



THE DEFINITIVE GUIDE TO PATIENTS AS CONSUMERS

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Note: In this eBook, unless otherwise specified, referenced statistics are products of the 2016 Greenway Health Annual Trends Report, which surveyed over 1,000 patients and 400 medical professionals across the United States. The patient panel consisted of randomly sampled people with quotas developed for age, gender, and geographic distribution. The medical professional panel included both Greenway customers and those not using Greenway products.

40%

5%

THE DEFINITIVE GUIDE TO PATIENTS AS CONSUMERS

Sitting in traffic on the way to work, you notice smoke creeping out from under the hood of your car. If you don't have the knowledge or time to identify the problem yourself, you'll need to bring it to a repair shop. But how to find the right one?

More than likely, you'll head online to review your options or ask a friend for advice. Then, upon choosing a mechanic, you'll request a quote before any work is done. It's also important that the work be completed in a timely manner, and that you have another method of transportation in the meantime.

There are plenty of places out there to get your car fixed, so it makes sense to find the cheapest, quickest, most reliable service. Asking questions and doing research makes you an intelligent consumer.

Nowadays, consumers are applying these same principles to their own health. With the rise of high deductible health plans, patients are more responsible for their healthcare than ever before, and it's up to practices to meet the public's rising standards.

33% of patients see themselves as consumers taking advantage of a competitive environment where they can shop around for high quality, cost-effective care.

In this guide, we'll discuss:

- high deductible health plans and how they're changing the way patients shop for care.
- the rise of retail health providers and their impact on your practice.
- the metrics that matter most to your patients.
- how to use all of this information to grow and strengthen your practice in the years to come.

High deductible health plans aren't going anywhere, and with our help, neither will you.

40%

5%

HIGH DEDUCTIBLE HEALTH PLANS AND PRICE SENSITIVITY

A high deductible health plan (HDHP) is any plan with a deductible of at least \$1,300/year for individuals, \$2,600/year for families, where out of pocket expenses such as deductibles and copays equal no more than \$6,500/year or \$13,100/year, respectively¹.

41% of patients are now covered by private insurance through their employer, and as that number continues to rise, so does the number of employers instituting HDHP options for their employees. For people under these plans, that usually means lower monthly payments, but higher bills when care is needed. This has created an environment where people are not only less likely to pursue preventative care, but are more particular when it comes to selecting the provider for that care.

FINANCIAL IMPACT ON PATIENTS

According to a Milliman Medical Index (MMI) study last year², the average total cost of care for a family of 4 increased by 4.7% over the previous year, which is actually the smallest percent increase since their study began in 2001. Additionally, the average household income increase was only 2% over the same period of time. It's easy to see that even at its slowest rate of increase in over 15 years, healthcare costs are going up at an unaffordable rate for both patients and payers.

That average total cost of care for a family of 4 now equals almost \$26,000 annually. To make matters worse, employee expenses continue to rise faster than employer expenses. From 2015-2016, the employee total cost increased 5.3% to over \$11,000. The employer expense "only" increased 4.2%. Employees are now responsible for 43% of their healthcare costs, including paycheck contributions (26%) and out of pocket expenses (17%), compared to 39% total in 2001. Unsurprisingly, 55% of patients report that the cost of care continues to rise at an alarming rate.

More concerning, things don't look to be slowing down. 64% of providers expect that employers will offer insurance coverage with even higher deductibles over the next 5 years. With the new administration and Congress re-examining the Patient Protection and Affordable Care Act, its subsidies, and Medicaid expansion, consumers may bear an even further increased burden of their healthcare beyond current expectations.

