



PATIENT CENTERED WELLNESS

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EXECUTIVE SUMMARY

Health care delivery channels are in a state of rapid change with new and altered channels emerging constantly. Established health care systems, like University Hospitals (UH), must rapidly align and deploy their delivery channels and organizational structures to anticipate and meet the shifting demands of the market. Further, the high cost of unnecessary emergency room visits continues to cause strain on the overall health care system. Implementation of lower cost care models will continue to be an important component of addressing that issue. To aid in meeting the evolving market and more appropriately align health care delivery with patient needs, UH entered into the retail clinic environment through an agreement with Giant Eagle, North-eastern Ohio's largest grocery retailer. Over the last three years, UH has opened FastCare clinics in four Giant Eagle stores in the eastern suburbs of Cleveland.

The FastCare clinic model has brought new challenges for UH. The challenges include delivering care outside of its established locations, strong reliance on nurse practitioners with remote physician support, limited service offerings, and complexity with third-party payers. Further complicating the business model is the reliance on host store management to coordinate location, signage and in-store marketing presence along with competing service offerings, such as vaccines. As a result of the limited geographies and number of FastCare locations, UH allocations to market FastCare, create internal and external awareness and alignment in addition to management attention required to assure integration has been restricted. The challenges have resulted in multiple barriers to the success of FastCare; specifically, barriers to awareness, access and integration. As of this time, the barriers result in UH not realizing the anticipated value from its FastCare locations.

While challenges remain, realizing a higher level of value from FastCare is not out of the reach for UH. UH is a patient- and community-centric healthcare system. By focusing on those strengths and integrating FastCare into the UH System to create that patient-centered experience, UH has an opportunity to leverage its mission statement – To Heal, To Teach, To Discover – to deliver a new care model in the communities it serves. Embedded with the features important to patients, such as physician presence, wellness, education and a warm and welcoming environment, our solution enables UH to build healthier communities. If successfully implemented, the solution will increase awareness with existing shoppers, patients and influencers being of FastCare and the services provided. Services at FastCare will be improved with easier physical access, clearer directional signage and less confusion on the part of patients. Patients treated at FastCare will be more readily integrated into the UH system increasing the likelihood of return visits to FastCare or other UH physicians and facilities.

IDENTIFYING THE PROBLEM

University Hospital's original issue statement discussed the need to increase the volume of patients at the FastCare clinic locations. To fully analyze the issue and begin problem identification, several research methodologies were used including secondary research on University Hospitals, Giant Eagle, convenient care delivery channels and the competitive health care environment in Northern Ohio. Primary research included surveys and interviews of shoppers at various Giant Eagle stores and diverse population segments in addition to employees from UH FastCare and other retail clinics. Site visits and observational research included visits to UH and Summa FastCare clinics, competitor retail clinics, urgent care facilities and other UH facilities.

DIAGRAM 1

Our design process,
Exploration Phase

Diagram 1 will be
referenced for
corresponding process
phase throughout report.

Secondary research was primarily used to gain an understanding of the organizations and the competitive landscape. Beginning in 1993, UH evolved from a traditional, single-site academic medical system into a much broader integrated health care delivery system that encompassed five key areas of growth:

1. The addition of prevention, primary care and early screening to complement the nationally prominent services in tertiary medicine.
2. Expansion of established and newly developed areas of excellence to strengthen clinical capabilities.
3. Improving access by forging new hospital partnerships, developing the region's largest primary care physician network, increasing the number and size of cost-effective outpatient centers.
4. Enhancing care in the communities served by UH's new partners, opening satellites of some of the centers of excellence, initially for cancer care, cardiac care, pediatrics and women's health.
5. Making quality care affordable, redesigning the way care is delivered, reducing inefficiencies and redundancies.

Clinics designed to treat non-urgent, acute, and preventative health issues appeared on the medical care horizon about fifteen years ago. There was rapid growth within the industry, especially in the retail setting. A few dominant franchises emerged, some of which were then acquired by multiple US/global retailers such as Walmart and RiteAid. The growth in the business model began to taper off and even stall in some settings.

The FastCare business model links grocery chains with regional health care networks to launch and maintain in-store clinics. Retailers with FastCare clinics include stores such as Giant Eagle and Shopko. Giant Eagle has alliances with multiple regional health care systems in Ohio and Pennsylvania to operate FastCare clinics at its stores. University Hospitals opened FastCare clinics in four Cleveland area Giant Eagle stores in 2010 and 2011.

