

# HEALTH MANAGEMENT ASSOCIATES

## Prepare for the Future While Managing the Pandemic

June 2, 2020

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W W W . H E A L T H M A N A G E M E N T . C O M

## TODAY'S PRESENTATION



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A black and white photograph of a desk with papers, pens, and a hand holding a pen. The image is slightly blurred, focusing on the foreground elements like the pens and the hand. The background shows a person's arm and hand holding a pen over a document.

## ■ Agenda

- ❑ **COVID Trajectory and Context**
- ❑ **What to do right now**
  - ❑ **Organizational health assessment**
- ❑ **Bringing short- and long-term strategies into harmony**
  - ❑ **Operational Strategies**
  - ❑ **Organizational “hardening”**
  - ❑ **Administrative and financial leadership**
  - ❑ **Strategic partnerships**
  - ❑ **Program model**

# COVID TRAJECTORY: DIFFERENT PHASES IN DIFFERENT PLACES

## Phase 1: Immediate Response

### Anticipate

Learn  
Prepare

### Emergency Response

Providers Scramble  
Shift Client Service Offerings  
Move to Telehealth  
Support Clients  
Support Staff (PPE, resilience)

## Phase 2: Recalibration

### Offices Reopen

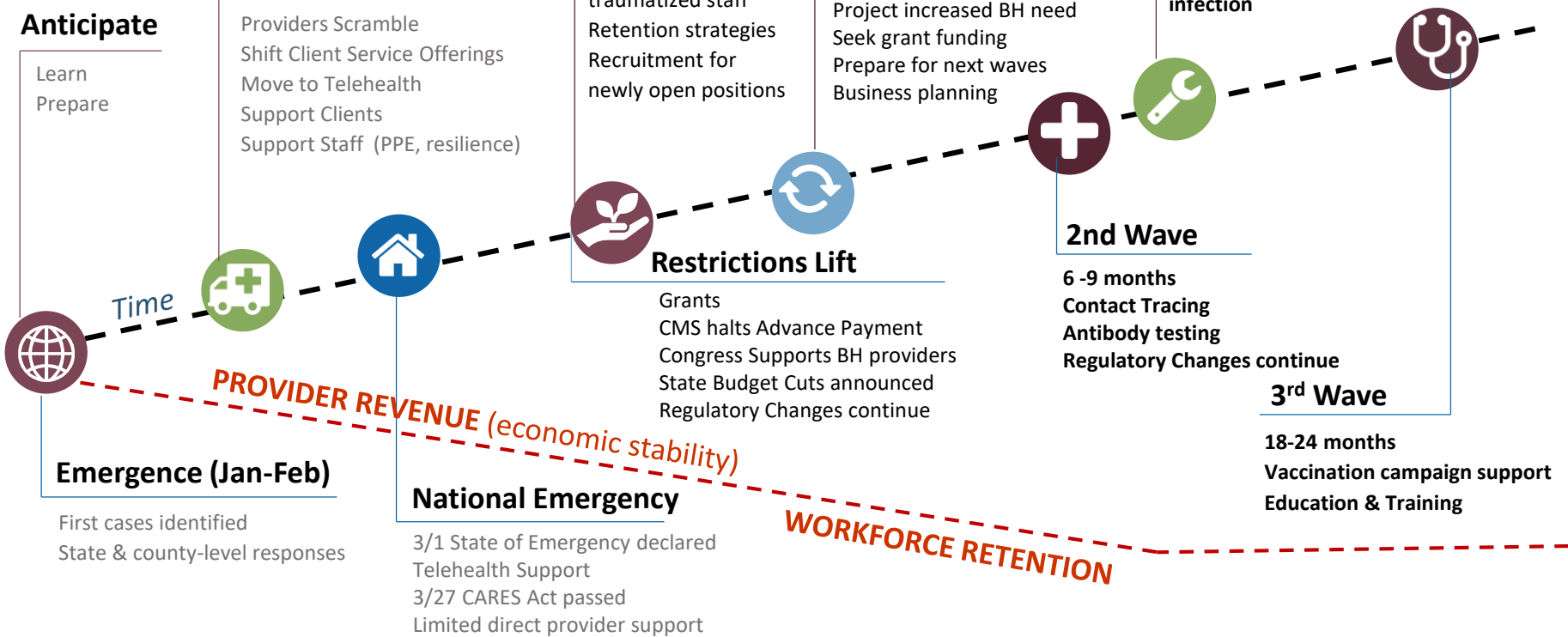
Staff health screening  
Support resilience & traumatized staff  
Retention strategies  
Recruitment for newly open positions

### Assess and Prepare

Identify lessons learned  
Define new processes  
Identify catch up activities  
Project increased BH need  
Seek grant funding  
Prepare for next waves  
Business planning

## Phase 3: Systems Change & Continued Response

**Establish New Normal**  
Define new processes  
Consolidations & mergers  
Strategic Planning for mid-term  
Revise budgets & operations  
Respond to continued waves of infection



### Emergence (Jan-Feb)

First cases identified  
State & county-level responses

### National Emergency

3/1 State of Emergency declared  
Telehealth Support  
3/27 CARES Act passed  
Limited direct provider support

### Restrictions Lift

Grants  
CMS halts Advance Payment  
Congress Supports BH providers  
State Budget Cuts announced  
Regulatory Changes continue

