

Consumers Want More Value from Value-Based Health Care: Why Providers Need to Listen

written by Theresa Hush | October 25, 2018



The dramatic rise in personal costs for health care services and coverage, sharpened by political battles over affordable care, is driving consumer health care activism to a new level. Voter projections indicate that health care will be the largest single voting issue in the 2018 mid-terms, with 30 percent of voters saying their decisions will depend on [where Congressional candidates stand on health care coverage](#). While there may be a strong partisan split regarding the solution, broad dissatisfaction with the current system crosses party lines.

Health care today takes a huge bite out of most Americans' personal finances. It is now the rule rather than the exception to see high-deductible employer-based health care coverage, plans with limited benefits or choice of providers, or those that include no dependent coverage. Medical debt at an all-time high and still escalating, while wages remain stagnant.

And how do consumers assess their high-priced medical care? Numerous surveys point to

[dissatisfaction with health care experiences](#), cost of [premiums and services](#), and [lack of convenient technology and services](#) for consumers.

Consumer Attitudes Are Reshaping Health Care Values

At the same time, Value-Based Health Care is moving providers toward financial risk, which raises the stakes for patient loyalty and satisfaction to make the economics work. Retaining healthier and younger patients in the system is crucial. Consumers' health care attitudes matter. What are they saying? Traditional health care is not consistently providing the value they want and expect:

- Clear information about cost and affordability;
- Quality;
- Easy access and convenient services similar to retail shopping and online booking;
- More time with physicians;
- Better information for medical decisions.

Consumers now have more ways to access health care when they need it, through business-operated and pharmaceutical walk-in clinics—clinics that shave preventive-care and primary care revenues from health systems. In one survey, 40 percent of responders said they would [trust health care services delivered by Walmart or Target](#), and one third would like Google or Amazon to deliver care. Consumers also appear to trust their own doctors less, with only [one third placing trust in physicians](#). Why? They think business can deliver a quality product at more affordable cost than traditional health care.

Indeed, retail clinic visits are increasing—especially among the younger population that health systems want to attract. Those same patients are tracking their own health care activities with wearable devices, researching options via the Internet, and sharing information or seeking counsel from peers online. Also significant: they are accessing consumer ratings of providers online before choosing them. In short, tech-savvy consumers are on the rise, and they are [putting value on saving money and time](#) through digital connections with providers, convenient scheduling and telemedicine.

Divergent Health Care Literacy Among Consumers Creates VBHC Challenge for Providers

Not surprisingly, wealthier and more educated consumers are the ones most likely to access technology, use wearable devices and research health topics. Survey results show a slight bias in favor of younger, more educated consumers. By contrast, when health literacy is measured,

the most vulnerable consumers are the ones with the least proficiency. Elderly people are significantly less proficient in health topics, and almost half of individuals with no high school degrees [lack even basic proficiency](#). Individuals on Medicaid or Medicare also tend to be less proficient.

The combination of age, poverty and other social determinants—those at greater risk for chronic illnesses and who are less able to afford health care—adds complexity to implementing Value-Based Health Care. Providers cannot simply add technology and modern consumer conveniences for affluent and younger patients. *Consumers* with no ongoing serious conditions will perceive value differently than *patients* with chronic issues. To improve their health, those patients and their families will need stronger and deeper connections with health care services, and providers will need to engage them in order to survive value-based reimbursement.

Whether patient or consumer, whether they express it or not, all need:

- Education about health care and their conditions via non-print mechanisms;
- Incorporation of preferences and circumstances in recommended treatments;
- Stronger community and family support involvement in complex care arrangements.

Five Consumer/Patient Strategies that Health Care Providers Should Embrace Now

Providers have been overwhelmed by changes from all directions—scientific advancement, technology, the business of health care and a raft of proposed solutions for Value-Based Health Care. Physicians protest lack of time and infrastructure to support what consumers want, and few have any interest in participating in telemedicine. The health care system does not seem to have the band-width or internal support to manage all the demands at once.

Given this contentious environment, what can providers reasonably do to meet consumer needs?

- 1. Package specialty care in episodes, starting with procedures, to create price transparency, quality measures and improvement, and consumer/patient education.**

It is nearly impossible to give consumers what they want to understand costs without combining the various services into an [episode of care](#). Surgical and medically-specific

episodes provide the basis for price transparency. Providers can begin with Medicare procedural episodes, but will need to experiment much further with pricing models that can be applied to all types of care.

2. Create collaborative health literacy and educational programs for patients, beginning with high-risk conditions.

The first step to supporting better engagement and medical decision-making is to involve patients and consumers in education. Partnering with various businesses and community organizations involved in food, lifestyle and entertainment can be beneficial, as well as with organizations aimed at children and adolescents.

3. Work with physicians to implement telemedicine and support their communications and tele-health needs.

Adding telemedicine to existing physician workload won't work without adding support and mechanisms to replicate information gained in a face-to-face visit, including the physician's investigatory manner. Organizations need to plan and involve physicians as well as consumers and patients in the venture.

4. Establish patient panels to guide priorities for improving conveniences and customer-focused policies.

Online scheduling and other initiatives that consumers want, including two-way communication in the patient's record, can't be an immediate fix. It will take many months, if not a few years, to fully plan and implement the functionalities along with educating providers. It's extremely important to broaden input regarding what the program should accomplish, and what should come first, by talking to patients. They may want something simpler and less sophisticated than providers expect.

5. Address physician burnout, compensation and productivity incentives, and support for physicians in VBHC.

The tallest agenda item in VBHC goes beyond resolving consumer needs to revisit the front line that patients depend on—physicians. If physicians are not on board with changes, it's because they haven't seen the value or [don't have the time](#) to be involved. Physicians are the conduit to change and the emissary to patients. Health care organizations will benefit by [clearing their paths to enable that work](#).

Providers have spent the last several years consolidating, adopting technology and creating systems to manage health care. The objective has been to embrace populations of patients coming via Medicare, commercial ACOs and other VBHC conduits from health plans. But those patients won't be coming—or staying—unless they have no other choice.

Historically, health plans and employers have been perceived as the “customer” in health care. Adoption of consumer strategies is a relatively new idea. The current administrative health care complexes are big, but not always consumer-friendly, let alone prepared to handle customer retail interactions or offer education for knowledgeable consumers or patients. Now is the time, while health care consumer activism is still ascending, for providers to plan for a reliable, loyal base of knowledgeable patients.

Founded as ICLOPS in 2002, Roji Health Intelligence guides health care systems, providers and patients on the path to better health through [Solutions](#) that help providers improve their value and succeed in Risk. Roji Health Intelligence is a CMS Qualified Clinical Data Registry.

Image: *Een manier van vliegen*, Francisco de Goya, 1864, courtesy of the [Rijksmuseum](#)