Today's Presenters

DJ SULLIVAN
MBA, MHA

DIRECTOR

HSG Advisors
djsullivan@hsgadvisors.com
502.814.1198

ERIC ANDREOLI
MBA

DIRECTOR

HSG Advisors
eandreoli@hsgadvisors.com
502.814.1193

Company **Overview**

HSG builds high-performing physician networks so health systems can address complex changes with confidence.

Headquarters: Louisville, KY

Formed: 1999

Focus: Health Systems and Physician Network Strategy and Execution

Physician Strategy
Driving a common strategic focus with engaged physicians.

Physician Leadership
Identifying and engaging strong physician leaders is integral to the network's development and success.

Performance Improvement
Improving the performance of employed physician networks.

Network Integrity
Leveraging Physician Network Integrity Analytics™ to create and monitor strategies for patient acquisition and retention.

Physician Compensation
Aligning physician compensation with health system and employed network goals.

Handouts/White Papers

HSG | Patient Share of Care:
Measuring Patient Brand Loyalty

SHSMD Society for Health Care
Strategy & Market
Development™

Wednesday August 25th, 2021
1:00pm – 2:00pm ET

For handouts of today's presentation as well as HSG's latest whitepaper on Patient Share of Care, **please leave your information in the Post-Webinar-Survey** at the end of today's presentation.

2021 SHSMD CONNECTIONS
in person + virtual

HSG will also be presenting on Patient Share of Care with two health system partners at **2021 SHSMD Connections on September 20th.**

HSG

Indiana University Health

Sparrow

DJ Sullivan
Director

Sandra Ryder-Smith
Executive Director of
Market Analytics and Insight

David Mangan
VP, Marketing and
Communications

Patient Share of Care: Measuring Patient Brand Loyalty Overview

- Importance of and How to Measure Patient Brand Loyalty

- Best Practices

- Patient Share of Care Use Cases

- Questions and Answers

Patient Share of Care
Why & *What*

Strategic Planning Requires Multiple Data Inputs

Data & Analytic Input Examples	Strategic Outputs
Employed Practice KPIs	**Employed Network Performance**
Provider productivity	
Provider supply and demand analysis	**Manpower Planning**
Market demographics	
Access point and drive time analysis	**Service Line Planning**
Patient attraction and retention	
Quality and outcome measures	**Market Growth**

Finding Better Data for Patient Behavior

Measurement of patient attraction and retention provides foundational information for **strategic**, **service-line**, and **manpower** planning efforts.

However, many organizations rely on inadequate data and analyses to infer patient behavior.

Data/Analysis Type	Commentary
Inpatient Market Share Data	• Often self-reported to state hospital association • Misses the competitiveness of the ambulatory landscape in each market
Electronic Medical Record	• Typically focused on identifying referrals leaving the network as part of a referral management strategy • Outputs are only as good as the inputted data • Misses any care provided at other facilities
Claims Data	• Can provide holistic portrait of patient care • Detailed data facilitates multiple analytic approaches • Some data redactions due to privacy protection

What is Share of Wallet?

Investopedia: Share of wallet (SOW) is the dollar amount an average customer regularly devotes to a particular brand rather than to competing brands in the same product category.

Individual Cups Sold in Stores

Coffee Shop	Cups of Coffee
Starbucks	4
Dunkin Donuts	4
Other Coffee Shops	2
Total	**10**

Starbucks Market Share - Cups of Coffee

- 20%
- 40%
- 40%

■ Starbucks ■ Dunkin Donuts ■ Other Coffee Shops
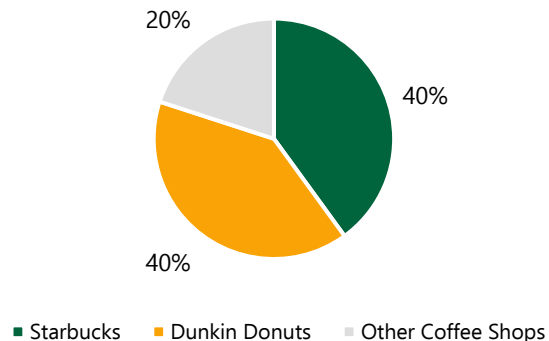
All Coffee Points of Purchase

