

A Novel Approach to Modeling the Impact of the Novel Coronavirus

Terry Health’s model supports hospitals as they confront an uncertain recovery from COVID-19

Contact: Carol Navin

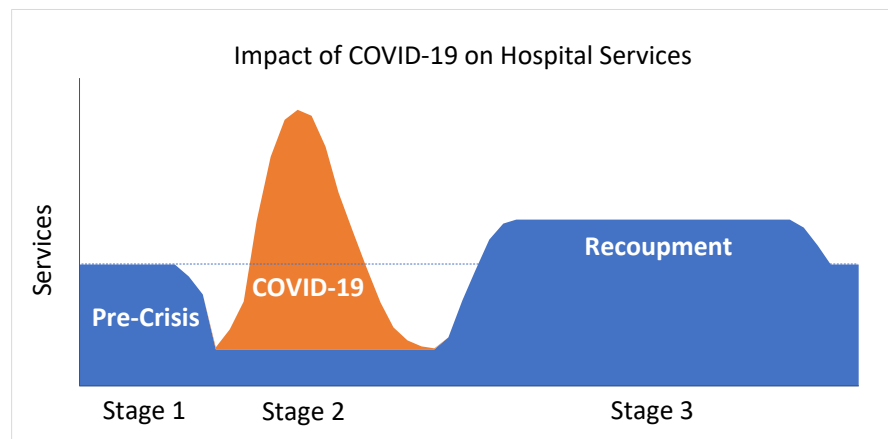
Phone: 312-574-1502

Email: carol.navin@terryhealth.com

Chicago, Illinois, April 16, 2020 – Hospitals are facing an historic squeeze.

Hospitals have been ramping up to meet the surge in COVID-19 patients, at a time when non-essential services have been shuttered, including elective surgeries and related procedures that often account for 20% to 40% of revenues. Hospital CFOs are increasingly concerned by the far-reaching financial consequences of COVID-19.

The biggest challenge facing hospitals is managing the mitigation and recovery process in the face of enormous uncertainty. What is the shape and duration of the surge? What is the timing and phasing-in of the recovery—and the resulting recoupment of lost revenues?



Terry Health has developed an interdisciplinary decision support tool that integrates epidemiological models with financial actuarial methodologies. This integrated tool is used to model the uncertainty of the post-COVID-19 recovery period. Terry Health’s tool uses a building block approach that identifies and organizes clinical, financial and operational variables that will impact hospitals in the near- and long-term.

Hospital leadership can customize the pandemic curve to their specific market and organization, to dynamically model multiple scenarios. These projections can then help forecast financial performance, inform strategy and benchmarks for payer contracting, and inform decisions about operational readiness to resume deferred services.

“Our model is a collaborative effort that reflects actuarial expertise—as well as clinical and operational experience—to assist our clients with planning to navigate the current crisis. This tool allows management to make educated course adjustments to achieve best outcomes,” said Yi-Ling Lin, Principal Actuary at Terry Health. Dr. Fan Zhang, Physician Consultant at Terry Health, added, “We work very closely with our clients to tailor the model, since each hospital system has a different patient, clinical, and operational profile.”

For further information about this innovative modeling approach, please visit terryhealth.com.

Terry Health brings together financial, analytical, clinical and operational expertise to develop strategies for managing risk, cost, and quality in the journey toward value-based care. Our team includes actuaries, physicians, PhDs, CFA charterholders and CPAs. Our clients include a broad spectrum of healthcare industry stakeholders: health systems and physicians, ACOs and clinically integrated networks, health plans and employers.

Terry Health is the healthcare arm of The Terry Group and is based in Chicago, with offices in Denver, New York City and Washington, D.C. (via our aligned research organization, the Global Aging Institute).