

CASE STUDY

Driving system-wide growth: How HealthScape helped a provider-sponsored health plan realize its full potential

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<https://www.healthscape.com/client-results/driving-system-wide-growth-how-chartis-helped-provider-sponsored-health-plan-realize-its-full-potential>

The Client Challenge:

A top pediatric health system experienced financial challenges due to the pandemic, with negative impacts on volume, workforce, and facilities investments. Their health plan served a specialty pediatric population and maintained a single revenue source through a Medicaid contract. Leadership sought strategies to improve the health plan's financial viability and looked to HealthScape to identify performance and growth opportunities.

Provider-sponsored health plans (PSHPs) can miss important value opportunities when not fully integrated with the parent health system's strategy:

- Meeting member needs by leveraging the parent health system's existing comprehensive network of providers.
- Closing care gaps by coordinating complex care management with the parent health system.
- Reducing administrative costs by instituting shared services between the health plan and health system.
- Driving domestic spending for member service utilization, supported by top-tier care delivery and innovation with the parent health system.

Navigating to Next: The Solution

The health system partnered with HealthScape to conduct an opportunity assessment specific for the PSHP. HealthScape identified a need for a clear governance structure to align on short- and long-term priorities impacting the health plan and the broader organization. The health plan was not being utilized in the

organization's strategic planning, missing the opportunity to position the PSHP as an asset and revenue driver for the broader health system.

HealthScape identified 2 key opportunities for the PSHP to demonstrate its value proposition to support overarching financial and performance goals:

1. **Revenue diversification through strategic growth, market expansion, value-based care, and non-premium revenue, which would mitigate the risk of its current single revenue source.**
2. **Alignment between the broader health system and health plan's leadership, including development of a governance and enterprise strategy on managed care capabilities, and enablement of shared services across entities.**

How We Are Making Healthcare Better

By aligning a parent health system and PSHP's strategy, vision, and value, a pathway is created to improve care and health outcomes. This solidifies the organization as a true partner to its community.

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Kirsten Bickford, Associate Principal, HealthScape

Next Intelligence

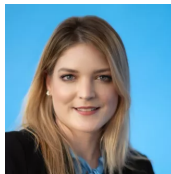
PSHPs can go from underutilized to being a strategic asset by:

- **Diversifying revenue** through strategic growth, market expansion, value-based care, and non-premium revenue.
- **Driving domestic spending** through internal utilization of integrated care delivery and positive revenue impacts for the broader organization.
- **Building awareness** and understanding across the health system to foster long-term strategic alignment, evolution, and innovation.

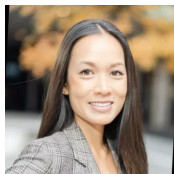
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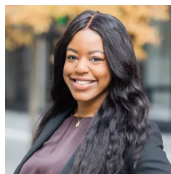
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