

Business Simulations Enable Humana to Lay the Foundation for Real Change



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A Response to the Growing Challenge in Healthcare

“The healthcare system in the U.S. is broken; we know that,” says Scott Wallace, a professor at the Darden School of Business at the University of Virginia. “We can either get less care, spend more, or find a way to get more value for our money by improving the ratio of healthy outcomes to dollars spent.”

Humana, a Fortune 100 healthcare company offering a wide range of insurance products and health and wellness services, is acutely aware of the rising cost pressures of the U.S. healthcare system. With 17 million medical and specialty health-plan members in the U.S., the company recognizes the increasing health challenges for American families and companies. The company wanted to be part of the solution.

The Humana Leadership Institute, the company’s internal leadership development organization, partnered with [BTS](#) to develop a Health Economy Simulator (HES), which was designed to accelerate healthcare innovations in the market, region by region. The goal of the [business simulation](#) was not to solve the healthcare crisis in two days, but to lay the foundation for real change, real solutions and real reform by enabling new levels of collaboration and empathy among groups that are often thought to have competing interests.

A Business Simulation Drives Collaboration and Encourages Innovation

The HES brought together key players across the healthcare industry— including doctors, hospital administrators, government administrators and payer representatives — to collaborate in teams and manage a regional health economy.

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a learning experience when we're collaborating and working together for the well-being of that community," says Deb Gmelin, Corporate Director of the Leadership Institute at Humana. "People's perspective can change rapidly when you use experiential learning." Through an elaborate simulation, these business leaders evaluated and discussed different strategies to advance their local health economy. Making dozens of decisions from taxes and pricing to investments in programs and policies, they understood how their decisions impacted the entire healthcare system. A business year became compressed into a day or less. Participants experienced first-hand how a single action ripples through the delicate health ecosystem—sometimes with dramatic and unintended consequences.

In the end, the teams created a three-year plan that, if implemented by all the parties, would cut costs, increase preventive care, cover a population majority and enhance revenue.

"While all participants left the session with new ideas to consider within their community, the real value came from the insight that through collaboration real change can take place within the healthcare system," said Ray Vigil, former Chief Learning Officer at Humana.

The Momentum Continues

Over the last two years, Humana has hosted 10 of these business simulation sessions throughout the United States. The communities have ranged from large urban cities, like Chicago and Denver, to smaller communities like East Tennessee and Scottsdale, Arizona. In each case, the anecdotal evidence captures the deep impact and the changes to the level of collaboration to build a better healthcare system even after the simulation concluded. As more and more communities participate in the simulation, the impact in those communities will gradually start to create the momentum for a better national healthcare system.

Dr. Richard Carmona, former U.S. Surgeon General, reflected, "Americans wanted and expect the best healthcare, but they want it yesterday and they don't want to pay for it. In simulations like the HES, we see that everyone has to give a little. I've seen nothing else like it. I love this program."

Learn More

In the following BTS video, Humana employees discuss the Health Economy Simulator. To watch the full video, [click here](#).

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