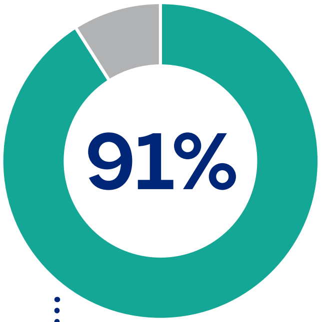
C-suite research report:

Consumer-centric health care

How health care leaders are responding to consumers — and what that means for your strategic plan

Consumerism is a top priority for health care leaders. The viability of their business depends on consumers. As with other services, people increasingly want to shop for health care that meets their needs and preferences. They want shorter wait times, convenient locations, online bill pay and virtual care options.[1]



of leaders say that consumerism is either the top priority or among the top priorities this year.

To gather insights about consumerism in health care, we surveyed 100 health care executives. They came from provider, health plan, state government, life sciences and employer organizations.[2]

We also interviewed 8 health care leaders across disciplines to more deeply examine how leaders are approaching the challenges and benefits of:

- Improving health care experiences
- Taking advantage of technological innovations
- Preparing for the overall shift toward consumerism

1. Heuser E. 6 insights on consumer preferences in healthcare. Advisory Board. 2024.
2. 20 leaders represented provider organizations; 57 were from health plans, state governments, or employer organizations; and 23 were from life sciences companies.

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Health care leaders often think people who use health care services are primarily focused on quality. But individuals are just as likely — if not more likely — to be looking at convenience, access and other amenities. Access to communication tools or scheduling are easier for people to evaluate than complicated quality metrics. These may become the deciding factors for which provider they choose, as long as that provider meets a certain quality baseline.[3]

That means empowering people to better manage bills and payments, make important care decisions, and communicate with their care team can significantly boost satisfaction and loyalty to health care organizations. This report reveals which innovations, technologies and metrics for success are most on leaders' minds when they think about the future. It also looks at what we think that means for the next 2 years.

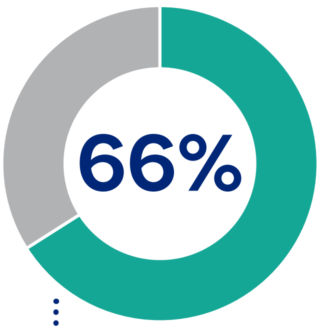
> People are looking for better health outcomes for themselves and taking accountability in navigating to the destination that is going to provide that for them. They want a better, elevated experience, but they don't want that at the expense of quality.
>
> **— Tricia Purdy**
> SVP, Head of Strategy and Product, Optum Rx

Key focus areas for health care leaders over the next 2 years

- Gathering personalization data
- Partnering with digital health solutions and analytics companies
- Improving access to care
- Streamlining member and patient portals
- Reducing fragmentation among communication tools
- Making pricing transparent
- Investing in remote patient monitoring (RPM)

1. Many executives are confident that they understand what consumers want. Yet some still wish they had more data. Focusing on personalization may be the key.

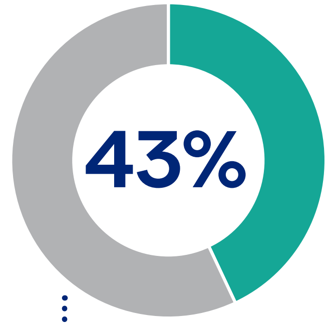
More than two-thirds of leaders are confident that they understand customers' wants and needs right now. And they feel prepared to meet the demands of consumerism now or over the next one or two years. Yet 43% still identified a lack of data as the top challenge in preparing for the acceleration toward consumerism.



of leaders are very confident that they understand consumer wants and needs. Also, 72% of leaders feel prepared to meet the demands of consumerism, and 64% feel prepared right now.