University Hospitals competes in the metro-Cleveland area with Cleveland Clinic, Metro Health and Lake Health. As its geographic and care model expands to other areas and types of care, its list of competitors also expands. The competitive environment for the FastCare clinics include multiple health care delivery options including traditional emergency rooms, urgent care centers, physician offices, and other convenient care clinics both in and outside of retail settings. In addition, evolving health care delivery channels including the internet and pharmacist-provided care will continue to challenge the clinic model.

DIAGRAM 1
Discovery Phase

Through the utilization of various design and visualization techniques including blueprinting user experiences, barriers were encountered at multiple points throughout the user's FastCare journey. Lack of awareness about UH's FastCare clinics presented the first barrier. Through interviews and surveys, it was determined there was limited awareness of the clinics in the general public and among regular Giant Eagle shoppers. Directional signage and promotional material at the stores were not easily noticed by shoppers and were difficult to differentiate from Giant Eagle identified signage. Internet searches for retail clinics in Cleveland do not provide links to the UH FastCare website unless University Hospitals or FastCare are specifically searched, meaning prior awareness of FastCare or UH's presence in the retail clinic environment would be required.

DIAGRAM 2
Interim suggestions
for UH-GE relationship

Farther into the FastCare journey, users experience additional barriers in accessibility. Parking at Giant Eagle can be congested resulting in an inconvenient longer walk. The directional signage at the host store can be difficult to locate. The FastCare clinic is physically indistinguishable from Giant Eagle without the welcoming, warm appeal of other UH facilities. Guests may be met with a stark black and white sign instructing them to sign in and take a seat if the nurse practitioner is with another patient or is unavailable. Guests are met with a stark black and white sign telling them what insurers are not covered, and the age limits for treating children. Patients may also be surprised to find there is not a physician

present and may not understand the nurse practitioner is able to treat their condition and write prescriptions.

DIAGRAM 3
Current business model

Through mapping of the FastCare value proposition, it becomes apparent that integration with the UH system is a critical component to success. FastCare relies on UH for all administrative, management and support services including marketing and outreach. Likewise, to deliver value, FastCare must be successful in attracting non-UH patients, providing an exceptional service experience, and then facilitating integration of that patient into the UH network. Continuing with the service blueprint, barriers to that critical integration were identified. Because there are only four FastCare clinics with limited revenue flows, resources are limited for marketing, management focus and awareness campaigns. The same constraints along with the current high demand for nurse practitioners results in difficulty in attracting and retaining sufficient staff to operate the clinics as designed. Post-visit UH integration is also limited with insufficient volume to merit establishing and monitoring procedures. These are representative of barriers to integration that currently exist.

DIAGRAM 4
Barriers encountered on
the current user journey

As a result of the multiple barriers in the FastCare experience, specifically barriers to awareness, access and integration, UH is not realizing the anticipated value from its FastCare locations.

THE SOLUTION

As we began working on elimination of the barriers, we found that UH's commitment to high quality patient-centered care was the best starting point. By focusing on the patient experience, we were able to discover that realizing a higher level of value for the patient, community, and UH was within reach. UH has an opportunity to leverage its mission statement – To Heal, To Teach, To Discover – to calibrate the best solution.

DIAGRAM 5
Patient-centered solution

Wellness is an important component of all patient-centered care discussions. In fact, increasing the wellness of our communities will be required to fight the sky-rocketing costs of chronic disease treatment. FastCare provides opportunities for UH to leverage its internal expertise, its relationships with Giant Eagle and utilize its staff to provide wellness services such as chronic disease monitoring, weight management counseling and sports physicals. Wellness services will reduce awareness barriers and increase patient flows.

To fulfill its mission to teach, FastCare clinics are the perfect setting for both educating patients about their health and wellness needs, and by providing a rotational internship program, allowing patients to educate rising professionals. This would address the barriers of awareness, accessibility, and integration and further strengthen the sense of community between patients, FastCare and UH.

We found in our interviews and surveys, patients overwhelmingly discussed the importance of a physician presence in the care they receive. Bringing that physician presence into a clinic staffed with nurse practitioners requires specific efforts, which will be discussed in the implementation section. Successfully creating a physician presence at FastCare will reduce the barriers to awareness and integration.

