

*Project Management:*  
The Engine of the Harvard  
Pilgrim Health Care  
Turnaround

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# Agenda

## Introduction and Grounding

- Overview
- Background of the HPHC Crisis

## The Project Management “Engine”

- Establishing PM and the PMO
- Communication, Campaigns, Tools, Processes

## Beyond the Turnaround

- HPHC PMO evolution
- Lessons Learned

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# Session Objectives

- Simple Solutions have **BIG** effect
  - How Pre-establishing Project Management and a PMO Will Ensure Long Term Success
  - How to Receive Senior Executive Buy-in
  - How to Place the PMO on the Corporate Map
  - How to Establish Accountability
  - How to Create the “Right” Methodology and Develop a Successful Tool Kit

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# Business Success

Profitability

**Delay**

Success

Restart

Customer Loyalty

Over-Budget

Under-Resourced

Cancel

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# Industry Benchmarks

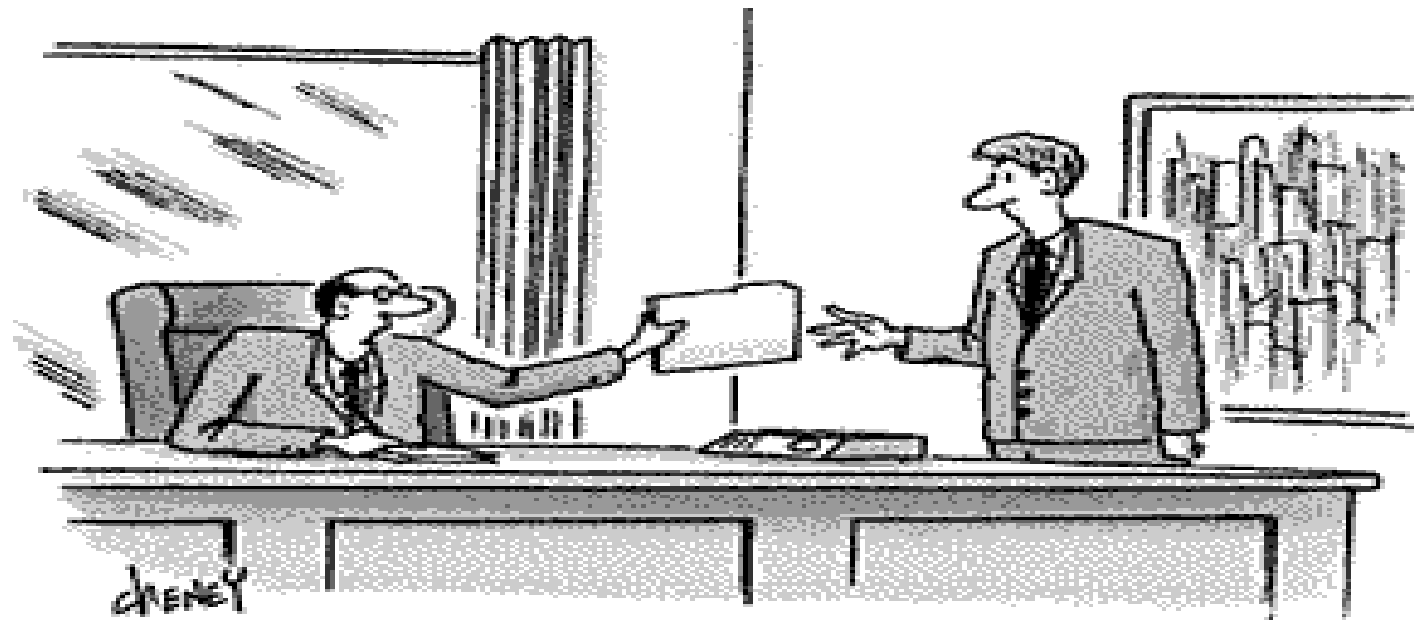
- Approximately 68% of IT projects were not delivered on time/budget
- A little more than half of all companies do not have a criteria to define project success
- Nearly 70% do not track benefits of their projects
- 75% of organizations have little visibility into their entire project portfolio
- As few as 5% of all companies actually invest the time and energy to track accrued benefits

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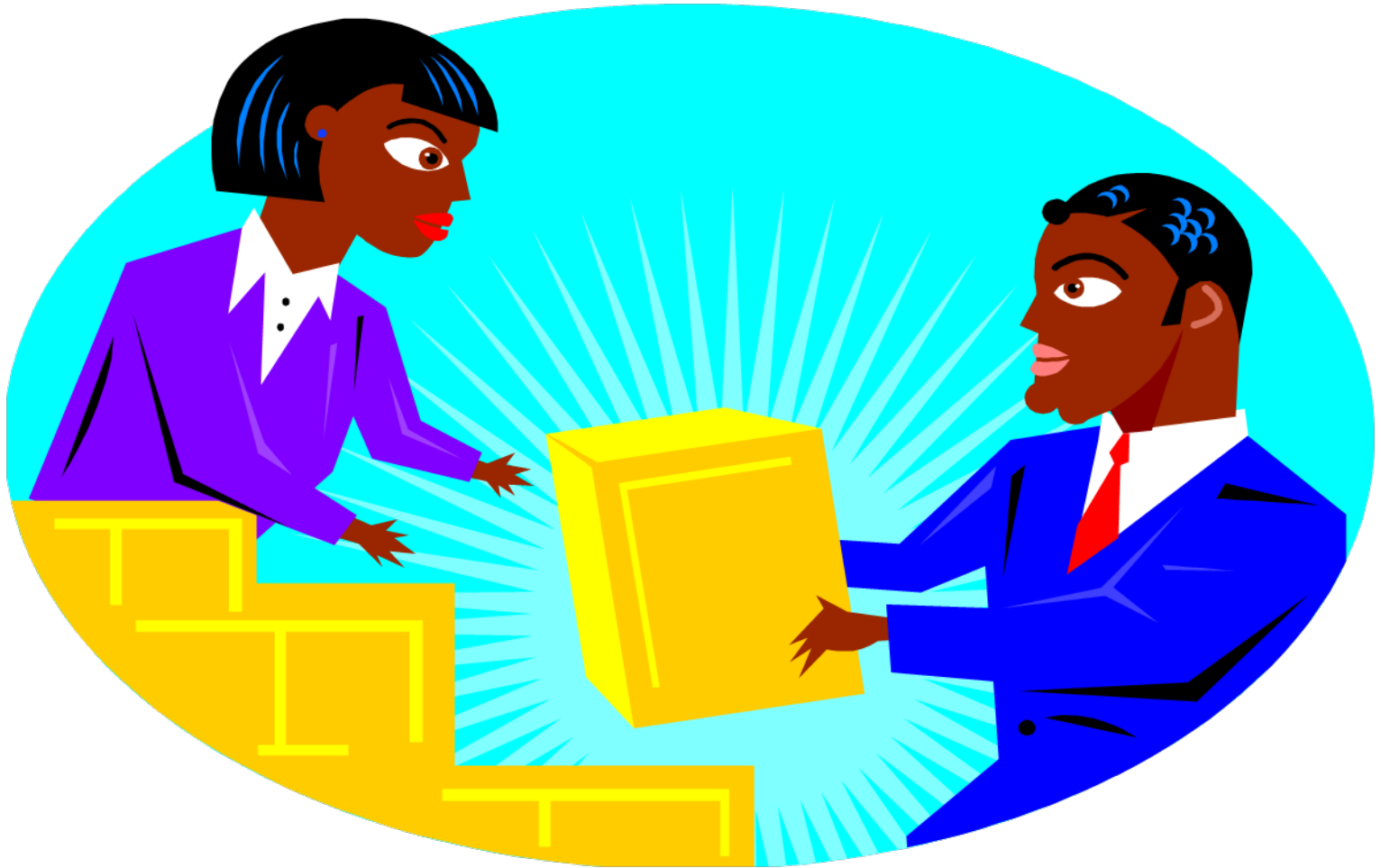
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# Without Project Management...



