

## OPTUM-DAVITA SCENARIO BRIEFING

### BACKGROUND:

In addition to the development of its network in Connecticut, Optum continues building its [Central and Western MA ambulatory ACO network](#) as one of its 75 targeted core geographies nationally. In 2018, Optum had 6 MedExpress Urgent Care locations in Western MA, and completed the acquisition of Reliant Medical Group (a practice of 500 primary care and specialty providers), based in Worcester, MA. The 6 MedExpress sites include 2 locations in Springfield, and 1 each in Westfield, Chicopee, Hadley and Pittsfield—all with good curbside appeal. UnitedHealth (Optum's parent company) is also experimenting with putting MedExpress urgent care clinics into Walgreens stores, of which there are over 25 stores in the 3-County region (7 in Springfield; 2 in Chicopee; and 1 each in Agawam, East Longmeadow, Northampton, Ware, Westfield, Florence, Holyoke, and Ludlow).

### 2019 OPTUM-DAVITA PLAN:

To complement its MedExpress Urgent Care Centers in Western MA, Optum builds two ambulatory surgery centers (which include a state-of-the-art EMR, best-in-breed patient portal, and consumer-centric facility and website design) near two of its busier centers in West Springfield and Amherst, and hires 15 PCPs and 5 surgeons. In addition, UnitedHealth (Optum's parent company) continues its experiment of putting MedExpress urgent care clinics into Walgreens stores—placing them in more densely located areas—including Carew Street in Springfield and King Street in Northampton. Rather than hire newcomers from outside the region, Optum's recently acquired Crimson Market Advantage database helps highlight 8 BMP PCPs and 7 Riverbend PCPs to pursue for hiring, as well as 3 BMP surgeons/proceduralists and 2 Riverbend proceduralists based on their connections, panels, population health know-how, and activity levels. The collective ambulatory sites are an immediate hit, pulling patients in by providing extremely convenient, easy-to-access care by well-known quality providers selectively hired from within the region, promoted by a well-known national brand, at costs significantly lower than any of the area hospitals. UnitedHealth, also looks for avenues to make effective inroads into the state to direct members to Optum's sites and acquired providers.

### DEAL:

**Disruptor Team:** Optum needs to decide if it will disrupt the region on its own, or if it wants to partner in any way with Baystate Health or another entity. Is there a possible deal where Baystate Health can add value by providing something that Optum does not have or does not deliver, or where BH can reduce barriers or increase possibilities for success in this region?

**Defender Team:** What will be the health system's go-it-alone strategy (keeping in mind current state in relation to access, ambulatory and digital footprint, physician engagement, EMR, tools and technology, data analytics, etc.)? Alternatively, what are other defensive or offensive strategies (partner, redesign, acquisition by for-profit, etc.)?

**Note:** [Given the brand strength and resources of the disruptor\(s\), the system will need to be very specific about its value-add proposition in any partnership venture as the weaker partner.](#)