

Developing Strong Business Plans

Critical Access Hospital Quality
Improvement Bootcamp

2023



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER



Texas Hospital Association Foundation

Learning Objectives

- Identify components of a successful business plan
- Discuss importance of strong business plans
- Develop a strong business plan

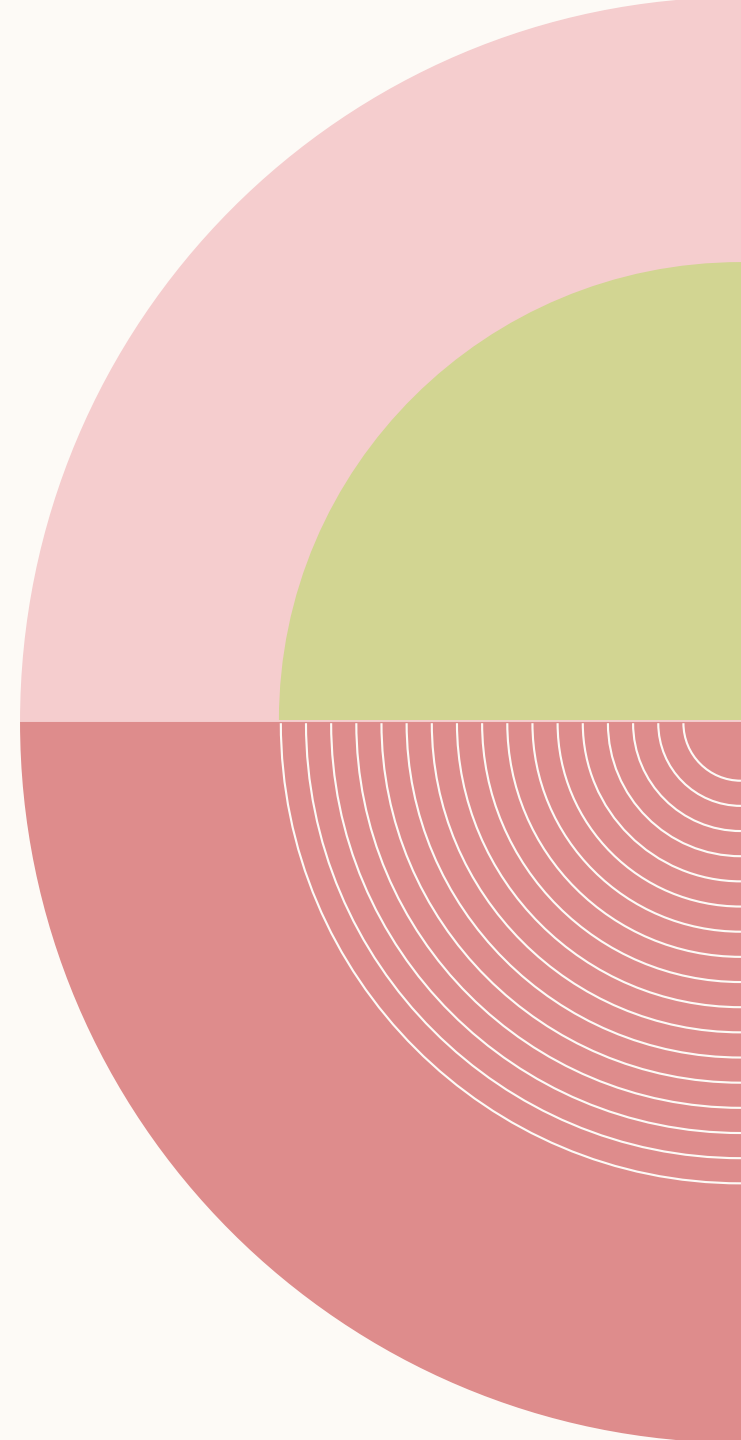


What is a business plan?

- Written road map
- Defines needs/objectives
- Outlines plans for achieving goals
- Provides financial considerations
- Outlines connection to operational and strategic initiatives
- Targets internal and/or external audiences

Why are business plans important?

- ❖ Align short- and long-term goals
- ❖ Manage budget
- ❖ Help make decisions
- ❖ Reduce risk





When would you need to use a business plan?

