Partnering to Achieve New Success Levels

Two large, complex health systems were partnering to introduce a Medicare Advantage product to a new geography and simultaneously add a new medical group to significantly increase network coverage of an existing HMO product.

Problem to Solve

Rather than pursuing potentially costly, time-consuming and disruptive acquisitions, large health care organizations are increasingly engaging in joint ventures and strategic partnerships with like-minded organizations – and turning to an outside partner to oversee these complex implementations.

Two large, complex health systems were partnering to introduce a Medicare Advantage product to a new geography and simultaneously add a new medical group to significantly increase network coverage of an existing HMO product. This would be the first-ever formal partnership between these two organizations – one, a premier regional Medicare Advantage provider; the other a well-regarded health care system serving more than 50,000 members. By partnering, the two organizations sought membership growth while expanding their coverage more cost-efficiently than if they had expanded on their own.

While both systems were eager to make this partnership work and potentially create a model for similar partnerships, neither had the resources or time needed to oversee and complete a project of this scale and scope. Complicating the effort was the fact that all work needed to be completed within three months to meet year-end

business goals within both organizations.

The two health systems partnered with Freed Associates (Freed) to provide the program management required to make this partnership a success. Freed was selected for its familiarity with both health systems, its expertise in Medicare Advantage and its extensive experience managing complex, multifaceted business projects like this one.

Strategy and Tactics

Organization would be critical to the success of this partnership to align both health systems with newly signed contractual requirements. Freed began by installing a program management infrastructure across both systems and creating and aligning cross-organizational work groups. Ultimately, this would entail managing 23 multi-organization work streams (providers, health plans, clearinghouses) and engaging stakeholders who had never worked together before.

Fortunately, staff members from both health systems were committed to the success of their new partnership, and across the board adopted a "whatever it takes" mindset to ensure readiness to administer the new membership. Freed's primary role was to see that the mass of work necessary to accomplish all partnership goals would be well coordinated and completed by designated project groups, correctly and on-time.

Communications and information exchange across the two health systems would be critical. Freed established the parameters for cross-organizational data exchange and process flows. Once developed, all data exchanges and processes needed to be rigorously vetted and tested. Freed tracked and managed the status and progress of each project work group, performed data exchange readiness assessments, and when needed escalated issues and risks for resolution. No facet of the partnership project was left unattended.

Results

Freed supported the on-time go-live of all key system partnership processes (e.g. eligibility, utilization management, claims processing, capitation, etc.) through more than a dozen separate process or technology go-live events. All data exchanges and processes were completed on-time and operating as planned, meeting both systems' new membership business interests. The Medicare Advantage product was successfully launched into a new geography, as planned, and the existing HMO product expanded by more than 500 providers.

Freed then led project work to stabilize production business processes across both health care systems and perfect clear cross-organizational ownership structure for ongoing operations. In aggregate, this work paved the way for the success of this project as well as facilitated future partnership arrangements.

Feedback from both systems to Freed's involvement with this work revealed the criticality of engaging an external, objective program manager to oversee and manage a project of this scope and scale. Both organizations now possess an invaluable organizational template which they have already applied to additional partnerships.