Coffee Brand	Coffee Spend ($)
Starbucks	$25.00
Dunkin Donuts	$7.50
Other Coffee Brands	$2.50
Total	**$35.00**

Starbucks Share of Wallet – All Coffee

- 7%
- 21%
- 71%

■ Starbucks ■ Dunkin Donuts ■ Other Coffee Brands
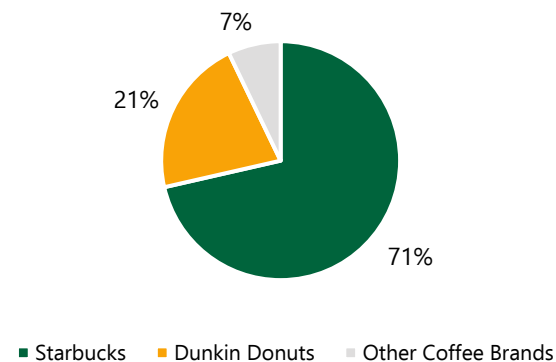
What is Patient Share of Care?

Inpatient Discharges

Hospital Locations	IP Discharges
Hospital A	6
Hospital B	3
Other Hospitals	1
Total	**10**

Health System A IP Market Share

20%
40%
40%

■ Hospital A ■ Hospital B ■ Other Hospitals
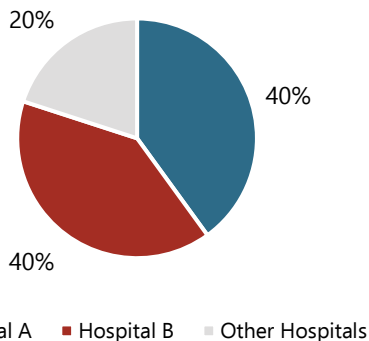
All Healthcare Services

Health System	Healthcare Spend ($)
Health System A	$2,500
Health System B	$750
Other Health Systems	$250
Total	**$3,500**

Health System A Patient Share of Care – Total Healthcare Spend

7%
21%
71%

■ Health System A ■ Health System B ■ Other Health Systems
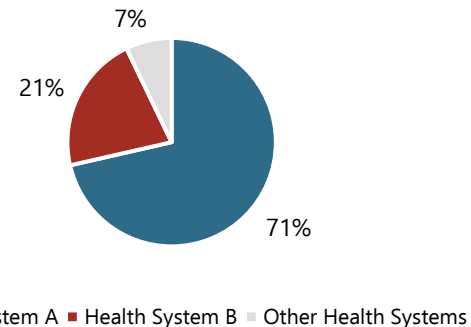
Patient Share of Care – Orthopedic Example

Initial Orthopedic Visit

Patient referred to Orthopedist from PCP

02

Orthopedic F/U Visit

Patient has f/u visit with Orthopedist to review imaging results

05

Orthopedic F/U Visit

Patient has f/u visit with Orthopedist to evaluate therapy and injection outcomes

06

Orthopedic F/U Visit

Patient has f/u visit with Orthopedist regarding procedure

08

Therapy/ Rehab

Patient receives therapy and rehab services for 8-12 weeks post operation

01

PCP Visit

Patient has annual PCP visit and discusses long-term knee pain

03

Diagnostics & Imaging / Therapy

Patient receives X-Ray and MRI to determine cause of pain along with supportive therapy

04

Injections

Patient receives injections to alleviate pain

07

Knee Arthroscopy

Patient receives surgical procedure to repair knee

Traditional inpatient market share rates capture this aspect of the process, every other care process is missed.

How to Measure Patient Share of Care?

