



cutting through complexity

Senior care needs analysis and service design

European Chamber

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Chandler Wang

KPMG Healthcare Management Consulting



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*Manager, Healthcare,
Management consulting*

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Function and Specialization

- Hospital strategy & operations management
- Healthcare market entry & investment
- Business transformation
- Performance improvements
- hospital A&M
- Healthcare IT solutions
- JCI accreditation
- New hospital design
- telehealth, eHealth

Background

Chandler has 10 years experience in healthcare consulting. He is specialized in hospital strategy deployments, organization restructure, operations improvements, A&M, new hospital design, healthcare IT solutions, telehealth, eHealth.

Professional and Industry Experience

Before joining KPMG, Chandler has 10 years experience in healthcare consulting. He was responsible for managing project teams in the design, development and delivery of client solutions. And leading teams to review and analyze client requirements or challenges and developing insightful proposals that ensure client satisfaction.

- Chandler was the leader of project in establishment of new clinical testing center in a 3A level hospital. He was in charge of market research to see which business model would be the best profitable to corporate level investments. It was the main part of his work to guarantee the organization change and risk management during the whole life cycle. The percentage of profit contributed by new clinical testing center was tripled than before.
- Chandler used to developed new business opportunity for a 3A level hospital by design and implement of a talent education program in which include a structured learning system which strongly connected to daily operations to make it a close loop management cycle for flexible to quick changing patients needs.
- Chandler was involved in design the layout of a new surgical campus and redesign existing out patients/emergency department in a 3A level hospital to improve its capacity against challenges from continues increased patients volume. This layout design was creatively based on flow management and mathematical modeling. After improvement it can accommodate volume needs for the next 5 years.
- Chandler was the lead of a cross business team to accomplish a successful acquisition and merge between one 3A level hospital and one 2A level hospital. The aim of this activity was to integrate each hospital's strength to form a more compatible institute in a scope of that province, and then trigger the next round of fast growth when the profitability of both of them had stopped raising after last rounds of reform 2years ago.
- Chandler provided a convincing performance solution for how to significantly increase the efficiency of budget allocation in a 3A level hospital. Assets' management and risk management were employed in this project and statistical analysis was applied as well, 40% variable cost was cut and lead time of assets' life cycle were increased 20%.
- Chandler led a project of market opportunity analysis about "smart health", which is an innovative model of E-health business, and provided solutions on telemedicine system's establishments.

Representative Clients

- Chandler's representative clients included BOH, NDRC, medical universities in China, level 3 & level 2 public hospitals in China, tier one hospitals in United States, and international pharmaceutical companies, such as Lily, GSK, Merck, Novo Nordisk, Novartis.

Key success factors to Chinese senior care investor

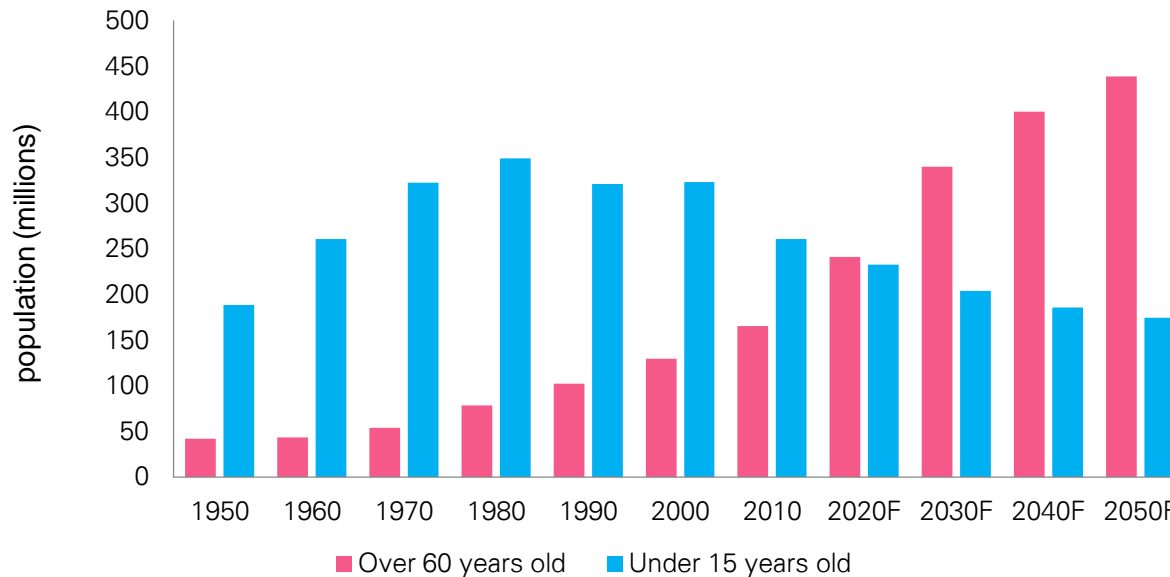
Key success factors to Chinese senior care investor:

- 1) Market size is big enough;
- 2) Market has affordability;
- 3) Market needs are clear and can be addressed by your value proposition

Key success factors to Chinese senior care investor

Chinese senior care market is big, while growing rapidly.

