

Urogynecology a New Service Line for Women's Health

Business Plan

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This business plan is submitted in partial fulfillment of the requirements for election to Fellow in the American College of Medical Practice Executives.

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Brief History

St. Luke was founded in 1861 by a catholic nurse with the mission to provide “care for the destitute poor” and continues that tradition of service to the underserved today. It is sponsored by the Catholic Diocese of Covington and governed by a 16-member Board of Trustees. Below is the scope of the organization.

- Serving over 330,000 patients (two-thirds of Kentucky’s population)
- 603 Providers
- 400 Physicians
- 203 Advanced Practice Providers
- 1,800 Associates (including providers)
- 41 Specialties & Services
- 131 Practices / 54 Locations
- 3 States / 9 Counties
- One in two patients participating in value-based care programs
- MSSP Track 1
- CPC+ Track 2
- 15 Value Based Contracts
- 69% patients’ active users of patient portal
- Over 1.5 million visits
- Over \$340 million in revenue
- Net growth of 17% physicians and providers across the organization

In 2018, St. Luke provided hospice services to 1,809, surgeries for 38,500, lung cancer screenings to 2,500 and delivered 4,900 babies. Additionally, the organization provides 1,200 volunteers annually to projects in the community. As a financially sound organization and the largest employer in Northern Kentucky (10th largest in the greater Cincinnati area), we are also accredited by the Joint Commission and members of the Mayo Clinic Care network. According to the Kentucky Hospital Association, St. Luke provides over half a billion dollars in wages and salaries, capital investments, hospital purchases, and employee local purchases, providing a large economic impact in Northern Kentucky. In 2018, St. Luke provided over \$100 million in community benefit and uncompensated care. The organization serves the Greater Cincinnati region with the primary service areas of Boone, Campbell, Carroll, Gallatin, Grant, Kenton, Owen and Pendleton counties in Northern Kentucky. Northern Kentucky is comprised of an area in the north-central part of Kentucky bordering Cincinnati, Ohio.

St. Luke’s vision for Northern Kentucky is to be one of the healthiest communities in America. The organization’s mission is to provide comprehensive and compassionate care that improves the health of the people we serve.

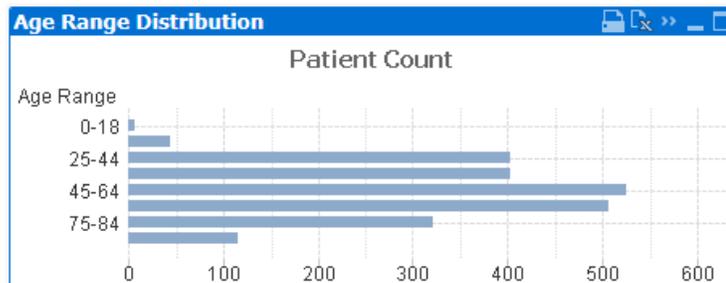
St. Luke’s Women’s Health Department consists of 6 Women’s Health outpatient offices with 15 healthcare providers. The Urology department for the group has 2 outpatient offices with 4 providers. Due to the volume of patients and the nearest Urogynecology groups not accepting Kentucky Medicaid both groups in coordination with the 63 primary care offices have requested an expansion of Women’s Health by adding a Urogynecology department. This department will become part of the Women’s Health Division of the organization.

History of the Specialty

The American Board of Medical Specialties approved Female Pelvic Medicine and Reconstructive Surgery, also known as urogynecology, as a certified subspecialty in 2011, with the first physicians being board-certified in 2013. Urogynecologists are physicians who complete medical school and a residency in Obstetrics and Gynecology or Urology, with additional years of fellowship training and certification in Female Pelvic Medicine and Reconstructive Surgery. This training provides expertise in the evaluation, diagnosis, and treatment of conditions that affect the muscles and connective tissue of the female pelvic organs. Pelvic floor conditions that urogynecologists commonly treat include urinary incontinence, overactive bladder, and pelvic organ prolapse.

According to the American Urogynecologic Society, as the population ages, it is projected that more than 43 million women will suffer from some pelvic floor disorders. The number of American women with at least one pelvic floor disorder is projected to increase from 38.1 million in 2019 to 43.8 million by 2050. During this same period, the number of women with urinary incontinence will increase 55%, women suffering from fecal incontinence will increase 59%, and the number of women with pelvic prolapse will increase 46%. Projections for 2050 estimate that 58 million women will have at least one pelvic floor disorder, with 41.3 million with urinary incontinence, 25.3 million with fecal incontinence, and 9.2 million with pelvic organ prolapse.¹ Northern Kentucky is populated with more than 66,000 female patients and of those, this department could help an estimated 1749 with pelvic floor disorders per year.

**Patients in NKY
with diagnosis
treatable with
Urogynecology
services YR1**



¹ www.AUGS.org

The addition of an Urogynecology service line to the Women's Health division will enable the group to meet those complex needs of patients with expert diagnosis, specialized treatment options, and compassionate care to help women regain a healthy and improved quality of life. At present, the closest urogynecology specialist is over 68 miles away from the designated Northern Kentucky location. The patient population in this area maintains approximately 25.53% of Medicaid plans. Transportation issues also restrict access to this unique service line. The time has come to address the overwhelming need for these services to be accessible to the patients in this area.

New patient visits based on Urogynecologic diagnosis in the system -1 year

Unique New Patients



Established to the system visits



Average relative value unit earned per new patient visits is 1.98 and 1.05 for established patient visits.