Average total cost of care for a family of 4

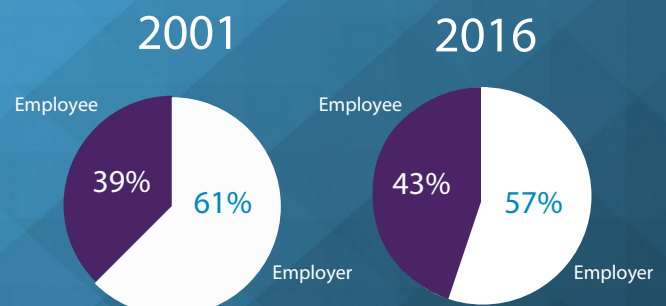


\$26,000
per year

Total Cost Increase 2015 - 2016



Total Cost Responsibility



¹<https://www.irs.gov/pub/irs-drop/rp-15-30.pdf>

²<http://www.milliman.com/mmi/>



ADDITIONAL EMPLOYEE BENEFITS

Many employers offer Health Savings Accounts (HSAs) or Health Reimbursement Arrangements (HRAs) to further assist employees with out of pocket expenses. These usually require enrollment in the company's benefits program, and some also offer deposit matches up to a certain amount.

Over the past few years, there has been a rise in company wellness programs, which often offer additional copay savings or other incentives for healthy lifestyle choices like following an approved workout program. The goal of these wellness plans is to contribute to employee healthcare spending in a small way to hopefully reduce the frequency of higher cost medical charges like inpatient admissions or ER visits.

FINANCIAL IMPACT ON PRACTICES

All of these rising costs have not only had a negative impact on patients, but also on healthcare providers. Since practices are often collecting from patients and not traditional payers, their methods of collecting have to adapt. Currently, only 32% of patients who owe money to a practice receive a collection letter. If a patient doesn't know they owe, how can they be expected to pay?

Beyond that, 38% of patients say they don't have a good grasp on the cost of even common medical treatments, like physical exams. This adds up to patients not knowing how much they're supposed to be paying, and sometimes not even knowing they need to pay at all.

The problem doesn't begin and end with collections, however. Costs are affecting patient decision making before a doctor is even seen. 40% of polled patients said that price has affected their decision to visit the doctor. That isn't just patients comparing costs between competing practices, these are patients deciding not to visit the doctor at all because of the expected cost.

When it does come down to comparison shopping, 41% of patients said they'd be interested in using a comparative pricing model to show what different providers charge for different services, highlighting that cost is a significant factor when choosing between providers. 40% also said they want more consistency and transparency in healthcare costs across the board.

On the practice's end, this change in patient mindset also means spending more time on the phone discussing payment plans, missed payments, and other questions. On average, these phone calls and billing matters total up to 650 hours of lost productivity a year, or approximately \$15,000 in lost revenue for every practice.

THE RISE OF RETAIL HEALTH

Another thorn in the provider's side is the concept of retail health. Rather than visiting a traditional practice, many patients are simply visiting the clinics located in their local grocery stores or pharmacies. In fact, 2 out of 3 patients report being willing to use retail services over traditional healthcare providers³.

And why shouldn't they? The cost is typically lower due to employee health plans or out of pocket expenses. Similar services compare at \$110 for retail and \$166 for a doctor's office. While patients may not be seeing a doctor at a retail clinic, they're still typically seeing a nurse practitioner, and wait times are almost always shorter. In fact, many patients are able to visit retail clinics with no appointment.

Retail health is becoming more widely explored every year. On average, there are 10 million visits in over 1,800 locations each year. That amounts to \$1,952 in lost revenue for each primary care provider. Those 1,800 locations show a 900% increase from 10 years ago, when there were approximately 200 retail clinics across the U.S.⁴ Those numbers will only continue to rise as the prevalence of high deductible health plans increases.

