What does Consumerism 2.0 Look Like for Your Patients and Providers – and How Do You Get There?

July 27, 4:15-5:30 p.m.

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Agenda

Our Perspective on Consumer Strategy

Frederick Regional Health System: A Case Study

Lessons Learned and Next Steps
Healthcare Consumer Decision Making

**Organizational Ways to Influence Decision Making**

- Manage demand
- Manage product/service/access portfolio
- Manage consumer constraints
- Inform consumer perceptions and/or preferences
- Deliver value

**Product Attributes that Influence Decision Making**

- Frequency with which the decision is made
- Frequency of utilization once a decision is made
- Relationship to other decisions (upstream/downstream)
- Perceived impact/importance
- Potential variability in outcomes
Managing Consumer Relationships

Healthcare networks must manage consumer relationships in two ways – secure initial relationships and build loyalty.

1. **SECURE INITIAL RELATIONSHIPS**

   **Consumer “Anchor” Decision:**
   Choosing Your Network Home
   
   What drives first choice?

2. **BUILD LOYALTY**

   **Consumer “Loyalty” Decision:**
   Exclusively Seeking Care in Your Network Home
   
   What drives loyalty?
How the Decision Gets Made

1. **SECURE INITIAL RELATIONSHIPS**

   **Consumer “Anchor” Decision:**
   Choosing Your Network Home

   - **Insurance**
     - Product value (price, deductible, network)
     - Network and insurance brand
     - Brokered access

   - **Consumption**
     - Network brand
     - Perceived value
     - Provider recommendation
     - Friends and family recommendations

2. **BUILD LOYALTY**

   **Consumer “Loyalty” Decision:**
   Exclusively Seeking Care in Your Network Home

   - **Consumption**
     - Ensure repetitive, predictable cycle of choice, delivered value, reinforcement of relationships, experience
## Factors in Decision Making

There are various factors that affect both the “anchor” and “loyalty” decision making.

<table>
<thead>
<tr>
<th>Experience Factors</th>
<th>“Anchor” Decision</th>
<th>“Loyalty” Decision</th>
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<tbody>
<tr>
<td></td>
<td>Coverage</td>
<td>Total expense</td>
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<td>Reimbursement</td>
<td>Ease of access</td>
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<td></td>
<td>Total expense</td>
<td>Service level</td>
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<td>Ease of access</td>
<td>Outcomes</td>
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<thead>
<tr>
<th>Consumer Preferences</th>
<th>“Anchor” Decision</th>
<th>“Loyalty” Decision</th>
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<tr>
<td></td>
<td>Breadth of coverage</td>
<td>Cost</td>
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<td>Premium</td>
<td>Convenience</td>
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<td></td>
<td>Out of pocket expenses</td>
<td>Service</td>
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<td>Breadth of providers</td>
<td>Quality</td>
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<thead>
<tr>
<th>Information Sources</th>
<th>“Anchor” Decision</th>
<th>“Loyalty” Decision</th>
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<tbody>
<tr>
<td>Past experience</td>
<td>Past experience</td>
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<tr>
<td>Benefits explanations</td>
<td>Health plan</td>
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<tr>
<td>Third party ratings</td>
<td>Provider recommendations</td>
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<tr>
<td>Consumer reviews</td>
<td>Friends and family recommendations</td>
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<tr>
<td>Education/advocacy groups</td>
<td>Third party ratings</td>
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<tr>
<td>Friends and family recommendations</td>
<td>Consumer reviews</td>
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<td>Word of mouth</td>
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<tr>
<th>Constraining Factors</th>
<th>“Anchor” Decision</th>
<th>“Loyalty” Decision</th>
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<tbody>
<tr>
<td>Employer sponsored plans</td>
<td>Insurance coverage</td>
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<tr>
<td>Individual/exchange plans</td>
<td>Provider network</td>
<td></td>
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<tr>
<td>Income</td>
<td>Income</td>
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</tbody>
</table>
Primary Factors Differ by Segment

The factors that drive “anchor” and “loyalty” decision making vary by segment.

