

Implementation Plan for a New Initiative

Learner's Name

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Developing an Implementation Plan

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Implementation Plan for a New Economic Opportunity

The economic initiative proposed to the senior management of Whilborne Medical Center (WMC) is setting up an urgent care center (UCC) on WMC's premises. A UCC is a health care facility that offers immediate care for injuries and illnesses that are not life-threatening (Yee, Lechner, & Boukus, 2013). The UCC at WMC will aim to deliver safe, timely, patient-centered, efficient, and effective health care to the community as well as attempt to address health inequalities in the community.

An economic and environmental analysis was conducted to determine the feasibility of setting up the UCC, and a business plan was presented to the senior management of WMC. The management believes that this initiative has the potential to benefit the organization in the short and long term. With this in view, an implementation plan for setting up the UCC has been prepared. The implementation plan includes a 5-year budget for the UCC, a timeline for rolling out the UCC, an analysis of how the UCC might impact WMC, and an explanation of how WMC should deal with dynamic environmental forces.

Budget for the Proposed Urgent Care Center

A budget has been prepared to show the projected revenue and the expenses that the UCC expects to incur over a 5-year period following the completion of its construction. The budget has been created based on the assumption that construction of the UCC will be completed by the end of 2018. Therefore, the budget plan contains revenue and expenditure details for the first 5 years of operation, from 2019 to 2023.

Revenue per annum over a 5-year period has been calculated by multiplying the expected patient volume by average consultation charges. It is estimated that around 357 patients will visit

the UCC per week and around \$156 will be charged per patient per visit (AMN Healthcare, 2015; Yakobi, 2017). Thus, the revenue generated during the first year of operation is expected to be around \$2,730,000. The UCC's revenue is expected to increase by 5.3% annually ("Urgent Care Center Market," 2018). Operating expenses for the UCC will comprise staff salaries, basic utilities, insurance, and other operating expenses (such as administrative and marketing costs).

Staff salaries for the first three years include the salaries of a full-time physician (\$232,000), a nurse practitioner (\$112,000), a medical assistant (\$35,000), and a medical receptionist (\$32,000) (U.S. Bureau of Labor Statistics, 2017). However, in years four and five, new staff will be recruited to manage the increased number of patients. The new staff will comprise a full-time nurse practitioner and a full-time physician, whose salaries will be calculated taking into consideration the 2.7% per annum estimated actual growth rate of employees' salaries (Economic Policy Institute, 2018). Expenditure on basic utilities is assumed to increase by 5% each year. Insurance expenses are assumed to increase in the fourth and fifth years of operation owing to recruitment of two staff members. Other operating expenses are assumed to be 12% of annual revenue based on trends observed in WMC's financial statements.

Comment [A1]: Great job thinking ahead!

The total expected capital cost for the project is \$350,000. One half of this cost will be funded through WMC's reserves, and a bank loan will be arranged to fund the other half. Therefore, WMC will need to take a loan of \$175,000 to fund this economic initiative. Assuming that the loan tenure is 5 years and the interest rate is 7% per annum, the loan repayment is expected to be \$41,580 per annum.

As per the budget, the UCC will earn a cash surplus during the first 5 years. The cash surplus generated in the fourth and fifth years of operation may be lower than the third year owing to recruitment of staff members in these years. The total cash surplus in the first 5 years is

estimated at \$7,783,369.30 (see Appendix for more information on the 5-year budget for the proposed economic initiative).

Rolling out the Economic Initiative

The first step in the implementation plan is to set a timeline to roll out the UCC to the public. It is assumed that it will take around 2 months for WMC senior management to approve the project and for a bank to approve the loan. Considering that construction of the UCC will take around 7 months, the process is scheduled to begin in June 2018 and is expected to be completed by December 2018. After discussing with WMC's senior management, the plan is to have the UCC fully operational from the first month of 2019.

Active engagement and participation by stakeholders can ensure better clinical outcomes and patient experience in an urgent care setting. The board of directors of WMC and the senior management, the physicians, the nurses, and other staff members of WMC are some of the relevant internal stakeholders of this economic initiative. For successful implementation of the plan, it is crucial to collaborate with all internal stakeholders to obtain their inputs during the initial stages of implementation and decision-making. Meetings will be held with the stakeholders on a regular basis to discuss the progress of the UCC and devise ways to improve its health care services.

WMC has always strived to focus on the six areas of health care quality stated by the Institute of Medicine (IOM), namely timeliness, safety, patient-centeredness, efficiency, equity, and effectiveness (Agency for Healthcare Research and Quality, 2015). It will be communicated to all internal stakeholders that the UCC will also focus on these six areas and that setting up the UCC will take WMC a step forward toward accomplishing its vision of serving the community.

In order to make this initiative sustainable, the staff working at the UCC will be encouraged to keep WMC's vision in mind while trying to meet their short- and long-term goals.

Patients are the key external stakeholders in the health care business. If patients receive quick and timely care from excellent service providers, they will be encouraged to visit again and refer new patients to the UCC. Being compassionate with patients, dealing with them in an ethical and culturally sensitive manner, and communicating medical information effectively will encourage patient loyalty while also ensuring that they adhere to their treatment plan ("Helping patients make informed decisions," 2014). The resultant increase in patient flow and goodwill will help the UCC become a successful and sustainable venture.