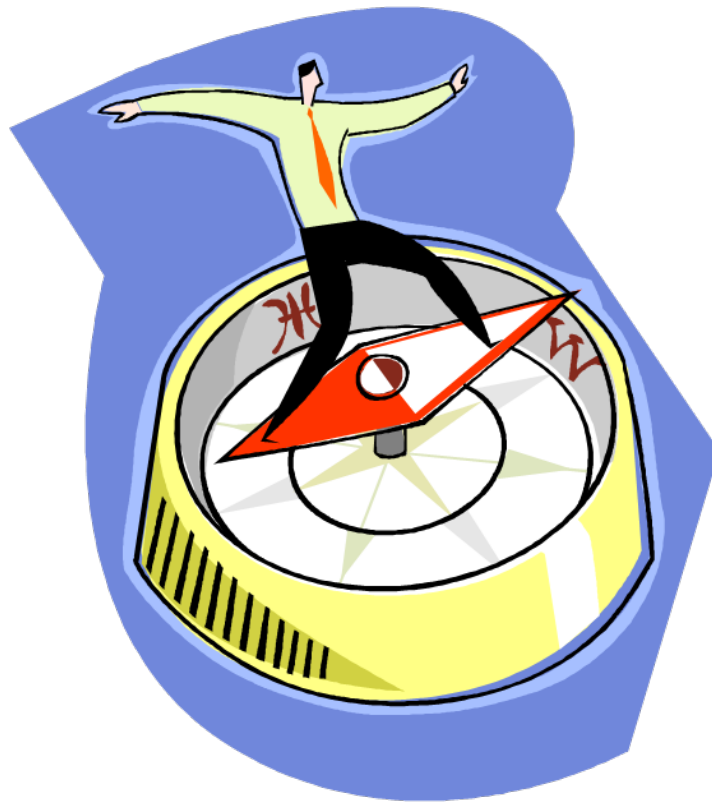
***“I’d like to stall this project into the ground—hand it over to one of our action committees.”***



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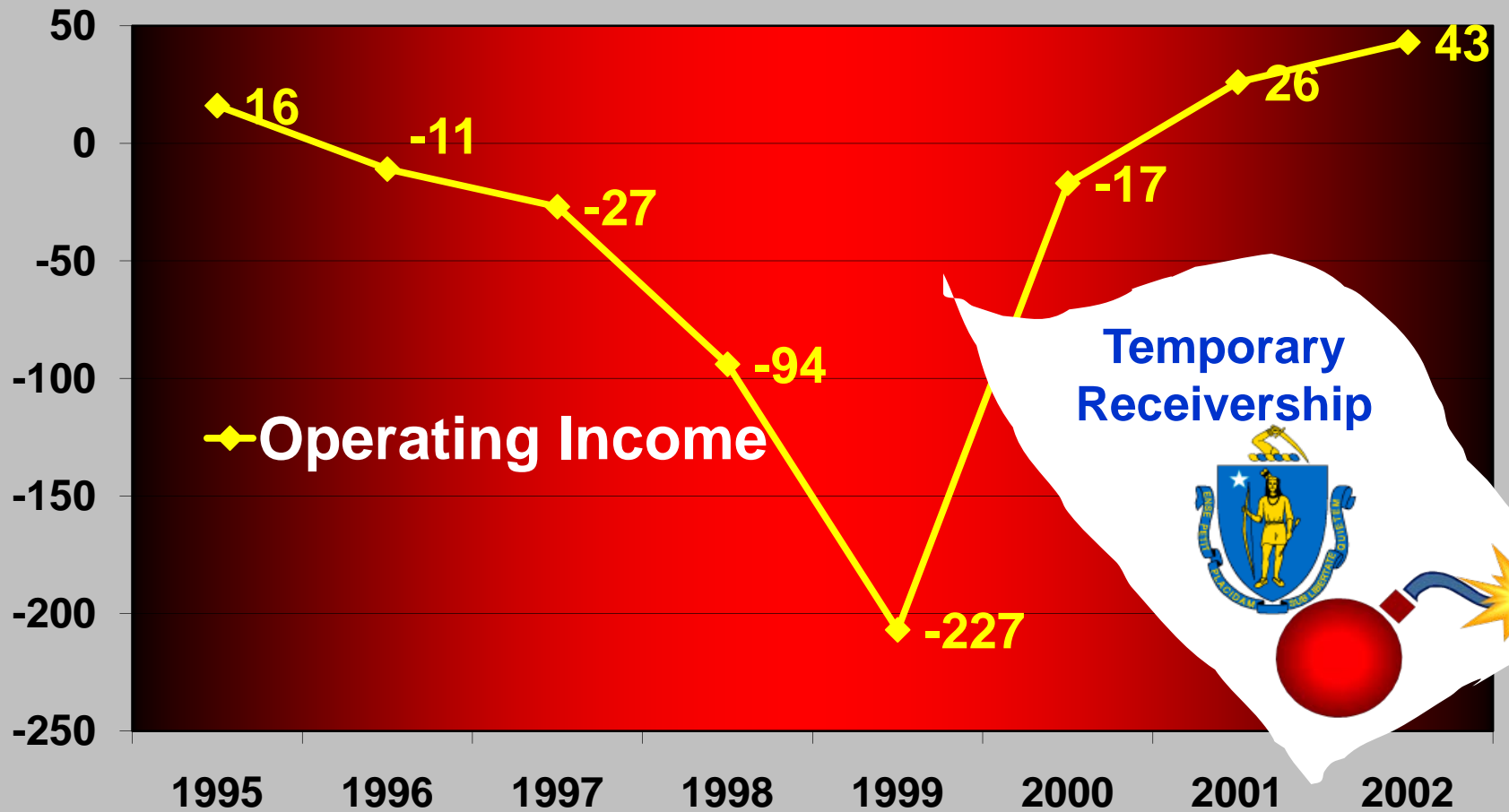


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# Financial Performance \$(M)



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# Awards & Recognition

Harvard Pilgrim Health Care ranked #1 on the "America's Best Health Plan" list for 3 years in a row  
*U.S. News & World Report/NCQA*



Harvard Pilgrim Health Care's HMO recognized three years in a row for providing "An Outstanding Member Experience."  
*J.D. Power & Associates*

"Highest in the Northeast" 2007 National Health Insurance Plan Satisfaction Survey  
*J.D. Power & Associates*



"Best Place to Work" in Massachusetts, 5 years  
*Boston Business Journal*

Source: Quality Compass® 2004, 2005 and 2006 and is used with the permission of the National Committee for Quality Assurance (NCQA). Quality Compass is a registered trademark of NCQA. NCQA is a private, non-profit organization dedicated to improving health care quality.