**Integrated Healthcare Strategies Total Cash Compensation and Productivity Market Data
Information for Urogynecology**

Total Cash Compensation					
Peer Group	Provider Count	25th %tile	50th %tile	75th %tile	90th %tile
National	270	\$313,905	\$376,970	\$509,642	\$670,395
Regional	53	\$317,693	\$385,378	\$519,120	\$728,371
Compensation Per wRVU					
Peer Group	Provider Count	25th %tile	50th %tile	75th %tile	90th %tile
National	234	4,827	6,911	9,115	12,313
Regional	41	5,157	7,736	11,885	15,145
Professional Charges					
Peer Group	Provider Count	25th %tile	50th %tile	75th %tile	90th %tile
National	80	\$1,149,999	\$1,501,541	\$2,115,683	\$2,794,792
Regional	**	**	**	**	**
Professional Collection					
Peer Group	Provider Count	25th %tile	50th %tile	75th %tile	90th %tile
National	122	\$444,047	\$579,495	\$767,205	\$1,090,262
Regional	13	\$446,397	\$477,643	\$795,226	\$1,734,469
Compensation to Professional Collection					
Peer Group	Provider Count	25th %tile	50th %tile	75th %tile	90th %tile
National	120	58.10%	68.30%	79.50%	**
Regional	17	71.00%	81.80%	89.00%	**

Project Summary

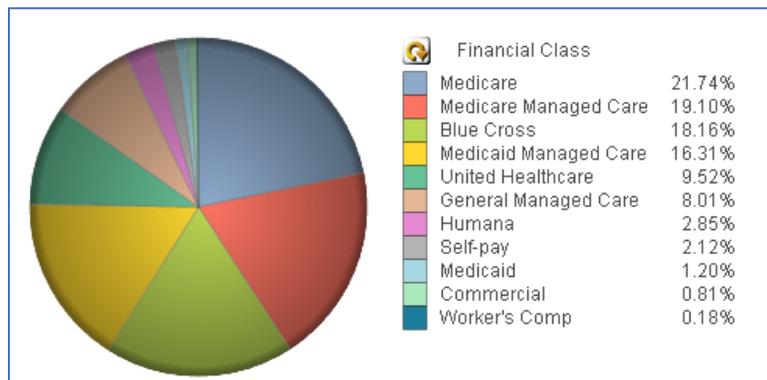
Armed with this information, the sponsoring hospital-based organization has plans to expand its Women's Health service line to include urogynecology and encompass a "Life Span Model," of women's healthcare. The expansion will consist of delivery of these services through the recruitment of two board-certified Urogynecologists, and an advanced care provider, (APP), as well as significant care management support staff at two locations, to serve the patients in the tri-state area. Due to the complexity of this service line requiring a high level of clinical support, each care team will consist of an Urogynecology physician, APP, (Advance Practice Registered Nurse or Physician Assistant), a licensed practical nurse, and one medical assistant per provider. Two patient services representatives will cover office scheduling and

reception of patients for all care teams/locations. This structure allows providers to focus on delivering high-quality care to patients. The patients will have access to premium services utilizing outpatient visits, surgical hospital visits, as well as innovative e-health platforms such as e-visits, telemedicine visits, and video visits. The providers in the practice will have access to specialist throughout the integrated health system and the Mayo network using the e-consult function in the shared electronic medical record system. The sponsoring multi-disciplinary physician group enables for direct referral sources from over 180 primary care providers, 12 obstetrics and gynecology providers as well as numerous care providers outside of this organization's system.

Executive Summary

A large, rapidly expanding, multispecialty group with 130 sites, covering six counties, across three states formed in 2010 from numerous acquisitions and organic growth. Nine years later this group has grown to 600 health care providers and over 9000 associates. Currently serving well over 338,000 patients across 582 square miles, with a rural, secondary service area hosting an additional 942 square miles. The group of primary care, surgical and medical specialty providers have seen an increase of 28% for patients presenting with pelvic floor disorders in the last five years. We anticipate this percentage to grow significantly as the community served is the fastest growing in the state. With the limited capability to travel, limited community providers accepting Medicaid plans, and the reduced number of providers trained to perform the complex surgical urogynecology procedures, the need for this patient service is evident. Providing a wide variety of urogynecology services will not only give an outlet to funnel these patients from primary care offices and gynecology offices but provide improved access for referring providers to backfill this time slots with new patients in this growing population.

Below is a representation of current payors for the area of patients with Urogynecologic diagnosis in the last year.



The business plan that follows will demonstrate a significant improvement in patient access to this sub-specialty that has historically been in very high demand since Urogynecology’s inception in 2011. Increasing patient access, timely appointments, additional space and recruitment of urogynecology providers will reflect the group's ability, through the support of this initiative, to improve the health of the patients in our community working towards the supporting organization's goal to become the healthiest community in America.

Marketing Opportunities

Urogynecology and pelvic floor services are attractive to baby-boomers, senior women, and an essential component in the development of the system's women's wellness service line. The "Lifespan" model from Teens, Gen X-ers, Boomers and Seniors; each with its distinct segmentation supports the organization's unique blend of sub-specialties and complimentary services designed to create the "total package."

Urogynecology Healthcare Needs and Preferences by Generation				
Age Range	Needed Services	Surgical Care Deciding factors	Alternative Visits	Summary
18-29	Recurrent Urinary Tract Infections	Will travel for quality of care, (15.9% choose a provider by travel time)	67% would consider e-visit for care if an in-person visit is the unavailable same day	Most socially connected generation. Looking for Maximum convenience for the lowest cost.
30-49	Sexual disfunction and Pelvic Floor Therapy	Travel is less factored than cost, (17.3% of the decision is determined by travel time)	73% would consider e-visit for care if an in-person visit is the unavailable same day	These are health care decision influencers prime for virtual visits
50-64	Stress Incontinence	Disinterested in Traveling for care, (18.9% of the decision is determined by travel time)	62% would consider e-visit for care if an in-person visit is the unavailable same day	Engaged in personal wellness, expect in-person visits over e-health options
65+	Pelvic Organ Prolapse	Does not want to travel for care, (20.3% of the decision is determined by travel time)	58% would consider e-visit for care if an in-person visit is unavailable same day	Health care traditionalist, loyal to their health care provider

A strong base of integrated specialties across the system is a critical element of the continued development of the Lifespan model of which Urogynecology is a crucial component. Women's health remains a high profile and highly competitive business, community, and physician reputation are critical

to succeeding in this space. For example, we have two experienced, locally trained Urogynecologist currently being recruited have a very positive reputation in the physician community and will bring their expertise to this highly sought-after specialty. They are currently completing their fellowship at a local university program in the area. Both have developed great relationships during their clinical rotations with the current referral base of the area. Adding these additional providers to the Women's Health service line will enable the department to hold a market share not previously achieved. Our facility plan calls for expansion to accommodate future growth, and the broader medical practice space will enable the organization's recruitment efforts, extension, and patient access to the vital sub-specialty will be well-positioned.