China's Demographic Shift 1950-2050

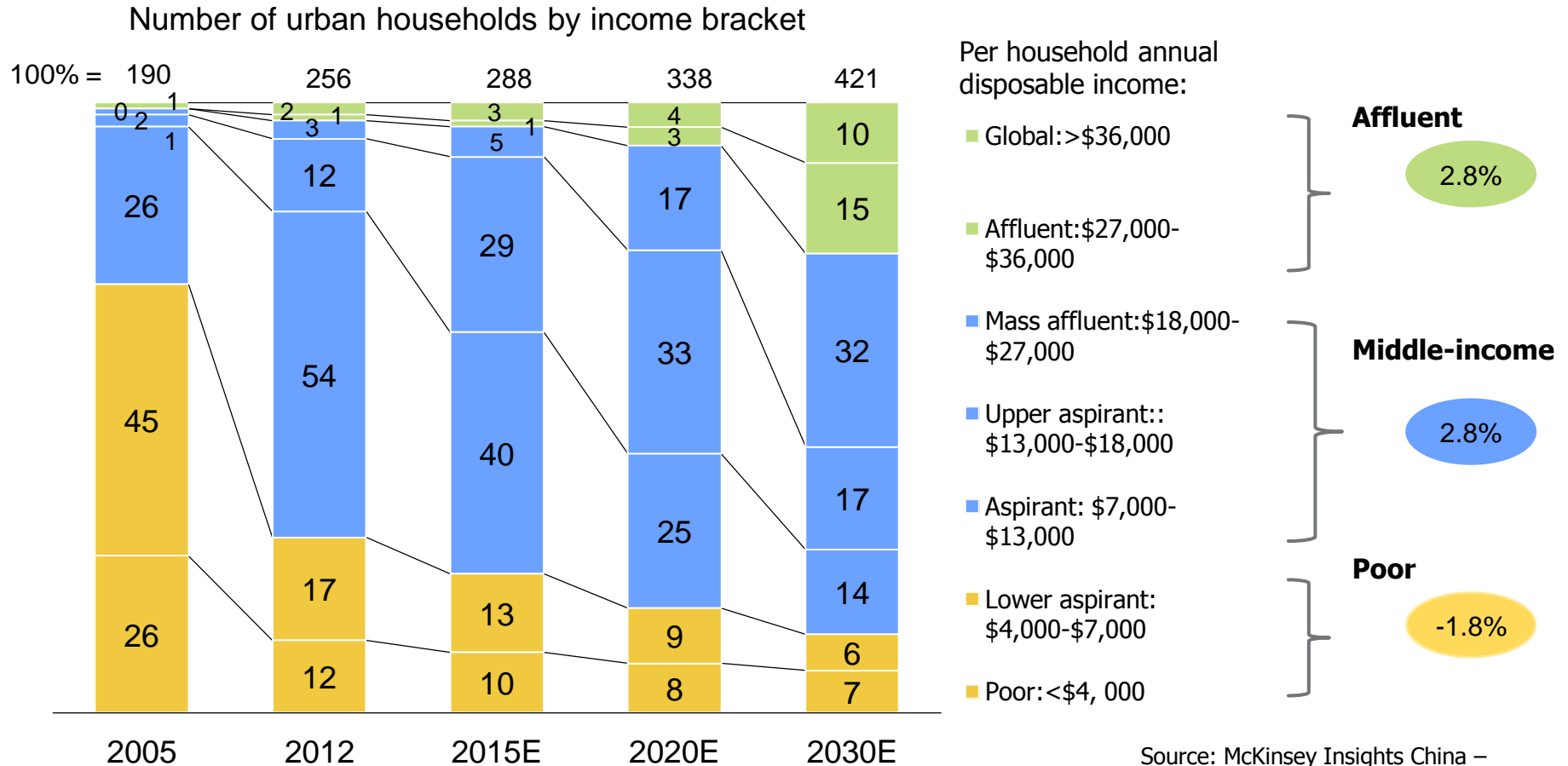


Sources: United Nations

<http://data.un.org/Search.aspx?q=China%u2019s+working-age+population+from+1950-2050>; KPMG analysis

Key success factors to Chinese senior care investor

Chinese has affordability for senior care.



