

Special Reports

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Guiding Principles for Affiliation: Principles to which the CBS Assembly—along with SCH Board and management—would adhere, and would expect a potential partner to adhere to, as well:

1. Alignment of organizational missions and core values.
2. Compatibility of culture embracing quality and accountability.
3. Commitment to serving local community and providing access to appropriate care close to home.
4. Adoption of shared vision for the future.
5. Relationships characterized by trust, integrity, equity and collaborative spirit.
6. Transparency and open communication channels between all parties.
7. Willingness to engage mutually in transition/integration planning.

Prioritized Goals of Affiliation: What does the Assembly hope to achieve through affiliation? How important are each of these goals?

Goal	Prioritization (# Dots)
Increase quality and scope of healthcare provided in Sitka	7 green
Mitigate current and future liabilities to CBS	7 green
Maintain/expand living wage employment opportunities	5 green
Provide access to capital for future needed improvements	4 green
Participate in governance of future affiliated entity	3 green
Elevate brand status and reputation within our community	0 dots
Be well positioned for success in an era of healthcare reform*	1 red*

**Unless the Assembly feels strongly about it, this goal will not be translated into one of the criteria against which proposals will be evaluated.*

Description of Goals of Affiliation:

Goal	Assembly Comments
Increase quality and scope of healthcare provided in Sitka	<ul style="list-style-type: none"> • Focus on appropriate scope of services that can be delivered safely • SCH service offerings have been reduced—would like to get back to the right mix of services the community needs • Given Sitka’s geographic isolation, it’s important to ensure continuity and coordination of care with affiliate partner organization • Focus on services offered in Sitka (vs. where in Sitka) • Keep patients in town as much as possible • Seamless experience when patients must travel outside of the community for a higher level of care • Opportunity to become more of a regional hub through strength of an affiliation
Mitigate current and future liabilities to CBS	<ul style="list-style-type: none"> • PERS liability is significant • Ideal if PERS liability could be covered through improved operating performance • Ensure SCH is able to make future needed capital investments
Maintain/expand living wage employment opportunities	<ul style="list-style-type: none"> • Want people and their families to remain in Sitka and attract more people to the community • Would be nice to transition traveling providers to jobs in the community • Model that encourages employee engagement and high/positive morale • Concern about loss of jobs
Provide access to capital for future needed improvements	<ul style="list-style-type: none"> • Eventually, facility will need to be replaced • Non-essential now, given recent upgrades—more important to focus on “righting the ship” • Capital investments will depend on what future capabilities are envisioned through affiliation
Participate in governance of future affiliated entity	<ul style="list-style-type: none"> • Community members want to have a say in their healthcare • In Sitka, healthcare is personal • Would be nice to have a local advisory board • Many citizens would prefer a reduced role for the City in the future provision of healthcare

Goal	Assembly Comments
	<ul style="list-style-type: none"> • Relieve SCH of the burden of being part of the City (get hospital out from the City umbrella) • Better to have people who know healthcare be responsible for operations and decision-making • Important to ensure ongoing communication and transparency with the City and community
Elevate brand status and reputation within our community	<ul style="list-style-type: none"> • Not just about brand recognition, but brand perception (positive/negative) • SCH is moving on its brand and has positive community support • Continuing to build the brand requires being visible in the community and sincere outreach • Consumers are more focused on value (quality and price) than brand
Be well positioned for success in an era of healthcare reform	<ul style="list-style-type: none"> • Need to do this in as healthy and realistic a way as possible, given size and constraints • Need to better understand options and opportunities • Depending on the affiliate partner, SCH could benefit in this area (through leadership, specialty services, etc.)

Next Steps:

Consultants will:

- ✓ Follow up with all parties who intend to respond (as well as those who have not acknowledged receipt of the proposal) to answer questions and help translate the Assembly’s goals to facilitate best possible proposals.
- ✓ Provide brief updates at all scheduled Assembly meetings in the coming months, beginning on April 24.
- ✓ Work with CBS staff to request special meetings of the Assembly at key points in the process, dedicated to the topic of affiliation and in order to take appropriate action in keeping with timeline.
- ✓ Monitor engagement according to budget and limit travel to essential touchpoints in the process where face-time is beneficial/necessary.