Historical Perspective
Regulatory Environment
Payment Reform
Levels of Care
Strategies
Best Practices
**Derived from Latin**
- meaning guest and host

**11th Century**
- Concept adopted by Roman Catholics

**British physician**
- Dame Cicely Saunders
- In London – 1948
- Presented at Yale in 1963

---

**1974**
- First US hospice was open
- First hospice legislation introduced – not enacted

**1978**
- US Dept of Health task force – shows support

**1980**
- Start to develop standards for accreditation

**1982**
- Create Medicare Hospice Benefit

**1986**
- Hospice Benefit made permanent with 10% increase in rates

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Source: [understandhospice.org/brief-history-hospice/](http://understandhospice.org/brief-history-hospice/)

Source: [www.nhpco.org/history-hospice-care](https://www.nhpco.org/history-hospice-care)
• Medicaid
  • Republicans want significant changes:
    • Less federal funding and slow the annual growth rate
    • More state control over enrollees and coverage
    • Block grants to states or per capita allotment (fixed sum based on enrollment; but would harm states that did not expand Medicaid under ACA)
    • Fewer enrollees and more co-pays
  • Regulatory Relief
    • Support among Republicans to scale back regulations including health care industry
    • Concern that CMS has over-stepped its authority with many onerous regulations
• Physician Assistants
  • 1/1/19 allowed to be attending physician
  • Not allowed F2F and cert of terminal illness

• Utilization
  • Number of beneficiaries increased 192% between 2000 to 2017
  • Expenditures up 525% same time frame
  • Both expected to keep growing

• Length of Stay
  • Median in 2017 was 18 days and staying flat
  • Average in 2017 was 79.7 days, increasing by about 1 day a year

• 1.8% increase
• 2% penalty for not participating with Quality Reporting
• CAP amount of $29,205.44
• Hospice services are comprehensive
  • Analysis shows unbundling of item and services
    • All Part A and B items and services are included in the hospice per diem
    • All drugs that are for maintenance and management of illness covered under per diem – NOT Part D
• Routine Home Care – 98.04%
  • 55.75% in Home
  • 24.09% SNF
  • 17.06% ALF
• General In Patient – 1.38%
• Continuous Home Care – 0.28%
• Respite 0.30%

• Discharges
  • Revocations – 44%
  • No longer terminally ill – 45%
  • Transferred to another Hospice – 9%

• What are the concerns with the two-tiered payments?
• Changed in 2014 for better data collection
• Determine cost of services provider at each level of care
  • CMS concerned cost report data is not accurate
  • CMS plans to work with community to improve cost data

**Routine Care Day:**
- Median - $130.21
- Average - $171.08
- Min - $0.62
- Max - $19,371.64

**Continuous Care Day:**
- Median - $625.75
- Average - $3,852.88
- Min - $0.28
- Max - $974,369
Respite Care Day:
- Median - $317.74
- Average - $1,023.36
- Min - $.64
- Max - $406,409.90

GIP Care Day:
- Median - $845.87
- Average - $2,353.45
- Min - $.01
- Max - $1,352,705

Primary Care
- Hospital
- SNF
- At Home
- Telehealth

Wellness
- Home care
- SNF
- Assisted Living
- Hospital
- Physician office
- Group visits
- Self management
- RN, Care Coach
- Online/social networking (e.g. diabetes group)
- Telehealth monitoring

Chronic Care
- Specialty care
- Home care
- SNF
- Assisted Living
- Hospital
- Physician office
- Group visits
- Self management
- RN, Care Coach
- Online/social networking (e.g. diabetes group)
- Telehealth monitoring

Acute Care
- Hospital
- SNF
- At Home
- Telehealth

Acute Care
- Hospital
- SNF
- At Home
- Telehealth

Chronic Care
- Specialty care
- Home care
- SNF
- Assisted Living
- Hospital
- Physician office
- Group visits
- Self management
- RN, Care Coach
- Online/social networking (e.g. diabetes group)
- Telehealth monitoring

Primary Care
- Hospital
- SNF
- At Home
- Telehealth
“The person-centered post-acute care system of the future will:

- Optimize choice and control of services;
- Ensure that placement decisions are based on patient needs;
- Provide coordinated, high quality care with seamless transitions between settings;
- Reward excellence by reflecting performance on quality measures in payment;
- Recognize the critical role of family care giving; and
- Utilize health information technology.”