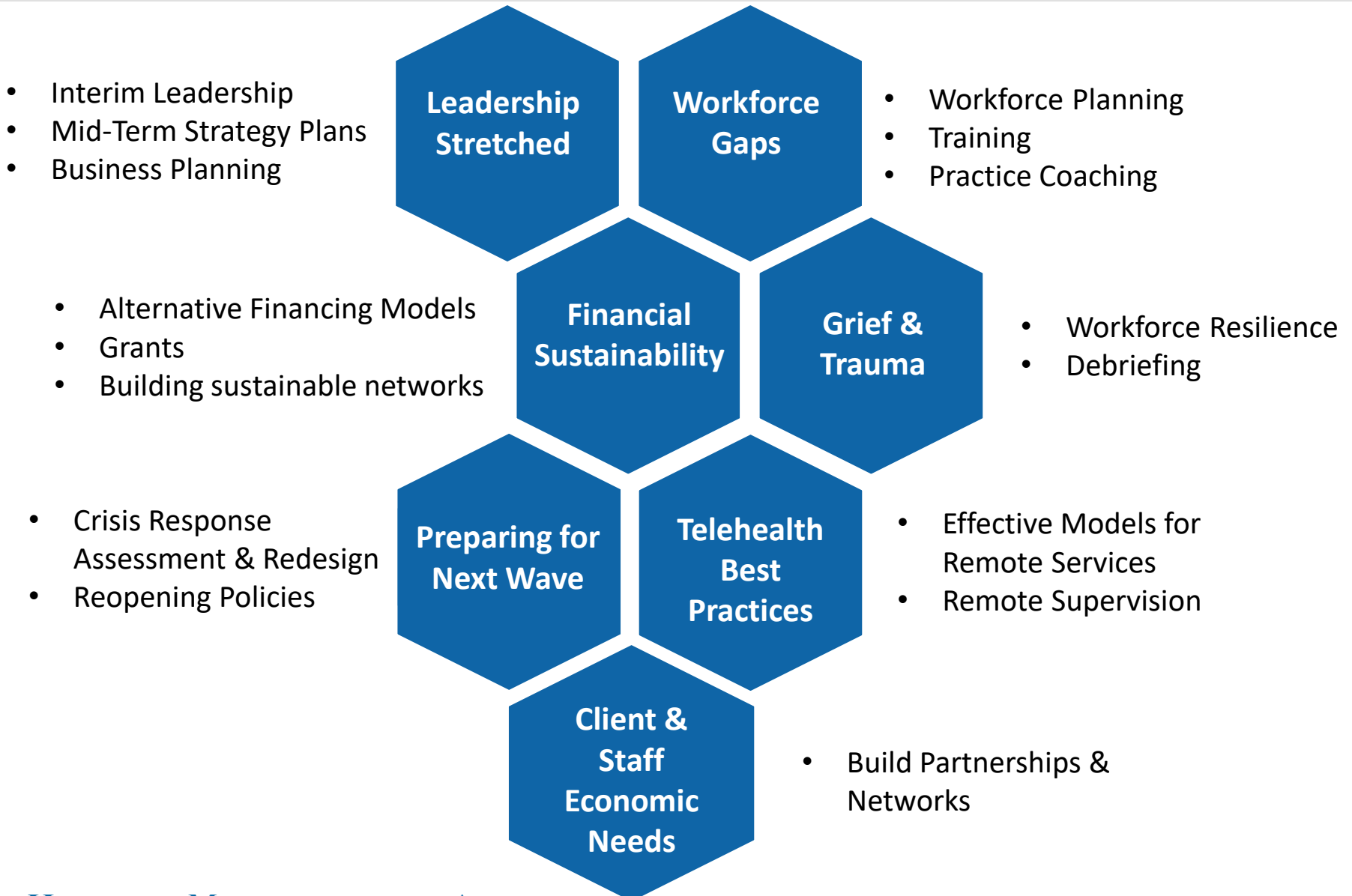
### 2nd Wave

6 -9 months  
Contact Tracing  
Antibody testing  
Regulatory Changes continue

### 3rd Wave

18-24 months  
Vaccination campaign support  
Education & Training

## WHAT WE'RE HEARING: PROVIDER NEEDS



## ■ KNOW YOUR AUDIENCE(S)

**BY ALIGNING  
PRIORITIES, YOU  
CAN AVOID MAKING  
COSTLY STRATEGY  
REVISIONS**

Engage staff,  
understand  
needs in shifting  
workplace

Engage clients,  
listen to specific  
needs of specific  
populations

Consider  
barriers to care,  
including cultural  
and linguistic

Learn from other  
industries

Payers i.e.  
MCOs,  
foundations,  
donors

Government  
partners and the  
challenges they  
are facing

- Take small, iterative steps vs. large, sweeping changes you may need to reverse
- Stay alert to grant opportunities, new billing availability and alternative payment models
- Connect everything back to your clients and your mission