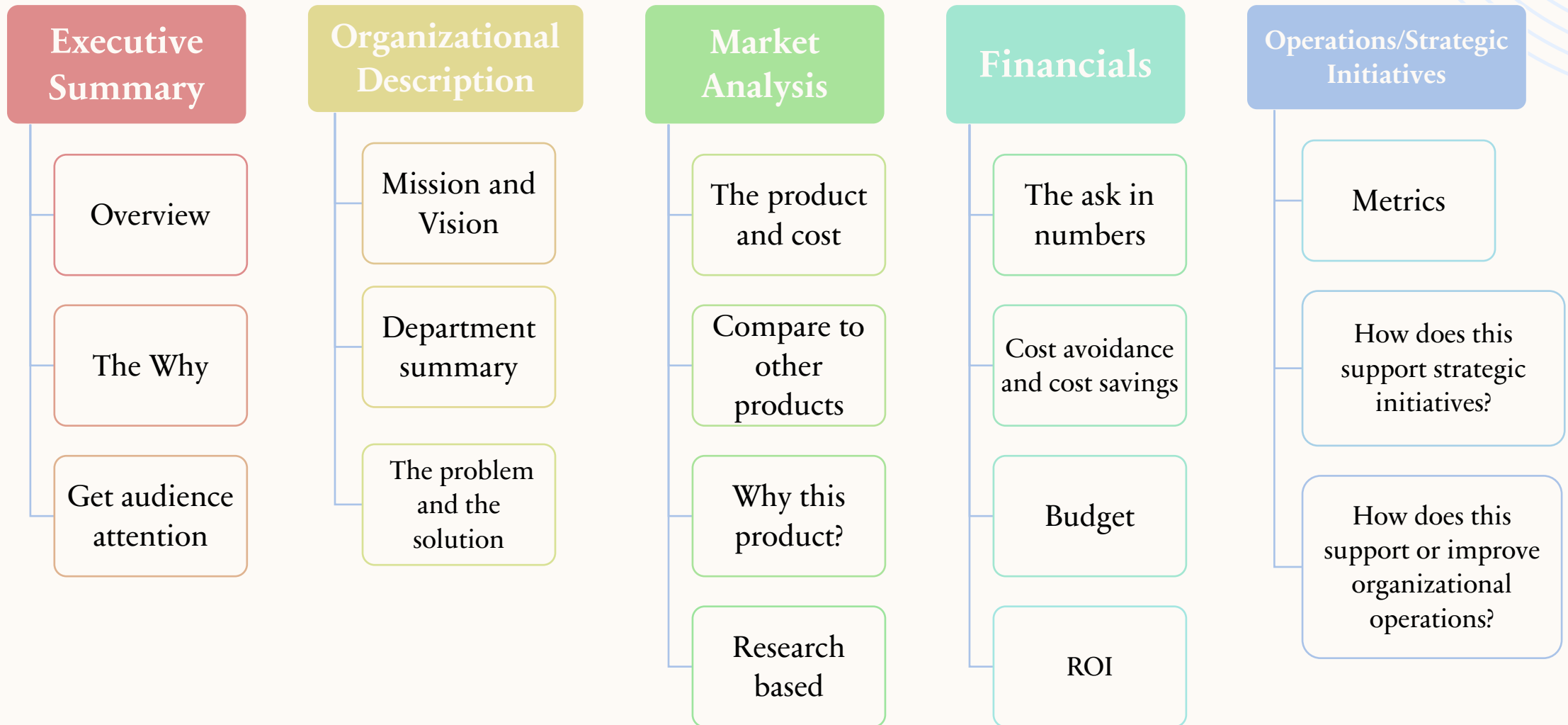
New/different equipment or supplies

Securing FTEs

Service Line Development

Advanced Education for Staff

COMPONENTS OF A BUSINESS PLAN





Tips for writing business plans

Simple

- Keep it simple and to the point
- Provide all necessary info

Research

- Do your research!
- Be objective, balanced and accurate

Clear

- Set clear goals
- Provide clear metrics

Honest

- Know your strengths and weaknesses

Review

- Seek a reviewer for objective feedback

Example – Executive Summary

Executive Summary – Problem Statement

We are looking to invest 650k in to updating the Main 6 East and West nursing units. This will increase patient satisfaction (facilities section), retain surgical bariatric volume and address infection prevention concerns caused by broken tiles, damaged flooring and the insensitive toilet braces used to accommodate bariatric patients.

Texas Health Dallas' Main Building is 53 years old and both the patient rooms and care areas on Main 6 are in need of an upgrade. The last cosmetic update on Main 6 was approximately 20 years ago. The fire suppression system was installed years after the building was constructed, leaving the pipes exposed. The staff on this unit care for bariatric, general surgery, colorectal, urology and GI patients and is our ERAS unit. All of these specialties contribute to an occupancy rate of 98%. The aesthetics of the unit does not meet the standard at THR as we continue to focus on our consumer experience and compete with newer facilities. THD has aesthetically improved the other floors in the Main building, and Main 6 E/W is the last to be updated.

Example – Organizational Description

- Description of the organization/unit

The surgeons REFUSE to send their bariatric patients to Main 6 east due to lack of appropriate facilities.

- Restrooms unfit for bariatric patients
- Patient rooms are too small
- Rooms are outdated and not up to par

The unit is not compliant with The Metabolic and Bariatric Surgery Accreditation and Quality Improvement Program (MBSAQIP) standards or with our last bariatric Center of Excellence (COE) surveyor recommendations. XXX will be resurveyed by MBSAQIP for our Bariatric COE designation in March or April 2019.

