

# Trustee Insights

## PATIENT EXPERIENCE



## Focus on Consumerism to Drive Health Care Value

Boards can understand their patient population better by being “consumer-centric”

BY PRIYA BATHIJA

**D**uring an executive forum in the early days of AHA's The Value Initiative, launched to help hospitals, health systems and the field take on affordability and value, PillPack's Chief Product Officer, Elliot Cohen, shared an insight on consumerism that continues to resonate.

Cohen said that as a field, we often focus more on economic

incentives than we think about how we can improve the consumer experience. If we were to switch gears and focus on making health care more convenient and enjoyable for our patients, we would automatically arrive at lower costs and better outcomes.

For PillPack (an online pharmacy acquired by Amazon), improving the consumer experience means trying to meet customers where they are by creating as many touchpoints to their pharmacy as possible, and by measuring their success with customer experience-related metrics.

But how does that translate to hospitals and health systems as we care for patients, often during their most vulnerable times?

According to the American Customer Satisfaction Index, health care continues to trail other industries in customer service, and hospitals ranked 44 out of 47 total benchmarked industries.<sup>1</sup>

As the field pivots to reimagining and redesigning following the COVID-19 pandemic, hospital leaders and trustees have an opportunity to better understand what consumers and patients in their communities value. Leaders can then strategize to ensure hospitals and health systems are delivering on those expectations.

### What Does it Mean to be Consumer-centric?

The term “consumerism” has been used broadly and widely in the health care field. In some cases, it has been viewed as a situation in which individuals have “*trustworthy [and] relevant information*” as well as the “*appropriate technology to make better-informed decisions about their health care options in the broadest sense, both within and outside the clinical settings.*”<sup>2</sup>

It has also been suggested that consumerism includes an acknowledgement that “*patients are not passive recipients of care — they are actors with agency and choice.*”<sup>3</sup>

As trustees and hospital leaders

work towards consumer-centricity, they must provide consumers with information they need to make decisions. Beyond that, hospital leaders must understand what individuals want and value from their health care experience.

What individuals want and value is very personal. For some, it is finding the right mix of health care services that meet their needs. Others want the highest quality of care, regardless of price or convenience. Others seek friction-free, convenient access to health care services. Others focus solely on price or outcomes. It's also likely that what individuals want and value has evolved as a result of the COVID-19 pandemic.

## Delivering on Consumer Expectations

Hospitals have started to implement tangible solutions that either provide information necessary for

## Key Questions for Trustees

- Do we have an understanding of and commitment to improving consumer experience?
- What are the board and leadership's top priorities for improving consumer experience?
- How will the hospital and health system seek, monitor and manage consumer feedback?
- How can board members support leaders' efforts? For example, can board members engage in the consumer feedback process?
- Are there other organizations that the hospital or health system can partner with to improve consumer experience?

consumers to make informed health care decisions or meet their expectations for their health care experience.

- **Costs.** Hospitals are developing online tools to help individuals understand their potential out-of-pocket costs. For example, Indiana University Health provides tailored and comprehensive out-of-pocket cost estimates, which include most hospital and physician-related

services, such as radiology and labs, to individuals who request them before care is delivered.<sup>4</sup>

- **Health Information.** Hospitals are also working to provide individuals with information related to their own health and interactions with their health care providers. Atrium Health has partnered with OpenNotes, an international movement to make health care more transparent.<sup>5</sup> OpenNotes provides individuals with access to their care providers' notes after visits and appointments. Having this information allows individuals to feel more engaged and empowered to take a larger role in their own care decisions.

- **Improved accessibility and convenience.** Hospitals have also taken steps to make care more accessible and convenient. We saw this with the expansion of virtual care throughout the pandemic, including telehealth, remote patient monitoring and information sharing through patient portals. Hospitals are also providing on-demand care through same-day and walk-in appointments, new apps to schedule appointments or access

## AHA resources

The AHA seeks to support trustees in their efforts to improve the consumer and patient experience. We encourage you to explore the following resources.

- **AHA Stat blog:** shares how hospitals are focusing on consumerism to drive value.
- **Patient Out-of-Pocket Cost Estimator Toolkit:** resources to support hospital and health system efforts to improve patient access to estimates about their costs.
- **Patient Billing Toolkit:** resources to help hospitals address patient billing challenges and improve the patient billing experience.
- **The Value Initiative:** resources to help hospitals as they take on value, including issue briefs, case studies, blogs and webinars related to patient and consumer experience.
- **Consumerism webinar series:** designed by Kaufman, Hall & Associates, LLC, this AHA members-only series provides a broader understanding of consumerism and establishes a framework for action.

health care information, transportation to ensure consumers attend their appointments and care navigation services to ensure a smooth and compliant care experience.

- **Shifting sites of care.**

Hospitals are also shifting care to locations where individuals want to receive it. For example, Northwell Health and Walgreens entered into a five-year strategic partnership to deliver patient care virtually in retail locations that are convenient and easily accessible.<sup>6</sup> In addition, many hospitals have developed hospital-at-home programs that deliver acute-level care in individual's homes. One example is Presbyterian Healthcare Services, which provides Presbyterian Hospital at Home services to patients with well-defined treatment protocols, such as congestive heart failure and COPD, who live within 25 miles of a Presbyterian hospital, covering much of New Mexico.<sup>7</sup>

- **Billing experience.** Hospitals are also finding new ways to improve the patient billing experience. Efforts are underway to make bills more understandable, simplify bills for episodes of care, communicate around bills through email or text rather than through mail and increase the ways in which patients can pay bills.