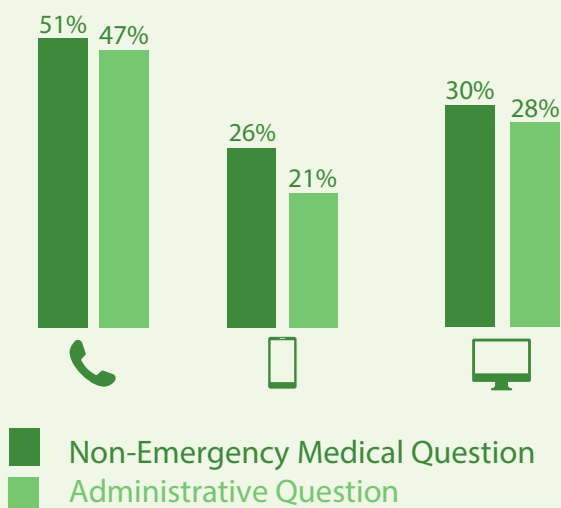
CONSUMER BEHAVIOR

With costs piling up against patients, they're beginning to behave more like traditional consumers shopping for any other professional service. People want healthcare that is convenient, inexpensive, and high quality. Gone are the days when a patient would be content sitting in a waiting room for 3 hours. Now, they're more likely to get up and leave. Patients also expect to know what they'll need to pay before service is provided, and they want easy methods of making those payments. Patients are more diligent and comprehensive when researching providers, as well. To compensate, practices need to put themselves into the mindset of a consumer to anticipate and combat these rising expectations.

CONVENIENCE

Frequently, patients drive for hours to see the right specialist. But, with more provider options than ever before and the increasing prevalence of telemedicine, consumers want healthcare that is close by and fits into their busy schedule.

Consumers also have changing preferences for the method of communication.



The demand for convenience goes beyond that initial visit. Patients expect the same quick and easy service from their providers outside of the office. 26% of patients expect to speak with a doctor within an hour when they have a medical question, and another 26% expect to speak with a doctor within 6 hours. In fact, only 11% of patients polled are willing to wait more than 48 hours for a doctor to get back to them.

This shows that while the majority of patients still prefer real-time interactions with providers, many are willing to use other methods if it's more convenient or reduces wait time for an answer. The preference of portals over text and IM also indicates that patients prefer to receive medical information in a method that is secure and separate from their personal communication. These numbers are expected to trend even farther into the technological direction as patient portals are more widely adopted.

³<http://healthcare.mckinsey.com/debunking-common-myths-about-healthcare-consumerism>

⁴<http://www.forbes.com/sites/brucejapsen/2015/04/23/retail-clinics-hit-10-million-annual-visits-but-just-2-of-primary-care-market>

PRICE TRANSPARENCY

Price transparency can be an issue when it comes to any purchase. Imagine if grocery stores didn't have prices on any of their food. How comfortable would you feel shopping there, not knowing what your bill would be until you were already at the register?

Even worse, when it comes to healthcare, patients often don't know their final bill until services have already been provided. It's really like eating at a restaurant with no prices on the menu. The bill comes and you just have to pay it, even if you weren't happy with the meal or think the prices were too high.

Patients want to know how much they'll be charged for services, without hidden fees. They don't understand or care about the complexity of ICD-10 codes. They expect high quality care at a fair price, or they'll just go somewhere else.

ONLINE REVIEWS

From Yelp to Amazon and beyond, consumers love reading the feedback and opinions given by other purchasers of the same product or service. The theory is that user reviews have no reason to be dishonest, and therefore can be trusted beyond traditional marketing speak or paid testimonials.

When visiting a new city, it's common practice to check Yelp for highly rated local restaurants. When considering what new laptop to purchase, many people will head online to check reviews on Amazon or a site like CNET. The key is that this information isn't coming directly from the seller, it's from a theoretically unbiased third party.

However, consumers are smart, and are becoming more savvy in separating the wheat from the chaff. An Amazon reviewer might give a book negative marks because the shipping took longer than expected. That speaks nothing about the quality of the book, but only of the shipping service by the seller. The same is true for professional services. Different things matter more to different consumers. Some people might be willing to wait several hours at a highly regarded restaurant because the food is exceptionally good. Others might scoff at that same restaurant's wait time, preferring high quality customer service over high quality food.

A good service provider will identify the aspects of service most important to their consumers, be they price, quality, speed, customer service, or any other metric.