Throughout our research including observations and surveys, we noted the emphasis placed on what people experience in UH facilities. The facilities were frequently called “warm”, “welcoming” and “inviting”. Patients commented on the artwork and light-filled spaces. Currently, there is no aesthetic connection between FastCare clinics and UH. In fact, the clinics visually blend into the surrounding store. Patients are not able to see the connection between FastCare and UH or to recognize it as a channel for the quality healthcare UH is known for. Bringing the UH experience to FastCare will reduce barriers in awareness, accessibility and integration.

By unifying the themes of wellness, education, physician presence, and the UH brand, our solution stresses the importance of the patient at the center of the care model.

THE SOLUTION IN ACTION

DIAGRAM 1 Conception Phase

Implementation of our solution requires strategic focus on relationships and integration based around the unified patient-centered themes. Wellness, the first component of the solution, provides excellent opportunities for capitalizing on relationships. For example, UH can leverage its relationship with Giant Eagle, including dietitians and the pharmacists to provide mutually beneficial wellness initiatives. UH could increase awareness of its presence at Giant Eagle by offering blood pressure screening and co-branding with Giant Eagle on wellness and nutritional classes.

To further integrate the patients' communities, UH may want to consider a strategic outreach to area employers, both to build awareness of its FastCare presence, ease of access and ability to reduce absenteeism, but also to offer wellness services. Increasingly, wellness screening with subsequent plans in weight management or chronic condition monitoring are part of employee benefit packages. Opportunities may exist for UH to enter into agreements with area employers to provide that service at a local FastCare on a per-employee fee basis providing new revenue sources. There are additional opportunities to leverage its staff and presence in the store setting to provide additional wellness services including chronic disease monitoring, sports physicals, and healthy living initiatives such as weight management and smoking cessation.

Education has been an important part of UH since its early beginnings and that strength and expertise can be brought into the FastCare. By establishing a rotational internship for its healthcare students, in addition to its emerging administrative leaders and area business students, UH will be strengthening their understanding of emerging healthcare delivery channels and the importance of community connections while elevating the UH brand awareness. FastCare also offers a good environment to ensure patients and host store shoppers receive education about their health and wellness needs.

Specific actions do need to be taken to bring the physician presence that patients want to see into the FastCare setting. Compelling communication and marketing materials regarding primary care physicians in the immediate community should be available at all FastCare locations. Patients without primary care physicians

should receive a follow-up call and marketing materials recommending local physicians. Additionally, information about the FastCare should be available at all area physician offices and “Next Visit” cards available at urgent care and emergency room settings. These actions would emphasize the linkage between the physician network, FastCare, and UH, thereby creating a stronger physician presence at the FastCare locations.

UH is known for its patient-centered care, providing a recognizably warm and welcoming environment in its facilities and locations. That same warm and welcoming UH brand experience needs to be integrated into the FastCare environment creating a space recognizable as a UH facility, separate from the store. Once someone steps into the FastCare, they should know that they are now in a UH facility.

As exemplified by the breadth and capabilities of the UH system, relationships create synergies and new opportunities. There are prospects for relationships stemming from FastCare to bring new business opportunities, not just to the clinics but to the UH system. Stronger management of the UH-Giant Eagle relationship is needed to encourage co-branding, decrease in-store competition, and improve in-store FastCare awareness and accessibility. Relationships with third-party payers to ensure coverage of FastCare services would enable less complex cost information for prospective patients. Relationships with area businesses to provide wellness services in addition to acute, non-urgent care for their employees could provide new and ongoing income streams. Relationships with local traveler facilities such as hotels, airports and local businesses regarding services could increase business traveler patients.

THE SOLUTION BUSINESS CASE

DIAGRAM 6 Value creation in business model

By patient-centered integration, FastCare with its wellness initiatives, welcoming environment, reduced barriers, and new mutually beneficial relationships increases awareness of both FastCare and the UH brand. This in turn increases patient volume. Not only will the increased patient volume improve the financials for FastCare, but the referral programs will insure a higher level of patient integration to the UH System.

The FastCare solution philosophy aligns with strategy as indicated by chief executive officer Tom Zenty. The CEO message states UH’s dedication to helping people “experience a lifetime of good health” and making quality health care accessible through an

expansive network of facilities, ranging from physicians and hospitals to rehabilitation facilities. He stated, “We recognize that providing personalized care close to home is an integral part of creating an extraordinary patient experience.”

