

GUIDE

Top three technology investments for chief strategy officers



Introduction

The chief strategy officer (CSO) is a relatively new role, and one that continues to grow in prevalence. The CSO plays a critical role in shaping the future and sustainability of their hospital or health system's business. According to a study of 62 healthcare organizations, the CSO role has traditionally been tightly focused on corporate strategy and M&A. However, recently organizations have been repurposing the role of the CSO to focus on enterprise-wide digital and innovation efforts.¹

Each year presents the CSO with new challenges and opportunities for innovation, but it's not always clear which investments should be prioritized. The chief strategy officer should lead the development and implementation of their hospital or health system's business strategy and market positioning. This should include an ongoing analysis of market dynamics, market share changes, product line performance, and overall tracking of business initiatives and competitive intelligence. Sounds easy, right?

On the contrary, in a 2019 survey by Deloitte, healthcare strategy leaders said they spent most of their time on activities that are not their top priority. While most said their #1 priority was helping shape their organization's long-term strategy, they reported that they spent the least amount of time dedicated to strategic planning and development.²

In this guide, we distill feedback from dozens of health system CSOs to pinpoint the three strategic areas that they have prioritized to drive success today and lay the foundations for future growth.

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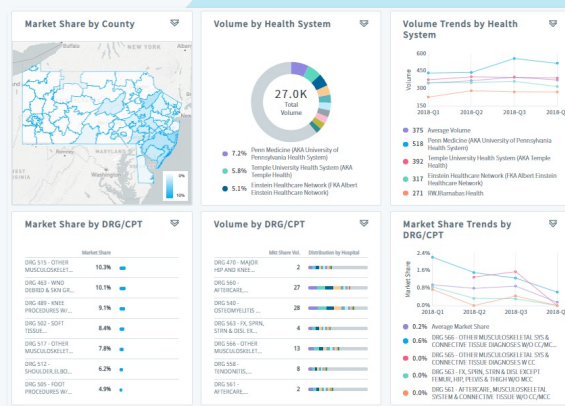
1 Market & Service Line Growth

With limited time, CSOs should seek out technology innovations that streamline insight generation so they can spend more time acting for the future. Many CSOs face limitations when it comes to having the right data at their fingertips to make decisions with confidence, and in an increasingly competitive environment, they can no longer afford gaps in insight.

Investing in the right technology could be the difference between lasting market penetration and fading into the background. Strategy leaders should look for technology that enables real-time analysis of market trends about service lines and consumer needs. The right software should be able to answer these six questions:

MARKET & SERVICE LINE GROWTH: *What to ask*

1. How will my volume and market share shift over time, by service line, procedure type, and site of care? Based on the data, which new product lines should I pursue?
2. What can current trends in my market tell me about which services to develop or expand? Do I have the right mix of services?
3. What is driving outmigration, by service line, geography, or physician referrals?
4. Which high volume, high performing physicians should I strategically align with, recruit, or acquire?
5. What are the access and care needs of my patient population that should drive my consumer strategy?
6. What is the 5-10-year demand for each of my service lines?



Physician Alignment

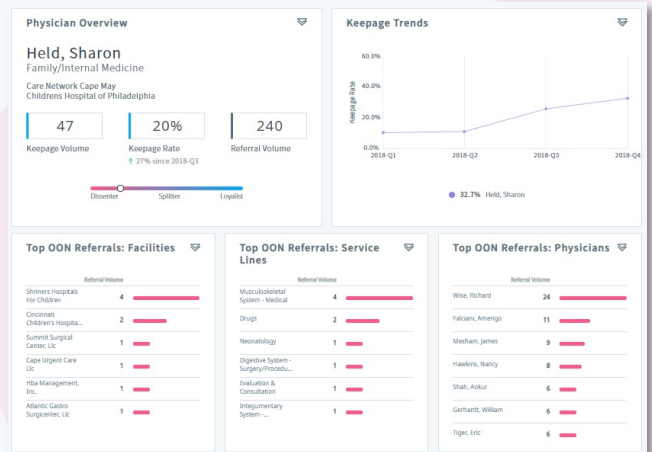
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Strategy leaders know how critical having strong relationships with local physicians is to retaining and growing volume. However, CSOs often have gaps in market intelligence and referral data, making it challenging to assess which providers will make the best partners. With significant volume shifting to ASC's, hospitals now have even less complete data on patient journeys.

CSOs should invest in analyses to help them answer four core questions when it comes to physician alignment and relationships:

PHYSICIAN ALIGNMENT: *What to ask*

1. Which employed and affiliated physicians have an opportunity to improve keepage rates within my network?
2. Where are the highest value opportunities to partner with non-affiliated physicians?
3. Who are the highest volume physicians left in the market to recruit?
4. How does our supply of physicians compare to demand by specialty type?