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"America's Best Health Plans" is a trademark of U.S. News & World Report

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# Where Credit is Due

Turnaround was enabled by these Projects

- Because they were “Effective”

Project Management (the engine) enabled project success

- Because it was “Efficient”

The people performed the work

- Because they were “Passionate”

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# Pre-Establishing PM & PMO

- ❑ Establish a culture of discipline
- ❑ Be clear about the problems to be tackled through Project Management
  - ❑ Speed up decision making
  - ❑ Improve accountability
  - ❑ Understand interdependencies
  - ❑ Needed clear and constant communication about:
    - ❑ **Priority projects (the agenda)**
    - ❑ **Project management (the method)**
    - ❑ **Project progress (the pulse)**
  - ❑ Market your (PMO) organization

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# Executive Buy-in

- Good business management
- Align with “believers”
- Communicate small wins
- Be patient

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# Establishing PM Approach

- Do it backwards

- Exactly the opposite of what you might have learned next door

- Do it “bottom up”

- Specific solutions to identified problems
- Started with a Project Reporting process
- Rolled up to an Exec Reporting process
- A process and a forum for issues
- Enabled by a couple of forms

**Look Ma,  
No life cycle!**

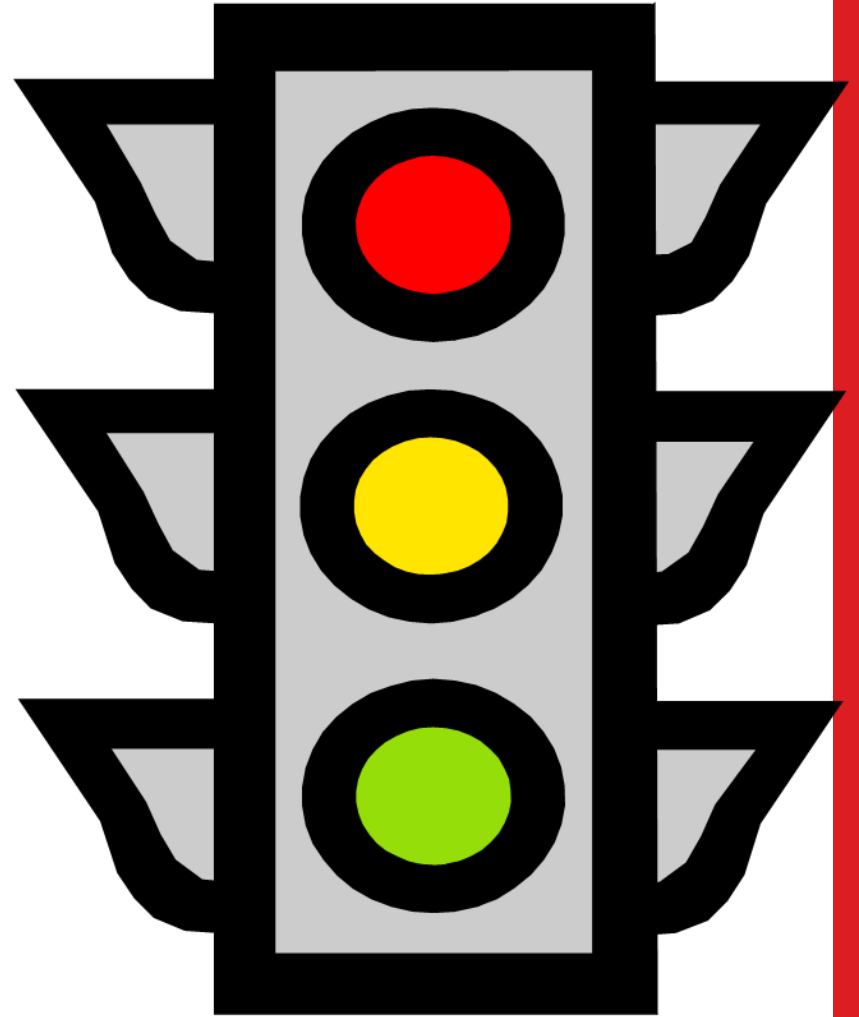
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# “Simple” Status

Based on a Color Scheme



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# Project Status Reports

## Top of Form

Project Status Report		Summary Update:		PM/PL Status
as of:	January 1, 2001	<b>Summary for Execs</b>		<b>G</b>
Project ID:		Project Name:		
Exec. Leader:		Project Leader:		Project Manager:
Project Goal:				Project Start:
				Project End:
Recent Activities/Accomplishments:		Incoming Events:		
1	<b>Accountability: Names, Dates</b>			
2				
3			3	
4	<b>Last Week</b>		4	<b>Next Two Weeks</b>
5			5	
6			6	
Status Legend: <b>G</b> = as planned; <b>Y</b> = corrective action being taken; <b>R</b> = senior management attention required				

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# Project Status Reports

## Bottom of Form

Status Legend: **G** = as planned; **Y** = corrective action being taken; **R** = senior management attention required

Major Milestones:		Baseline	New Est.	Var	O/C	GY	Risk Key
1					0	G	
2					0	G	
3							
5							
6					0	G	
7					0	G	
8					0	G	
9					0	G	
10					0	G	
Major Risks/Issues:		Mitigation Action:		Back to "G"			
A							
B							
C							
D							
E							
F							

**Risks, Issues**      **What is being done**

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# Resource Management

## “Dim Lights On”

### Personnel

Nothing fancy

Rolled out the Project Resource Plan (PRP)

Aggregated PRP Info into MS Access dB

### Resource Group Meetings


- All departments represented
- Weekly, Monthly, Quarterly
- Immediate assignment

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# Project Resource Plan

		Duplicate Row		Delete Row		Hide/Unhide Year 2		Year 1 = 2001		Year 2 = 2002				
		Project ID: M24B		Project Name: Benefit Administration Process Redesign				2001	2001	2001	2001	2001	2001	2001
#	Functional Area	Skill Set / Role	C/U	Last Name	First Name	PrmiTot	Jan	Feb	Mar	Apr	Mag	Jun	Jul	
1	Customer & Product Mgmt	BRT, BIT, M, O, Q, S	C	ABBOTT	MIKE	5.00		1.00	1.00	1.00	1.00	1.00		
2	Customer & Product Mgmt	BRT, G, M, O, Q, BPAC	C	ANDERSON	RENAE	5.00		1.00	1.00	1.00	1.00	1.00		
3	Customer & Product Mgmt	BIT	C	ANDREWS	LORRI	0.40			0.10	0.10	0.10	0.10		
4	Information Technology	S	C	ANSCHUTZ	JOHN	1.00			0.25	0.25	0.25	0.25		
5	Customer & Product Mgmt	CTT, B	C	BEST	SHERRI	1.00			0.25	0.25	0.25	0.25		
6	Medical Management	BSG, CTT, I, BPAC	C	BLAIR	RALPH	1.00			0.25	0.25	0.25	0.25		
7	Other	BPAC	C	BONIN	DEBORA	0.40			0.10	0.10	0.10	0.10		
8	Other	BSG, CTT, I, BPAC	C	BOWMAN	LYNN	1.00			0.25	0.25	0.25	0.25		
9	Other	BIT	C	BERGIN	MARY ELLEN	0.40			0.10	0.10	0.10	0.10		
10	Other		U	BOWERS	MARY ANN	0.40			0.10	0.10	0.10	0.10		
11	Medical Director's Office	BIT	C	BURKE	JACK	0.40			0.10	0.10	0.10	0.10		
12	Other	CTT, U	C	BYRNES	CHRISTINE	0.40			0.10	0.10	0.10	0.10		
						0.80								
						0.40								
						0.40								
						0.40								
						5.00		1	.5	.5	.5	.2	.2	
18	Other	TEAM LEAD: G, I, L, BPAC	C	BREAULT	MICHELLE	1.20			0.30	0.30	0.30	0.30		
19	Other	BIT	C	CHARLTON	LYNNE	0.40			0.10	0.10	0.10	0.10		
20	Other	BIT	C	CLANCY	RIC	0.40			0.10	0.10	0.10	0.10		
21	Other	BRT, M, O, Q	C	CREMENS	CAILIN	4.00			1.00	1.00	1.00	1.00		
22	Claims	BIT	C	DAMON	PETER	0.40			0.10	0.10	0.10	0.10		
						0.40			0.10	0.10	0.10	0.10		

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# Campaigns Work!

