

*Petaluma*  
**HEALTH CARE**  
**DISTRICT**

*Strategic Plan 2019-2024*

*Amended 2021- 2024*

**ADOPTED**  
**JUNE 2019**

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## ***I. Introduction***

For over 70 years, the Petaluma Health Care District (PHCD) has been a major leader and advocate for quality health care throughout the District’s service area. A map of the District’s service area appears in the appendix to this document. An important aspect of PHCD’s leadership role has been its ownership of Petaluma Valley Hospital (PVH). In 1997, PHCD leased hospital operations to St. Joseph Health. The lease ended January 2017. After an extensive search over a five-year period to identify a quality hospital operator and voted-in by the community in the November 2020 election, on December 31, 2020, a transaction closed whereby NorCal Health Connect, a subsidiary of Providence St. Joseph Health, purchased PVH for \$52.6 million. The transaction agreement assures NorCal Health Connect will operate the hospital as an acute care hospital with an emergency department for a minimum of 20 years, beginning January 1, 2021.

The health care environment in the District’s service area is more challenged today than ever before. The impact of community conditions that impact health, known as social determinants of health, combined with the rising cost of living, changing local demographics, lack of affordable housing, the COVID-19 pandemic and devastating fires, requires new and innovative solutions to how the District can best use its influence, expertise, and resources to continue its leadership and advocacy role on behalf of the community. The sale of the hospital provides the District with the opportunity to have an even greater impact on the overall health of the community through thoughtful strategic community investments to improve health outcomes.

## ***II. The Strategic Planning Process***

Strategic planning is a key leadership and planning tool for strengthening and providing direction to keep an organization viable. The strategic plan sheds light on an organization’s unique strengths and relevant challenges, enabling it to pinpoint new opportunities. It requires that all stakeholders have a shared vision, one that includes an understanding of the environment, of the issues to be addressed, and a collaborative approach to identifying and implementing solutions through agreed upon actions. Strategic planning provides the organizational road map for moving forward.

In January 2019, the PHCD Board, CEO and staff embarked on a formal strategic planning process to confirm the direction for the District and to reach agreement on measurable strategic priorities for 2019-2024. This decision was based on recognition of the importance of planning strategically to:

- Proactively respond to the community’s health-related needs,
- Ensure the long-term financial viability of the PHCD, and
- Ensure the continued operation of the Petaluma Valley Hospital as an acute care hospital with basic emergency services.

The PHCD 2019-2024 strategic planning process, which was facilitated by Bischoff Consulting of Sonoma, CA, included the following steps:

| <b>Overview of the PHCD Strategic Planning Process</b> |  |
|--|--|
| <b>Step 1</b>  | CEO Ramona Faith, upon approval of the PHCD Board of Directors, launched the strategic planning process; Consultant met with CEO and Board Chair to agree upon the scope of work of the planning process; Consultant reviewed available documents related to the PHCD to obtain a working knowledge of the issues related to the District  |
| <b>Step 2</b>  | Consultant sent an online survey in January 2019 to all board members to gain their perspective on expectations of the strategic planning process and outcomes; Consultant met with the board in February 2019 to solidify the planning process and discuss ways to obtain input from key stakeholders to inform the strategic plan  |
| <b>Step 3</b>  | <p>Consultant developed and implemented a stakeholder data collection plan, which resulted in obtaining feedback in March 2019 from 130 members of the community familiar with the work of the PHCD. The following key informants provided feedback via individual interviews, emailed responses to interview questions, and a large group interactive meeting:</p> <ul style="list-style-type: none"> <li>• 5 members (100%) of the PHCD Board of Directors</li> <li>• 6 key community informants representing the sectors of health care, social services, education, and public safety.</li> <li>• 38 members of the Community Health Initiative of the Petaluma Area (CHIPA)</li> </ul> <p>Consultant also administered an online survey with links sent to 214 community members knowledgeable about the District service area’s health needs. A total of 81 individuals responded to the survey, representing a 38% response rate.</p>   |
| <b>Step 4</b>  | Consultant summarized all stakeholder input in preparation for a strategic planning retreat  |
| <b>Step 5</b>  | <p>Consultant facilitated a full-day strategic planning retreat in April 2019 for 21 invited community members concerned about the health of the District’s service area. These community members included the following:</p> <ul style="list-style-type: none"> <li>• All 5 current PHCD board members and 2 former board members</li> <li>• 4 PHCD senior staff members</li> <li>• 3 leaders of the Petaluma Health Center</li> <li>• 3 medical practitioners from the Petaluma Valley Hospital</li> <li>• A representative from St. Joseph Health</li> <li>• A member of the Petaluma City Council</li> <li>• 2 representatives of the District’s service area community at-large</li> </ul> <p>During the retreat, participants confirmed the mission, vision, values, and priority areas of the PHCD; described the internal and external environment in which the District operates; and identified strategic priorities and related objectives to guide the District’s work over the next five years.</p> |
| <b>Step 6</b>  | Consultant prepared draft strategic plan, which was reviewed and revised by the CEO and Board Chair in May 2019  |
| <b>Step 7</b>  | Consultant presented the strategic plan to the PHCD board in May 2019 for review, discussion, and approval   |
| <b>Step 8</b>  | Consultant advised the CEO and PHCD staff leadership in May 2019 on the development of an implementation plan  |