HOW HSG MEASURES
PATIENT SHARE OF CARE

IDENTIFY PATIENT POPULATION

Provider Level
- Individual Provider(s)
- Practice(s)- Employed or Independent
- Group(s)- ACOs and CINs
- Competitor(s)

Facility Level
- Health Systems' Hospitals
- ASCs
- Emergency Department

Apply (Non-Identifying) Unique Patient Tracker

IDENTIFY "YOU"

What NPIs are "In Network?"
- Hospitals
- Ambulatory
- Ancillary
- Providers

What is "Out of Network?"
- Competitor Facilities
- Independent Practices Not Working with Hospitals

MEASURE PATIENT SHARE OF CARE

- Evaluate Site of Healthcare Service Rendering Providers
- Measure Service Volume "In Network" versus "Out of Network" by Facility, Service Line, Provider and Procedure

Examples:
- 53% of our PCP patient population seeks orthopedic care at ASCs in the market
- 90% of our ED patients receive cardiology procedures at competitor facilities

---

Step 1
Identifying patient population

Must align with business question and analytic goals. Many potential definitions. Could include:
- Employed Primary Care Patients
- Urgent Care Patients
- Emergency Department Patients
- Patients with specific procedures or diagnoses

Step 2
Identifying Target Facilities

What facilities are considered part of your organization? What facilities are considered closely aligned?
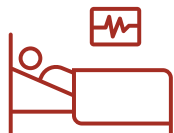
Step 3
Measuring Patient Share of Care

Patient spend occurring at target facility (based on service location or billing entity) compared to total patient spend on healthcare services.

Best Practices: Applying Patient Share of Care

1. Clearly define the business question before starting any measurement or reporting

2. Select the right patient population tailored to the specific business question

3. Thoroughly communicate the approach when sharing information throughout your organization

4. Conduct drill-down analyses to ensure findings are actionable

5. Acknowledge both provider and patient factors in influencing patient retention

Best Practices: Considering the Business Question

A clear articulation of the analytic goal will ensure proper selection of methodologies. Examples:

- What are our biggest opportunities to reduce patient leakage?

- Where do patients have difficulty accessing specific services?

- What is our share, and how does it differ for patients that interact with our primary care, urgent care, or ED locations?

- What is our share for all patients utilizing our services in a certain geographic area?

- What service offerings or geographic growth initiatives are we looking to pursue and what is the current competitive landscape look like for those services?

Best Practices: Defining Patient Populations

ACO/CIN Patient Population(s)	Independent Practice Patient Panel(s)	Emergency Department Patients	Employed Primary Care Patient Panel(s)

Where is our **largest gap** in ACO/CIN patient retention? (Service Line, Service, Providers)

What **opportunities exist for patient acquisition** if this practice is more closely aligned with our system?

Where do our ED patients receiving care for non-emergent healthcare services?

How brand loyal are our established patients on our primary care provider panels?

Best Practices: Communication & Drill Downs

Executive Leadership

Executive leadership teams should have **Patient Share of Care as a key performance indicator on their monthly or quarterly dashboards.** Patients leaking from your system already utilizing your healthcare services are the **lowest hanging fruit for incremental revenue growth.**
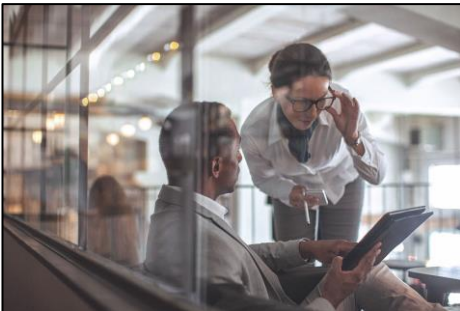
Marketing

Marketing requires detailed information into how patients are utilizing healthcare **based on geography, service lines, and provider types.** Patient Share of Care provides the **tools required to develop detailed advertising and physician outreach efforts.**

Strategic Planning

Strategic planning personnel often have responsibilities over medical staff development planning. Leveraging Patient Share of Care data to **support their specialty and primary care recruitment efforts** based on the **patient leakage occurring by provider specialization and service capabilities** often proves fruitful.

Best Practices: Patient and Provider Factors

> **Do:** Understand both patient and provider factors in driving patient retention
>
> **Don't:** Focus exclusively on provider factors and assume applying pressure on primary care providers is the best way to improve patient retention.