<table>
<thead>
<tr>
<th>Well</th>
<th>Millennials</th>
<th>Generation X / Generation Y</th>
<th>Baby Boomers</th>
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<tbody>
<tr>
<td></td>
<td>Information</td>
<td>Information</td>
<td>Friends and Family Recommendation</td>
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<tr>
<td>Episodic</td>
<td>Value</td>
<td>Value</td>
<td>Provider Recommendation</td>
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<td>Access</td>
<td>Provider Recommendation</td>
<td>Value</td>
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<tr>
<td>Chronic</td>
<td>Provider</td>
<td>Value</td>
<td>Provider Recommendation</td>
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<td></td>
<td>Friends and Family</td>
<td>Provider</td>
<td>Provider Recommendation</td>
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<td></td>
<td>Recommendation</td>
<td>Recommendation</td>
<td>Customer Intimacy</td>
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Agenda

Our Perspective on Consumer Strategy

Frederick Regional Health System: A Case Study

Lessons Learned and Next Steps
Rationale: Why Consumer Strategy?

A consumer strategy ensures FRHS is offering a compelling value proposition to an evolving—and increasingly empowered—patient population.

Market Imperatives

*FRHS has a unique market position and operates in a highly-regulated state; each factor drives a need for a patient-centered consumer strategy:*

- FRHS is the primary healthcare provider in Frederick County and has a **unique responsibility** to serve the healthcare needs of Frederick’s community in a comprehensive, compassionate manner.

- Payment reform has created a **focus on population health and growth in unregulated services**. Success under this payment mechanism requires building relationships with patients across care settings.

Guiding Strategic Lens

*FRHS is executing against an ambitious strategic agenda; a consumer strategy provides a common thread and focus for other work underway:*

- FRHS’ enterprise strategy is driving work across **multiple dimensions:**
  - Population Health Strategy
  - Surgery Strategy
  - IT Strategy
  - Cancer Strategy
  - Physician Group Strategy

- As FRHS continues to enhance its service offerings, a consumer strategy can ensure that the **voice of the consumer** and patient preferences are reflected and considered.
Vision for Consumer Strategy

Frederick Regional Health System (FRHS) will offer a compelling value proposition to an evolving—and increasingly empowered—consumer population; our vision is for FRHS to be known as THE trusted source for health in the community.
FRHS Consumerism Journey

With our core objectives in mind, our plan identifies a mix of short-, medium-, and long-term priorities that help us achieve our consumerism vision.

FRHS’ consumerism journey...

...guided by our consumer objectives:

- Innovate and re-envision the care delivery system to provide patient and consumer-centric integrated care
- Connect and support consumer decision-making and choice
- Elevate the FRHS brand and inform the consumer

**Consumerism 1.0**
Deliver a Consumer-Oriented Experience (1-12 months)

**Consumerism 2.0**
Integrate Strategic Positioning with Brand Promise (1-3 years)

**Consumerism 3.0**
Provide a Personalized Consumer Experience (3-5 years)
Defining FRHS Consumer Strategy

Define Priority Consumer Segments

- Chronic Conditions
- Pediatrics
- Mothers/Health Care Decision Makers
- 65+ and Geriatrics
- Generally Well

Confirm Segment-Specific Strategic Priorities

1. Growing Market Share
   - Improving Experience
   - Enhancing Continuity of Care

2. Improving Operational Efficiency and Reducing Cost

5. Driving Innovation

Outline Tactics in Support of Strategic Priorities

- Improving Experience
  - Financial Applications
  - Scheduling
  - Expand Visit Portfolio

- Enhancing Continuity of Care
  - Patient Navigation
  - Provider Connectivity
  - Telehealth
  - Transportation and Mobile Care

Incorporate the voice of the consumer via focus groups running concurrently with planning process

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Understanding the Consumer: Focus Groups

Our Approach

**Wave 1** (Two focus groups)
Test high-level consumer perceptions of FRHS and overall impressions of consumer

**Wave 2** (Two focus groups)
Test emerging strategies with high priority consumer segments
## Priority Consumer Segments

<table>
<thead>
<tr>
<th>Consumer Segment</th>
<th>Rationale for Focus</th>
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<tbody>
<tr>
<td><strong>Chronic Conditions</strong></td>
<td>- High utilizers</td>
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<td></td>
<td>- Critical to success under GBR</td>
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<tr>
<td><strong>Mothers / Healthcare Decision Makers</strong></td>
<td>- Primary decision maker for families</td>
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<tr>
<td><strong>Pediatrics</strong></td>
<td>- At-risk population in Frederick County</td>
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<tr>
<td><strong>65+ and Geriatrics</strong></td>
<td>- High utilizers</td>
</tr>
<tr>
<td></td>
<td>- Fastest growing population in our market</td>
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<tr>
<td><strong>Generally Healthy</strong></td>
<td>- Build relationship before health issues arise</td>
</tr>
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</table>
### Strategic Imperatives for Priority Consumer Segments