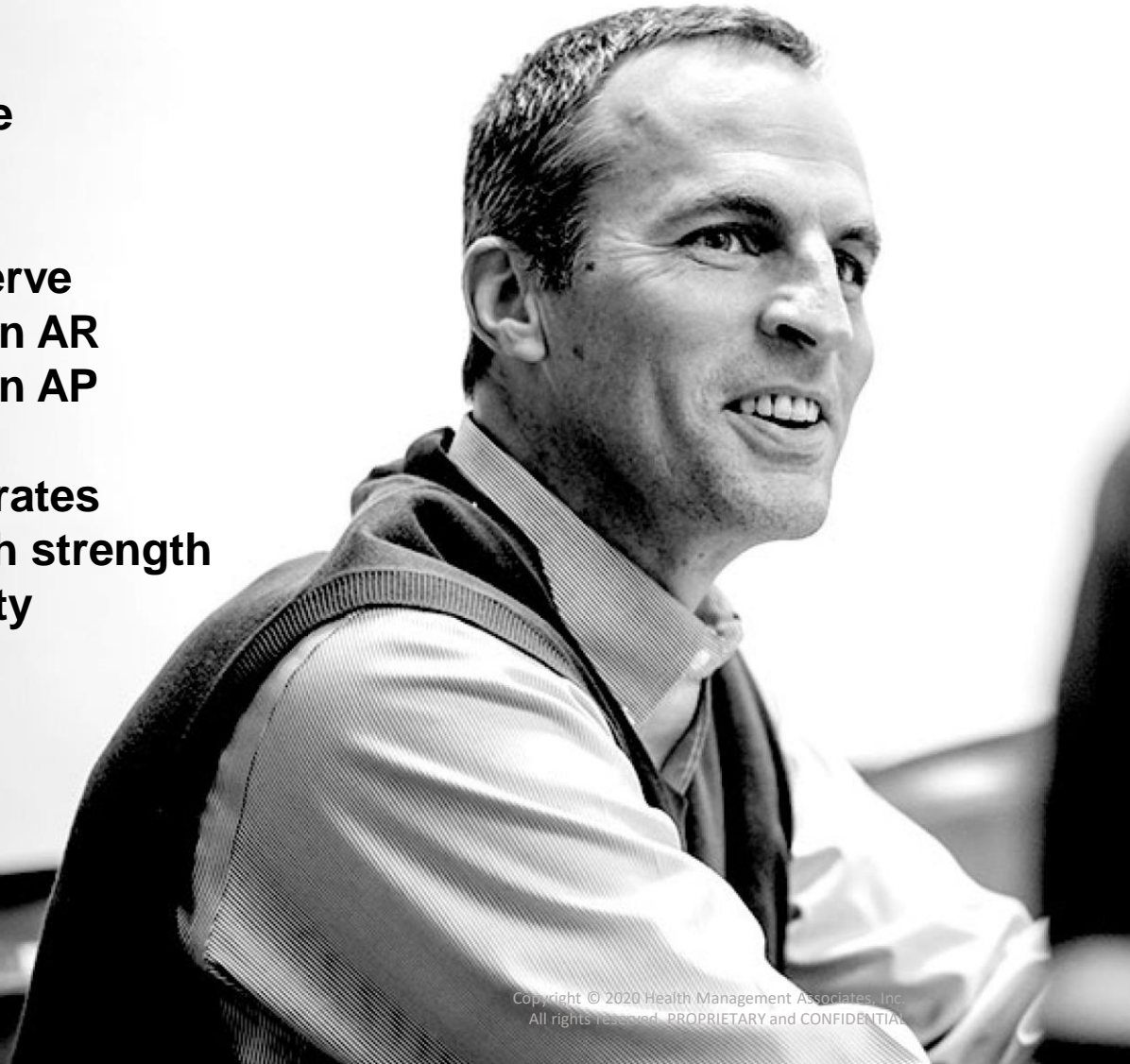
## ■ WHAT TO DO RIGHT NOW?



- + Overcommunicate with key stakeholders
  - + Especially your clients
- + Understand the COVID-19 Impact on your organization
  - + Not going back to the way things were
- + Develop a long-term strategy that reflects the new normal
  - + Respond to short-term needs in ways that advance your long-term strategy
- + Pursue additional money thoughtfully
- + Comprehensive assessment of organizational health