PATIENT FACTORS

1. Prior experience and/or relationships with the consultant or health system
2. Provider reputation
   - Word of mouth
   - Website
3. Geographic considerations
   - Travel time, difficulty
4. Timely access
5. Insurance issues
   - Networks, including commercial, self-insured, CIN, and direct employer contracting
   - Covered benefits
   - Co-pays and deductibles
     - High deductible plans make patient essentially a self-pay

PROVIDER FACTORS

1. Noted patient factors
2. Existing relationships
3. New relationships
   - Provider/Consultant care/treatment philosophy
   - Provider/Consultant communication patterns
   - Interpersonal treatment of patient/family
     - Consultant
     - Consultant's office staff
4. Health system relationship
   - Own
   - Other
5. Timely access
6. Insurance issues (including pre-authorization processes)

Patient Share of Care
Use Cases

Patient Share of Care Use-Case #1

Client Problem

HSG's partner client, a Midwest healthcare system with multiple community hospitals and an academic flagship, has been measuring Patient Share of Care for patients on their employed primary care panels for 24+ months. They have begun expanding their urgent care sites of service wanted to **understand how patients utilizing their urgent care locations differ from those utilizing traditional primary care services.**

Action Steps

1. Captured claims data for all patients utilizing the health system primary care or urgent care locations.
2. Grouped patients into cohorts based on access point. (Urgent Care Only, Primary Care Only, Primary Care + Urgent Care)
3. Analyzed site of services (inpatient, outpatient, ambulatory, post-acute) to measure total capture of patient healthcare spend by the health system.

Patient Share of Care Outcomes

- **$0.67 of every $1** patients spent on healthcare services was at health system owned or partnership locations.
- The overall urgent care population utilized access centers as a **substitute service for traditional primary care and not a supplementary service.**
- Spend per patient was $178 more for patients that utilize urgent care and primary care.
- Patients utilizing traditional primary care always resulted in higher share of care percentages (>15%), implying brand loyalty is much higher for this patient population compared to urgent care patients.

Patient Share of Care – System-Level Scorecard

Region	Reporting Period				Health System Expected Reimbursement Q2 2021	Number of Patients Q2 2021
	Q3 2020 N=500	Q4 2020 N=515	Q1 2021 N=490	Q2 2021 N=495		
Employed Primary Care & Urgent Care Overall	**68.9%**	**70.2%**	**71.4%**	**66.6%**	**$1.05B**	**325,000**
Employed Group: Region A	64.4%	66.2%	67.6%	63.2%	$500M	125,000
Employed Group: Region B	76.1%	73.4%	72.6%	71.7%	$150M	35,000
Employed Group Region C	74.5%	77.4%	79.9%	69.9%	$300M	100,000
Urgent Care Locations	59.9%	60.4%	61.2%	61.9%	$100M	55,000

Health captures approximately **$0.67 of every $1 spent on healthcare for the identified patient population.** That varies form as high as $0.72 for Employed Group Region B to $0.62 for Urgent Care Locations.

Expected reimbursement is estimated using Health System's reimbursement by payer

20

Patient Share of Care: Urgent Care by Patient Cohort

Patient Cohort	Health System Share of Care Percentage[1]			Health System Expected Reimbursement[2]	Number of Unique Patients
	Health System Owned Locations	Health System Partners	Total		
Urgent Care Overall	**54.4%**	**7.5%**	**61.9%**	**$100M**	**55,000**
Urgent Care Utilizer & Non-Health System Primary Care Patient	52.6%	6.5%	59.1%	$86M	49,000
Urgent Care Utilizer & Health System Primary Care Patient	65.0%	14.0%	79.0%	$14M	6,000

Patient population utilizing health system urgent care as **main source of primary care services is 8x larger** than patients using it as a supplementary service.