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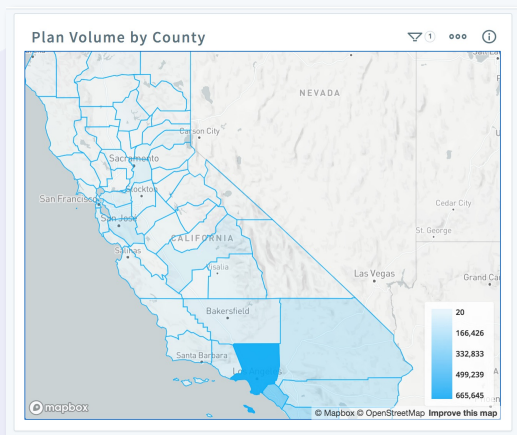
Consumer Engagement

Meeting the needs of your community is paramount to your hospital's long-term success. Strategy leaders can address these needs through physician alignment, patient retention, and consumer engagement but they need more comprehensive data and insights they can trust.

Happy patients are loyal patients. The deeper your understanding of your market population and the subsegments within, the smarter you can be about engaging them. Your marketing, messaging, materials, and services can flex to meet your patients where they are in their lives and on their care journeys.

A more in-depth analysis of the changing demographics of your market, including age, gender, health conditions, comorbidities, and payer-mix will help you strategically grow specific lines of business, expand into new geographies, and staff your hospitals appropriately.

Finally, having an end-to-end view of patient journeys is critical to identifying how to best engage and keep engaging your patients. Strategy leaders should invest in longitudinal tracking to better understand patient needs and identify opportunities to better serve them.



CONSUMER ENGAGEMENT: *What to ask*

1. What do my patients' journeys look like in my area or market of interest?
2. What is my share of wallet across the patient journey? And where and to whom do I lose patients along the continuum of care?
3. How has my payer mix (commercial vs. Medicare vs. Medicaid) changed over time?
4. How are patient demographics (geography, age cohort, etc.) in my market changing?

Conclusion

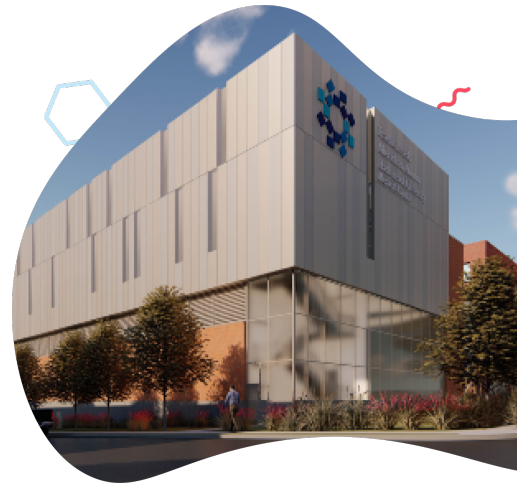
Hospital executives face ever-increasing challenges to deliver exceptional care and the *right* kind of care efficiently and in the proper setting. Hospitals and health systems that focus their business development efforts on investments in technology to enable smart growth, physician alignment, and adapting to serve the changing needs of their communities will experience the highest levels of profitability as they set themselves apart from the competition.

¹ Six imperatives for chief strategy officers in health care
<https://www2.deloitte.com/us/en/insights/industry/health-care/six-imperatives-chief-strategy-officer-healthcare.html>

² Defining the role of chief strategy officers in US healthcare
https://www.heidrick.com/en/insights/healthcare-and-life-sciences/defining_the_role_of_chief_strategy_officers_in_us_healthcare

CASE STUDY

Hackensack Meridian Health modernizes approach to volume growth with next-gen referral analytics cloud software



Overview

Hackensack Meridian Health (HMH), a leading not-for-profit healthcare organization that is the largest, most comprehensive, and truly integrated healthcare network in New Jersey, is committed to leveraging the latest innovations to fulfill its strategic priorities. One of those priorities is to invest in growth by improving physician alignment and strengthening network integrity. In 2020, they deployed Clarify Referrals, on-demand cloud software that identifies opportunities to grow referrals-related volume and capture more market share. With a clear line of sight into referral patterns across all providers in the market, including PCPs, specialists, and post-acute settings, they have been able to precisely prioritize physicians for affiliation and engage in more productive, action-oriented conversations.

Clarify has given us the most granular insights across our entire market – we can see what physicians are doing, where they're going, who they're referring to, and how their patterns change by procedure.

David Stephens

Vice President, Network Strategy and Business Development, Hackensack Meridian Health

Highlights



Trend outpatient market share

HMH uses outpatient market share insights across HOPD and ASC settings to evaluate service lines and specialty care.