- Execute your vision
- Consolidate the efforts of the organization into a theme
- Communicate Wins

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# “Baker’s Dozen”

Posters

Published publicly

Update Checkboxes weekly

Free Cookies!

FOCUS!



## Baker's Dozen - Thirteen Weeks to 01<sup>3</sup> (01/01/01)

*Count Down of Achievements for a Successful 2001*



- |                          |   |
|--------------------------|---|
| <b>Week One</b>          | <b>October 2nd</b>  |
| <input type="checkbox"/> | Operating System Upgrade Completed  |
| <input type="checkbox"/> | HPHCconnect Ver 1.2 - Enhancement of Early Adopter Enrollment Application Released        |
| <input type="checkbox"/> | New Pre-sale Enrollment Kits Ready for Sales Teams  |
| <input type="checkbox"/> | Small Group Product Redesign Completed  |
| <b>Week Two</b>          | <b>October 9th</b>  |
| <input type="checkbox"/> | Early Lease Terminations Completed  |
| <input type="checkbox"/> | Annual notice of change letter to First Seniority members sent                            |
| <input type="checkbox"/> | National PPO Network Implementation Plan Finalized  |
| <b>Week Three</b>        | <b>October 16th</b>   |
| <input type="checkbox"/> | Financial Management System Project Kick-Off  |
| <input type="checkbox"/> | HPHCconnect Ver 1.3 - Pilot Automation of Internal Employer Account Setup                 |
| <input type="checkbox"/> | All Outstanding Hospital (Pre-99) Settlements Completed                                   |
| <b>Week Four</b>         | <b>October 23rd</b>   |
| <input type="checkbox"/> | HIPAA Compliance Audit Completed  |
| <input type="checkbox"/> | MA Employer Guide Printed & Ready for Distribution  |
| <b>Week Five</b>         | <b>October 30th</b>   |
| <input type="checkbox"/> | Mailing Production Request/Estimation Form (Electronic) Implemented                       |
| <input type="checkbox"/> | Commercial Member (Post-Sale) Materials Ready for Distribution                            |
| <input type="checkbox"/> | Member Information Confidentiality Guidelines Approved                                    |
| <input type="checkbox"/> | Provider Contract Implementation Audit Completed  |
| <input type="checkbox"/> | NH Employer Guide Printed & Ready for Distribution  |
| <input type="checkbox"/> | Reengineered Contract Implementation Process Implemented                                  |
| <b>Week Six</b>          | <b>November 6th</b>   |
| <input type="checkbox"/> | Claims End-to-End Process Improvements Operationalized                                    |
| <input type="checkbox"/> | HPHCconnect Ver 1.4 - General Release of Enrollment Application                           |
| <input type="checkbox"/> | Medical Management Pend/Auth/Appeals Process Improvements Implemented                     |
| <input type="checkbox"/> | First Seniority Employer Guide Printed & Ready for Distribution                           |
| <b>Week Seven</b>        | <b>November 13th</b>  |
| <input type="checkbox"/> | First Seniority Member (Post-Sale) Materials Ready for Distribution                       |
| <input type="checkbox"/> | Commercial & First Seniority Member ID Cards & Member Material Mailings Begin             |
| <b>Week Eight</b>        | <b>November 20th</b>  |
| <input type="checkbox"/> | Enrollment & Billing Account Reconciliation Completed                                     |
| <b>Week Nine</b>         | <b>November 27th</b>  |
| <input type="checkbox"/> | Mailing Production Redesign Process Improvements Implemented                              |
| <input type="checkbox"/> | Non-Group Products in Compliance with New MA State Mandates                               |
| <input type="checkbox"/> | First Seniority Management Improvements Operationalized                                   |
| <input type="checkbox"/> | Medicare Re-Reimbursement (PIP DCG) Operationalized                                       |
| <input type="checkbox"/> | Behavioral Health Data Exchange Testing Completed   |
| <b>Week Ten</b>          | <b>December 4th</b>   |
| <input type="checkbox"/> | HPHCconnect Ver 1.5 - General Release of Employer Roster Matching/Verification            |
| <input type="checkbox"/> | HPHCconnect Ver 1.5 - General Release of EDI PCP Selection Functionality                  |
| <input type="checkbox"/> | Member Enrollment Call Center Prepared (including equipment upgrade & new staff training) |

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# Project Opportunity Statement

<b>Project Name:</b>		<b>Project ID:</b>	
<b>Exec Leader:</b>		<b>Project Leader:</b>	<b>Project Manager:</b>
<b>Start Date:</b>		<b>End Date:</b>	<b>Date Submitted:</b>

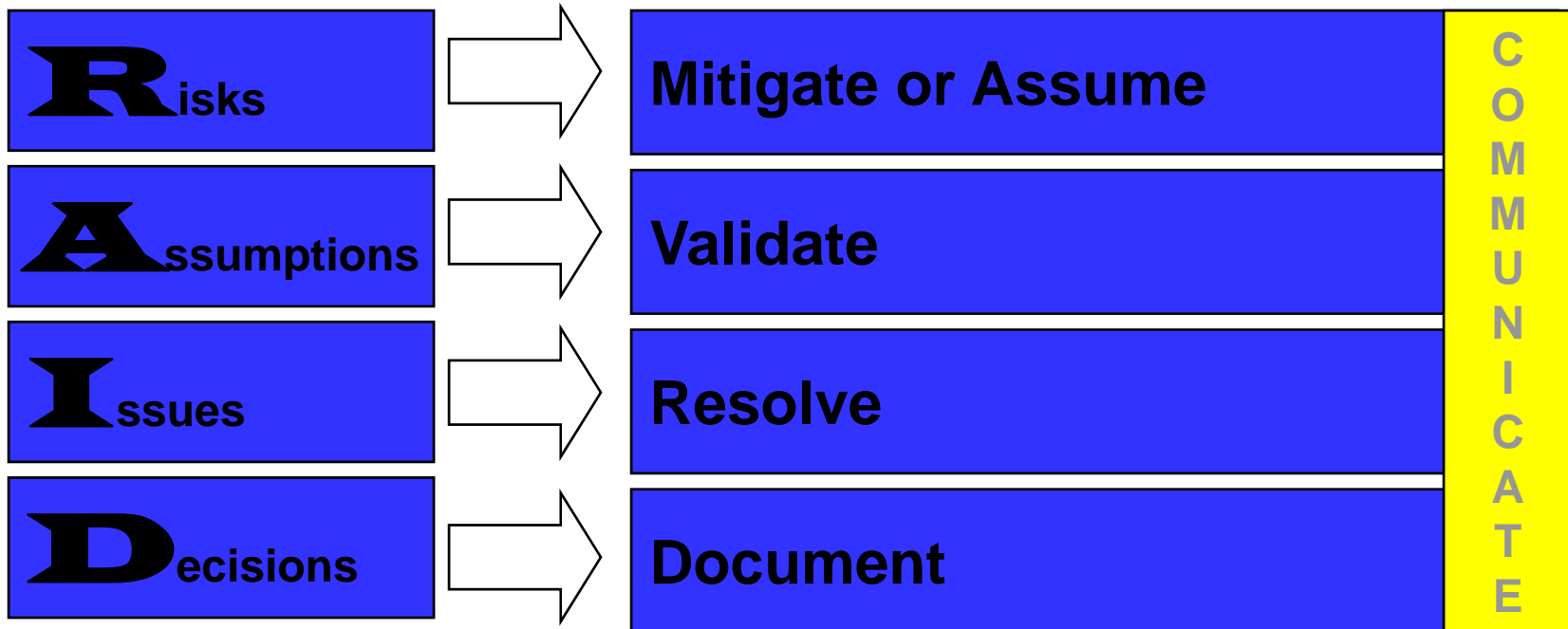
- Business Opportunity
  - Goal
  - Scope
- Business Outcomes
  - Deliverables
  - Signoff

