

# Media Opportunity



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**Allison Knox**  
Director of Public Relations  
(907) 250-1480  
aknox@southcentralfoundation.com

## **Southcentral Foundation first Native organization to receive nation's highest Presidential honor for business innovation & performance**

***SCF's Nuka System of Care, a model for best practices in health care improvement and delivery***

**WHAT:** **Southcentral Foundation (SCF)**, an Alaska Native owned and operated health care organization, is one of four 2011 **Malcolm Baldrige National Quality Award** recipients being recognized by **U.S. Secretary of Commerce John Bryson** and Patrick Gallagher, Under Secretary of Commerce for Standards and Technology, at the Malcolm Baldrige Award Ceremony being held Sunday, April 15, at 6 p.m. (EST) in Washington, D.C., at the Wardman Park Marriott located at 2660 Woodley Road NW.

The event kicks off the **24<sup>th</sup> Annual Quest for Excellence Conference**, where SCF – along with other current and former Baldrige Award recipients – will share best performance management practices in each of the Baldrige Categories during plenary and concurrent sessions held over three days, April 16-18. (Please see **attached schedule** for SCF sessions.)

**WHO:** SCF is a nonprofit health care organization established in 1982 to improve the health and social conditions of Alaska Native and American Indian people, enhance culture, and empower individuals and families to take charge of their lives. SCF provides a wide range of programs to address physical, mental, emotional, and spiritual wellness for about 60,000 Alaska Native and American Indian people. Of these, 46,000 reside in the Anchorage and Matanuska-Susitna Valley area and 13,000 live in remote villages accessible only by plane or boat. SCF's total coverage area, known as the Anchorage Service Unit (ASU), spans some 100,000 square miles. The ASU is served by a network of health care facilities, including SCF's two primary care centers (Anchorage and Wasilla), two rural clinics (Iliamna and McGrath), and 16 subregional centers that SCF partners with to provide regional support. SCF employs some 1,500 people – of which 53 percent are Alaska Native or American Indian – and reported \$201.3 million in revenues in 2010.

**WHY:** SCF's Nuka System of Care is comprised of organizational strategies and processes; medical, behavioral, dental and traditional practices; and infrastructure supported by relationship-based operational principles. The health care system is designed to (i) encourage its customers to make choices that allow them to realize healthy relationships and lives and (ii) engage its workforce to empower them to share responsibility for health care excellence. As a result, the Nuka System of Care has received national and international attention for its successes in health outcomes, operational efficiencies, and customer and employee satisfaction, placing Nuka on the proverbial map as a best practices model for health care delivery.

4501 Diplomacy Drive • Anchorage, Alaska 99508  
(907) 729-4953 • FAX (907) 729-5069

[www.southcentralfoundation.com](http://www.southcentralfoundation.com) / <http://twitter.com/SCFinsider>

In 2010, SCF achieved the highest level (Level 3) of Patient-Centered Medical Home™ recognition from the National Committee on Quality Assurance (NCQA). This recognition honored SCF's contributions to advancing quality in health care and cited SCF's successful facilitation of partnerships between customers and their providers, and when appropriate, the customer's family, in its approach to providing comprehensive primary care.

In 2011, SCF launched its inaugural Nuka System of Care Conference, which was attended by 200 health care leaders from all over the world who wanted to learn more about SCF's work system design, deployment and improvement of processes, and much more. The second conference will be held June 2012. SCF also travels nationally and internationally to provide trainings at other health care facilities and agency headquarters, and SCF leaders serve as faculty at Institute for Healthcare Improvement conferences to share best practices such as primary care system design, panel management, and advanced access scheduling with audiences from around the world.

SCF's story is compelling due to **sustained, significant improvements** in a number of key areas, including, but not limited to:

- Same-day access to care: Achieved through a system that allows customer-owners to arrange to see their primary care provider on the same day, as long they call by 4 p.m. and arrive by 4:30 p.m. Seventy to 80 percent of appointment slots are open at the start of each day. Same-day access to care and the elimination of other barriers has led to:
  - A 50 percent decrease in costly emergency room and urgent care visits;
  - A decrease in specialty care by about 65 percent;
  - A decrease in primary care visits by 36 percent; and
  - A decrease in hospital admissions by 53 percent.
- Diabetes care: Among the family wellness objectives set forth by SCF is a strong effort to reduce the incidence and improve the management of diabetes, a condition experienced by Alaska Native and American Indian people at twice the national rate. Since 2009, performance levels for diabetes care exceed the 90th percentile of the Healthcare Effectiveness Data and Information Set (HEDIS), a tool used by the majority of America's health plans to measure performance on important dimensions of care and service. HEDIS measures different areas of diabetes prevention, diagnosis, and treatment such as ensuring that diabetic patients receive their annual HBA1c screening (a test that measures blood sugar levels over a period of three months), and treating diabetic nephropathy (kidney disease and damage).
- Performance measures and best practice sharing: SCF manages performance data through a state-of-the-art database dubbed SCF's "DataMall." Balanced Scorecard, operational, voice-of-the-customer, and clinical information is collected, aggregated, trended, and segmented by the system, which then makes it readily available to managers, clinicians, customer-owners, and employees. Information in DataMall is used for tracking performance, driving improvement and innovation, and sharing best practices.
- Operational and workforce learning: SCF senior leaders have created an environment for organizational learning, performance improvement, and the accomplishment of strategic objectives through the use of an internal functional committee structure. This structure incorporates quality assurance and performance improvement committees, external benchmarking, and leadership development into corporate processes.

