Increasing Competitive Advantage in the Medical Office through Patient Satisfaction

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Abstract

The healthcare industry is in a state of rapid change predominantly caused by the effects of the Affordable Care Act of 2006 and furthered by technological advances. Regulatory and economic impacts have put medical offices under a great deal of pressure to improve their competitive advantage and to secure their sustainability and vitality. The objective of this research is to test the hypothesis that increasing patient satisfaction leads to increased competitive advantage. Several solutions are identified regarding strategic ways that medical offices could improve patient satisfaction. Strategies include understanding patient satisfaction, measuring patient satisfaction, and implementing operational procedures that will lead to improved patient satisfaction outcomes.
Table of Contents

Background .................................................................................................................................... 3
A Brief Historical Context .................................................................................................................. 3
Importance of Topic ............................................................................................................................ 4
Problem Statement ................................................................................................................................ 5

Approach ......................................................................................................................................... 5

Literature Review ............................................................................................................................. 7
Competitive Advantage in the Medical Office .................................................................................. 7
  Why Medical Offices Need Competitive Advantage .................................................................... 7
  Patient Satisfaction as a Driver of Competitive Advantage .......................................................... 9
  Defining Patient Satisfaction .......................................................................................................... 10
  Measuring Patient Satisfaction ....................................................................................................... 11
  Improving Patient Satisfaction ....................................................................................................... 12

Solution .......................................................................................................................................... 13
Strategies Aimed at Increasing Competitive Advantage ................................................................. 13
  Access ........................................................................................................................................... 13
  Physician-Patient Interaction ......................................................................................................... 16
  Patient Education and Continuity and Coordination of Care ......................................................... 17

Discussion ....................................................................................................................................... 17
  Strengths ......................................................................................................................................... 17
  Weaknesses ..................................................................................................................................... 18
  Opportunities .................................................................................................................................. 18
  Threats ........................................................................................................................................... 20
  Trends ............................................................................................................................................. 21

Recommendations ............................................................................................................................ 22

Conclusion ....................................................................................................................................... 23

References ........................................................................................................................................ 25
Background

“The art of medicine consists of amusing the patient while nature cures the disease.”
—Voltaire

A Brief Historical Context

In 2010, President Obama signed into law the Affordable Care Act (ACA) (Health and Human Services 2014). The purpose of the ACA was to achieve widespread healthcare reform in the United States. This legislation brought about sweeping changes that have significantly impacted healthcare industry stakeholders (Saxton, Paulson and Finkelstein 2013, 1). The ways in which the ACA has changed the industry are plentiful. Change was necessitated by many factors, such as healthcare costs continuing to rise faster than the GPD; the debt crisis in the United States and an uneven economic recovery; the spread of information technology, especially electronic health records; demands for transparency and accountability; implementation of new delivery models (e.g., Patient-Centered Medical Homes (PCMHs), the associated neighborhood, Accountable Care Organizations (ACOs), and intensified consolidation at multiple levels; and the incremental but eventual change in provider reimbursement from fee-for-service to outcomes and quality-based (Saxton, Paulson and Finkelstein 2013, 167).

In addition, there are various examples of how the ACA has impacted private physician medical practices. The Health Insurance Portability and Accountability Act (HIPAA), originally enacted in 1996, was expanded by the ACA and provided rules and regulations involving electronic transactions, code sets and unique identifiers. Once the ACA came into play, HIPAA took jurisdiction over regulating operating procedures that were aimed at standardizing business practices in the medical office. For most physician offices, complying with HIPAA is mandated by law. The operating rules are defined as “the necessary business rules and guidelines for the electronic exchange of information that are not defined by a standard or its implementation specifications” (The Centers for Medicare and Medicaid 2016, 1). Complying with HIPAA requires specific technological software and operational procedures. In addition to HIPAA, the
ACA has also paved the way for other government regulations. The Centers for Medicare and Medicaid, for example, initiated incentive programs aimed at encouraging physician offices to utilize Health Information Technology (HIT) (American Medical Association 2011, 1392). Historically, physicians’ offices had utilized paper to maintain records. Providers would document patient health information in a paper chart, and file and store those records. Today, however, HIPAA-covered entities and Medicare-eligible providers are using electronic health records systems (EHR) to comply with federal regulations. Electronic health records typically consist of two parts: practice management software (PMS) and electronic medical records (EMR). Today, many EHR systems on the market integrate the two. Adopting HIT is a costly undertaking, but may result in increasing efficiency, patient information access, less risk and improved clinical outcomes (Fossel and Dorman 2013).

Importance of Topic

Adopting an EHR system typically requires an overhaul of a practice’s IT infrastructure, including new hardware, software and electronic storage solutions. It requires changing operational procedures, which almost always necessitates additional support staff. The associated costs can be steep and “may include purchase price, coordination costs, monitoring costs, negotiating costs, upgrade costs, and governance costs” (University Alliance 2016).