Capital Requirement

The Capital assumptions for this project are based upon information provided to the organization's facilities department and reflected in the Women's Health expansion capital proposal. FFE, (Furniture, Fixtures, and Equipment) per square feet totaling \$150,000, with construction costs based on an estimated 6000 square foot office space at \$120.00 per square foot, (\$720,000). Additionally, cost information provided by the facilities department for the in-office procedure equipment, (\$300,000), noted in the documents offered by the facilities manager included in this project. The equipment has a lifecycle ranging from three to seven years. With the maximum depreciation and useful life is estimated at seven years, the recommendation for financing this operation would be at a 5-year commitment. A needed loan and corresponding repayment schedules should not extend beyond 60 months. For equipment, the cost of the Urodynamics diagnostic equipment and Mona Lisa thermal laser equipment are the primary equipment expenses.

Operations and Management

To start this practice will operate five days per week, and the office hour schedule will consist of 7 hours of patient-facing access, (8:00am-4: 00 pm). The practice will be analyzed every quarter to determine if the group should increase patient facing hours based on demand. Managed by a Practice Manager, specifically a candidate with more than three years of medical practice management experience, education requirements would include a bachelor's degree in business administration and CMPE, (Certified Medical Practice Executive) certification would be desired. The Practice Manager is responsible for the management of physician and advanced practice provider location, including employee supervision, and meeting and/or exceeding organizational goals and objectives relating to operating budget and revenue

cycle management. The Practice Manager is a highly visible position that is always responsible for creating a positive impression with patients, physicians and other visitors they encounter, both in-person and on the phone. The department's clinical operation led by one licensed practice nurse assigned to each physician. The LPN, (Licensed Practical Nurse), Coordinator is a working team leader that provides clinical support to the physicians, APP's, and team lead for clinical associates. This position serves as a role model for other clinical employees and promotes teamwork, integrity, and continuous practice improvement. The LPN Coordinator ensures an efficient flow of all patients and always strives to maintain exemplary service and satisfaction standards. This person is also responsible for compliance with all OSHA, (Occupational Safety and Health Administration), CLIA, (Clinical Laboratory Improvements Amendments, and HIPAA, (Health Insurance Portability and Accountability Act), regulations, and ensuring completion of all duties vital to business operations. This is the "go-to" person that is responsible for creating a positive impression and example to other associates. Each clinical team will have one medical assistant per provider, assigned to each physician and supported by an advanced practice provider assigned to each physician. All clinical staff will be trained in specific procedures such as Urodynamics testing and sacral nerve stimulator adjustments.

The reporting structure will run through the Surgical Division Operations leadership team, next level up with the Women's Health Section Manager and finally with the Assistant Vice President of Operations at the top of the reporting structure. Existing administrative leadership was preferred based on a sophisticated, experienced, comprehensive understanding of business operations and fiscal management. The organization's unique dyad leadership model that couples each level of administrative leadership with a clinical lead allowing the organization to leverage the strengths of business management while receiving clinical feedback from the physician leader in the dyad partnership. This balanced approach has proven to be successful in the larger organization and provides an equal weight of administrative and physician expertise.

Mission Statement

As a Catholic Healthcare ministry, it is our goal to provide comprehensive and compassionate care that improves the health of the people we serve.

Competitors

This Urogynecology practice will be the first of its kind in the Northern Kentucky area. There are several competing hospital-based organizations in the vicinity, but none with this service line in less than an hour

from where the target market area of this practice location. Of the regional hospital-based organizations, only three of these competing systems are similar in size/scope of the more significant market area. While all three of these systems could be competitors, none have an urogynecology presence in the target market area that this system would operate. The target demographic in need of these services are moderately resistant to driving extensive distances to receive care. ²

Organizational Plan

The mission of this department is to work together with our patients, communities, and colleagues to provide high quality, integrated, and patient-centered care. Currently, all urogynecology referrals are being routed to competing facilities in Ohio or central Kentucky, south to this system's patient service area. In response to the organization's medical staff's request to the lack of Urogynecology services and the existing Women's Health and Urology departments at full capacity, a plan was developed to add this subspecialty. There is a vacancy in the existing Women's Health Center facility that allows for 6000 square feet of office space dedicated to urogynecology. The practice will operate in the facility dedicated to servicing the "Life Span" of women in the community. This will be a welcomed addition to the facility that already hosts, obstetrics, gynecology, bone density scanning, full mammography services, pelvic floor physical therapy, and ultrasonography. Urogynecology would be treated as an independent operating unit, (as each department in the building is), with its own set of quality metrics, workflow, and financial goals. The individualized on-site management per department in collaboration with the section manager and higher levels of administration share the responsibility for managing this department along with all other women's health services and surgical division.

As a collaborating member of the organization's integrated health system it is assumed that Urogynecology would gain referrals from the organization's physician network of Primary Care physicians, obstetrics/gynecology providers, colorectal surgeons and general surgery groups with referrals to some of these groups and gynecologic oncology currently not provided. By strategically implementing the Life Span model of care, the group will be able to provide comprehensive care to the female population that is currently underserved in this market area. Maintaining a robust Women's Health Services is a population health opportunity as the continuum of care and the Lifespan model development addresses integrating this specialty with other specialties across the system. As women are the primary consumers and key influencers of health care and viewed as the "chief purchasing officers" in almost all households, the ability to gain a foothold in the Women's Health sector will be a critical strategic

² Advisory.com/mic/consumerstrategy

initiative. Not only will it improve the health of the female population, but through their role as the "influencer of health care," it will improve the health of those within their household that extends well beyond Women's Health services — aligning with the organization's mission to become the healthiest communities in America.

SWOT analysis of this new line of services represented below.