### ***III. The Petaluma Health Care District Mission, Vision and Core Values***

The PHCD Board reconfirmed the District’s purpose (mission); articulated the legacy for which the District leaders strive (vision); and defined the core values that guide all interactions and decisions.

\*\*\*Early 2021 following the sale of Petaluma Valley Hospital, the PHCD Board made slight adjustments to the District’s vision, strategic priorities, and goals.

#### ***The Petaluma Health Care District Mission***

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***The mission of the Petaluma Health Care District is to improve the health and well-being of our community through leadership, advocacy, support, partnerships, and education.<sup>1</sup>***

#### ***The Petaluma Health Care District Vision***

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***The Petaluma Health Care District envisions a healthy community with equitable access to health and wellness services for all.***

#### ***The Petaluma Health Care District Core Values***

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***We embrace and hold ourselves accountable to these core values:***

|                       |  |
|-----------------------|--|
| <b>Collaboration</b>  | We believe our strength comes from partnerships and collaborative community efforts. We recognize that the ability to meet the health needs of our community and fulfill our mission and vision is a shared responsibility.        |
| <b>Dignity</b>        | We engage in respectful communication in all interactions, striving to understand and incorporate diverse people and viewpoints.   |
| <b>Excellence</b>     | We foster high standards of performance, strive to achieve excellence through continuous quality improvement, and create an atmosphere of trust and growth.  |
| <b>Innovation</b>     | We inspire a culture of innovation informed by data, best and promising practices, and thoughtful evaluation.  |
| <b>Integrity</b>      | We adhere to the highest ethical standards in all our professional and personal responsibilities. We demonstrate this through open and honest communication, addressing difficult issues, and standing up for difficult decisions. |
| <b>Social Justice</b> | We commit to the health and well-being of all members of our community and advocate for those who are most vulnerable or in need.  |

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<sup>1</sup> Although this mission was re-confirmed by the District leadership, it was determined that at some point in the future, the board will consider dropping the word “Care” from the name of the Petaluma Health Care District as a way to reflect the District’s emphasis on addressing the health-related needs of the community beyond health care.

## ***IV. Priority Areas of the Petaluma Health Care District***

Prior to 2019, the PHCD Board of Directors adopted the following five priority areas for its work to improve the health and well-being of the District's service area:

- ***Access to health services***  
Support programs, services and workforce development efforts that increase access to acute and emergency services, primary care, and mental health services for Petaluma Health Care District residents.
- ***Mental health and substance abuse***  
Increase awareness of mental health prevalence and services, lead efforts around community resilience and education on trauma-informed practices, and address and reduce substance abuse and addiction.
- ***Heart health and healthy food consumption***  
Promote efforts that address cardiovascular health, obesity, food insecurity and access to healthy food, and increase opportunities for active living in the community.
- ***Educational attainment and early childhood education***  
Work to ensure every child enters kindergarten ready to succeed, every child is supported in and out of school, and every young adult is prepared for and completes the highest level of education or training to achieve career readiness.
- ***Housing affordability and availability***  
Participate in community efforts and support programs and services to address housing access equity, affordability, and homelessness in the Petaluma area.