Source: McKinsey Insights China – Macroeconomic model update (Apr 2012)

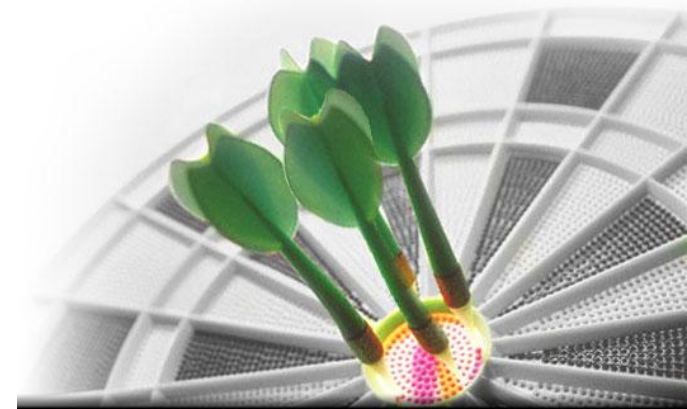
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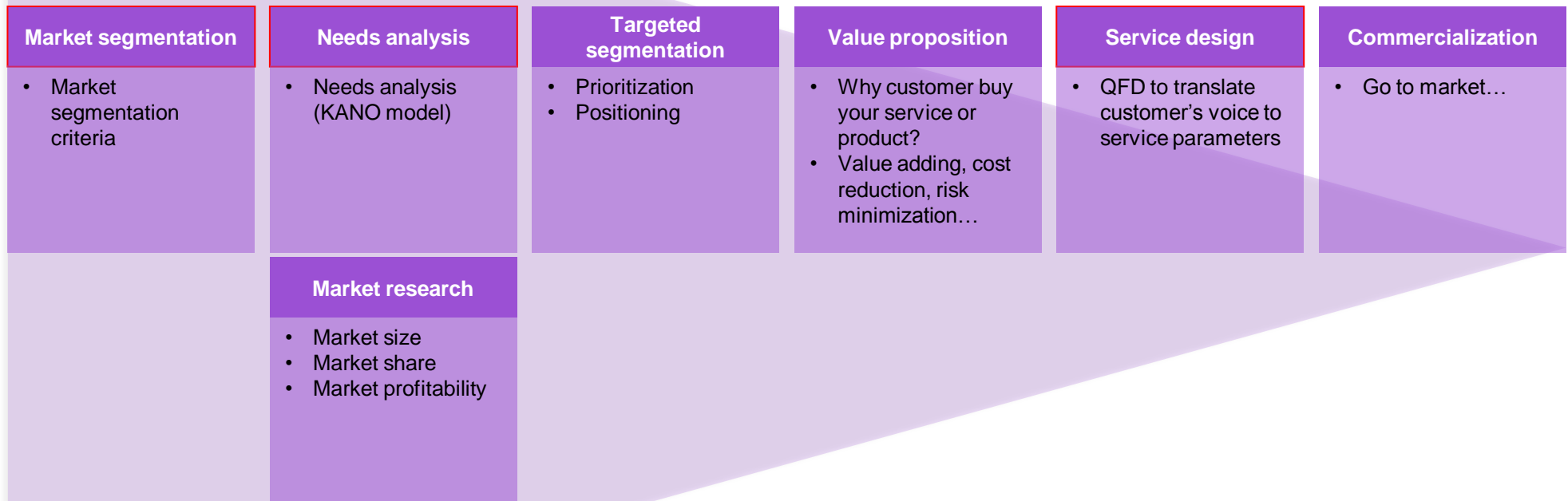
Senior care needs analysis and service design