Source: CMS Policy Council Document, 9/28/06 "Post-Acute Care Reform Plan; reviewed at MedPac 1/07

- Continuum of care at home
- Patient Centric
- PACE Program
• Ability to compute and understand the cost of services by payment level or discipline/service
• Ability to add value to the care coordination of the Advantage plan…be responsive!!
• What if an Advantage Plan wants to contract for Ala Carte services?
• Ability to negotiate contracts
What data do you have today…
- Volume of visits by discipline
- Visit volumes by diagnosis grouping
- Can you measure cost per visit
- Services – Drugs & DME related to diagnosis grouping

- What if an Advantage Plan or other Payers wants to contract for Ala Carte services?
• Labor cost – Salary and benefits
• Travel cost
• Other direct expenditures related to the discipline… education/training programs
• Decide on the unit of measure… could be multiple ones… per diem, per visit, per procedure, per encounter

Selected Disciplines or Services:

<table>
<thead>
<tr>
<th>Disciplines</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nursing – RNs</td>
<td>$23.45</td>
</tr>
<tr>
<td>Med Soc Svs</td>
<td>$4.74</td>
</tr>
<tr>
<td>Spiritual Counseling</td>
<td>$3.32</td>
</tr>
<tr>
<td>Hospice Aide</td>
<td>$8.44</td>
</tr>
<tr>
<td>Drugs</td>
<td>$8.19</td>
</tr>
<tr>
<td>DME</td>
<td>$5.95</td>
</tr>
</tbody>
</table>
• Need to add link to excel workbook

• The economics of operating a Hospice Facility is a growing burden to most Hospice organizations... thank goodness for Fundraising!!

• Can you leverage the beds with the local Health System... or with a payer that can see value of using the beds vs. Hospitalization...

• Can the beds be converted to another type of care – AL or IL
• Need to link financial sources to your strategic, operational, and capital plans.

Agenda

• Strategic Concepts
• Healthcare Trends
• Strategic Positioning for Hospices
Strategic Concepts

“It’s tough to make predictions, especially about the future.”
— Yogi Berra

“Plans are useless, but planning is everything.”
— Dwight D. Eisenhower

Good Strategy

• Focuses on a few pivotal objectives
• Is based upon something you can do better than others (not just something that you’re “good at”)
• Identifies conditions required to achieve objectives
• Identifies necessary resources and competencies
• Is as much about deciding what not to do, as what to do
New thinking about Strategic Planning

It’s got be more than a one-time exercise …don’t “put it on the shelf.”

Traditional versus Adaptive Strategy

Iterative Strategic Thinking

Volatility
Uncertainty
Complexity
Ambiguity

Strategy Filters

2016–2020 STRATEGIC PLAN

National Trends in Healthcare

- Technical Advances
- Consumer Expectations
- Evolving Payment Expectations and Mechanisms
- Strategic Affiliation and Consolidation
- Accelerating Change
Technical Advances

- Data
- Tools
- Monitors
- Real-time information

Technical Advances

- Liquid biopsies
- AI/Humanoid Robotics
- Robotic surgery
- Florescent endoscopic imaging
- Personalized immunotherapy
- Type 1 diabetes vaccines
- Ultraviolet-C LEDs for disinfection
Technical Advances

Kaiser CEO: Telehealth Outpaced In-Person Visits Last Year

52 percent of patient transactions at Kaiser Permanente in 2016 were conducted online, by virtual visits or through the health system's apps, CEO Bernard Tyson says.

Technology Feeds Expectations

• Consumers increasingly have nearly the same information and tools as physicians
• 50% of Gen Xers have no PCP –
  • use whoever is available now
  • choose bank, music, health care based on technology
• 71% of Millennials cite the internet as their preferred method of healthcare interaction
Consumer Expectations

- Single platform for all health transactions (banking)
- Device-agnostic access
- Understanding the roles and qualifications of team members

Emphasizing Customer Experience

Transparent Access
- Choice of provider who is a good match
- Other patients’ experiences
- Online scheduling
- Pricing known in advance

Convenience
- 24/7 access/response
- Multiple options for how to interact/communicate
- Back-up to regular provider

Relationship
- Access to all information
- Feeling that they are known
- Clinical and non-clinical needs anticipated and met