3. Interview with Emily Heuser, Advisory Board, April 19, 2024.

Why would health care leaders feel confident about patient preferences but also want more data? Meeting consumer expectations is complicated. Leaders need different kinds of data to figure out which approaches will work best for customers. Leaders may feel confident that their customers want easier access to care and seamless experiences. But they may not be sure what that looks like for different groups of patients. For example, it could be clear that patients want an option for virtual care, easy-to-access appointments or shortened wait times. It may be less clear which appointment interface or virtual care delivery method is best. Health care leaders may also be seeking more information about how patient preferences affect clinical processes and outcomes. They want to confirm their attention to those preferences is worthwhile.[4]



of leaders identified a lack of data as a top challenge to consumerism's success.

The right data can help health care organizations truly understand patient behaviors — in some of the same ways other industries have done for years. Consumer needs are complex and varied. Leaders must develop a nuanced understanding that accounts for variations in preferences at all points in the patient journey. That means both investing in robust infrastructure for data analysis and fostering a culture that takes the results of data in strategic directions. Organizations that are just developing their data strategy and infrastructure might consider partnering with those further along in the journey to accelerate their progress.

Depending on your organization, consider developing data strategies that account for:

- Demographics
- Medical and prescription claims data
- Encounter data
- Clinical data
- Social determinants of health that affect your base[5]

> On a basic level, we know what people want. They don't want to spend a lot of money. They want their familiar providers to be in-network. They want appointment availability. But then if you get more targeted, what exactly do you want? Do you like telehealth or in-person care? Do you like going to the pharmacy in person or delivery?
>
> **— Jon Shaw**
> SVP, Solutions, Home & Community, Optum Health

4. Interview with Jon Shaw, Optum Health, May 1, 2024.
5. Shea L. Using consumer data to deliver consumer-centric healthcare. Definitive Healthcare. 2024.

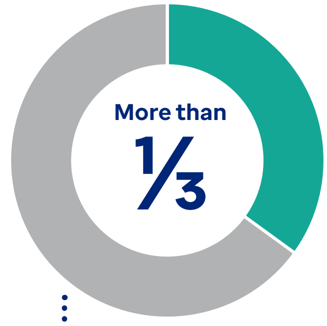
2. Digital health solutions and analytics companies will be key partners in the shift toward consumerism, as long as they commit to iterative development.

Health care leaders identified digital health companies as major players in consumerism over the next 2 years. Digital health companies use technologies such as virtual care interfaces, wearable medical devices and apps to keep health care accessible. This tech also helps health care organizations better understand their customers via data collection and analysis.

Developing effective digital tools for health care is a commitment. Well-integrated tools support broader organizational strategies to avoid creating new, unforeseen obstacles in clinical and administrative processes. Both health care organizations and digital health companies need to be willing to continually test, review and improve each tool based on how well it helps health care organizations build trust with members, engage patients, or empower people to make health care decisions.

Before deciding when and how to partner with digital health companies, take a problem-solving approach to specific consumer and organizational needs. For example, your customers may need improved access to care. Virtual care often meets that need — but not for a patient population that doesn't have access to reliable, high-speed internet. In that case, easy appointment scheduling or ways to send messages to providers may be what patients need. That's why it's important to partner with organizations that offer a range of asynchronous options rather than virtual video appointments only.

Matching potential digital solutions with organizational capacity and infrastructure is essential. Look for technologies that can be easily integrated into care pathways without disrupting provider and staff workflows. This will help prevent unintended negative effects for patients.



of leaders identified digital health (38%) and analytics (34%) companies as the top 2 partner categories.

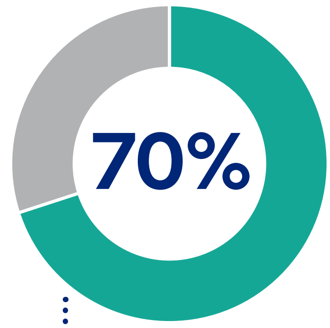
> Digital solutions are iterative. You have to make them better one step at a time. You need a partner who's willing to commit to solving that.
>
> **— Puneet Maheshwari**
> VP, OI Software Network and Data
> Optum Insight

3. Access to care is already a priority across the health care industry. Tailoring that access will be the next innovation.