SWOT Analysis

STRENGTHS		
Implementation into a highly successful existing Women’s Health Division and direct referral from a large Primary Care Physician network	Current Market Share Integrated Group and Hospital The reputation of Physician Recruits. Value-based full risk model offers higher quality at lower costs to the patient	Proven leadership model for 150 years, Alternative Payment Models via Value-Based Reimbursement programs, Robust online and public community presence
WEAKNESSES		
New service line to the system Need for new policies and procedures to help support this subspecialty	Capital Funds needed more than \$1 million.	Urogynecology is a smaller subspecialty which is challenging for the recruitment of individuals from a small pool of physician candidates of averaging about 50 per year.
OPPORTUNITES		
Expanding Women’s Health Services for the growing tri-state community	Satisfying the request of the medical staff of the supporting organization Reduced readmissions for urogynecological disorders that will now be serviced in this outpatient department	Ease of referrals from both internal and external sources utilizing integrated EMR of the health system.
THREATS		
Uncertain response from the community The shift in volume from private practices	Existing competitors are looking to add multispecialty locations in area which could be in direct response of this new service line Loss of Hospital outpatient department rates in the response of new Surgical Specialty line	New providers to participate in value-based incentives that could negatively impact our organizational scores creating a decline in reimbursements

Administrative Plan

Service line implementation is determined by the organizations AVP, (Assistant Vice President), Council. The makeup of this group consists of both the Administrative and Physician AVP's for the surgical division, medical specialty division and primary care divisions of the supporting organization. Once implementation is decided, the business plan would be delivered for final approval to the COO, (Chief Operating Officer), CFO, (Chief Financial Officer), and the CEO, (Chief Executive Officer). The COO and CEO have heard the resounding need for this service line and have committed their support in the presentation of this proposal. Other departments that would be impacted by the approval of this additional department would include, Facilities Department, Purchasing Department, Human Resources Department, Training & Development, Operations, Quality Compliance & Legal Services Team, and the Central Billing/Revenue Cycle Department. Below is an organizational chart for this proposed department.

Board of Directors
Chief Executive Officer
Chief Operating Officer
Assistant Vice President of Surgical Operations
Physician Assistant Vice President of Surgical Operations
Section Manager Women's Health Division
Physician Section Manager Women's Health Division
Practice Manager Urogynecology
Lead Physician Urogynecology

The recruited urogynecology specialists have experience treating all conditions of the female urinary and reproductive tract. In addition to four years of general obstetrics and gynecology training, they have three years of subspecialty training in women's pelvic health and pelvic reconstructive surgery. Conditions treated and services that could be provided on-site at this urogynecology location are included in the bulleted summary below:

Conditions treated by urogynecology specialists:

- Fecal incontinence
- Overactive bladder syndrome
- Urgency urinary incontinence
- Stress urinary incontinence
- Vesicovaginal and rectovaginal fistulas
- Congenital anomalies of the lower reproductive tract (for example, imperforate hymen, vaginal septum, uterine abnormalities)
- Childbirth Trauma
- Cystocele
- Enterocele
- Mesh Complications
- Painful Intercourse
- Pelvic Organ Prolapse
- Rectocele
- Sexual Dysfunction
- Urinary Retention
- Vulvar Dystrophy
- Voiding Difficulty

Diagnostic tests and procedures include:

- Bladder instillation
- Complex urodynamic testing
- Cystourethroscopy
- Electrodiagnostic testing
- Anal Manometry
- Pelvic Muscle Weakness Assessment
- Ultrasonography

Nonsurgical approaches to pelvic floor disorders include:

- Medications
- Pessaries

- Pelvic floor physical therapy
- Biofeedback
- Electrical stimulation
- Urge suppression
- Behavioral and medical management of urinary incontinence

The physician will review a full range of practical, innovative treatment options. Urogynecologists are expert in pelvic floor reconstructive surgery, including laparoscopic, robotic, and vaginal approaches.

Surgical approaches to pelvic floor disorders include:

- Sacral nerve stimulation
- Anal sphincteroplasty
- Artificial anal sphincter
- Minimally invasive hysterectomy
- Urethral reconstruction

Urogynecology specialists also manage complications from previous incontinence or prolapse surgery with or without mesh. Two viable experienced candidates are looking to relocate to our busy tristate area and have approached the supporting organization to inquire if there is a desire to start this service line here. Both recruits will be ready to start employment by the planned startup of this project. We have a pool of interested Advance Practice Providers showing interest in the surgical division that would be interviewed, chosen based on their experience by the physicians recruited for this specialty. Each Advanced Practice Provider will have a 6-month fellowship rotation into the Women’s Health division, 3 months of training specifically to Urogynecology.

Patients will be scheduled utilizing the scheduling software as part of the Electronic Medical Record, (EMR), much like an office visit at any outpatient department. Appointments can be requested by calling the office location, from any outpatient site or through the central call center. The ability for the patient to schedule office appointments online, schedule E-visits or send non-urgent clinical advice requests to their urogynecology care team will only be implemented once the patient has established care with the physician in the office. The office will offer the patient a variety of options for patient appointment reminders via text messages, email, the message from the secure online health chart portal, and phone calls, based on preference selections made by the patient. The schedule for the office will ideally be scheduled 75% in advance, leaving 25% capacity available for urgent add on visits and walk-in patients.

Schedules will have preselected block times available for these two types of office visits designated by each healthcare provider.

New patients will have a face to face appointment after a referral is placed by their primary care or specialty physician to establish care with one of our board-certified Urogynecologists. The physician will assess their condition, order diagnostic point of care or outpatient testing, and develop a care plan specifically tailored to the needs of each patient. Follow up appointments and care plans will be determined, and set based on the outcome of diagnostic testing such as pelvic ultrasound, Urodynamic testing in the office, or urinary flow/stimulation studies. Medication trials, support devices, and surgical interventions are all possible treatment options to improve our patient's quality of life and overall wellbeing. These follow up care plans for established Urogynecology patients will be scheduled with the Advanced Practice Provider, allowing access for new patients to be scheduled with the physicians of the group.