<table>
<thead>
<tr>
<th>Strategy Dimensions</th>
<th>Generally Well</th>
<th>Female Healthcare Decision Maker</th>
<th>Chronic Conditions</th>
<th>Seniors</th>
<th>Pediatrics</th>
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<tbody>
<tr>
<td>Growing Market Share</td>
<td>X</td>
<td>X</td>
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<td>X</td>
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<tr>
<td>Improving Experience</td>
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<td>Enhancing Continuity of Care</td>
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<tr>
<td>Improving Operational Efficiency and Reducing Cost</td>
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<td>Driving Innovation</td>
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*Innovation identified as an enabler of priority strategy dimensions across all segments*

- Indicated as “primary” strategy dimension of focus for consumer group.
Consumerism Tactics for FRHS

The leadership identified the following tactics to be implemented at FRHS that:

**Improve Patient Experience**

**Financial Applications**
- Online bill pay
- Financial counseling
  - 1.0 – Regulated services counseling
  - 2.0 – Ambulatory/unregulated services counseling
- Pricing transparency
  - 1.0 – Regulated services transparency
  - 2.0 – Ambulatory/unregulated transparency

**Scheduling**
- Navigation assisted scheduling
- Online practice specific scheduling

**Expand Visit Portfolio**
- Interdisciplinary physician clinics
- Group visits (e.g., diabetes)
- Customized care settings (e.g., geriatrics)
- Family visits

**Enhance Continuity of Care**

**Patient Navigation**
- Consolidate and augment current navigation services
- Navigation Center
  - 1.0 – consistent care management, supported by technology, across FRHS
  - 2.0 – Customer relationship management, supported by a CRM IT platform, across FRHS

**Physician Connectivity**
- Communication service expectations
- Provider-Provider communication
- Single patient portal
- Single patient record

**TeleHealth**
- mHealth and FRHS mobile application
- Digital visits/consults for low acuity conditions

**Transportation and Mobile Care**
- Patient transport services through partnership
- Mobile clinics with midlevel providers
- Ambulance staffed with midlevel providers
Consumerism Oversight Model

Strategy Council (existing)

Consumerism and Experience Committee

Composer of 4-6 executive leaders across strategy, clinical and operations; supported by finance and IT (recommend using existing Consumer Strategy Planning Team)

- Oversee implementation of consumerism initiatives
- Approve initial and ongoing prioritization of critical implementation activities
- Assign accountabilities for implementation task forces
- Approve goals, deliverables and KPIs of implementation task forces
- Ensure adequate resources for implementation task forces (e.g., budget, staff, IT, etc.)

Implementation Task Forces

Ad-hoc teams, led by Executive Sponsor and supported by initiative-specific mix of segment/service line leaders, clinical leaders, project coordinators, etc.
The implementation task forces would be chartered and launched by the Consumerism and Experience Committee to execute against the implementation plan for prioritized consumer strategies.

Each task force would be structured as an ad-hoc team, led by a Project Manager and supported by initiative-specific mix of segment/service line leaders, physician/nursing representatives, project coordinators, etc.

Task force leaders are responsible for defining resource requirements, timelines, KPIs, and deliverables; these would go to the Consumerism and Experience Committee for approval and budget.

Upon completion of deliverables, the Task Force would either dissolve or be re-assigned to a different initiative.
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Lessons Learned and Next Steps
Now, for your shoulder problem I'm gonna write a referral for you to see a specialist.

Okay cool.

So just look up an orthopedic specialist in your area, make an appointment and show them this.

Sounds good!

I'm never going to do this.
Define **consumerism** up front. Nomenclature is everything.

Don’t let “cool shiny objects” make you forget the basics.

Technology isn’t a panacea.

Segment your population, then define approach of your consumerism strategy and tactics.

What are you good at ... and who can you partner with for what you aren’t?

Simplification should be a guiding principle.
Key Lessons Learned: Implementation

Consumerism is cross-functional; everyone has to own the change.

Easier to design new workflows than to change incumbent practices.

Solving consumer challenges in one area often creates visibility into issues elsewhere.

Data and feedback loops become more important.

Dedicated project management is a must.
Questions
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