thinkers that do™

HEALTHCARE: WHO SURVIVES?

URGENT CARE IDENTITY CRISIS

As healthcare begins to deviate from the classic primary care physician (PCP) model, confusion is beginning to arise in regards to which alternative provider will best suit consumers' needs. Healthcare nomenclature can be ambiguous, and urgent care facilities are going through an identity crisis as the term "urgent" makes consumers believe that they can only visit these providers if they have a critical issue (similar to an emergency department). In reality, they offer many of the same services as a PCP and can do so without an appointment. Urgent care facilities have the serious potential to become PCP's main competitor, and we wanted to know what it was going to take for them to get there.

WHAT WE RESEARCHED

Our Healthcare: Who Survives? white paper gave clear indications that consumers, especially younger ones, are increasingly looking to move away from the PCP's office and towards more accessible, low cost options. The rise of health insurance premiums paired with declining numbers of PCPs has prompted the everyday healthcare landscape to reconfigure, generating two new alternatives that better suit the public's evolving needs: retail clinics and urgent care facilities. The industry has long positioned PCPs as the gatekeeper for medical treatment, but **with urgent care on the rise as a prominent player in the healthcare game, the results of WD Partners' recent research indicates to us that this on-demand service that is gaining traction in the industry with tremendous opportunity for growth.**

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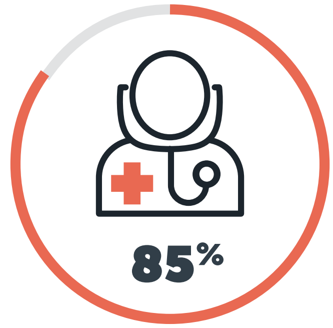
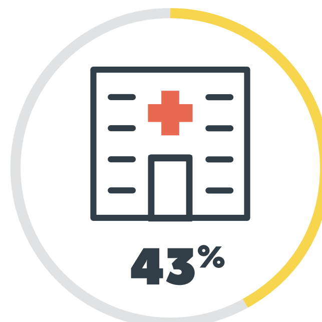
WHAT WE FOUND

After surveying 2,600 consumers between the ages of 18 to 80 about their preferences and usage of different healthcare providers, it became evident that there was a significant contrast between the needs of younger versus older respondents. We found that despite consumers longstanding and continual loyalty to PCPs, urgent care centers are quickly becoming a highly preferred alternative. 42% of consumers considered an urgent care facility for healthcare services in the past 6 months, while 85% considered a PCP; when you look to how many facilities are open for each in the US (7,600 vs. 246,000, respectively), it is evident that there is a growing interest in urgent care as a serious PCP competitor.

Platforms considered in the last 6 months



Considered a
Primary Care Physician



Considered an
Urgent Care

Consumers consider urgent care facilities to be quick, easy places to get appointments and care. 28% of consumers have used this platform in the past 6 months (compared to 12% who used retail clinics), with 37% being repeat guests who made three or more visits. **When thinking about their most recent visits to these facilities, consumers said that they chose this option because of its convenient location (44%), walk-in appointment availability (43%), and insurance coverage (43%). They rated their visits to these facilities similarly, with convenience (70%), insurance coverage (69%), and available appointments (68%) being their most valued features.**

WHY AGE MATTERS

Diving into this data even further, we discovered that the younger the consumer, the less likely they are to have established a PCP. Baby Boomers and the Silent Generation value longtime PCP loyalty, and for good reason: they have more complicated medical histories and typically need more extensive care. They value familiarity; Gen Z and Millennials on the other hand, look to convenience, speed, and ease of access. These younger demographics are increasingly dissatisfied with PCP care, and have no issue with looking for alternatives to meet their needs. Enter urgent care facilities.

GEN Z (ages 18–22)

MILLENNIALS (ages 23–38)

GEN X (ages 39–54)

BABY BOOMERS (ages 55–73)

SILENT GEN (ages 73+)

WHAT CAN BE DONE

Urgent care providers are seen as strong in quality when it comes to grading them against their PCP counterparts, but lack in the familiarity department; **the most common reason consumers reported not visiting these facilities is because they are not familiar with their working healthcare professionals.** Seeking more ways to develop relationships and tie in EHR (electronic health records) will help foster the sense of familiarity offered by PCPs. The current market is saturated with independent urgent care centers that aren't widely trusted by consumers due to their lack of brand recognition. Adding more urgent care locations in health system/PCP environments can counteract this element by using their established brand name to prove that they are a trustworthy care source.

Younger generations appreciate shortened wait times and more price-conscious care, so improving those areas will prompt increased popularity among these consumers. **Lastly, all consumers regardless of age would find urgent care facilities more attractive if they expanded their specialized service offerings to include imaging (x-ray, MRI), testing (blood, DNA, urine), asthma treatment, and allergy treatment.**

SO WHAT'S NEXT?

Urgent care facilities need to establish and potentially rebrand themselves as the on-demand PCP, moving away from terms like 'urgent' that place them near an emergency department. This urgent care "identity crisis" is detrimental to the provider's growth and showing consumers that they are the best one-stop-shop for all their drop-in healthcare needs will push them into the healthcare limelight. Urgent care facilities have a great deal of potential to build on their "middle ground"—that is, they are perceived as providing convenience and efficiency without as much of the quality-of-care sacrifice that is currently hurting the reputation of retail clinics.

So where do we go from here? WD has the answers. To find out how we can help your brand adapt to this industry shift, connect with healthcare industry expert Dan Stanek at dan.stanek@wdpartners.com.