Access to care is a growing concern for health care leaders, and leaders across health care sectors are meeting individuals' need for access in different ways. For provider organizations, it might mean having a convenient location and easy-to-make appointments. Health plans may look for ways to help people find high-quality, affordable care. And for life sciences companies, it could include broadening access to life-saving medications and helping patients navigate insurance. Even within these sectors, however, there is tremendous variation in how consumers — and organizations — approach and make tradeoffs around access.

Over the next few years, tailoring access to care will be essential to reaching people. Access means different things to different people — and different things to the same person at different points in the health care journey. Since offering the same access standard to all patients (for example, on-demand access to a specialist) isn't realistic in a resource-constrained environment, organizations will need to be able to predict, at an increasingly personalized level, which elements of access are most critical to a patient at different decision points throughout their care. For example, if a patient who needs to make frequent follow-up appointments to manage chronic illness, offering virtual care or remote monitoring may be a good option. For patients that have complex needs that require appointments with different specialists, an organization may want to focus on care coordination and patient navigation tools.

Also, look for ways to coordinate all access-related services — such as virtual care, care coordination, patient navigation tools and concierge services. This helps give customers a seamless care experience. For instance, if investing in virtual care to make care more accessible, ensure a clear path from telehealth visits to clinic appointments and other access services. You want patients who need in-person care to be able to get it quickly.



of providers are currently investing in virtual care options.

Similarly, 67% of health plans, employers and government agencies, and 70% of life sciences companies are currently investing in virtual care options.

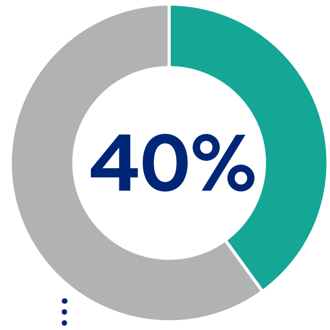
> "Access can look like a lot of different things. Is it that you can get an appointment within 48 hours, or within 2 weeks, or within a month? Is it that the wait time in the office is less than 30 minutes? Is it that there's a virtual offering available? What is the gold standard there?
>
> **— Emily Heuser**
> Managing Director, Specialty Care and Consumerism Research
> Advisory Board

4. Although member and patient portals are already improving engagement with care, creating a seamless experience will require integration.

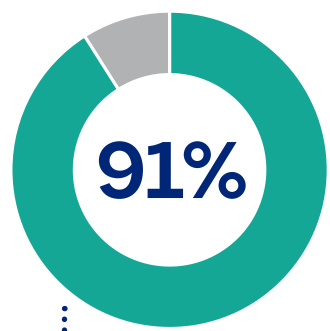
Portals can be an essential part of your digital front door, paving the way for the seamless digital experience that many patients now expect. By bundling many different interactive functions, portals can help patients manage their own care. For example, portals allow patients to easily schedule appointments, view medical records, pay bills, manage their health insurance plans online or securely interact with their care team.[6] But not everyone wants or is able to use member or patient portals, so portals shouldn't stand alone in efforts to improve engagement with care.

Reducing the need for people to visit many different portals to manage their health care may be the next frontier in health care portal development. Even though portals are making it easier for people to manage their own health care, they may experience friction when they have to log in to different portals for different tasks. For example, a patient may log in to their primary care provider portal to check their medical records, then log in to a completely different system when they visit a specialist, then a different system to check on their insurance claims. In the future, health care organizations may focus on partnering to integrate portal tools to prevent members and patients from having to switch among several different portals to pay bills, check on the status of insurance claims or make appointments.

Ultimately, effective portals align with the preferences, technical literacy, available resources and access needs of an organization's consumer base. Examine what potential portal users need and want before developing a member portal or creating partnerships to make them more seamless.



of providers are already delivering lab results via patient portal. Also, 45% are making medical records available via patient portal, and just as many are interested in developing those capabilities in the next 1–2 years.



of health plans, government agencies and employers are currently investing in or interested in developing member portals in the next 1–2 years to make access easier.

