

# Health System Performance Improvement

## Challenge

The health system had historically enjoyed healthy operating margins, but had started to lose volume to emerging competitors in the market place and was experiencing downward pressure on managed care contract pricing. The system engaged in a strategic financial planning process that revealed the need to reduce operating costs by \$300M across the system in order to be competitive in the future.

## Solution

We were engaged to partner with the system in achieving the targeted cost position through a rigorous strategic cost management process where we:

- Created a communication plan to engage employees, physicians and other key stakeholders in the importance of the cost improvement effort
- Identified opportunities for cost improvement through productivity, supply chain, and service line reconfiguration changes
- Assisted in executing cost improvements through training efforts with department managers and directors
- Created a process for ensuring accountability and sustainability of the cost improvement plan

## About the Client:

- *A not-for-profit integrated health system*
- *Owns and operates six general acute care hospitals, a specialty pediatric hospital, and a large network of ambulatory care center*

Contact us for information on how we can help you reach your goals.

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