

Practice Management

Minding Your (Urgent Care) Ps and Qs

Urgent message: Appropriate attention to place, product, price, promotion, people, and quality help ensure the right approach to facilitating the success of your practice.

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Bartenders in British pubs have a custom of reminding eager patrons to “mind their Ps and Qs”—to watch how many pints and quarts they consume, so as to avoid creating a tab they cannot pay.

To assure a satisfactory return on their investment, urgent care entrepreneurs must likewise mind their “Ps and Qs”—in this case, the success factors defined as place, product, price, promotion, people, and quality.

Place

As a healthcare choice designed to meet patient needs of convenience and accessibility, an urgent care practice is analogous to retail, where the first rule is “location, location, location.”

Signage and visibility are the most frequent reasons why consumers select an urgent care center. Even when a center advertises or relies on word of mouth, people must know where to find it and be able to get there easily. That means it is important for you to identify a high-traffic site near patients’ home or work, choose signage that’s clearly visible to motorists, and ensure there is ample parking that’s easily accessed from each direction.

Good signage is also an advertising investment that provides a constant reminder that the center is open



for business.

For a center that is challenged by signage or visibility constraints, there are creative ways to draw attention, including temporary banners, promotional inflatables, strategically placed yard signs, balloons at the entrance, or permanent directional signage on the road. It’s important to note that such tactics often require landlord approval and may be

subject to municipal permitting. Another option is to lease a nearby billboard to serve as an extension of the center’s signage while also promoting an advertising message.

When an urgent care center is a tenant in a medical complex or shopping center, the availability of specially marked parking spaces for urgent care is an added advantage; a full parking lot often turns off prospective patients who perceive long wait times. Dedicated parking also assists injured patients with accessing the center. If the center is open in the evening, the parking lot should be well lit and there should be a clearly illuminated “Open” sign visible from the road.

Product

While urgent care is generally defined as “treatment for episodic subacute illness and injury,” individual centers differ as to the capabilities included in this scope.

Figure 1. Testing Your Urgent Care Ps and Qs

Place

- How visible is the signage to drivers (headed both directions) on the street?
- How easy is it for consumers to turn into the center's location (from each direction)?
- How accessible is parking? Is the parking lot clean, safe, and well-lighted?

Product

- What is the scope of services offered?
- Are the services offered consistent with business objectives and profit goals?
- Is the staff trained and willing to provide all services expected by patients?
- Are the facility, fixtures, and equipment adequate to provide intended services?
- Are there additional patient needs that could be met through ancillary service offerings?

Price

- Does pricing support the underlying cost structure of the practice?
- Is the urgent care fee schedule set at or above the highest reimbursement contract?
- Is there a program in place to review provider documentation to assure correct coding?
- How does the total price for self-pay patients compare to competitors?

Promotion

- What is your center doing to assure it becomes and remains top of mind, should consumers have a need for the services you provide?
- Do your marketing activities target the right consumers, at the right places, and at the right times?
- Are marketing expenditures justified by a solid business case that can be tracked and measured for effectiveness?

People

- Do providers have good manner with patients and staff?
- Are providers trained, willing, and capable of performing all expected services?
- Is the front office staff adequately trained in group health insurance and customer service?
- How can front office processes be streamlined, including automation of routine tasks?
- Does the staffing model match time-of-day or seasonal variances in volume?
- To what degree is staff cross-trained to perform front- and back-office functions?

Quality

- How are patient expectations considered in all decisions regarding place, product, price, promotion, and people?

A center that offers digital x-ray and a cardiac bay and performs more advanced procedures, such as laceration repair and casting for orthopedic injuries, may realize higher acuity visits, successfully position itself as a diversion to the ER, capture referrals from primary care,

and even tap into the occupational medicine market.

By contrast, a center that focuses primarily on low-acuity illness may face lower reimbursement and look to services such as prepackaged pharmaceuticals and expanded lab offerings to differentiate from retail health clinics in grocery and drug stores.

