Measuring and Cultivating Patient Loyalty
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Urgent care is a volume-driven business, meaning that once there are a sufficient number of patient visits to cover a center's fixed costs (i.e. salaries and benefits of the base staffing level, marketing, rent, utilities, etc.), each additional visit contributes directly to the center's bottom line. The most profitable urgent care centers are thus those with the highest patient volumes.

Conventionally, patient volumes are generated via marketing—paid advertising such as direct mail, radio and billboards, as well as grassroots tactics including community events, business networking and school sponsorships. But even when marketing does it "job" in educating prospective patients, there are only so many people in the community who will respond to a center's advertising. Long-term, urgent care is successful only insofar as patients who have used the center return and tell others to do likewise. If a center consistently provides a negative patient experience, poor clinical outcomes, or engages in unfair billing practices—over time it will exhaust the number of potential new patients as negative word of mouth spreads.

Happy Patients Become Loyal Patients

Fred Reichheld, writer for the *Harvard Business Review* and author of *The Ultimate Question: Driving Good Profits and True Growth* (2006), has examined the links between customer satisfaction, customer retention, and profitability. His thesis is that one question on a customer service survey, "how likely are you to recommend us to friends and family," is predictive of whether customers will utilize a business's services in the future. Per Figure 1.0, responses to this question can be quantified on a Scale of "1" to "10" as:

- "Detractors" (1's to 6's) are patients who will never return to an urgent care center and who will diminish the urgent care's "brand" by complaining to friends and family, posting negative comments online, complaining to their insurance company, medical boards or government regulators, and by demoralizing the center's staff;
- "Neutrals" (7's and 8's) are patients who are ambivalent. They are unlikely to refer an urgent care center and may or may not return if they become aware of other options in the future; and
- "Promoters" (9's and 10's) are patients who are "fans" of the urgent care practice. They return frequently, they are unlikely to consider alternatives they become aware of, and their positive word-of-mouth acts as "free advertising" for the center in the community.

Patient experience surveys using the "Net Promoter" methodology can be conducted in the center by paper or electronic discharge survey, or after a visit via email, mail, telephone, or Internet portal. Using the results of the survey, "Net Promoter Score" illustrates the balance of "Promoters" over "Detractors" by subtracting the percentage of respondents to the "ultimate question" who give a 1 through 6 from

the percentage who give a 9 or 10. Neutrals are "thrown out" when calculating "Net Promoter Score."
A center's Net Promoter Score can then be compared to "best-in-class" service organizations such as
Costco, American Express, USAA Insurance, and Apple Computer.

Figure 1.0: Net Promoter Score
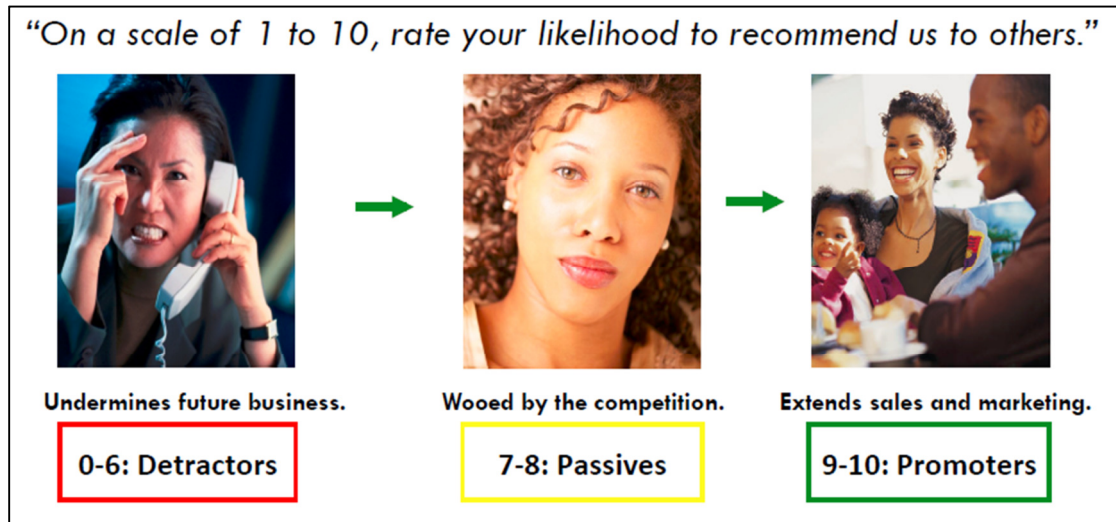
Measuring Patient Loyalty