Share of Care: **Urgent Care by Patient Cohort**

Health System Share of Care - **Urgent Care by Patient Cohort**
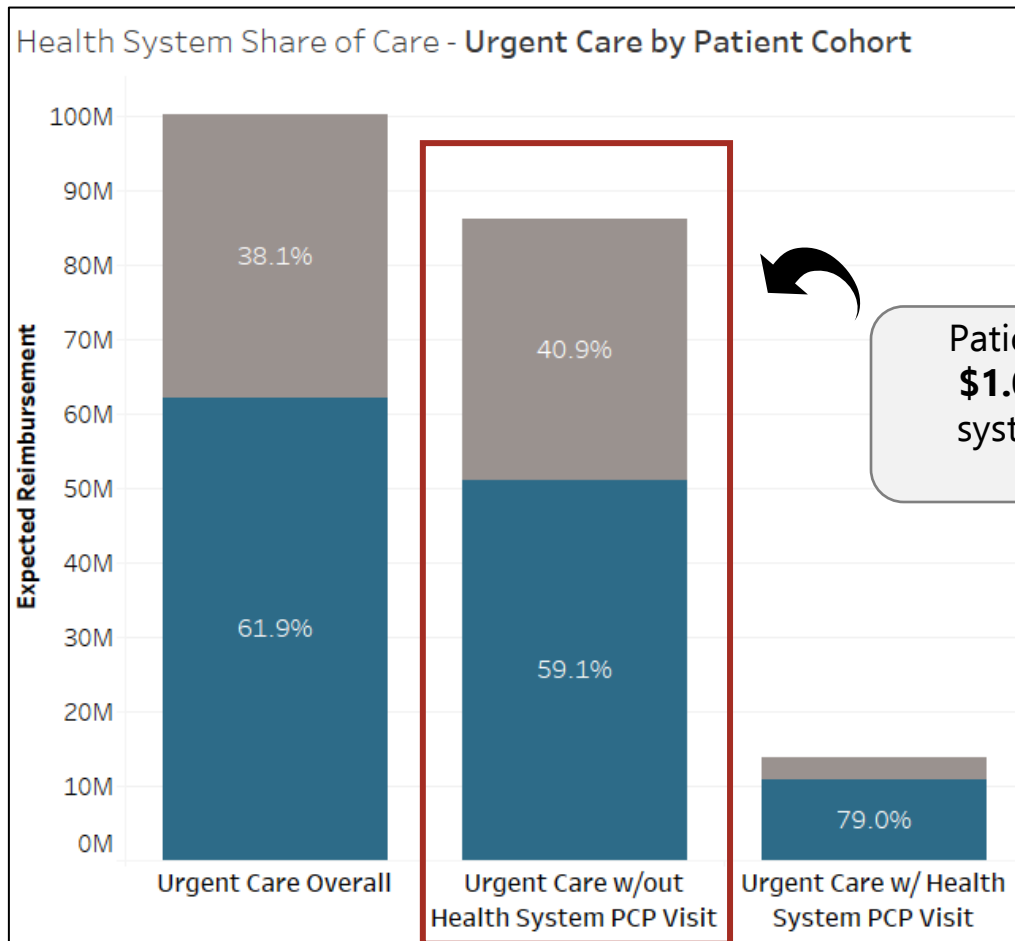
Patient population is spending **$.20 less per $1.00** on their healthcare services at health system locations compared to patients also utilizing traditional primary care

Patient Share of Care Use-Case #2

Client Problem

A hospital system sought to assess its readiness for risk/value contracting. The organization was concerned that its care patterns were generating success in fee-for-service but creating risk as payers transition to value. This example studies back pain patients and identifies ways in which the client's processes differ from national guidelines and market competitors.

Action Steps

1. Captured claims data for all patients in client's service area.
2. Identified ED and office visits with primary diagnoses of back pain.
3. Excluded patients with cancer and other "red flag" diagnoses.
4. Grouped patients into cohorts based on site of initial back pain diagnosis.
5. Analyzed services after diagnoses to determine frequency of target procedures.

Patient Share of Care Outcomes

The CLIENT cohort patients are more likely to have imaging studies and surgeries after an office visit for back pain when compared to all other patients. Specifically:

- 70% of the CLIENT cohort patients receive an MRI within six weeks of the initial back pain diagnosis compared to 45% for all other patients.

