



**Technology's Role in Addressing Growing
Consumerism in Healthcare**

A Siemens Healthcare White Paper

The Consumerism Trend

Consumerism in healthcare is a growing trend. Patients are becoming more active participants in choosing their care alternatives, and are more sensitive to the quality of service and cost options that are available in the healthcare marketplace. Several factors are driving the consumer driven healthcare model, most notably the increasing costs of healthcare and reduction of employer contribution to employee benefits. In addition, technology is becoming available to facilitate patient interaction at multiple points in the healthcare process.

A major driving factor behind the trend of patient consumerism is Consumer Directed Health Plans (CDHPs). CDHPs are high-deductible health insurance plans that typically offer lower insurance premiums.

CDHPs are becoming more prevalent, and with the steadily increasing cost of traditional health insurance, it appears the growth will continue. "An estimated 18 million people were enrolled in CDHPs in 2008, up from 12.5 million in 2007, a growth of 44 percent. More than four out of ten employers, large and small, expect to offer CDHPs in the next five years. Larger employers experienced a 20 percent enrollment growth in CDHPs while smaller employers experienced a growth of 9 percent."¹

CDHPs not only raise the patient's expectations of the quality and cost of a healthcare provider's services, they also put a more difficult debt collection burden on the healthcare provider, since recovering outstanding receivables from a patient is more difficult than collecting from an insurance company.

Many hospitals are still not prepared to support this new patient landscape, but hospitals must adopt the proper tools, or be faced with competitive disadvantage. "Adapting newer technologies is necessary. Legacy systems, in-place prior to CDHPs, do not handle higher "consumer debt" related workflow requirements well."²

A New Patient Experience

The Healthcare Financial Management Association (HFMA) whitepaper, entitled "Consumerism in Health Care", proposes a typical patient experience in the year 2011. This experience includes the ability for the patient to make an appointment for a service on the web, understand his financial obligation, as well as check-in for service at a kiosk. The providers involved in this proposed interaction use electronic tools, such as an electronic health record and e-prescribing capabilities, to manage the patient's care. Automation of transactions to the billing system occurs when the electronic health record (EHR) is updated. The claim is generated and real time adjudication enables the provider to receive reimbursement for the service.³

In early 2008, Deloitte conducted a survey of over 3,000 adults to measure their behaviors, attitudes and unmet needs in five areas of consumer activity.

The survey confirmed that individuals are becoming more aware of their health care options and more interested in making healthcare decisions in much the same way they do for other types of products and services. They want information on price and quality. They are looking for information, services and tools that enable them to access care, and receive test results and education to facilitate informed decision-making regarding their care. According to the survey, "Health consumers are demanding enhanced online access to all facets of health care. That much is clear. When it comes to questions of adding value to health care services they receive, greater digital connectivity leads the list."⁴

The Challenge for Healthcare Providers

The challenge for providers will be achieving the vision of the patient experience described in the HFMA whitepaper. The traditional methods of interacting with patients will not be sustainable for the competitive healthcare provider organization. “The traditional telephone-based method of scheduling an appointment for an office visit or diagnostic exam can be a frustrating experience for consumers. Extensive hold times, leaving messages with requests for appointment times, waiting for callbacks, and “phone tag” are typical problems. Furthermore, some patients are unable to call during normal business hours, or unfortunately time their effort when staff is on break or attending to other callers.”⁵

An October 2008 HFMA Revenue Cycle Conference included a session entitled “**Healthcare Barriers, Building a Positive Patient Experience**”, which brought together over 300 revenue cycle leaders who articulated the barriers to achieving a more efficient and positive patient experience. The problem is complex, fragmented and involves many groups of people. Under these conditions, it becomes hard to define the problem, let alone agreeing to a solution. A majority of those represented in the session did not have the tools to provide the positive experience described earlier in the introduction of this whitepaper.

“The most significant impediments within provider organizations to reaching the objectives are a host of standard operating procedures that have evolved over time to make the (process) a confusing, inefficient, and often irrational system.”⁶ These include complicated charge structures, unknown clinical information for cost-estimating prior to service, legal and contractual restrictions, and the lack of technological capabilities.³

The Role of Technology

Recent Gartner research indicates that healthcare provider organizations have made some attempts at providing automation to enable patient interactions for administrative and billing processes, but few if any have implemented patient interaction with clinical processes. The recommendation from Gartner is for care delivery organizations to begin to consider a strategy to IT-enable their patients.⁷

One of the most powerful technologies available to manage the patient-hospital interaction is the hospital’s website. According to the Advisory Board’s 2008 “Next Generation Website Strategy”, hospitals have been slow to evolve their websites to meet the new patient requirements. Below are the Advisory Board’s findings on hospital’s adoption of specific website functionality.