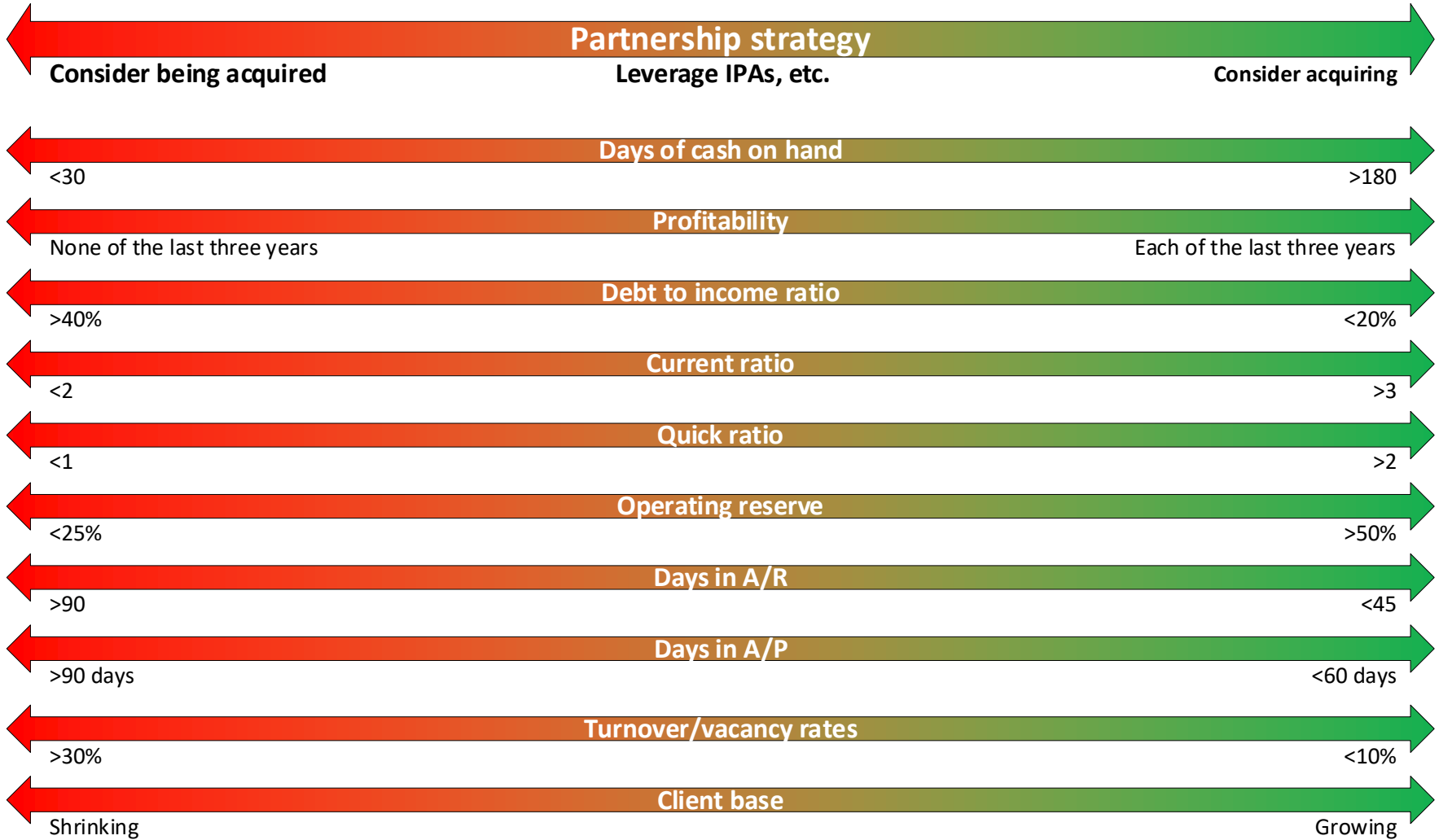
## ■ CONDUCT A COMPREHENSIVE ORGANIZATIONAL HEALTH ASSESSMENT

- + **Financial**
  - + **Days cash on hand**
  - + **Profitability**
  - + **Financial ratios**
    - + **Debt to income**
    - + **Current ratio**
    - + **Quick ratio**
    - + **Operating reserve**
  - + **Days and amount in AR**
  - + **Days and amount in AP**
- + **Non-financial**
  - + **Turnover/vacancy rates**
  - + **Management bench strength**
  - + **QI program capacity**
  - + **Market share**
  - + **Client base growth/shrinkage**





