



Healthcare Web 2.0 Innovators

Healthcare Consumer Disruptors Case Study

Business Drivers

Consumer-directed healthcare is an attempt to decrease U.S. healthcare costs by giving healthcare consumers (patients) a financial stake in the healthcare they access. At the consumer level, most programs consist of two parts, a high deductible health policy to protect against catastrophic expenses and a health savings account (HSA), which consumers use to pay the majority of their healthcare expenses. HSAs are tax-advantaged: in most cases, the consumer pays for healthcare cost pre-tax (healthcare costs reduce the tax rate). The consumer can save unused healthcare funds for following years.

CDHC will work best when consumers have detailed information about healthcare procedures, outcomes and costs so that they can make better decisions about the type and quantity of care they receive. This is disruptive in many areas of healthcare, where releasing cost and outcome information to the patient is often seen as taboo. Most of the sites below build their business models around advertising and up-selling, as they are free to use by consumers.

Summary of Web 2.0 Healthcare Consumer Disruptors

Vimo.com

Vimo.com tries to promote consumer directed healthcare by addressing information gaps. Site users can rate doctors, dentists, hospitals and HSAs. Doctors and dentists are rated by knowledge/skill, availability, punctuality, personal skills and office staff. Notably, it is possible to rate and give one's name.



The business model revolves around selling insurance to individuals, families and small businesses. The site also aggregates basic information around drugs and side effects.

RateMDs.com

Anyone can rate a doctor or dentist, anonymously or not, according to several criteria: punctuality (how long you have to wait), helpfulness (approachability, manner), and professional knowledge (effectiveness, explaining diagnosis).



Only the last two are used to roll up to a 1-5 rating that anyone accessing the site can see. In addition to the rating, the rater can explain the rating in a free-text area. The site also features a blog to which registered users can contribute.

DoctorScorecard.com is another site that offers anonymous ratings of doctors, dentists and veterinarians according to several factors as well as



freetext where the rater can explain his or her experience. RevolutionHealth.com, careseek.com, healthcarescoop.com and others also provide rating capability.



MyMedicalControl.com

MyMedicalControl addressed the vast discrepancies in medical billing. Anyone who felt that s/he was charged inappropriately could submit the bill to mymedicalcontrol.com, where the site would compare it to "usual and customary" charges for that procedure code in that geography. When there was a major discrepancy, the company would negotiate on the patient's behalf and pocket about one third of the savings. The site addressed the fact that there are vast differences in how various providers charge for services, and it put the billing analysis ability in the hands of consumers. The company was bought out in fall 2007 and no longer services consumers.



Lessons Learned

- Rating healthcare providers is just another instance of the digitization of word of mouth. Many of these sites are in the embryonic stage of growth.
- It is obvious that transparency will continue to come to healthcare and that consumers will increasingly adopt the role of collaborators with professionals to try to improve health outcomes.
- The consumer voice is often not polished or politically correct, but it is most often honest. Spend some time on the sites listed below and judge for yourself.
- When rating sites launch, one of their key challenges is competing to become "the destination of choice" and to raise the quantity and quality of reviews. Most sites offer the ability to "rate the ratings," which will lead the most helpful reviews to be the most read. This website feature invokes "the wisdom of crowds"; however, this becomes optimal when the number of reviewers and raters increases. To wit, remember how long it took for amazon.com to build its reviews to where they are today.

References

| Description | Reference |
|--|---|
| Vimo website | http://www.vimo.com |
| RateMDs website | http://www.ratemds.com |
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