- Online bill pay (36%)
- Online appt requirement (6%)
- Out of Pocket Cost Estimator (4%)
- Personal Health Record (3%)
- Access to lab results (3%)

Deciding on an effective IT strategy is a daunting task given current fiscal and resource constraints most hospitals face today. According to The Advisory Board, providers should adopt a tiered approach to data sharing with their patients. This tiered approach would allow the provider to start with the low-hanging fruit...the functions that provide value to patients with the least disruption to clinicians. An approach like this “allows for resolution of basic policy questions which then form the foundation for future stages that present more complex policy and workflow challenges.”⁶

What is the low hanging fruit that can form the basis for a long-term patient-focused website strategy? “Given limited budgets and time to devote to website investments, hospitals should first consider those high-value features that can be executed fairly inexpensively and with minimal barriers to implementation. Mechanisms to allow patients to request appointments and pre-register online fall squarely into that category—at their most basic, they only require setting up a web page with a few well-selected fields.”⁵

Aside from website tools, there are other technologies that can facilitate effective interaction with patients. “One new technology that the more innovative providers interviewed said was increasingly attractive to cope with CDHPs is the availability of kiosks in providers’ facilities. Kiosks streamline everyday patient interactions and help to reduce wait times and boost patient satisfaction, while giving patients necessary information to better control their higher out-of pocket costs due to CDHPs. Kiosks also can buffer providers from having to be the “bearer of the bad news.”²

Siemens Consumer Strategy

Siemens consumer strategy is targeted at addressing the market priority of administrative and financial functionality. The intent is to assist customers in planning their individual strategy to address consumerism.

Siemens intends to provide patient functionality in a phased approach. Initial function will involve financial as well as administrative capabilities that appear to be a higher priority in the industry. Currently generally available are the following capabilities:

- View a statement
- Pay a bill
- Self service kiosk with the following capabilities:
 - Check in for appointment
 - View/update demographic data
 - View/sign consent forms
 - Pay co-pay for services

A subsequent phase will address online consumer administrative capabilities to include the following:

- Request an appointment
- Schedule an appointment
- Pre-register for a service

Future capabilities under consideration include evaluating the potential of providing web services in Soarian. Such services would enable customers to integrate their own portal with Soarian web services. This capability will be prioritized against other customer requirements for consideration in a future Soarian release. In addition, an anticipated cost of treatment patient capability will be evaluated as a future offering.

As part of Siemens interoperability strategy, we will provide the capability for our customers to give patients an electronic copy of or access to their clinical information via the Continuity of Care Document (CCD). The CCD is designed to contain essential patient information. Sharing patient data may be achieved through interoperability between a CCD and a Personal Health Record (PHR), patient portal, CD, or USB drive.

Siemens does not intend to enter the personal health record (PHR) market, as there are many vendors, including Microsoft and Google, that are already providing PHRs. However, Siemens does intend to interoperate with such systems via industry standards.

Siemens is committed to providing technology that conforms to industry standards for data content, format, terminology, and communication, as required. The industry standards will be a key driver to enable Siemens solutions to share information with other systems

Summary

Based on customer validation and prioritization, Siemens strategy provides a phased approach, with initial emphasis on administrative and financial capabilities. Offering capabilities in this area will provide customers with robust patient administrative and financial capabilities both online and on-site, using existing interfaces to INVISION and Soarian.

Future phases will be driven by market trends, customer prioritization as well as market opportunity evaluation.

Endnotes

1. **2009 AAPPO Survey of Consumer-Directed Health Plans (CDHPs)**, *American Association of Preferred Provider Organizations*
2. **The Impact of Consumer Directed Healthcare on Providers**, *Fifth Third Bank, October 2008*
3. **Consumerism in Health Care: An initiative of the Patient Friendly Billing Project**, *Healthcare Financial Management Association (2006) pg. 2*
4. **2008 Survey of US HealthCare Consumers – Executive Summary**, *Deloitte LLP (2008)*
5. **Next-Generation Website Strategy: Investment Blueprint for Improving the Online Patient Experience**, *The Advisory Board, 2008*
6. **Streamlining Hospital-Patient Communication – Developing High Impact Patient Portals**, *The Advisory Board Company (2007)*
7. **Introducing the Healthcare Consumer of the Future**, *Gartner (March, 2008)*

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