For many practices, budgets are already tight, and there is little funding left for IT projects like this. Concerns are compounded by the fear that there will be little to no return on investment (University Alliance 2016). Practices have found that using an EMR can also divert physician time and attention away from face-to-face patient encounters in order to document patient information electronically. “All of this is happening during a time when physician practices are already stressed because of data collection demands, squeeze on reimbursement, competition, staff turnover, increasing overhead and an increase in medical malpractice claim severity,” according to Saxton, Pawlson and Finkelstein (2013, 1).
In essence, this collision of events has caused the perfect storm that highlights the necessity for practices to find ways to increase their competitive advantage. Collective studies from a graduate program in Leadership and Organizational Studies have provided the insight required to properly research organizational behavior, organizational change, healthcare management and electronic medical records adoption, and, ultimately, to arrive at workable solutions to this problem. Being a professional in healthcare administration has helped provide insight into real life issues faced by medical offices in the current healthcare climate. An academic and professional background, along with extensive and credible research, has led to proposed solutions to the problem of needing a competitive advantage in the medical office. A key strategy in increasing competitive advantage is to increase patient satisfaction. According to Shirley and Sanders (2013, 2), “By addressing patient satisfaction, practices and institutions can increase market share, patient retention, referrals, and, ultimately, revenue,” furthermore “satisfied patients are also less likely to file malpractice claims.”

Problem Statement

In the private medical office, patient satisfaction is a significant driver of success. Implementing protocols aimed at understanding and improving patient satisfaction is the key to significantly increasing competitive advantage.

Approach

The purpose of this paper was to prove that patient satisfaction is a key driver of competitive advantage in medical offices. It began by defining what medical office would mean for the purposes of this study. It was determined that medical office would be limited to an office where physicians (family, general practitioners and specialists) work in either solo or group practice. The terms private practice, physician practice, physician office and medical practice were used interchangeably with medical office and should be interpreted to mean the same thing. It was decided that the research focus would exclude healthcare entities outside of the medical office, such as hospital and ancillary service facilities. It would also exclude unique types of
medical offices, such as rural healthcare clinics and free clinics, as these types of facilities require consideration of too many unique factors.

Next, research was needed to prove the importance of increasing competitive advantage in the medical office. This included defining what competitive advantage is within this setting and why it was important in the current industry climate. Searches were conducted using scholarly resources. Examples of the key words that were used include the following: *current events in healthcare, competition in healthcare, competitive advantage* and *medical office*. Research was limited to the last ten years in order to maintain current event relevancy. The purpose of this section of research was to lend an expert view of what competition is and what its impact is on medical offices. The literature that was used was written by well-respected authors in the field of medicine, and discussed the topic of competitive advantage. Research was further drilled down to competitive advantage in the medical office, specifically. The focus was mostly limited to medical offices in the United States.

The project required providing a background to the problem before diving into the solution. The goal of the research was to provide high-level views and historical context to the issues currently plaguing medical offices. Examples include the demands imparted by the Affordable Care Act, declining reimbursement and increasing overhead. Once the claim that medical offices should care about increasing competitive advantage was adequately supported, research was directed toward proving that patient satisfaction was a key driver.

Research was then conducted to define what patient satisfaction is. For the purposes of this study, *patient satisfaction* was defined as the cognitive evaluation and emotional response to the various aspects of receiving care within a medical office (Shirley and Sanders 2013, 1). Subsequently, research was conducted to describe the ways in which patient satisfaction can be measured. Next, research was needed to discover how to interpret the results of patient satisfaction and to also determine what should be done with those results. This meant looking at industry benchmarks and best practice scenarios. It also meant highlighting common experiences
and outcomes, and determining how offices had reached favorable results and how those results could be repeated within other offices.

Research was next directed to showing why medical office leaders should care about understanding patient satisfaction and the drivers that lead to increased measures. The final piece of this research project was to provide solutions to the identified problem. This required in-depth research into how offices could improve patient satisfaction. Peer reviewed journal articles were consulted to look at both case studies and expert recommendations. Search terms were limited to key words such as patient satisfaction, medical office, measure, Affordable Care Act, HIPAA, health information technology, current state of healthcare industry, business administration in the medical office, etc. This led to many expert vetted resources highlighting key findings in the areas being studied. It was determined that several key areas exist. Research that highlighted case studies and expert reviews led to proposed solutions for each of the key areas.