Example – Organizational Description

We have 1M budgeted already for this project and are seeking an additional 650 K to invest in the Main 6th East/West nursing units to improve our consumer's experience. The project scope includes:

- New flooring in patient and public spaces
- Raise the fire suppression lines above ceiling
- Replace the corridor ceiling, install new light fixtures
- Refurbish the bathroom/showers
- Paint patient rooms and public spaces
- Add bariatric compliant standard floor mounted toilets throughout
- Install new millwork/countertops and monitor alcove at nurses' station
- Replace millwork at nourishment area (6E)

We have planned to relocate M2E to the LL temporarily in order to move the M6E team into the M2 space to allow for an efficient and less costly project. In terms of future use, Main 6 has a skybridge connection to the Hamon building, so it is likely it will continue to be used well into the future to provide clinical patient care.

The result of this upgrade will positively impact:

- I. Improved consumer experience
- II. Employee engagement
- III. Physician satisfaction

Example – Market Analysis

Other solutions explored: J4 East

In 2018 the Eating Disorder Clinic was shut down on Jackson 4 and was briefly considered for conversion to an Inpatient Bariatric Center. The unit was limited to 6 patient rooms and would have presented operational challenges and inefficiencies related to staffing and productivity. The estimated cost to convert the unit to an inpatient bariatric unit was 637k.

Example – Market Analysis

Main 6 (both East and West) are in dire need of upgrades.

Originally were allocated \$1.5 million, but \$500,000 was rerouted in 2018, so 650k is now being requested from system contingency to fully renovate this space.

If the upgrades do not get approved, bariatric surgeons will stop scheduling surgeries at XXX. In addition, it will place our Bariatric Center of Excellence designation in jeopardy. Both will create significant financial loss.

Current state negatively impacts consumer experience (facilities), employee engagement, and physician satisfaction.

Main 6 is attached to the Hamon tower via skybridge, ensuring this expenditure is a good investment as M6 will be in service for years into the future.

In order to align with our mission, vision, and values, we feel it is necessary to completely update Main 6 while patients have relocated to Main 2 East to allow for a more efficient and cost-effective construction schedule, rather than two separate projects.

Example -- Financials

Project Number NA (No e-CER)
 Project Description Main 6 Floor - Refresh

SCOPE:	AREA OF WORK: All public areas and 48 patient rooms of Main 6th floor. Demo the existing surface finishes, ceiling tile and plumbing equipment. Provide and install all new surfaces for head wall, millwork, restrooms tile, plumbing fixtures mirrors and light fixture. Existing Floors to remain. Replace Sprinkler system in plaster ceiling. Minor MEP modifications.
Budgeting Notes	Pricing was determined by walk through with Austin Commercial Contractors on 5/15/18, pricing is based on 3 phases over 18 weeks. This budget is conceptual only and should be rebid when design plans are complete. Escalation shown reflects current market pricing.
Equipment Notes	No other equipment lists have been provided therefore no allowance has been made.

	Capital	Expenses
Land Costs		
Land	\$ -	\$ -
Construction Costs:		
Architectural & Engineering	\$ 105,272	\$ -
Building (Finish-Out)	\$ -	\$ -
Building (New Construction)	\$ -	\$ -
Building (Renovations)	\$ 868,040	\$ -
Land Improvements (Site Work)	\$ -	\$ -
Other Construction Costs	\$ 12,393	\$ 21,701
Project Contingency	\$ 49,285	\$ -
Facilities Management Fee	\$ 21,870	\$ -
Equipment Costs:		
Fixed Equipment	\$ -	\$ -
Furnishings	\$ -	\$ -
Moveable Equipment	\$ -	\$ -
Computers, Telephones, Etc...	\$ -	\$ -
Equipment Contingency / Misc	\$ -	\$ -
Leased Equipment	\$ -	\$ -
Information Systems:		
Software	\$ -	\$ -
Hardware	\$ -	\$ -
Services - Development & Implementation	\$ -	\$ -
TOTAL PROJECT BUDGET	\$ 1,056,860	\$ 21,701

Escalation Chart	Escalated Totals
2019	\$1,141,409
2020	\$1,232,722
2021	\$1,331,339

Escalation Chart does not include Expenses


 Approved by:
 Robby Wood

Approved by _____

Project Capital Cost Estimate:

Total project cost(capital): **\$1,650,000**

A&E: **\$0**

Land Purchase: **\$0**

Construction: **\$1,650,000**

Equipment: **\$0**

Software: **\$0**

Other: **\$0**

Included in fiscal year 2019 budget: **No**

Funding Source: **2019 Routine Renovations Contingency**

Timing of Project Capital Costs:

FY	2018	Amount (\$)	1,000,000
FY	2019	Amount (\$)	650,000
FY	2020	Amount (\$)	
FY	2021	Amount (\$)	
FY	2022	Amount (\$)	
	Total (\$)		1,650,000

Example – Operations/Strategic Initiatives

If the upgrades do not get approved, the unit will continue to receive low patient satisfaction scores (facilities HCAHPS question) as well as place our Bariatric Center of Excellence designation in jeopardy. XXX committed to the XXX bariatric surgeons to provide a comparable or better experience than patients who receive care at Hospital and we plan to keep our commitment.

