



The Power of Predicting How Your Customers Will Behave

MII Healthcare Provider Predictive Scorecard
 MII-HIDI Solution Offering Overview

The Hospital Industry Data Institute (HIDI) and Market Innovations, Inc. (MII) have launched the **Healthcare Product Predictive Scorecard (HPPS)** to help you compete on value

- What if ...**
- you could measure the key elements that drive value for your system
 - you could predict how changes to one of your healthcare products would impact growth from a market behavior perspective
 - you could really understand how vulnerable you are to competitor actions

As a healthcare leader, you understand the challenges of achieving continued growth in the face of today's disruptive market forces. Reimbursement compression, increasing price awareness and sensitivity, and increasing rivalry due to consolidation and new entrants are changing the dynamic of your business. Pressure from regulators, payors, and employers to maximize patient value per dollar of expenditure is further shaping the market landscape.

Keeping Score in Today's Market

Competing on value in today's market requires new evidence-based capabilities that are built upon proven science. A behavioral scorecard can provide you with detailed insights about how referring physicians and patients will respond to healthcare service product changes, even in a future world of uncertainty, and compare this change relative to the current market volume. HIDI and MII's Healthcare Provider Predictive Scorecard (HPPS) offers these distinctive capabilities and benefits.

Based on a decade of healthcare research and work with leading medical centers, HPPS is a behavioral economics, predictive tool. In the context of a care product (e.g. ACL repair, labor and delivery, MRI, inguinal hernia repair), this tool will help you understand brand equity, price elasticity, and the financial potential of delivering on value. HPPS is built on proprietary data obtained from research conducted with referring physicians and consumers in your local market.

H = Healthcare **P = Provider**

A scorecard that provides measurements of the impact of care product configurations on referring physician recommendations and consumer provider/facility choice decisions (i.e. in a competitive environment)

P = Predictive

HPPS predicts what future behavior will be due to changes in drivers of decision making, such as de/increased prices, better healthcare outcomes, improved access, more effective communications

S = Scorecard

You will receive a dashboard with detailed behavioral metrics of product volume changes associated with varying product feature levels

Care Product Features

Beyond brand and price, Healthcare Provider Predictive Scorecard (HPPS) decomposes a care product into medical care, medical outcomes, communications, access, and other features and services. For example, if an ACL repair was the care product, one could test several Access features, such as, convenience of location, wait time before the surgery can be scheduled, wait time to see the surgeon before surgery, or days and times when surgery can be scheduled.

These decision drivers provide you with proprietary business intelligence on how to compete on value in your local market

Benefits:

- Evaluates the brand strength of your care product compared to your competitors
- Informs resource allocation decisions regarding non-price product features (separately). So you can assess the impact of one feature versus another on volume and revenue
- Predicts care product-specific volume based on scenarios of future care product configurations
- Drives more fact-based pricing decisions about charges and out-of-pocket expenses by measuring price elasticity
- Helps you understand how vulnerable your care product is to potential pricing and non-pricing actions taken by competitors



What is HPPS?

- **HPPS** is a consultative service to inform high-stakes product and service investment decisions. It simulates and evaluates the impact of the full set of features of the whole market from the standpoint of consumers and referring physicians
- **HPPS** uses time-tested experimental design, novel data capture and analysis methods informed by organizational input and collective insights gained by MII over more than 15 years of healthcare industry delivery
- By simulating the whole picture from the perspective of consumer and physician choice, **HPPS** is able to deliver distinct, superior value to competitor alternatives by providing credible estimates of volume and bottom-line impact
- **HPPS** delivers a care product-specific scorecard, as well as an executive summary and a set of strategic scenario-based simulations
- **HPPS** is just one application of MII's broader portfolio of *strategic integrated market simulation (SIM²)* services

HPPS in Action

The HPPS model provides a view into how your market works and actionable business intelligence to help you manage uncertainty and develop profitable growth strategies. HPPS has been applied in a number of different business situations, such as:

- *Pricing strategy – avoiding the adverse financial consequences of anecdotal pricing signals, making informed resource allocation decisions by measuring willingness to pay for bundle features*
- *Satellite locations – identifying high-potential locations that meet the needs of the system (e.g. decanting or growing volume)*
- *Brand strength – measuring brand at the care product level (not the system level) to understand its strength relative to competitor's comparable offering*
- *Marketing messaging – uncovering key messages that resonate with target segments*
- *Network strategy – addressing partnership issues and negotiating terms such as co-branding, joint or new services, optimal locations, resource priorities*

It can inform critical strategic and operational questions as your system continues to grow and cultivate relationships in the market.

For a more detailed description of HPPS in action, please see our companion ACL Repair Case Overview located at www.marketinnovationsinc.com/xxxx or contact us at

About Us

Hospital Industry Data Institute (HIDI) provides timely access to data and information services for hospitals to support their strategic planning, advocacy and health policy initiatives since 1985. A not-for-profit organization founded by the Missouri Hospital Association, HIDI understands state hospital association's commitment in providing excellent service to its members. Through HIDI, your association can continue to serve member hospitals' increasing needs for high-quality data sources through HIDI's data collection, analysis and dissemination. Through partnerships with state associations, HIDI continues to build on its expertise in data collection and reporting services as staff shares its knowledge and best practices with colleagues. This arrangement allows HIDI to work as a silent partner as it designs and implements customized reports to meet your organization's unique needs.

Market Innovations, Inc. (MII) is a strategic advisory firm that works with product and service companies to improve their revenue-earning / profit potential. We are a team of social scientists who help organizations find insights to address some of their most pressing business challenges. We use an integrated framework that employs principles and practices from strategic planning, behavioral economics, marketing, statistics, operations research, and financial accounting in helping healthcare clients address high stakes issues. With MII, you spend less time debating assumptions and opinions, and more time implementing your chosen strategy with confidence. Let us help you reduce the risk of change and unleash the economic value of innovative ideas designed to help you compete on value.

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