

From outsider to mainstay: An MCO breaks into a Medicaid market dominated by incumbents

The vision

A nonprofit insurer saw an opportunity to develop and implement locally based solutions to support Medicaid-eligible residents of a rural, blue-collar state. After demonstrating its competence to the regulator, it would have to secure internal resources and investment to build a sustainable provider network and differentiate itself in a market dominated by incumbents.

Co-creating the solution

Many Medicaid members were facing challenges different from those in the health plan's existing markets, including an outsized opioid crisis. Driven by its strategic goal to serve all market segments, the health plan sought a highly tailored strategy to improve the health and wellbeing of the most vulnerable populations.

Partnering with HealthScape Advisors, the health plan evaluated the viability of entering the state's Medicaid market. Together, they developed a business plan, crafted a strategy for the competitive procurement process, and summoned internal resources for a successful market entry.

Believe in better

The health plan offered contracts to each of the state's more than 2,000 providers, increasing access to evidence-based care for nearly one-quarter of the Medicaid-eligible population. Bolstered by a 15-year commitment of more than \$25 million in grant funding, it also built a network of community-based organizations (CBOs) to provide wraparound services that help address social drivers of health, such as housing and the transition from incarceration.

Meaningful outcomes

The health plan is positioned to make an impact:

1 in 4

residents will be offered this innovative option

2,000+

providers brought into the network for members

\$150-250M

in new revenue generated by Year 5 in the market

Building to better

Successfully entering a new Medicaid market requires:

TIMELY BUSINESS CASE ASSESSMENT

2+ years before the procurement process

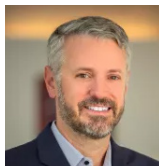
COMPREHENSIVE BUSINESS PLANNING

across internal functions and external stakeholders

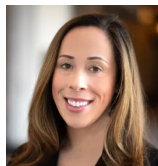
FOCUS ON WHOLE-PERSON CARE

enabled by provider and CBO relationships

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