**Literature Review**

**Competitive Advantage in the Medical Office**

*Why Medical Offices Need Competitive Advantage*

As previously described, healthcare has been in a state of rapid change, especially during the last decade or so. Legislation has changed the way medical offices run their operations. Reimbursements have been in a state of decline and overhead costs have skyrocketed (Nordt, Connair and Gregorian 2012, 1). Physician payments are tied to the work they perform. When productivity slows or stops, reimbursement suffers. While medical offices get squeezed from all sides, profits shrink and at some point it becomes financially impractical to keep the doors open (Saxton, Pawlson and Finkelstein 2013, 1). To survive, medical offices need to find a way to reverse one or more of these negative trends. According to Shirley and Sanders (2013, 2), “Non-healthcare industries recognize the economic importance of customer satisfaction because of a positive correlation between a company’s growth rate and customer recommendations of the company,” and the healthcare industry should follow suit.
Having a competitive advantage under these market conditions can lead to the boost in the productivity medical offices need. As such, medical offices need to be aware of the things that threaten their competitive advantage. Michael Porter (2008), a well-known business strategist, identifies five forces that can sabotage competitive advantage: threat of entry, threat of substitution, bargaining power of buyers, bargaining power of suppliers, and rivalry among current competitors. Porter (2008) believes that practices can safeguard competitive advantage by mitigating these threats through differential advantage, which involves utilizing core strengths and competencies to stand out amongst competitors; market based strategic advantage which results in bringing value to patients; and cost leadership which involves offering services at a competitive price (Hooley, Piercy and Nicoulaud, 2012). According to Kotter and Cohen (2012), change is a process that can be accomplished via a series of carefully executed steps. Therefore, implementing one or more of these strategies may be no easy feat, but if offices dedicate themselves to the process it is possible. It can be difficult to convince physicians and office leaders to adopt these changes and others (Kotter and Cohen 2012). Like many businesses, the medical office can be resistant to change and, as such, change initiations need to be closely managed (Lawler and Worley 2006).

Traditional medical office organizational design is rooted in stability and is fairly resistant to change (Lawler and Worley 2006). Offices wishing to increase competitive advantage must commit to and properly manage change. They must also encourage and welcome innovation. According to Drucker, “Innovation is the effort to create purposeful focused change in an enterprise’s economic or social potential” (Davila, Epstein and Shelton 2006, 5). Innovation is the catalyst for top and bottom growth (Davila, Epstein and Shelton, 2006). Innovation can further boost competitive advantage by ushering in fresh ideas, perspectives, tactics and strategies.

Competition in the physician office has changed in recent years. Practices are facing competition from sources not previously considered. Competition in today’s healthcare market
goes beyond the traditional offices that reside in close proximity to one another and offer similar services. Patients are being given increasingly diverse choices when it comes to their medical care. In other words, patients are not limited to traditional options, and can now consider places such as urgent care centers and walk-in retail clinics that are located inside of drug stores, big box retailers and shopping malls (Russell 2015). Patients can even receive care from the comfort of their home via telecommunication technologies. In both highly populated and moderately populated areas, physician offices also face competition from their peers. Internet sites like Yelp, Healthgrades and Vital provide patient-driven ratings that can result in the funneling of patient business to medical offices and in the case of poor ratings, away from them (Vogus and McClelland, 2016). Furthermore, studies have shown that physician practices with the least amount of competition often negotiate the best reimbursement rates from private payers (Shirley and Sanders 2013, 1). According to Baker et al., “These results may inform the development or adaptation of policies that influence practice competition” (2014, 1). There are many reasons why medical offices should care about competition. Competitive advantage is what leads to sustainability in today’s healthcare industry.

Patient Satisfaction as a Driver of Competitive Advantage

The advancement of technology coupled with the increasing prevalence of high deductible plans has created new competitive considerations (Herrick and Goodman 2007). In today’s healthcare market, patient opinion is becoming increasingly important and there are several factors that appear to effect patient satisfaction, such as physician-patient communication, continuity of care, waiting time, appointment duration, the healthcare environment, expectations, demographics, and health status” (Shirley and Sanders 2013, 2). With the rise of high-deductible plans, which has resulted in increased out-of-pocket costs, patients are increasingly looking for both quality and bargain. According to Hill and Joonas, “Service providers are being challenged to adapt to changing customer needs to remain competitive” (2005, 70). Medical office leaders can argue that competitive advantage is not critical, and that lowering overhead and increasing
reimbursement should be the primary foci, but this thinking is shortsighted. Patient loyalty through word-of-mouth and repeat business is often the catalyst behind increased reimbursement through increased services that are provided and paid for (Boquiren et al. 2015, 1466). To reiterate, “Satisfaction is generally considered the leading determinant of customer loyalty” (Hill and Joonas 2015, 71). According to Shirley and Sanders (2013, 2):

Customer loyalty is defined as the return of the customer to the company for further services. Loyalty and satisfaction are related but different. Customers evaluating their satisfaction as “good” often do not return. Merely “satisfied” customers will move to another provider, given the opportunity. Only patients with “excellent” satisfaction are likely to return for further services or recommend the provider to others. In health care, rating systems focus on excellent scores because of their economic impact on practices or hospitals. Whereas highly satisfied customers (promoters) are likely to tell others and bring new referrals, dissatisfied customers (distracters) may do the opposite.

