A Developing Mindset:
Patients as Consumers
A Developing Mindset: Patients as Consumers

If someone were looking to buy a car, see a movie, book plane tickets, purchase a house, or buy virtually anything in today’s world, all they would have to do is hop online and they instantly have the ability to comparison shop, read reviews, and make an informed decisions. The same convenience has not been traditionally available to the consumer within the healthcare industry. Many healthcare consumers simply pick the ER where their illness was originally discovered due to convenience of location. They chose their specialist from referral by their initial doctor who they may have barely known. Their insurance was selected simply because it was the only option their employer offered. They have very little idea how a hospital stacks up against others in the area. What’s worse is that many have no idea how much their treatment will cost, or how that cost compares to what other centers charge. The winds of change can only be held off for so long.

Several recent innovations are coming together to create a perfect storm in the healthcare marketplace, moving the reins firmly from the hands of providers and insurers into the hands of consumers. First, the internet and popularity of social media, ratings and comparison site startups, and even state marketplaces for insurance provide more clarity for consumers trying to make informed decisions. Second, the popularity of “retail medicine” — urgent care centers, pharmacies, and more — are lessening the role of the primary care physician as a gatekeeper and creating more convenient options for individuals who have grown accustomed to the convenience of tools like Uber and Amazon Prime. Third, wearables like the Fitbit, the Apple Watch, and others are bringing the world of big data to individualized healthcare, a movement sometimes called the “quantified self”. Finally, existing social media tools like Twitter and Facebook can be leveraged today to communicate directly with the consumer and gain unsolicited feedback from customers.

COMPARISON SHOPPING

Online comparison shopping is nothing new to most consumers. Every industry has some tool that allows consumers to rate and review purchases. Healthcare is virtually the only market where consumers do not have that agency — until recently. “People understand today that there should be information available to them in health care, so they have the expectation that health care sites online should give them the same ease that Expedia gives them,” explains the Executive VP for Consumer Products at Healthgrades, a new tool (similar to Vitals, another player) that allows an individual to make a more informed decision about where to get the best care at the best price. Healthgrades, for example, publishes a wide variety of information ranging from patient satisfaction surveys (including level of trust, clarity of explanations and listening skills) to data about malpractice claims and sanctions, patient safety and patient satisfaction with the facility itself. It even provides satisfaction ratings by procedure. Some healthcare leaders bemoan this development, saying that only those who are unhappy will leave reviews, that there is not enough proof that reviewers have actually received care, or that information is outdated or incorrect. While these are
valid concerns, market pressures from consumers who want consistent and ready access to what they consider to be much-needed information (and from which they will make care decisions) will likely win the day and help make comparison shopping and review services a mainstay in the healthcare market.

Startups like Healthgrades are disruptors to the industry; they will push legacy systems out of their comfort zone by providing online tools that benefit the consumer directly, like many other companies have. When Priceline and Travelocity came onto the scene, airlines had no motivation or desire to publish things like prices or seating charts. As a result of consumer pressure, this data became public information. Consumers desire transparency, and even if they don’t have the agency to get it on their own, Silicon Valley can be a force in itself in making this information public. Successful adoption of tools like this could be a benefit to hospitals and care organizations themselves — for example, research has shown that Millennials are significantly more likely to choose a service provider if they can book their appointment online, either directly or through an aggregator, and hospitals that take advantage of this early will be ahead of the game.

Other healthcare organizations are going a different direction when it comes to transparency and consumer choice. As an example, take the Surgery Center of Oklahoma. Four years ago they began publishing set prices for procedures online, prices which are often a sixth to an eighth of what one would expect to pay at another hospital. Now medical tourists fly to Oklahoma specifically to receive care, a form of domestic medical tourism, and the whole endeavor has been a roaring success. Tom Main and Adrian Slywotzky of Oliver Wyman, in a published report entitled “The Patient to Consumer Revolution,” predict that “consumers will begin searching for value healthcare the way they search Kayak for flights. Why not fly a couple of hours and spend a couple of nights if you can save $10,000—and come out whole?”

**RETAIL HEALTH**

Convenience is being provided to consumers by industry disruptors in the physical world as well. Retail medicine is predicted to become a major source of preventive and regular care for millions of consumers in the US in coming years — indeed, this change has begun already. Walgreens, for example, recently partnered with Theranos to provide walk-in diagnostic testing at a reasonable price. They are able to price transparently (at dramatically less than the Medicare reimbursement rate), and because they are a national chain they are able to leverage resources at a scale that local providers are not, often providing results on a same-day basis to patients. ZOOM+PHI in Oregon has an interesting take on retail medicine as well — they eschew general practitioners in formal offices in favor of walk-in, urgent care style clinics around the city. They even offer their own insurance, transparent pricing, and online booking. They are a vanguard in the movement away from “what’s the problem” medicine and towards community-based, holistic preventive care at the convenience of the individual.
A Developing Mindset: Patients as Consumers

THE “QUANTIFIED SELF”
Smart wearables offer the third piece of the puzzle. Many have written about the import of devices like the Apple Watch, FitBit, and Google’s smart contacts, and while it remains to be seen how quickly consumers will grow to find these devices invaluable, they certainly offer an intriguing peek at what the future could look like. Imagine a world where a doctor can use real time measurements to provide personalized care! Big data is a reality in the business world today, and if the “quantified self” can be leveraged in a similar way by health providers, patients can be assured of a higher-value experience and a better outcome.

