Panel on "The emergence of retail strategies in healthcare"

By Katharina Janus

Relative to other industries such as finance, a retail-oriented delivery has come late into healthcare. To explore this topic, Katharina invited Nedal Shami, chief strategy officer at CityMD, and Brent Stackhouse, head of Mt. Sinai Ventures, to explore this topic.

Over the last dozen years, the market has seen a shift to consumerism with the incredible rise in retail (e.g. CVS Minute Clinics) and urgent care centers (e.g. CityMD). When Brent initially joined Mt. Sinai as part of an urgent care committee, Mt. Sinai realized they were not very good at operating urgent care facilities and decided to partner with third parties to find ways to work together. This was initially troubling to many people within the organization who perceived urgent care centers as providers of lower quality care, disrupting the continuity of care that Mt. Sinai could provide. However, engaging with them was ultimately better than ignoring them. Mt. Sinai's initial view was that the patient was a commodity, waiting to be acted upon by a Mt. Sinai physician, which led to long waiting times for patients. However, things have changed due to changes in healthcare delivery. Patients are adopting more consumer-oriented mindsets in part due to higher deductibles and copays and making decisions with their own dollars. Unfortunately, this reality is still not resonating within many NYC healthcare institutions, despite the fact that NYC is now an on-demand society realizing the "uberfication" of many industries.

This has been an opportunity that CityMD capitalized on in 2010. Created by a few physicians, it started as a single practice focused on consumer-based healthcare. According to Nedal, when he hears the words "consumer-centric care" he thinks about how one provides value and how one defines quality. But from a consumer perspective, physicians and providers don't get a "pat on the back" for doing their job, which is delivering high quality care. In the retail world, quality just "won't cut it". Instead, CityMD has decided to focus on consumer experience touchpoints such as wait times and throughput. The reception by the market place has been positive with CityMD expanding to close to 60 sites and caring for 1.1 million lives/year.

This consumer-centric strategy is built on three pillars: Access, Service, and Value. From the access perspective, they seek to provide financial access across all geographies they operate in and meet the consumer where he/she is in both a physical sense and digital sense to emphasize convenience. They also seek to deliver service. Gone are the days of Emergency Room triage. Instead they seek to have a patient see a provider as quickly as possible. Per Nedal, the average wait time at a CityMD location is 8 minutes. They also recognize the difference between a patient's perception of quality versus that of a physician's. While CityMD still recognizes and submits quality metrics for regulatory reasons, they equally emphasize that doctor's sit down with a patient, shake their hands, look them in the eyes and ask them a question, using scribes to ensure that doctors can maintain face and eye contact. CityMD also uses simulation centers to train physicians in these service-oriented skill sets and use the Net Promoter Score (NPS) to track their performance. While healthcare's general NPS is 17%, City MD has set new benchmarks with a 70% NPS. In comparison, the best NPS in the world is maintained by Apple Inc. at 80%, a goal that CityMD seeks to achieve. Nedal then addressed CityMD's third pillar of value and its role in the broader ecosystem. CityMD is unique in that they take an agnostic standpoint in a marketplace obsessed with attribution and retaining patients as members within their system. CityMD instead believes in guiding a patient back "home" to their medical providers to avoid fragmentation and maintain data integrity. They do this through an Aftercare division that manages in real time the components of each patient's case and

executing a provider's plan within 4 hours. This has been a key differentiator for them in the urgent care market and will allow them to be a long term player in the system.

This was an exciting development for Mt. Sinai, not just because CityMD operated within Mt. Sinai's referral catchment area but also because patients were able to receive a superior experience with CityMD. Aftercare also makes it easier for Mt. Sinai to interface with CityMD by creating a central point of contact and maintain relationships to understand patient needs and plans.

Brent went further and stated bluntly that CityMD was a disruption in the market, emphasizing that Mt. Sinai needed to know how to work with them as partners. The disruption mainly occurred for primary care where patients found that urgent care could provide the care they wanted more conveniently. This has played out in one segment for young women going to CityMD for ob/gyn care. At some CityMD locations, ob/gyn visits account for 20% of their total volume. Nedal explained that this disruption was happening because CityMD was leveraging the trust of the patients and using that trust to modify patient behavior. This trust is the result of many touch points that cumulatively add up to a patient experience and lead to trust in CityMD. Nedal further explained that they have been leveraging this trust to improve outcomes by directing them to high quality providers. According to CityMD data, 80% of patients have listened to their recommendations when referring patients to specialists. Nedal went on and said that when patients do interface with the healthcare system, it's important to engage them, understand them, build trust, and leverage that trust to impact actual outcomes.

The ultimate test for traditional institutions such as Mt. Sinai comes during this handoff and whether they can actually replicate the CityMD experience. Failure to do this will do injustice not only to the patient who expects the CityMD experience but also injustice to CityMD as a partner who essentially "lends" Mt. Sinai the patient's trust that they have painstakingly built using their three pillars. As a result Mt. Sinai has been very selective on choosing the right providers and the right locations, looking at physician quality, staff demeanor, and equally as important, physician mentality in regards to service-oriented delivery of care.

Of course challenges still remain, especially around sharing information and data while respecting regulatory concerns on patient privacy and traditional medical views on sharing data with outside institutions. Ultimately the question remains on whether or not patients will someday be in charge of their own data and how organizations such as Mt. Sinai and CityMD will respond and adapt to that future.