Practices should keep a close eye on any online pages where people can review their services. 79% of patients have reported reading an online review that impacted their decision on choosing a healthcare provider, and 41% said that online research was the primary factor in choosing one.

Here are some of the main reasons why someone might write a positive or negative review for a practice:



One of the more unexpected things to take away from this is that according to the patients polled, bedside manner was just as important as efficiency of care. People want to be treated like human beings. That might sound obvious, but if you've ever had an associate at a clothing store ignore your pleas for help, you know what it's like to be treated like less than a person.



PATIENT REFERRALS

Consumers not only rely on the advice of strangers via the internet, but also on the advice of those they trust, such as family and friends. This is especially true when considering large or expensive purchases, a category that most certainly encompasses healthcare.

Referrals occupy the same space as reviews for most consumers, and should be thought of in the same way for providers. Ensuring that every patient to come through your doors receives the best possible care is paramount to keeping the influx of new patients high.

ADDITIONAL PRACTICE PROBLEMS

Unfortunately, not all problems are solvable from the practice's point of view. When it comes to patient mindset and their specific issues, all a practice can do is be as proactive as possible and adjust priorities accordingly.

- 45% of patients are noncompliant
- 60% of providers report that a lack of money stops patients from following their instructions
- 44% of patients say that a lack of money is a barrier to good healthcare

There's a limit on what a provider can do with their costs of service. They have employees to support, lights to keep on, and additional financial responsibilities. That makes all other non-financial areas of care even more important, like communication, processes, and customer service.



CHANGING YOUR STRATEGY

So now that we've covered what is driving patients to behave more like traditional consumers, what should you do with all of the information? As a healthcare professional in the modern medical era, you need to remain pliable to the changing needs and expectations of your patients. Communication and costs will only become more complicated as technology continues to advance and HDHPs continue to expand, but you can also use those changes to your benefit. The key is to remain prepared, adaptable, and focused on your mission to provide quality care.

INCREASING CONVENIENCE

Increasing the convenience of your practice isn't about opening a location in all of your major markets, as that isn't a viable option for most organizations. If you do have the luxury of multiple locations, however, make sure you're promoting those to your patients coming from different areas. Some patients may be driving farther than necessary for care.

You can also increase convenience for your patients by reconsidering your operating hours. Do you receive constant complaints that you should be open on Saturdays, or that you should stay open until 7:00 p.m. instead of 5:00 p.m. to accommodate patients with full time jobs? The more you align your hours with your patients' schedules, the more loyal they'll remain.

If you currently operate under an appointment only scheduling system, consider spreading out appointments to allot for walk-in patients. One of the worst things you can do is turn away a new patient that is already in your office because they didn't know to schedule an appointment ahead of time. Additionally, you can block out time for same-day appointments, further increasing your accessibility and adaptability to changing patient schedules.

ELECTRONIC ACCESS

A patient portal isn't only necessary for reimbursement reporting, it also increases patient satisfaction and ease of use, as well as making communication with your patients much easier, faster, and more direct.

56% of patients say that access to online communication tools like a portal would make them more likely to schedule visits for preventative care. Conversely, 37% of patients said they don't know whether their care provider has a patient portal, and 28% said they don't have one. So, while it's clear that some practices need to begin instituting a

patient portal, the larger takeaway is that practices need to be doing a better job of educating their patients on the existence and usability of their portal.

The patient portal can be used for many things, depending on the needs of your practice and patients:

- Appointment scheduling
- Wait time notifications
- Instant access to health records for patients
- Easy sharing of medical information with other providers
- Patient payment options, such as online bill pay