A successful story



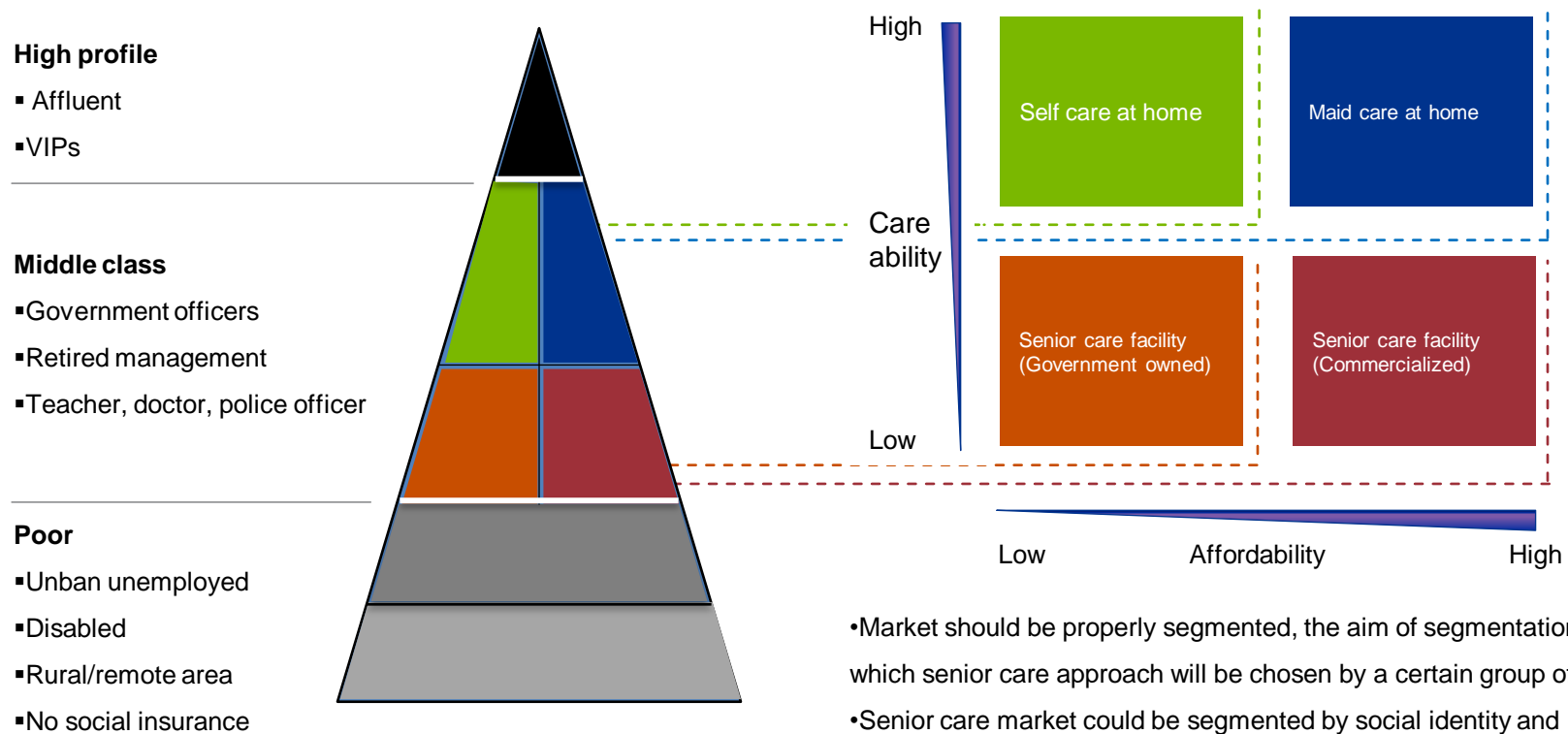
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The overall road map for senior care developments