Prioritize physicians for affiliation

HMH deploys physician lists to its business development team with each physician ranked by their opportunity for alignment. The team accesses the lists on-demand.



Assess specialist referral patterns

HMH has become more advanced. They have started to understand specialist referral patterns where high-dollar acute cases are rendered.

Challenge

Limited visibility into granular details and Excel-based analytics

HMH had been relying on their internal data and a legacy analytics vendor to evaluate patient flow across their healthcare system. They had data on the referral patterns of primary care physicians (PCPs) and some visibility into whether specialists were referring in or out of network. However, they did not have the ability to drill into the data to extract granular insights to answer business questions like, "what types of procedures are leaving my network?", which made it hard to act on the information provided. Lastly, the process to draw insights was manual, requiring time-consuming manipulation of data in Excel.

Solution

On-demand insights on referral patterns

In order to increase market share across their New Jersey regions, HMH selected Clarify Referrals, an end-to-end referral analytics software. It precisely pinpoints opportunities to increase in-network referrals by evaluating referral patterns across the entire market. It delivers insights on-demand; it trends data over several years; and it provides full transparency into PCP and specialist referral patterns, leveraging the nation's largest collection of payer-complete patient journeys.

Results

Prioritized physicians to grow referrals-related volume

The business development team uses the priority physician lists (shown on the right) to prioritize the alignment of physicians based on factors including volume, service mix, and total cost of care. The team uses the individual physician profiles and looks at referral patterns across service lines and at the DRG or CPT code levels to precisely pinpoint opportunities to capture out-of-network referrals.

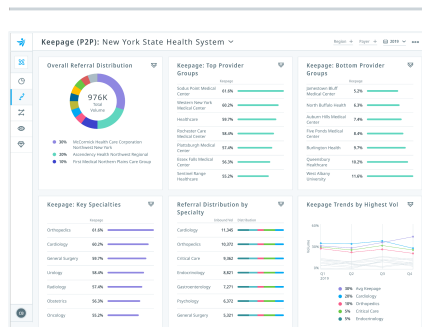
Made conversations with referring physicians more productive

With greater transparency and more granular insight into referral patterns, conversations with referring physicians have become more productive, action-oriented, and focused on addressable opportunities.

Saved time by eliminating manual work

With on-demand insights, the strategy team has significantly reduced their time spent on data customization and manual report generation. They create ad-hoc reports that query the underlying national data set within seconds.

