

Plan4 Healthcare Reduces Budget Deficit for Mid-Size Healthcare System

Successfully eliminated a projected \$40 million deficit within one planning cycle

Background

Plan4 Healthcare and its partners were engaged by a mid-size Healthcare System (HCS) seeking assistance to lead a large financial turnaround for the organization. The client comprised of a series of community-based clinics, a community living center, and an acute care medical center spread out across a large and rural state. Decision makers needed to implement improved strategic and business planning practices to achieve a strengthened and sustainable financial position.

FACILITY DETAILS

- + 34-bed acute care, medical-surgical facility, offering a broad range of acute, chronic, and specialized inpatient and outpatient services
- + 24-bed inpatient mental health facility
- + 30-bed Community Living Center (CLC)
- + Telemedicine services available for psychiatry, radiology, gynecology, primary care, ophthalmology, and tele-home health
- + Primary care provided at 12 community clinics

Challenge

Hospital systems across the country face a variety of complex challenges dealing with managing staff, workload, and financial resources. A mid-size HCS struggled to maintain standardized planning and management practices. What's more, the team was experiencing a significant leadership turnover, with the entire senior leadership team transitioning within a short period of time. The facility's services and physical structure were misaligned. As a result, the projected budgetary deficit was approaching 1/3 of the of the organization's overall operating budget. This led to serious concerns regarding financial viability. When time was critical, the mid-size HCS turned to Plan4 Healthcare to implement a proven solution for long-term results.

Solution

Plan 4's expert team utilized a proprietary SCORE methodology and 4Cast solution to improve the organization's planning practices and financial position within a short period of time. The process began by performing a comprehensive market analysis to identify projected changes in the patient population, as well as projected demand for services. Next, the Plan4 team assessed and benchmarked the the client's Utilization Management, looking at quality, cost and efficiency.

After initial consensus building, the Plan4 team partnered with HCS leadership to develop strategic and tactical objectives informed from the analysis and collaborative staff input. The proven 4Cast solution was implemented and the clinical and administrative department-level leaders participated in intensive training. Finally, financial staff were advised on best practices to add support integration of fiscal management into the overall planning model.

Results

As a result of Plan4 Healthcare's engagement, the mid-size Healthcare System was able to successfully prioritize and manage staff, workload and effort. Plan4 subject matter experts held dozens of training and coaching sessions with department-level leaders to advise them on the SCORE Model and operational planning best practices. Using 4Cast, the team developed 35 distinct department-level operating plans and identified projected resource needs across the entire organization. Within just one planning cycle, we helped the HCS **eliminate a projected \$40 million budget deficit**.

The HCS ended the fiscal year with a projected surplus. Now, they have a reliable operating model focused on the right prioritizes, maximizing resources and ensuring financial stability.

Helped mid-size HCS eliminate a projected \$40 million budget deficit within one planning cycle.

SUMMARY

- + Mid-size Healthcare System struggled to maintain standardized planning and management practices, and was experiencing leadership transition
- + Plan 4's expert team utilized a proprietary SCORE methodology and 4Cast solution to improve the organization's planning practices and financial position within a short period of time
- + Helped mid-size HCS eliminate a projected \$40 million budget deficit within one planning cycle
- + Ended the fiscal year with a projected surplus and created a reliable operating model focused on the right prioritizes, maximizing resources and ensuring financial stability

Start Planning with Efficiency

At Plan4 Healthcare, we enable hospital executives and managers to plan resources more accurately, manage finances more efficiently, and direct operations more effectively, leading to better long-term care. Using our proprietary SCORE business planning methodology and intuitive web-based tools, leaders can simplify complexity and establish sustainable systems that balance costs and mitigate risk. The platform is enhanced by a team of experts who deliver trusted, continuous guidance and a strategic perspective. Contact us and discover a better planning strategy today.