Senior care needs analysis and service design

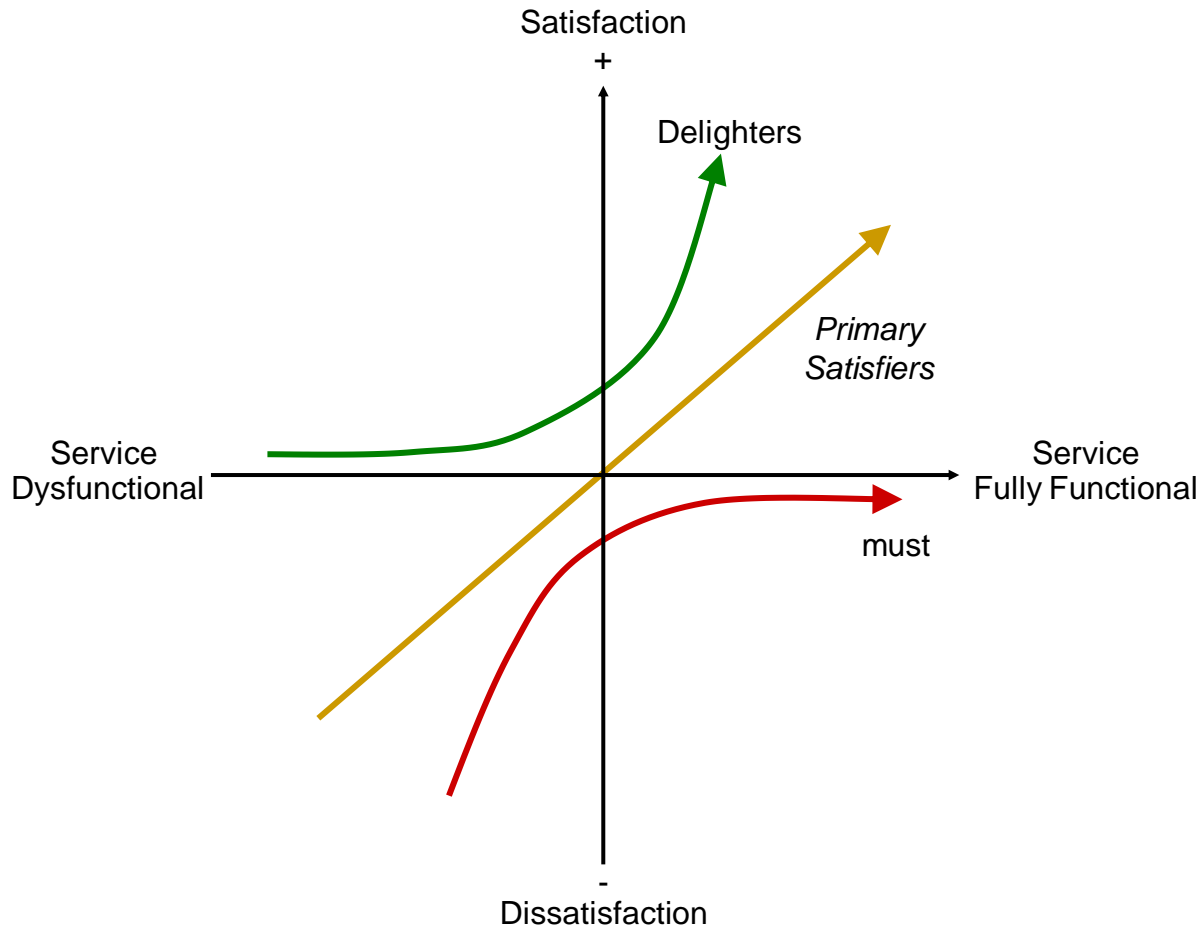
Senior care market should be properly segmented



- Market should be properly segmented, the aim of segmentation is to identify which senior care approach will be chosen by a certain group of customer,
- Senior care market could be segmented by social identity and income level at the first place,
- And then be segmented by care ability and affordability matrix.

Senior care needs analysis and service design

Classification of senior care needs



Delighters:

- Remote monitoring,
- Telehealth,
- Emergency alert.

Primary satisfiers (Linear):

