



Appalachian Regional Healthcare
Strategic Plan 2021-2025



A Message from the President and CEO

The past year and a half brought significant changes to ARH, reminding us why we are committed to our core mission of improving the health and promoting the well-being of all people in Central Appalachia. The dedicated, passionate people of ARH stepped up to serve our communities in uncertain times, going above and beyond to ensure our communities remained safe and healthy. The response to the COVID-19 pandemic required us to quickly adjust to new clinical guidance and communicate clearly across the organization. I am so proud of the character and resilience showed by our team and am excited by what that means for the future of ARH.

We launched our strategic planning process in January 2020 using a collaborative, system-based approach. Navigating the COVID-19 pandemic reinforced the importance of this approach and leveraging our scale and geographic reach to care for our communities. As our planning resumed in early 2021, we remained true to our intention of collaborating across the system to develop our way forward. We engaged more than 45 members of leadership and received direct input from more than 2,500 employees in every location, role, and level of the organization.

This strategic plan outlines a new vision that displays our team's pride, ownership, and enthusiasm for ARH and the communities we serve. We also recast the values we hold dear as core elements of our strategy that will guide our actions and behaviors. Our strategic goals are bold but achievable given the dedication and service of our people.

There is a lot of pride in ARH and optimism for the future. Together with our people, we will serve the health and medical needs of Appalachia while advancing the communities we call home.

Thank you for your service and commitment to the mission of ARH.

Hollie Phillips



Hollie Harris Phillips
President & Chief Executive Officer
Appalachian Regional Healthcare, Inc.



TABLE OF CONTENTS

EXECUTIVE SUMMARY4

STRATEGY ON A PAGE4

STRATEGIC PLAN DEVELOPMENT METHODOLOGY6

BLUE SKY VISIONING7

GLIDE PATH ENGINEERING.....8

NEXT STEPS.....9

EXECUTIVE SUMMARY

As we look to the future, our mission has not changed: To improve health and promote well-being of all people in Central Appalachia in partnership with our communities. But as we look to build our future, we must accept that our industry and our region is changing, and we are well positioned to contribute positively to that change.

Early in our strategy development, the team identified five values that embody this organization not only as it is today, but also who we aspire to be in the future. Trust and Compassion are the heart of our culture, driving meaningful relationships and passion. A strong commitment to Service pushes our team to care for patients and each other with equal skill and vigor. Innovation and Collaboration are present throughout our organization today but must cement themselves in our foundation as essential to driving lasting change throughout this strategic plan.

Using our mission, vision, and values as guiding principles, the team expressed a strong desire to:

1. Invest further in our workforce and mid-level leadership, in order to sustain the organization and transform the employee experience;
2. Provide an exceptional healthcare experience for every patient that enters our doors, including patients who also make up our workforce; and
3. Find creative ways to impact the lives of our patients and our communities through unique partnerships and technology, and position ARH as a true destination for healthcare in Appalachia.

STRATEGY DEVELOPMENT // WORKING ASSUMPTIONS

- ARH is comprised of and serves many different communities.
- Serving our communities starts with our employees.
- Quality is assumed; patients perceive quality based on their experience.
- Workforce development includes both employee recruitment and retention.
- Mutually beneficial partnerships will drive success in our communities.
- Systemness will allow us to use our scale and resources more effectively.

STRATEGY ON A PAGE

One Blueprint for the Future. Building More for ARH

In pursuit of our longstanding mission, we are pleased to unveil our new vision and organizational values.



MISSION:

To improve health and promote well-being of all people in Central Appalachia in partnership with our communities.



VISION:

ARH will be the premier destination for quality care, a driver of advancement and development, and a leader in health for the communities we serve.



VALUES:

- Trust
- Innovation

- Collaboration
- Compassion

- Service

STRATEGY ON A PAGE

To achieve our mission and vision while staying true to our values, our new strategic plan orients around four goals:

GROW COMMUNITIES FROM WITHIN

Invest in the development and health of our people as the key pillar of our communities.

- Become the employer of choice
- Establish purposeful succession plans
- Develop and implement a workforce strategy to support execution of our plan

CURATE HIGH-VALUE SERVICES

Pursue innovative solutions and targeted growth to deliver on our commitments to the community.

- Improve care transitions
- Develop transportation partnerships and expansions
- Expand clinical services and manage capacity
- Develop deep understanding of markets and associated opportunities
- Reduce missing Hierarchical Condition Category data (HCCs) per beneficiary
- Increase Transitional Care Management follow ups
- Improve percent of beneficiaries with completed annual wellness visit



PROVIDE A DISTINGUISHED EXPERIENCE

Purposefully listen to and incorporate feedback along with objective data to improve the way we deliver on our mission.