As with any new service line or provider onboarding, potential temporary roadblocks would include a delay in providing services based on lengthy credentialing processes with each insurance payor. Although the process initiated the day the provider's signed contract returns, the turnaround time can vary from 30 days to currently up to 250 days depending on credentialing various payors. The introduction of an out of pocket payment service line, like thermal laser vaginal rejuvenation, (considered as cosmetic services), will also lend to some challenges for self-pay services as it is a non-covered procedure considered to be cosmetic.

Another challenge that may present would be the ability to receive capital funding. A request to the organization women's health foundation for financial support would be made for these funds for any financial shortfalls. Many previous women's health service projects have been funded similarly in the past when met with these challenges. Patient experience is the cornerstone of the organization goals. With a strong track record in women's health of positive patient experiences via our providers and support staff, expanding the service line's footprint to include Urogynecology will continue to drive the program's success while enhancing the ability to provide a seamless continuum of integrated Women's Health Services.

There will not be any initial, formal strategic relationships associated with this department beyond those required to operate the department within the sponsoring organization. Strategic alliances with other entities will be considered in the future to better the overall health of the community in which this system serves. Key stakeholders in this project defined as the patients in the community, health care providers in

the system, hospital-based service departments, third-party vendors like insurance companies and employees.

The implementation of this highly desired service line is targeted for 1/1/2020. For this plan to come to fruition, many actions would need to occur before January of 2020. The business plan would need to be presented and achieve approval. Submission request for capital funds to the CFO, with the agreement that the funds would not be available until the next fiscal year, would be sent after approval. The Purchasing department would then begin the process of confirming quotes obtained by the department's practice manager for FFE. The facilities group would lay claim to the location and secure the rent of \$5.43 per square foot for the intercompany organization owned 6000 square foot space. Renovation and refresh of the area would begin in the third quarter of 2019 for an anticipated open date of January 1st, 2020. Support departments throughout the supporting organization would systematically be notified to begin credentialing and recruitment processes immediately for providers and in December of 2019 for staff. Staff would be orientated and complete a two-week clinical training in our existing women's health department. A structured orientation plan would help to set the tone of the organization's culture, routine policies, and orient the new team to the women's health division. This plan allows for cross-coverage opportunities for potential staff shortages.

Marketing Plan

Within the Tri-state area, the organization has an incredible presence in the patient-service area. The location for the medical office suite is within an existing organization building identified with system branding. This building located on the main campus of the organizations centrally located main hospital campus. Existing signage will only need to have the Urogynecology department added to directional signs and building marquees. The health systems' social media accounts currently reach over 55,000 followers who would lend to a quick and efficient notification in no small portion of the local community with minimal effort and investment. This would include platforms such as Facebook, Instagram, Twitter, and LinkedIn. A series of social network information bursts would be scheduled for once per month before the opening of the service line, daily two weeks leading up to the opening and then focused Urogynecology topics once per month for the first year. The system hosts a number of health care provider education/networking sessions quarterly as well as numerous sponsored women's health community events, (Women's Wellness, Cervical Cancer Awareness, Susan G. Komen Race for the cure for example), where the announcement of this new service line would be applicable as well as gain visibility.

A planned mini-marketing campaign scheduled during October's Breast Cancer awareness campaign aimed at introducing the service line, "Coming Soon," throughout the system and community. A bigger comprehensive marketing blitz would be planned in March during Cervical Cancer Awareness Month, just one month before the grand opening. The marketing plan would include auto mailers sent to all female patients in the system childbearing age and beyond through the organization's client relations management software. Community partnerships would be developed with local churches, charities, and community centers to provide supportive sponsorship where groups of people would be present. Current women's health providers have contributed to several outreach opportunities for patients, including local professional sports teams Women's Day" as well as in services for women at community Parent Teacher Organizations. The organization will host a "Grand Opening Event" for this specialty as the facility is located within the area of the main hospital campus, thus creating a draw and buzz not only for Urogynecology but for the surrounding specialty offices. Below is a represented marketing plan for the grand opening:

Urogynecology Marketing Grand Opening

Overview:

Our organization will open the Women's Health Urogynecology Center in the designated location on the hospital main campus. The focus of the center will be to provide a convenient setting for your women's health needs for Urogynecology services.

Strategy:

Per the overall health system's priorities, this initiative will work to provide the highest quality care in the region by having access to specialty and subspecialty women's services.

Key Messages:

Our organization is building a healthier Tri-state community by building the Women's Health Urogynecology Center. The focus of the center will be to provide a convenient setting for your women's health for Urogynecology services.

Tactics:

- Email – Board, Associates, Volunteers, Medical Staff, Foundation,
- Connection mailer, Medical Staff Check-up
- Intranet
- Social Media and Social Ads (LinkedIn, Facebook/Facebook Live, Twitter, Instagram)
- Digital Signage
- Press Release and Media coverage
- Website

Event Details:

- Date and Time
- Location: Hospital South Campus
- Parking – on-site, and lots A & B adjacent to the location

Secondary Messages:

- Whether you're planning a family, scheduling a screening or seeking specialized care for a women's health condition, our focus is to design your care around your needs.
- Our Urogynecology specialists deliver comprehensive care for pelvic floor disorders, such as bladder control, bowel control, pelvic organ prolapse, sexual dysfunction.
- Our Urogynecology provider can provide direct referrals to our Mammography & Bone Health specialists provide a full range of services to help prevent and screen for breast cancer and osteoporosis.

Audience	Element	Message/Notes
Associates	Invite	Invite for the event – Connection, Medical Staff Check-up, Intranet
Board of Directors	Invite	Invite for a Ribbon Cutting and Grand Opening
Media	Media Advisory/Pitch	Women's Health Urogynecology Center Opening
Attendees	Parking Signs	Yard signs put out to inform attendees where to park
Community	Event	Press Release, mailer, PCP digital signage messaging
Media	Press Release	Women's Health Urogynecology Center Opening
Hospital services Communities	Social media post w/ pictures	Inform supporters/public
Community	Website header slide	Announce and inform via so
Community	Website	Press Release published
Press	Interviews as requested and scheduled	Interviews 2 local news stations for their health-focused segments. Coverage confirmed by local radio station will be in attendance to the event
Community	Digital Signage	Women's Health Urogynecology Center Opening – with a picture from the event
Associates	Intranet	Press Release Refer to key messages (above).
Associates	Connection	Press Release Refer to key messages (above).