Positive Encounter
- On-time calls and visits
- Treated with respect
- Easily understood documents/bills
- Quick response to concerns/questions
Design for Consumer Expectations

Meet consumer where they live, work and play

- Personas
- Journey Maps
- Personalization

Evolving Payment Mechanisms and Expectations

- Medicare
- Medicare Advantage
- Narrow Networks
Medicare Expectations

- Hospice Quality Reporting Program (HORP)
  - Hospice Item Set
  - Hospice Consumer Assessment of Healthcare Providers and Systems (CAHPS)

- Improving Medicare Post-Acute Care Transformation of 2014 (IMPACT Act)
American Medical Group Association
Recommended Value Guidelines - June 2018

1. Emergency Department use
2. SNF Admissions
3. 30-day all cause hospital readmission
4. Admissions for acute ambulatory sensitive conditions composite
   - Dehydration
   - Bacterial Pneumonia
   - Urinary Tract Infection

National Committee for Quality Assurance
Person-Driven Outcome Measures - June 2018

The Person-Driven Outcome Measures project will be a three-year demonstration project with 800 participants. The project “rewards patients for hitting personal goals as part of a larger shift to person-centered care.”

“Existing quality measures do not effectively evaluate what is most important to people, particularly older adults with complex care needs, and we hope to change that,” says Margaret E. O'Kane, NCQA president.
MedPAC Payment Recommendations

MedPAC is concerned that patient choice interpretations may be blunting opportunities to increase utilization of higher-rated agencies. Their recommendation is that hospital would be required to notify beneficiaries of the PAC providers that are designated as higher quality.

MedPAC, has described a possible unified PAC payment system and recommended a corresponding implementation in 2021.

Under such a unified PAC payment system, payments to providers would decrease over the course of a sequence of stays.

More than 94% of beneficiaries who use home health agency services after a discharge have at least one provider within a 15-mile radius with a higher quality score than the provider from which they receive services.

About 70% of beneficiaries have five or more home health agencies in their area known to provide better quality care.

Changing Payors: Non-Medicare World

![Distribution of Enrollment in Medicare Advantage Plans, by Plan Type, 2016](image)

Total Medicare Advantage Enrollment, 2016 = 17.6 Million

NOTE: PFSs is Private Fee for Service plans, PPOs are preferred provider organizations, and HMOs are Health Maintenance Organizations. Other includes MSAs, cost plans, and demonstration plans. Includes enrollees in Special Needs Plans as well as other Medicare Advantage plans. Excludes beneficiaries with unknown county addresses and in territories other than Puerto Rico.

### New MA Opportunity for Palliative Care  
***c. CY 2020***

#### April 2018 FY2019 Call Letter
- Provides flexibility for plans to offer different supplemental benefits and/or different levels of cost-sharing to subsets of MA enrollees.
- Supplemental Benefits Memo – Specifically lists Home-based Palliative Care and explicitly mentions palliative nursing and social work services in the home not covered by Medicare Part A.
- Uniformity Requirement Memo - MA plans may now vary benefits for subsets of enrollees based upon their disease state or health status, as long as these variations are available to all similarly-situated enrollees.

---

#### New MA Opportunity for Palliative Care  
***c. CY 2020***

Health plan considerations in terms of what and when they add any new benefits:
- Cost/Savings
- Attractiveness to employers/beneficiaries
Changing Payors: Medicaid

- As of 2011, Medicaid (known as Oregon Health Program (OHP) Plus), mandatorily enrolled most benefit groups into fully-capitated MCOs

- In 2012, Oregon moved to replace existing OHP contractors with risk-bearing, locally-governed provider networks called Coordinated Care Organizations (CCOs) which provide all Medicaid enrollees with physical health services, as well as behavioral health and dental care.