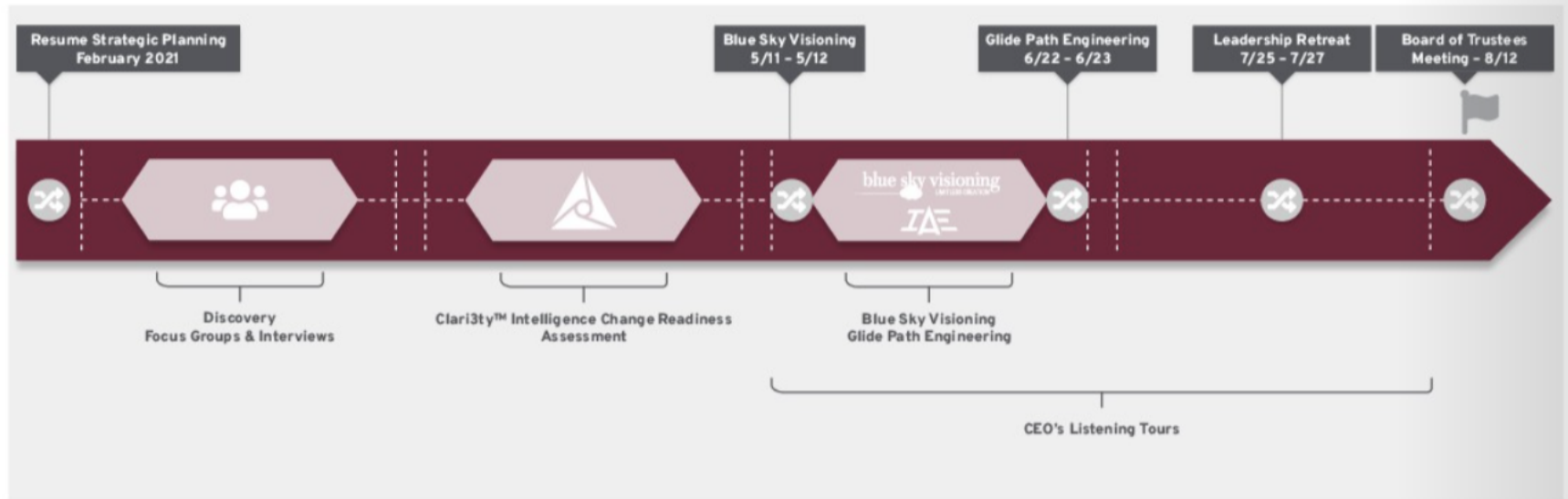
- Expand patient access
- Improve patient relations
- Invest in facilities
- Improve quality of care

SERVE THE GREATER GOOD

Improve access to routine care, resources, and education as a thought leader and strategic partner.

- Expand and improve services for health, wellness, and prevention
- Expand the mental health service line across the continuum
- Evaluate the pursuit of philanthropy funding sources and options

STRATEGIC PLAN DEVELOPMENT METHODOLOGY



BLUE SKY VISIONING

Leveraging the deep market, environmental, and organizational understanding from the Discovery phase of work, we conducted an engaging and collaborative virtual Blue Sky Visioning (BSV) session in May 2021. The BSV engaged an intentionally-selected cross-section of ARH leaders and providers, allowing us to experience aspirational, critical thinking from multiple perspectives, and diverse backgrounds. At the end of our two-day session, a bold new vision, refreshed values, and four strategic goals emerged as the future of the organization.



Over the course of two days, we established a clear group understanding of the current state of industry trends and compared and contrasted within our environment. We also identified our most important current and aspirational organizational values.

The group also clearly defined future state success for our key audiences, both internal and external, in order to develop a specific vision for our future. This vision ultimately informed the early structure of our strategic plan.



At the end of Blue Sky Visioning, the early structure of a strategic plan emerged. This plan is centered around our Mission, Vision, and Values and expresses four key strategic goals to help us move toward this vision for our future.