The District's leadership remains committed to these five priority areas, while emphasizing the need to address issues related to all stages of human development, from conception to end of life. When the *Sonoma County Community Health Needs Assessment* is released, the District's Board of Directors will re-evaluate these priorities to ensure that they are aligned with local health needs. The community health assessment is conducted every 3 years.

## ***V. Internal Strengths and Challenges of the Petaluma Health Care District***

The PHCD strategic planning process highlighted several of the internal strengths and challenges that the District faces. Among the top strengths and challenges identified are the following:

- ***Strengths of the Petaluma Health Care District***  
The PHCD brings community stakeholders from all sectors together to address the District service area's health needs. In addition, the District plays an active role in identifying the health needs of the community and then provides community-based education and resources to improve the health and well-being of the community. The PHCD was able to negotiate and secure the future of Petaluma Valley Hospital. As of January 1, 2021, our community will continue to have access to a high-quality acute care hospital with emergency services for a minimum of 20 years. In addition, the PHCD, based on the sale of the hospital, has received \$52.6M, which allows for significant investment in the health of the community based on prioritized need over the long term. The PHCD owns a parcel of land that can be developed to serve a community need and provide a return on

investment. The District is positioned to have an even greater impact on the health of the community and can leverage partnerships and funding to serve community need and improve health outcomes. The District has a strong, experienced CEO who is committed to the community and directors who believe in the importance of serving the community's health needs. The PHCD is one of a handful of California Health Care Districts that does not impose property taxes to fund its work, is an ACHD certified District, and recognized amongst its peers for its model to convene all sectors of the community to identify and close gaps in services to improve outcomes.

- **Challenges Faced by the Petaluma Health Care District**

Prior to January 1, 2021, the major challenge faced by the District was ensuring the residents of the District's service area had continued access to a stable and viable acute care hospital with emergency services. The challenge was resolved with the sale of the hospital. Being able to invest in the health of the community without any financial investment from the community has created a challenge for the District. The challenge post hospital sale is to ensure the proceeds from the sale are managed to allow for long term community investment. COVID-19 has impacted all aspects of our community and we do not know the long-term effect on overall health at this time. Residents have lost jobs, businesses are closing, our school campuses have been closed, and the emotional toll of isolation and stress is impacting the overall health and wellbeing of everyone – all sectors, all ages, and has heightened the awareness of health inequity. The future uncertainty of the Affordable Care Act continues to create instability in planning for how health care will be provided and funded in the community. In addition, while housing is a priority area for the District, there is a lack of clarity regarding the role the PHCD will play to impact the availability and affordability of housing in the District's service area.

## ***VI. External Conditions and Trends Impacting the Work of the PHCD***

The PHCD strategic planning process highlighted key trends, conditions, and opportunities impacting the external environment in which the PHCD operates.

- **Natural Disasters** – We are in the middle of a pandemic which is having a significant impact on the overall health of our community and our nation. The pandemic has put a spotlight on the inequities that exist. The seasonal fires in Sonoma county seem to be more frequent and devastating. The PHCD needs to be flexible and nimble to respond quickly to the urgent and changing needs based on community wide disasters. Partnering with community leaders to ensure disaster planning and preparedness is critical.
- **National Politics** – Our nation is divided, and the discord is felt throughout the country, including the PHCD community. There continues to be uncertainty on how the Biden administration will move our country forward and the impact the change in government leadership and policy will have.
- **Community Race Relations** – There is heightened vocal concern and activism around racial discrimination and policing policies. Community conversations are needed to discuss and address diversity, equity, and inclusion so all members of our community have a voice and equitable access to services. There is a need to develop common language and better



understanding. As a community leader and convenor, the PHCD will need to create a safe space for community conversation and help facilitate action.

