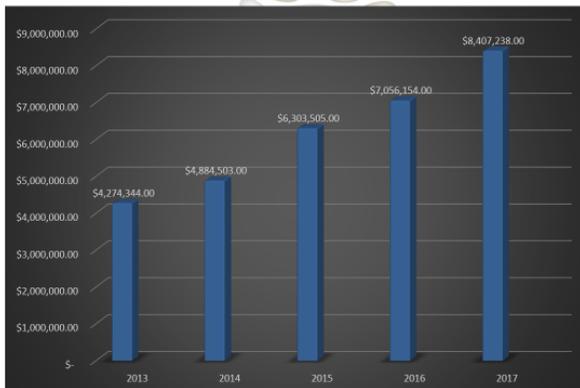


## Percentage Revenue Change from 2016 to 2017

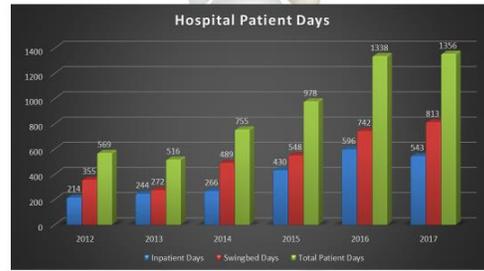
### Percentage Changes in 2017

- Imaging -2%
- Hospital 55%
- Clinic 6%
- ER 63%
- Pharmacy -1%
- Lab 12%
- Therapies 41%
- Central Supply 28%
- GI 84%
- EKG 46%

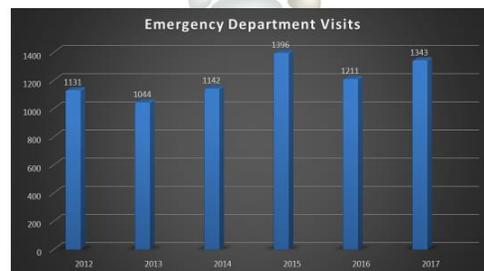
## Gross Patient Revenue



## 2017 Patient Volumes



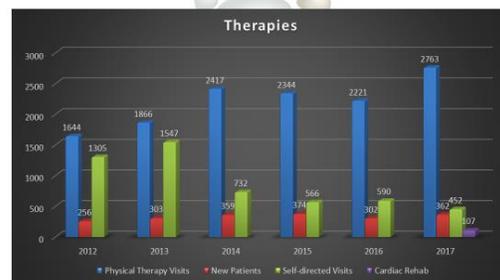
## 2017 Patient Volumes



## 2017 Patient Volumes



## 2017 Patient Volumes

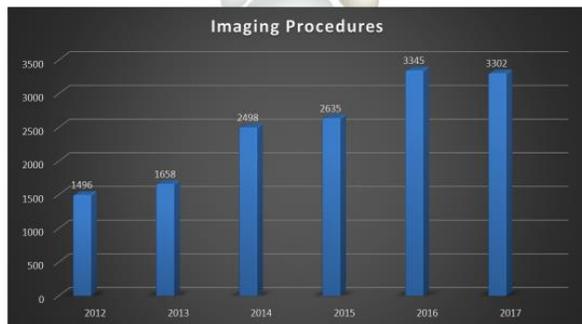


## Ancillary Services Growth

### 2017 Patient Volumes



### 2017 Patient Volumes



## Community Health Needs Assessment

In January of 2017, Madison Valley Medical Center completed a community health needs assessment. The report revealed many of the strengths and opportunities for Madison Valley Medical Center.

It is planned that a similar assessment will be completed every 3 years in order to ensure the mission of the organization is being fulfilled. The most recent survey revealed several very useful and important details regarding the perception of the facility from the community, decision making processes for patients, desires of the community, and areas of strength and weakness for the community.

A full report can be viewed online by going to;

<http://www.mvmedcenter.org/wp-content/uploads/2013/01/MVMC-Full-Report.pdf>.

Some of the significant findings from the community health needs assessment include.

**The top five reasons for selecting the Hospital Used.** Prior experience with hospital; Reputation for quality; Emergency; Closest to work; Referred by physician.