Other Considerations:

- Tables/chairs – provided by system facilities
- Giveaways- provided by local business partners and vendors at the event
- Refreshments – Nutrition department
- Podium, sound, and ribbon-cutting supplies– provided by system facilities
- Photos- Organization's contracted photographer will be on site

Agenda for the event:

Topic / Speaking Points	Position
Welcome	CEO
Prayer/Blessing	Pastoral Care
Welcome and Remarks	CEO
Remarks from Hospital Leadership	Director of Women and Children's Services
Remarks from Physicians Leadership	Physician Director of Women's Health

Closing Remarks	CEO
Pictures and Tour of Area	ALL

Urogynecologists are enthusiastic and have a passion for speaking to women about the effectiveness of these services and delivering the message, to what can be a sensitive topic, (in some cases). Hosting an open house is a powerful and dynamic way that cultivates an immediate bond with patients and gain their confidence in the organization's ability to provide the services they may need.

The marketing budget, while moderate, is expected to yield a high return on investment. Marketing dollars allocated in support of an electronic advertisement campaign, including planned interviews during local news health segments and patient education materials will help expose the public to this specialty. Office brochures and materials would be passed on to groups in our system and community-based programs that we anticipate receiving referrals. The total cost of the marketing budget will be \$9,500. Included in that quote are consumables, supply costs, mileage for transportation to events, printed materials, and a percentage of labor costs.

Target Consumer



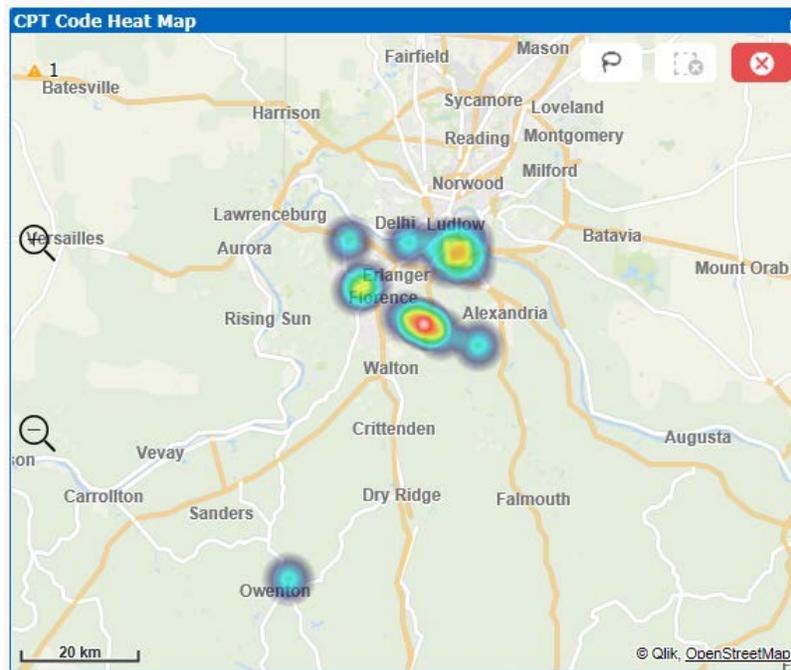
Target 1- Incontinence: Women typically between the ages 30-79 suffering from incontinence. 50% of the target patient population

Target 2- Pelvic Prolapse: Women suffering from prolapse of the pelvic organs after typically after childbearing years. 21% of the target patient population

Target 3- Sexual Dysfunction: Women of age experiencing an inability to experience sexual arousal or to achieve sexual satisfaction under appropriate circumstances, as a result of either physical disorder or, more commonly, psychological problems. 17% of the target patient population.

12% of other conditions make up a full panel of patients

Heat map to determine the central location for practice based on CPT codes for Urogynecologic services in the area



Total percentage of patients from Northern KY counties with Urogynecologic diagnosis

Patient State		Patient County	
Kentucky	92.0%	KENTON	26.6%
Ohio	6.0%	CAMPBELL	25.8%
Indiana	2.0%	BOONE	24.5%
Arizona		GRANT	4.4%

Financial Plan

Financial projections indicate the initial capital required for this business plan to be \$119,851.58 The capital dollars needed to purchase equipment, (Mona Lisa System, cystoscope, HD Scope set, autoclave, etc.), for the space offered by the organization. Operating costs presented for the requested capital would be minimal, considering the organization has an annual operating budget exceeding \$430 million. The first year there is an anticipated loss for this specialty, but the revenue generated through other surgical referrals as well as outpatient referrals will cover losses to the system.

Capital Loan Summary with Amortization Schedule

Monthly Payment \$6938.55 Total of 18 payments \$124,894

Total Interest Paid \$5043 Pay-off Date June 30, 2021

Date	Interest	Principal	Balance
Jan, 2020	\$524	\$6,414	\$113,437
Feb, 2020	\$496	\$6,442	\$106,995
Mar, 2020	\$468	\$6,470	\$100,524
Apr, 2020	\$440	\$6,499	\$94,025
May, 2020	\$411	\$6,527	\$87,498
Jun, 2020	\$383	\$6,556	\$80,942
Jul, 2020	\$354	\$6,584	\$74,358
Aug, 2020	\$325	\$6,613	\$67,745
Sep, 2020	\$296	\$6,642	\$61,103
Oct, 2020	\$267	\$6,671	\$54,431
Nov, 2020	\$238	\$6,700	\$47,731
Dec, 2020	\$209	\$6,730	\$41,001
Jan, 2021	\$179	\$6,759	\$34,242
Feb, 2021	\$150	\$6,789	\$27,453
Mar, 2021	\$120	\$6,818	\$20,635
Apr, 2021	\$90	\$6,848	\$13,787
May, 2021	\$60	\$6,878	\$6,908
Jun, 2021	\$30	\$6,908	\$0
TOTALS	\$2,320	\$80,942	\$0