- **Access to Affordable Care** – The rising costs of health care and health insurance are limiting patient access to the basic health care and preventive services they need. Changes to the Affordable Care Act and the uncertainty of its future will continue to raise concerns for the PHCD and will drive changes in the collaborative relationships already at work, including payment systems, cost effectiveness, accountability, quality of care, and technology.
- **Wages and Income Inequality** – The high cost of living in Sonoma County creates challenges for families and individuals and for the government agencies and community-based organizations that serve them. The lack of local affordability is making it increasingly difficult for older adults to continue to age in place. In addition, the high cost of living has become a barrier to recruiting and retaining quality health care practitioners willing to live in the District’s service area.
- **Community Conditions Including Mental Health, Housing, Immigration, and Transportation** – The need for increased mental health services, exacerbated by the current opioid crisis, is rising at an unprecedented rate, while available funding for services is decreasing. If community members do not have access to mental health and addiction services, the problem will continue to spiral out of control, leading to the deterioration of the fabric of the community. The pandemic has had a significant impact on mental health and wellbeing. The lack of affordable housing is making it impossible for many people to purchase or rent homes in the area and causing an increase in the number of people who are at risk of becoming homeless in our communities. Issues related to fear of deportation among undocumented community members are causing health inequities because many immigrants are fearful of registering for and receiving needed health-related services. In addition, the lack of public transportation to enable people to easily travel throughout the District is a barrier for many low-income individuals and older adults.
- **Relationships with Other Providers** – The PHCD would benefit from strengthening collaboration with key health providers in the region, including health care practitioners, the Petaluma Health Center, and a variety of other health care/hospital systems; with the purchase of the hospital, an opportunity exists to strengthen relationship with the new hospital operator, with a focus on aligning community health investments. Developing relationships with other foundations could allow for additional funding for south county. Given the PHCD’s commitment to collaboration, increased partnerships would foster information sharing and working together to strengthen health care services within the District’s service area to minimize the need to travel out of the community for care.
- **Community Leadership and Engagement** – Sonoma County’s leadership and the PHCD have embraced connecting the social determinants of health to the overall health and wellness of the community. These social determinants of health include economic stability;



neighborhood and physical environment; education; food; community and social context; and the health care system. Continuing to work collaboratively with community partners, including community-based organizations, city and county agencies, education providers, and faith-based institutions, will position the District to address the impact of the social determinants of health on the District’s service area. Taking a leadership role to identify ways to improve conditions for people of all ages related to these social determinants of health will result in health equity for all members of the District’s service area.

## ***VII. Petaluma Health Care District Strategic Priorities 2019-2024***

The PHCD Strategic Priorities focus on the Petaluma Valley Hospital (sold on Dec. 31, 2020), optimizing and leveraging the District’s assets, demonstrating leadership in promoting health and wellness throughout the community, and strengthening partnerships and pursuing collaborative opportunities. The PHCD leadership sustains these efforts through effective governance, financial stewardship, and clarity and consistency in all practices.

| <b>Strategic Priority</b>             | <b>Goal</b>   |
|---------------------------------------|---|
| <b>Access to Care</b>                 | Ensure the PHCD residents have equitable access to health care services and programs that meet their needs.   |
| <b>Community Health</b>               | Serve as a leader and resource for community health, wellness, and prevention.  |
| <b>Collaboration and Partnerships</b> | Serve as a leader in fostering and expanding community partnerships to address social determinants of health and create improved, equitable health outcomes.              |
| <b>Financial Sustainability</b>       | Build a firm financial foundation with long-term revenue streams to promote community health and to protect the presence of necessary health facilities in the community. |
|                                       |   |

### ***STRATEGIC PRIORITY – ACCESS TO CARE***

#### **Rationale**

A PHCD strategic goal is to ensure residents with the full range of local healthcare services. This includes access to a local acute care hospital with emergency services, a Federally Qualified Health Center, and sufficient number of physicians and other medical providers. The PHCD has the desire to collaborate with the new PVH owner and operator to help assure that quality hospital services continue.

### ***Strategic Priority***

**Goal 1:** Ensure the PHCD residents have equitable access to health care services and programs that meet their needs.

### ***Objectives***

- 1.1. Monitor compliance to the purchase agreement between the PHCD and NorCal Health Connect over the life of the 20-year agreement.
- 1.2. Enhance and strengthen partnership with new hospital operator, Petaluma Health Center, and other direct health care service providers through engagement, board and committee participation, and strategy alignment.