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# RAID



## *Action*



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# RAID Template

Sort & Renumber

RAID (Risks, Assumptions, Issues, Decisions)

sorted by "open/closed", then "date due"

Seq #	UID	RAID Code	DESCRIPTION and IMPACT	DATE OPENED	OWNER	ACTION TO BE TAKEN / STATUS / RESOLUTION	DATE DUE	DATE CLOSED
1	1							
2	2							
3	3							
4	4							
5	5							
6	6							
7	7							
8	8							
9	9							
10	10							
11	11							
12	12							
13	13							

RAID Log / Definitions List

What

Who

Status

When

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# Project Communications Plan



# Project Communications Plan

<b>Stakeholder</b>	<b>Message</b>	<b>Method</b>	<b>Owner</b>	<b>Timing</b>
<b>Big Boss</b>	<b>Project Status</b>	Face 2 Face Meeting	<b>PM</b>	Weekly Fri 9-10
<b>Ops Managers</b>	<b>Project Status</b>	E-Status Report	<b>Steven</b>	Every 2 weeks
<b>Project Team</b>	<b>Schedule Reviews</b>	Face 2 Face Meeting	<b>PM</b>	Thursdays 2-3 pm
<b>End-Users</b>	<b>Functional Updates, calendar of events</b>	<b>Posters</b>	<b>Susan</b>	Quarterly
<b>PMO</b>	<b>Updated Project Plan Docs</b>	<b>Document Database</b>	<b>Harold</b>	Every 2 weeks

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# Then a funny thing happened...

**Project Managers transitioned from “being held accountable” to “ownership”.**

**They no longer needed PM principle forced on them**

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# Then a funny thing happened...

- ***They* came thru on their projects –**
  - **With “remarkable success”**
- **Why?**
  - **Proved that Project Management works**
- ***They* adopted PM as their own**
  - **They worked their own issues**
  - **They provided their own rigor**
  - **They provided their own motivation**

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# Then the PMO reacted...

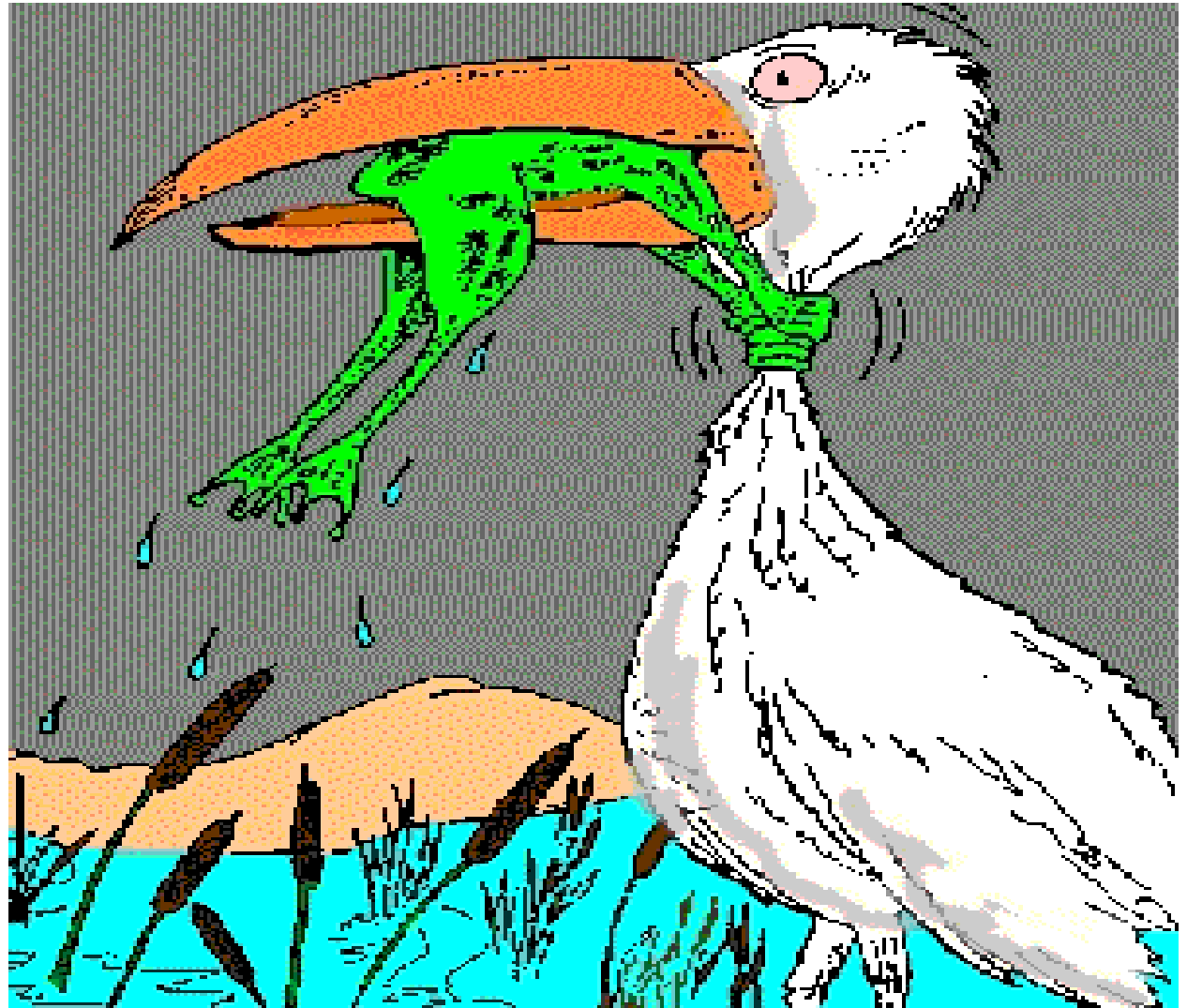
- **The PMO backed off**
  - We slowed then stopped our issues meetings
  - We stopped our resource meetings
  - We stopped our PM/PL status readouts
- **We became a “service” organization**
  - Our PMs started helping us
    - Pointing at holes in our processes
    - Telling us how we could support them better
  - Aiding execs in portfolio management



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Never  
Give Up!



