



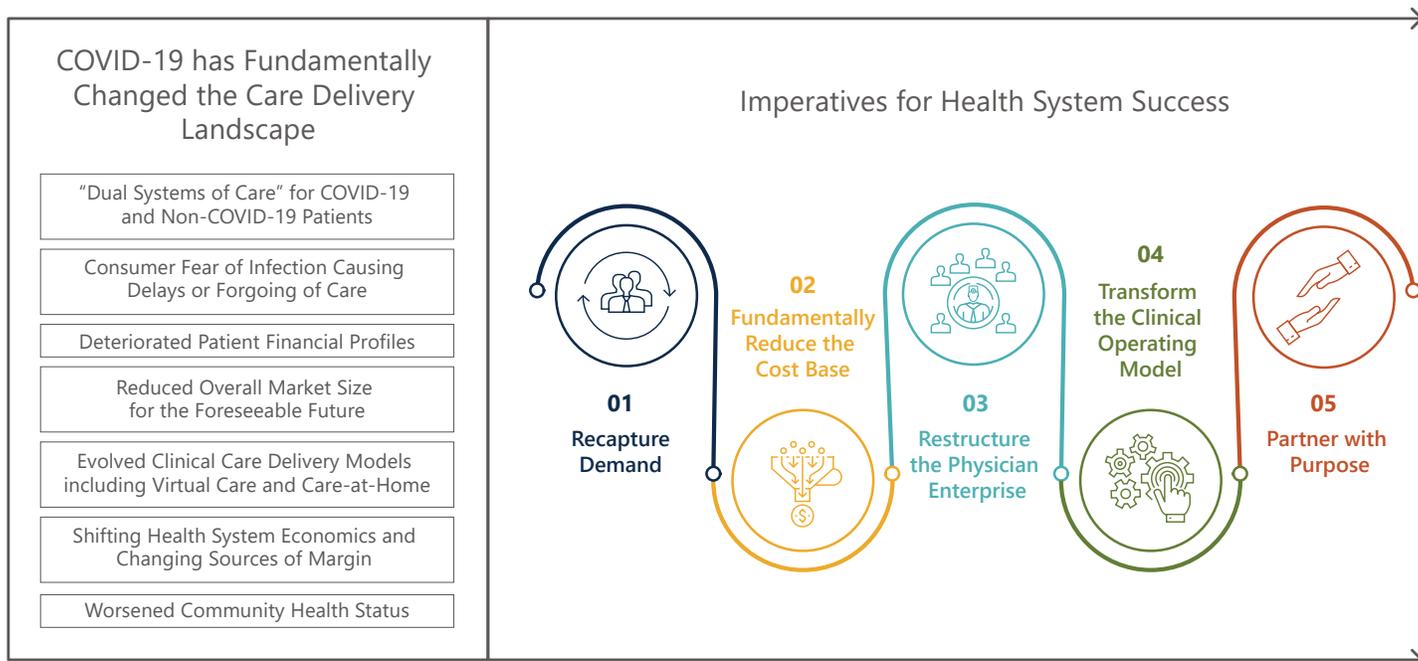
# After the Surge: Five Health System Imperatives in the Age of COVID-19

As we discussed in our paper, “After the Surge: Five Imperatives for Health Systems in the Age of COVID-19”, health systems may find that the aftermath of the current crisis will be more challenging than the initial surge itself.

As health system leaders prepare to “restart” broad-based care delivery, they must put in place a careful, coordinated, timely and comprehensive plan. They must manage the concurrent short- to mid-term challenges of recapturing volume and restructuring their cost base and supporting operations. Additionally, they must strategically position themselves for the long-term as care delivery leaders in their community.

This workbook contains additional considerations and questions to help you digest the five imperatives, as well as a blank roadmap to capture immediate actions and longer-term strategies.

Those providers who promptly mobilize appropriate resources and bandwidth to address these five imperatives will find that they not only have countered the effects of COVID-19 on their organization, they will have also captured a unique opportunity to transform themselves and emerge leaner and stronger.





## 01 Providers must engage consumers and other referral sources to recapture patients.

### Key Considerations to Address

- 1 What testing, infection control and revised care process protocols are required to safely care for both COVID-19 and non-COVID-19 patients while also meeting the safety needs of our physicians and staff?
- 2 How long will it take to care for patients whose procedures or other care was deferred, based on the new effective demand by care setting, given new testing and infection control protocols as well as a low/medium/high recapture rate? How is this timeframe accelerated if we are able to expand capacity, e.g., through extended hours? How can we flexibly manage our capacity to match demand which may ebb and flow depending on COVID-19 rates and patient care-seeking behavior?
- 3 How can care processes and care models be revised to deliver more convenient and efficient care?
- 4 How can we reactivate our patient base and the broader healthcare consumer base to re-engage in their care by customizing messages and care entry points for those who may be seeking care for chronic, acute or wellness/preventative needs? Beyond recapturing the backlog, how can we reengage our patient base and community? Where do we expect to see changes in demand, either increases or decreases, by clinical service?
- 5 How are we communicating with our employees, aligned physicians, and other affiliates and partners as we reopen? What will be necessary to gain their trust and confidence?
- 6 Based on high/moderate/low scenarios for the speed and magnitude of patient return, what is our likely financial position in six months, in 18 months?