Furthermore, research has shown that “high patient satisfaction is associated with increased market share, financial gains, decreased malpractice claims, and improve reimbursement rates” (Shirley and Sanders 2013, 1). Conversely, poor patient satisfaction leads to inhibition of future business. Patient satisfaction has an even greater implication beyond finances and it is something that healthcare providers care a great deal about. According to experts, patient satisfaction has the power to influence clinical care in various ways. It appears patients who are dissatisfied are more likely to miss follow-up appointments and are more likely to be noncompliant with treatment recommendations. In other words, patient satisfaction can significantly impact clinical outcomes as well (Shirley and Sanders 2013, 2).

Understanding Patient Satisfaction

**Defining Patient Satisfaction**

Patient satisfaction can be defined as the cognitive evaluation and emotional response to the various aspects of receiving care within a medical office (Shirley and Sanders 2013, 1). According to experts,

The quality of medical care has traditionally been judged by discrete parameters, such as complication rates and mortality. In recent decades, providers have begun to understand that patients’ perceptions of their care are also important to the patients. Patient-reported
measures, including patient satisfaction, have emerged, with the concept of patient satisfaction increasing in popularity and economic impact (Shirley and Sanders 2013, 2).

Some may argue that even if patient satisfaction can be defined, it cannot be objectively measured. Various tools, however, already exist on the market and can assist providers in collecting data and measuring patient satisfaction.

Measuring Patient Satisfaction

In other words, patient satisfaction can indeed be measured. According to Bosquiren et al. (2015, 1466), “The development of self-report questionnaires to assess patients’ satisfaction with their medical experience has proliferated in response to healthcare providers’ increasing demand for this information. Today, patient satisfaction (PS) ratings are important indicators of the efficacy, quality, and feasibility of healthcare services.” VSQ-9 is an example of such a tool that providers can use to measure and interpret patient satisfaction levels. According to Bar (2004, 937), “VSQ-9 provides a measurement specifically of a patient’s perception of the quality of a single office visit with a physician or other provider.” He also asserts that “the reliability and relative ease of administration of the VSQ-9 has led to it being adopted by a number of medical groups and health services researchers to measure patient satisfaction with care” (Bar, 2004, 937). Additionally, “the American Medical Group Association (AMGA), a national association of large medical groups that, in aggregate, provide care to more than 50 million patients, has adapted the VSQ-9 as its recommended patient satisfaction instrument” (Bar 2014, 937). Figure 1 provides example questions included on a VSQ-9 questionnaire.

Figure 1

<table>
<thead>
<tr>
<th>Sample VSQ-9 Patient Questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>In terms of your satisfaction, how would you rate each of the following?</td>
</tr>
<tr>
<td>(Excellent = 5, Very Good = 4, Good = 3, Fair = 2, Poor = 1)</td>
</tr>
<tr>
<td>1) How long you had to wait to get an appointment</td>
</tr>
<tr>
<td>2) Convenience of the location of the office</td>
</tr>
<tr>
<td>3) Getting through to the office by phone</td>
</tr>
<tr>
<td>4) Length of time waiting at the office</td>
</tr>
<tr>
<td>5) The time spent with the doctor you saw</td>
</tr>
<tr>
<td>6) Explanation of what was done for you</td>
</tr>
<tr>
<td>7) The technical skills of the doctor you saw</td>
</tr>
<tr>
<td>8) The personal manner of the doctor you saw</td>
</tr>
<tr>
<td>9) The visit overall</td>
</tr>
</tbody>
</table>

Source: (Bar 2014, 249)
Improving Patient Satisfaction

Research indicates that medical offices can implement strategies that lead to improved patient satisfaction. Vogus and McClelland (2016) wrote that “management research on customer service and service quality also offers three specific factors that can significantly advance health services research on the antecedents of patient experience ratings — leadership (e.g., servant leadership), service climate, and emotional labor” (2016, 38). Friedberg et al. (2011, 501) has argued that improving the social climate might come in the form of expanded access for patients. There are several ways in which offices have improved access, for example, in changing work flow (Friedberg 2011, 498). Running on time is extremely important. According to Hill and Joonas (2015, 71), “Several studies have found time to negatively impact not only patient satisfaction, but also quality perceptions and provider choice.” Another way that practices can improve access is through the use of patient portals (Friedberg 2011, 502). A patient portal is used to transmit patient information electronically via a secured website. Patient portals often allow patients to access their medical histories, progress notes, statements, lab results, prescription histories, etc. They can also serve as a means to request or reschedule appointments, refill prescriptions, and/or ask questions of medical staff.

Some may argue that there are variables that can easily skew a patient’s level of satisfaction. This may be true, however, experts believe that although “healthcare professionals can provide the same service . . . the patient may experience it differently as a function of their current condition” (T.J. Vogus, L.E. McClelland 2016, 38). Therefore, “high quality care is highly customized care; it is based in an intimate and particular understanding of the patient” (T.J. Vogus, L.E. McClelland 2016, 38). Another way in which offices can improve patient experience is through communication.

