

## BURDA ON HEALTHCARE

# Provider, Know Thy Customer

By David Burda

February 1, 2022

I had what I consider my first real telemedicine visit with a doctor the other day. I didn't count the first one because it turned out to be a phone call that took less time than it takes to order a pizza.

This one was a live video call on my phone. I "saw" the doctor, and the doctor "saw" me. It lasted about 20 minutes, and the doctor gave me what I needed to fix the problem. Although the visit was successful clinically, I gave it a low rating in the patient experience survey that dinged in a text nanoseconds after the virtual visit ended.

Here's why. When I made the appointment, it was for an in-person visit. About two hours before the in-person visit, the doctor's office called to say it would be a virtual visit instead. Why, I asked? The office said the doctor is working from home today. Why is the doctor working from home today, I asked? The office said the doctor decided to see patients from home today. Why, I asked? The office said it didn't know but assured me that if I needed a follow-up appointment, it would be in person.



I could take an educated guess why. The doctor and I live in the same area, and the weather was really bad that day. Chances are she decided not to come into the office because her commute to work would have been unpleasant. I was willing to make an unpleasant commute to her office when I felt lousy. But she was not willing to make an unpleasant commute to her office to see her sick patients.

I could be wrong. There could be a million legitimate reasons why she switched all her in-person visits to virtual visits that day — she tested positive for COVID, her kids were sick, her car wouldn't start, she was waiting for the repairman to fix her furnace, she couldn't find her cat, etc.

But you know us old people, all of whom say we walked five miles in the snow in subzero temperatures to go to school.

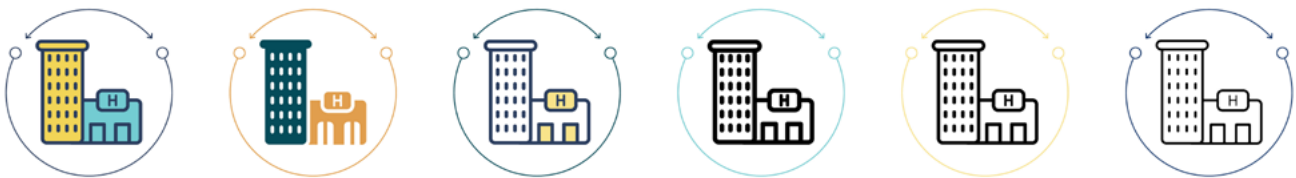
We think we're right even when we're not. We also don't like changing a plan at the last minute. What if I didn't have a mobile phone with video capabilities? What if my Internet was out? What if I hadn't shaved that day because I thought I was going to the doctor?

The point of my story is this. If you're going to be a successful provider or payer or pharmacy or supplier or whatever in this

new healthcare economy driven by virtual care and healthcare consumerism, you'd better know how your customers' behaviors, how they think and what they expect.

In that spirit, below are five recent surveys of healthcare consumers that tell you a few things you should probably know.

## HOSPITAL



## 1/3 OF PATIENTS HAVE NO HEALTHCARE BRAND PREFERENCE

Let's start with NRC Health's latest annual [Healthcare Consumer Trends Report](#), which the Lincoln, Neb.-based patient satisfaction measurement firm released in January. The report is based on the most current information in NRC's database of 300,000 households courtesy of data from nearly 600 healthcare organizations. Here are a few data points that caught my attention.

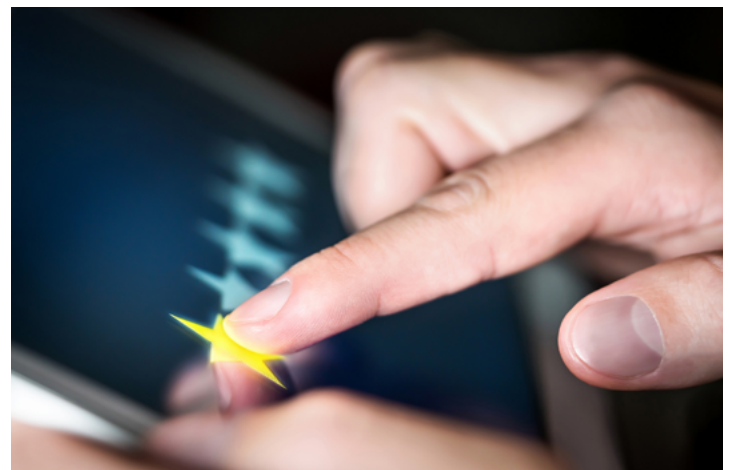
- More than one-third of the consumers in NRC's database — 34.5 percent — expressed no preference for a healthcare brand. That's down a little from 36 percent in January 2021. Still, that means one out of every three patients who use you really don't care where they go.

- Hospital and health systems' Net Promoter Score dropped 12 points to 44 in December 2021 from 56 in April 2021. I know virtually nothing about NPSs and how they're calculated. But a drop of more than 20 percent in anything usually isn't good. My BMI would be an exception.

"The patient experience is not meeting expectations. The bottom line? Hospitals and health systems must meet people where they are," NRC said.

## LEVEL OF PROVIDER CUSTOMER SERVICE DRIVES ONLINE PATIENT REVIEWS

In December, NRC patient satisfaction competitor Press Ganey, based in South Bend, Ind., released its [Consumer Experience Trends in Healthcare report](#). The Press Ganey report is based on a survey of more than 1,100 U.S. adults taken last September. The report compared the 2021 survey results with the results of a similar survey that Press Ganey did in 2019. Here are a few things that you may find interesting. (I did.)



