



2022-2025 Strategic Plan

This document presents the first strategic plan of the San Juan County Public Hospital District No. 2, commonly known as Lopez Island Hospital District (LIHD). The District was formed in April 2017 following a Special Election wherein nearly 86% of voters approved both the creation of the District and the assessment and collection of taxes. The District does not operate any services or facilities directly, rather it uses the taxes it collects to subsidize essential health care services, including primary care and physical therapy. Goals in undertaking the strategic plan included:

- Confirming LIHD's Mission Statement to ensure continued relevance to operations.
- Establishing a Vision Statement.
- Developing an overview of the regional health care landscape, identifying needs and gaps.
- Establishing a set of strategies to guide the District through at least 2024.
- Drafting metrics to report outcomes against goals.
- Creating a process to review progress and to signal when change is needed.

Strategic Plan Priorities

Communicate,
Connect, Educate,
Advocate, and Partner

Support Traditionally
Underserved
Populations

Assure Access to
Primary Care

The District has been engaged in outreach to the community since its inception. Community engagement processes in 2018 and 2019 identified issues of importance to District residents including:

- Primary care, extended hours, walk-in care, and urgent care
- Better coordination between EMS and primary care
- Wellness
- Access to mental health/behavioral health
- Stabilization of the island's only pharmacy
- Mitigating language and financial barriers for Lopez Island's Spanish-speaking families

This current planning process kicked off in April of 2021 and was expected to be completed by year end 2021. It was extended into 2022 to allow for robust community input.

Population: According to Claritas, a national firm using census data and other demographic variables to estimate population at the zip code level, the Lopez Island population grew 10% between 2010 and 2022. It is expected to grow another 2% (to about 2,700) by 2025. Today, the 65+ population accounts for 43% of the island's population; and grew by nearly 63% in the past 12 years. It is expected to grow another 5% by 2025.

The number of residents under age 65 declined by more than 12% between 2010 and 2022 and is expected to decline again (less than 1%) by 2025. The Hispanic population, while small, is projected to continue to grow to about 5% of the total population.

Vision

A healthy island community achieved through accessible and equitable primary care and essential health care service partnerships.

Mission

Ensure access to high quality, island-appropriate, sustainable and equitable health care service through partnerships, advocacy, and revenues.



Primary Care Subsidies: The Lopez Island Clinic is the center of primary care for local residents; but sustainability is challenging.

The Clinic, operated by University of Washington (UW) Medicine, functions under an urban physician clinic model, not a Rural Health Clinic (RHC) reimbursement model (a program developed by Medicare to recognize the higher costs of operation in rural areas). Fiscal Year 2021 data from the Clinic demonstrates that the expense per visit was \$258, while the revenue/visit averaged \$133, leaving the LIHD subsidy at about \$125 per visit.

In 2021, more than \$650,000, or 72% of District revenues, were used to subsidize primary care at the Clinic. In 2022, the subsidy is estimated to be more than \$680,000. For a number of reasons, including

those outlined in the text box to the left, LIHD's subsidy has increased 27% since Fiscal Year 2018; significantly more than tax collection increases. If the trend continues, it is preliminarily estimated that by the end of 2026, the District will have a negative ending cash position.

Challenges Operating a Small Non-Provider Based RHC on Lopez

- **Financial Constraints**
 - Challenging payor mix: over 70% Medicare/Medicaid
 - LIHD levy limited to an annual 1% increase
- **Labor Market**
 - High cost and limited availability of housing
 - Difficult to replace and/or backfill positions
- **Limited Population Growth**
 - Hard to find new ways to significantly increase revenue
 - The island's average age continues to rise, bringing on additional health care needs and more complexity
 - Clinic visits are relatively low, and volume impacts the bottom line

While LIHD's strongest preference is to continue to partner with UW Medicine, the need to understand alternatives became more urgent when federal changes to the RHC program were made in late 2020. These changes mean that new RHCs are not paid reasonable costs. Orcas and Lopez Islands jointly secured a grant from the State's Office of Rural/Community Health to evaluate consideration of the Federally Qualified Health Center look-alike program, and other rural clinic models and to quantify how they may impact sustainability. That work was recently completed and suggests that alternatives may close the gap, but not eliminate it. LIHD will continue to evaluate all alternatives, including, as suggested by some during community engagement, new taxes.

Community Engagement:

The extended planning timeline supported both a community survey and a focus group program: 249 residents responded to the on-line survey, 96% of whom reside on Lopez full time. Fifty four percent of respondents were over the age of 65. Data analysis was stratified to account for oversampling of the older population.

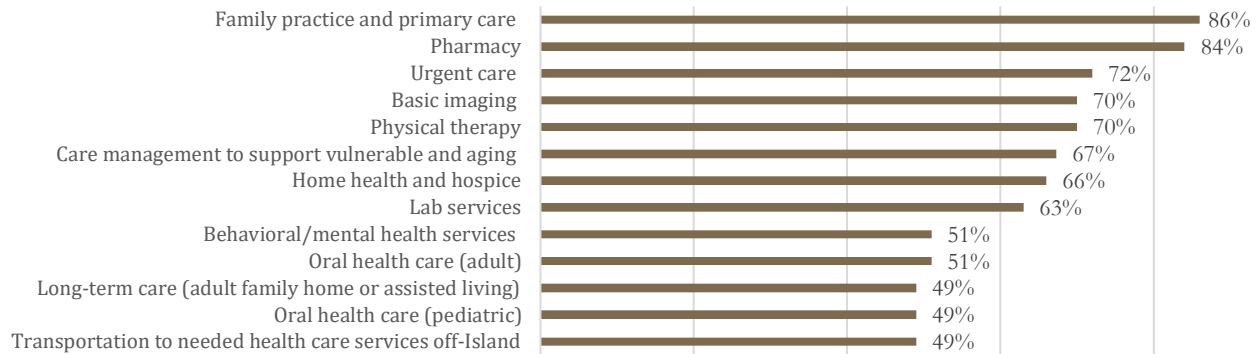
Following analysis of the survey, nine focus groups were conducted. Seven of the nine groups were conducted virtually and two (comprised of Spanish-speaking women) were conducted at the Family Resource Center with an interpreter present. The seven groups included four Senior Groups, and three groups under the age of 65, including one group of women with younger children. A total of 45 individuals participated in the focus groups.