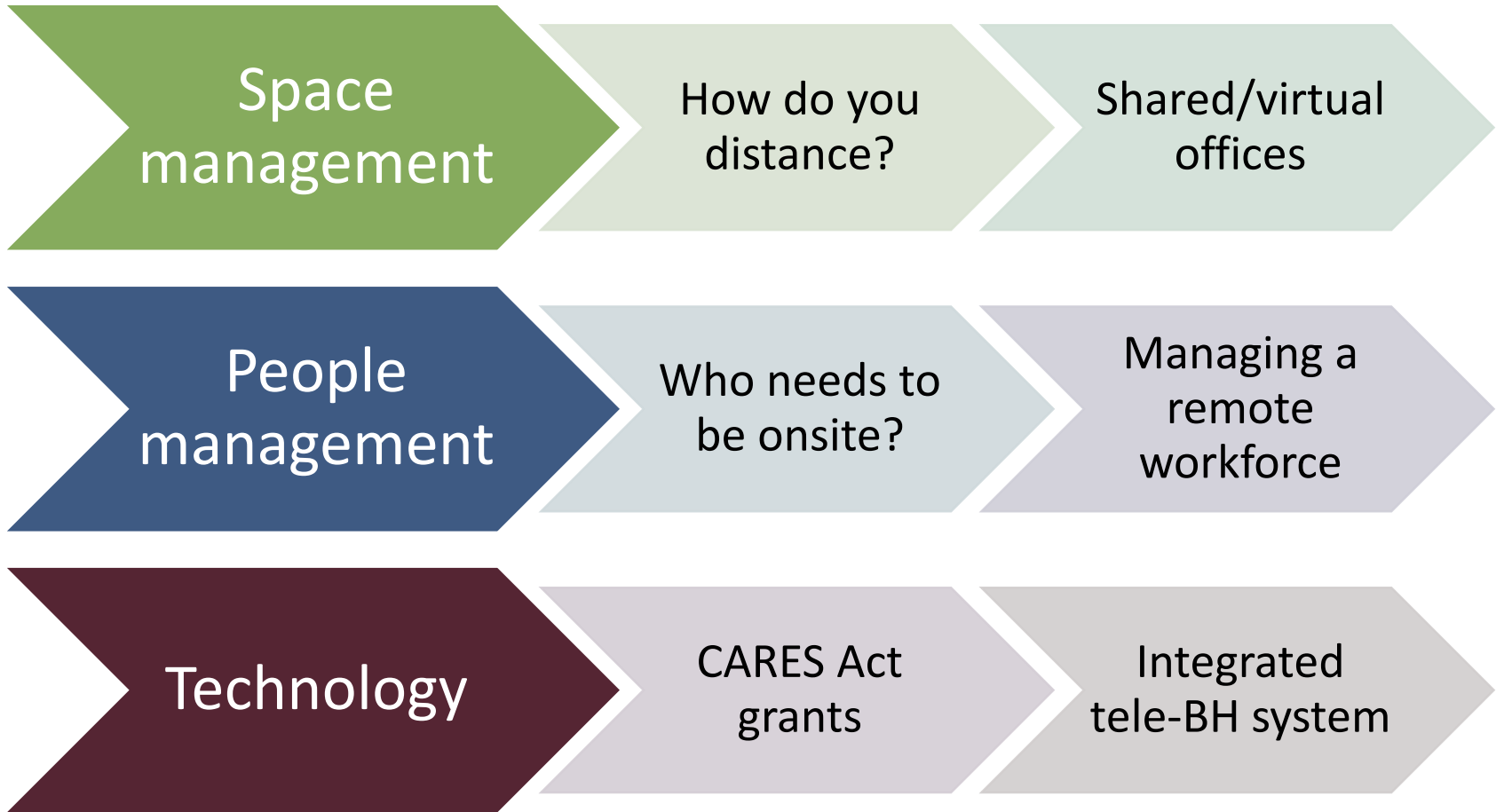
# ORGANIZATIONAL HEALTH ASSESSMENT SHOULD DRIVE STRATEGY



## KEEPING TWO 'NAVIGATIONAL BEACONS' IN VIEW



Considering only short-term or long-term strategies can lead you astray. Line up goals and pursue those which have both short and long-term implications.



