Patient Satisfaction ≠ Patient Loyalty

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INTRODUCTION

As evident by the growing shift from provider-focused to patient-focused care and volume-to-value, the consumerization of healthcare is well underway. Healthcare consumers are more discriminating on price, have higher expectations of quality and service, and are increasingly willing to seek other providers when care is unsatisfactory. As this shift unfolds, patient experience and patient satisfaction have become top priorities in the C-suites of healthcare organizations across the country. While having satisfied patients is necessary for a healthcare organization, particularly as it relates to mandated regulatory surveys like Consumer Assessment of Healthcare Providers and Systems(CAHPS) scores and their impact on Medicare reimbursements, satisfaction alone does not necessarily translate into repeat business and referrals; i.e., loyalty. For healthcare organizations, understanding which aspects of the patient experience are nurturing or hindering patient loyalty is the key to reducing patient dissatisfaction, enhancing your reputation, and boosting patient referrals.

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MEASURING PATIENT SATISFACTION

Today, depending on the type of care provided and the setting, you most likely use a variation of the CAHPS survey to quantify the patient experience. CAHPS intends to provide a standardized survey instrument

A traditional CAHPS survey experience—useful, but not ideal for a number of reasons.

and data collection methodology for measuring patients' perspectives on their hospital care. These Center for Medicare and Medicaid Services(CMS)-mandated surveys are intended to serve as a qualitative measure of the patient experience that ultimately impacts some types of reimbursements (hospitals can either lose or gain up to 2% of their Medicare payments in fiscal year 2018).

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For most hospitals and healthcare organizations, these types of surveys are useful research tools but not ideal. They provide an objective measure of the general elements of care that have been shown to be effective, safe and efficient; however, implementation can be challenging, the administration is often expensive, the number of questions reduces patient completion rates and, depending on the frequency of assessment, meaningful results lag the actual care event.

While CMS contends that the surveys were not intended to measure patient satisfaction, many organizations have customized these surveys to include additional questions to help them better gauge patient
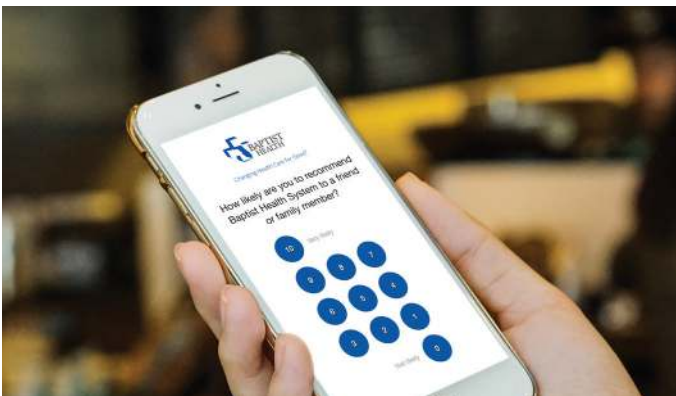
> By relying solely on CAHPS data to drive improvements in patient satisfaction measures, institutions are ill-equipped to quickly identify dissatisfied patients, address their needs, and ultimately improve patient loyalty.

satisfaction. Unless a patient chooses to answer these questions or leaves additional comments, CAHPS won't reveal much about certain aspects of the patient experience that can significantly impact patient satisfaction and ultimately patient loyalty, e.g., billing, scheduling, wait times, courteous staff members, etc. Lastly, by relying solely on CAHPS data to drive improvements in patient satisfaction measures, institutions are ill-equipped to quickly identify dissatisfied patients, address their needs, and ultimately improve patient loyalty.

MEASURING PATIENT LOYALTY

Because most patient surveys like CAHPS are retrospective, discerning patient loyalty and obtaining actionable feedback is a challenge. To address these challenges, more healthcare organizations have begun capturing patient feedback in real-time using the Net Promoter System (NPS) methodology. Introduced in 2003 by Bain & Company, NPS is a management tool that measures customer loyalty by asking two simple questions:

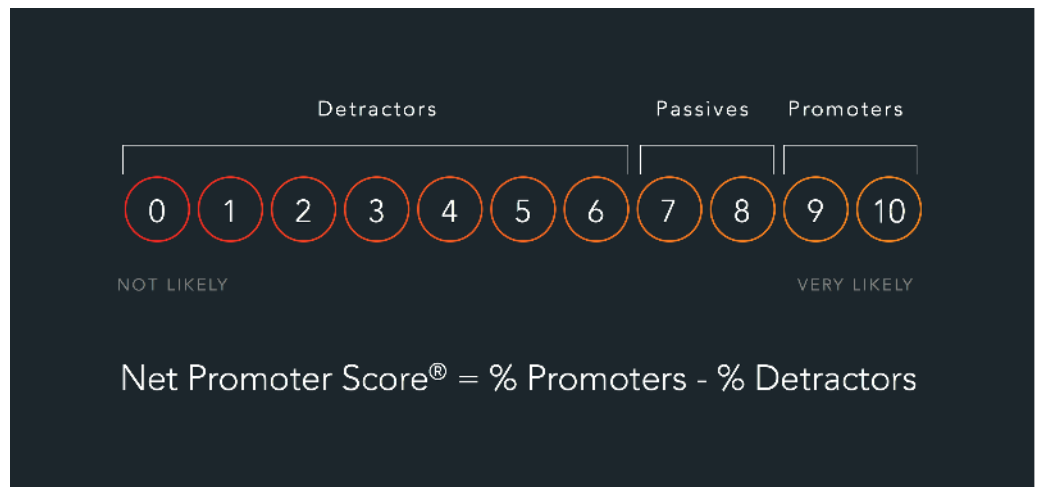A more streamlined, user-friendly survey experience.

