Introducing EY’s Health Care Advisory Sector
The health care landscape is constantly evolving, and even the most nimble executives are struggling to keep their balance as the ground shifts under their feet. Some of the forces transforming the landscape include:

► Innovation and competition require changes in how health plans and providers define, drive and prove value.
► Social media enables closer interaction with consumers.
► Complex regulatory requirements challenge long-term decision-making.
► Unprecedented amounts of clinical and financial data must be analyzed and shared quickly and transparently.
► Market challenges are driving consolidation and vertical integration strategies at an unprecedented rate.
► Payers and providers must accelerate the rate at which their technology matures and the rate at which they implement technology.
► Population health management and associated outcomes will dictate reimbursement models and inform product performance.

These forces are making health care organizations take a more proactive, structured approach to their business performance efforts.

We help clients respond to these transformative forces in innovative ways that help them protect their businesses, grow revenues and optimize processes.
Innovation is key

**Grow**
- Is our growth strategy patient-centric?
- Where do we invest to improve competitive position in the evolving health care market?
- Which emerging markets present the best opportunities for our competencies?
- What is our mergers and acquisition strategy to grow market share and margins?
- How can we plan for outcome-based service delivery and payment models?

**Optimize**
- Do we have the information we need to evaluate the effectiveness and efficiency of our company activities?
- How can we more effectively capture and share data with patients and providers to improve care?
- Are we nimble enough to adopt new business models and technologies as they evolve?
- Are we positioned to deliver and manage care in an efficient and cost-effective way?
- How will new technologies influence the industry, and how can we stay at the front of those movements?

**Protect**
- How do we influence regulatory reform to protect our business?
- How do we balance the cost of compliance with the demand of regulatory needs?
- How do we maintain or improve compliance as the regulatory environment becomes more complex?
- How do we respond to and act on daunting volumes of data?
- Do we have a comprehensive enterprise risk plan?
We draw on our broad experience and deep knowledge of the health care industry to help clients address each of these issues from the standpoint of organization, people, technology, process and metrics.
The shift from volume-based to outcomes-based focus requires new contracting and incentive strategies to align performance and behaviors.

New payment structures and quality measurements will drive the industry to optimize electronic medical records and reporting capabilities to allow participation in collaborative care models.

We help our clients:
► Accelerate their transition to a data-driven, outcomes-based environment
► Craft appropriate merger and acquisition strategy
► Build integrated and comprehensive e-health services
► Build mutually beneficial payer-provider contracting models that reward outcomes and promote value versus volume

Capabilities include:
► Payer-provider collaborative care models
► Contracting and incentive models
► Population health management
► Change management
► Program management
► Physician/clinician engagement strategies
► Clinical systems interoperability
► Clinical research office development
► Clinical decision support
► Service performance measurement
► Performance measurement and reporting
► Ventures, alliances and partnerships
► Strategic digital transformation
Regulations aimed at sunsetting certain products and practices will force new compliance strategies and operating models.

New compliance models require assessing the balance between the cost of compliance and the demand of regulatory needs and organizations.

We help our clients:
► Master a new set of standards for increased information flow
► Devote greater attention to patient information security and privacy
► Craft a holistic strategy to enable enterprise compliance activities

**Capabilities include:**
► Impact analysis and road-mapping (ICD-10, 5010)
► ICD-10 remediation
► ICD-10 post-implementation optimization
► Cost and quality reporting
► Health care reform reporting
► Reimbursement capture
► Health insurance exchanges
► Medical loss ratio (MLR) compliance
► Customer Relationship Management– Billing, coding and compliance
► HIPAA privacy and security
► Regulatory and billing compliance
► Enterprise risk mapping and mitigation planning
The digital health communities demand new ways to capture and share information across IT platforms and organizations.

Reporting requirements and health information exchange needs are becoming more stringent with new payment models and meaningful use criteria.

Population health strategies demand a new way of doing business.

We help our clients:

- Implement effective processes to capture, use, share and report data
- Incentivize care being delivered in the most optimal environment
- Promote matching of demand and capacity in high-cost environments

Capabilities include:

- Information management organization and process design
- Large program and multi-phase implementations
- System and business portfolio management
- Provider health information systems
- Payer core administration systems
- Health care metrics and measures
- Health information integration and exchange
- Pay-for-performance programs
- Fraud and abuse surveillance
- Data governance
Improving operations

Reimbursement changes will force payers and providers to re-examine the mix and sustainability of their core programs and services.

