



# CASE STUDY

## IDENTIFYING PRIMARY CARE MARKET SHARE

### SUMMARY

A regional health system client in a competitive market had historically struggled to understand the effectiveness of its primary care strategy, particularly in markets where it was making new investments as part of an overall growth strategy. The client had used growth in inpatient market share as a proxy for success, but found that this did not reflect their success in penetrating these outlying geographic markets.

**HSG Market Insight** was leveraged to look at all visits billed with a Primary Care Evaluation and Management (E&M) code within the past two years, past 18 months, and past year in each market that the health system was focused on, and identify 1) what percentage of total primary care visits were being provided from the health system's employed primary care providers that had been established in the market, and 2) was that percentage changing over time?

### HSG MARKET INSIGHT PROCESS

1. **Identify all providers in each market who were producing primary care E&M visit codes (independent, competitive and health system employed)**
2. **Identify all patients who had seen those providers within the last two calendar years**
3. **Evaluate all E&M codes produced for those patients**
4. **Calculate a total volume for the market for primary care E&M codes as well as what percentage of those codes were being generated by the health system's employed providers, resulting in a market share calculation.**

In addition, based on the data collected during this process, **HSG was able to identify the following items crucial to understanding the primary care market:**

1. **Each provider's approximate patient panel size** – providing insight on who the dominant providers in each practice were, along with the visit intensity for the patients in each providers panel
2. **Each provider's approximate payer mix** – identifying the populations served by each provider
3. **Each provider's coding distribution** – resulting in insights about the complexity of patients in each provider's panel, as well as potential compliance concerns



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### WHAT HSG FOUND

The data generated from **HSG Market Insight** exponentially increased the client's understanding of the market, and informed future primary care strategy and potential acquisition opportunities.

The data showed that the client's perceptions of their success in penetrating the primary care market in a handful of key growth areas was not as successful as perceived. One specific geographic area the client had targeted for geographic growth and opened a primary care location in within the past 24-months was producing less than 15% of the primary care market share for all providers in region. This was much lower than anticipated as they believed there to be significant growth opportunity when opening the practice. They were falling behind in a race to keep up with a market that was quickly growing with commercially insured family patients and needed to reinforce their primary care strategy.

Based on the data provided, they increased recruitment to the market and added Advanced Practitioners. Guided by the competitive data they received from HSG, they also pursued an acquisition of an existing private practice in the market that had a solid payer mix and productive providers.

### APPLYING HSG MARKET INSIGHT TO YOUR ORGANIZATION

To learn more about HSG's approach and get a complementary **HSG Market Insight** report for providers in your market, contact DJ Sullivan or Eric Andreoli.



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