

Uncover the right strategies for service line growth

Hospitals and health systems still depend on traditional service lines to fuel growth. But the economics of lucrative service lines are rapidly changing—and leaders need new strategies in response. Read on to learn the five trends changing service line economics and the four new imperatives for success.

Five trends changing service line economics

- 1 The aging of the population is deteriorating the profitability of inpatient care
- 2 Care is shifting unevenly to the outpatient setting
- 3 Hospitals and health systems are losing outpatient pricing advantages
- 4 Purchasers are increasingly steering high-priced procedural care to lower-cost providers
- 5 Nontraditional competitors are meeting new market demands for specialization, accessibility, and affordability

Four new imperatives for service line growth

Filter for achievable growth opportunities
Use new market opportunity analytics to make the best bets

Analyze outpatient opportunities at the sub-service line level

Where are our blind spots?

- Identify gaps in the outpatient continuum
- Benchmark journeys to identify hidden opportunities

How much opportunity is achievable?

- Pinpoint sub-service lines where referral paths can be strengthened
- Evaluate freestanding fragmentation

Why are we not getting this business already?

- Identify root causes of market share performance
- Evaluate pathways to identify exit points

Service line prioritization

Redesign service lines around patient needs
Build programs around key entry points and patient preferences

Design service lines to solve specific problems

Patient need
Create clear and convenient entry points for specific patient segments offering a variety of interrelated specialty services

Patient support
Provide wraparound services and holistic support to help patients manage symptoms or side effects that often accompany a primary diagnosis or procedure

Patient preference
Respond to market demand for consumer-driven alternatives to traditional care that appeal to patient preferences

Service line design

Showcase access points to attract self-referrers
Compete upstream for specific patient populations and segments

Promote specialty care access points to attract self-referrers

Highlight and deepen specialization
Show consumers that you specialize in treating patients like them

Use consumer-friendly language
Speak to consumers using easy-to-understand language rather than medical terminology

Open access for specific consumers
Provide quick access for patient populations with specific and urgent needs

Take word-of-mouth to scale
Cultivate consumer champions and encourage satisfied patients to post online reviews

Consumer acquisition strategy

Cultivate system-wide loyalty
Create ongoing connections to remain top-of-mind and win future business

Develop durable relationships with patients

Acquire new patients
Traditional focus
Design and market services to appeal to consumer preferences and attract self-referring patients

Retain patient in episode
Frequently overlooked
Guide patients and bundle services to connect them with all necessary elements of care across the continuum

Reacquire patient for future care episodes
Frequently overlooked
Create ongoing connections with consumers to remain top-of-mind for future choice

Consumer retention strategy

 **Advisory Board**

Health Care Advisory Board

Learn more about growing your share of lucrative volumes at advisory.com/hcab/reignitegrowth

© 2018 Advisory Board • All rights reserved • WF923396