Optimizing Patient Placement Using Data-Driven Analytics

<table>
<thead>
<tr>
<th></th>
<th>Actual Placement</th>
<th>Recommended Placement</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTACH</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>IRF</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td>SNF</td>
<td>36%</td>
<td>5%</td>
</tr>
<tr>
<td>Home Health</td>
<td>36%</td>
<td>76%</td>
</tr>
<tr>
<td>No PAC</td>
<td>19%</td>
<td>15%</td>
</tr>
</tbody>
</table>

90-Day Outcomes

<table>
<thead>
<tr>
<th></th>
<th>Readmissions</th>
<th>Spend per episode</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7.80%</td>
<td>$8,921</td>
</tr>
<tr>
<td></td>
<td>6.50%</td>
<td>$6,032</td>
</tr>
</tbody>
</table>
### Quantifiable Criteria to Create “Shorter List” of HHAs for Site Visits

1. **Star Rating - 3 Stars or above Threshold**
   - HH - Overall quality and patient experience score (CMS)

2. **Readmit (overall) ***
   - Readmission rate lower than network average

3. **Resource Utilization**
   - HH average visits per episode – overall rate lower than network average

4. **Geographic Coverage**
   - Sufficient geographic spread and response time

5. **Clinical Model**
   - Staffing capacity
   - Willingness to call/triage prior to sending patients to ER for readmission

6. **Willingness to Partner**
   - Access – willingness to accept all patients
   - Willingness to collaborate

### Sample Criteria Application: HH

<table>
<thead>
<tr>
<th>Identify all sites in the defined market; limit to those that hospitals in market discharge to currently:</th>
</tr>
</thead>
<tbody>
<tr>
<td>147 → 20</td>
</tr>
<tr>
<td>29 → 17</td>
</tr>
<tr>
<td>17 → 11</td>
</tr>
<tr>
<td>11 → 9</td>
</tr>
<tr>
<td>9 → 8</td>
</tr>
<tr>
<td>Evaluate whether major player is dropped</td>
</tr>
<tr>
<td>8 agencies continue to next phase of partnership development: site visits</td>
</tr>
</tbody>
</table>

### Affiliations and Consolidation

- Affiliation Continuum
- Consolidation
Strategic Affiliation

Deep Dive: Hospice Alliances

• Partnership of seven hospices
• Affiliate Reserve Powers
  • Nonprofit in perpetuity
  • Money raised in a community stays in that community
  • Discretion on name change/branding
• Affiliate boards
  • Set annual budget
  • Monitor quality and compliance
• Objectives
  • Scale sufficient to bear risk
  • Efficiency and specialized Support Services

• Mission support organization with four affiliates
  • Finance
  • IT
  • HR
  • QA
  • Compliance
• CS is sole member of affiliates, with reserved powers for each affiliate
• CS CEO is the CEO and a board member of each of the affiliates
• Affiliate Presidents run day to day operations of affiliates
• Alliance originally began with shared services purchased from one another
• Merger of three members of a Chicagoland alliance of hospices
  • Horizon Hospice and Palliative Care
  • Midwest Palliative & Hospice CareCenter
  • JourneyCare
• To form the largest nonprofit hospice provider in the state of Illinois
• Not all alliance members were part of the merger

Consolidation Factors

• Operational
  • Scale
  • Footprint mirrors strategic partner(s)
  • Expanded service lines

• Investment

Private Equity Investment in Home Care Hits New High
By Tim Mullaney | March 27, 2017
Private equity investment in the home care and hospice sectors hit a new high in 2016.
As of the third quarter of 2016, more than 50 home care and hospice transactions involved private equity buyers, compared with fewer than 30 of these transactions in all of 2015
Vertical Affiliations

- UnitedHealthCare/Optum - DaVita Medical Group (300 clinics, 25 urgent care, 6 OP surgery)
- United HealthCare/Optum – Sound Physician Staffing (hospital medicine)
- WellCare Health Plans – Meridian Health Plans (Medicaid – MI and IL) and Meridian Rx (PBM)
- Amazon - PillPack
- KKR – Envision (primarily physician staffing, but includes Ascension Health at Home, Care Connection of Cincinnati, Gem City Home Care, Guardian Healthcare, Millennium Home Care and Valley Health Home Care)
- ProMedica Health System – HCR Manor Care (bankruptcy)
- Sanford Health - Good Samaritan Society
Horizontal Affiliations

- Ascension Health/AMITA – Presence Health (merger - largest nonprofit hospital system)
- UCSF Health – Marin General (affiliation)
- UCSF Health – Sonoma Valley Hospital (affiliation)
- Bon Secours Health System – Mercy Health (merger)
- Dignity Health – Catholic Health Initiatives (merger)
- Thomas Jefferson University – Einstein Healthcare Network (merger)
- University of Pennsylvania Health System – Trinity Health (clinical partnership)
- University of Pennsylvania Health System – Princeton Healthcare System (acquisition)

