

SCALING HEALTHCARE'S MT. EVEREST:

PEAK PERFORMERS ENGAGE TECHNOLOGY AND CONSUMERS

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Market Corner Commentary
for March 8, 2017



Climbing the highest mountains requires organization, preparation and strategy. Scaling Mt. Everest is a full-scale expedition. Large teams rely on a sophisticated infrastructure of supplies, equipment and support staff. A well-fortified base camp is essential but does not guarantee success. Exquisite coordination with an engaged team gets climbers to the summit.

Success in today's challenging healthcare environment requires a similar mindset among care providers. Reform is in uncertain territory, but one thing is clear. Value-based payment will proliferate and transfer increasing levels of care management risk to health organizations and patients. In this rarified competitive environment, outcomes matter, customers count and value rules.

Exceptional clinical care is the foundation or "base camp" for health systems scaling toward new heights of market share. The "pinnacle" of that mountain is characterized by strong brand loyalty and high customer satisfaction. Delivering consistent, high-quality care is essential but not sufficient to win in post-reform healthcare. Successful health companies also will have customer-centric business models that deliver individually-tailored services.

Health organizations cannot win customer loyalty on brand alone. They also must have information technologies that do the following:

- Enhance customer engagement, while facilitating payment;
- Optimize clinical data collection, curation and application; and
- Facilitate clinical decision-making and care coordination.

HIT companies are working with providers, health systems and payers to achieve peak performance and enhance customer engagement. These technology innovators have built powerful platforms that enable healthcare companies to deliver superior services that engage patients/customers.



THE EXPANDING DATA FRONTIER

Data storage today is essentially limitless and free. Search algorithms find targeted data elements almost instantaneously. Analytic tools that collate, assess, interpret and visualize data bring meaning to unstructured information in ways that foster informed decision-making. Interoperability between solutions and platforms helps improve health system performance and produce the right data where and when it is needed.

The new breed of technology service company applies big search, big storage and big analytics with machine-based learning to optimize performance. They channel diagnosis and treatment toward better outcomes, less performance variation, lower costs and greater customer convenience.

Performance improvement begins with clear objectives. It's impossible to improve quality, efficiency and outcomes, however, without the right data, metrics and solutions. High-performance health companies employ sophisticated technologies to assist them in collecting, curating and analyzing data that advances business operations, clinical acumen and care coordination.

These companies leverage data analytics to support point of care decision-making and transactions; and they use predictive analytics to improve quality, efficiency and outcomes. Healthcare technology provides value when it enables delivery of care with precision, improvement of health outcomes, elimination of unnecessary costs and enhancement of customer experience.



BEYOND TREATMENT TO CUSTOMER ENGAGEMENT

Delivering consistent, high-quality care will not be enough for companies to differentiate their services in the increasingly competitive healthcare marketplace. They must also win customers' "hearts and minds."

The best way to think about data is to picture it as the middle layer in a three-part hierarchy that depicts the climb between care delivery and customer engagement.



Bottom Tier: Value-Based Care

In post-reform healthcare, winning health companies will employ data to generate consistent high-quality outcomes, reduce performance variation and improve operational efficiency. Data inputs flow to and from operations to improve care design and execution.

At the individual patient level, all relevant data from all sources flow into algorithms that optimize diagnosis and treatment. As data proliferates and analytics advance, individual genetic and environmental characteristics will lead to more personalized and less population-based therapies; more precision and less trial-and-error care.

At the individual disease level, all relevant information from all sources flows into data systems advancing medical research and protocol development. Pricing and outcomes data will be transparent and available.

Top Tier: Customer Engagement

Unfortunately, getting the medical treatments "right" will not be sufficient to "win" in post-reform healthcare. By regulatory necessity, health systems strive to exceed mandated performance metrics. Quality trumps customer service. Yet, healthcare consumers increasingly expect a great customer experience as well as great care.

Health companies must coordinate services and engage customers to gain their trust, confidence and loyalty. This requires understanding customer needs, listening and responding to customer preferences and delivering user-friendly healthcare services.