- Fusion or decompression surgeries are performed for approximately 8% of the CLIENT cohort patients compared to 2% for all other patients.

Original Service Location – ED Back Pain Patients

Service Locations Details for Patients Visiting an ED with Back Pain Primary Diagnosis

Service Location	Percent of Patients
Client Facility #1	14%
Client Facility #2	13%
In-Market Competitor	11%
Regional Competitor Facility #1	10%
In-Market Competitor	7%
Regional Competitor Facility #2	6%
Out-of-Market Competitor	6%
Out-of-Market Competitor	4%
Out-of-Market Competitor	3%
Out-of-Market Competitor	2%

Percent of Patients
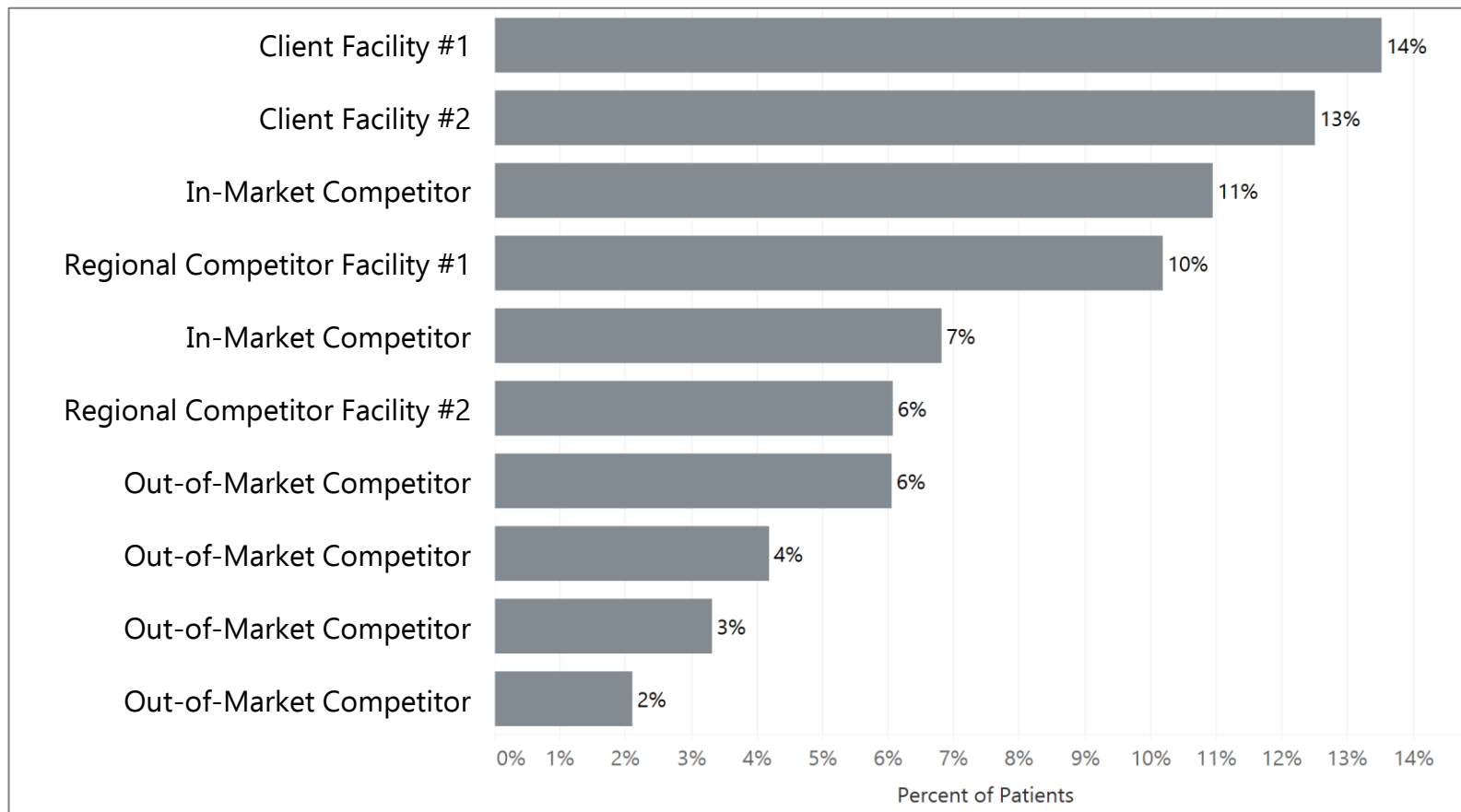
Top 10 Shown

Procedure Footprint – ED Back Pain Patients

CLIENT Patient Cohort

Procedure	Percent
Back Pain ED Visit	100%
X-Ray	35%
CT	35%
MRI	19%
Therapeutic Procedures	7%
Injections/Blocks	6%
Chiropractic/Osteopathic Manipulation	1%
Other Spine Procedures	1%
Decompression	1%
Fusion	1%

All Other Patients

Procedure	Percent
Back Pain ED Visit	100%
X-Ray	26%
CT	20%
MRI	10%
Therapeutic Procedures	6%
Injections/Blocks	4%
Chiropractic/Osteopathic Manipulation	3%
Other Spine Procedures	1%
Decompression	1%
Fusion	0%

19% of CLIENT cohort patients received an MRI after a back pain diagnosis the ED compared to 10% for all other patients.

Key Takeaway: when compared to all other patients, the CLIENT cohort patients are more likely to have imaging studies after an ED visit for back pain.

Note: Percentages represent the proportion of ED back pain patients receiving the specified service/procedure. Percentages will not add to 100%.

Percent of Patients

Procedure Footprint – Office Back Pain Patients

CLIENT Patient Cohort

Procedure	Percent
Back Pain Office Visit	100%
X-Ray	50%
Therapeutic Procedures	19%
Chiropractic/Osteopathic Manipulation	2%
MRI	20%
Injections/Blocks	9%
CT	12%
Other Spine Procedures	5%
Fusion	4%
Decompression	4%

Percent of Patients

All Other Patients

Procedure	Percent
Back Pain Office Visit	100%
X-Ray	27%
Therapeutic Procedures	24%