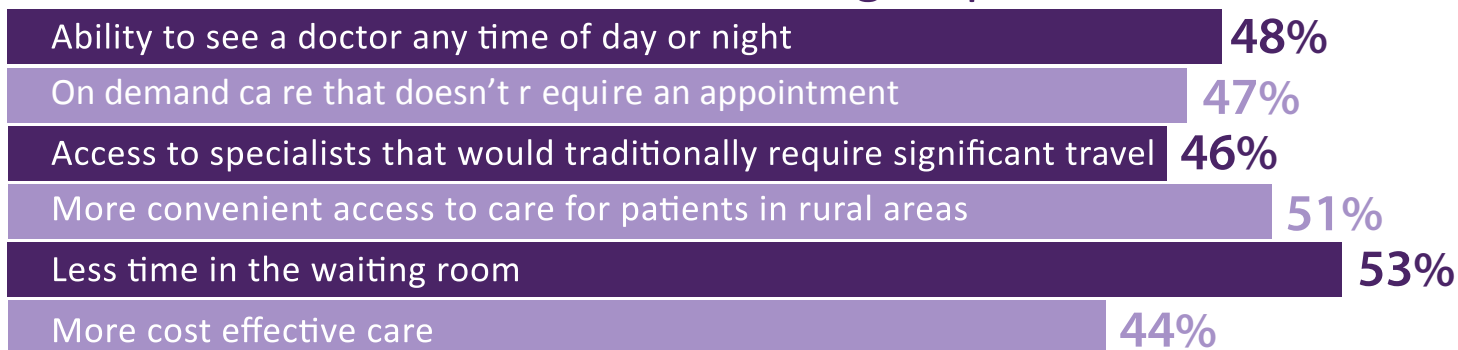
Giving patients and other providers access to patient medical information not only makes it easier for patients to manage their own health, but also helps in avoiding medication contradictions. Most importantly, a patient portal promotes transparency between providers and patients.

TELEMEDICINE

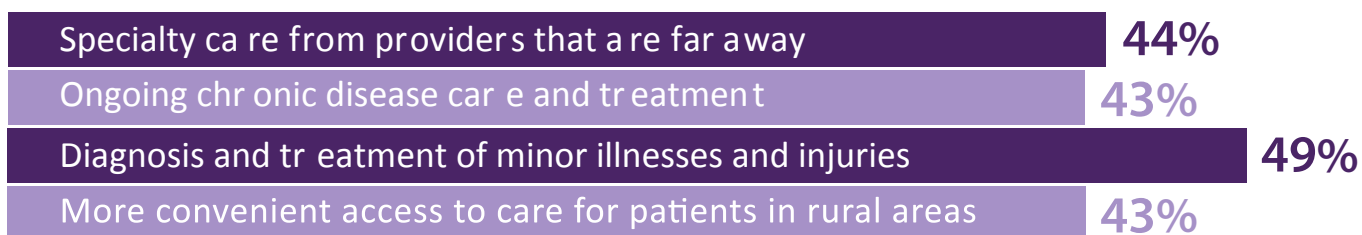
Telemedicine is the ever growing practice of providing care outside of the office through telecommunication platforms, and can be broken down into three groups. "Store and forward" telemedicine involves transmitting acquired medical data to a doctor to be reviewed at a later time, and does not require the patient and doctor to be in the same space for a physical exam. "Remote monitoring" is a well-known form of telemedicine and allows providers to monitor patients remotely through the use of different devices, primarily impacting patients with chronic diseases. Finally, "real-time interactive" is the newest form of telemedicine, and takes the place of in-person physical exams. These are known as electronic consultations, and are becoming more popular every year due to their convenience and cost effectiveness.

While 85% of patients say they have yet to take part in a telemedicine appointment, 30% of practices plan on offering telemedicine services in the next 2 years.

Benefits of telemedicine, according to patients:



Telemedicine services most requested by patients:



YOUR PATIENT ENGAGEMENT STRATEGY

As explained above, it's become more important than ever to keep patients engaged with their healthcare outside of in-person appointments. But that doesn't mean that you shouldn't be finding new ways to engage with them during those in-person appointments.

Now that patients are more responsible for their healthcare, both financially and mentally, they want to feel more in control. They want to be involved, and you can help with this through a process called "shared decision making." Providers are the health experts; no one would deny that. But, if you want patients to take control of their health and follow your care instructions, make them part of the process. Shared decision making is educating patients of all the clinical risks and impacts on their functional health so that they can make an informed decision about their own care. Rather than telling a patient what to do, make it a conversation about their options.