### Implications and Actions for Your Organization



## 02 Providers must fundamentally reduce their cost base.

### Key Considerations to Address

- 1 What is the revenue and overall financial gap for the year? How much of the gap is likely to be closed through revenue recapture? How much must be closed through expense reduction?
- 2 What is our projected cash position and what immediate actions can we take to preserve cash?
- 3 How can we manage our labor costs as we reopen? Have we deployed a flexible workforce plan to manage staffing to reflect expected volume levels (e.g., float pools and per diem staff)?
- 4 What opportunities do we have to fundamentally restructure the organization's expense base (e.g., redefine management structures, eliminate or consolidate clinical programs, redesign care models, and redefine provider and management compensation models)? Which of these will have the greatest dollar impact?
- 5 Does each asset in our portfolio meet our strategic and financial goals? If not, which assets should be sold, joint ventured or closed? How quickly can these changes occur?
- 6 Are we operating as efficiently and effectively as possible? What additional gains can be achieved through optimization of throughput, revenue cycle, capacity management, supply chain, workforce management, and informatics and technology?

### Implications and Actions for Your Organization



## 03 Providers must restructure the physician enterprise.

### Key Considerations to Address

- 1 How was our physician enterprise performing before the pandemic from a financial, operational and access/service perspective? What was the trend in the level of financial support provided to the physician enterprise overall and per physician?
- 2 What changes to our care models have we identified and tested to significantly improve performance?
- 3 Have we considered significant changes in the care models to dramatically increase capacity and improve the economics of the physician enterprise? Are we willing to consider these kinds of changes? How does the growth of virtual care impact these models? Should our physician compensation models be restructured to reflect different care models?
- 4 What physician office business functions can be streamlined, centralized or outsourced to improve patient experience and efficiency?
- 5 Which physician and executive leaders can help us restructure the physician enterprise? How can physician leaders be part of shaping and executing the recovery and transformational action plan?

### Implications and Actions for Your Organization



## 04 Providers must transform their clinical operating model.

### Key Considerations to Address

- 1 As we reopen, how will we simultaneously and safely serve COVID-19 and non-COVID-19 patients?  
Key considerations:
  - Safe delivery
  - Clinical pathways and patient protocols/triage and navigation models
  - Designated points of access/entry
  - Service rationalization
  - Capacity management
  - Staff engagement
- 2 What types of care, by clinical service, do we think could be completed through virtual/tele-visits? As we reopen physical sites, what can/should remain virtual or delivered through an alternative care model/modality, and what should return?
- 3 How can we keep our clinical operations flexible to anticipate and respond to potential future surges? Can we partner with others to create necessary surge capacity?
- 4 How do we enhance the patient journey to deliver enhanced quality, experience, access and affordability, tailoring to the diverse needs of various patient cohorts? What will we need to transform within our clinical care team support model, digital operating model, and network configuration and infrastructure to deliver?