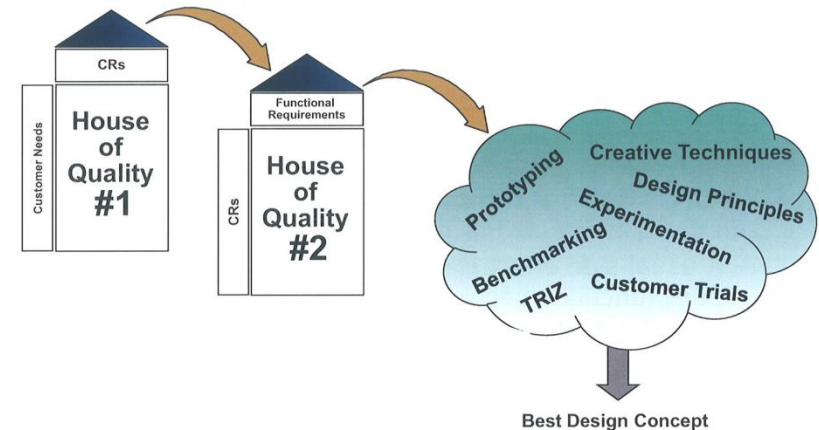
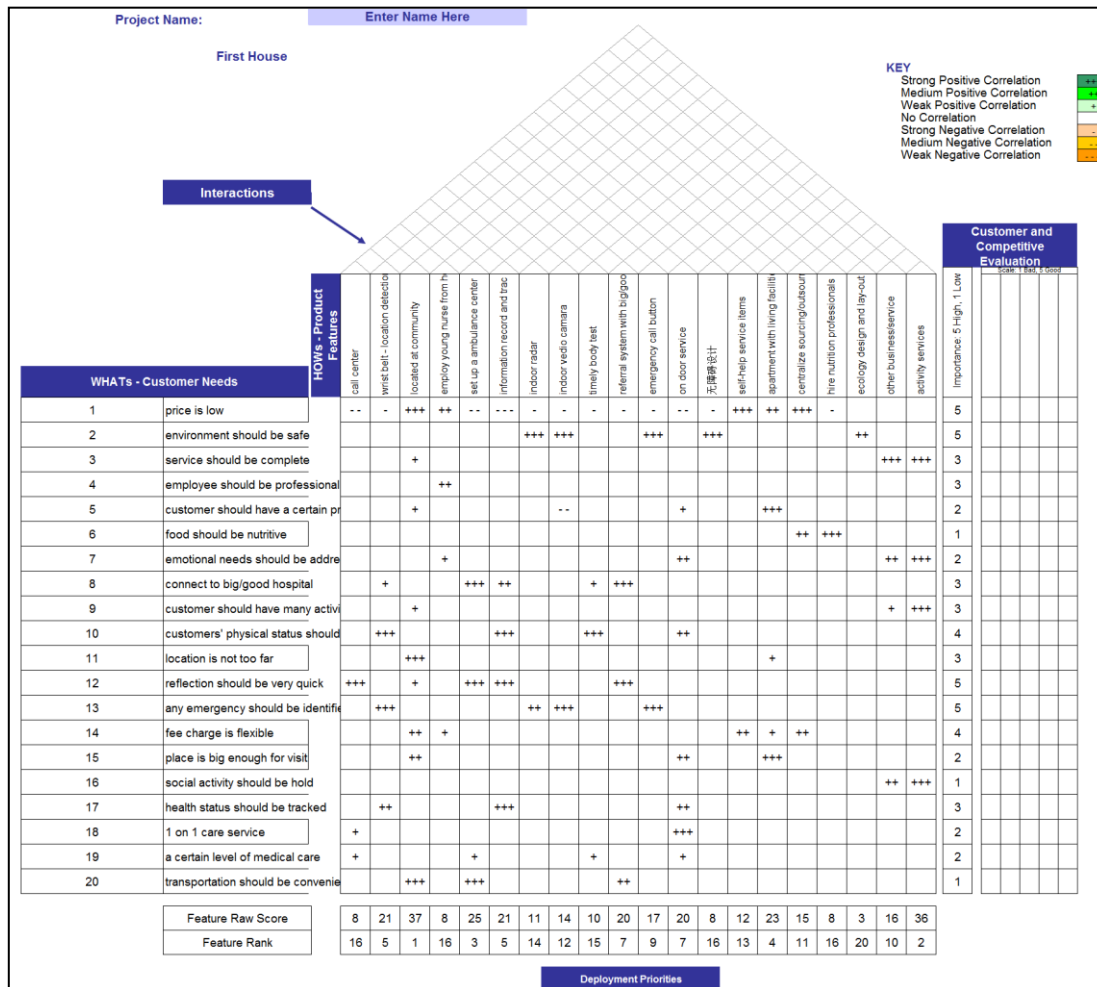
- Price of service,
- Home holding,
- Physical testing and medical advisements.

Must:

- Safety,
- Nutrition,
- Professional.

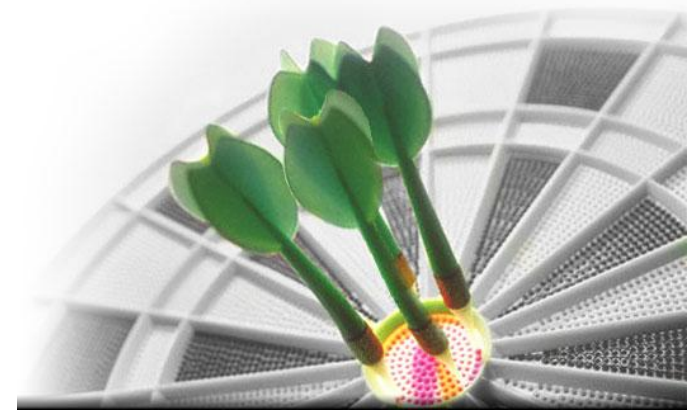
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Service design is a translation process