Referral pattern intelligence



Priority physician list

Physician	Physician Address	Referral Distribution	Referral Volume	Referral Rate	Referral Rate
Dr. John Doe	123 Main St, New York, NY	Cardiology	100	100	100
Dr. Jane Smith	456 Main St, New York, NY	Orthopedics	200	200	200
Dr. Michael Johnson	789 Main St, New York, NY	General Surgery	300	300	300
Dr. Emily White	101 Main St, New York, NY	Neurology	400	400	400
Dr. David Brown	202 Main St, New York, NY	Pediatrics	500	500	500
Dr. Sarah Green	303 Main St, New York, NY	Oncology	600	600	600
Dr. Robert Black	404 Main St, New York, NY	Endocrinology	700	700	700
Dr. Lisa Gold	505 Main St, New York, NY	Gastroenterology	800	800	800
Dr. James Silver	606 Main St, New York, NY	Urology	900	900	900
Dr. Karen Copper	707 Main St, New York, NY	Obstetrics & Gynecology	1000	1000	1000
Dr. Steven Zinc	808 Main St, New York, NY	Psychiatry	1100	1100	1100
Dr. Michelle Lead	909 Main St, New York, NY	Radiology	1200	1200	1200
Dr. Christopher Iron	1010 Main St, New York, NY	Cardiology	1300	1300	1300
Dr. Benjamin Steel	1111 Main St, New York, NY	Orthopedics	1400	1400	1400
Dr. Victoria Tin	1212 Main St, New York, NY	General Surgery	1500	1500	1500
Dr. Daniel Lead	1313 Main St, New York, NY	Neurology	1600	1600	1600
Dr. Rebecca Lead	1414 Main St, New York, NY	Pediatrics	1700	1700	1700
Dr. Kevin Lead	1515 Main St, New York, NY	Oncology	1800	1800	1800
Dr. Lauren Lead	1616 Main St, New York, NY	Endocrinology	1900	1900	1900
Dr. Anthony Lead	1717 Main St, New York, NY	Gastroenterology	2000	2000	2000
Dr. Patricia Lead	1818 Main St, New York, NY	Urology	2100	2100	2100
Dr. Mark Lead	1919 Main St, New York, NY	Obstetrics & Gynecology	2200	2200	2200
Dr. Steven Lead	2020 Main St, New York, NY	Psychiatry	2300	2300	2300
Dr. Michelle Lead	2121 Main St, New York, NY	Radiology	2400	2400	2400
Dr. Christopher Lead	2222 Main St, New York, NY	Cardiology	2500	2500	2500
Dr. Benjamin Lead	2323 Main St, New York, NY	Orthopedics	2600	2600	2600
Dr. Victoria Lead	2424 Main St, New York, NY	General Surgery	2700	2700	2700
Dr. Daniel Lead	2525 Main St, New York, NY	Neurology	2800	2800	2800
Dr. Rebecca Lead	2626 Main St, New York, NY	Pediatrics	2900	2900	2900
Dr. Kevin Lead	2727 Main St, New York, NY	Oncology	3000	3000	3000
Dr. Lauren Lead	2828 Main St, New York, NY	Endocrinology	3100	3100	3100
Dr. Anthony Lead	2929 Main St, New York, NY	Gastroenterology	3200	3200	3200
Dr. Patricia Lead	3030 Main St, New York, NY	Urology	3300	3300	3300
Dr. Mark Lead	3131 Main St, New York, NY	Obstetrics & Gynecology	3400	3400	3400
Dr. Steven Lead	3232 Main St, New York, NY	Psychiatry	3500	3500	3500
Dr. Michelle Lead	3333 Main St, New York, NY	Radiology	3600	3600	3600
Dr. Christopher Lead	3434 Main St, New York, NY	Cardiology	3700	3700	3700
Dr. Benjamin Lead	3535 Main St, New York, NY	Orthopedics	3800	3800	3800
Dr. Victoria Lead	3636 Main St, New York, NY	General Surgery	3900	3900	3900
Dr. Daniel Lead	3737 Main St, New York, NY	Neurology	4000	4000	4000
Dr. Rebecca Lead	3838 Main St, New York, NY	Pediatrics	4100	4100	4100
Dr. Kevin Lead	3939 Main St, New York, NY	Oncology	4200	4200	4200
Dr. Lauren Lead	4040 Main St, New York, NY	Endocrinology	4300	4300	4300
Dr. Anthony Lead	4141 Main St, New York, NY	Gastroenterology	4400	4400	4400
Dr. Patricia Lead	4242 Main St, New York, NY	Urology	4500	4500	4500
Dr. Mark Lead	4343 Main St, New York, NY	Obstetrics & Gynecology	4600	4600	4600
Dr. Steven Lead	4444 Main St, New York, NY	Psychiatry	4700	4700	4700
Dr. Michelle Lead	4545 Main St, New York, NY	Radiology	4800	4800	4800
Dr. Christopher Lead	4646 Main St, New York, NY	Cardiology	4900	4900	4900
Dr. Benjamin Lead	4747 Main St, New York, NY	Orthopedics	5000	5000	5000

About Hackensack Meridian Health

Hackensack Meridian Health is a leading not-for-profit health care organization that is the largest, most comprehensive, and truly integrated health care network in New Jersey, offering a complete range of medical services, innovative research, and life-enhancing care. Hackensack Meridian Health comprises 17 hospitals from Bergen to Ocean counties, which includes three academic medical centers, nine community hospitals, a behavioral health hospital, and two rehabilitation hospitals. Hackensack Meridian Health has more than 36,000 team members and over 7,000 physicians and is a distinguished leader in health care philanthropy, committed to the health and well-being of the communities it serves.

About Clarify Health

Clarify Health is the leading cloud technology company delivering real-world insights to healthcare and life sciences organizations. Its patented AI insights platform powers highly automated business applications that enable its customers to drive growth, optimize networks, improve care delivery, manage population health, maximize value-based care performance, and commercialize pharmaceutical and biotechnology products. Its intuitive cloud software enables on-demand interrogation of over 300 million longitudinal patient journeys, so users can precisely pinpoint opportunities to improve health and outcomes.

About Clarify Health

Clarify Health is an enterprise analytics company that empowers payers, providers, and life sciences companies to deliver better care, therapies, and outcomes with actionable patient journey insights. Clarify's cloud-based business applications are built on the Clarify Atlas Platform, which maps 300M+ patient journeys to deliver 18B+ AI-powered predictions and surface insights with speed and precision. Clarify's platform and products illuminate actionable opportunities to drive growth, optimize networks, improve care delivery, manage population health, maximize value-based care performance, and commercialize pharmaceutical and biotechnology products. With Clarify, healthcare organizations can leapfrog from point-solution and manual analytics to self-service, rapid generation of enterprise insights that light the path to better care and outcomes.

To learn more, contact us at info@clarifyhealth.com.