THE ARGUMENT

A bigger challenge beyond making FastCare work for UH is to ensure its ability to meet the anticipated shifts in demand for health care delivery channels. Employers continue to move to employees at a high rate to “consumer-driven” health plans, high-deductible plans where users are much more aware of the cost of health care services. As that occurs, the lower per-visit cost of the retail clinic compared to a primary care visit will encourage an increasing number of patients, even those with established primary care relationships, to seek out a convenient retail clinic for simple acute health concerns and preventative care. If the UH System is not prepared to meet that anticipated shift, it will not only lose revenue per patient but will be more likely to lose patient relationships to health care providers prepared to meet that shift in demand.

Solution implementation, however, does not resolve all the issues. The demand shift creates an additional challenge for UH. UH has built a very strong network of primary care physicians, yet knows that consumers will be seeking out lower cost care alternatives like retail clinics. If UH is not participating in the delivery channels for that market, they will risk losing the patients from the UH system. The question remains how this paradox will be resolved with the current business model.

FINANCIAL CONSIDERATIONS

DIAGRAM 7 Expenses

The integration solution does involve both direct costs in addition to costs that the UH System must incur to make integration successful. Direct costs include signage, enhanced communication and marketing materials at all FastCare locations, and to create enhanced internal and external awareness of FastCare. The first year estimated costs would be \$15,000 per clinic to allow for signage, with estimated annual costs of \$10,000. Additionally, investment in the appearance at each FastCare is required to create a more welcoming environment. Estimated cost is \$3,000 per clinic. Incorporation of intern rotations from the nursing school and business schools in the area would also incur costs of approximately \$30,000 annually per clinic, inclusive of management cost.

UH would also be required to invest additional management and communication resources internally to develop and monitor integration initiatives. This would include information sessions with physicians and others at UH facilities in the clinic areas, establishing collaborative initiatives with Giant Eagle, and coordinating various intern programs. Also significantly, UH would need to invest in the technology infrastructure to maximize mobile technology and social media, which would be patient-expected components of the convenient clinic experience.

It is important to note, that given its current financial model before additional investment, patient-volume would need to increase 350% just to reach a break-even point. To be able to justify an ongoing “loss leader” logic, establishing and monitoring patient acquisition and life-time value metrics would be important to the sustainability of the business model.

RISKS

For the purpose of this discussion, risks will be considered in two categories: with and without solution implementation.

Risks with Solution Implementation

Attracting and retaining staff – The current demand for family practice nurse practitioners is very high, primarily as a result of the rapid shift in demand for lower-cost healthcare channels. With only four FastCare locations, even integration with the broader UH System, UH may continue to experience difficulty in attracting and retaining sufficient staff to operate the necessary hours.

Inability to add sufficient patient volume to justify investment – Currently, FastCare clinics are operating at a financial deficit. With no additional costs, a 350% increase in patient volume is required to achieve breakeven from a pure cash flow standpoint. The solution will have associated costs, as previously outlined in the finance section.

Redirection of patients from higher margin facilities – The stronger the awareness and accessibility of FastCare, the more likely that some patients will choose FastCare over other UH facilities, such as urgent care or emergency rooms. While this will be beneficial from a macro perspective, UH should be aware of the potential for a shift.

Inability to engage primary care physician buy-in – The UH System relies heavily on its relationships with the primary care physicians. If UH is unable to get buy-in or gain the understanding of primary care physicians of the need for lower-cost care channels, the relationship with physicians could be eroded.

Risk without Solution Implementation

Attracting & retaining staff – The current demand for family practice nurse practitioners is very high primarily as a result of the rapid shift in demand for lower-cost healthcare channels. With only four FastCare locations and limited integration with the broader UH System, UH will continue to experience difficulty in attracting and retaining sufficient staff to operate the necessary hours.

Continued resource depletion – FastCare clinics are currently operating at a financial deficit. In addition, management time and communication efforts continue to be invested to ensure the continuation of the program.

Brand dilution – The current barriers prevent the brand value creation from the FastCare clinics. The limited number of locations prevents large awareness and marketing campaigns or building a strong internal referral network.

Loss of presence as a retail clinic healthcare provider – If UH chooses not to continue operating the FastCare clinics without alternative low-cost care channels, it may lose its opportunity to capture the market shift.

