

OUTSIDE **THE** LINES

"INSIDERS" + "OUTSIDERS" CHANGING HEALTHCARE – GO, GET ON WITH IT

"First, make yourself a reputation for being a creative genius. Second, surround yourself with partners who are better than you are. Third, leave them to go get on with it." This is one of the timeless quotes of advertising executive, David Ogilvy (founder of Ogilvy & Mather), known for his savvy in business and recommendations for how to achieve greatness and stand out in the crowd.

Starting in January, we started a year-long *Outside the Lines* series on Leaders Changing Healthcare. Our point of view is that everything is changing: in the business of healthcare, in the broader tech-centric and consumer-centric marketplace, and in the way leaders are changing markets and healthcare. Leaders are breaking out from the pack, breaking away with new ideas and breaking through with different old-model-to-new-model paths to tackle the strategic questions on their plates. Increasingly, these questions are being



Kim Athmann King, MBA, FACHE
Founder & President
Strategy Advantage
www.strategyadvantage.com
www.zigzaghealthcare.com
kking@strategyadvantage.com



solved via creative collaborations. “Insider” hospitals, health systems, physician groups and other healthcare organizations have found “new genius” – usually starting with pilot projects – in the form of partnerships with “outsider” disruptor companies. There are many already in place, and there are many others in the works. Following are just two examples of “insider” + “outsider” partnerships that have taken shape over the years.

I heard about the Sentara and MDLIVE collaboration several years ago. Sentara Healthcare is a 10-hospital health system based in Norfolk, Virginia. MDLIVE is one of the country’s 24/7/365 online and on-demand tele/virtual care providers. In 2012, [Sentara announced](#) an “unprecedented partnership” with MDLIVE. Sentara became a pilot site for MDLIVE, blending MDLIVE’s regional network of physicians with Sentara’s providers. Through this partnership, Sentara began using the MDLIVE virtual care platform for patients and consumers wanting online options for urgent care needs. After a successful pilot, the Sentara/MDLIVE partnership was scaled across the Sentara enterprise. In addition, Sentara announced a “first-of-its-kind purchase/equity stake” in MDLIVE, which has provided an investment revenue stream for Sentara as MDLIVE has expanded its services nationwide. Today, [MDLIVE](#) serves more than 22 million lives across the country, is working in partnership with hundreds of hospitals/health systems and has expanded from a low-acuity telehealth provider to an all-encompassing provider that covers a spectrum of both medical and behavioral health conditions.

Another collaboration – via a different approach – involves Aurora Health Care and StartUp Health. Aurora is a 15-hospital health system based in Milwaukee, Wisconsin. StartUp Health is a healthcare incubator and accelerator company. In mid-2015, [Aurora announced](#) a “lead investor role” in StartUp Health with the goal to work collaboratively to identify new solutions for the patients it serves. According to Dr. Nick Turkal, President & CEO of Aurora: “We’re living in an age where every aspect of our lives is being reinvented by technology; the opportunity now is to streamline how the most effective innovations can be applied to improve the health and wellness of our patients.” A year into the relationship, Aurora had already started piloting and working with [two of StartUp Health’s companies](#): CareMerge and BabyScripts. More recently, [StartUp Health and Aurora announced](#) that they are looking for “the next generation” of startups to build a Personalized Population Health Platform for Aurora’s provider and patient community.

In 1997, MIT Sloan published a [paper on Strategic Innovation](#) noting: “By breaking the rules of the game and thinking of new ways to compete, a company can strategically redefine its business and catch its biggest competitors off guard. The trick is not to play the game better than the competition but to develop and play an altogether different game.” While this paper features companies that achieved game-changing success years ago without radical technological innovation (which is

very different today), strategic innovation in healthcare is still being won by those leaders who are “getting on with it.” They are breaking from the old rules, changing the game and doing this in various ways by exploring and forging creative “insider” + “outsider” partnerships.

Always looking ahead,



Kim Athmann King, MBA, FACHE

DO YOU KNOW...

To affect the kind of change that is game-changing – or even incremental – whether the change includes outside collaborators or not, leaders need to be effective at “[shift thinking](#)” to change not only what key stakeholders (physicians, nurses, other front-line clinical teams and other administrators) think, but how they think. Without the right mental models, they won’t see the problem, understand the benefits or make the change. Transformers and innovators change the lens through which people see the world, hone in on the pain point, challenge the prevailing model, and help people see the roadmap that will get them from the “old” to the “new” model, solution or answer.

DO YOU KNOW ABOUT...

[Ten health companies](#) were featured this month in *Fast Company*'s 50 Most Innovative Companies. Several of these companies are profiled in our [ZIGZAG Healthcare](#) Ideas & Innovation Library. Interesting to note is these “outsiders” have gained prominence because they have figured out what works in healthcare, have gained the regulatory approvals necessary for success, and have partnered with hospitals and health systems who have piloted and substantiated their innovations. For example, One Medical Group has partnerships in place with

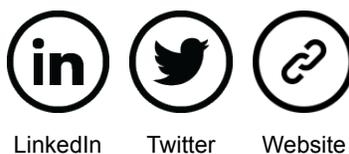
Cedars-Sinai Health System in Los Angeles and Dignity Health in Arizona. AliveCor is collaborating with the Mayo Clinic and is being used as an EKG care tool embedded into various other physician practices and health systems. Omada Health has many partnerships in place, including Intermountain Health and Providence Health; it also collaborates with health plans and government payers. Propeller Health, for asthma and COPD management, recently announced a new partnership with Molina Healthcare for its members in New Mexico.

DO YOU HAVE A STRATEGY AND SOLUTION FOR THIS?

According to a [Health Affairs symposium and summary report](#) last year at this time: "Everyone involved in health care knows that the industry is in a period of marked consolidation and transformation. These moves pose innumerable challenges ... How, for instance, does innovation fare in this new consolidated landscape? ... One important point to note ... is that *no one has argued for a return to the past* ... The inevitability and desirability of system change seems universally accepted. What comes out of this symposium is therefore not the question of whether we should or will have a 'New Health Care Industry' but, rather, a recognition that it already is here."

Our question for you is whether you are leading this kind of change inside of your organization? What are your key strategies? How are you formulating and executing on these? Are you factoring in both "old" model and "new" model thinking? Are you baking in innovative thinking as you figure out your strategies and implementation approaches? Are you figuring out where pathways for digital health, the consumer and value-based payment models fit?

We have a team to help you with this. Contact [me](#) if you want us to bring Strategy Innovation to your organization and your team.



Copyright © 2017 Strategy Advantage, All rights reserved.
You are receiving this e-mail from Kim Athmann King

Our mailing address is:

Strategy Advantage
1601 N. Sepulveda Blvd.
#790
Manhattan Beach, CA 90266

[Add us to your address book](#)

[unsubscribe from this list](#) [update subscription preferences](#)