However, trying to make your patients more involved can only go so far. Only 50% of patients report taking a more active role in their healthcare than last year, and 74% of providers say their patients' unwillingness to change inhibits them from following provider instructions. So how do you encourage patients to take control of their health?

"Everyone knows they're supposed to have an annual exam. But people forget when their exam was last year, so they don't schedule a new one. Some people need more engagement than others, and Greenway Patient helps with that. Our patients have almost become reliant on these communications and expect us to communicate."

—Kris Linden
Administrator
OB/GYN Associates of Spokane (WA)

PROACTIVE REACH-OUT

More than anyone else at a practice, providers have the most impactful relationship with patients to

encourage them to be more involved with available engagement tools. Providers may need to make the first move with certain patients, and that begins with educating them on the tools at their disposal, such as online portals. They can also positively reinforce engagement by responding to patient messages.

THE GREENWAY ADVANTAGE


Greenway Patient provides comprehensive solutions and services to assist with patient engagement, from Greenway Patient Portal to secure messaging through Greenway Patient Messaging.

USING YOUR OWN PORTAL

This may seem obvious, but if you want your patients to be using your online portal, you need to be using it, as well. Consistently responding to messages, initiating conversations, and allowing patients to schedule appointments and pay bills online will all make patients more likely to use and engage with your portal. If a patient consistently receives nothing in response to their messages via the portal, they won't continue to use it.

SUPERIOR CUSTOMER SERVICE

We all remember times when we've received excellent customer service, whether it was a bookseller going out of their way to recommend a new read at the bookstore or that barista remembering your daily order at the coffee shop. But, typically we remember poor customer service with more clarity, like a bored sounding phone support representative or waiting forever for your food at a restaurant with no indication of why. It's just as important for patients to leave your practice having a good customer experience as it would be at any retail store. By providing an excellent customer experience, you build loyalty and expand your service base through positive reviews and referrals.



Some of the most impactful ways you can offer that superior customer experience are:

- **Being service oriented:** Everything you do is for the benefit of your patients. In the medical field, the customer may not always be right, but they should feel like a part of their own care plan.
- **Maintaining standardized staff language:** One of the worst things a patient can feel when leaving the doctor is confused. To fight this, make sure all staff are on the same page when it comes to terminology and how to explain things to patients. This includes billing matters, and you can even develop standardized answers for common patient questions.
- **Promoting a positive feedback loop:** From receptionists, to clinicians, to billing staff, all of the employees at your practice work hard to provide the best care possible for your patients. It's important to highlight their successes with positive feedback, especially when that feedback is coming directly from patients. Knowing their hard work is being recognized empowers employees to continue providing excellent service.
- **Prioritizing patient comfort:** Comfort means more than soft couches in your waiting room. It's important to create a safe environment for your patients to be honest about what's troubling them. In this way, you can ensure patients are receiving the care they want and deserve, especially in cases where they may not actually know what it is they need.

Your Revenue Cycle Strategy

As patients become more responsible for their own medical bills thanks to high deductible health plans, it's becoming increasingly important for practices to adapt their payment options and methods for collecting monies owed. There are two primary places where balances are collected: at the front desk, and with collections.

OFFICE STAFF

As the first interaction your patients receive upon entering your practice, the front desk is immensely important from a customer service perspective. But it's also the best place to collect patient payments and to get out ahead of potential collections problems. Patient check-in presents the perfect opportunity to collect any outstanding balances, deductibles, or copays. You can also check insurance eligibility and educate patients on their current care plan and patient engagement methods like patient portals.

In many practices, front office staff are also responsible for managing incoming patient calls, and sometimes even assist the billing department. Juggling so many balls can lead to dropping some of them, and that's an easy way to put your practice in financial trouble.

Whether they currently have a dedicated billing staff or not, some practices have found success in outsourcing their billing to lessen staff workload, enabling them to spend more time with patients and less time manning phone lines.

