

# Focusing on Strategic Growth:

## How a Large Provider-Sponsored Health Plan Is Growing Membership and Improving Health Outcomes



### The Client Challenge

Facing a 10% membership decline and a 3% medical loss ratio (MLR) increase, a large provider-sponsored health plan (PSHP) sought innovative strategies for growth and improved health outcomes. As with many PSHPs, membership growth was a challenge because of perceived limitations based on geography and lines of business. The PSHP also struggled with implementing cost-effective care management because of competing priorities with the parent health system.

### Navigating to Next: The Solution

The PSHP partnered with Chartis to develop a comprehensive strategy to drive membership growth and improve health outcomes. Because the PSHP operated a single line of business in a highly competitive segment, its growth trajectory was limited. Chartis assessed the market, including consumer demographics, provider relationships, and competitor performance, to identify opportunities to diversify the plan's product lines. The team developed a business case that highlighted the required investments and the potential significant strategic and operational value.

To improve the health outcomes of PSHP members, the team performed an in-depth analysis of claims data to identify opportunities for cost-effective care strategies. The analysis identified specific membership cohorts with high medical costs who were not integrated into a holistic care management program, such as members experiencing homelessness and members with end-stage renal disease. Chartis worked with the PSHP's clinical teams and select providers to design unique care management programs that integrated medical, behavioral, and community-based resources to increase quality, improve the member experience, and avoid unnecessary expenses.

### COMMON CHALLENGES FOR PSHPs

-  Stagnant membership growth
-  Hidden opportunities in product line expansion
-  Significant financial impact from high-risk member cohorts, with limited capabilities for targeted care management
-  Complexities arising from the health system and PSHP's varying goals (e.g., utilization to value-based care and long-term investment needs)

### NAVIGATING TO NEXT: KEY COMPONENTS



#### DISCOVER

Define strategic goals and identify opportunities to meet those goals



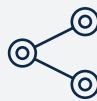
#### ANALYZE

Perform analysis of each opportunity to define future state and assess viability



#### PRIORITIZE

Prioritize initiatives based on business case



#### PLAN AND MOBILIZE

Initiate planning and mobilization for prioritized initiatives

## Client Impact

With Chartis' support, the PSHP successfully laid the groundwork to augment growth and establish programs to improve health outcomes and manage medical spend. The PSHP was able to later increase membership by 20% and achieve a 3% reduction in MLR, in part from the opportunity to manage costs for members with end-stage renal disease. In addition, the PSHP partnered with state and community partners to address health outcomes for members experiencing homelessness. They placed over 50 members into housing and paved the way for comprehensive care management for medical and behavioral health needs, leading to a reduction in avoidable emergency department visits.



### How We Are Making Healthcare Better

"Chartis is focused on unlocking the full growth potential of PSHPs to expand access to care while also improving member health outcomes within their partner health systems."

—Pravith Nambiar, Director, Chartis

This PSHP identified a number of successful strategies, achieving:

# 20%

growth in existing  
line of business

# 10%

identified growth via  
new lines of business

# 3%

reduction in MLR

## NEXT INTELLIGENCE:

PSHPs can grow plan membership and improve member outcomes through cost-effective strategies by:

**Identifying strategic growth** opportunities and prioritizing opportunities for execution.

**Prioritizing membership growth** and leveraging organizational strengths.

**Designing innovative clinical** care management programs for high-cost members.

## Authors



Pravith Nambiar  
Director  
[pnambiar@chartis.com](mailto:pnambiar@chartis.com)



Jonathan Stupak  
Engagement Manager  
[jstupak@chartis.com](mailto:jstupak@chartis.com)

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