Inevitable closure – Continuing to operate as is will result in financial loss and inability to staff without measurable gain. Closure will be required.

CONCLUSION

By offering unified patient-centered care for healthier communities through FastCare clinics, UH is able to expand its system closer and more deeply into the communities it serves. In addition, UH is able to greatly reduce the barriers enabling FastCare to gain the anticipated value to its brand while meeting the shifting demand for lower-cost care delivery channels.

While following our solution will enable UH to better meet its business objectives regarding FastCare, the broader question may be in whether FastCare is the best place for UH to meet the anticipated shifts or whether a lower fixed-cost alternative may be as beneficial.

After considering all of its options, UH has the opportunity, if it chooses, to seek out a competitive advantage by ensuring FastCare is patient-centered and building healthier communities.

APPENDIX

DIAGRAM 1

UH-FastCare Process Overview

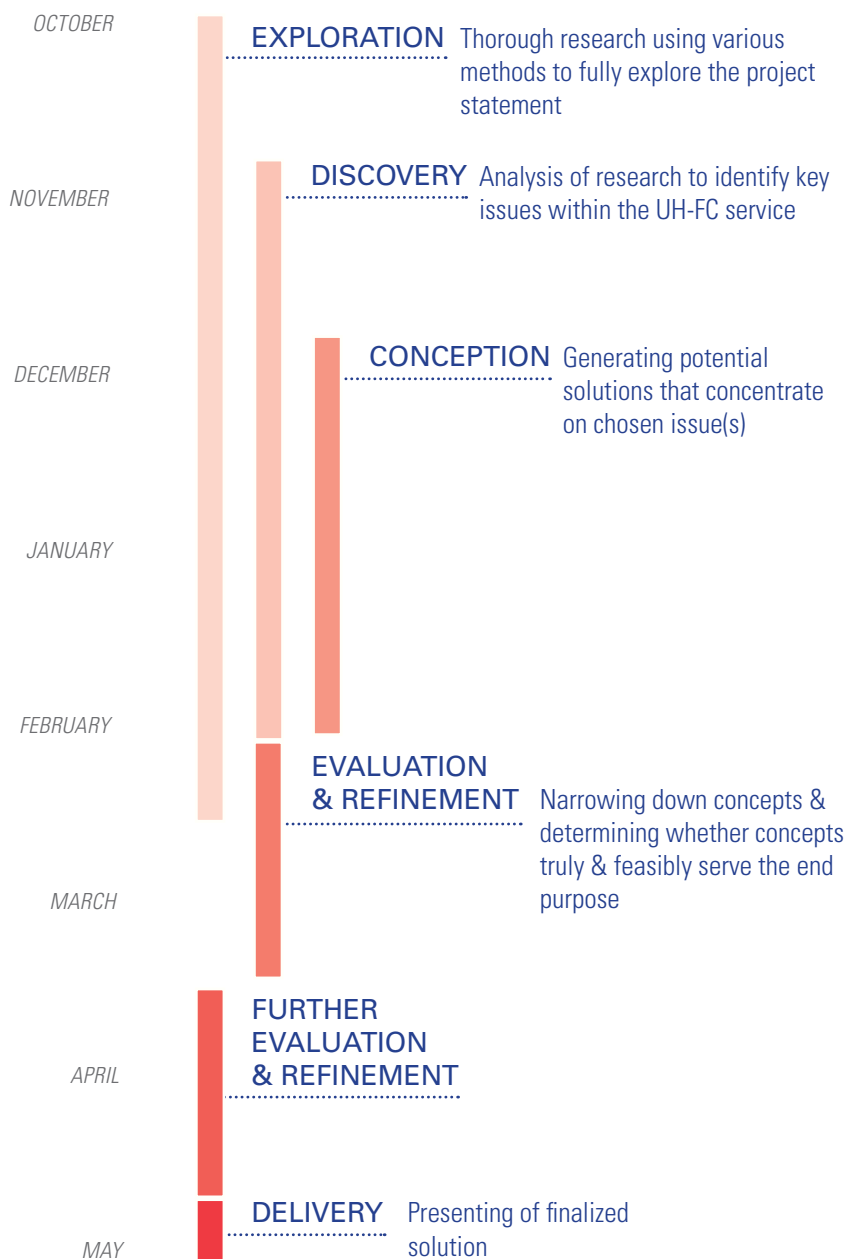


DIAGRAM 2

Recommendations Regarding the UH-GE Partnership for FastCare

- Signage inside & outside
- Entrance close to FC
- Location in stores
- Fuel Perks
- Parking Reserved for FC/Pharmacy
- Promotional Materials
- GE Employee Insurance
- Wellness Partnership ----- with Dietician, with Pharmacy
- Franchise fees based on Patient flow
- Vaccine Compromise --- non-competitive agreement

