

A Major U.S. Healthcare Company Seizes an Opportunity to Transform its Business

BACKGROUND

In a sector being rapidly redefined and refigured on all sides, a major U.S. healthcare company boldly decided to transform its business and delivery model from top to bottom. In a series of tightly integrated engagements, Fuld + Company enabled the client to understand the current and future state of its market, stress test possible strategies, develop a set of future-tested strategic options, and determine what implementation would require.



CHALLENGE

Our client, wanted to be sure to win a healthy share of that market. Meanwhile, other powerful forces continued to roil the industry: changing patient demographics, new regulations imposing more risk on providers, and widespread calls for cost containment. Our client saw an opportunity not just to compete aggressively on the new exchanges but to remake its entire business in the face of these powerful forces.

APPROACH

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analysis of the market and rigorous preparation of the client's team, we pursued a comprehensive scenario-based strategic planning engagement that yielded four comprehensive descriptions of plausible future market conditions and culminated with a carefully structured, two-day scenario planning workshop. The workshop's rigorous, probing sessions were designed to elicit strategies for business transformation while taking into account future unknown variables. These intensive exercises in scenario planning enabled the client to:

- Identify and develop relevant, scenario-based strategies to best position the company for future success amid changes in the U.S. healthcare industry
- Assess transformational strategic options in terms of organizational models, pricing, staffing, protocols, clinical operations, and facilities, among other things, and their impact on the design and offer of new services
- Develop a set of core and contingent strategies to make sure the strategic plan for transforming the business could withstand unpredictable future events

RESULT + BENEFITS

Benefits of the project were realized almost immediately – the company won an overwhelming share of the market on state exchanges. For the near term, leaders have prioritized their tactics for implementing their new strategies, including a novel approach to segmentation that goes far beyond standard industry practice. For the long term, they have redefined how they will deliver care through their people, facilities, and technology to lower costs and improve outcomes in a way that will delight regulators, employers, and patients.