

Patient Experience: It's Time to Rethink the Consumer Healthcare Journey

Prophet and GE Healthcare Camden Group joined forces to understand how the shift in power towards consumers translates to the healthcare experience

As providers and insurance companies scramble to adapt to a new landscape, it's been easy to lose sight of the single biggest change in healthcare: People are demanding the healthcare industry treat them as savvy consumers, who deserve choices, convenience and fair prices. The same revolution of consumerism that's shaking up the way the world buys financial services, airline tickets and groceries is finally underway in

healthcare, too. The consumer is in control. The path of disruption may seem less evident in healthcare than in other categories. But as options multiply, the movement toward empowered consumerism will continue to pick up speed. Providers who are ready to respond are going to win. Those who aren't will be left behind.

To understand how this shift of power translates to the healthcare experience, Prophet and GE

Healthcare Camden Group joined forces to delve into perceptions of providers and patients, uncovering glaring gaps along the way. Next, we developed a comprehensive set of capabilities to help providers find better ways to respond to the inevitable changes occurring in the industry.

Patients Are Frustrated... And Providers Are Struggling to Help

Our research finds that an alarming 81 percent of consumers are dissatisfied with their healthcare experience. And the more they interact with the system, the less they like it. 75 percent of frequent healthcare consumers say they are frustrated,

compared to 48 percent of patients who use the system less frequently. (And among frequent-use millennials, an ugly 86 percent are unhappy.)

See Figure 1.1 below.

FIGURE 1.1

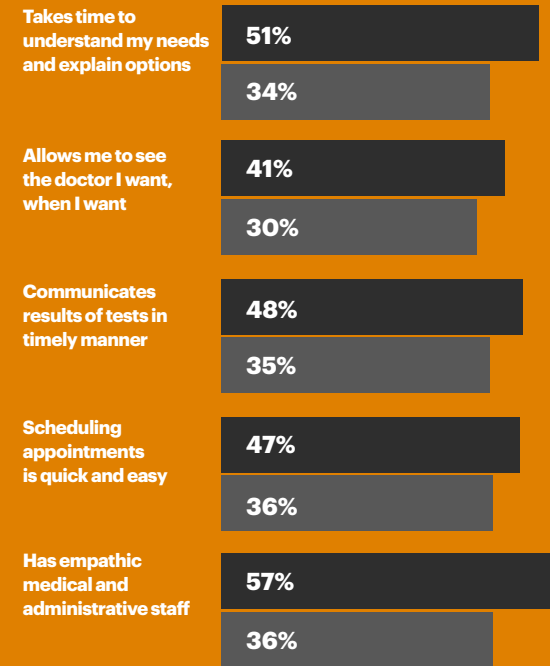


The providers in our sample overestimate the overall quality of the experience they give patients by more than 20 percent. The biggest failing is on measures of empathy, with 57 percent of providers awarding themselves good grades, versus just 36 percent of consumers. In addition, 51 percent of providers think they spend enough time with each patient, while only 34 percent of patients feel that way. Overall, more than four out of five consumers say they are simply not impressed with their provider. They're discouraged that even the simplest things—like scheduling an appointment, which is effortless in other industries—are positively painful in healthcare. (Only 36 percent in our survey say scheduling is quick and easy.)

See Figure 1.2 on the right.

FIGURE 1.2

■ % of Providers Who Believe They're Delivering
 ■ % of Consumers Who Believe Providers Are Delivering



And the trend is likely to get worse before it improves. While providers are aware of patient dissatisfaction, they have many competing initiatives, making it difficult to prioritize. Many are in a virtual race to consolidate, in an effort to position themselves for successful management of the health of their patient populations. In the process, they are creating larger systems that make it even more difficult to manage the holistic patient experience. As the number of providers shrinks (between 2013 and 2014, there was a 14 percent increase in consolidation), patient satisfaction declines, down 3 percent in the same period.

The Struggle to Serve Gen Y

Discontent with the healthcare experience is highest among millennials – a fact that providers are often challenged to take to heart. They argue, Gen Y has minimal financial impact -- younger people are healthier and spend less on healthcare. But many have started to realize that millennials will soon account for 50 percent of the workforce.