## Trustees' Role in Improving Consumer Experience

There are many steps trustees and boards can take to improve consumer experience. The first step, however, is asking consumers what is important to them and to listen without making assumptions.

There are many ways to seek this

## TRUSTEE TAKEAWAYS



Board members should take the following actions related to consumer experience:

- Become familiar with the consumers and patients their hospitals serve, and understand what they value.
- Identify their top priorities, in coordination with hospital leadership, for improving consumer experience.
- Set goals for this work and track progress on work to improve consumer experience, including metrics that track consumer engagement and patient experience.
- Trustees must ensure that hospital leaders charged with improving consumer experience have the resources needed to achieve their goals.

feedback. St. Luke's Health System in Boise, Idaho, has recruited more than 1,000 individuals from various demographic and geographic segments of their patient population to provide feedback and share their opinions with hospital leaders.<sup>8</sup>

Hospital leaders can also rely on Patient and Family Advisory Councils, include additional questions in patient satisfaction surveys, host town hall or use social media to gather feedback from individuals in their communities. Feedback can also come from external community-based organizations that have a pulse on individuals living in their communities. Regardless of how this feedback is collected, hospital

leaders and trustees should ensure they hear from diverse and under-represented patients and communities.

Once this feedback is gathered, trustees and hospital leadership can begin to identify key themes and priorities for improving consumer experience. While intentions may be good, it is simply not possible to address every piece of feedback. However, if key priorities are identified, goals can be set and changes can begin to be implemented. As with all goals set by the board, trustees should define what success will look like and the metrics that will be used to track progress.

## Disruptors, New Market Entrants and Other Health Care Organizations

As trustees take on this work, it may also be helpful to learn what consumer-centric strategies are being adopted by disruptors, new market entrants or other organizations in the health care environment. Trustees should not only understand these strategies but the impact they may have on their hospital's consumers. Here are three examples of the type of activity Trustees should watch:

- CVS Health has invested \$3 billion on digital enhancements to improve the consumer experience as part of its growth strategy.<sup>9</sup> The company is also making significant investments in the patient experience – the most recent being its acquisition of Signify Health, which aims to enhance CVS' connection to consumers and better address patient needs.<sup>10</sup>

- Walmart is making it easier for consumers to access primary, dental and vision care both in-person and virtually. Most recently, Walmart announced a 10-year collaboration with UnitedHealth Group aimed at improving outcomes, affordability and patient experience for seniors and Medicare beneficiaries.<sup>11</sup>

- Meanwhile, Amazon announced that it will discontinue offering virtual and in-person care for health plans through Amazon

Care by the end of 2022; however, it recently acquired One Medical's direct-to-consumer primary care network that includes 767,000 members and operates 188 concierge medical offices in 25 markets.<sup>12</sup>

In addition, trustees may want to consider whether partnership with these other players may help to improve the consumer experience for their hospital's communities.

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*To access more trustee resources, visit [trustees.aha.org](https://trustees.aha.org)*

*Please note that the views of the authors do not always reflect the views of the AHA.*

## Endnotes

<sup>1</sup> Cedar Healthcare Insights: 2022 Consumer Satisfaction Index: Healthcare Trails Most Industries. Last accessed Aug. 22, 2022 and available [here](#).

<sup>2</sup> Health Affairs Forefront: The 'New' Health Care Consumerism. Last accessed Aug. 22, 2022 and available [here](#).

<sup>3</sup> University of Utah Health Article: When Are We Consumers and When Are We Patients? Last accessed Aug. 22, 2022 and available [here](#).

<sup>4</sup> American Hospital Association Member Issue Brief: Implementing Patient Out-of-pocket Cost Estimators. Last accessed Aug. 22, 2022 and available [here](#).

<sup>5</sup> American Hospital Association Advancing Health in America Podcast: Getting Patients and Caregivers on the Same Page. Last accessed Aug. 22, 2022 and available [here](#).

<sup>6</sup> Walgreens, Press Release: Northwell Health and Walgreens Announce Strategic Agreement. Last accessed Aug. 22, 2022 and available [here](#).

<sup>7</sup> American Hospital Association Members in Action: Hospital-at-Home Care Improves Value for Patients. Last accessed Aug. 22, 2022 and available [here](#).

<sup>8</sup> American Hospital Association Trustee Insights: Consumerism Hits Health Care. Last accessed Aug. 22, 2022 and available [here](#).

<sup>9</sup> AHA Center for Health Innovation Market Scan: 3 Keys to CVS Health's Growth Strategy. Last accessed Aug. 22, 2022 and available [here](#).

<sup>10</sup> CVS Press Release: CVS Health to acquire Signify Health. Last accessed Sept. 11, 2022 and available [here](#).

<sup>11</sup> Walmart Press Release: Walmart and UnitedHealth Group Collaborate to Deliver Access to High-Quality, Affordable Health Care. Last accessed Sept. 11, 2022 and available [here](#).

<sup>12</sup> Amazon Press Release: Amazon and One Medical Sign an Agreement for Amazon to Acquire One Medical. Last accessed Sept. 15, 2022 and available [here](#).