A center that is not well-balanced in its product offering will be more subject to seasonal fluctuations in volume and income. Depending on region, urgent care usually sees more injuries from outdoor sports and construction sites in the summer and more illness during the winter cold/flu or spring allergy seasons.

To flatten seasonality, leverage fixed costs, and attain higher profit goals, many urgent care centers are implementing ancillary services ranging from laser aesthetics to immigration physicals. Ancillary product offerings should complement and generate cross-traffic for core urgent care services, be consistent with provider skill and competence, fit within current facility or staffing constraints, and—most important—meet a patient need.

Price

Price determines how much volume a center will generate, as well as how much a center can afford to pay for rent, furnishings, equipment, people, and marketing. Ideally, price is a function of costs plus desired profit. But when competition exists and demand is controlled by third-party payors who offer contracted rates on take-it-or-leave-it terms, an individual urgent care center often has little control over what it ultimately collects on fee-for-service visits and must plan its busi-

ness accordingly.

Insurance usually reimburses the “lesser of contract or billed charges;” to avoid leaving money on the table, an urgent care center should charge no less than the highest reimbursement contract for each CPT code. In addi-

tion, a program should be in place to evaluate the quality of provider documentation to assure it justifies the level of service charged. Physician coding that skews too low may be foregoing potential revenue, while providers who code too high may be creating legal risk.

High-deductible health plans and employers dropping health benefits are creating savvy healthcare consumers who migrate to the lowest cost, most effective providers. To assure pricing is competitive for self-pay patients, an urgent care operator may call competing urgent care centers and ask how much they charge for a basic office visit and what discounts are provided.

Price sensitivity varies by market, with patients in vacation destinations or affluent areas tolerating prices up to 200% of Medicare, while patients in more competitive markets are demanding discounts of 15% to 50% for cash payment at time of service. To bring pricing parity to self-pay patients, some urgent care centers offer discount card programs with a set "member" price per visit or they "bundle" CPT codes into a flat advertised fee. Regardless of the discount method, consumers are most concerned about the total cost of the visit, including time spent.

Promotion

Unlike many consumer products that are used every day, the need for urgent care arises only once or twice a year when illness or injury occurs. Because urgent care is somewhat of an "impulse" purchase, the key is to be "top of mind"—the first option people think of whenever they have a need.

Long term, this position is generated by word of mouth and loyal relationships from good customer service, but when attracting patients to a new practice, advertising is critical. Once established, advertising serves as a defensive mechanism to remain top of mind versus other alternatives.

Successful urgent care advertising targets the most desired patient segments, at the point of their need, with a relevant message. For example, if a market has a busy winter cold/flu season that backs up primary care offices, becoming top of mind involves advertising the convenience your practice offers patients, such as extended evening and weekend hours, insurance participation, and short wait-times. To strike when the iron is hot, this advertising should appear just prior to and during the

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period of greatest demand for these services.

The most effective advertising messages and media differ by community, but typically combine grassroots and commercial tactics. For example, if an urgent care practice wants to see more pediatric patients,

then sponsorship of youth athletics, "mothers' day out" programs, and grammar school PTAs should be augmented with paid advertisements in community newspapers, movie theaters, and at venues where mothers (the primary healthcare decision makers in most households) and children tend to congregate.

By contrast, if a center is looking to raise its average revenue by treating higher acuity visits—including more orthopedic injuries and procedures—then it should advertise in publications targeting the local building trades or at venues for recreational sports.

Before investing in any advertising, outline a clear business objective—including volume and revenue goals—and test each campaign after the fact to assure that it met expectations. Retailers call the impact of advertising "sales lift."

Advertising that doesn't directly generate visits (or the types of visits desired) should be reconsidered.

People

People—providers and staff—are not only the greatest expense in an urgent care center, but are also chiefly responsible for the successful delivery of medical care. Therefore, it's no surprise that recruiting, developing, managing, and retaining good people are among the top operational concerns in urgent care.