To ensure that the rollout of the center is done in an ethical and culturally sensitive manner, the UCC will follow the principles of the American Academy of Urgent Care Medicine, which includes not discriminating against patients on the basis of gender, age, color, religion, culture, disability, or other characteristics (Agency for Healthcare Research and Quality, 2015). The UCC will have a diverse workforce that can identify and relate to cultural differences; familiarize themselves with health care delivery relevant to patients' unique socioeconomic, linguistic, and cultural requirements; and provide unbiased care. Hence, by delivering ethically and culturally sensitive health care services, physicians will enhance patient experience and medical outcomes (Cigna, n.d.).

With all the stakeholders engaged in the process and focused on achieving the center's vision, the rollout of the UCC will be a success and it will help WMC to sustain itself within the health care business. However, the implementation plan has some areas of uncertainty. The successful rollout of the UCC is highly dependent on the timely disbursement of the loan required for the construction of the UCC. If the loan does not get disbursed on time, then the

rollout will have to be set for a different timeline when the loan amount becomes available, and this will delay the implementation plan. Also, it is uncertain whether the actual number of patient visits at the UCC will match the estimated patient volume. This is because people in the community may not be aware of the benefits of availing care at the UCC due to lack of sufficient information, misinformation, or misunderstanding. The center will then have to bear the operating losses arising from low patient turnout. Further, an aging population suggests that the number of people who will need health care is set to increase in the coming years (Yakobi, 2017). This will overburden all health care practitioners at WMC.

WMC must thus be ready to facilitate a larger number of patients than it may have anticipated. This negative impact can be mitigated by expanding WMC over the next few years by using the revenue generated by the UCC. WMC's capacity and workforce could be expanded through the construction of additional departments or centers, addition of facilities and equipment, and hiring of new staff.

Strategies to Deal With Dynamic Environmental Forces

Various environmental forces, such as the presence of a retail health clinic in the center's vicinity and the possibility of new UCCs being set up in the vicinity, could affect the urgent care services offered at WMC. The retail health clinic and the UCC have some common key characteristics such as easy accessibility, extended hours, convenience, and health care at affordable costs (Chang et al., 2015). This makes both clinics viable options for patients. However, UCCs are particularly beneficial to patients who wish to avail immediate health care services from physicians for conditions that are not life-threatening. UCCs, often staffed with emergency medicine physicians and equipped with more testing facilities than a retail clinic, are capable of providing care with high acuity (Chang et al., 2015). Therefore, by virtue of the

convenient and quality health care it provides, the UCC is an economically viable asset for WMC.

Another factor that could affect the UCC at WMC is possible competition from upcoming UCCs and primary health clinics in the vicinity. Patients will choose the UCC over other clinics in the neighborhood once they have complete trust in it. Staff at the UCC will send out frequent health reminders to regular patients to ensure that the patients do not miss their regular checkups. This will help the patients to not miss their regular checkups. Also, the staff will analyze patients' views on health care and customize care to improve patient outcomes and experience. This will not only help increase patient visits but also improve patients' level of trust in the UCC ("Helping patients make informed decisions," 2014). With all these measures in place, the UCC will be able to beat the competition from upcoming UCCs, making it a viable asset to WMC in the face of unpredictable environmental situations.

Conclusion

The budget for the UCC shows that it will be economically viable for WMC. With the active commitment and cooperation of all the key stakeholders at WMC and the strategies planned to face dynamic environmental forces, the team endeavors to implement the initiative successfully. It is believed that the UCC will serve not only as an additional revenue stream but also as a viable asset that provides quality community health care services.

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Comment [A2]: 'www.' has to be included in the link for it to work.

Appendix

5-Year Budget for Proposed Economic Initiative

	FY 2019 Year 1 (\$)	FY 2020 Year 2 (\$)	FY 2021 Year 3 (\$)	FY 2022 Year 4 (\$)	FY 2023 Year 5 (\$)	Total (\$)
Opening Cash Balance	0.00	1,465,820.00	3,024,260.00	4,680,446.00	6,312,389.73	0.00
Fund Received	175,000.00					
Loan	175,000.00					
Operating Receipts						
Patient Service Receipts (UCC)	2,730,000.00	2,866,500.00	3,009,825.00	3,160,316.25	3,318,332.06	15,084,973.31
Total Receipts	2,730,000.00	2,866,500.00	3,009,825.00	3,160,316.25	3,318,332.06	15,084,973.31
Operating Payments						
Staff Salaries	825,000.00	849,750.00	875,242.50	1,023,885.20	1,315,719.80	4,889,597.50
Basic Utilities	55,000.00	57,750.00	60,637.50	63,669.38	66,852.84	303,909.72
Insurance	15,000.00	15,000.00	15,000.00	20,000.00	25,000.00	90,000.00
Other Operating Payments	327,600.00	343,980.00	361,179.00	379,237.95	398,199.85	1,810,196.80
Total Operating Payments	1,222,600.00	1,266,480.00	1,312,059.00	1,486,792.52	1,805,772.49	7,093,704.01
Operating Surplus/Deficit	1,507,400.00	1,600,020.00	1,697,766.00	1,673,523.73	1,512,559.57	7,991,269.30
Nonoperating Payments						
Annual Loan Repayment	(41,580.00)	(41,580.00)	(41,580.00)	(41,580.00)	(41,580.00)	(207,900.00)
Total Nonoperating Expenses	(41,580.00)	(41,580.00)	(41,580.00)	(41,580.00)	(41,580.00)	(207,900.00)
Investments						
Construction, Furniture, and Equipment	(350,000.00)	-	-	-	-	
Cash Surplus/Deficit	1,465,820.00	1,558,440.00	1,656,186.00	1,631,943.73	1,470,979.57	7,783,369.30
Closing Cash Balance	1,465,820.00	3,024,260.00	4,680,446.00	6,312,389.73	7,783,369.30	7,783,369.30