Insurance coverage expansion introduces significant new risk in acquiring new patients and servicing new covered lives.

We help our clients:
► Reassess their organizations from a customer-centric point of view
► Identify, analyze and manage emerging risks
► Engage members in new ways and incentivize desired behaviors

Capabilities include:
► Transaction processing
► Workflow and workforce management and automation support
► Process benchmarking and design
► Pricing strategy and transparency
► Registration and scheduling
► Ancillary department management
► Demand/capacity analysis and modeling
► IT enablement
► Government programs
► Business scenario analysis
Attacking health care costs

Mandated cost thresholds, new taxes and payment reductions require that administrative cost structure and productivity standards reach the next level of efficiency.

We help our clients:
► Find innovative ways to streamline their administration and sustain an effective, cost-efficient supply chain
► Model implementation scenarios to manage risk
► Reduce duplication of services with centers of excellence and optimized organizational structures

Capabilities include:
► Payment/reimbursement innovation
► IT strategy and planning
► Finance operating models
► Enterprise intelligence
► Enterprise risk management
► Non-labor cost reduction
► Supply chain strategic services
► Supply chain operations
► Revenue cycle management
Getting fit for the new health care environment
Empowering a new clinical model to boost member engagement and reduce costs

How can a health care company transform its operating model to thrive in a new era for the industry?

The challenge
A national integrated health and wellness company decided to implement a primary health coach model that would consolidate all clinical member-facing activities after more than 10 years of outsourcing its disease management program. Millions of dollars a year were being spent on online, work site, community-based and telephonic programs. Analytics indicated that the overall program’s effectiveness was sub-optimal due to redundant member outreach and lack of a comprehensive clinical view of each member.

What we did
EY was engaged to lead a project management team halfway into the initiative, giving us eight months to complete a successful launch. A missed deadline would have resulted in client and member disruption, as well as sizable fees.
- A vendor application was chosen as the clinical platform to support wellness coaching, chronic condition coaching and case management.
- New identification and stratification analytic capabilities were needed to target the most appropriate members for interventions.
- More engaging online tools were needed to support a greater emphasis on wellness.

Result
By streamlining and accelerating design and implementation, the project management team met the accelerated deadline, and the in-sourced primary health coach model achieved the aggressive administrative cost reduction target. The company is now well positioned for success in delivering collaborative care management through health insurance exchanges.
Positioning for a dynamic regulatory environment
Integrating control measures to stay ahead of a changing industry

How can a multi-regional integrated health system transform key business processes to best position itself for changing markets and health care reform imperatives?

The challenge
Transformation of key business processes to position for changing markets and health care reform imperatives while keeping the following operational imperatives in mind:

- Industry standard revenue cycle
- Enterprise resource planning (ERP) system optimization
- IT security and controls
- Health care reform, MLR and American Recovery and Reinvestment Act funds

What we did
The EY team identified numerous interrelated business initiatives and brought diverse approaches in the following areas:

- Hospital revenue cycle management
- PeopleSoft ERP assessment
- IT risk assessment and Sarbanes-Oxley
- Health care reform MLR methodology
- Competing priorities framework

Result
By streamlining and transforming business processes to fit a dynamic and changing industry using the above frameworks and tools, our client has been able to experience increased net revenues and improved billing and customer satisfaction. Furthermore, it is able to maintain SOX regulatory compliance and an improved IT risk profile while reducing ERP operating costs.
Alignment of strategic business initiatives
Achieving operational excellence through associated business capabilities

How can a large regional health plan integrate clinical and medical cost management capabilities to maximize operational efficiencies?

The challenge

Strategic need identified to develop integrated clinical and medical cost management capabilities. Current capabilities are at various levels of maturity, with siloed and inconsistent organization models, functional capability and analytics business units.

