

# Health System Operated Retail Health Clinics

## *Elements to Consider for Alternative Treatment Centers*

Ken Berndt, FastCare, Bellin Health

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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

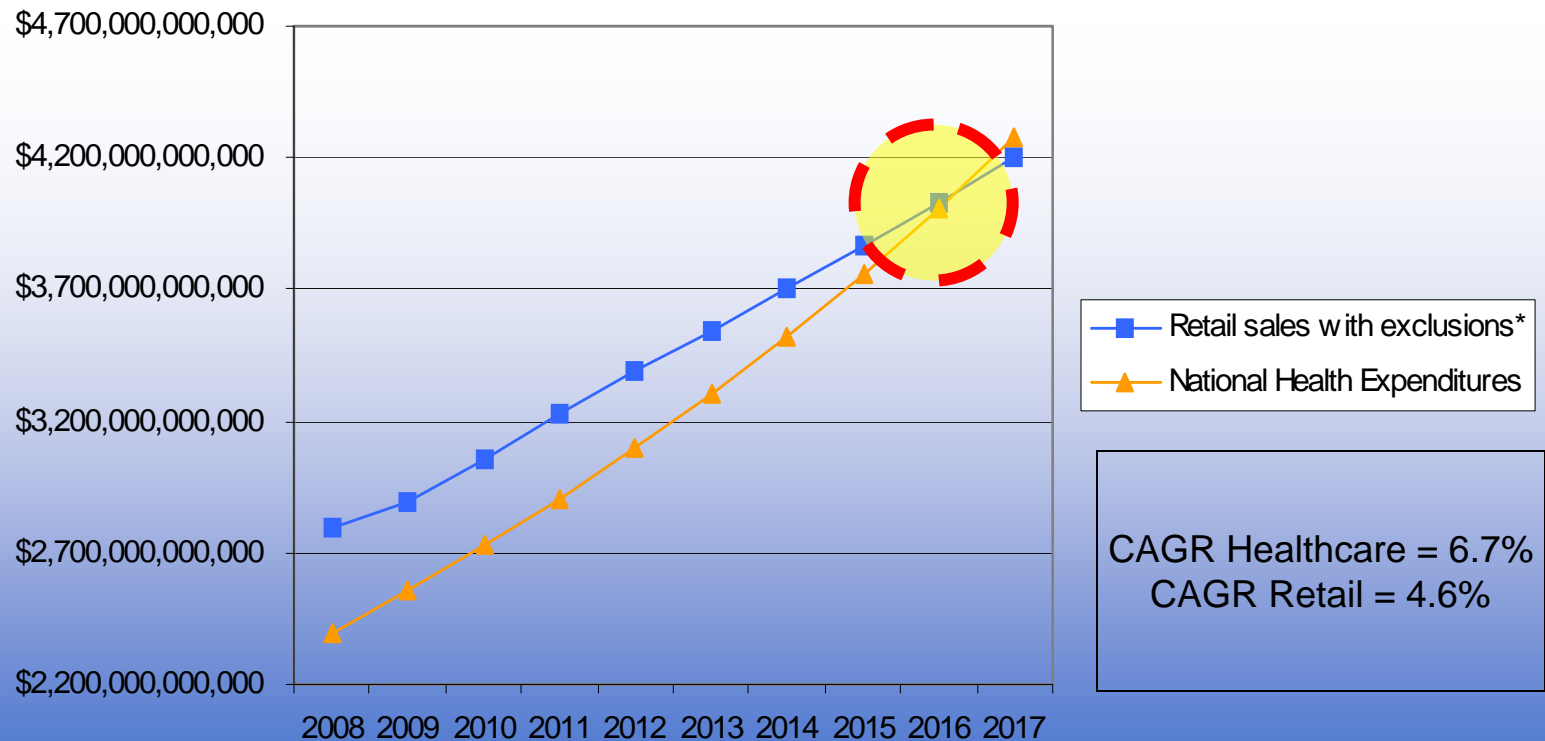
# Business Philosophy/Strategic Fit

## 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

*bellin*health

Ken Berndt

(920) 621-1615

[kjbern@bellin.org](mailto:kjbern@bellin.org)