

Health System Operated Retail Health Clinics

Elements to Consider for Alternative Treatment Centers

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Objectives

- Business philosophy and strategic fit
- Strategic assessment of the market
- Evaluate partnership, franchise, and co-branding opportunities
- Investment costs and timeframe
- Marketing strategies, brand recognition, and patient education
- Price transparency and insurance reimbursement
- Consumer satisfaction
- Measuring ROI

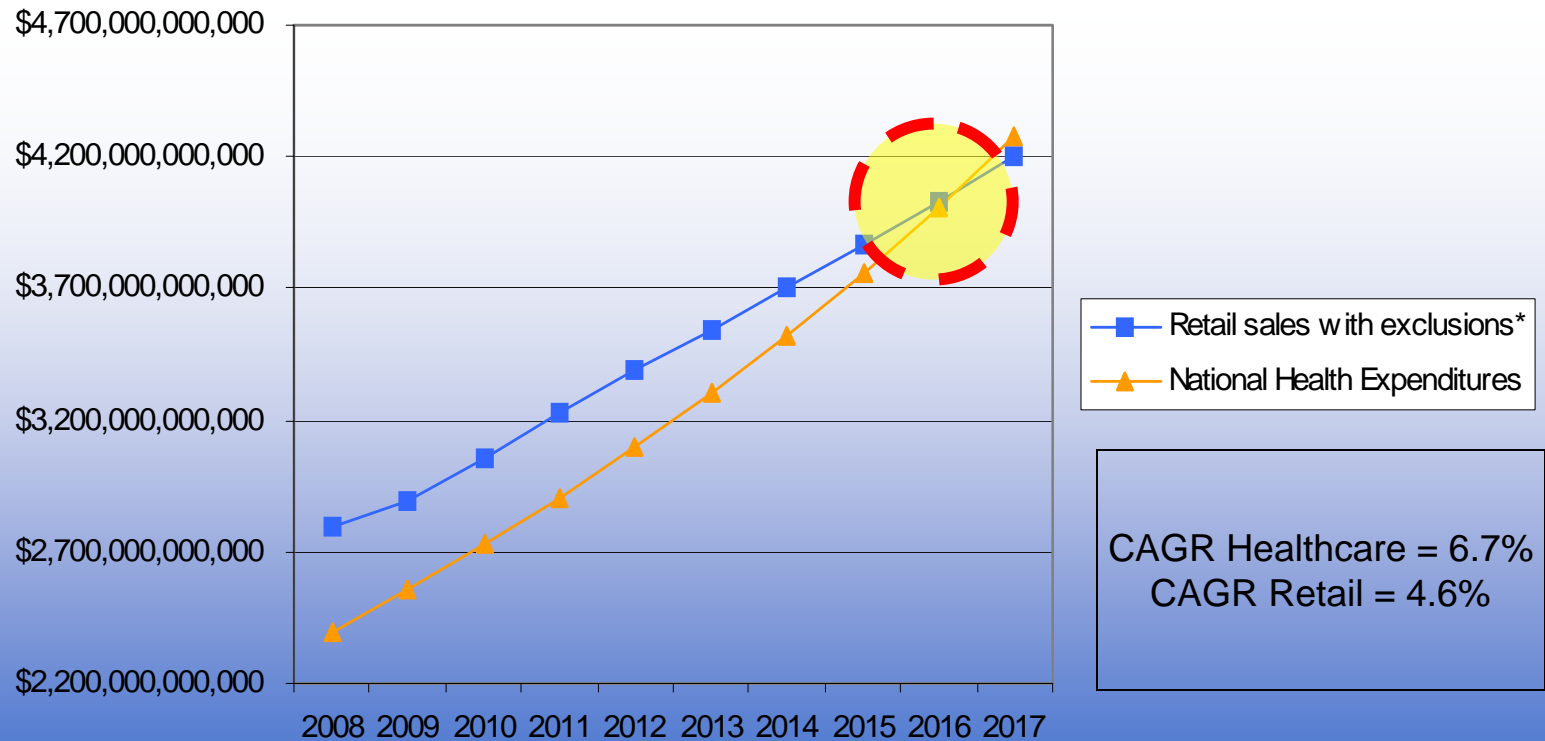
Business Philosophy/Strategic Fit

Health System Perspective

- Access point in the access platform
- Two-way referral model
- Maintain continuity-of-care
- Maintain the medical home

Why Play In Healthcare?

Spending on healthcare in the US is going to surpass spending in retail in the US within the next decade!



Strategic Assessment of the Market: PCP Shortage

Health System Perspective

- Most markets are impacted by the PCP shortage
 - Closed PCP practices
 - PCPs retiring
 - More graduates are specializing
 - Rural practices are dwindling
 - Increased utilization of mid-levels

Strategic Assessment of the Market: Regulatory Environment

Health System Perspective

- Nurse practitioners
 - Limitations by state
 - Physician oversight
- Physicians Assistants
 - Limitations by state
 - Physician oversight
- Physicians
 - No limitations

Marketing Strategies

Health System Perspective

- Leverage retailer and health system brands
- Mass market
- Physician referrals
- Employers
- Grassroots
- Overmarket vs undermarket

Brand Recognition

Health System Perspective

- Building the brand
- Leverage the health system brand

Patient Education

Health System Perspective

- Consumers are thirsty for health information
- Leverage health system resources
 - Dietician
 - Nutritionist

Price Transparency

Health System Perspective

- Transparency is important to the consumer
- Obama administration supports transparency

Insurance Reimbursement

Health System Perspective

- Billing vs. not billing
- Billing with cash upfront
- Co-pays
- Deductibles
- Self-insured direct contracting

Consumer Satisfaction

Health System Perspective

- Satisfaction at 95-98%
- Usually better than primary care
- Must keep promise of Convenience
 - Access
 - No appointment

Measuring ROI

Health System Perspective

- Break-even
- Downstream revenue
- New patients
 - Primary care
 - Health system

QUESTIONS

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THANK YOU

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