

BEHAVIORAL HEALTH

MEDICAID ACQUISITION INTEGRATION FOR A REGIONAL HEALTH PLAN

Enabled client to bring best of both organizations to member care by supporting care models integration of a newly acquired Medicaid plan

Client situation

- The client was a regional Commercial health plan looking to expand into Medicare and Medicaid, who had recently acquired a Medicaid plan
- Oliver Wyman had been previously engaged to support the acquisition due diligence and pre-merger planning
- In this phase of work, Oliver Wyman provided support for post-merger integration by identifying, evaluating, and planning for integration opportunities
- One integration workstream related to the care models function, covering care management and other member-facing care programs

Oliver Wyman approach

- Developed summary of current state programs, including care models programs, staffing, and process flows
- Identified and prioritized integration opportunities, balancing organizational goals, staff bandwidth, and obligations to regulators
- Developed recommendations for two prioritized opportunities:
 - Behavioral health: Developed workplan and cost estimates to support evaluation of bringing behavioral health in-house
 - Patient-centered medical home (PCMH) program: Analyzed current program costs across both organizations to inform future design of PCMH for Medicaid

Key impacts achieved

- Enabled client's goal of bringing the best of both organizations to care for members through care models integration:
- Developed key analyses and workplans that will serve as starting points for future state care models design
- Achieved executive alignment on integration opportunities and socialization of recommended next steps
- Produced key documents to support the client in its regulatory readiness review

POPULATION HEALTH MANAGEMENT ASSESSMENT AND STRATEGY FOR A REGIONAL MEDICAID PLAN

Redesigned the population health management model for a Medicaid plan to drive better outcomes through deep integration across medical and behavioral health

Client situation

- The client is a regional health insurer with a significant portion of their book of business concentrated in managed Medicaid
- The client was seeking to redesign their population health management model to improve their economics and ensure they remain competitive for future state RFPs
- Oliver Wyman was engaged to develop a best-in-class design for an integrated population health management (PHM) operating model

Oliver Wyman approach

- Current state baselining and benchmarking of their current medical and behavioral health programs
- Assessed claims-level information for the current Medicaid population to identify the highest need cohorts of members
- Designed the PHM operating model, including detailed documentation of all components of future state including people (e.g., resourcing, training), processes (e.g., ID/Strat, strategy-setting), and technology (e.g., member dashboard, analytics)
- Defined roles for each member of the integrated care teams, including BH specialists and social workers

Key impacts achieved

- Redesigned care management team structure and composition to support more integrated, holistic management across medical, pharmacy, and behavioral health needs
- Defined population health management programs and supporting member cohorts to enable prioritization of the most impactable members
- Identified >\$50 M savings with a positive ROI

DIGITAL INNOVATOR PARTNERSHIP EXPLORATION IN THE FIELD OF MENTAL HEALTH

Assessed the mental health innovator landscape to support expansion of our client's digital therapeutics and digital phenotyping strategies

Client situation

- The leadership of the CNS therapeutic area of a major European pharmaceutical company wanted to get a better understanding of the US landscape of digital innovators in order to establish a partnership
- The client had established two strategic directions
 - Digital therapeutics
 - Digital phenotyping & risk analysis (including Big data, AI, and Smart devices and wireless health)
- The scope covered startups, VCs and researchers

Oliver Wyman approach

- Establish long list of relevant players: Leverage Oliver Wyman network and relationships, as well as desk research to identify longlist of potential partners
- Prioritize: Assess strategic fit, mutual value proposition and potential interest
- Engage and conduct roadshow: Setup US roadshow with 20+ participants and conduct in depth meetings with innovators to get detailed insights and establish relationship

Key impacts achieved

- Generated understanding of the landscape of digital innovators for the client
- Established relationships with close to 20 innovators, resulting in
 - insight on innovation in the field of mental health
 - the establishment of mutually beneficial, lasting partnerships

PATIENT JOURNEY DIAGNOSTIC

Diagnosics uncovered a \$5 M revenue lift through improvement to patient kept appointment rate, retention, and revenue cycle management

Client situation

- A leading private equity firm had invested in one of the nation's largest behavioral health providers and were eager to realize continued EBITDA expansion while growing top line
- Over 60 clinics dispersed nationally supported by an M&A growth engine that was adding clinics on a near-monthly basis
- Despite best attempts at improving the in-clinic operating model, the client was experiencing challenges with kept appointments, retention through meaningful treatment length, and revenue cycle management
- Capacity management was being negatively impacted by rudimentary scheduling tools, limited process efficiencies, untrained front desk resources at clinics, and a decentralized approach to operational excellence

Oliver Wyman approach

- Rapid two-week analytical diagnostic uncovered inefficiencies in the operating model supporting the patient journey
- Several opportunities worth pursuing and can deliver real value in the near term and position the company to support future growth
 - Development and implementation of a Target Operating Model
 - Patient centric approach to people, process, and tools
 - Codified "Client Way" that shares best practice and encourages continuous improvement
 - High Level Process Analysis as a path to identify system bottlenecks and barriers to growth
 - Bottom-up approach to create a foundation for more sophisticated growth planning down the line

Key impacts achieved

- The team identified a \$5 M annual revenue opportunity business case, uncovered dozens of process improvements, and laid out a detailed roadmap for transformation
 - \$2 M through patient intake growth through increasing the kept appointment rate by transforming the company's call center and patient booking processes and tools
 - \$1 M through further intake growth by enabling key clinical leaders to apply value added time performing community outreach and marketing
 - \$1 M through improved retention throughout the patient journey and subsequent treatment program
 - \$1 M through lost revenue recapture from improved revenue cycle management processes, tools, and training