

Case Study: Creating Service Delivery Strategy

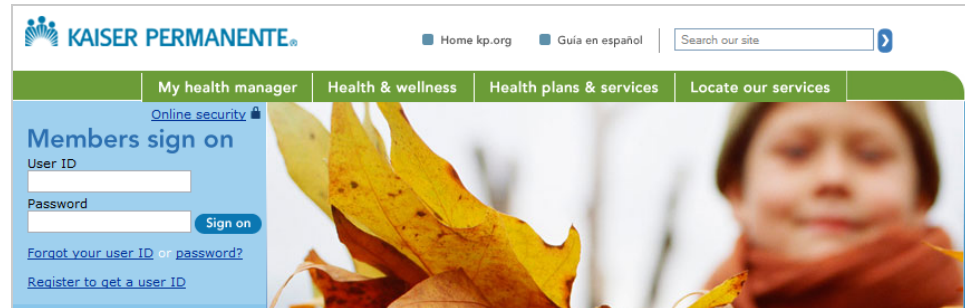


RESULT

Market strategy yielded in largest market yielded incremental revenue of \$5 million and incremental operating profit of \$3 million per year

Service delivery strategy increased patient care quality and satisfaction

Operational improvements eliminated \$22 million in administrative costs per year



Kaiser Permanente founded in 1945, is the nation's largest not-for-profit health plan, serving 8.6 million members, with headquarters in Oakland, California. At Kaiser Permanente, physicians are responsible for medical decisions, continuously developing and refining medical practices to ensure that care is delivered in the most effective manner possible.

Kaiser Permanente, a US health insurance company, wanted to expand market share in 3 key Southeast markets

Kaiser also wanted to redesign the patient care delivery model to improve patient care and reduce operating costs

Identified growth opportunities in each market based on consumer needs and competitive dynamics

Performed assessment of current service delivery processes and identified potential areas for service and efficiency improvements

- Conducted patient and care provider interviews
- Worked on site for several weeks to understand work flow, identify opportunities to improve service
- Prioritized opportunities with doctors and other providers based on potential impact on patient care quality, operational implications and financial impact
- Working with doctors and providers, developed and implemented quick win pilots in first 2 months of project
- Assessed results of pilots based on patient and provider feedback
- Developed and implemented ongoing performance improvement approach

BACKGROUND

CHALLENGES

APPROACH