The most visible person in an urgent care center—to both patients and staff—is the medical provider. To assure satisfied customers, it's critical that a provider have good patient manner and communicate effectively with the staff. The provider often sets the tone for the entire practice; even if a provider is good with patients, if he or she has difficulty working with medical assistants, technicians, or business managers, the morale and productivity of the entire practice will suffer. Poor morale almost always results in poor customer service.

Urgent care providers should be trained and ready to treat the range of cases that typically present at a center. If a provider is not comfortable treating children, conducting gynecological exams, or suturing, then the practice may suffer lost revenue and negative word of

mouth from disappointed patients who expect those needs to be met. If a provider doesn't buy into new initiatives, neither will the staff.

After the provider, the most important position from a customer satisfaction and financial standpoint is the front office. Not only is the front office the first and last encounter for patients, but increasingly the front-office staff serves as patient financial counselor, explaining to patients the insurance benefits offered by their employers. Failure at the front office to correctly enter data, verify insurance eligibility, or collect copays and deductibles can have an adverse effect on the bottom line and lead to considerable work in back-end billing and collections.

Yet, despite the correlation of a well-run front office to profitability, the front office is often the lowest paid, least trained, and lowest skilled position in an urgent care center. It's a stressful position that requires juggling multiple simultaneous demands—patients in the waiting room, a ringing telephone, and needs from the back—while also bearing the brunt of customer dissatisfaction with wait times or financial policies.

Development of the front-office position, including training in group health insurance and customer service, streamlining processes, and implementing technology to take over routine tasks, can have an immediate impact on the entire practice. For example, if the front office spends an inordinate amount of time giving directions to the center, an automated phone system could allow the staff to focus more time on caring for the patients on site.

To relieve pressure on the front office, an urgent care center should consider cross-training front-office and medical staff. By training a medical assistant to work the front desk or a radiological technician to work as a medical assistant, a center can reduce one full-time employee.

To further reduce payroll costs, staffing should be matched to average volume including time-of-day and seasonal deviations. If a center's volume falls off during the afternoon or in the summer months, then consider supplementing a smaller core staff with seasonal or part-time resources to pick up during the busy times. Some centers that are busiest in the morning are able to employ a higher level of staff—such as RNs and LPNs

Figure 2. Consumer Expectations of Urgent Care

Business Model

- Highly visible location near patient's home or work
- Participation in major health insurance plans
- Extended evening and weekend hours
- Accessible, safe, and well-lighted parking
- Clean, attractive, modern facilities
- Easy-to-understand forms and fast registration
- Clear communication of prices, payment policies, and wait times
- Comfortable waiting areas with refreshments, restroom, television, current magazines, and seating/activities for children
- Professional, competent medical care

People Elements

- Front-office staff is friendly, courteous and helpful.
- Medical assistants show concern for patients' well-being.
- Providers explain things in a way patients can understand.
- Provider takes time to answer questions and explain treatment options.

with young children in school—who are willing to work part-time for less pay if they can be home by 3:00 p.m. These same nurses may want the summer off when children are out of school, which also coincides with seasonality.

Quality

The term *quality*, when applied to urgent care, can mean anything from clinical documentation review to the cleanliness and maintenance of facilities and equipment. Perhaps the most important definition of quality is the degree to which an urgent care center meets the expectations of patients (**Figure 2**).

Unlike a car or other product where consumers can judge quality from tangible, visible attributes, it's difficult for patients to objectively evaluate the quality of medical care. Instead, they judge the quality of an urgent care center based on how it "feels" to be a patient, and will differentiate providers based on their comfort with the facility, how efficiently they move through the process, and, most important, the degree of respect, care, and communication from staff and providers.

Regardless of the quality of medical care, if these "soft" factors are lacking the patient will consider it a poor-quality experience. Therefore, to assure a high-quality experience that results in return visits and positive word of mouth, an urgent care practice should consider the patient in every action related to the five Ps. ■