32 LEADERS & PHYSICIANS REPRESENTING... 13 HOSPITALS

VIRTUAL WORKSHOP / MAY 11 & 12, 2021



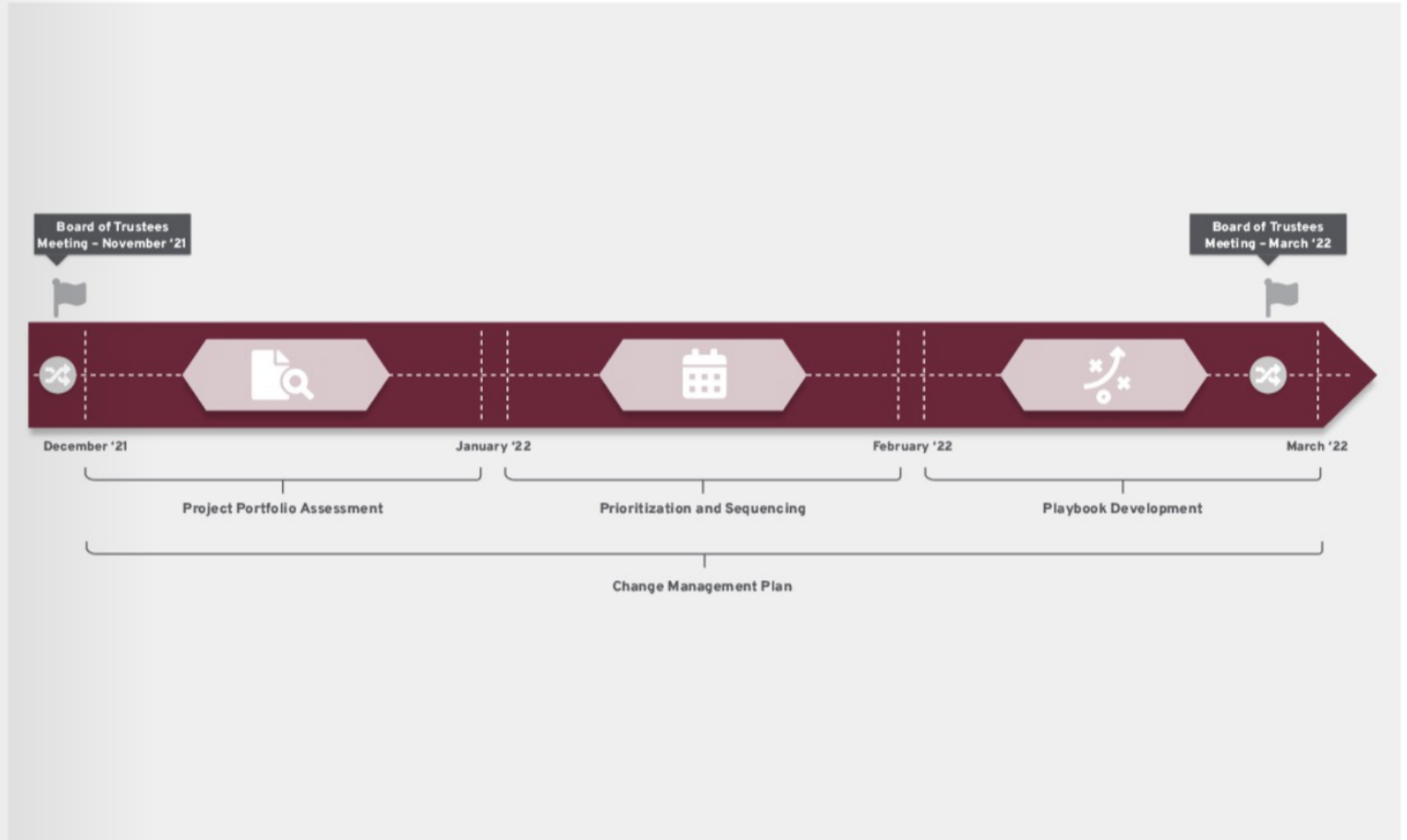
GLIDE PATH ENGINEERING

Building on the outputs from the BSV, we facilitated Glide Path Engineering (GPE), in Lexington, Kentucky in June 2021. The two-day experience engaged more than 45 leaders, deepening engagement and alignment across the organization. Through its structure and technique, the GPE served as a laboratory to cultivate leadership alignment, accelerate implementation planning, and assess and mitigate barriers to success. By the end of Day Two, the team had developed initiatives and measurable objectives for each goal, along with initial plans around resources, dependencies, and timeline. As we continue into our next phase of implementation planning, these outputs will be used in financial modeling, prioritization, and detailed action plans.



NEXT STEPS

Our strategic plan is just beginning. As we move into 2022 and bring the plan to life, our next steps will lay a strong foundation for implementation.



NEXT STEPS: IMPLEMENTATION COMMITTEE STRUCTURE



