

The Chimbote Foundation

A Pennsylvania Charitable Trust

Executive Summary Strategic Development Plan for Centro de Obras Sociales and Maternidad de María

2016 – 2018



This Executive Summary provides a high level overview of the Chimbote Strategic Planning Committee's three year Strategic Development Plan for the Centro de Obras Sociales and Maternidad de María. The full Strategic Development Plan, with supporting attachments, is separately available.

Part One - Introduction and background

Chimbote, Peru is a Pacific-coastal desert city of 365,000 people 250 miles north of Lima, the nation's capital and 4,000 miles south of Pittsburgh. Despite the emergence of a middle class in recent years, the majority of its residents still live in profound economic distress. Unemployment rates hover between 50-80%. Life expectancy in Chimbote is 10 years lower than the national average in Peru.

The Center for Social Works and the Maternity Hospital of Mary was founded by Pittsburgh priest, Monsignor Jules Roos, in the mid-1960s as a mission outreach of the Catholic Diocese of Pittsburgh. The Center is now a regionally respected multi-service health and education facility. It consists of a maternity hospital with full pre- and post-natal care and related services; an outpatient clinic; clinical laboratory; pharmacy; temporary home for abandoned, orphaned or abused infants and toddlers; and educational and specialty care programs. Averages of 800 patients per day receive treatment. More than 93,000 babies have been born in the maternity hospital.

The Center is the only non-profit facility of its kind in the region, serving the poor who cannot afford the cost of services and treatment at the area's public hospitals. Without free or medical services at nominal cost provided by the Center, thousands of poor, disadvantaged and marginalized in Chimbote and its barrios would be without life sustaining and lifesaving care. The Center employs 115 professionals and support staff. It operates under the joint medical and administrative leadership of its Director, Teresa Salinas, a local Peruvian, and two Dominican sisters from Grand Rapids Michigan, Sr. Margaret Mary Birchmeier and Sr. Lillian Bockheim.

In addition to the onsite services, the Center also provides outreach services, through skilled Home Visit teams to those who are too poor or physically incapable of travelling to the Center for treatment.

The Chimbote Foundation was founded by then-Bishop and now Archbishop of Washington Cardinal Donald W. Wuerl to coordinate and to provide stability, efficiency and sustainability for these mission efforts. In March 2015, the Chimbote Foundation Board formed a Chimbote Strategic Planning Committee. The Committee was charged with identifying immediate and longer-term priorities to strengthen, upgrade and expand the services of the Center, consistent with its spiritual responsibility of care and compassion for the poorest of the poor in Chimbote.

Part Two - Current challenges and top priorities

The Chimbote Strategic Planning Committee consists of members of the Chimbote Foundation and key personnel from the newly developed 10 member COS advisory board in Chimbote (CSP Committee).

The CSP Committee identified the following priority challenges to be addressed within the next twelve to thirty-six months while sustaining the Center's focus on its Catholic mission to care for the "poorest of the poor":

- Limitations of existing physical space
- Growing demand for new clinical services
- Maintaining focus on poorest of the poor by expanding Home Visits and related services
- Regular maintenance and timely replacement of mission-sensitive equipment
- Staying focused on Mission and Core Values
- Maintaining licensing and complying with local regulations
- Developing new revenue streams

Part Three – Strategic Focus

The initial focus of the CSP Committee was to develop a means to identify achievable and essential strategic investments for COS to address the above challenges.

To prioritize the various needs, the CSP Committee prioritized each specific investment based on the extent to which it met the following success factors:

- Addresses significant unmet health risk
- Improves existing key services
- Cost of implementation is acceptable within planned funding/revenue model
- Improves quality of key data and information needed for ongoing operations
- Increases revenue
- Meets a legal requirement
- Has clear potential to achieve desired outcome
- Requirements for success are well understood

Part Four – Recommendations of the CSP Committee

A. Short Term Priorities

1. Nueva Posta Medica - Expansion and Renovation of the current Posta Medica

Analysis of need - The Posta Medica houses the facilities used for all out-patient treatment including the pharmacy and the laboratory. The Posta was built in 1963 and designed to serve approximately 25 to 30 patients with a limited number of services and attended by one part-time physician. Expansion of the facility to meet the present needs – now 130 patients daily and attendant services – and projected future needs is clearly required. Additionally, the facility that houses the Posta has deteriorated in certain places beyond repair, necessitating replacement as soon as possible.

Solution – The unanimous recommendation of the CSP Committee and the COS Professional team in Chimbote is to demolish the existing Posta and replace it with an expanded, state-of-the art clinic designed to accommodate the current and future patient numbers and needs.