## ***STRATEGIC PRIORITY – COMMUNITY HEALTH***

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### **Rationale**

The PHCD impacts health and wellness in the District’s service area by leading efforts to improve the local health care system and focusing resources on prevention. The PHCD increases community involvement to make positive changes toward healthy lifestyle choices through information, resource sharing, and support. This priority expands the District’s strong role in working with committed community partners to promote a model for health and wellness and to provide educational opportunities and funding resulting in the improved health of community members.

### ***Strategic Priority***

**Goal 2:** Serve as a leader and resource for community health, wellness, and prevention.

### ***Objectives***

- 2.1. Provide education and resources to improve the health and well-being of residents of the District’s service area.
- 2.2. Evaluate the health and wellness needs in our community, identify the impacts of the social determinants of health on community members, determine where there are gaps in services and resources, identify funding sources, and develop strategies for closing the gaps.
- 2.3. Support community efforts to ensure that the District’s service area is a welcoming place for residents of all ages to live, work and play together.
- 2.4. Develop a community informed process to determine how proceeds from the hospital sale will be leveraged and invested in south county programs and services based on greatest need to improve health outcomes.
- 2.5. Guide and support the soon-to-be-formed Petaluma Health Foundation.

## ***STRATEGIC PRIORITY - COLLABORATION AND PARTNERSHIPS***

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### **Rationale**

PHCD will continue its leadership role by convening, fostering, and promoting collaborations with community-based organizations, city and county agencies, health care institutions, education providers, community foundations, and faith-based institutions to address critical issues related to the health and well-being of residents of the District's service area. By focusing on the social determinants of health, the District will work collaboratively with its partners to create health equity so that all community members can achieve their full health potential, regardless of their social position or other socially determined circumstances.

### ***Strategic Priority***

**Goal 3:** Serve as a leader in fostering and expanding community partnerships to address social determinants of health to create improved, equitable health outcomes.

### ***Objectives***

- 3.1. Continue to convene the Community Health Initiative of the Petaluma Area (CHIPA) as an Advisory Committee of the PHCD and a local chapter of Health Action for the purpose of improving health and wellness in the District's service area.
- 3.2. Expand and promote the work of CHIPA at the neighborhood level and among vulnerable populations to identify the health-related needs among our local communities, as articulated by local community members, and provide targeted education and resources to improve health and wellness.
- 3.3. Strengthen relationships with other regional healthcare providers, health-related organizations, and government officials, resulting in new and strengthened existing collaborations that improve health and wellness throughout the District's service area.
- 3.4. Collaborate with other health care districts to share successful programs and identify opportunities to collaborate on a regional level.
- 3.5. Strengthen community outreach and engagement by developing and implementing a marketing and communications strategy to inform the community on our community health work with a focus on community investment and outcomes.

## ***STRATEGIC PRIORITY – FINANCIAL SUSTAINABILITY***

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### **Rationale**

The PHCD Board of Directors is firmly committed to the financial stability and sustainability of the District and will explore ways to obtain long-term revenue generated through earned income, investment opportunities, government funding, philanthropic support. The PHCD will enhance its financial sustainability by implementing business models that include maximizing real estate holdings, expanding current services and programs, and exploring creative income-producing opportunities to improve the overall health of community members. The District will need to

identify an investment advisor to assist in managing the proceeds from the sale to enable long term sustainability and investments in the health of the community.

### ***Strategic Priority***

**Goal 4:** Build a firm financial foundation with long-term revenue streams to promote community health and to protect the presence of necessary health facilities in the community.

### ***Objectives***

Obtain a 501(c)3 determination so the District can receive grants and philanthropic funding to support community programs and services based on priority need.

- 4.1. Develop the Lynch Creek parcel that will directly or indirectly serve the health and wellness needs of the residents of the District's service area and offer a return on investment.
- 4.2. Pursue additional revenue-generating opportunities that maximize assets and align with the District's mission and priorities.
- 4.3. Identify a financial investment manager/advisor to work with the District to manage its financial resources, with a focus on safety, liquidity, and growth of assets, allowing for long term sustainability and investment in the health of the community.
- 4.4. Develop a plan for investing, allocating and preserving the \$52.6 million from the hospital sale.

## Appendix: Map of the Petaluma Health Care District

