

IS YOUR HEALTH SYSTEM READY FOR THE CONSUMER REVOLUTION?

HOW A HEALTHCARE CRM TRANSFORMS CARE AND RELATIONSHIPS

The New Healthcare Consumer

Healthcare patients, or consumers, are exercising greater choice in where and whether to get care. Physicians and healthcare leaders may cringe at the notion of patient-as-consumer, but the new healthcare buyer is just that. Whether a recipient of medical care, a parent or a caregiver, the healthcare decision maker is now a consumer, weighing necessity, quality, cost, convenience and access in her choices.

Why? Today, consumers bear more financial responsibility for care than ever. The Internet provides information about disease states, treatment options and care venues. Consumers can access information anywhere, any time. Meanwhile, contemporary digital, mobile and interactive buying experiences have raised service expectations.

“People are becoming much more savvy about the ultimate financial responsibility and the high deductibles, and it’s the outpatient choices where they put that information to use,” Mark Bogen, chief financial officer at South Nassau Communities Hospital, told *HealthLeadersMedia*.¹

“Today’s patient is less interested in a vested relationship with you than in getting care when she wants it and where she wants it,” wrote Lucien Roberts, MD, in *Physicians Practice* magazine earlier this year.²

To capture the new healthcare consumer, health systems are opening urgent care clinics, partnering with retail and mobile clinics, introducing patient portals and promoting telehealth visits. Still, true consumer-facing healthcare involves much more.

Zappos, Uber and other consumer-oriented, digitally enabled organizations have forever disrupted the retail market. Due to these shifts, healthcare consumers expect a level of service-on-demand, ease-of-access, transparency and engagement that traditional healthcare organizations have never delivered previously.³

Turning Around the Queen Mary

Moving from a physician- and insurer-focused health system to a consumer-facing entity takes expertise and patience.

Health systems will need to adopt new financial and operational models that reduce complexity and sustain efficiency. Care will need to be transformed to reduce harm and bolster health by minimizing care variation and improving population health. Health system leaders must envision a consumer-facing future and drive meaningful change in every part of their organizations.

Finally, health systems will need to adopt technology that facilitates this transition.

1 Freeman, Gregory A., “[How Real is Healthcare Consumerism?](#),” *HealthLeaders Media*, April 4, 2016
2 Roberts, Lucien, “[Convenience is Vital to Beating the Minute Clinics.](#)” *Physicians Practice*, February 1, 2017
3 Butcher, Lois, “[Consumerism Hits Health Care.](#)” *Trustee Magazine*, April 13, 2015

In the past decade, hospitals have invested billions of dollars in state-of-the-art hardware and software such as electronic health record (EHR) systems, patient portals and claims systems. And these investments have worked beautifully to capture essential medical and financial information, meet regulatory requirements and capture data about quality of care. But EHRs lack the functionality and data to truly attract, engage with and retain patients. Health systems that want to adopt a consumer-facing strategy must invest in the technology and tools to enable that transition. Chief among them is customer relationship management (CRM) software.

CRM Guides the Way

CRM software is a cloud-based enterprise system that sits atop existing health information technology infrastructure like an “agility layer.” It can be used across scheduling, care delivery and patient financial services to foster collaboration and engage every provider at every site within a health system. These systems also provide individual caregivers with complete views of their patients, including medical histories, treatments, medications and other clinical data, as well as social determinant data gleaned from analytics. Such powerful, comprehensive views allow health systems to provide more proactive and personalized care.

The ways CRMs can be used are limitless, depending on the vision and operational excellence of the health system implementing them. Here are a few ways they have been used so far:

1. MANAGE RELATIONSHIPS WITH REFERRING PROVIDERS

CRMs help health systems track where they are getting their consumers. In some cases, consumers are entering the health system via referrals from specialty providers; in other cases, they are self-referring into the system. Either way, CRMs provide dashboards that allow health systems to track sources of referrals, thank referring providers, identify online referrals sources and trace referral key performance indicators.