Survey Findings:

70% of respondents utilize the UW Medicine Lopez Island Clinic for routine health care needs. Results were different based on age, however, with 79% of people over age 65 using the Clinic versus 59% of those under age 65 receiving care there. Residents deem family practice/primary care and pharmacy services as absolutely necessary services to have on the Island. Nearly 80% of respondents aged 65 and older also ranked Physical Therapy as “absolutely necessary.”

Necessary On-Island Services



Other Survey Findings:

- Approximately three-quarters of respondents reported ever having a need for urgent and/or same-day care, with 74% of those receiving that care on Lopez the same day.
- Approximately 50% of respondents reported needing to travel off island in the last two years for urgent and/or same day care.
- Overall, more than 75% of all respondents were aware of LIHD; however, awareness increases with age, with more than 80% of 65 and older residents aware of LIHD.
- Nearly half of the respondents support the use of future tax dollars to provide physical therapy, behavioral health, and wellness services. Older adults tend to support physical therapy, while mid-life adults tend to support more behavioral health services.

Focus Group Highlights

- Generally, residents who are older and have lived on the island a long time, tend to seek care at the Clinic, are very pleased with the care received, and feel that care has improved under UW Medicine's management.
- Many younger residents, and newer residents in general, have different expectations and desire more services and better/easier access to the clinic, warmer greetings, and extended hours and urgent care.
- The Hispanic community appears to rely on the Clinic predominantly for more urgent needs and travels off-Island or to another provider for care.
- The fact that a patient must be established at the Clinic causes great misunderstanding which leads to frustration about the “hoops” and costs necessary to be seen at the Clinic during emergent or walk-in visits.
- The pharmacy is perceived as being more expensive than off-island options with more limited pharmaceutical options at the ready, but there is also a general recognition that it needs to be preserved.
- Sustainability is important: older residents expressed a willingness for additional taxes, others want the District to think outside of the box about how to raise any additional funding needed, due in large part to concerns about equity.
- No one agreed that, as a cost-savings matter, decreasing the hours of operation could be offset by more telehealth/virtual options.
- A request was made for the District to communicate early if there are sustainability concerns.



Strategic Planning Priorities:

Based on the data collected and the robust community engagement, the Commissioners have selected three strategic priorities to focus on.

Priority 1: Communicate, connect, educate, advocate, and partner for the purpose of increasing the community's understanding of available Lopez Island health care services, including how to access them.

Action Items	Metrics
<ul style="list-style-type: none"> ▪ COMMUNICATE: The District both informs residents about how to access services and encourages community partners to as well. ▪ CONNECT: Be visible in the community and become a voice of health care information for residents. ▪ EDUCATE: Collaborate with community partners to inform residents about open enrollment and benefit of selecting plans that include local providers ▪ ADVOCATE: For local essential health care service availability. ▪ PARTNER: With UW Medicine for island-wide clinic enrollment to streamline care during urgent situations and to inform about after-hours care options. ▪ Explore and define sustainable, essential services, including review of definitions of care, in the Agreement for Clinic Support between the District and UW Medicine. 	<ul style="list-style-type: none"> ▪ Patient satisfaction scores at the UW Lopez. ▪ Wait times for appointments as measured by a source selected by UW Medicine and agreed to by LIHD. ▪ Number of issues in Health Matters 2.0 that are distributed annually. ▪ Percentage of residents securing same day appointments. ▪ An increase in percentage of island residents using the Clinic. ▪ Percentage of residents reporting that they are informed about services available locally and how to access them.

Priority #2: Reach out to traditionally underserved residents to improve their knowledge of, and access to Lopez Island's health care services.

Action Items	Metrics
<ul style="list-style-type: none"> ▪ Partner with UW Medicine and Lopez Island organizations known and trusted by traditionally underserved residents to develop specific outreach strategies. ▪ Support events that would make it easier for residents to use local care. 	<ul style="list-style-type: none"> ▪ Number of traditionally underserved residents enrolling at the UW Lopez. ▪ Number/percent of residents indicating that they get primary care on-island.

Priority #3: Identify and quantify models/options for assuring continued access to primary care.

Action Items	Metrics
<ul style="list-style-type: none"> ▪ Establish criteria, undertake analysis, and evaluate sustainable primary care models using funding provided by the State Office of Rural/Community Health. ▪ Quantify how UW Lopez Clinic visit levels impact subsidy required. ▪ As appropriate, participate in regional, state, or national efforts to advocate for change for isolated rural areas. ▪ Evaluate funds that can be raised via taxes and evaluate support for a levy lift ballot measure. ▪ Inform community about probability/timing of taxes not covering subsidy to UW Medicine, and implications thereof. ▪ Evaluate means to cover any funding gaps. 	<ul style="list-style-type: none"> ▪ Analysis and reports. ▪ Continued outreach and engagement of District residents. ▪ Plan in place for transitioning to another model if needed. ▪ Plan in place for timing of any ballot measure for a levy lift and amount needed to support primary care.