



## Transitioning From Hospital- to Regional-Based Strategic Planning to Address Changing Community Need

With care facilities serving 1.1 million people in 29 counties and four states, it was clear that Mountain States Health Alliance (MSHA) needed a better way to view its expanding, complex markets. Managing the health of the population was becoming an increasingly important goal — and not an easy one to achieve. Overall, the population was aging, under-educated, facing economic hardships, and had a lower occurrence of positive health behaviors.

### HIGHLIGHTS

**Location:**  
Johnson City, TN

**Scope and Services:**  
Serving 29 counties in Tennessee, Virginia, Kentucky, and North Carolina, Mountain States Health Alliance (MSHA) is the largest healthcare system in the four-state region with 13 hospitals and 1,623 licensed beds. MSHA's integrated healthcare delivery system also includes 21 primary/preventive care centers and numerous outpatient care sites. MSHA serves a widespread population of more than 1 million people.

**Solution:**  
Truven Health Planning Solutions

MSHA's traditional strategic planning process typically began the same way it does for most hospitals — with a situational analysis of market trends, volumes, forecasts, competitive analyses, and best practices. The planning process then cascaded down to initiatives planned at the facility level. In addition, a “hub and spoke” operational structure was used to point the necessary resources via informal “corridors,” based on the regional highway system and state lines. These types of geographic and facility-focused strategic divisions benefitted MSHA in terms of planning efficiency, but were not particularly driven by customer or community needs.

System leaders realized that they needed an updated, streamlined, and more customer-focused strategic process to move the organization forward — and to help the system better manage and improve population health.

According to Allison Rogers, MSHA's vice president of strategic planning, the system was at a critical point. “Population health management was a growing concern, and the strategies created by our previous planning approach began to conflict with our mission of providing community-based care. Plus, we had multiple geographic planning and operating structure definitions, further adding to the frustration and incompatible priorities.”

### Course of Action

MSHA turned to Truven Health Planning Solutions to develop a revised strategic approach.

First, the system looked at detailed inpatient market share and demand estimates by county, current outpatient procedure numbers and future estimates, and each county's natural migration patterns, among other Truven Health-provided data and analytics. The goal was to understand where communities were going for their care — were they staying within their counties or traveling short or long distances for care?

*“Truven Health Planning Solutions gave us detailed information about the health status and utilization rates of our patients that enabled the creation of a regional strategy designed to better manage the health of our population.”*

**Allison Rogers**

Vice President of Strategic Planning  
Mountain States Health Alliance

From this information, the system was able to define their service population into three distinct care areas: the Northwest, Northeast, and Southern Regions. Unlike previous planning divisions, these new regions were not based on state lines or roadway corridors, but on patient behavior.

Next, MSHA used Truven Health Planning Solutions to understand the continuum of care, analyzing prevalence of chronic diseases within the new regions and the financial and operational downstream effects. This helped the system identify health status and utilization rates by region, which then enabled the mapping of available resources and the identification of future regional partners. Regional performance dashboards were also developed to track and share metrics by region.

**Results**

The system implemented a revised strategic planning process that cascades down to three regional levels, bringing together all business units in each region to devise strategies aimed at improving the overall health of their specific population. As a result, MSHA was able to focus on and manage community health needs in a way that truly puts the patient first — and created much-improved, clear strategic alignment across the whole organization.

Other results and benefits include:

- Empowered, broader thinking by all staff that now goes beyond traditional hospital walls
- Operational consistency that helps the system better meet its strategic initiatives
- New opportunities to match resources with appropriate community needs and seek out new partnerships to do that
- A tighter, more formal approach to meeting the challenges of healthcare reform and controlling rising costs
- A strong position to embrace the need for coordination across the patient’s continuum of care

“The days of ‘build it and they will come’ are gone in healthcare; we are entering a new era. Our new approach gives us the perspective to be successful in that new era,” Rogers said.

**FOR MORE INFORMATION**

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