SOCIAL MEDIA = SOCIAL MEDICINE
Hospitals can also take advantage of social media. Recent studies by Boston Children’s Hospital and the University of Pennsylvania suggest that Twitter can be an excellent source of unsolicited patient opinion. Most hospitals utilize surveys today to track patient satisfaction, and while these surveys are useful they do not provide the same type of off-the-cuff honesty that people enjoy on the web. YouGov Healthcare Managing Director Jane Donohue notes her reaction to the study, saying “We were surprised that consumers were going to review sites and blogs as often as they are going to the official hospital sites.” She also believes that monitoring, managing, and controlling social media conversations can give hospitals control over their online presence — especially useful given the increasing popularity of comparison shopping sites where hospitals themselves cannot steer the conversation.

It’s not just tracking what patients are thinking and saying — recent studies suggest that social media may also influence buying decisions. In a recent survey of over 1000 people, almost half said that social media affected their decision-making process when choosing a healthcare provider and a third said it could be influential in choosing an insurance plan or provider or deciding whether or not to be compliant in taking a given medication. In a report from PwC, a consulting firm, fifty-seven percent of consumers said that a hospital’s online presence and social media connections would strongly influence their choice to partner with an organization for care.

THE RESULT: PATIENTS AS CONSUMERS
All of these changes will come together to force legacy players to change their game, providing increased transparency in pricing and a shift in focus from B2B enterprise (working primarily with insurance providers and other large organizations) to B2C (marketing directly to the consumer). Says Tom Main, “My view on the transparency for this convenient care layer is that it will be provided willingly by the retail players and the telehealth players and the kiosk players. And that will force the rest of the primary care marketplace to come and play.”

In the current climate of budgetary uncertainty, utilizing new technology and adapting to the state of the market could provide a net benefit to those providers who are willing to ride the crest of the wave. Partnering with national pharmacy chains for testing, vaccinations, and everyday care could give enterprising regional healthcare providers the ability to leverage the economy of scale, providing consumers lower costs for preventive care and tasks that don’t need to be performed by doctors as well as national influence. A focus on distributed preventive care, ideally aided by patient-specific data from wearable smart devices,
could help prevent costly trips to the emergency room, further reducing costs for hospitals. Partnerships and an open mind will be the key to this; however, there is no reason that a forward-thinking organization today cannot become the leader in this movement tomorrow.

The rise of comparison shopping in healthcare, the “quantified self” and the shift towards retail will go from being a thought experiment to a reality in coming years. Organizations should start looking now at what they can do to make sure that they don’t become the next Blockbuster or Sears. While dramatic shifts (like partnering with Silicon Valley thought leaders, developing new online booking systems, or buying retail locations) may be far out of the budget of many providers, there are some things that they can do to make sure they’re prepared for the shift.

Culture change comes from within, not from without. Healthcare providers can start leveraging existing tools to set them up for success internally, creating a culture change in advance. For example, hospitals can start leveraging data they have today about their own facilities in order to improve the patient experience. As the industry moves toward a patient-centered mindset and model, healthcare organizations should be focused on what makes for the best care experience and outcome for the patient. Tools like TheWorxHub allow hospitals to track detailed information about how their buildings and assets perform, aggregating data like meter readings, the results of EOC rounds and capital plans with the day-to-day results of corrective and preventive work orders. Not only does this make regulatory surveys much simpler, it also provides plant operations directors, administrators, and others the detailed, quantified information that they need to identify recurring problems, allocate resources more effectively, and enhance quality of service. Leveraging operations tools that help hospitals and other facilities stay on top of maintenance, compliance and the environment of care help keep the focus where it should be — on the patients.

TOOLS FOR CHANGE

Internal tools like TheWorxHub also provide insight, access, and agency to internal stakeholders. Giving staff the ability to submit requests for work from any computer or mobile device, and track the status of that work remotely, allows them to have a better understanding of what it takes to keep a hospital safe and compliant. When infection control teams can access EOC rounding data with the click of a button, when administrators can look at dashboards and budget reports just by clicking into a database or receiving an email, they have the same confidence in their decisions that consumers do when making a choice online. Data, when combined with easy to use tools that allow users to analyze and share information quickly, can be a huge benefit to an organization of any size.

Still, many (including Oliver Wyman) say that big moves will be required to stay relevant in such a rapidly changing landscape. They suggest that a “70% offensive, 30% defensive” approach will be needed as opposed to the continuation of the status quo with minor nods to change. Hospitals need to learn from the mistakes of network television, fighting for viewers against the growing masses of cord-cutters using Netflix and other disruptive systems.

What will you do to stay ahead in this brave new world of treating the patient as a consumer?
A Developing Mindset: Patients as Consumers


About Dude Solutions

With over 1,500 clients across the healthcare industry, Dude Solutions understands the unique challenges being faced by hospitals today. Our simple, yet powerful operational management solutions provide critical insight into staff workload, maintenance schedules, process documentation, and more.

Our healthcare-centric CMMS solution is called TheWorxHub. TheWorxHub provides a suite of online tools to help ensure all areas of your facility run smoothly and in compliance with Joint Commission standards. With TheWorxHub, you can prioritize daily work requests, schedule preventive maintenance, and analyze work completed – all from a simple, cloud-based solution that is always available by any authorized user.

With TheWorxHub, we combine our deep experience, unbeatable technology and superior client service to help healthcare facilities manage their operations and compliance more effectively. We focus on solving your biggest operational challenges so you can focus where you need to most – on your patients.

Visit dudesolutions.com for more information.