Experts argue that “physician-patient communication has the strongest impact on patient satisfaction” (Shirley and Sanders 2013, 2). Conversely, when communication is poor, research showed that “when patients perceive low-quality communication (feeling rushed, never receiving
explanations for tests, and being ignored) from a doctor, it was associated with higher levels of malpractice claims” (Hickson et al., 1994). Communication is not only an integral part of clinical care, it is also a function of good customer service. “An important goal of marketing, particularly in service organizations, is to help foster and maintain long-term patient relationships” according to Hill and Joonas (2015, 71), and customer service is a venue under which this goal can be reached.

Customer service can come in the form of staff courtesy (Shirley and Sanders (2013, 2) and arguably one of the most important staff courtesies involves communicating with patients effectively and in a timely manner. “One of the most important elements of service quality facing service managers today is the timeliness with which services are delivered,” according to Hill and Joonas (2015, 71). This service goal includes physicians as well. Improving physician-patient interactions, which encompasses both how and what is being communicated by the physician to the patient, is another way for offices to boost their patient satisfaction levels (Shirley and Sanders 2013, 3).

To summarize, the findings of this research indicated that competitive advantage is critical to physician office sustainability. Furthermore, patient satisfaction is the key to improving competitive advantage. Experts have indicated that patient satisfaction is something that can be effectively measured, and that results from patient-satisfaction surveys could be used to implement ways to improve overall patient satisfaction.

Solution

Strategies Aimed at Increasing Competitive Advantage

Access

If an office has identified that they are routinely running behind schedule, they may want to consider expanding office hours to allocate more time to each scheduled visit. According to Hill and Joonas (2005, 69):
The literature points to a negative impact of wait time on patients’ perceptions of healthcare services, and on patient’s subsequent behavior. A survey of 200 patients suggests wait time affects perceptions of quality, satisfaction and likeability, as well as likelihood of recommendations and repeat visits. In addition, response to unacceptable wait time was found to be significantly related to income. These findings indicate a cultural shift in patients’ perceptions of wait time, and underline the need for providers to retain patients’ loyalty through more timely service.

They may also want to consider implementing non-traditional scheduling templates, such as wave schedules. Wave schedules involve leaving a longer appointment slot at the top of the hour, for appointments that may require more face-to-face time with the physicians. Several shorter appointments immediately follow and are reserved for appointments that are not likely to take a significant amount of time. The end of the hour is reserved for the physician to complete any administrative tasks and/or catch up if he/she fell behind at some point during the previous hour. The idea is that the physician completes all tasks required so that he/she may start the next block fully ready to begin, and on time. This type of wave scheduling has been shown to increase the bottom line by nearly 15% without increasing overhead costs (Chung 2002). Another time-saver is to ask patients to arrive several minutes prior to their scheduled appointment to complete registration and paperwork, so that the patient is sufficiently prepped to see the physician at the predesignated time. According to Shirley and Sanders (2013, 1),

In an assessment of the relationship between waiting time and practice satisfaction, Camacho et al. found that the combination of longer waits and shorter visits produced a decrease in overall satisfaction. Specifically, waits of more than twenty minutes combined with visits of less than five resulted in decreased satisfaction. For visits of more than five minutes, a wait of more than fifty minutes was required before provider satisfaction was affected.

As mentioned previously, patient portals can be very useful in improving patient access. Patient portals are utilized to transmit patient information electronically via a secured website. This is a consideration that should be made when looking to improve customer service.

Physician offices must concern themselves with customer service. Healthcare leaders would do well to take cues from the hospitality industry. Research shows best practices include training staff on customer service skills (Friedberg et al. 2011). Staff should be trained on how to
properly greet patients both over the telephone and also in person. They should also be trained to be emotionally empathetic and professional at all times. The office should provide patients with a pleasant and comfortable waiting room. According to DiGiacinto et al. (2016, 205), “When patients rate the waiting room as comfortable and pleasant, they are willing to wait longer.” Office leaders should hire personnel with good customer service experience in addition to training their existing staff and, if necessary, practices should terminate employees that do not adhere to the patient-oriented customer service policies.