6. Horowitz BT. How to implement patient portals and improve patient experience. HealthTech. June 22, 2022.

5. As organizations launch new messaging tools, fragmented communication will become a key challenge.

Customers often see text-based digital communications — whether through chatbot, live online chat or SMS texting — as a convenient alternative to speaking on the phone.[7] Omnichannels provide seamless integration across digital and in-person communication platforms. They may help improve patient satisfaction by allowing them to interact with providers through their preferred channels.

But novel forms of communication can create unforeseen bottlenecks within clinic and staff workflows. Health care leaders should take care to implement only those communication tools that work well for clinic staff and patients.

Analyze your organizational capacity and consumer base to figure out which communication tools make the most sense — and preferably solve challenges for both. For example, if providers and staff anticipate questions that will be complex or personal to each customer, a live respondent may be a better option than a chatbot. If questions are usually more general and providers and staff don't have the capacity to monitor and answer live chats online, a chatbot or asynchronous text communication may be a better option. Accounting for how different digital communication tools will impact clinic workflows will ensure that they don't negatively affect patients in an unforeseen way, such as long wait times for a return call or text.

> Many members are not just communicating through one channel, so it's important to make sure all of those platforms are well-connected.
>
> **— Stephanie Meyer**
> VP of Product, Advocacy and Optum Guide, Optum Health

Top technology investments to improve consumer experience by sector

Leaders are currently or interested in investing in digital communications in the next 1–2 years

Life sciences companies

96% Chatbots

91% Patient education

91% Live online chat

87% Text communications

Payer organizations, government entities, and employers

95% Text communications

93% Online chats

89% Chatbots

Providers

95% Secure messaging

90% Live online chat

7. Chang I, Shih Y, Kuo K. Why would you use medical chatbots? Interview and survey. International Journal of Medical Informatics. 2022.

6. Online bill pay is already making payment easier for consumers, but price transparency will become key over the next 1–2 years.

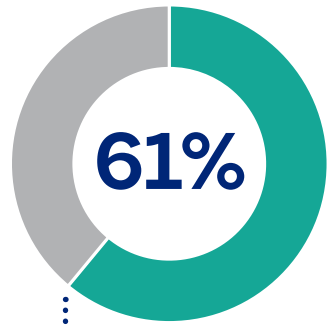
Of providers surveyed, 80% are already investing in online bill pay to make the process easier for consumers. Making the cost of health care services or procedures easy to know in advance may be the next logical step. Many factors determine the cost of care, such as insurance coverage, differences in organizational pricing and negotiated rates. Transparent pricing is difficult for health care organizations to scale and tough for patients to understand.

Health care leaders have tried to solve this challenge by deploying mobile apps, websites and text-based tools to allow patients to compare prices for medications, services and procedures. Although these tools have been around for a decade, there hasn't been a direct path from price transparency to lower overall costs for patients or the organizations that serve them.

Consumer assumptions may be part of the issue. Patients tend to conflate high cost with high quality and may not choose care in the way health care leaders expect them to.[8] For example, they may choose a lower cost option for a nonurgent, standardized service like a diagnostic scan, but a higher cost option for something more complex, like a procedure that requires an inpatient stay.

Though a difficult challenge, price transparency is possible. Evidence shows that price transparency tools are more effective when they emphasize provider quality information and incentives to research lower cost, higher-value options. Consider designing price transparency tools that not only offer easy-to-interpret pricing data, but also:

- Highlight provider or service quality
- Encourage patients to take advantage of incentives
- Offer insight into what that data means for patients



of health plans, government agencies, and employers are already investing in price transparency tools.

> A detailed and accurate preservice statement is core to any consumer experience. We wouldn't walk into a big box retailer and purchase a TV without knowing what the price was.
>
> **– Stephanie Meyer**
> VP of Product, Advocacy and Optum Guide
> Optum Health

8. Birju R. Rao, Neal W. Dickert, Alanna A. Morris. Ethical Complexity of Medical Treatment Affordability and Clinical Trial Diversity in Heart Failure. Circulation: Cardiovascular Quality and Outcomes. 2024.