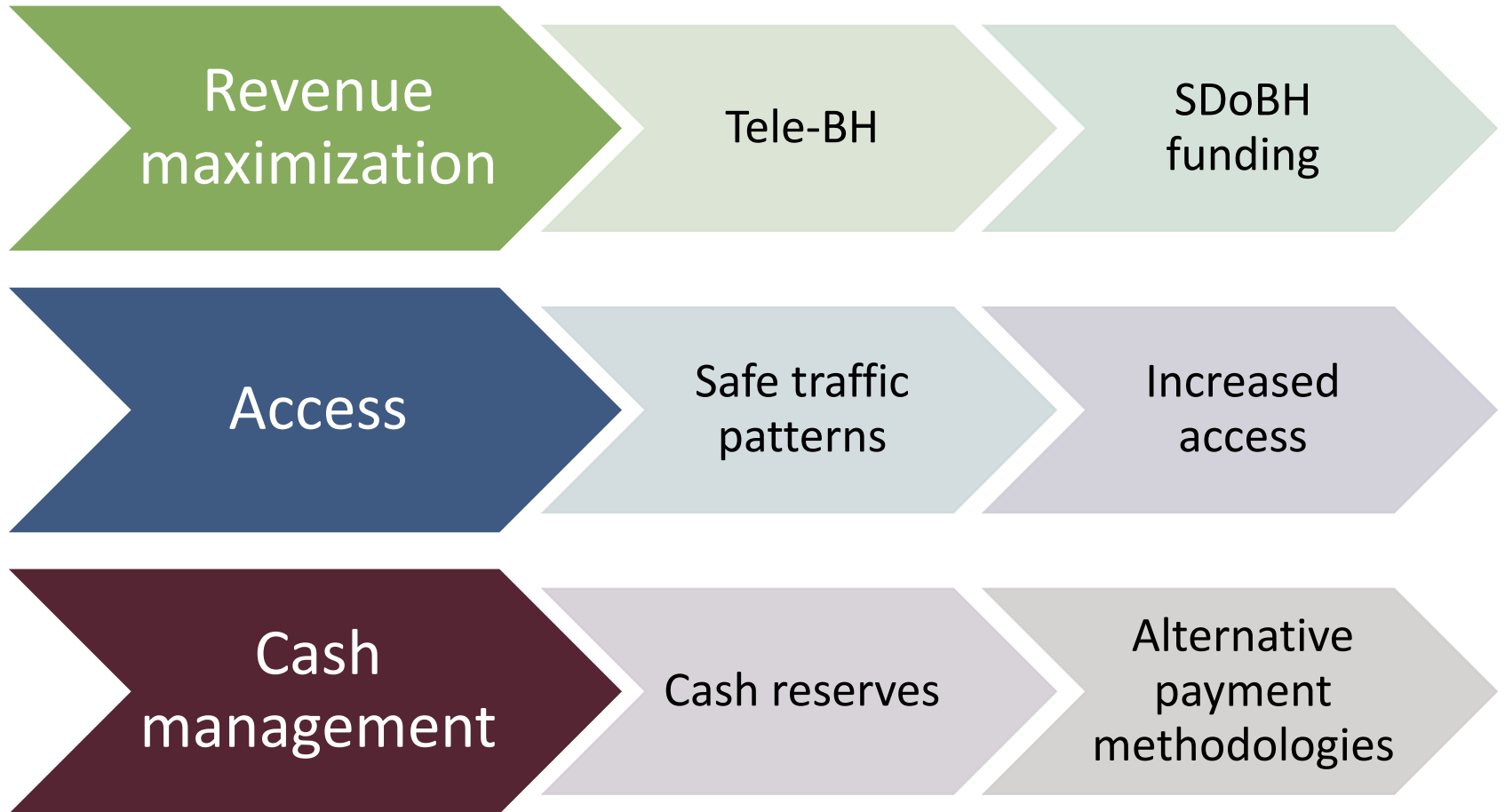
## ■ OPERATIONAL: SHORT TERM



## Back Office Restructuring

- Explore ASO or MSO arrangements
- Leverage IPAs, ACOs
- Keep certain workforce members at home
- Evaluate further outsourcing opportunities
- Use current pandemic response to create an iterative approach to remote staffing
- Joint ventures, affiliations or mergers

## ORGANIZATIONAL HARDENING



# ORGANIZATIONAL HARDENING: SHORT TERM

- **Cash Management**
  - Build cash reserves
  - Reduce current operating expenses
- Review and update current insurance policies for future operational disruptions
- Automate tasks (check-in kiosks, phone apps)
- Top of licensure analysis to support redeployment of staff



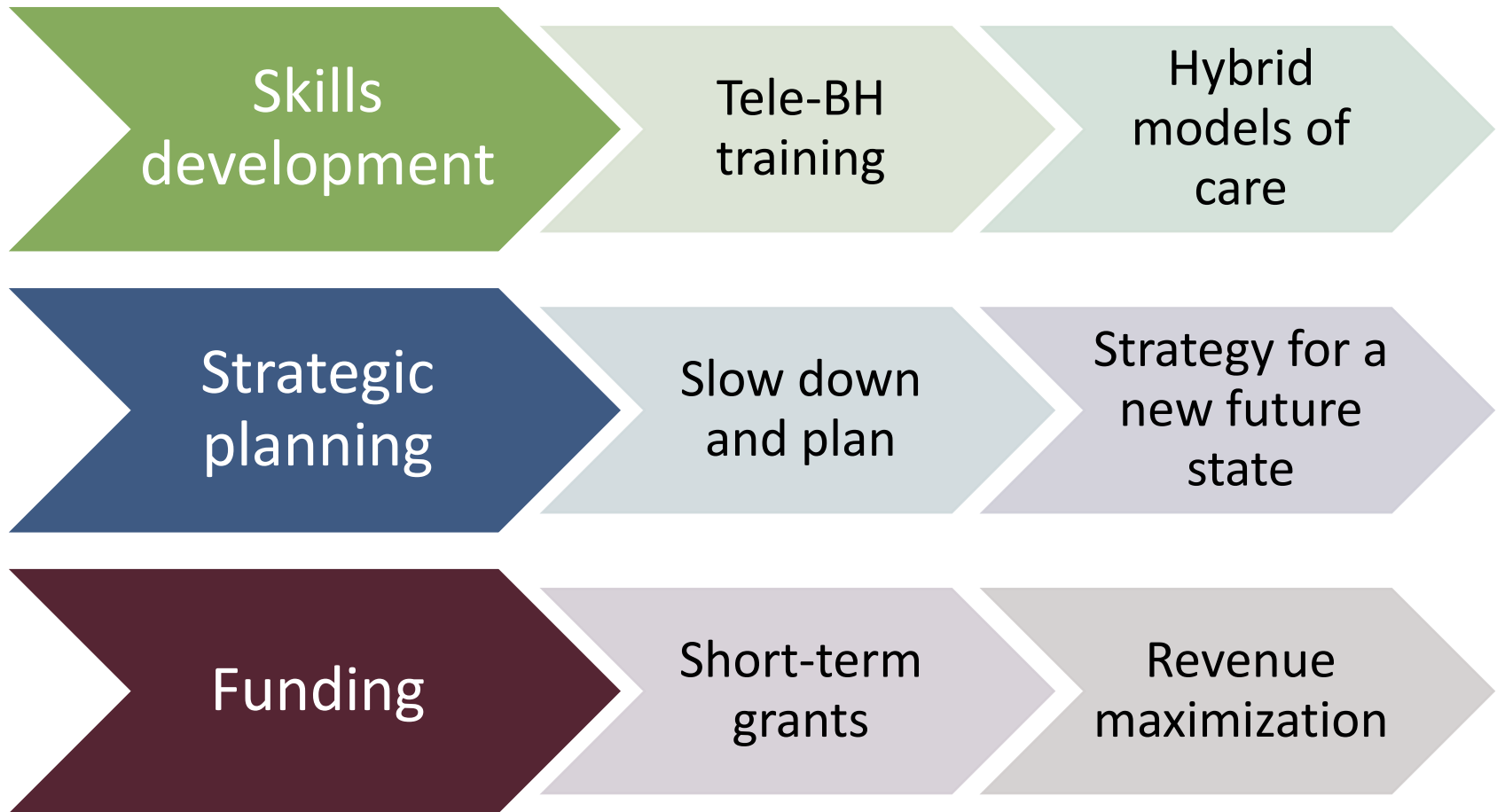
## ORGANIZATIONAL HARDENING: LONG TERM

### Revenue/ Reimburse ment Strategies

- Alternative and VBP arrangements as alternative to volume-driven care (this regulatory relief will not last forever)
- Complimentary grant opportunities to address social drivers of BH
- Build plan to ensure multiple points of client access
- Use emergency reimbursement accommodations to build advocacy for continuation
- New co-pay collection approaches enabled by technology