WHY CUTTING COSTS AND BUYING PRACTICES WON'T ATTRACT CONSUMERS

As health systems struggle to attract and retain patients, some are cutting costs, while others are expanding the continuum of care.

These strategies are flawed. Lessons from other industries show us that cutting costs can harm the customer experience, which is critical to retaining patients.

Expanding the continuum of care alone is no guarantee that patients will remain within a health system's network or that the system can deliver a consistent experience across different care settings. Expansion for expansion's sake does not solve the access and service issues that plague so many health systems.

The solution is investing in customer-facing strategies that improve the patient experience. Regardless of reimbursement structure (fee-for-service or value-based), engaging patients and keeping them attached to a system are critical to improving health and remaining competitive in today's market.

2. TRACK LEAKAGE AND FRUSTRATED CUSTOMERS

Today, health systems can't track what happens when a consumer tries to schedule an appointment, gets frustrated and quits the system. CRMs measure how many times a consumer calls before making an appointment, whether they called and did not make an appointment, and what questions they asked in the appointment-seeking process.

3. REDUCE NO-SHOWS

CRMs help health systems understand consumers' preferred communication mode and employ text, email and phone messages to remind consumers about upcoming appointments. What's more, they

make it possible for a health system to offer a single phone number for all appointment-making. By using data to accommodate different consumers' preferences, health systems can minimize no-shows and improve loyalty.

4. BETTER COORDINATE CARE

Consumers today expect that health systems will possess their complete medical record, history and story when they arrive for treatment. Re-entering information leads to duplicate tests and potential errors, not to mention consumer frustration. CRMs ease care coordination by unifying information from disparate sources into a single record for all providers to see. They can even pull in information from affiliated providers, such as those joined in an accountable care organization entity, to maintain a cohesive record.

5. ENGAGE WITH CONSUMERS

With a CRM, customer service agents have a 360-degree view of consumers, including their medical needs. Successful patient engagement does not just occur when a patient is ill and seeking services, but also when a patient is recovering or well. CRMs let providers push proactive information about medication refills and needed tests, or send other follow-up information. They can also be a channel for sending out general public health and wellness information, facilitating efforts to keep communities healthy.

6. IMPROVE INFORMATION TRANSPARENCY

Consumers themselves are potential users of health system CRMs, as they also crave an integrated view of all the places they have received care and their related financial obligations. CRMs give call center agents true transparency into the EHR, facilitating upfront communication of a consumer's entire financial responsibility. The sooner this information is communicated, the more likely consumers are to fulfill their obligation.

Preparing for a Consumer-First World

Embracing CRM technology is a vital step health systems can take to prime their organizations for a consumer-first world. But successfully harnessing a CRM to improve the consumer experience long-term requires more than a smooth technical implementation. Rather, it requires healthcare leaders to reconsider their business models, existing processes and culture:

- **Think differently:** It's time for the wall between health system-exclusive and consumer-facing information to fall. A lack of transparency will hamstring an organization's ability to attract consumers.
- **Plan differently:** For providers to get and keep people healthy, they must remedy their traditional information tunnel vision. Health systems need to develop a 360-degree view of their consumers to deliver the most precise, sustainable care.
- **Act differently:** For years, health systems have forced consumers to work around the health system's processes. Today, organizations need new technologies that help capture and accommodate individual consumer preferences.

As the healthcare industry continues to rapidly evolve, the balance of power will continue to tip in consumers' favor. CRM software is an essential tool that health systems need to build a consumer-first future.



huronconsultinggroup.com

© 2017 Huron Consulting Group Inc. and affiliates. All Rights Reserved. Huron is a management consulting firm and not a CPA firm, and does not provide attest services, audits, or other engagements in accordance with standards established by the AICPA or auditing standards promulgated by the Public Company Accounting Oversight Board ("PCAOB"). Huron is not a law firm; it does not offer, and is not authorized to provide, legal advice or counseling in any jurisdiction.