Cash Flow Statement, (Budget)

<i>Projected Cash Flow – Budget Yr1</i>	
<i>Gross Charges-Physicians &APP</i>	\$3,444,524.75
<i>Total Gross Revenue</i>	\$3,616,717
<i>Total Deductions- Contractual, Charity, Bad Debt</i>	\$1,893,496.46
<i>Total Operating Revenue</i>	\$1,757,396.54
<i>Operating Expense</i>	\$1,964,708.05
<i>Total Net Income</i>	\$(207,839.58)

Income Projection- Profit/Loss Detailed Summary

Urogynecology Financials	YR1	YR2	YR3
Designated Health Services	8,190.00	8,533.00	9,553.00
Gross Charges-Physicians	2,209,964.55	2,303,376.75	2,842,626.75
Gross Charges-APPs	303,256.00	444,230.00	592,345.00
Total Patient Charges	2,521,410.55	2,756,139.75	3,444,524.75
Self pay services Charges	45,000.00	60,000.00	60,000.00
Deductions-PHY	1,137,846.39	1,470,975.43	1,853,192.21
Charity Expense-PHY	2,135.14	2,994.68	3,629.90
Bad Debt Expense-PHY	30,876.64	27,610.53	36,674.35
Total Contractual Expense	1,170,858.17	1,501,580.64	1,893,496.46
Net Patient Charges	1,350,552.38	1,254,559.11	1,551,028.29
Market Adjustment	147,516.71	175,094.70	206,368.25
Total Ancillary Credit/Mkt Adjust	147,516.71	175,094.70	206,368.25
Total Revenue	1,498,069.09	1,429,653.81	1,757,396.54
Physician Salaries	600,921.24	625,675.36	637,272.18
Physician Salaries Perf	43,895.18	66,728.31	77,804.06
Physician Pay Adjustment	40,901.77	55,228.04	225,983.21
Physician Stipend Expense	6,000.00	6,000.00	6,000.00
Total Physician Salaries	691,718.19	753,631.71	947,059.45
Physician Payroll Taxes	23,445.92	27,381.11	28,502.79
Physician Dental Insurance	526.20	539.80	580.80
Physician Insurance-LTD	4,051.41	4,512.48	4,462.20
Physician Life Insurance	915.91	1,029.33	1,047.78
Physician 403b Match	7,942.37	10,799.95	32,656.68
Physician Insurance-STD	3,148.26	3,106.59	2,683.82
Physician Professional Education	14,964.77	13,845.08	13,860.40
Physician Dues and Licenses	2,182.00	2,182.00	2,182.00
Physician Cellular Phone	2,200.00	2,200.00	2,200.00
Total Physician Benefits	59,376.84	65,596.34	88,176.47

Total Physician Costs	751,095.03	819,228.05	1,035,235.92
Urogynecology Financials	YR1	YR2	YR3
APP Salaries	68,986.05	72,530.79	80,432.75
APP Salaries Perf	4,500.00	7,786.68	9,000.00
APP Pay Adjustment	172.51	345.02	677.04
APP Accrued PTO Expense	4,734.98	6,293.33	9,469.95
Total APP Salaries	78,393.54	86,955.82	99,579.74
APP Payroll Taxes	6,208.74	6,593.61	6,786.10
APP Health Insurance	17,862.42	18,493.25	19,749.72
APP Dental Insurance	344.36	408.30	413.62
APP Insurance-STD	108.59	282.46	402.08
APP Life Insurance	109.86	142.63	312.50
APP403b Match	3,507.74	3,611.39	3,718.10
APP Insurance-LTD	184.64	492.26	513.84
APP Professional Education	2,400.00	2,414.88	2,484.03
APP Dues and Licenses	185.00	185.00	300.00
APP Cellular Phone	1,203.46	1,203.46	1,203.46
Total APP Benefits	32,114.81	33,827.24	35,883.45
Total APP Costs	110,508.35	120,783.06	135,463.19
Staff Salaries	143,113.41	147,646.72	201,718.69
Staff PTO Expense	9,857.14	10,163.70	13,908.08
Staff Bonuses	2,366.35	5,290.70	5,688.21
Total Staff Salaries	155,336.90	163,101.12	221,314.98
Staff Payroll Taxes	10,088.21	12,982.93	17,372.33
Staff Health Insurance	46,818.64	50,493.30	61,814.46
Staff Dental Insurance	963.39	979.21	1,118.82
Staff Insurance-STD	527.73	577.21	859.02
Staff Life Insurance	69.50	74.39	149.09
Staff Professional Education	61.66	65.96	76.33
Staff 403b Match	848.21	956.34	10,075.31
Staff Insurance-LTD	544.59	852.79	923.49
Staff Dues and Licenses	159.00	212.10	281.33
Staff Meetings and Travel	50.00	50.00	95.00
Total Staff Benefits	60,130.93	67,244.23	92,765.18
Total Staff Costs	215,467.83	230,345.35	314,080.16

Urogynecology Financials	YR1	YR2	YR3
Drugs and Medications	9,900.56	11,027.72	40,072.58
Medical Supplies	30,202.19	48,216.98	93,030.23
Medical Forms	168.00	270.00	405.00
Administrative Supplies	761.79	1,770.60	3,236.62
Housekeeping Supplies	266.37	278.71	304.39
Office Supplies	509.42	537.89	578.26
Consumables-Medical Equipment	2,127.00	270.81	266.75
Consumables-Office Equipment	130.98	189.60	197.45
Consumables-Hardware	225.00	241.86	307.46
Consumables-Software	2,306.60	1,804.60	1,794.13
Total Supplies Expense	46,597.91	64,608.77	140,192.87
Insurance-Malpractice	25,718.46	25,718.46	29,349.29
Insurance-Workers' Comp	676.32	743.25	970.97
Rent-Equipment	44.91	43.23	70.66
Janitorial Services	3,303.06	3,313.65	3,329.27
Maintenance and Repair Telecom	3,003.06	3,117.24	3,313.60
Pest Control	36.21	41.62	60.98
IC Rental Expense	29,500.53	30,019.24	32,602.21
Total Occupancy & Use	62,282.55	62,996.69	69,696.98
Non-Physician Services	81.45	89.98	107.15
Purchased Services	1,968.89	1,044.75	1,272.45
Outsourcing Services	1,987.16	2,881.71	3,140.04
Corporate Services	167,291.74	198,929.88	246,035.52
Public Relations	9,500.00	1,200.00	650.00
Postage	1,171.57	1,423.85	1,845.87
IC Admin Services Expense	347.68	488.00	678.00
Total Purchased Service	182,348.49	206,058.17	253,729.03
Recruitment Expense	650.00	250.00	250.00
Staff Training	26.75	26.75	26.75
Employee Relations	447.38	421.17	379.40
Bank Fees	3,098.42	3,185.19	3,857.13
Business Transportation	2,022.09	2,044.50	2,065.15
Utilities-Sanitation	202.03	265.05	331.60
Other Occupancy Expense	450.00	485.00	530.00