## ADMINISTRATIVE AND FINANCIAL LEADERSHIP



## ■ TECHNICAL, ADAPTIVE AND FUNCTIONAL LEADERSHIP: SHORT TERM

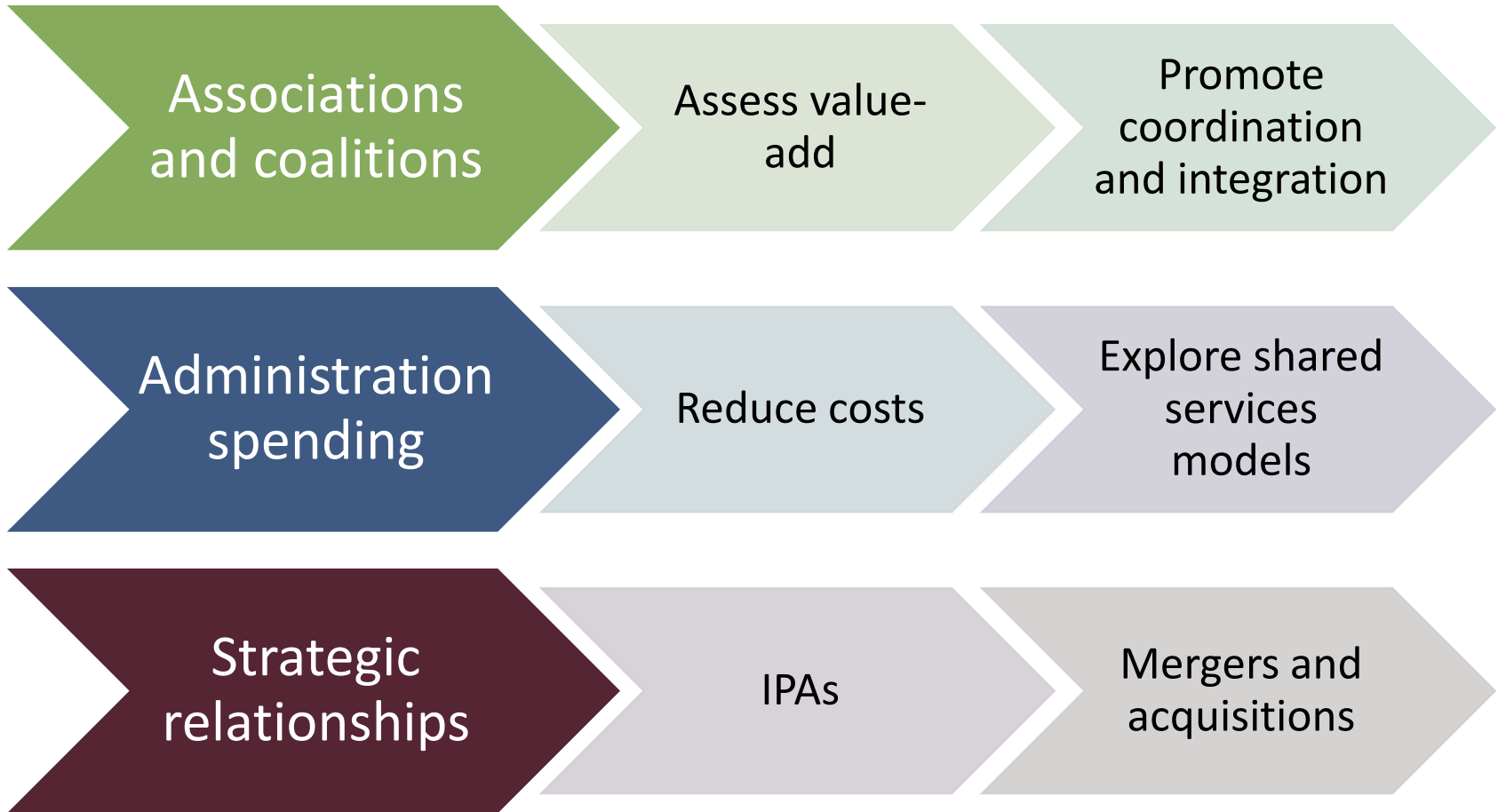
- + Go back to the basics but avoid trying to recreate the past
- + OVER-COMMUNICATE
- + Attend to culture
- + Invest in middle management
- + Revisit/review strategic plan WITH significant staff and stakeholder input
- + Engage on the topic of diversity and disparity
- + Innovate engaging rapid iteration
- + Attend to diverse forms of risk
- + Review roles, structures and infrastructure



Workplace  
of the  
Future

- Adopt practices from other business sectors
- Consider why, when, and how to bring staff together for continued engagement
- Virtual reality meetings, trainings and other events
- Sharing content with staff through diverse media
- Podcasts, videograms, interactive web portals