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# PMO Mission

## Project Management Office Mission Statement

***Enable the successful management and completion of HPHC's strategic initiatives – effectively and efficiently.***

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# PMO Mission, v.2

## Project Management Office Mission Statement

*Successfully support tactical execution of a  
strategic vision.*

*(and a whole lot more.)*

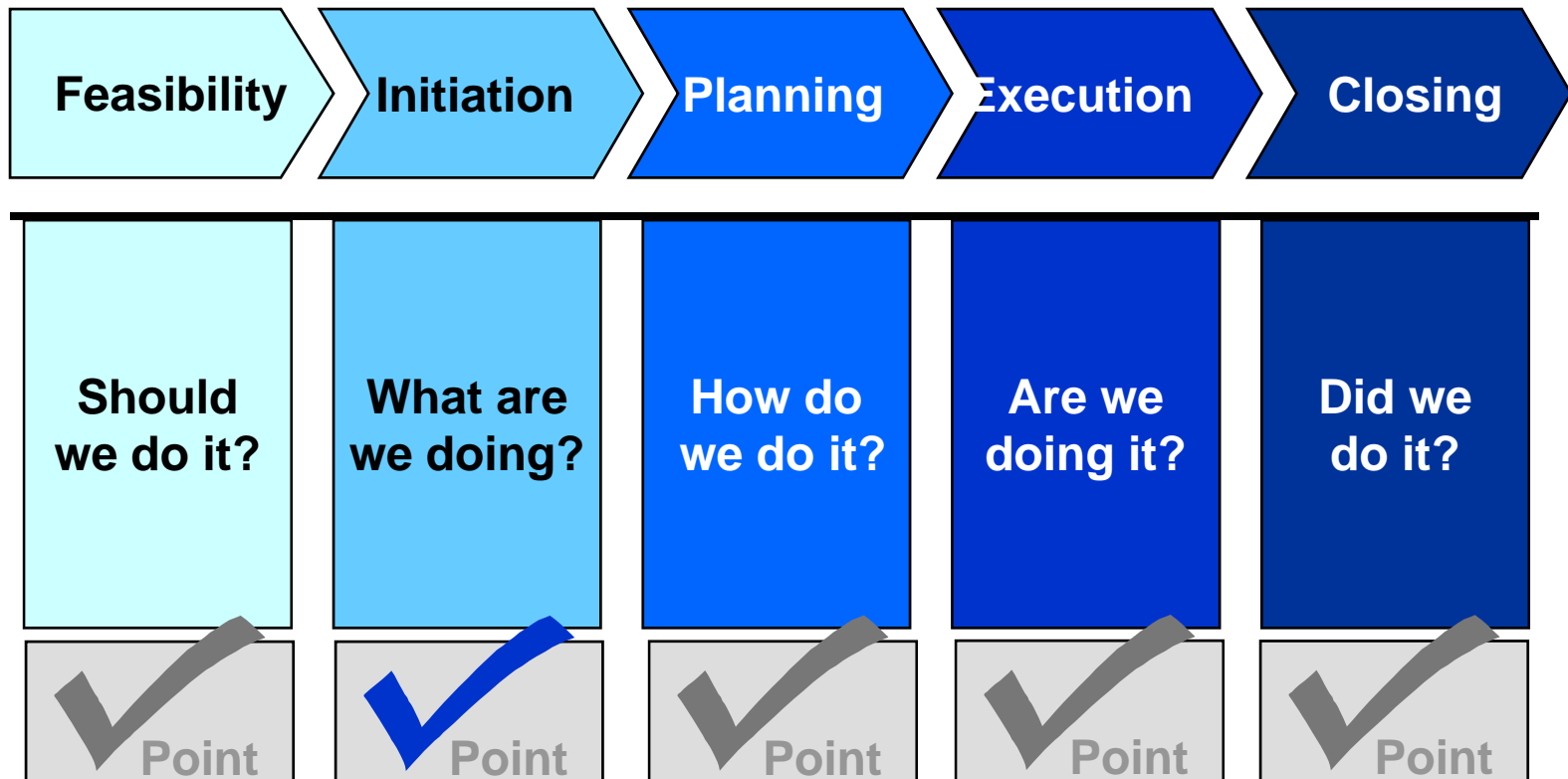
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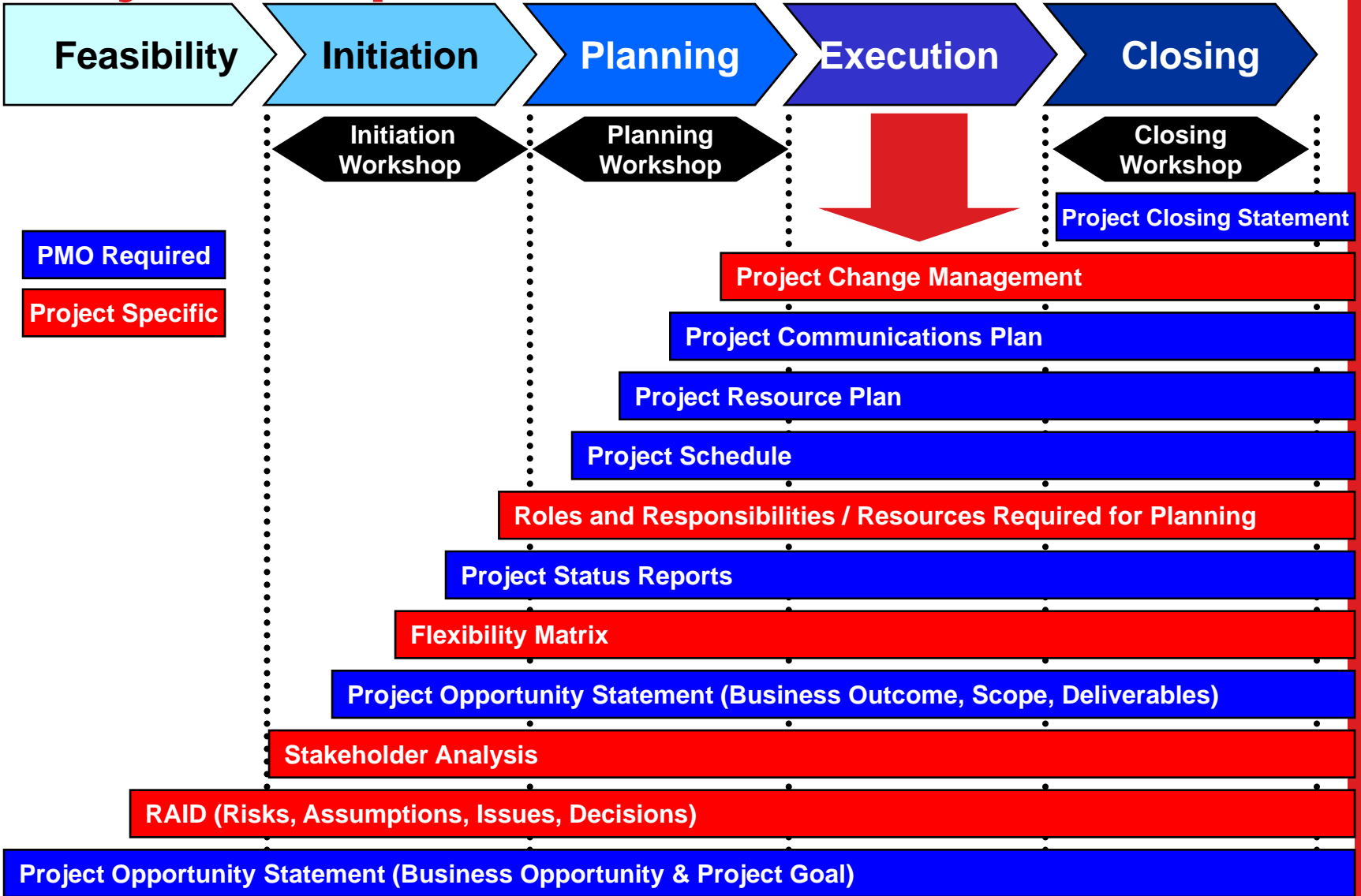
# A Project Management Life Cycle (PMLC)

...at the 30,000 foot level !!!

