

A young woman with dark hair tied back, wearing a blue denim shirt, is sitting on a couch and holding a white tablet. She is looking at the screen, which displays a photo of a man in a white lab coat. An elderly woman with short white hair and orange-rimmed glasses is sitting next to her, holding a white pill bottle. She is looking at the tablet with a slight smile. The background is a bright, modern kitchen with wooden cabinets and a white countertop.

The Rise of Healthcare Consumerism and What It Means for Your Practice

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| Introduction to Healthcare Consumerism

Consumer expectations have evolved in the digital age.

Modern consumers demand convenient, easy, and instantaneous experiences that meet their evolving needs, whether they're shopping online or choosing a healthcare provider.

Consumerism in healthcare, which aims to empower patients to take a more active role in their care decisions, has been slightly slower to catch on in comparison to other industries, such as retail and technology. However, in recent years, healthcare consumerism has been on the rise. Patients are becoming savvier, more sophisticated, and more directly involved in managing their care.

Plus, healthcare consumers demand the same seamless digital experience they get with other industries—and they're certainly willing to jump ship for another practice to find it. To retain patients and remain competitive in a crowded market, healthcare practices and health systems need to reimagine how they attract and engage consumers. Providers need to pay attention to this trend or risk losing patients to giant retail and tech companies like CVS, Amazon, and Walmart.

A woman with long brown hair, wearing a red sweater, is looking down at a smartphone in her hands. She is standing in a pharmacy, with shelves of various bottles and containers visible in the background. The image is partially obscured by a dark teal rounded rectangle on the right side of the page.

» In this guide, we'll break down the rise of healthcare consumerism, how it's influencing day-to-day processes at healthcare practices, and what providers can do to ensure they're meeting consumer needs and expectations.

What Factors Sparked Healthcare Consumerism?

Initially, healthcare consumerism gained momentum as a result of new regulations in Medicare's Meaningful Use Stage 2, which specifies that providers have to make a visit summary available to the patient within 48 hours. These summaries must be electronic so the government can track whether providers are adhering to Meaningful Use Stage 2 guidelines.

For patients, the rise of healthcare consumerism follows decades of frustration with the system. Historically, information about healthcare services and costs has not been available to patients, which has prevented them from making autonomous decisions. Now, consumers are looking for an easier care experience and transparency from providers and insurers—especially when it comes to the cost of care, for which they're becoming increasingly responsible.

The influx of high-deductible healthcare plans has put patients in the position to make financial decisions about their healthcare and how to most effectively spend their money. In a recent survey by the Medical Group Management Association (MGMA), [59 percent of healthcare leaders](#) said they've seen an increase in patient payments due to increased high-deductible plans.



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COVID-19 has even further accelerated the healthcare consumerism movement, pushing providers to do things they wouldn't normally do that consumers have long desired. A prime example is the newfound telehealth momentum. Throughout the course of the COVID-19 pandemic, we've seen rapid consumer adoption of telehealth services. According to insights by consulting firm McKinsey, healthcare practices and health systems report [seeing 50-175x](#) the number of telehealth visits as they did pre-COVID.

Not only does telehealth offer a convenient alternative to in-person visits for patients, but also a new opportunity for providers. Among providers, [57 percent view telehealth more favorably](#) than they did before COVID-19, and [64 percent are more comfortable using it](#). The federal government has taken action to make telehealth services easier for providers to implement and for patients to access, allowing new communication applications to be used without the risk of penalties for violations of the Health Insurance Portability and Accountability Act (HIPAA).



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How Consumerism Is Transforming Healthcare

The healthcare consumerism trend is completely transforming the industry as we've known it. Patients are becoming more discerning about when and where they visit their providers, as well as how much they spend on healthcare services. That means the patient experience today matters more than ever before.

Consumers demand convenience, transparency, and autonomy—and without the processes and technology in place to deliver on that, they're more prone to shop around for a practice that makes the cut. Losing patients to competitors is a real concern for healthcare practices today. The rise of retail health clinics is causing immense competition, making it even easier for consumers to find more convenient, alternative care services when they're dissatisfied.

Since 2006, retail clinics have [grown by 500 percent](#). Patients are on board—in fact, [30 percent](#) have come to rely on retail clinics for their primary care due to how readily available and easily accessible they are to nearly all Americans, regardless of where they're located. Retail clinics typically have more flexible operating hours than practices as well, often offering same-day, walk-in, evening, weekend, and holiday appointments.

Not only are retail clinics a convenient option, but also an appealing one due to full price-transparency for visits and medications. Price transparency ensures the patient knows ahead of time exactly what their out-of-pocket costs will be. In a time when healthcare costs are ever-rising, this is imperative for consumers.

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Common Barriers to Addressing Healthcare Consumerism

In an industry report by Kaufman Hall, [88 percent of U.S. healthcare leaders](#) agree that their organizations are vulnerable to consumer-friendly offerings from competitors outside the industry. Although most healthcare leaders recognize the need to act quickly to address consumerism, certain obstacles can prevent them from doing so effectively.



Lack of awareness:

Although most providers acknowledge the need to take action, some practices are purely clinical and do not consider themselves consumer organizations. A complete lack of awareness about the needs and expectations of modern healthcare consumers is a huge detriment to both practices and patients.



Lack of strategy:

Then there are the healthcare organizations that are aware they need to treat patients as consumers, but don't know how to do so. Many simply don't have the right systems in place to meet evolving consumer needs—especially with so many other daily responsibilities.



Lack of technology:

Today, consumerism is directly tied to smart use of technology, both in the healthcare industry and beyond. In some scenarios, providers are aware of what they need to do and have adopted a strategy to make it happen; however, they don't have the right technology in place to address healthcare consumerism.