Total Other General & Admin	6,896.67	6,677.66	7,440.03
Urogynecology Financials	YR1	YR2	YR3
Depreciation-Medical Equip	24,537.57	24,361.60	23,968.38
Depreciation-DP Equip	259.32	904.84	1,361.52
Total Amortization of Goodwill	24,796.89	25,266.44	25,329.90
Total Operating Expense	1,399,993.72	1,535,964.19	1,981,168.08
Net Profit/(Loss)	98,075.38	-106,310.38	-223,771.54

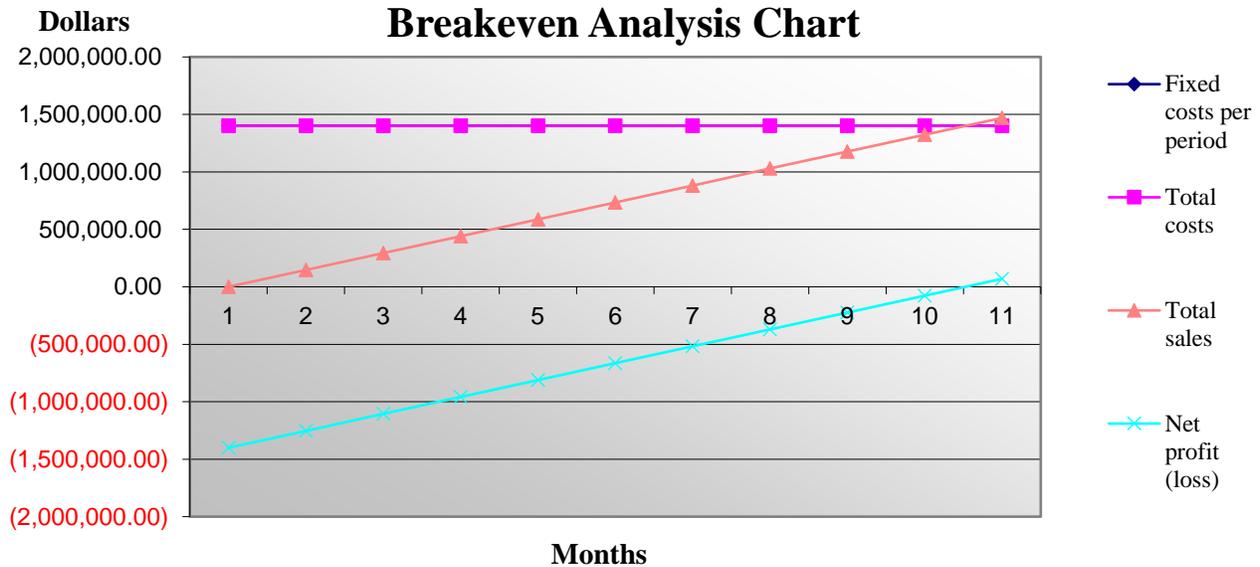
Break-Even Analysis

The primary intent of this new service line is to provide access to comprehensive urogynecology services to women in our area. Urogynecology historically yields a high return on investment in a relatively short period. A break-even analysis was performed to determine the number of patient visits needed to cover the operating cost of the practice. The revenue generation will come from a combination of office visits, procedure visits, and the cash-only Mona Lisa vaginal rejuvenation service line. One thing not considered in the analysis is the downstream revenue for the overall Women's Health Service line from internal referrals from this department back to OB/GYN for services exclusively needed for patients without an established OB/GYN. Additionally, downstream revenue to the system for specialist visits, primary care referrals, and surgical admissions.

In the below table, shows that the Urogynecology department will have to treat 8957 patients to break-even in the first year of business. The revenue figures in year one reflect current reimbursement rates received by the organization, while the revenue figures listed in year two and year three projected assumptions. Another assumption taken in the break-even analysis is that not all patients will require or may not qualify for every type of service offered in this department. All self-pay services (Mona Lisa) are excluded for the purpose of this break-even analysis. To cover the cost of the Mona Lisa system the group estimates 45 patient visits, (15 patients with a 3-treatment series per patient), per year are estimated for Mona Lisa Services in year one. In year two and three, the estimated patient visits for this service is 60 per year.

Break-Even Analysis Table

Break Even	Year 1	Total Revenue
Total Visits @ \$153.31 average revenue per wRVU	9,773	1,498,069.09
Operating Expense		\$1,399,993.72
Break-even visits	9,132	\$1,400,028.92



Conclusion

The business plan, strategic initiative and service line development shown here will expand the Women's Health department to successfully implement Urogynecology services, provide access to high-quality, comprehensive care in the diagnosis and treatment of pelvic floor disorders to the women of this region. By introducing this valuable resource, our organization has an opportunity to serve this demographic and remove barriers to care that currently exist for patients. Success will be measured first by clinical outcomes, patient satisfaction scores followed by financial gain or loss.

The mission of the supporting organization is dedicated to working together with our patients, communities, and colleagues to provide high quality, integrated, and patient-centered care. In providing this much-needed service line to our patients, a centrally located location for our primary care physicians' referrals and expand the lifespan of women's health services, we will positively impact the women and families of the community for many years to come.