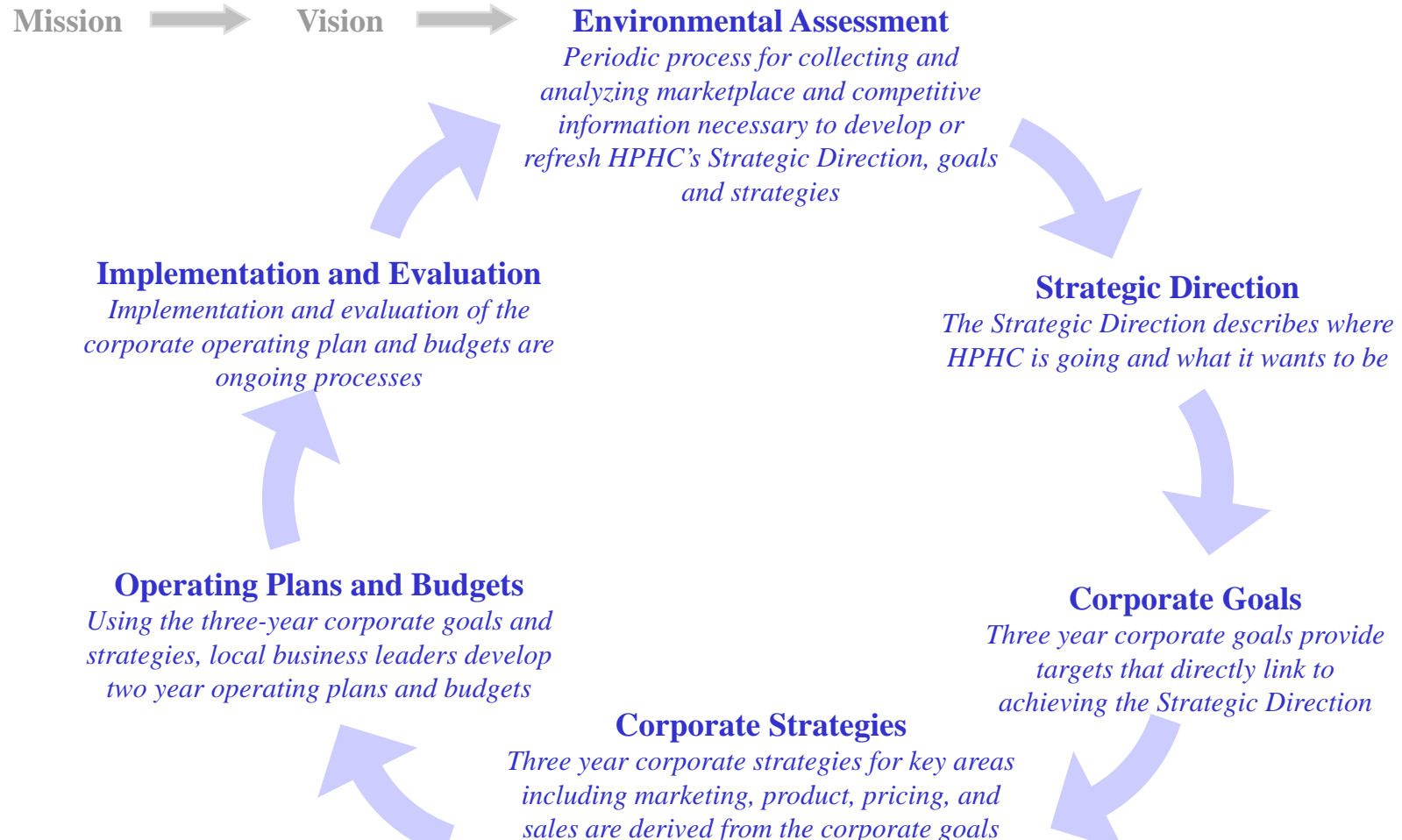


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# Project Output Model v.3



# HPHC's Strategic Process



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# Project Selection Streamlining

## **Three phase process**

Nomination  
Prioritization  
Selection

## **Nomination Process**

Process will not apply to mandates (unless new)  
Process will not apply to carry-overs (unless significant changes)  
Streamlined ppt. template  
Advance communications with due dates

## **Prioritization Process**

Pairwise results drive 1<sup>st</sup> pass priorities  
Introduce Portfolio Mapping  
Provide Guiding Questions

## **Selection Process**

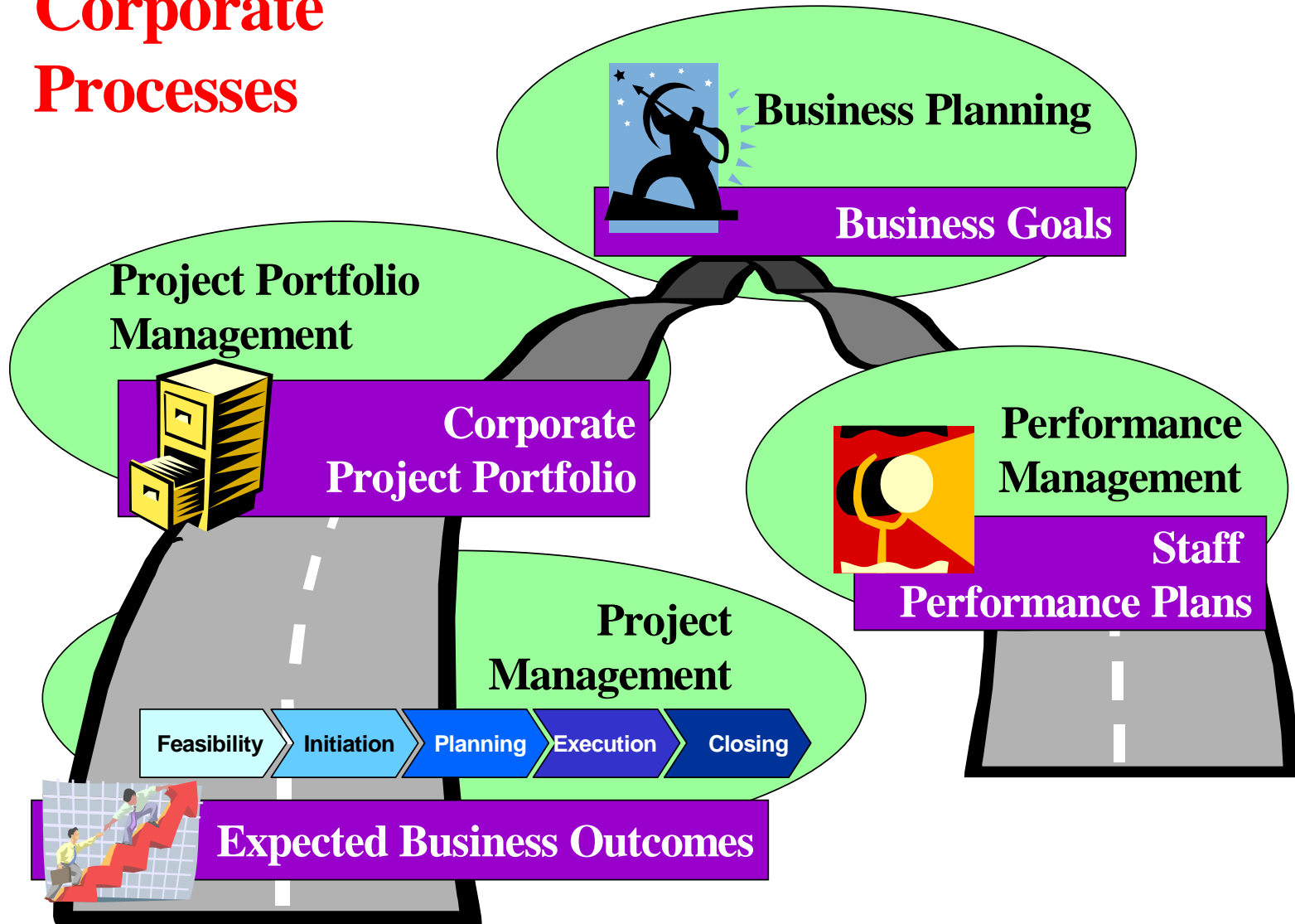
Review Prioritization Process  
Identify water line, if necessary