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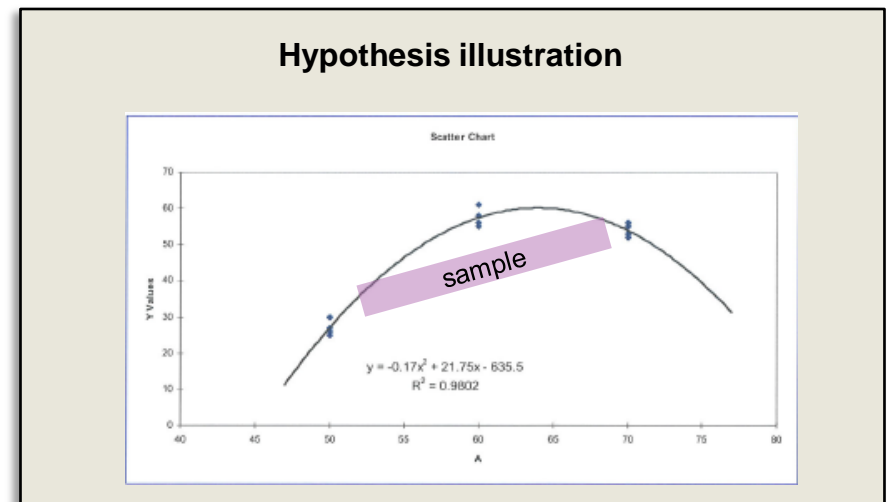
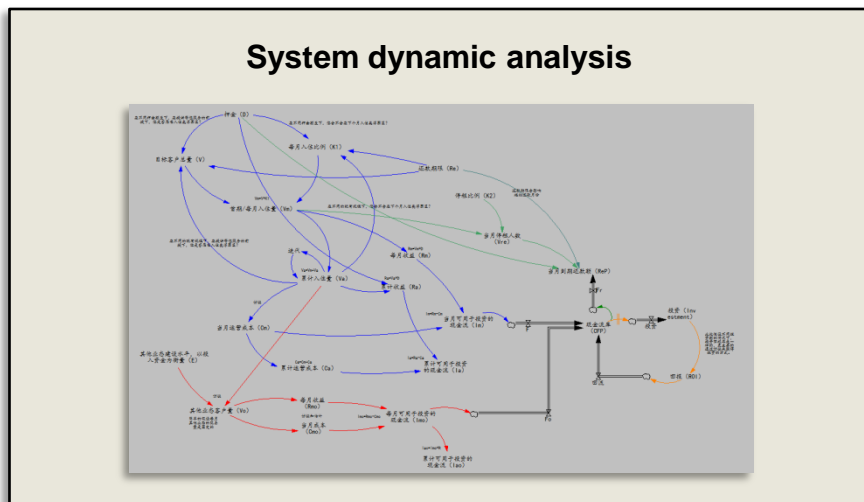
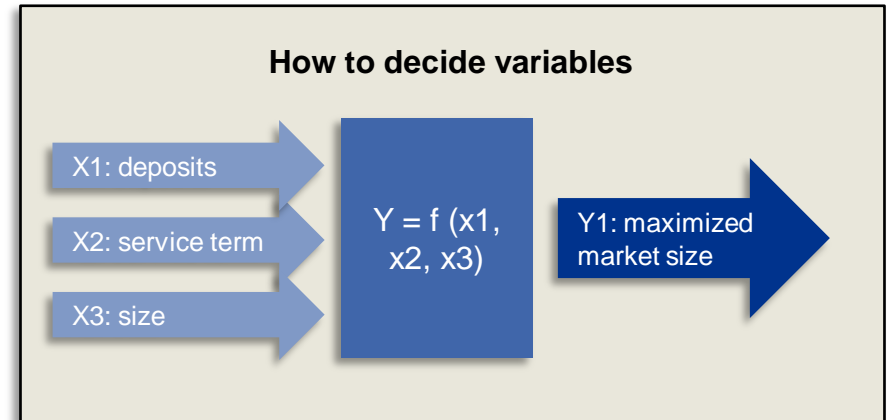
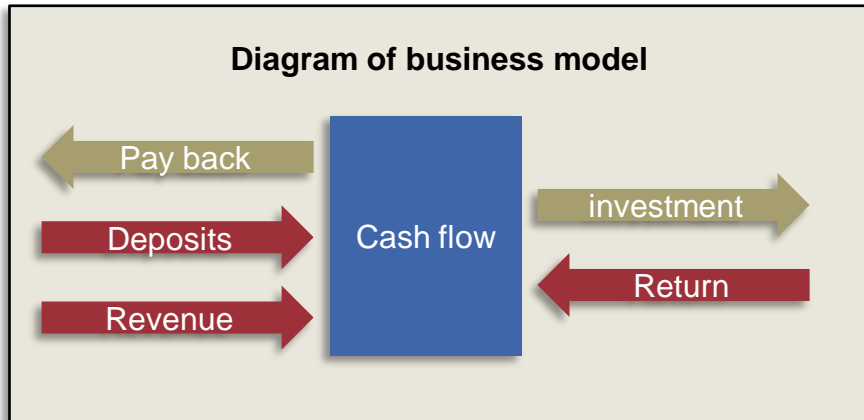
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Background of senior care investor:

- 1) They invest senior care real estate/senior care apartment;
- 2) They rent apartments to customers and charge deposits, the deposits will be paid back to customer when service term ends;
- 3) Their needs for KPMG:
 - 1) Figure out what business should include in real estate developments;
 - 2) Operations strategy deployments;
 - 3) Estimate ROI.

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Critical to investor's requirements



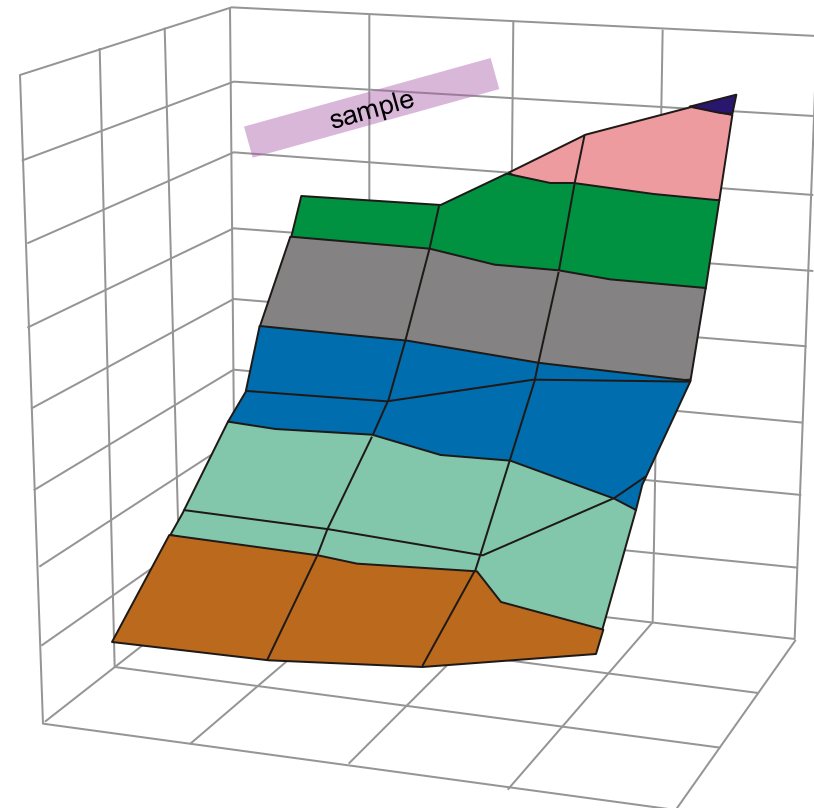
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KPMG's approach to breakthrough

Full factorial experiment + sampling (3 factors X 3 level)

Factor Run #	A	B	C	results		
	deposits	service term	size	Y1	Y2	Y3
1	+	+	+			
2	+	+	0			
3	+	+	-			
4	+	0	+			
5	+	0	0			
6	+	0	-			
7	+	-	+			
8	+	-	0			
9	+	-	-			
10	0	+	+			
11	0	+	0			
12	0	+	-			
13	0	0	+			
14	0	0	0			
15	0	0	-			
16	0	-	+			
17	0	-	0			
18	0	-	-			
19	-	+	+			
20	-	+	0			
21	-	+	-			
22	-	0	+			
23	-	0	0			
24	-	0	-			
25	-	-	+			
26	-	-	0			
27	-	-	-			

The best combinations of variables to deliver maximum results



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KPMG's Healthcare Center of Excellence

Great Britain



**Hilary
Thomas**



**Nigel
Edwards**



**Roger
Widdowson**



**Mark
Britnell**



**Nigel
Crisp**

Germany



**Sören
Eichhorst**

Singapore



**Wai Chiong
Loke**

Canada



**Mark
Rochon**

Netherlands



**Marc
Berg**



**Jan
De Boer**

Australia



**Malcolm
Lowe-Lauri**

U.S.



**Marc
Scher**



**John
Teeter**



**Ash
Shehata**



**Cynthia
Ambres**



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