SBAR Example

S: Main 6 West Nurse Manager is requesting an additional 0.5 FTE to the cost center to allow for the department to have two FT Nurse Supervisors (1 day and 1 night). I anticipate utilizing the night supervisor Monday – Friday (two charge days and two office) with some weekends as needed.

B: Main 6 West serves the GI, colorectal surgery, general surgery, and med/surg patient population at XXX. This patient population is high acuity as patients are complex surgical cases requiring multiple lines and drains. Additionally, due to the changing environment at XXX and in healthcare, there are increasingly more demands placed on unit managers, such as additional audits and reporting, HR requirements, and KPI metrics. Increased demands have also been placed on front line staff in order to meet the needs of patients which is frequently alleviated by front line supervisors.

A: Currently Main 6 East and West share 1.0 FTE for a night shift supervisor. This employee dually provides clinical (staffing, audits, reporting) and HR support to unit managers covering 40+ FTEs on night shift. The night shift supervisor currently works four ten-hour shifts Monday – Friday and splits her time between each department. The proposed schedule moving forward will have both shift supervisors working two charge days and two office days Monday – Friday with some weekend coverage as needed.

PP6 A:37.19, R: 38.75, positive variance 1.56

YTD A: 37.76, R: 38.83, positive variance 1.07

Main 6 West has not utilized contact RNs during 2020.

PP6 Premium % worked 2.4%, productivity 104%, Under 1.56 FTE

YTD Premium % worked 2.5%, productivity 104%, Under 1.56 FTE

Main 6 2020 goals are to improve KPI metrics through consistent surveillance and on the spot feedback/reinforcement from a unit leader on both shifts. Supervisors play a vital role in ensuring CLAR rounds are done and feedback is given timely, conducting patient rounds, providing RCB education, and providing leadership support for all shifts.

R: The recommendation is to approve a new night shift supervisor position for Main 6 West to support our mission, to provide safe patient care, a positive, caring patient experience, as well as support our nursing team. Additionally, Main 6 West will become more uniform with supervisor standards across the entity.

Create a Business Plan!

TEAM 1

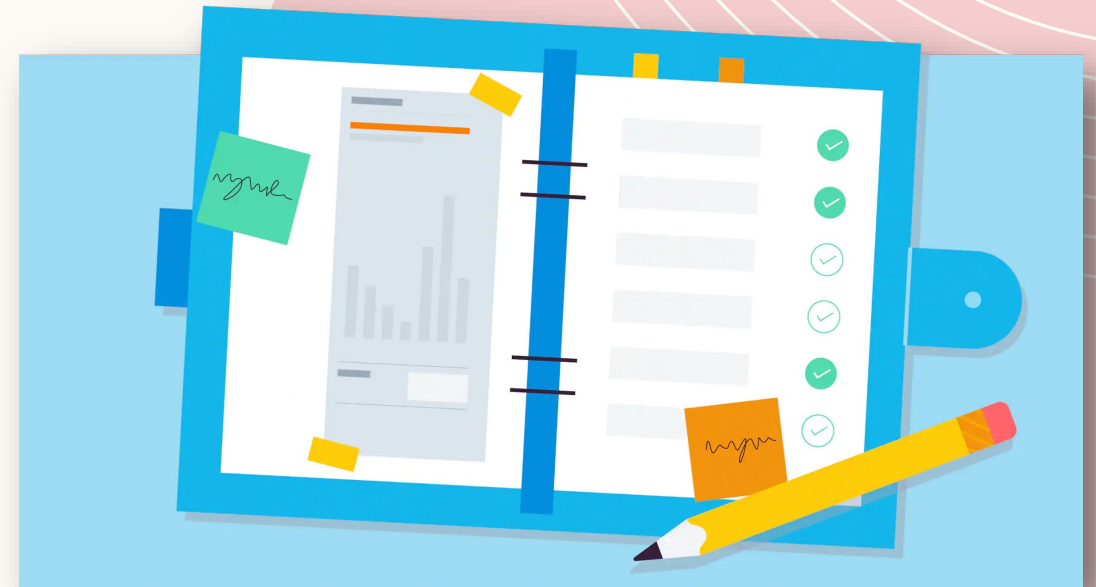


TEAM 2



THANK YOU!

Questions?



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