Communicating patients' payment obligations in an accurate and timely manner and offering flexible, real-time payment options are essential to building and keeping customer loyalty. Unique, personalized, seamless and thoughtful service provision differentiates "winning" health companies.

None of this is novel or surprising. Consumer purchasing drives 70 percent of the U.S. economy. Companies succeed and fail based on their ability to read and respond to consumer sentiments. Consumer-oriented companies spend billions of dollars on polling, focus groups and test marketing to enhance their product offerings.

Companies must "persuade" customers to buy their products and services. Leading through persuasion is antithetical to most health company cultures, where physicians dominate medical decision-making. "Dr. Knows Best" doesn't work for market-savvy baby boomers.

Big data analytics are essential for understanding consumer preferences. Collecting, measuring and evaluating consumer data drives strategic growth and customer acquisition. Companies use big data to design appealing products and services. Health companies must develop the metrics, training and experiential learning necessary to create customer-focused operations.

Great customer service takes time, effort and investment. In post-reform healthcare, it is complicated by an environment in which high-deductible plans, higher copays, and the increased prevalence of outpatient care are increasing the pressure on delivering service.

As pricing, customer experience and outcomes data become more transparent and available, the best companies will differentiate by delivering better healthcare at lower costs in more convenient, customer-friendly venues. The following three highlighted categories of HIT service companies assist organizations in scaling the healthcare success hierarchy:

- **Engagement Technology** – companies that provide patient / member engagement technology solutions to providers and payers that create valuable and practical data and insights, while helping to improve customer experience, care quality, decision-making and outcomes, as well as financial and operational efficiencies. Patient payment IT solutions are also a critical component on this front and can help providers execute seamless transactions with customers, while leveraging patient interactions and data to improve both patient and member engagement and satisfaction.
- **Clinical Data Integration, Coordination and Optimization** – companies that apply and/or enable improved access to clinical and patient health data, including IT system connectivity and optimization, to better inform and facilitate care decisions and coverage through comprehensive and actionable data.
- **Point-of-Care Coordination, Transitions and Decision-Making** – companies that bring analytical tools and data usage to the clinician-payer-patient /member interaction to improve care quality, delivery, coordination and decision-making while managing the total cost of care and ultimately driving better outcomes.

Within each category there are numerous companies offering relevant solutions for multiple end-user markets, including single-focused point solutions. In addition, there are many companies with solutions spanning across categories and markets. The recent HIMSS conference in Orlando showcased many of these offerings and capabilities, giving users and investors the opportunity to evaluate prospective IT platforms.

CONCLUSION: "BECAUSE IT'S THERE"



When asked why he wanted to be the first to climb Mt. Everest, British mountaineer George Mallory famously answered, "Because it's there." Mallory died on June 9, 1924 at age 37 during his third attempt to scale Everest. Almost 30 years later on May 29, 1953, Sir Edmund Hillary and his Sherpa climbing partner Tenzing Norgay became the first climbers to stand atop the world's highest mountain.

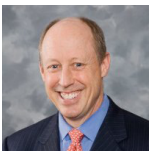
"Because it's there" are the three most famous words in mountaineering. Savvy healthcare providers know that they must engage consumers because "they are there" and are essential to advancing delivery effectiveness, efficiency and accessibility.

Healthcare markets are normalizing by establishing concrete buyer-seller relationships between patients and providers. Consequently, patients are exercising more influence on healthcare decision-making.

The best consumerism strategies align products and services with healthcare customer wants, needs and desires. As happens in other markets, personalized, convenient, and affordable healthcare products and services will win consumer loyalty and open wallets.

Whenever he talked about conquering Mt. Everest, Sir Edmund always insisted that he did not do it alone. A large team, careful planning and extensive resources supported and guided the expedition. Sir Edmund and Tenzing were one of two teams on the British expedition seeking the summit. Neither could have imagined conquering Everest without the other.

As in mountain-climbing, clinical care requires coordinated teams, appropriate resources and analytic precision to achieve peak performance. Data is critical in healthcare consumerism. The best HIT companies enhance clinical care, customer outcomes and customer service. It's impossible to imagine healthcare companies navigating such a hazardous marketplace without their support.



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