It's true this generation has different expectations of the healthcare system. They simply value traditional methods of care delivery less than previous generations. Sure, they expect empathy, competence, and good listening skills from doctors and nurses, but how they behave before and after the office visit is very different. They are much more likely to research their health concerns and treatment options before an appointment, and question suggested treatment plans. They seek input from a variety of sources, including friends and family, and value the opinion

of their provider less. For instance, only 28 percent visit a doctor for existing conditions, compared with 53 percent of baby boomers. And only 22 percent of millennials visit a doctor for a new condition, versus 45 percent of older patients.

They value convenience and digital ease, and adore brands like Uber, Starbucks, Zappos and Square that provide it. So, they're understandably unhappy with providers that are disjointed, and offer only primitive digital options. When given a choice, they say they like to bypass traditional organizations. So companies like ZocDoc, Oscar, and WebMD, which provide health-related solutions people can access on their own terms, are among their favorites. And they're the most open to alternative sources of care, with 73 percent willing to use on-demand medical centers, 64 percent retail clinics, and 52 percent telemedicine.



73%

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Investing in Experience: Real ROI

With companies under enormous financial pressure, it can be hard to make the case for investing in patient experience. The common misperception is that focusing on patient experience means spending less time on other cost and revenue initiatives – which doesn't have to be the case. Done correctly, improving patient experience will also drive increased capacity and access for consumers, create leverage with payers, and improve operational efficiency. It improves employee satisfaction and retention. And it builds a brand and a reputation that encourages people to consolidate their care within a system, increasing revenues.

Companies who are already upgrading their experience know that patient desires align with organizational priorities. Wait time is wasted time, and reducing it makes consumers happier and providers more efficient. Recently, a medical center in the northeast U.S. worked to improve its on-time first case start rate in the OR from 18 percent to 84 percent. Patients were delighted that there was less wait time and predictability for themselves and family members. In turn, these operational efficiencies, along with work to optimize overall scheduling procedures, freed up more capacity for the provider – to the tune of an estimated 20 incremental OR cases per week.

Happier patients make for more satisfied physicians, which translates into even greater financial benefits. According to a Watson Wyatt WorkUSA survey, highly engaged doctors are 26 percent more productive, and generate 51 percent more inpatient referrals, translating to \$460,000 in average additional patient revenue per physician per year.

But for healthcare executives, making the needed investments in patient experience isn't easy. When The American College of Healthcare Executives asked hospital CEOs in a recent survey, 75 percent said patient experience is important. Yet when asked to rank their biggest priorities, it doesn't even make the top five.

So it's no surprise that the majority of providers have a long way to go. For example, while 91 percent say they understand that digital technologies are essential for acquiring and keeping patients, only 29 percent are actively investing in digital tools. And while 97 percent say they have a department or committee working on ways to improve their experience, 85 percent also admit they don't have a clear picture

of how to improve the patient experience. For now, providers can get away with their underwhelming efforts to shore up satisfaction: When there are fewer choices, patients are—more or less—trapped. But the rise of mega-providers often means more choices. As soon as choice expands, consumers will run to the hospital systems that have become true brands.

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The winners will be those that serve up a positive, holistic experience. And yes, that includes solving the obvious pain points. Patients want hospitals that are quiet, clean and that serve good food. They expect doctors to be polite, and want access to efficiencies like adequate parking and streamlined billing. But those are just basics. Success requires providers to create experiences that aren't just satisfactory, but exceptional and memorable.

What Success Looks Like

While they are rare, a few providers have already built organizations that offer a genuinely exceptional, branded experience. Of course, they find ways to manage the operational aspects that are essential to satisfaction, from initial intake to follow-up care. But they do much more.

Kaiser Permanente, for example, has the highest customer loyalty ranking in the health insurance category, with a Net Promoter Score 23 points higher than the industry average. Its satisfaction scores are on par with companies such as Apple, Amazon and Trader Joe’s. Besides its high marks for medical excellence, the Mayo Clinic continues to wow patients with concierge-level guest services, combining complex itineraries with warm hand-offs from one department to the next.