In fact, excellent customer service should be a part of the organizational culture. Changing the culture of the practice may take time (Kotter and Cohen 2012). Work flow may need overhauling. All processes should be geared first toward great medical care and next toward excellent customer service. Both clinical and administrative areas should be considered. The front office is the first line of contact with patients. The front office receptionists are often the people answering the phones and greeting patients in the office. These staff members should be very knowledgeable regarding how to provide excellent customer service (DiGiancinto et al. 2016). Patient scheduling should be easy and efficient for patients. Additionally, there are other points of contact that provide opportunities to increase patient satisfaction. Wait times, for example, have a significant effect on patient satisfaction (DiGiancinto et al. 2016). Paperwork should be clear, instructional and concise. Effort should be made to eliminate any unnecessary repetition. In other words, patient forms should be edited to avoid asking for duplicate information. According to Manchikanti et al. (2011, 1), “Administrative inefficiency and redundant paperwork account for 18% of health care waste.” Whenever possible, billing protocols should be spelled out at the beginning of the patient’s treatment, including eligibility verification, cost share estimates, copay collections, etc. Preferably, there should be a quiet and private place where patients can be brought to discuss sensitive financial information with an expert biller (Blizzard, 2005). Waiting rooms should be comfortable (DiGiancinto et al. 2016). Offices should provide patient education,
marketing material, leisure reading material and or media to help make the wait time more pleasant.

The patient should be brought back to an examination or treatment room promptly and with the purpose of treating the patient immediately after that. “Not calling the patient back until his or her procedure is ready to begin may improve the perceived wait time because remaining with the larger group allows for more activities versus being in an isolated imaging room,” according to DiGiancinto et al. (2016, 205). Communication is critical. If the clinic is running behind schedule, staff should be instructed to communicate with patients about the delay. Clinical areas should be efficient and private. Offices can consider innovative ways to room patients, such as lighting systems, electronic check and even self-rooming. Clinical staff should always maintain a professional demeanor and bedside manner. This will go a long way in establishing rapport and eliciting confidence from the patient. Establishing a “rapport creates a more positive environment,” says DiGiancinto et al (2016, 205).

Physician-Patient Interaction

During face-to-face physician-patient interactions, the same protocols regarding patient engagement apply with a few enhancements. According to Boquiren et al. (2015, 1465), “It can be argued that patient interactions with healthcare providers, particularly their treating doctor, are fundamental in defining the healthcare experience. Patients’ lasting impressions of these interactions influentially determine the degree of satisfaction with medical services received.” Physicians must ensure that their support staff is working in collaboration with their specific medical protocols. Regarding patient interactions, physicians must be assessed and given feedback to help them improve their skills (Vogus and McClelland 2016). They must also be given tips for improvement and followed to ensure compliance. Physicians can use EHR-based interventions to improve efficiency in recording and accessing patient health information (Bassi et al. 2012). Physician offices should look at and share best practices in order to further develop successful solutions in this area. According to DiGiancinto et al. (2016, 1), “To provide the best
services to patients, quality assessment is an ongoing activity. When patients are satisfied with their care, they are more likely to continue using a facility for future services”.

Patient Education and Continuity and Coordination of Care

Another way that practices can improve patient satisfaction is via patient education (Friedberg et al. 2011). Providing good and reliable patient education has been shown to improve clinical outcomes (Whitehead 2013). Education helps patients to be able to self-manage their diseases (Friedberg et al. 2011). Patient education is the foundation for building a team of people who will share the responsibility of addressing the patient’s medical condition. Through education, the team brings the patient into the circle. Beyond the patient and the treating physician, coordinating with other healthcare entities will help booster clinical outcomes and patient satisfaction (Friedberg et al. 2011). Maintaining continuity and coordination of care requires several considerations but is a viable means of improving patient satisfaction that has been highly associated with patient satisfaction, according to Friedberg et al. (2012, 502).

Discussion

The research strongly supports the need for offices to use patient satisfaction to secure competitive advantage; still, there are obvious strengths, weaknesses, opportunities and threats to be acknowledged.

Strengths

The strengths of this solution are that expert opinion and corresponding studies showed that patient satisfaction is highly correlated with organizational, financial, and clinical outcomes. Additionally, patient satisfaction is something that physician practices can influence. Expert opinion is that there are a variety of ways that patient satisfaction can be improved.

Another strength is that many of these solutions will lead to improved clinical care. For example, improving access for patients ensures that patients are more likely to receive timely and frequent care. Further, increasing access might make it easier for patients to secure timely appointments. It might mean that patients are able to submit questions to their physicians online,
at a time that is convenient to them, and receive responses within the next business day. It could mean that patients are able to call their physician’s office and speak to a medical assistant about fulfilling a prescription, and have that medication filled within the following 24 hours. Having increased access ensures the likelihood that patients will get the treatment they need in a reasonable time, which may lead to fewer medical complications and trips to the emergency room. Improved clinical care is also realized through providing patient education. An educated patient is more likely to follow treatment recommendations, which may ultimately result in better clinical outcomes. Patient education also mitigates some of the risks associated with contraindications, misunderstandings and lack of communication.

There are many means for improving patient satisfaction presented in this paper. Offices can choose the options that make the most sense for them, both from an operational perspective and a financial one. Finding additional innovative ways for improving patient satisfaction are encouraged. Offices may have unique situations to consider or very restrictive budgetary constraints. Many of these solutions are still applicable under these circumstances. For one, several of these solutions are likely to provide a return on investment in the way of increased efficiency and/or patient business, which will help offset the associated costs.