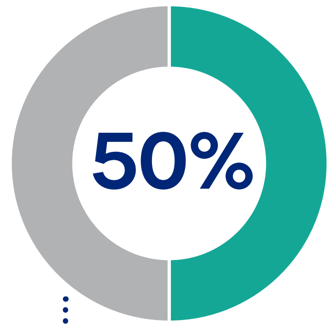
7. Remote patient monitoring (RPM) tools will be a top focus across sectors. Careful implementation can help organizations avoid process disruption.

Remote patient monitoring tools include things like wearables and other wireless devices that measure blood pressure, blood glucose, blood oxygen levels and more. RPM tools make it possible for patients to keep their care teams updated without leaving the comfort of home or taking time off work to make a special trip to the clinic. Biometric data can be monitored continuously via RPM tools. So these tools will continue to be important for the monitoring and management of chronic diseases.

As the number of RPM tools grows, it can be tempting to invest without carefully considering the problem or challenges you are trying to address. And don't overlook the clinical and administrative processes needed to effectively integrate RPM. First, wearables generate a lot of biometric data, which then must be carefully sorted into data that is and isn't relevant to a patient. Relevant data also needs to be safely and legally transferred to the electronic health record (EHR). This can be complicated by a lack of software interoperability or restrictions in the EHR meant to protect patient data.[9,10]

Overall, RPM can improve patient outcomes.[11] But to effectively integrate RPM technologies, health care organizations need to invest in the infrastructure to receive, sort and transfer RPM data into the EHR without disrupting staff or provider time.

If you are considering RPM, target your efforts and take a system-wide approach. It's critical to thinking about the goals and vision for RPM at your organization. This will help you prioritize. Work with providers and data analysts to identify which technologies would work best with your patient population. Also, consider how integrating RPM technologies would impact the clinical and administrative segments of the care pathway — and adjust workflows to eliminate unnecessary clinic visits and administrative tasks.



of providers are already investing in RPM.

Likewise, 63% of health plans, government agencies and employers are investing; and 48% of life sciences companies are investing in RPM.

> "I'm excited to see where remote technology is going to go, as long as we make sure we're also protecting privacy.
>
> **— Dr. Melissa Urrea**
> VP Medical Affairs, Optum Health

9. Gay V, Leijdekkers P. Bringing health and fitness data together for connected health care: Mobile apps as enablers of interoperability. J Med Internet Res. 2015.
10. Mergel I. The long way from government open data to mobile health apps: Overcoming institutional barriers in the US federal government. JMIR Mhealth Uhealth. 2014.
11. Thomas EE, Taylor ML, Banbury A, Snoswell CL, Haydon HM, Gallegos Rejas VM, Smith AC, Caffery LJ. Factors influencing the effectiveness of remote patient monitoring interventions: a realist review. BMJ Open. 2021.

Building your strategic plan

Meeting the rising demands of consumerism will take long-term dedication and focus, and it can be daunting when many other strategic priorities in health care continue to be important. In fact, 40% of surveyed leaders saw other priorities taking precedence over addressing health care's shift toward consumerism. That said, effectively prioritizing consumers will have clear advantages — from improved quality to higher customer satisfaction and engagement.

Key action steps to prepare for consumerism

1. Understand what consumers want, expect and prefer to customize experiences in the right ways
2. Partner and iterate on digital health and analytics initiatives to move faster
3. Tailor and coordinate access-related options to support specific populations and their needs
4. Consider further integration opportunities to make the digital front door more seamless
5. Analyze capacity and preferences to identify the best communication tools
6. Prepare for price transparency to become key over the next several years
7. Implement adequate process and data infrastructure for RPM

Contributing experts

Emily Heuser
Managing Director, Specialty Care and Consumerism Research, Advisory Board

Puneet Maheshwari
VP, OI Software Network and Data, Optum Insight

Stephanie Meyer
VP of Product, Advocacy, and Optum Guide, Optum Health

Gowri Narayanan
SVP Innovation, Optum Financial

Tricia Purdy
SVP, Head of Strategy and Product, Optum Rx

Scott Resnick
VP, Optum Financial

Jon Shaw
SVP, Solutions, Home & Community, Optum Health

Melissa Urrea, MD
VP Medical Affairs, Optum Health