

CONSUMER CO-LAB '23

KEY TAKEAWAYS FROM SPRING 2023 CONSUMER CO-LAB

Four Conclusions on Advancing the Consumer Experience

There has been a permanent shift in how consumers communicate with—and assess—their healthcare providers. Cedar's 2021 Healthcare Consumer Study found that:

- **57% of consumers** would be more likely to recommend their provider if they had a good digital experience; and,
- **35% of consumers** switch their providers because of poor digital experience.

As such, Leading Health Systems (LHS) in The Health Management Academy's community have made it clear that addressing consumerism in healthcare cannot be a one-time initiative. Instead, it is imperative to ensure patients have access to affordable, high-quality, personalized healthcare.

To help LHS execute their long-term consumer vision and address evolving consumer demands, The Health Management Academy and Cedar have partnered on the Consumer Co-Lab, an ongoing collaborative to share strategies, challenges, and opportunities to improve the consumer journey and experience.

1. Access (or lack thereof) is, for many systems, is a roadblock to executing a consumer-first strategy

Access to healthcare - whether it is limited access to information, barriers to digital engagement, or accessing quality care (virtually or in person) - is a critical factor that significantly influences the success of consumer strategies for LHS. Not only does it hinder progress in consumer efforts, but it also contributes to the cost problem plaguing the healthcare industry.

For example, one of the prominent issues consumers face is their limited access to information. Patients' struggles to understand the complexities of health systems directly tie to their frequent experience of lacking the necessary information to make informed choices about their healthcare. Achieving effortless care, akin to the seamless experiences provided by platforms like Amazon Prime, necessitates healthcare systems to effectively leverage their data and demonstrate a profound understanding of their patients' preferences.

Furthermore, there remains a disconnect between how healthcare systems define access and the definition put forth by industry companies. To bridge this gap, industry stakeholders need to invest time in comprehending the goals of healthcare systems regarding consumer access and meeting them where they currently stand. This understanding is vital for aligning strategies and developing solutions that address the specific access needs of healthcare systems.

The Health Management Academy + Cedar Consumer Co-Lab, launched in October 2022, is an ongoing collaborative for key health system executives across strategy, operations, finance, digital health, consumer strategy, and marketing to address shared challenges on advancing a 'consumer-first' strategy. During bi-annual events, the Consumer Co-Lab facilitates experiential learning and engagement opportunities across the healthcare ecosystem, never losing sight of the key driver of innovation: *the patient*.

2. Continuing to refine data and analytics to improve consumer strategy

Leveraging data and consumer insights is crucial for creating a seamless healthcare experience. Health systems are working to analyze data to identify trends, understand consumer behavior, and optimize operations. Continuous monitoring of consumer feedback enables providers to enhance the patient experience and drive iterative improvements. This requires consumer leaders to use data analysis to communicate ROI effectively and understand consumer preferences.

Implementing robust Master Data Management (MDM) is essential for consolidating accurate provider information, but it can be complex and costly. Challenges arise in data curation, establishing consistent taxonomies, and developing effective matching algorithms. Careful consideration of data elements and patient preferences is essential to ensure that MDM aligns with organizational goals and effectively supports consumer-centric initiatives. By embracing a data-driven approach and effective data management, healthcare organizations can enhance care delivery, improve patient experiences, and foster a more consumer-centric healthcare system.

3. Finding the Balance Between Systems of Record vs. Systems of Engagement to drive transformation

Leading health systems face the complex challenge of finding the right balance between preserving the strength of their core business and investing resources in transformative innovations. This delicate balance between maximizing the current systems of record and implementing new systems of engagement are essential to supporting their existing business model. This requires healthcare leaders to consider whether to disrupt and build internally or collaborate with external innovators to drive meaningful change.

To navigate this challenging landscape, they must consider various factors such as return on investment (ROI), the scope of the project, and the unmet needs within their existing system of record. Additionally, long-term business plans and partnership goals must be discussed up-front in order to define individual success metrics and ongoing evaluation to build trust and overcome any hesitancy. By addressing concerns related to trust, alignment of goals, and demonstrating a strong ROI, healthcare systems can establish successful collaborations that build upon existing systems of record to drive meaningful innovations and advancements in the industry.

Stay tuned for more information!

As The Health Management Academy + Cedar Consumer Co-lab continues to evolve, we'll be developing alongside our lead health system members a qualitative and quantitative approach to benchmarking the Consumer Experience. Stay tuned for more information.

4. Measuring consumer initiatives in healthcare remains challenging without comprehensive metrics

The measurement of consumer experiences is vital in healthcare to ensure that even the most innovative solutions have a meaningful impact. However, the industry has been lacking actionable metrics specifically tailored to consumer experiences, often relying on simplistic metrics like Net Promoter Score (NPS). While NPS provides a basic understanding of consumer sentiment, it fails to provide deep insights and diagnostic capabilities. What truly matters is understanding the underlying factors that drive consumer decision-making by using data-driven insights to assess key aspects of the consumer experience.

It is crucial to uncover the factors that contribute to positive or negative consumer sentiments. When patients are unwilling to recommend a health system, it becomes essential to identify the specific aspects of their experience that are causing dissatisfaction and discontentment. This requires a more comprehensive approach to measurement, one that goes beyond surface-level metrics and delves into the underlying drivers of consumer behavior and satisfaction. By focusing on meaningful and diagnostic consumer experience metrics, often found within systems of engagement, healthcare systems can gain valuable insights, identify areas for improvement, and enhance the overall consumer experience.



Learn more about The Health Management Academy + Cedar Consumer Co-Lab
Join the upcoming Co-Lab in October 2023