### **Hospital Used Most in the Past Three Years.**

Madison Valley Medical Center 51%  
Bozeman Deaconess 40%  
Billings Hospital 1%  
Ruby Valley Medical Center 2%;  
Barrett Hospital 3%.

### **Location of Primary Care Provider.**

Ennis 55%  
Bozeman 40%  
Dillon 4%  
Sheridan 3%

**Reasons for Selection of Primary Care Provider.** Closest to home; prior experience with clinic; appointment availability; clinic’s reputation for quality; referred by doctor.

**Top 5 Health Care Specialists Used Not Currently Coming to MVMC.** Dentist; Dermatologist; Orthopedic Surgeon, Chiropractor; General Surgeon; and ENT (Ear/Nose/Throat).

**Knowledge of Health Care Services Offered at MVMC.** Seventy-one percent (71%) rated their knowledge of health care services as Good to Excellent.

**How Respondents Learn of Health Care Services.** Friends and Family 46%, Reputation 42%; Healthcare provider 26%; Internet 15%; Newspaper 15% and Direct mailings 15%.

**Top 5 Health Concerns for the Community.** Alcohol/substance abuse; depression and anxiety; Mental health disorders; Motor vehicle accidents; cancer;

**Top 3 Barriers to Having Health Insurance.** Cannot afford to pay for medical insurance; choose not to have medical insurance; and employer does not offer insurance.

## Response to Community Health Needs Assessment

The Affordable Care Act requires that Hospitals not only conduct a Community Health Needs Assessment but create an action plan to respond. Madison Valley Medical Center has already addressed several of the key elements that the most recent survey has revealed; we will continue to address these issues as the resources of the organization allow.

Examples of recent changes as a result of the community health needs assessment include increased specialty services, which include: Cardiology, Gastroenterology, Orthopedics, Oncology, Gynecology, MRI, and Bone Density Screening. We have worked hard to develop, improve, and implement

our quality program showing measurable increases in both patient perception of quality through patient satisfaction surveys and reportable clinical quality measures. As part of this initiative the Medical Center has focused on acquiring top of the line equipment to help ensure high quality care through advanced diagnostics.

The remainder of this strategic plan will specifically address many of the concerns and requests found in the community health needs assessment that are within the financial and operational abilities of Madison Valley Medical Center.

## Strategic Initiatives

The Strategic Plan for Madison Valley Medical Center will focus on nine key components listed below.

1. Recruitment and Retention of Medical Providers
2. Quality and Patient Satisfaction
3. Breadth of Services to include behavioral health and chiropractic services.
4. Community Outreach & Participation
5. Operational Benchmarks & Goals
6. Asset Management Plan
7. Marketing & Branding
8. Relationship Building with Outside Healthcare Providers

### 1. Recruitment and Retention of Medical Providers

The current operating model at Madison Valley Medical Center includes three full-time primary care physicians and three mid-level providers to cover the operational needs of the clinic, emergency, and hospital settings. While this model is sufficient for our needs, it is anticipated that MVMC will see some turnover in MDs due to retirement in the next three years.

Madison Valley Medical Center has created a deferred compensation plan to both attract and maintain the best medical providers. By having this in place, we can use this as a valuable tool to recruit Medical Staff in the coming years.

## 2. Quality and Patient Satisfaction

Quality will continue to be a focus for Madison Valley Medical Center. We will continue to develop and implement our existing quality program both in clinical and administrative sectors.

Madison Valley Medical Center was one of the first Critical Access Hospitals in the state to achieve stage 1 of Meaningful Use of Electronic Health Records and will continue to implement the necessary technologies to bring high quality state of the art care to our patients. In the final quarter of 2017 MVMC began implementation of a new Electronic Health Record. This technology will help establish best-practice process with improved patient safety.

Currently MVMC participates in the mandatory HCAPS (Hospital Consumer Assessment of Healthcare Providers and Systems) survey for hospital in-patients. MVMC will continue to monitor these results and will make the necessary changes to ensure that MVMC surpasses both federal and state level averages in all categories

“In 2017 Madison Valley Medical Center received average patient satisfaction scores from 9.4 to 10 in all operating departments.