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# Corporate Processes





# PMO Services

**PMO**

Project Management Office

## Project Support

- Project reviews/evaluation
- Project Launch/Closure
- Workshop facilitation
- Assist with troubled projects
- Lessons learned

## Methodology and Standards

- Maintain the PM Approach
- Adherence to PM Standards
- Promote PM Methods
- Accessibility to templates
- Maintain Project Reporting Database (PRD)

## Training

- HPHC PM Approach
- Managing Project Execution
- Business Process Redesign (BPR)
- Project Risk Management
- Scheduling with MS Project 2000
- Visio
- Conducting the Project Initiation Workshop (PIW)
- Conducting the Project Planning Workshop (PPW)
- Executive Project Management Seminars
- “Best Practice” Brown Bag sessions

## Consulting

- Knowledge Transfer
- PM Best Practices
- PM Forum

## Project Portfolio Support

- Executive Reporting
- Project Status / Risk
- Quarterly Portfolio Reviews
- Project Portfolio maintenance

## Project Manager Resources

- Identification of PMs for projects
- Identification of Project Coordinators
- Manage Projects

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# PMO Evolution

**Decrease in crisis mode could mean a decreased rigor in applying PM discipline**

**Requires continued Sr. Mgt. endorsement to sustain Support Project Management Profession**

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# Maintain a PM Community

## PORTFOLIO MEETINGS

### Project Updates

- All projects
- Standard format

### Resource Management

## PMPL

### Project Spotlight

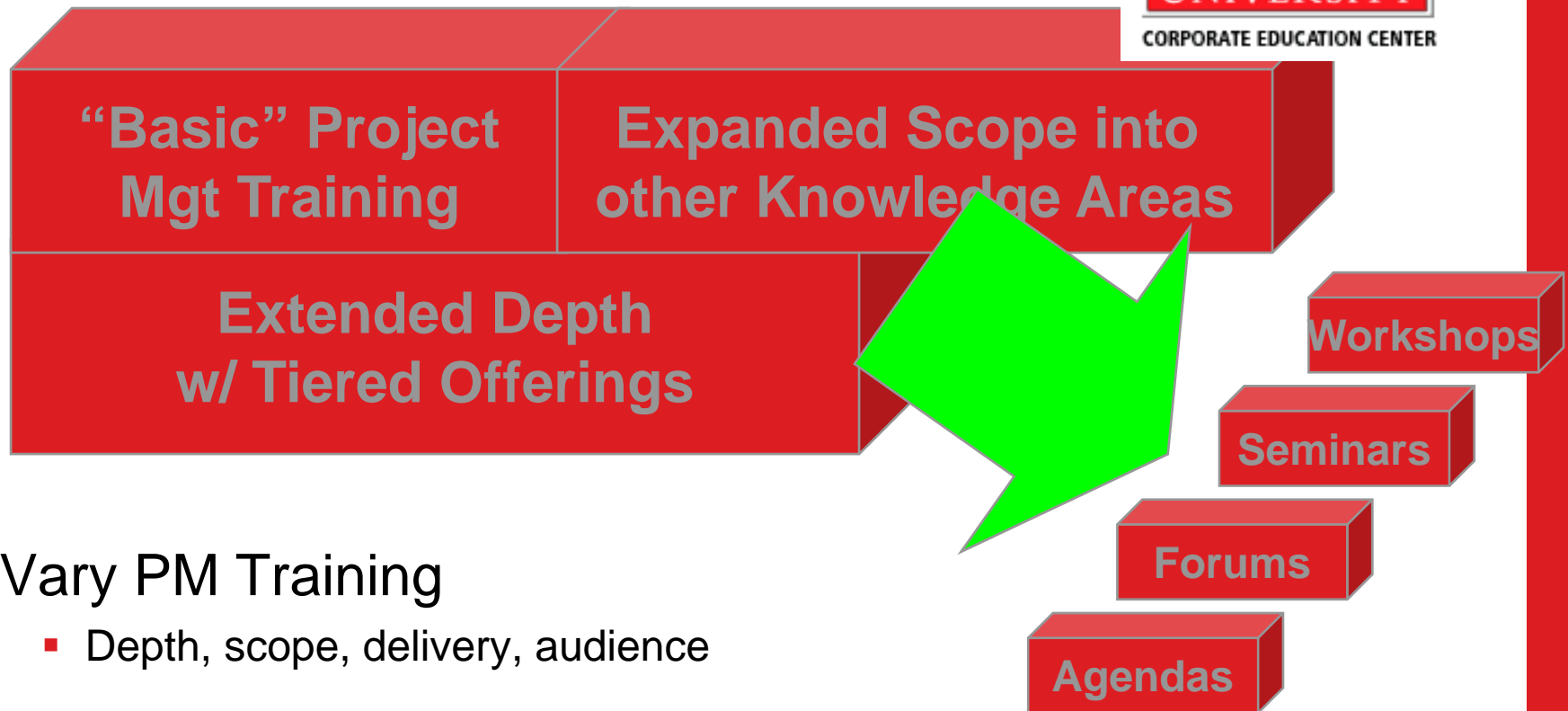
- Selected projects
- Informal
- Addresses specific issues

- Best Practices
- News/Forum

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# Enhanced Training



## Vary PM Training

- Depth, scope, delivery, audience

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# Customer Surveys

Yearly survey with our Project Management customer base

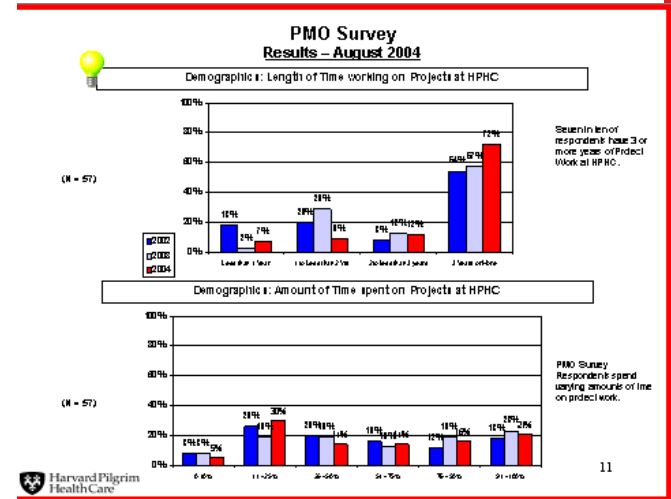
- Assess services provided
- Query for next year's needs



Drives the yearly PMO objectives

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# Maintain Your Value Statement

## Training

- “Soft” skills
- e-Learning

## Expected Behaviors

## Project Portfolio Management

- Expand service to Senior Management

## Solidify the PM Career Path

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# Lessons Learned



“The HPHC Turnaround” was enabled by Projects

- “Effective”

Project success was enabled by Project Management

- “Efficient”

Staff accepted the Culture Change and performed the work

Behavioral acceptance

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# Questions?

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