Ignoring the consumerism trend may be tempting, but it's far from advisable. There are a number of negative implications for healthcare providers if they don't act accordingly and adopt new processes and technologies to satisfy consumers.

For example, when patients are frustrated due to rising costs, lengthy wait times, scheduling difficulties, or a similar pain point, they're likely to switch providers, leave poor online reviews, and tell their family and friends. For healthcare practices, this ultimately means increased churn, damage to their reputation, difficulty acquiring new patients, and loss of revenue.



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5 Ways Practices Can Address Healthcare Consumerism

So, how exactly can healthcare practices address consumerism and offer a more patient-centric experience that keeps people coming back instead of heading to the nearest retail clinic? Here are five ways to get started at your organization:

1 Adopt a hospitality mindset.

It's not enough to aim for just satisfied patients—healthcare organizations need to create an optimal consumer experience by developing a service culture with patient-centric workflows. When asked about their consumer-centric priorities, [81 percent of respondents](#) said that improving the customer experience is high on the list; however, [only 11 percent](#) reported having best-in-class capabilities.

By building a solid foundation with consumers' needs in mind, providers can meet expectations and retain patients. To do so, think about what common pain points are within existing processes, and see what can be done to alleviate them. For example, what's your patient registration and intake process like? How long is your average wait time? [Twenty percent of patients](#) report that they will switch providers if forced to wait too long.

If waiting room backlogs cause lengthy waits and delays, consider revamping associated processes by digitizing patient intake paperwork to minimize churn. Also, make it a priority to offer multiple care delivery options; virtual care visits should be available for consumers who prefer to go the digital route and/or those who are located in rural areas that are far away from a provider.



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2 Take an informed, strategic approach.

Another important thing to keep in mind when addressing healthcare consumerism is to always make informed decisions using consumer insights derived from satisfaction surveys and patient-reported outcomes (PROs). Using insights to guide strategic planning will allow you to make changes based on what's important to your patient populations, as it's different for every specialty.

Generally speaking, your healthcare consumerism strategy should be focused on convenience, accessibility, ease, and cost. Consider what the patient experience is like at your organization currently: Do you make it easy for them to schedule appointments? To access care with ease? To review their own health data?

While most practices are only open during business hours, retail clinics or telehealth services are often available at more convenient times, such as after-hours and on weekends. This is especially important for certain specialties. For example, providers in pediatrics should consider offering more convenient hours to accommodate parents who would otherwise need to take off work.

3

Implement patient feedback mechanisms.

The best way to learn what consumers want and need is to collect positive and/or negative feedback and adapt consumerism techniques to address their needs. Use technology to send automated surveys to targeted patient populations, and gain beneficial insights ranging from pain level and medication adherence to PROs.

Patient satisfaction ratings no doubt play a big role in healthcare consumerism, especially with online Google searches and the ratings found there. Consumers today consult the web to read provider reviews and make decisions regarding their care. That's why solid reputation management is essential to retain existing patients and attract new ones—but you need patient feedback to do so.

Once you've collected valuable feedback from patients in your care, you can implement meaningful change and adapt to better meet their needs. For instance, if you receive negative feedback on a poor scheduling process, you may consider changing your existing workflows to make booking appointments easier and more convenient for patients.





4 Ensure healthcare information transparency.

Transparency is no longer a nice-to-have in healthcare today; it's actually a must-have to appease modern consumers. Ensuring healthcare information is transparent and readily available to patients has two major benefits for providers.

Fulfilling Federal Regulations: By offering patients easy, digital access to relevant health data, healthcare organizations can fulfill their Meaningful Use Stage 2 requirements. This not only decreases the risk of financial penalties, but also means providers qualify for an incentive payment.

Improving Quality of Care: Adherence, outcomes, and overall quality of care improve when patients have complete accessibility to care plans and don't have to rely on memory post-visit. In turn, providers see higher reimbursements due to improved quality of care—it's really a win-win!

It's also incredibly important to provide price transparency. As consumers become increasingly responsible for out-of-pocket expenses due to high-deductible health plans, they're consistently keeping a much closer eye on cost and factoring it into their care decisions. That said, only [28 percent of survey respondents](#) said that providing price transparency is a top priority for their healthcare organization.

5

Empower consumers with the right digital tools.

Technology plays such a significant role in delivering on consumer expectations. Modern healthcare consumers are accustomed to using digital tools that empower them to take a more active role in care decisions. [Research shows](#) that consumers are increasingly choosing providers who offer digital capabilities, and that momentum is certain to continue. This is especially true for younger generations who grew up as digital natives, like millennials and Gen Z, but it's true for older generations as well.





90 percent

of today's healthcare practices
offer a patient portal to provide:

- 24/7 mobile-friendly access
- Appointment scheduling
- Digital patient registration
- Post-visit care summaries
- Flexible financial options
- Two-way communication
- And much more

When patients can take action using self-service tools, they're more likely to remain with their current provider and engage in their own care. Expanding digital capabilities through technology partnerships leads to added value and more convenient options for existing and potential patients.

Using Technology to Engage Healthcare Consumers

Healthcare practices can benefit greatly from embracing consumerism and taking steps to meet their evolving expectations. By doing so, they can foster loyal patients, see higher reimbursements as a result of better outcomes, and gain increased visibility in an already saturated market.

Above all else, technology provides convenience and empowers patients to be in control of their own healthcare decisions. Engagement solutions that integrate with electronic health record (EHR) systems offer several touch points throughout the entire patient journey. This arms patients with the right tools to become active participants in the care they receive, enabling them to make informed decisions about who provides it, how much it costs, and how easy it is to access.



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