Chiropractic/Osteopathic Manipulation	28%
MRI	8%
Injections/Blocks	9%
CT	6%
Other Spine Procedures	1%
Fusion	1%
Decompression	1%

Percent of Patients

Key Takeaway: The CLIENT cohort patients are more likely to have imaging studies and surgeries after an office visit for back pain when compared to all other patients.

Note: Percentages represent the proportion of ED back pain patients receiving the specified service/procedure. Percentages will not add to 100%.

Key Imaging Metrics – Office Back Pain Patients

	CLIENT Patient Cohort	All Other Patients
Percent of patients having X-rays	50%	27%
Percent of patients having MRIs	20%	8%
Percent of MRIs performed within six weeks	70%	45%
Median time to MRI (days)	24	56

Conclusion and Takeaways

- Organizations looking to drive growth need measurements for both patient attraction and retention efforts.

- Utilizing claims data to analyze Patient Share of Care provides a holistic portrait of care delivery and revenue growth opportunities.

- Driving overall patient dollar capture starts with Primary Care – if a health system is not successful in retaining these patients, it will likely not be successful overall.

- Patient Share of Care can measure brand loyalty and identify variation in care patterns by type of access point, type of diagnosis, or other breakdowns.

- Internal education and proper reporting mechanisms for each stakeholder group is required to operationalize Patient Share of Care metrics throughout the health system and is critical to success.

HSG | Questions

Related Thought Leadership

Be sure to complete SHSMD's post webinar survey questions to receive digital and print versions of HSG's newest white paper on Patient Share of Care

HSG will also be presenting on Patient Share of Care with two health system partners at **2021 SHSMD Connections on September 20th.**
Register Here

DJ Sullivan
Director

Sandra Ryder-Smith
Executive Director of
Market Analytics and Insight

David Mangan
VP, Marketing and
Communications