**Satisfaction** numbers have improved significantly:

- In a 2010 survey, SCF received an overall customer satisfaction rating of approximately 91 percent.
- Consumer Assessment of Healthcare Providers and Systems (CAHPS) surveys ask consumers to report on and evaluate their experiences with health care. Using CAHPS TopBox scores (which display the percent of respondents reporting the most positive response for a composite, rating, or question item) as a benchmark, SCF's overall satisfaction rating was 73.3 percent in 2011. This significantly exceeds the CAHPS TopBox benchmark of 46 percent.
- Overall staff turnover has decreased from 37 percent in 2008 to 17 percent in 2011. Turnover rates for Alaska Native and American Indian employees (who make up 53 percent of the SCF workforce) for the same period decreased from 29 percent to 15 percent.
- SCF administers the Morehead Associates' Workforce Commitment Survey annually to all employees. The survey uses a five-point scale to measure employee response to a number of questions about the workplace. From 2005 to 2009, SCF improved its satisfaction scores for benefits (from 3.69 to 3.89), balancing work and personal life (from 3.67 to 3.87), interest in employee health and wellness (from 3.58 to 4.02) and management's concern with employee safety (from 3.88 to 4.30).

**Increasing revenue** while cutting costs has led to:

- SCF's total revenue has consistently increased from \$120.2 million in 2003 to \$201.3 million in 2010, exceeding the Medical Group Management Association (MGMA) 90th percentile in 2010. Third-party payer revenue increased from \$7.4 million to \$17.9 million in the same time period, also exceeding the MGMA 90th percentile in 2010.
- SCF's per capita expenditures percentage change has been lower than the MGMA benchmark since 2005. Even with phenomenal growth in the last decade, the per capita cost remains lower than the percentage increase in national health care or MGMA multi-specialty practice spending.
- Overhead expenses have decreased in recent years, meeting SCF's target of 15 percent in 2010 and 2011.

**WHEN:**

A brief glance at SCF's 30-year history:

- The Indian Self Determination and Education Assistance Act (ISDEA) of 1975 enabled tribes and tribal organizations to acquire increased control over the management of federal programs.
- SCF was established in 1982 under the tribal authority of Cook Inlet Region Inc.
- SCF's first Self-Determination contract (1984) was for the provision of dentistry, optometry, community health representatives and injury control services.
- A funding request to provide substance abuse treatment services was added in 1987.

- SCF increased its contracting capacity so that by late 1994 it was administering nearly half the primary care services for Alaska Native people.
- Tribes and tribal organizations were given greater authority and autonomy when the ISDEA was amended in the early 1990s to include “Self-Governance compacts.”
- Self-Governance, a tribally-driven initiative made possible through Congressional appropriations, opened doors for Alaska Native people to completely redesign the health care system to better meet the Native Community’s needs and priorities.
- In 1998, SCF obtained ownership and management of primary care and other programs located in the Anchorage Native Primary Care Center, as authorized by Section 325 of Public Law 105-83.
- In 1999, SCF and the Alaska Native Tribal Health Consortium (ANTHC) signed an agreement to take over ownership and management of the entire Alaska Native Medical Center (ANMC) – also authorized by Section 325 of Public Law 105-83.
- The mission of ANMC – “working together with the Native Community to achieve wellness by providing the highest quality health services for all Alaska Natives” – combines the mission and vision of SCF and ANTHC.
- Today, the jointly owned and managed ANMC serves the entire Alaska Native and American Indian population of the state – an estimated 142,000 customer-owners.
- Regionally, SCF currently serves 60,000 Alaska Native and American Indian people living in Anchorage, Matanuska-Susitna Valley, and 60 rural villages in the Anchorage Service Unit, through some 65 health care programs and related services.

**HOW:** SCF uses feedback from customer-owners, employees and Baldrige examiners to drive improvements at every level of the organization. Opportunities for improvement (OFIs) are handed off to the appropriate functional subcommittee for strategic planning and completion in consultation with improvement advisors who are deployed across the various SCF divisions and report centrally to the SCF Organizational Development Department.

**WHERE:** Most of SCF’s customer-owners live in and around Anchorage, Alaska, where SCF has 26 facilities. Anchorage has the highest proportion of American Indian and Alaska Native people of any city over 100,000 in the United States. SCF uses a wide range of delivery mechanisms to provide health care services, including ambulatory office visits (individual, group, and peer), home visits (including hospice), email and telephone visits, health information and education (classes, paper, Web), outpatient services, day and residential treatment, as well as consultation with and referral to higher levels of care. SCF clinical teams regularly travel to rural villages to deliver family medicine, dentistry and optometry services. Where village clinics are staffed by local village health aides, SCF clinicians also make use of electronic communication, including state-of-the art telemedicine technology, to consult on assessment and treatment. In some cases, appropriate treatment requires SCF to bring customers from rural villages to Anchorage for care.

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#### **About Southcentral Foundation**

Established in 1982, SCF’s mission is to work together with the Native Community to achieve wellness through health and related services. The nonprofit health care affiliate of Cook Inlet Region Inc. (CIRI), SCF has grown in its 30 years, from a single dental clinic to an internationally recognized, award-winning health care organization that employs some 1,500 people and manages more than 65 health care programs and services. SCF is a recipient of the 2011 Malcolm Baldrige National Quality Award – now one of 15 health care organizations in the nation to ever receive this prestigious recognition.