Design and estimated cost proposals were obtained from three established Peruvian architects. Ultimately, two of the proposals received strong support from the COS professional staff and concurring approval of the CSP Committee.

Highlights include:

- **Expanded Patient Services:** 7,551 sq. ft. first floor to include two expanded waiting areas to adequately address the increased patient flow; 10 clinical exam rooms/physician offices, increased from the current four; triage area; pharmacy; and all related support.
- **Limited Access:** 5,076 sq. ft. second floor for confidential patient files, administration and storage;
- **Efficiency:** Integration of complementary services currently scattered throughout COS.

With the approval of The Chimbote Foundation Board, it is anticipated that final design of the Nueva Posta will start to become reality by the end of 2015. Next steps include retaining a local experienced construction project manager and engineering and construction contractors, plus securing licenses and permits for the ensuing demolition and construction. It is estimated that the project would take no more than eight months from the start of construction.

Estimated Cost: - The estimated total cost of the Nueva Posta is \$650,000.

Funding/revenue to support priority – A plan has been created to raise and invest as much as \$1,000,000 between 2016 and 2018 for one-time capital, equipment and start-up programming priorities identified through the Chimbote Strategic Planning process – the “Mission Milestone Investment” (MMI) (detailed in an Appendix to the full Strategic Development Plan). The cost of the Nueva Posta, and other priorities as noted below, would be included in this funding initiative.

2. Expansion of the Home Visit program

Analysis of need - COS and The Chimbote Foundation provide funding for a skilled Home Visit team from the Center to travel to the outskirts of Chimbote in order to provide medical and social services to the poorest of the poor – those who are physically or otherwise incapable of travelling to the Center for treatment. The number of poor in need of care, and the services required, greatly exceeds the current capacity of the program.

Solution –The Strategic Plan calls for expanding the COS service outreach from the current 95 families to 150 families or from approximately 300 to about 450-500 individuals. This would necessitate an increased budget that would provide aid to address more household needs, e.g. beds, mattresses, and other materials so desperately needed to live and die with dignity.

Estimated Cost: - The annual operating cost of the current Home Visit program is \$37,000. The Planning committee recommends adding \$37,000 more per year for three years (2016-2018) of which \$18,500 is to be used for staffing the expansion of the program from 95 to 150 families, and \$18,500 is for patients’ needs as the Home Visit teams discover and address medical and critical material necessities.

As a key part of the COS sustainability strategy, it should be noted that additional clinical services and improved patient flow at COS facilities are expected to improve locally generated income. Patients are charged fees on a sliding scale from zero for those unable to pay anything to a modest charge for the working poor. This will provide additional revenue to be made available for programs that do not generate revenue, such as the Home Visits and the Children’s Shelter and Center.

B. Sustainable Long Term Priorities

Applying the factors identified in the Strategic Focus section (page 3, above), secondary longer term priorities are being developed on an ongoing basis. Preliminary recommendations, which have already been vetted against these factors, include:

1. Development of new Mammography & Radiology services

Analysis of need – The daily demand for mammography and radiology services at the Posta Medica is significant and steady. The Center presently is not equipped to provide these services. Development of this capability would require dedicated physical space, sophisticated equipment, trained personnel, and licensing.

Solution - The consensus of the CSP Committee and the COS Professional team is that the time is ripe to renovate and equip this unit and provide these services. However, since the space reserved for these services will be needed as a temporary clinic while the Nueva Posta is being built, this important renovation will need to wait until after the Nueva Posta project is completed.

Estimated Cost– A preliminary estimate of expenses for minor renovations and purchase of capital equipment for this component of the plan is \$90,000.

Funding/revenue to support priority – Funds will be provided over three years through the above referenced \$1,000,000 MMI.

2. Capital equipment replacement and maintenance

Analysis of need – In the harsh environment created by proximity to the Pacific Ocean and the Peruvian desert, sensitive and critical equipment needs to be regularly maintained and replaced. For these needs, the COS leadership and the Strategic Planning team recommend that a capital equipment fund over the next three years.

Estimated Cost– \$99,000

Funding/revenue to support priority –Funds will be provided over three years through the above-referenced \$1,000,000 MMI.

3. Padre Julio Roos Children’s Shelter and Center

Analysis of need – This physical space is adequate for the number of infants and children served; however sustained financial support for the Shelter is strongly recommended due to the unpredictable costs. Specifically, monthly expenses can vary substantially based on the needs of the changing infant and children residents. Examples include specialized 24/7 medical care as well as extra staffing and additional expenses for special needs such as cleft palates, malnourishment, mental illnesses, handicaps, blindness, deafness, etc.

Estimated Cost– \$50,000 – variable

Funding/revenue to support priority –Funds will be provided over three years from the local contribution through the \$1,000,000 MMI.

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