## STRATEGIC PARTNERSHIPS



## STRATEGIC PARTNERSHIPS: SHORT TERM

**Review existing  
partnerships for  
ROI and relevance**

**Identify gaps in  
care – your  
community's and  
your organization's**

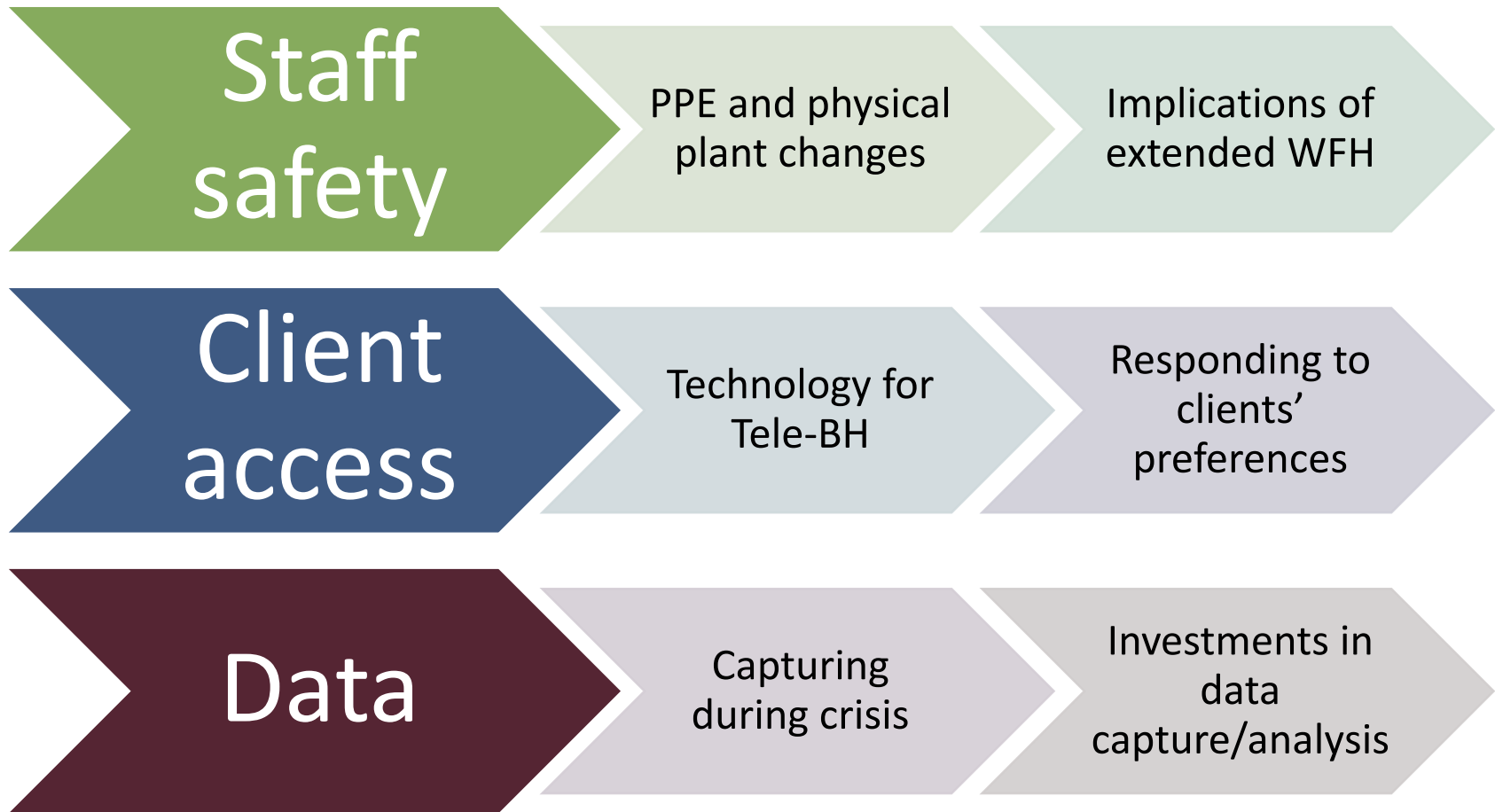
**Leverage  
associations and  
networks for  
advocacy support**

**Consider  
community fabric  
of care (CBOs)  
worn thin by the  
crisis**

### Leveraging collaborations

- Who is missing?
- Same services to new partners or new services to the same partners
- Build a stronger community-based model of care
- Partnerships with payers
- Create size/scope/scale/leverage
- What does your current agency size afford you that you risk losing if you grow?

## PROGRAM MODEL



## PROGRAM MODEL: SHORT TERM “REOPENING” STRATEGIES



- + Acknowledge that you never fully closed
- + Time to government milestones
- + Change waiting rooms and other physical plan modifications
- + Decrease the number of clients and staff in the building at any one time
- + Stagger workflows
- + Consider what you have to do to make staff and clients feel safe (i.e. access to PPE, cleaning procedures) – and procure/plan/develop P&Ps now
- + Anticipate future waves and their implications



### Future Models, Projections Using Data

- Major increases in Medicaid enrollees
  - <https://www.healthmanagement.com/blog/hma-updates-forecast-of-covid-19-impact-on-medicaid-marketplace-uninsured/>
- Target high need, high risk individuals – need more rigorous risk stratification approaches
- New methods of outreach and engagement required (social media and other technology; partnerships with payers and delivery systems)
- Connect to widescale contact tracing efforts
- Position yourself to support State and Local efforts in public BH response
  - Anticipate FEMA CCP

■ QUESTIONS?



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