Guerrilla Marketing

In-Store promotion activities - Interns, Public announcement system, handouts at cashiers

In-Community - Handouts at stores, daycares, hotels, employers, urgent cares, physician offices, booths at community events

In UH - Employee mailings, answer machine recording, urgent care, emergency rooms, waiting area electronic barriers

DIAGRAM 3

CURRENT BUSINESS MODEL

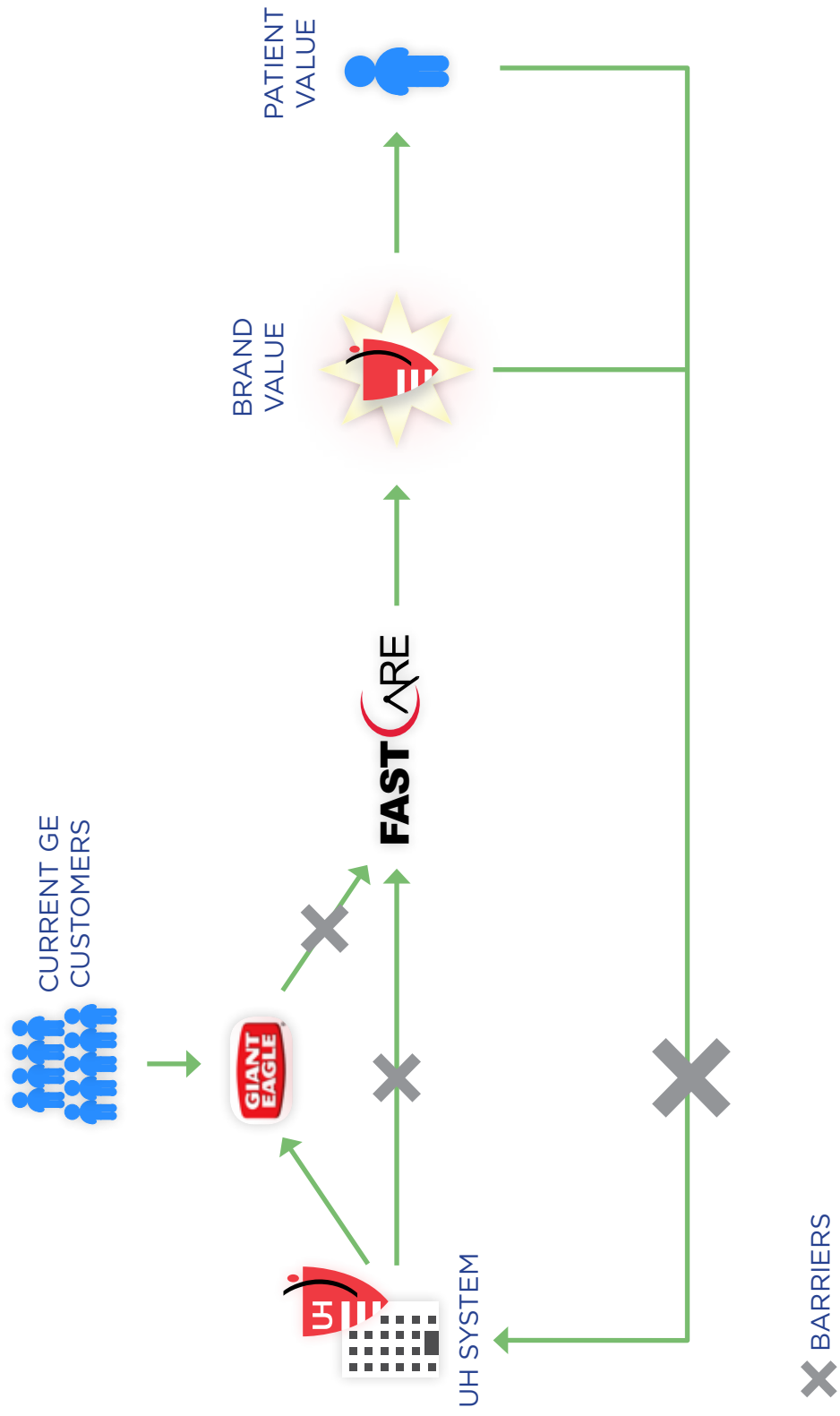


DIAGRAM 4

CURRENT USER JOURNEY

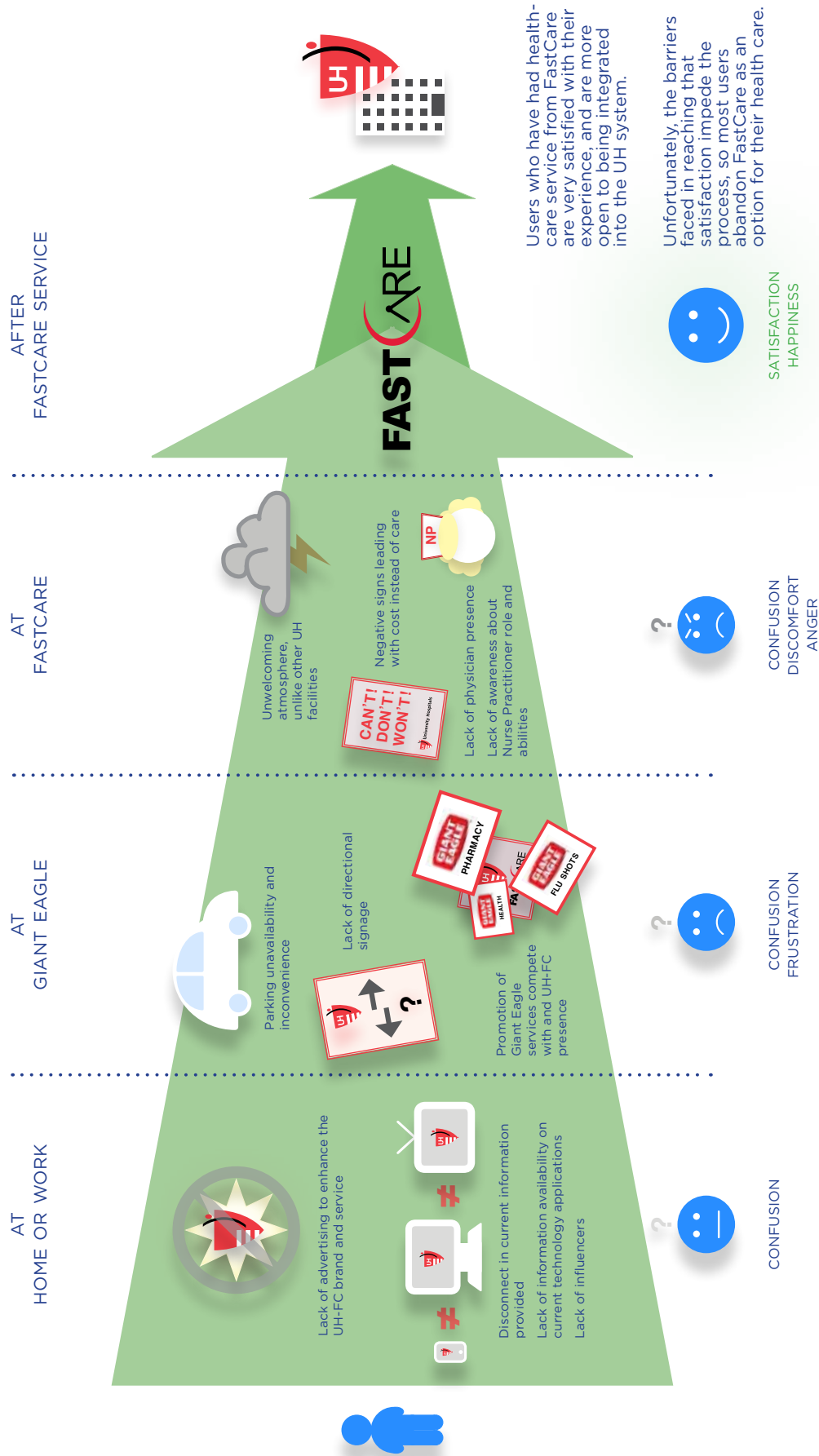


DIAGRAM 5



PATIENT-CENTERED FASTCARE



UH SYSTEM

DIAGRAM 6

PROPOSED BUSINESS MODEL

