

Waterbury Health Network

Waterbury, Connecticut

A not-for-profit system identified between \$8.5 million and \$10.7 million in cost savings opportunities by developing a Business Plan of Operational Efficiency (“BPOE”) between its hospital and two affiliated physician groups, and was able to successfully achieve and sustain the savings.

Background

Waterbury Health Network (“WHN”) is a not-for-profit health system located in Waterbury, Connecticut that is comprised of Waterbury Hospital (the “Hospital”), a 254-bed general acute care hospital, and an two affiliated physician groups.

Our Approach

Amid an evolving Connecticut healthcare environment with significant reductions in state funding on the horizon and competitors seeking to consolidate around them, WHN engaged GEHC Camden Group to develop an operational efficiency plan for its health system that included enhanced integration between its hospital and its two affiliated physician groups and the identification of \$6M in annualized cost savings.

Working closely with senior leadership, GEHC Camden Group conducted a detailed evaluation of its historical financial performance and initiated the process of developing a 2-3 year strategic plan. Insight from both processes provided our team the ability to simultaneously assess current workforce productivity and non-salary expenses with an eye towards enhancing operational efficiency without limiting future growth.

After a detailed assessment process that involved benchmarking WHN’s performance against industry peers, GEHC Camden Group conducted numerous working sessions with executives, department heads, and physicians leaders to refine our findings into an operational efficiency plan with clear action plans that were mutually seen as realistic, achievable, and sustainable. With line of site towards enhanced efficiency, GEHC Camden Group jointly quantified the savings opportunities to be pursued at between \$8.5M and \$10.7M, and a detailed implementation plan was developed to guide WHN on its journey.

Due in large part to the involvement of WHN departmental leaders in the assessment and planning process, and strong executive leaders to shepherd a challenging implementation plan, WHN was able to implement their action plans in a period of 9 months and achieve the annualized cost savings run rate identified during the GEHC Camden Group engagement.

Additionally, our team was able to advise and facilitate the development of a strategic plan that would ultimately lead WHN to select a strategic capital partner to further enhance there financial performance and competitive position within the market.

Results



\$8.5M to \$10.7M

Identified realistic, achievable, and sustainable cost savings opportunities

Action Plans

Developed detailed implementation action plans to enhance system efficiency and achieve cost savings



Accountability

Ensured buy-in and consensus in efficiency plan development to foster ownership and accountability during implementation



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