In addition to hospital in-patient surveys, MVMC currently sends out surveys to clinic patients, emergency room patients, therapy patients, all MRI patients, and all Gastroenterology patients. These surveys are reviewed monthly in the quality committee meeting and all comments are addressed where appropriate.

## 3. Breadth of Services

A primary focus of Madison Valley Medical Center will be to meet, where possible, the medical needs and desires of our community and patients. During the coming fiscal years MVMC will work to maintain the breadth of services currently offered both in clinical and ancillary services. In addition, we will evaluate

Major Capital Asset Acquisition Needs >25,000		
Asset	Year	Amount
Computers & Servers	Every Year	40,000
Electronic Health Record	2014-2015	1,000,000
Colonoscopy Equipment (7 Years)	2014	125,000
Hematology (7 Years)	2014	40,000
Immuno Chemistry (7 Years)	2014	60,000
Chemistry (7 Years)	2014	75,000
Renovate Existing Medical Center (Floors, Walls, Other Surfaces)	2019	100,000
X-Ray Suite (10 Years)	2019	275,000
Ultrasound (7 Years)	2019	200,000
CT (7 Years)	2019	650,000
Bone Desitometer (10 Years)	2019	60,000
Mobile X-Ray (10 Years)	2023	175,000
Renovate Existing Medical Center (Roof, Exterior, HVAC, Paving, Landscaping)	2024	2,000,000
Renovate Existing Medical Center (Floors, Walls, Other Surfaces)	2029	100,000
Replace Existing Medical Center	2039	15,000,000

the feasibility of behavioral health and chiropractic services as identified through our community health needs assessment.



#### 4. Community Outreach & Participation

Madison Valley Medical Center is one of the largest employers and economic entities within the communities of the Madison County. As such MVMC will take an active role in community outreach and support entities and activities that are in harmony with the Mission and Vision of the organization.

In FY 2020 MVMC will again conduct a Community Health Needs Assessment and will do so every three years in order to ensure compliance with IRS (Internal Revenue Services) regulations. In addition MVMC will complete a written response to each assessment with implementation plans to help achieve the needs of our community.

MVMC will work to ensure that the resources and employees of MVMC help contribute to worthy organizations within the communities we serve. By Fiscal Year 2020 MVMC will create a Community Giving plan which will develop guidelines for both financial commitments to local organizations as well as employee involvement guidelines to allow our employees to actively participate in these organizations.

#### 5. Asset Management Plan

MVMC is well equipped with state of the art

that MVMC know the financial commitment necessary to maintain and replace these services in the coming years. The summary below has been submitted to the Madison Valley Medical Center Foundation for funding. In response MVMCF has created both a Capital Fund and Endowment Program. MVMC will work closely with MVMCF to ensure the funds necessary for these needs is available in the near future.

#### 6. Operational Benchmarks & Goals

MVMC will continue to benchmark its operational and financial goals with similar Critical Access Hospitals to continuously improve performance. Increased financial strength will be necessary to ensure a strong medical staff and the technology necessary to provide care to our patients.

#### 7. Marketing & Advertising

Marketing and Advertising will continue to be a focus for the medical center. Madison Valley Medical Center and the Foundation will work towards a combined marketing and advertising strategy to help bring our message to the community.

As indicated by the community health needs assessment, “Family and Friends” are the most effective method of distribution in the health care setting. This requires MVMC to ensure that each patient has a positive medical experience and to encourage our patients to share their experiences. MVMC will continue to utilize the Madisonian as the primary media outlet in the Madison Valley. We will continue to do direct mailings to our patients to help reach the broader market. Additional advertising and marketing outlets will be pursued including social media, newspaper inserts, and other solutions.

Several strong niche markets exist in our communities that deserve special attention in order to grow market share. These markets include young families with pediatric patients,



equipment and facilities to help create an environment of comfortable high quality health care. It is crucial

the ranching and agricultural community, and tourists and seasonal residents.

## **8. Relationship Building with Outside Healthcare Providers**

Madison Valley Medical Center wishes to maintain independence while building strong relationships with larger healthcare entities to provide high quality specialized healthcare for our patients. Partnerships will allow for MVMC to bring additional services, reduced costs, and improved patients processes. MVMC will work most closely with Bozeman Deaconess as our primary tertiary referral facility for many of these solutions.