

Vancouver Clinic & Humana: Strategic Expansion of Medicare Advantage Alliance Clinics

Purpose

The project aim of the capstone team is to provide strategic direction and decision quality guidance to the partners, Vancouver Clinic (VC) and Humana, to successfully launch the Happy Valley alliance clinic in attracting, growing, and retaining its market share and patient volume. The project's scope is to determine the barriers faced and lessons learned from the slower-than-expected growth of the Gresham location. With more alliance clinics scheduled, the parties agreed to work with Oregon Health & Science University MBA candidates to pose solutions and work towards a successful launch of future locations. This report will outline a strategy for attracting clinic members to the soon-to-be-opened Happy Valley location in October 2023, while also serving to guide this partnership in successive alliance clinic openings.

Background

Vancouver Clinic (VC), the largest private, multi-specialty clinic in Clark County, Washington was founded in 1936 as a thriving practice with multiple specialists and a family practitioner. The Vancouver Clinic is currently made up of 12 locations, 400 providers, and more than 1200 employees. Humana, a for-profit insurance company is an industry leader in Medicare Advantage (MA) plans and aims to be "... the trusted partner for their customers by delivering simple and easy healthcare experiences and differentiated healthcare outcomes... especially seniors with chronic conditions" according to Broussard (Wyman, 2020). Humana neighborhood centers are located throughout the U.S. and differentiate themselves by offering community events, one-on-one health and wellness education, virtual fitness and nutritional support classes, as well as help navigating health plans (Humana Neighborhood Centers, 2023). In partnership, VC and Humana saw an opportunity to serve seniors with medical complexity in the Portland metropolitan area. Enliven, the branded partnership clinic, launched its first location in Gresham, Oregon, in late 2021, expanding their medical footprint across state borders.

After opening the alliance clinic in Gresham, Oregon, VC discovered that they were not able to replicate the early success they experienced at the Clark County alliance clinics. The clinic struggled to gain membership enrollment. Leadership and staff identified several possible reasons for stalled growth including clinic location, appearance, provider retention, and even the Enliven branding itself.

Analysis

A gap analysis was conducted to identify what happened, why, and what actions can be implemented to change course for future clinic openings, specifically Happy Valley. Research for the analysis included interviews with staff, brokers, and leadership as well as member enrollment, and census data. An analysis of strengths, weaknesses, opportunities, and threats (SWOT) of the Gresham clinic was also conducted to assess the factors that would later serve as the blueprint for the capstone team recommendations. The combination of these two analyses helped provide a more comprehensive understanding to align strategies with the identified gaps. Lastly, competitive analysis was conducted to evaluate the service offering and plan inclusions of competitor providers and competitive Medicare Advantage plans.

Recommendations

The capstone team recommendations are made to influence three core goals: attract, grow, and retain the patient membership at the partnered alliance clinic in Happy Valley, Oregon. Consideration was made to the short and long-term goals of the clinic, namely a transition to value-based care. Recommendations include a growth-oriented provider relationship management strategy, a bilateral conversion strategy that converts Humana Medicare Advantage members from competitors to VC members while concurrently converting Medicare-eligible recipients to Humana Medicare Advantage, and finally the integration of oral health as a business development and value-based outcome strategy.

Recruiting and retaining a provider of best fit is crucial for this partnership's plan to expand its medical footprint through alliance clinics. Assessing the situation through the humanistic frame presented by Bolman and Deal, providers play a pivotal part in attracting, growing, and retaining the patient panel (2021). In this regard, the team acknowledged the importance of maximizing the compatibility between the provider and the alliance clinic. The team recommends increasing the frequency of community events pre- and post- opening and particularly throughout the enrollment period (October-March 2024). Based on the goal to reach the target panel size within two years at Happy Valley, the conversion of patients from competitors or newly acquired patients would need to be matched with weekly engagement activities.

Collaborative marketing between the partners for event planning with a weekly cadence of outreach or events planned, for the first 6 months in alignment with enrollment, should be pursued by partnered marketing teams and with shared resourcing. By growing the Humana Medicare Advantage members in Clackamas County with strategic joint marketing, Happy Valley clinic will be better positioned for a strong opening as well as steady growth. Building upon that momentum of growth as the industry moves more towards value-based care to improve population health, the team recommends this partnership consider the integration of oral health. This final strategy will help alliance clinics by differentiating its services from competitors and by creating a new network for primary care referrals. Recommendations regarding branding strategy will not be included in this project since it was already addressed by the VC clinic with the change of the name Enliven back to Vancouver Clinic.

Conclusion

The intent of the capstone team was to provide the partners, VC and Humana, with strategic direction and decision quality guidance to successfully expand this partnership's medical footprint through the growth of Medicare Advantage alliance clinic. The scope of the project focuses on what lessons we learned from the Gresham location slower-than-expected growth and transforming those lessons into a guide for opening new locations such as the clinic in Happy Valley. The recommendations made were to influence three core goals: attract, grow, and retain patients. Successful recruitment and retention of the provider are the backbone for building the community outreach required to grow. The VC and Humana partnership can leverage combined resources in marketing to the target population by highlighting the differentiations of the Humana MA plans and the unique care model provided through the alliance clinics. Finally, by incorporating the oral health model, the partners can prioritize a highly sought after benefit to seniors that is strategically aligned with value-based care goals. Through these recommendations, this partnership will be able to successfully expand its medical footprint in Oregon and provide holistically coordinated care, delivery, and preventive services to accommodate medically complex patients.

Team Members

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