- Online reviews and ratings are the No. 1 factor influencing whether a consumer will choose a provider, cited by 51 percent of the survey respondents.
- “Beyond receiving excellent care,” the quality of customer service is the No. 1 factor in giving a provider a 5-star review after an office visit, cited by 71 percent of the survey respondents.
- 84 percent of the respondents said they would not see a provider with less than a 4-star rating.

Reading the Press Ganey report gives you the impression that consumers are picking hospitals and docs the same way consumers pick hotels and restaurants. This is exactly what my wife and I do when we’re planning an out-of-town trip. I’m not sold that everyone is doing this yet, largely because of the digital divide. But as patients age out and everyone become digitally savvy, I have no doubt this is the future.

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## TELEMED ISN'T THE SHINY NEW OBJECT IT WAS A YEAR AGO

Also in December, Rock Health released its latest annual [Digital Health Consumer Adoption Survey](#). Collaborating with the Stanford Center for Digital Health, San Francisco-based Rock Health asked nearly 8,000 U.S. adults about their digital health habits. Here are a few of the survey highlights.

- Live video calls were the most popular form of telemedicine visit in 2021, used by 51 percent of the respondents, followed by live phone calls (45 percent), health apps or websites (37 percent), email (35 percent), text messaging (28 percent) and picture/video messaging (25 percent).
- Even though live video calls were the most popular, respondents were less satisfied with them last year than the year before. In 2021, 43 percent of the respondents said they were more satisfied with live video calls than with an in-person visit. That's down from 53 percent in 2020.
- Further, of those who said they didn't use any telemedicine tools last year, the No. 1 reason was preference for in-person visits with their provider, cited by 42 percent of the respondents.

“Consumers started viewing telemedicine as an alternative to in-person care, rather than a necessary replacement,” Rock Health said.

## PATIENTS ARE QUESTIONING THE VALUE OF THE CARE THEY'RE RECEIVING

Next up is West Health-Gallup's the latest annual [Healthcare in America Report](#), that the collaborating firms released in December. The report is based on a survey of nearly 7,000 U.S. adults. Here are a few of the survey highlights that caught my attention and should catch yours.

- 93 percent of the respondents said they agreed that Americans pay too much in exchange for the quality of care that they receive.
- 71 percent of the respondents said their household pays too much in exchange for the quality of care that they receive.
- 52 percent of the respondents said their most recent healthcare experience wasn't worth the cost.
- 48 percent of the respondents said their opinion of the healthcare system has gotten worse since the pandemic.

Customers who think that they're paying more for less aren't going to be so happy. It's why providers, payers, pharmacies, drug companies, device makers and others need to get out the defibrillator on this shift to value business. To learn more on that topic, please read [“Is Value-Based Reimbursement Mostly Dead or Slightly Alive?”](#) on 4sighthealth.com.

## MORE PATIENTS NEED TO PUSH FOR PRICE TRANSPARENCY

Speaking of Big Pharma, the drug manufacturers' trade group, PhRMA, released the results of its first [Patient Experience Survey](#) in October. PhRMA asked nearly 5,000 U.S. adults about the barriers they face in accessing the medical care and the medications they need. No hidden agenda there! Most of the survey, and the report it's based on, is a poorly-veiled knock on health insurance companies. Be that as it may, here are two things that I thought were interesting if not puzzling.

- 25 percent of the respondents said they favor more healthcare price transparency to know and understand their out-of-pocket cost estimates before treatment.

- 21 percent of the respondents said they prefer more predictability in their out-of-pocket cost responsibility.

Those respondents don't just want to know what they have to pay before they buy. They don't want to be surprised by what they have to pay before they buy. You'd think those percentages would be much higher. Maybe this is why providers are dragging their compliance feet on the new price transparency rules. Most of their customers don't know or don't care. To learn more about this topic, please read "[Hospital Spotting: How New Price Transparency Regs Spawned a New Cottage Industry](#)" on [4sighthealth.com](#).

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Circling back to my first telemedicine visit, I have no idea what my insurance company paid, and I have no idea what I paid. I know I would have paid a \$20 co-pay if I saw her in person, and I would have had to pay that before I walked through the double doors and into an exam room.

Successful businesses in other industries go to great lengths to understand how their customers behave, to know how their customers think and to know what their customers expect. If businesses in healthcare want to be successful, they should start doing the same thing.

Thanks for reading.

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## AUTHOR



**Dave Burda** began covering healthcare in 1983 and hasn't stopped since. Dave writes this monthly column "Burda on Healthcare," contributes weekly blog posts, manages our weekly newsletter 4sight Friday, and hosts our weekly Roundup podcast. Dave believes that healthcare is a business like any other business, and customers—patients—are king. If you do what's right for patients, good business results will follow.

Dave's personnel experiences with the healthcare system both as a patient and family caregiver have shaped his point of view. It's also been shaped by covering the industry for 35 years as a reporter and editor. He worked at Modern Healthcare for 25 years, the last 11 as editor.

Prior to Modern Healthcare, he did stints at the American Medical Record Association (now AHIMA) and the American Hospital Association. After Modern Healthcare, he wrote a monthly column for Twin Cities Business explaining healthcare trends to a business audience, and he developed and executed content marketing plans for leading healthcare corporations as the editorial director for healthcare strategies at MSP Communications.

When he's not reading and writing about healthcare, Dave spends his time riding the trails of DuPage County, IL, on his bike, tending his vegetable garden and daydreaming about being a lobster fisherman in Maine. He lives in Wheaton, IL, with his lovely wife of 35 years and his three children, none of whom want to be journalists or lobster fishermen.

Visit [4sight.com/insights](#) to read more from Dave Burda.