► Develop strategy, requirements and design for business analytics roadmap creation — planning and prioritization to align with strategic business initiatives
► Establish common reference architecture
► Demand/capacity analysis for strategic projects
► Test, implement and adopt new IT platforms

What we did

The company engaged EY to develop an enterprise clinical and medical cost analytics platform and to implement an information governance structure for increased change management capability. This involved implementation of a single “source of truth” for targeted and integrated predictive modeling scenarios, dashboards, reports, trends and alerts. As a result, the client experienced an expanded structure for analytics-based decisions regarding staffing and processes to drive operational excellence.

Result

Applying market-leading foundational tools, the team was able to implement industry-leading analytic capabilities that will drive future state care models for case management, condition management and utilization management programs. Our client has been able to measure and identify levers to improve medical cost and revenue opportunities. This has resulted in an integrated single source of truth for data assets, increased member, client and employee satisfaction, and improved staff and operational efficiencies.
Bringing patients into focus
Using analytics to create a patient centric accountable view

How can a health care company enhance its image as a leader in protecting personal and private data?

The challenge
A not-for-profit health care organization with multiple hospitals and partner companies sought to strengthen the security of two types of data that it uses and stores on a continuous basis: personally identifiable information (PII) for each staff and its providers, including the person’s name, date of birth and Social Security number; and protected health information (PHI) for each patient, including medical records and other health data. The organization also hoped to assess, from a people, process and technology perspective, how much risk it was facing throughout the life cycle of PHI and PII data.

What we did
EY provided wide-ranging support to help the organization uncover opportunities to bolster the security of PHI and PII data:
- Documented the processes involved in the use of the data and used its proprietary PHI/PII maturity model to assess levels of risk associated
- Performed a gap analysis of the health system’s PHI and PII data governance practices compared to leading practices in the industry
- Prepared a future-state model for PHI and PII data governance to empower the health system to comply more easily with requirements

Result
The project has already helped the client reduce the risk of financial losses resulting from PHI data security breaches and related negative publicity and enhance the organization’s public image as a leader in safeguarding personal and private data.
We’re recognized as a market leader by analysts and industry professionals

- Vanguard for consulting
  - Health care payer/provider
  - Kennedy
- Best operations visionary
  - Gartner
- One of the largest health care management consulting firms
  - Modern Healthcare
- Best overall consultancy
  - RISK
- 5th largest health care practice
  - Kennedy

Award winner 2013
- AMCF
Americas Advisory Health Care Team
Dedicated leadership team

Eric Schenk
Partner
► Americas Advisory HealthCare Payer Leader

Bill Fera, MD
Principal
► Americas Advisory HealthCare Sector EY Envision Leader

John Simon
Principal
► Americas Advisory HealthCare Sector Provider Leader

Jeffrey Jackson
Principal
► Americas Advisory HealthCare Sector Sales Leader

Sean Kenny
Executive Director
► Americas Advisory Health Care Sector Leader

Debbi Fitzgerald
Partner
► Americas Advisory HealthCare Sector Regulatory Compliance Leader
Our global structure fosters a global mindset

140
Countries

167k
People

3k
Health care professionals

$24b
Revenue
Health care thought leadership

These timely and topical pieces are designed to help clients understand the big industry issues, and how those issues can affect business performance. We provide valuable insights that will help you optimize, grow and protect.

You can also visit www.ey.com/healthcareadvisory.

Samples below.

New Horizons: collaboration
Features exclusive interviews with the Agency for Healthcare Research & Quality, the Patient-Centered Primary Care Collaborative, et al

Progressions 2012: the third place – health care everywhere
Behavior change in patients represents the single biggest opportunity to improve outcomes in today’s health care system

mHealth: mobile technology poised to enable a new era in health care
Examines the impact of technology innovation on health care and its stakeholders

Pulse of the Industry: medical technology report 2012
Covers data on key industry metrics — financial and stock market performance, financing, and mergers and acquisitions
We’re recognized in the market by industry and business media publications

► Modern Healthcare
► Consulting Magazine
► HiTech Answers
► Becker’s Hospital Review
► Applied Clinical Trials
► Hospitals & Health Networks
► Phys BizTech
► Pharma Voice
► Managed Care
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► Healthcare Briefings
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► Harvard Business Review
► Financial Executive
► Healthcare Payer News
► Health Beat for Congressional Quarterly
► Bloomberg BNA
► hfm Finance blog
► Journal of AHIMA
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