These organizations know that the biggest component

of a successful experience is human interaction. Indeed, 42 percent of consumers surveyed said the way they are treated by doctors, nurses and reception staff is most important. (22 percent said clinical elements of the visit are the most important, while 19 percent cited processes like scheduling and billing.) **See Figure 5.1.**

Creating better and more holistic patient experiences doesn’t just mean more satisfied patients. It means increased capacity for providers to deliver better care; lower operating costs and improved profits; and rising

employee satisfaction and retention. **See Figures 5.2 and 5.3.** By crafting a distinct brand, providers will be able to build an identity special enough that consumers will love them. That will lead patients to consolidate care decisions, and increase provider leverage with payers.

Progress is slow. But the smartest healthcare systems are realizing that happy patients are essential to their survival.

FIGURE 5.1

Most important elements of the healthcare experience for consumers

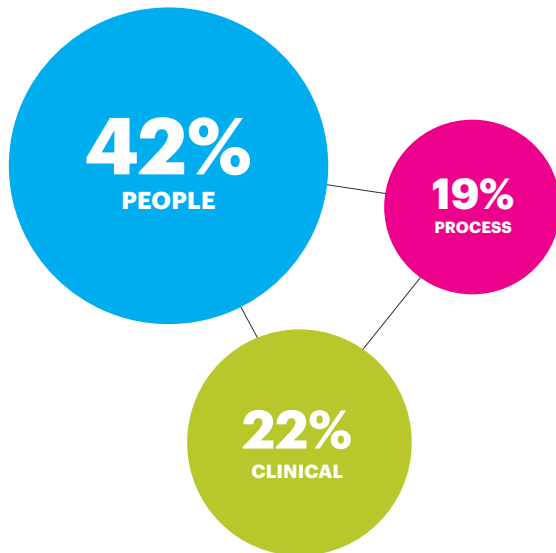


FIGURE 5.2

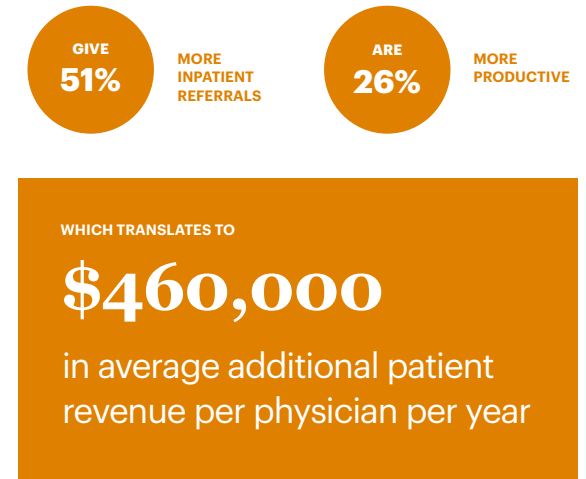
Hospitals with highly engaged staff scored...



“Organizations with high levels of staff engagement and morale have patients who are more satisfied with their care.”

FIGURE 5.3

Highly engaged physicians...



The Prophet and GE Healthcare Camden Group Partnership

Understanding patient expectations and designing holistic experiences that meet them will determine who will reap the operational and financial rewards that will come from mastering this challenging new environment.

Prophet and GE Healthcare Camden Group have come together to holistically understand the consumer healthcare experience, quantify the gap between consumer expectation and provider approach, and arm institutions with the ability to assess their own organization, define a successful strategy that will fit with their competing priorities, and help deliver on it.

We take a 360-degree approach to helping providers navigate in this new era of consumerism. Starting with a thorough understanding of patients as people and consumers, we can translate that understanding into actionable execution plans. We then take a holistic approach to creating patient experience strategy and linking it to organizational priorities, including operational workflow design, change management planning and activation capabilities. This provides the ability to drive activation to results that are clear, tangible and measurable.



**Learn how we can help
your organization position
itself to thrive in a changing
healthcare environment.**

Prophet



GE Healthcare Camden Group

Contact us today

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