"Since switching our billing to Greenway Revenue Services, our front staff can spend more time interacting face to face with patients since they aren't on the phones."

—Kris Linden
Administrator
OB/GYN Associates of Spokane (WA)

PATIENT PORTAL BENEFITS

Another method of promoting patient engagement that also helps office staff is offering a patient portal where patients can go to request appointments and prescription refills, send messages to clinicians, and view their health records. As society becomes more technology dependent, people expect to have information at their fingertips. You can offer this ease of use with a modern, adaptable patient portal.

"The Greenway Patient Portal saves on time. It's less time our scheduling staff has to spend on the phone transferring calls to nursing, less time our patients have to spend waiting, and is more efficient. I know it's working because I haven't had any complaints."

—Nancy Goodson
Informatics Team
JCH Medical Group

A patient portal is also a great way to offer online bill pay, another thing people have come to expect in this modern age. The more methods of receiving payment you support, the more likely you are to actually see those payments.

An additional benefit of a patient portal that doesn't affect the patient directly is secure messaging. Through this platform, staff can send messages and patient data to other providers, which both satisfies reporting measures and enables you to provide more complete patient care.

"We see about 130 patients a day and around 75% of them have labs of some sort. With this new system, we probably save up to \$50 a day just on postage. Before, it was a two-minute phone call to confirm lab results, if we didn't play phone tag. Now, that's something we don't have to do as much."

—Bethany Suggs
Information Systems Coordinator
Family Medical Associates of Raleigh

MEASURING SUCCESS

So now that you have all of this information on how to succeed in this new world of patient consumerism, how do you know if you're doing well? There are several important metrics to track in various categories.

Billing

- **Days spent in accounts receivable:** how long it takes for a claim to be paid
- **Net claims ratio:** the percentage of total potential reimbursement collected compared to the total collected amount, this is affected by denial rates and unreimbursed visits
- **Clean claims ratio:** the percent of claims that are paid at first submission, and have never been rejected, do not have a preventable denial, have only been filed once, and contain no errors
- **Number of outstanding patient balances:** the number of patients still owing money to your practice, some of which could have been avoided by collecting at check in

Patient Engagement

- **Practice analytics:** Any good EHR/PM system will have a dashboard with useful engagement analytics, such as the percentage of patients viewing their health information on a patient portal
- **NPS:** The Net Promoter Score predicts future business growth based on current customer experience, and groups people into categories such as promoters, passives, and detractors
- **CAHPS Survey:** The Consumer Assessment of Healthcare Providers and Systems survey asks patients to report on their experience with different healthcare services, and is a product of the Agency for Healthcare Research and Quality (AHRQ)

THE GREENWAY ADVANTAGE

If this all seems like an overwhelming amount of information, Greenway Health can help.

It isn't enough to offer a patient portal or offload your billing to an outside firm. You need systems that work together to streamline your workflow, lessen the load on your staff, and prepare you for future reporting changes.

With Greenway's integrated solutions such as Greenway Revenue Services and Greenway Patient, you'll have the tools you need to succeed in your goal of engaging patients and providing quality care.

"We like being able to send messages back and forth and not have to worry about recording it in the chart, because it automatically does it for us."

—Bethany Suggs
Information Systems Coordinator
Family Medical Associates of Raleigh

CONCLUSION

Patients need to be seen as what they are: savvy consumers with more options and education than ever before. Modern patients are taking control of their own health. They demand more from their care and are changing where and how they choose to receive it. It's up to practices to adapt to these changing expectations, and Greenway Health has the tools to help.

With Greenway's integrated solutions, practices will see financial returns in lowered admin costs, more bills paid on time and in full, and more efficient workflows. They'll also see better long term satisfaction, with fewer errors, less overworked staff, and more preparedness for reporting methods and future industry changes.

To learn more about Greenway Health and how we can improve the financial future of your practice, please call 866-242-3805 or visit greenwayhealth.com.