
Driven by changes in consumer expectations, pressure from employers and insurers and emerging competitive threats, the healthcare industry is faced with a stark choice – transform or risk failure. For many, a platform operating strategy represents the best hope for prosperity in the new healthcare economy.

LAFAYETTE, Calif. (PRWEB) February 06, 2019 -- Last month, Loyale Healthcare published “Creating the Frictionless Healthcare Platform: A Provider Readiness Checklist.” In that article, we noted a dominant theme at J.P. Morgan's 2019 Healthcare Conference – namely, that embracing a platform-based operating model will be critical for hospitals in the new healthcare economy. For many longtime industry professionals, this new approach may seem antithetical to their traditional, linear care delivery model. But the trends speak for themselves… a platform operating model offers the greatest promise for the delivery of better operating results and the ability to beat competitors where it counts most – consumer preference.

We are differentiating between healthcare providers that operate product models and those that operate a platform model. A product model can be viewed as a pipe, carrying a company’s products or services to the consumer. A platform business model creates value by facilitating exchanges between two or more interdependent groups, usually consumers and producers. In order to make these exchanges happen, platforms harness and create large, scalable networks of users and resources that can be accessed on demand.

One might argue that a healthcare provider’s value proposition is based on the provision of skilled care in well-equipped settings, and that is certainly true. However, a hybrid version of the platform model is perfectly suited to the modern healthcare market. Why? Because (patient) consumer behavior is changing. Larger personal financial burdens have created more demand for value, accessibility and affordability. Consumer expectations have been conditioned by their experiences with other platform companies like Amazon and Apple that continually assess consumer demand and adjust their products and producers to respond.

This analysis of the platform model from Deloitte describes some of the many forms the model can take. It’s important to note that the term “platform” is also used to describe certain technology architectures. The structural principles are similar inasmuch as a technology platform acts to integrate multiple, often disparate systems across the producer/consumer lifecycle. Understood in this way, it is evident that one of the most effective ways for healthcare providers to begin adopting the platform model is to find and exploit those areas where technology can unify diverse ecosystems into a single, seamless consumer experience.

The opportunities for healthcare are tremendous. Providers already possess many of the key components of a robust platform, capable of connecting consumers with health and healthcare products and services. These components include:
- An existing patient/consumer base – Most healthcare providers have relationships with patients, some who return regularly for preventive, chronic or acute care; and some who are more transactional, looking for the best value they can find. It’s important to note that the millennial generation’s behavior is more transactional.
- Clinical proficiency – The basis for most providers’ value proposition...competent or exceptional medical care, delivered in accessible locations by skilled clinical practitioners who are supported by capable administrative and operating staff. This includes physicians and the facilities where they operate. These are formidable assets, but in the context of a platform they are no longer the sole source of value for health and

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healthcare consumers.
- Patient/Consumer data – A defining characteristic of a successful platform business is its use of consumer data to improve and develop products and services. This dynamic creates a virtuous cycle wherein consumers enjoy a continually evolving and improving experience, while producers grow or diversify revenue streams.

The existence of these platform components gives healthcare providers a big leg up in the development of their own platforms, but there are obstacles that must be overcome. Most of these obstacles are directly related to what we assert are outdated perceptions of the assets we’ve just described. We suggest looking at them differently.

- Rethink relationships with patients (healthcare consumers) – In the platform model, an engaged consumer is the most valuable asset a provider has. Preserving and enriching those relationships is an imperative. It’s not easy but the benefits are enormous. Loyal consumers are more likely to return and make referrals. They’re also more likely to look to their healthcare “brand” for other products and services. Their faith in the organization makes them stickier, less susceptible to competitor claims and prices, and a longer-term source of revenue.
- Rethink the provider value proposition – While the foundational value proposition, great care, will always be dominant, the platform model opens the door to a wide variety of other health- and healthcare-related products and services that add value for a provider’s patients and offers the potential for enhanced provider revenue. In this scenario, a provider may have the opportunity to engage with complementary service providers, creating revenue generating exchanges that enhance the patient experience and support the brand relationship. This is a classic win-win-win situation. The producer gets connected with a loyal, engaged consumer; the consumer is exposed to products and services they value; and the healthcare platform enjoys added revenue and a more valuable brand.
- Rethink patient/consumer data – Understanding that much of the information a provider gathers is personal and protected, there remains a wealth of information a provider can use to better understand its own behavior and the behavior and expectations of the people it serves. The key here is to harness that data to, 1) better understand what’s working in the organization, 2) identify what’s not working – isn’t profitable or is underperforming and, 3) Make informed decisions about what to do next. What improvements or investments need to be made? What product or service enhancements can be added?

At Loyale Healthcare, we are focusing on what we believe is one of the most impactful elements in the healthcare producer/consumer relationship – the financial. One of the most stubborn obstacles to a fully-functioning consumer/patient relationship is the healthcare industry’s inability to deliver financial experiences similar to those that consumers have in every other sector of the economy. In this environment, the consumer loyalty on which the platform model depends is put at risk.

To operate a platform business model, providers must apply platform technology. That’s why we designed our platform to ensure that any healthcare provider could deliver superior, predictable financial experiences in every setting, every time - with price and out-of-pocket estimates before treatment occurs, predictive analytics informing financial agreements and staff productivity, and personalized online experiences that eliminate the confusion and frustration most patients have with their healthcare financial experiences.

Technically, this application calls for technology that unifies estimation, insurance eligibility and preauthorization, pricing transparency, billing and patient communications and more to create a single, seamless patient experience. An experience that patients now demand and providers can analyze to continually improve and refine. This level of financial care, we believe, is fundamental to the successful execution of any healthcare provider’s platform development endeavors.
There’s no time to lose. Powerful, well-capitalized and disruptive companies are entering the healthcare industry, where brands like Apple, CVS/Aetna and the Amazon/Berkshire/JP Morgan venture will surely introduce vibrant patient-centric service and technologies that could reframe the entire industry. Furthermore, patients have indicated that they would indeed consider these new entrants as providers.

The game is on. Healthcare providers have a unique and compelling opportunity to embrace the platform operating model - using platform technology to better engage with their patients to deliver improved products and services. By leveraging their existing assets: patient & community goodwill, clinical expertise and data resources, providers have the potential to connect producers and consumers in important and profitable new ways. The future is now. The threats are real and growing. And the opportunities are tremendous. We at Loyale are optimistic about the industry’s future.

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About Loyale

Loyale Patient Financial Manager™ is a comprehensive patient financial engagement technology platform leveraging a suite of configurable solution components including predictive analytics, intelligent workflows, multiple patient financing vehicles, communications, payments, digital front doors and other key capabilities.

Loyale Healthcare is committed to a mission of turning patient responsibility into lasting loyalty for its healthcare provider customers. Based in Lafayette, California, Loyale and its leadership team bring 27 years of expertise delivering leading financial engagement solutions for complex business environments. Loyale currently serves approximately 2,000 healthcare providers across 48 states. Loyale recently announced an Enterprise level strategic partnership with Parallon including deployment of its industry leading technology to all HCA hospitals and Physician practices.
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