Managing Patient Expectations: What Drives Outpatient Services

By James Doulgeris

The greatest challenge will be for outpatient services and centers to continually adapt. Proactive adaptation will be rewarded. Reactive adaptation, or no adaptation, will be punished.

Outpatient centers, ambulatory surgery centers, mini-clinics, and variations of them are increasingly popular despite most not delivering on patient expectations. They promise quality, convenience and price, and many miss the mark because they are missing the primary catalyst — coordinated care.

Nonetheless, the nexus of demand, consolidation and focus on wellness and early detection earns outpatient services and procedures fourth place on a list of 10 new patient expectations.

Patients, who pay more and more of their healthcare expenses out of pocket are more sensitive to price, service, and convenience than ever before. The reality lost on most providers is that the paternalistic delivery system of the past has irrevocably tipped to a service based system, and people are looking for results, service, and price, otherwise, value.

For now, the demand for outpatient services, procedures, and surgeries is boosted by new techniques and technologies and driven by the need to control and reduce costs. The main reason to be bullish, oddly, is the economy. People can rarely afford long recovery times or hospitalizations unless there is no other choice. Convenience and price combine to stimulate everyday traffic.

As the economy recovers, regardless of what happens with healthcare reform, even more of the burden will be shifted to the consumer (“patients” intentionally omitted) in the form of deductibles and copays, and the formula for provider success will rest on a three legged stool: quality, convenience and value.

The transition will be anything but smooth because three of the most highly charged third rails of politics — institutional change, entitlement, and tort reform — and a half dozen less sacred cows will have to be definitively addressed.

In the short term, this will actually be good for outpatient centers and services.

For example, the “Choosing Wisely” campaign initiated by the American Board of Internal Medicine and joined by eight other specialty boards recommends about a 30 percent reduction in common surgical and diagnostic procedures such as colorectal screenings and mammograms.

Nice thoughts, common sense, and unlikely to make much of a difference. The prospect of being second guessed for a diagnostic or surgery not performed in cross-examination, whether in a deposition or in court even if the patient agreed to it and signed a waiver, is a potent motivator to avoid the risk.

[Read more about the "Choosing Wisely" campaign and take our poll to share your thoughts on the movement.]

New estimates predict as much as $150 is spent on unnecessary or avoidable admissions, procedures, surgeries, diagnostics, and prescriptions for every dollar in actual malpractice settlements or awards. Much of those hundreds of billions of dollars will continue to flow into outpatient services and centers for now, but, will begin to contract in noticeable increments.

Sooner rather than later, the sheer cost of defensive medicine alone on employers, federal, state,
and municipal governments will either force real reforms or collapse the system.

Either way, the greatest challenge will be for outpatient services and centers to continually adapt. Proactive adaptation will be rewarded. Reactive adaptation, or no adaptation, will be punished. Physical and rehabilitative services will boom. Diagnostic tests will shrink in most areas and interventional procedures will grow. Today’s outpatient surgeries and procedures will reduce in volume and the volume will be offset by new ones. Wellness, particularly bariatric, smoking cessation, and similar services and will continue to grow. The list goes on and the rest will be revealed as time progresses.

Those who begin the process now will be in the best position tomorrow. Six initial areas on which to focus:
• Care coordination strategies, tactics and technologies
• Referral sources and mix
• Payer mix and billing technology
• Physician mix in MOB settings providing on-site ASC, diagnostics and allied health services
• Quality of service, and most importantly
• Research — understand your market, service area, opportunities, prospective partners, referrers, competitors, relative strengths and weakness, and fix what needs fixing.

If you are planning to build or expand, research, strategy, plan, execute.

If internal resources are not available, invest in professionals.

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