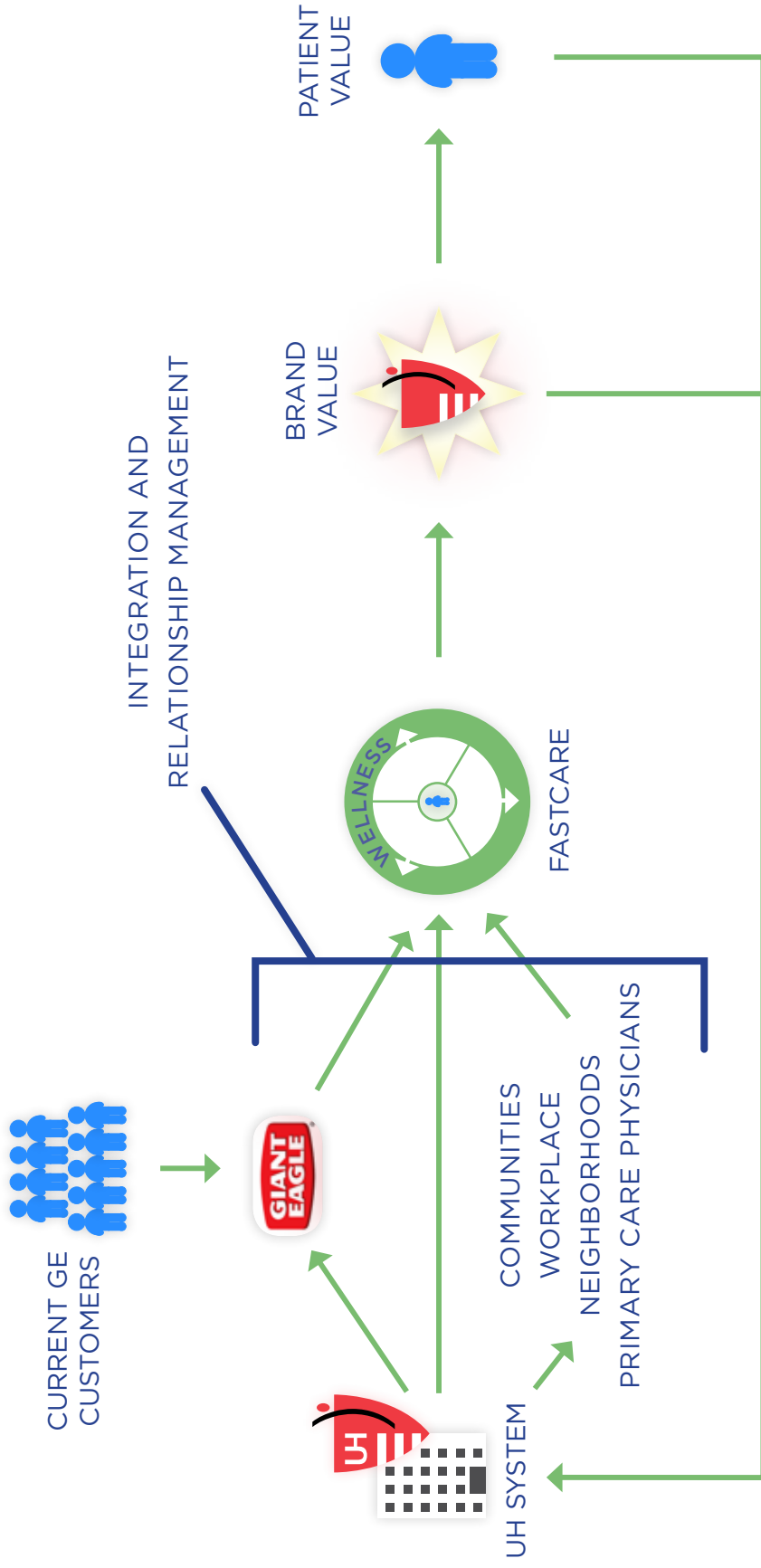


DIAGRAM 7

EXPENSES

ONE-TIME COST

Enhanced Signage	5,000
Appearance Refurbish	<u>3,000</u>
	\$8,000 / clinic

ADDITIONAL ANNUAL COSTS

Communication & marketing materials	10,000
Rotational Internship Program	<u>30,000</u>
	\$40,000 / clinic