The scope of this project included background and context. It’s important for offices to know why they should worry about increasing competitive advantage. Many offices are under mounting financial and administrative pressures. Under those types of circumstance, it can feel as though there is no way out besides hospital ownership, major layoffs and or closing the doors. The solutions proposed here can empower offices to turn around downward trends. It can be a means to increasing financial profitability. It can also provide a way to improve patient perceptions and clinical outcomes.

Weaknesses

One of the first things that offices must do is evaluate the level of patient satisfaction reached by their organization. 360-degree feedback seems to be the most thorough way of
reaching those conclusions. However, research shows that physician perception of patient satisfaction and/or outcomes can be skewed (Shirley and Sanders 2013). Patient perceptions can also be skewed by factors such as relationships with physicians, perceptions of competence (regardless of skill), human tendencies, and even wait times that may or may not be within the offices’ control:

Despite the importance of patient satisfaction, physician acceptance of, or interest in, patient satisfaction data is skewed by full waiting rooms and patient compliments. Unfortunately, physician and patient impressions are often discordant. For example, in one study, 67% of physicians thought that patients knew their names, whereas only 18% of patients actually did. In another study, 98% of physicians stated that they sometimes discussed patients’ fears and anxieties, whereas 54% of patients stated that the physician never did. Improving satisfaction first requires physicians to recognize that satisfaction can be improved, use the data, and focus on improving pertinent satisfaction issues under their influence (Shirley and Sanders 2013, 2).

This paper does not go into how to address those issues and some may argue that this is an inherent weakness.

In providing context, the concept of financial need was relied upon heavily to support the claim that medical offices need competitive advantage. Little content was provided, however, on the specific financial implications predicted by the proposed solution and the means for executing it. In other words, no specific statistics were provided on what practices can expect regarding return on investment. No research was provided that explained the anticipated costs of implementing best practices either. Critics may view this as a hidden component that has the potential for weakening the argument that patient satisfaction is a good solution to increase competitive advantage. Offices may worry that this is not a financially feasible option for them.

Opponents may also point out that there may not be enough staff resources for creating an organization that is adaptable to change. They may argue that no consideration was made to determine what kind of staffing is required to execute some of the proposed strategies. They may also point out that no research was provided on what type of leadership is required to implement these strategies. Counterarguments may point out that the implications of organizational change were not thoroughly vetted in this paper.
Some may also argue that there are other solutions that might be more beneficial to offices, including hospital-ownership or mergers and acquisitions. It could be argued that physician employment may be a better option when compared to an attempt at saving a privately owned medical office. Since the research is limited to patient satisfaction and does not cover other ways in which offices can improve their competitive advantage, some may argue that other solutions are available, and that these alternative solutions may be cheaper or easier to implement. Some examples of that include improving account receivable, subcontracting work, reducing costs, streamlining processes, changing leadership, and hiring or firing of staff. Ironically, these same weaknesses lead to opportunities for improvement.

 Opportunities

There are several opportunities for strengthening this argument. For one, there are other service industries that are light-years ahead in terms of improving customer satisfaction. These industries are looking at both tried and true strategies and also at new and innovative ones in an effort to get a leg up on the competition. Medical offices have only begun to scratch the surface in terms of valuing patient satisfaction. Research could be expanded to look at how other industries are increasing their competitive advantage in order to extract tools and best practices that could be transferred to the medical setting. More research could be provided on change management, leadership theories and staff motivation. There are many opportunities for demonstrating what additional considerations can be made to implement the proposed solutions. It would be helpful to show how these considerations affect success and to show their level of necessity. Following this thinking, there are also opportunities to provide even more potential solutions. Technology may be a place to vet further. In other words, technology might be a significant consideration when it comes to improving both efficiency and patient satisfaction. There are methods for collecting patient data, such as kiosks and tablets and online or push button surveys. As technology becomes more prevalent throughout society, the expectation is that medical offices will also utilize it. Offices that do not implement cutting edge technology risk being perceived as outdated.
Currently, there are technologies for increasing patient engagement, including mobile apps and other electronic services. These technologies could further enhance the solutions proposed in this paper and they warrant a deeper look.

Another opportunity for expansion is to scan the horizon for political and regulatory changes. This paper does not pose the question “what is ahead,” but this can be a very powerful topic to explore. For example, the Affordable Care Act is attempting to address and improve interoperability and quality-based delivery systems (McClellan 2011). It is also implementing new types of care modules, including Accountable Care Organizations (ACO) and episodic bundling. Extensive research could be done to discover how these programs are changing life as we know it for medical offices.

Threats

There are various threats to the strength of this thesis. The biggest one is the rapidly changing state of healthcare. In today’s political environment, it may be tough to anticipate how changes will impact medical offices. There are additional regulatory threats, which increase demands for quality reporting and interoperability. In addition to regulatory changes, healthcare also must evolve with advancing technology.