### Implications and Actions for Your Organization



**05 Partnerships, both horizontal and vertical, traditional and non-traditional, should be closely evaluated.**

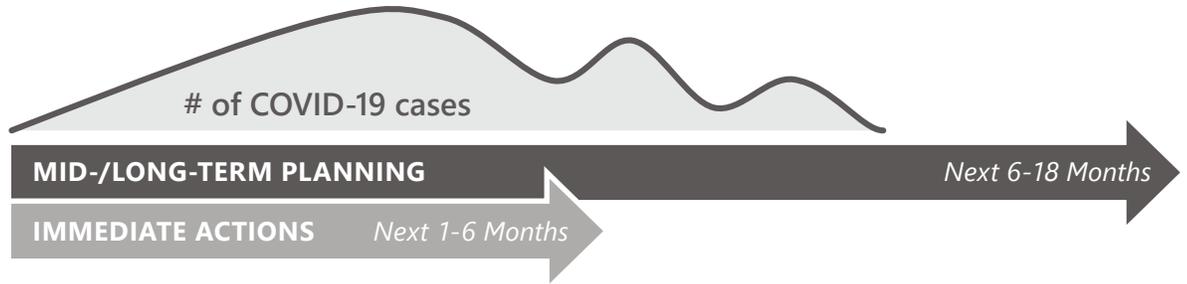
*Key Considerations to Address*

- 1 Has anything in the market significantly changed that would cause us to reevaluate our partnerships portfolio? What new opportunities have arisen (e.g., physician group now looking for affiliation)? What new threats (e.g., payors or disruptors acquiring market assets) do we need to anticipate or respond to?
- 2 How can our current or potential new partners enable or accelerate our action plan and strategy?
- 3 For in-flight or recently formed partnerships: how can we ensure they drive value creation as quickly as possible? Are there more aggressive consolidation or integration options than originally planned that we may need to consider (e.g., service rationalization, tightened timelines)?
- 4 How will we rapidly analyze and make decisions about potential alignment opportunities with distressed physician groups? How does our current and expected future physician enterprise structure and performance inform decision making?
- 5 What other partnerships across the care continuum are needed to ensure we can optimally deliver care to our patients and community?
- 6 What innovative and non-traditional partnerships may be important to consider given organizational needs and goals (e.g., digital health and tech firms, payors, private equity)?

*Implications and Actions for Your Organization*

# Provider Illustrative Action Plan for COVID-19 Recovery

Based on our experience and discussions with other organizations, here are some actions you might consider to address the five imperatives, both now and longer-term.

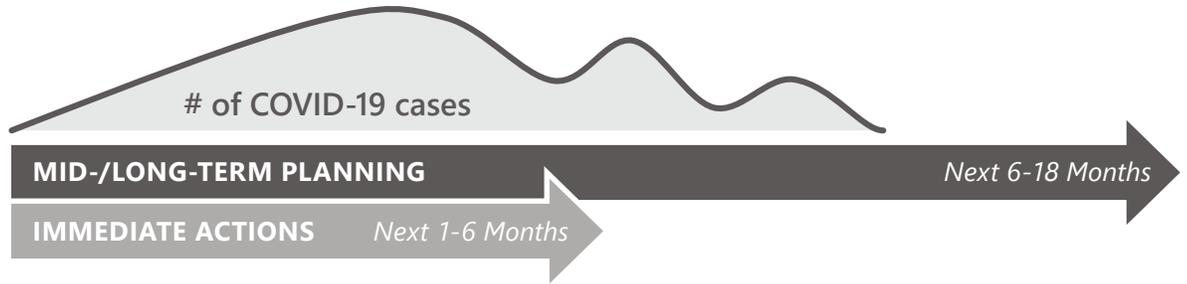


	<p><b>01</b> Recapture Demand</p>	<ul style="list-style-type: none"> <li>● Profile the consumer base</li> <li>● Reactivate high-acuity/-need/-willingness patients</li> <li>● Engage consumers, regain community confidence</li> <li>● Pursue accretive demand and growth</li> </ul>	<ul style="list-style-type: none"> <li>● Develop 12- to 24-month multi-channel growth plan</li> <li>● Launch comprehensive digital and access strategy</li> </ul>
	<p><b>02</b> Fundamentally Reduce Cost Base</p>	<ul style="list-style-type: none"> <li>● Reshape asset base</li> <li>● Reduce operating costs through comprehensive financial performance improvement plan</li> </ul>	<ul style="list-style-type: none"> <li>● Deploy network reconfiguration plan</li> <li>● Revisit long-term capital plan and priorities</li> </ul>
	<p><b>03</b> Restructure Physician Enterprise</p>	<ul style="list-style-type: none"> <li>● Deploy tailored primary care models by cohort</li> <li>● Restructure procedural specialty practices</li> <li>● Organize integrated specialty care models/teams</li> </ul>	<ul style="list-style-type: none"> <li>● Right-size physician platform</li> <li>● Redesign physician enterprise economic model</li> </ul>
	<p><b>04</b> Transform Clinical Operating Models</p>	<ul style="list-style-type: none"> <li>● Develop coexisting systems of care for COVID-19 vs. non-COVID-19 patients</li> <li>● Develop flex capacity plan</li> </ul>	<ul style="list-style-type: none"> <li>● Expand capabilities across the continuum (e.g., care-at-home)</li> <li>● Complete IT enablement of care model redesign</li> </ul>
	<p><b>05</b> Partner with Purpose</p>	<ul style="list-style-type: none"> <li>● Assess partnerships portfolio and analyze opportunistic relationships</li> </ul>	<ul style="list-style-type: none"> <li>● Rapidly integrate new partners</li> </ul>

*Immediate actions must be linked to an mutually reinforcing of longer-term strategies*

# Provider Illustrative Action Plan for COVID-19 Recovery

The template below can be a resource to summarize the actions contemplated for each imperative and support discussions with your team on developing a holistic, well-coordinated plan.



<p><b>01</b>                   Recapture Demand</p>	
<p><b>02</b>                   Fundamentally Reduce Cost Base</p>	
<p><b>03</b>                   Restructure Physician Enterprise</p>	
<p><b>04</b>                   Transform Clinical Operating Models</p>	
<p><b>05</b>                   Partner with Purpose</p>	

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