Horizontal Affiliations: Home Care and Hospice

- Great Lakes Caring, National Home Health Care and Jordan Health Services
- Addus Home Care - Ambercare
- LHC Group – Almost Family (merger - 36 states, 781 locations, 336 hospital joint ventures)
- Aveanna - Premier Healthcare (pediatric care)
### Mega Affiliations

<table>
<thead>
<tr>
<th>Amazon, Berkshire Hathaway, J.P. Morgan – “healthier employees”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anthem – Aspire Health (Palliative Care)</td>
</tr>
<tr>
<td>Cigna – Express Scripts</td>
</tr>
<tr>
<td>Walmart – Humana</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>CVS – Aetna</td>
</tr>
<tr>
<td>Walgreens – Rite Aid (1,900 stores)</td>
</tr>
<tr>
<td>Albertsons – Rite Aid (2,700 stores)</td>
</tr>
</tbody>
</table>

### Consolidation: Independent Physician Practices

**Community Oncology Clinics**

Closed/Acquired/Merged since 2008: **1,653**

*2018 Community Oncology Alliance Practice Impact Report*
Consolidation: Independent Physician Practices

All Physician Practices

Hospital Acquisitions July 2015 – July 2016: 5,000

Physicians that are hospital-employed: 42%

Physician practices that are hospital-owned: 29%

Competitor or Partner???

<table>
<thead>
<tr>
<th>HEALTH PLAN</th>
<th>Aetna</th>
<th>Cigna</th>
<th>United</th>
<th>Humana</th>
</tr>
</thead>
<tbody>
<tr>
<td>SITES OF CARE</td>
<td>MinuteClinic</td>
<td></td>
<td>MedExpress + SCA</td>
<td>Walmart Care Clinics</td>
</tr>
<tr>
<td>PBM</td>
<td>CVS/caremark</td>
<td>Express Scripts</td>
<td>OptumRx</td>
<td>Humana Pharmacy Solutions</td>
</tr>
<tr>
<td>PHARMACY</td>
<td>CVS/pharmacy</td>
<td></td>
<td></td>
<td>Walmart Pharmacy + PillPack</td>
</tr>
<tr>
<td>CLINICAL STAFF</td>
<td></td>
<td></td>
<td></td>
<td>Kindred</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Curo</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Family</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Physicians Group</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Quest Lab Corp</td>
</tr>
</tbody>
</table>

Source: Revive Health – Luke Farkas, April 2018, with additions
# Top Home Health Companies – Market Share

*LexisNexis' 2017 Top 100 Home Health and Hospice Agencies Rankings based upon 2016 claims data*

<table>
<thead>
<tr>
<th>National Rank</th>
<th>Owner</th>
<th>National Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Kindred Healthcare/Humana</td>
<td>5.85%</td>
</tr>
<tr>
<td>2</td>
<td>Amedisys</td>
<td>4.54%</td>
</tr>
<tr>
<td>3</td>
<td>LHC Group + Almost Family</td>
<td>3.87%</td>
</tr>
<tr>
<td>4</td>
<td>Encompass Home Health &amp; Hospice</td>
<td>2.43%</td>
</tr>
<tr>
<td>5</td>
<td>Brookdale Senior Living Solutions</td>
<td>1.37%</td>
</tr>
</tbody>
</table>

**Total:** 18.06%

# Top Hospice Companies – Market Share

*LexisNexis' 2017 Top 100 Home Health and Hospice Agencies Rankings based upon 2016 claims data*

<table>
<thead>
<tr>
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<th>Owner</th>
<th>National Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Kindred Healthcare + Curo Health Services/Humana</td>
<td>4.86%</td>
</tr>
<tr>
<td>2</td>
<td>VITAS Healthcare</td>
<td>4.52%</td>
</tr>
<tr>
<td>3</td>
<td>HCR Manorcare/ProMedica</td>
<td>2.31%</td>
</tr>
<tr>
<td>4</td>
<td>Amedisys</td>
<td>1.72%</td>
</tr>
<tr>
<td>5</td>
<td>Seasons Hospice &amp; Palliative Care</td>
<td>1.41%</td>
</tr>
</tbody>
</table>

**Total:** 14.82%
Ever Accelerating Pace

• Information flow
• Innovation initiatives
• Disruptive change

90% of the world’s information was created in the last 24 months
Accelerants of Change