Advancing technology can lead to a variety of new considerations that offices must take into account. Going from paper charts to electronic medical records has huge implications for medical offices (Bassi et al. 2012). For one, the switch requires additional expenses because electronic storage requires a more expensive infrastructure that includes computers, servers, scanners, printers, etc., versus paper charts that required paper, pens, and charts. Additionally, it can be more labor intensive because information is typically more comprehensive and must be gathered, entered and organized electronically.

The financial pressures brought on by these changes, and others, are likely the impetus pushing physicians into hospital employment. In fact, the American Medical Association conducted a study in 2013 that indicated that hospital employment was on an uptick. According
to Kane and Emmons, “53.2% of physicians were self-employed and a full 60% of physicians worked in practices that were wholly owned by physicians” (2013, 1). There is likely to be many more changes, and maybe even disruptive innovations, that will completely change the way medical offices do business. Adaptability is a huge consideration.

When considering adaptability, offices have many issues to contend with. They must decide if the change is something they can afford. They must determine if they have the staff resources to adapt. They must strategize ways to garner buy-in from both the staff and the physicians. They must decide if the effort is worth it. Adaptability largely depends on the current state of the practice, but also requires a significant investment in preparing for future changes. Adaptability and cost are threats that should be considered when utilizing the strategies proposed in this paper.

Trends

There are several trends to consider in healthcare. Some are rooted in the past, and others offer glimpses into the future. Some disruptive innovations have already arrived on the scene and have changed competition in the medical field. Some examples were mentioned in this paper, such as telehealth, walk-in clinics, and patient-centered medical homes. The integration of more sophisticated technology is another example. Research could be conducted to look at additional ways that the industry is implementing innovative ideas to provide further solutions. Some of these ideas might turn into trends down the road and, if so, will significantly impact how offices address the problem and solution presented in this paper. Self-rooming and telehealth are two examples of this.

Ultimately, research proves that it is clearly evident that the healthcare industry is changing. It is also clear that offices face an urgency to keep up with the changing times and to find a way to ensure their survival. This is a trend in and of itself, and research is likely to explode in the next decade with the purpose of addressing these problems.

Recommendations
After completing thorough research and analysis of the problem that medical offices need to increase their competitive advantage, and also thoroughly vetting the proposed solution of increasing patient satisfaction, several key recommendations were derived. First, to replicate this study in the future one would need to ensure that the solution still fits within the climate of the industry at that time. As we have seen in several industries, innovation and technology have the ability to turn an industry on its head. As the research is showing, healthcare is an industry that is in a state of change and, as such, trends should be meticulously monitored. This is why offices must dedicate the time to forecast and strategize accordingly. This will involve considering the past, present and future. Budgets should be closely tied to those predictions as well.

Change management should be carefully planned and executed. Garnering the buy-in of both the physicians and support staff is a critical component of this strategy (Kotter and Cohen 2012). Physicians and staff must be relied upon to execute change. The best-laid plans will inevitably fall short without physician and staff participation. There is a significant amount of quality research pertaining to employee motivation. The topic of employee motivation was not thoroughly investigated as a part of this research project, but may be a very helpful subject for offices to research when working to improve patient satisfaction.

There are more areas that this research did not delve into that would likely boost the success of the proposed solutions. For one, cutting-edge customer service ideas could be borrowed from the hospitality industry. Additionally, research on consumer preferences could be uncovered by looking into other service industries. Having this information might help lead to innovative ideas not yet considered in healthcare. Additionally, there are likely some tools for measuring customer satisfaction that could potentially be transferred into the world of medicine.

**Conclusion**

Medical offices are under enormous pressure to find a way to achieve sustainability in today’s healthcare industry. Regulatory and financial pressures brought on in part by the Affordable Care Act have created a climate where private physician practices are increasingly
looking for ways to survive. Research shows that medical offices need to be competitive. Patient satisfaction is a key driver of competitive advantage, according to experts. Ways in which patient satisfaction can be improved were investigated.

To improve patient satisfaction, offices must first understand what excellent patient satisfaction is, so that they might formulate benchmarks for achievement. Next, to create a baseline from which to improve upon, offices must use the right tools to measure their current patient satisfaction. When determining how best to improve patient satisfaction, offices must identify what changes to make operationally. Several potential solutions were identified through the course of this research.

Practices must focus on improving several key areas of patient care in order to improve patient satisfaction. Experts recommend that offices improve patient access, communication, physician-patient interactions, and coordination and continuity of care, to name a few. Improvements in these areas have shown to successfully raise patient satisfaction outcomes.

In spite of all of the pressures that medical offices are under, they must find ways to gain a competitive advantage over their peers if they wish to retain sustainability. Implementing one or several of the proposed solutions will help offices to increase their patient satisfaction levels, improve their competitive advantage, and, ultimately, safeguard their businesses.
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