Apart from asking patients directly via survey, patient data from the urgent care center's practice
management system can also provide insights to consumer behavior, from which assumptions can be
made about patient satisfaction and loyalty:

- **New vs. Established:** Evaluation and management (E/M) coding differentiates a "new" (99201-
  99205) versus an "established" patient (99211-99215), with a "new" patient generally being one
  who has not presented at an urgent care center during the past three years. A report showing the
  center's coding distribution is an easy way to identify the percentage of "established" patients. An
  assumption can be made that "established" patients are those who are happy with the service and
  have returned. But evaluating coding does not indicate how frequently a patient has returned, it
  considers only the individual patient and not the patient's household, and it obscures "loyal"
  patients who just haven't had an urgent care "need" in three years. Related to medical billing, in
  cases where fee-for-service pays less for "established" versus "new" visits—an urgent care center
  can actually have a "loyalty problem" of decreasing net revenue per patient over time as established
  patients make up a higher percentage of the center's census. In such instances, the center needs to
  attract a constant flow of "new" patients via advertising activities.

- **Repeat Visits by Household:** Downloading patient demographic and visit records into a database, a
  center can identify how frequently a patient (or, sorting by address, members of a patient's family)
  have returned to the center. Because members of the household other than the patient—namely
  the mother in married households with children—make health care decisions for the entire family,
  there is value in looking at utilization of all residents of an address. Given that an urgent care

center's "marketing season" (highest volume months) generally begins with back-to-school in September and runs through March, the loyalty report should be run for no fewer than 12 months and ideally, for 24 months to eliminate the effects of seasonality.

- **Follow-ups/Re-checks:** On the one hand, the urgent care center should encourage re-checks with providers to assure patient compliance and progress in healing. But on the other hand, follow-ups and re-checks may be the result of misdiagnosis, ineffective prescriptions, or patient confusion. So, should follow-up visits and re-checks be counted towards patient loyalty? Patients tend to think in terms of specific "clinical episodes." Consider a major household purchase—buying a refrigerator is a discreet "episode." If that new appliance is malfunctioning, a consumer is unlikely to throw it away and buy a second refrigerator from another store; but rather, the consumer will keep returning to the original store until satisfied—even if the consumer never returns to that store for future purchases. The same concepts apply with an urgent care "episode"—in order to salvage the value of time and co-pay "invested," a patient will return for a specific medical issue until that issue is resolved. So, loyalty is best measured in terms of unique "medical episodes" (i.e. cold/flu, sprain/strain, rash, etc.).

Having regular reporting on patient loyalty will help the urgent care center assess its service levels and engage in activities that are most effective in driving future visits.

Ways to Cultivate Patient Loyalty

Patient loyalty is best cultivated by offering the types of experiences that will lead patients to return and tell others to do likewise. Service attributes that constitute the patient experience include:

- Short wait times, communication of wait times, and options to shift the wait outside the center (i.e. pre-registration, call ahead scheduling, patient paging);
- Visual appeal of the physical facility including aesthetics, maintenance, and cleanliness;
- Waiting and exam room amenities including Wi-Fi, electronic device charging stations, refreshment stations, children's play areas, television/magazines, Kleenex, hand sanitizer, trash cans, etc.;
- Friendliness and professionalism of providers and staff including appearance and demeanor;
- Affordability of cash pay pricing, clarity of financial policies, and "fair" billing practices, and
- Follow-up phone calls to the patient after the visit to satisfaction with the care provided and that the patient is following the provider's instructions.

In addition to offering a great patient experience, urgent care centers frequently spur loyalty through targeted marketing to previous patients, which can occur via traditional media (i.e. direct mail, email promotions) or via social media (i.e. Facebook, Twitter). Direct marketing to existing patients may raise awareness and direct utilization for annual flu shots, back-to-school physicals, and seasonal allergy prescriptions, among other promotions.

Conclusion

As a volume-driven business, urgent care can't survive solely on new patients for profitability but rather, must cultivate a following of loyal patients who use the center repeatedly and tell others to do likewise. In addition to providing the quality of patient experience that spurs repeat visits and positive word-of-mouth, a center should devise a mechanism for reporting on patient loyalty. Only once patient loyalty is understood, can an urgent care center engage targeted activities to keep the center "top of mind" among its established patients.