1. The first NPS question is quantitative: "How likely is it that you would recommend our practice to a friend or colleague?"

2. The second NPS question is qualitative and directly related to the first question: "What is the primary reason for your score?"

Net Promoter Score® = % Promoters - % Detractors

The NPS® rating scale

Responses are scored on a 0 to 10-point rating scale and categorized as follows:

- Promoters (score 9–10) are "evangelists" who are loyal to the provider, practice, and/or healthcare system. Promoters will refer their friends, family, and colleagues, ultimately fueling growth.

- Passives (score 7–8) are satisfied but unenthusiastic, vulnerable to competitive or more convenient offerings.

- Detractors (score 0–6) are unhappy patients who can damage your brand and impede growth through negative word-of-mouth on social media or review sites.

> NPS is one simple number that will track your progress toward meeting and exceeding the clinical care needs that help keep your patients well and your organization thriving.

The score is calculated by subtracting the percentage of Detractors from the percentage of Promoters. NPS scores can range from –100 to +100. It's one simple number that will track your progress toward delivering a first class patient experience. Considerable research conducted by Bain & Company reliably indicates the link between loyalty and sustainable organic growth; more than 80% of positive referrals come from promoters.

WHY NPS IS IDEALLY SUITED FOR HEALTHCARE

NPS has been thoroughly vetted and adopted by many iconic brands across a variety of industries including Delta Airlines, Apple, and American Express. But is NPS right for healthcare? While some may be skeptical, many hospitals and healthcare organizations have adopted NPS based on some very compelling reasons:

Being able to respond quickly increases the likelihood of converting dissatisfied customers or patients into promoters.

- Service Recovery: NPS provides a reliable means to quickly identify and engage with detractors. Numerous studies across multiple industries demonstrate that by engaging swiftly with dissatisfied customers or patients, acknowledging their feedback, and attempting to remedy their dissatisfaction, there is a greater likelihood of converting that customer or patient to a promoter.

- Improve Patient Loyalty: NPS is a proven way to gain insight into patients' loyalty to your organization, and it helps predict their decisions. By taking the time to analyze negative(and positive) feedback, you can learn what delights your patients and minimize the risk of losing other patients' in the future.

- Mobilizing Promoters: 92% of people trust recommendations from friends and family members more than all other forms of marketing. When a patient rates your organization a 9 or 10, it's the perfect moment to encourage them to refer your organization via word of mouth, social media, or online review sites like Healthgrades, Vitals, and Google.

- What gets measured, gets done - Many organizations have tied quality indicators and incentive compensation to NPS scores. By using NPS to set performance standards and benchmark performance, everyone from front-line staff to clinicians to senior management is held accountable.

- NPS Compliments CAHPS - Since CAHPS surveys are tied to reimbursement, NPS should be used to complement these traditional surveys by providing the timely insights into the patients' experience, allowing organizations to make operational improvements that can ultimately improve CAHPS scores and reimbursement potential.

NPS: BEST PRACTICES

So, whether you are already using NPS or considering it for your organization, here are some things to consider:

1. Connect NPS with the mission of your organization. Share results widely and often, from the boardroom to the front-lines, but always in a constructive manner. Involve physicians and staff, as well as Patient Advisory Boards.

2. Integrate the NPS score, comments, compliments and complaints into larger operational and strategic plans.

3. Support NPS data collection and analysis with a follow-up to enhance patient touch: Activate your Promoters. Probe root causes and resolve issues with Detractors.

4. Institute an NPS survey for physicians and staff. Happy, loyal physicians and staff members are essential to your patient experience efforts. Emotional exhaustion and burnout make it extremely difficult to offer empathy, compassion and kindness to those in need.

5. Promoters can be a powerful voice on social media but so can Detractors. A loyal customer will promote your organization on social media and review sites like HealthGrades, Vitals, and Google. A dissatisfied patient might disparage you on social media and review sites. Use NPS to engage with patients, nurture an ongoing dialog and create meaningful, long-lasting relationships.

SUMMARY

NPS is becoming the industry standard for measuring patient loyalty. By leveraging NPS, hospitals and healthcare organizations can generate the kind of loyal patients that return when they have other needs, and refer friends and colleagues. Many post favorable online reviews and others provide charitable donations. Additionally, since HCAHPS directly impacts reimbursements, gaining immediate and actionable feedback enables hospitals and healthcare organizations to get ahead of potential trouble spots that could impact their CAHPS score.

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