Disruptive Initiatives
Apple Health App

Apple debuts feature for customers to see medical records on their iPhone
The updated Health Records section within the Health app lets consumers see medical information from various institutions organized into one view and receive notifications when their data is updated. Johns Hopkins Medicine, Cedars-Sinai, Penn Medicine and other participating hospitals and clinics are among the first to make this beta feature available to their patients.
Jan 2018

Apple releases new Health Records API to developers
The move opens the door to new apps that will allow users to manage medications and diseases diagnoses, track nutrition plans, participate in research and more directly from their iPhone.
June 2018

Comfort Keepers and Lyft Team Up
By Alana Stramowski
| February 27, 2017
Home care franchise company Comfort Keepers has partnered with on-demand transportation service company Lyft.
To schedule a ride, seniors can contact the staff at their Comfort Keepers office, who will coordinate pickups and drop offs with Lyft’s concierge service.
Opternative
The anywhere, anytime vision test.
Get your glasses and contact lens prescriptions online.

Disruptive Initiatives
Robotic Process Automation, Generic Drugs, Online Vision Testing and Remote Pregnancy Monitoring

Ascension Ramps Up Automation Subsidiary
The largest Catholic health system in the country launched its subsidiary Agilify, which looks to replace labor-intensive, repetitive tasks with software automation for organizations across all industries. June 2018

Babyscripts Acquires iBirth
Babyscripts, a virtual care platform specializing in obstetrics management, announced today the acquisition of the provider-delivered pregnancy app iBirth. Babyscripts is already sitting on probably one of the most robust and data-rich pregnancy databases that exists on the planet.

Health Systems Join to Form Generic Drug Company
Intermountain, along with nonprofits Ascension, SSM Health, Trinity Health and the U.S. Department of Veterans Affairs, announced in January 2018 that they planned to develop their own company that would put the needs of patients ahead of profits. Intermountain expects more than 1,000 hospitals to eventually join the initiative.

Predictive Analytics

- A study released today by a group of researchers from the University of Chicago, Stanford University, the University of California, San Francisco, and Google fed de-identified data on hundreds of thousands of patients into a series of machine learning algorithms powered by Google’s massive computing resources.
- With extraordinary accuracy, these algorithms were able to predict and diagnose diseases and predict the likelihood of death, the length of hospital stay, and the chance of hospital readmission. Within 24 hours of a patient’s hospitalization, the algorithms were able to predict with over 90% accuracy the patient’s odds of dying. These predictions, however, were based on patterns in the data that the researchers could not fully explain.

Harvard Business Review May 8, 2018
Find your strategy within the chaos

- Be Understandable
  - Clear purpose, values, direction

- Be Direct/Transparent
  - Clear objectives and follow-through

- Be Reliable
  - Invest in people, involve others

- Be Trustworthy
  - Clear purpose, values, direction

Volatile
Uncertain
Complex
Ambiguous

North Star
  - Shared purpose and vision
  - Flexible resource allocation

Network of empowered teams
  - Clear, flat structure
  - Clear accountable roles

Rapid decision and learning cycles
  - Rapid iteration and experimentation
  - Information transparency

Dynamic people model that ignites passion
  - Shared leadership
  - Role mobility

Next-generation enabling technology
  - Evolving technology and systems
  - Next-generation delivery practices

From:

Based upon VUCA Times Call for DURT Leaders, John Mertz, 2014
https://www.thindifference.com/2014/05/vuca-times-call-durt-leaders/
Implications

- **Align/Partner**: Explore, experiment, build trust, leverage existing relationships
- **Differentiate**: Service lines, responsiveness, specialization
- **Recognize New Consumer**: Convenience, positive experience, relationship, transparency
- **Stay Abreast of Community Expectations**: Transparency, compliance, demonstrated outcomes, accountability

**Implications (cont’d)**

- **Leverage Technology**: Cloud technology, telehealth, eLearning, Apps
- **Mine Data**: Know costs through segmentation, compare with competitors, demonstrate outcomes
- **Expect Disruption**: Flexibility, agility, scanning boundaries
Strategic Positioning Options

- Status Quo
- Inc Share in Existing Service Area
- Geographic Expansion
- New Services in Existing Service Area
- Divest Services
- Vertical Affiliation
- Horizontal Affiliation

Resources – Strategy Concepts


Comments/questions…

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