Healthcare Informatics
Leadership, Vision & Strategy for the CIO

More Than Just Social

Hospital leaders discover the revenue Cycle gains from social media

By Steven K. Wagner

Within seconds, visitors to the Children's Hospital Los Angeles (CHLA) web site can learn exactly where the hospital's cyber heart is.

“Our hospital is social—are you?” reads a link on the main page for the Los Angeles, Calif., hospital. Underneath are icons for its Facebook and Twitter feeds, YouTube and LinkedIn channels, and We are CHLA—the hospital blog. Click on any link to enter the 286-bed hospital's cyber world.

Clearly, social networking has arrived, and with it unexpected results. Not only has the hospital invited the world inside its walls, where stories of clinical miracles abound, but in doing so has enhanced its own revenue cycle.

Steve Garske

Other hospitals have experienced similar results: revenue enhancement resulting from strong social networking. It's a trend that could presage good things as many hospitals struggle through an ongoing economic downturn.

“Since we upgraded our web site in 2008, more than $3 million has come in to the hospital through that portal,” said Steve Garske, CIO. “That success is largely due to having the information needed to facilitate giving available online and integrated with our social networking presence.”

Clint Schmucker

That presence escalated in 2009, when the hospital developed a strategy for beefing up social networking. Plans were to introduce the public to the organization as a whole, share the clinical successes that were happening at CHLA, introduce the public to the clinical staff who were enabling those successes, and allow people to share their own stories.

The effort, which involved—among other things—securing the CEO's blessing to make such changes as removing the hospital firewalls and adding Facebook and other media to its repertoire, has succeeded in spades. Over the past year, the number of CHLA Facebook fans has increased from 750 to more than 5,000, and media such as LinkedIn and Twitter also have reported strong numbers. A community of followers has emerged.

“What I wanted was a vehicle that would enable people to share their stories and the amazing work that is being done here,” said Clint Schmucker, director of cross-functional services for information services.

What surprised many was the revenue stream that emerged: social networking created a channel for people to also share their financial resources via the hospital web site, which now averages 40,000 visits and 200,000 page views per month. Other potential revenue benefits also developed, including the capability to reach hundreds of thousands of potential patients—at no significant cost to the hospital.

“We obviously wanted to raise funds, but we also hoped that people would grab hold of our vision and tell others that something incredible was happening here,” Schmucker said. “The power of social networking really is amazing.”

Across the country in Boston, leaders at the 621-bed Beth Israel Deaconess Medical Center (BIDMC) have been leading some form of social networking for more than a decade. John Halamka, M.D., the hospital's CIO, defines the phenomenon as “coming together as teams to solve problems in novel fashion.”

At BIDMC, social networking began in 1999 with a patient interactive site called *Patientsite* and continued on to include Facebook, Twitter, YouTube, chat rooms, blogs and an employee-directed quality improvement exchange network called Spirit.

“No one goes to a web site just to read static content,” Halamka said. “People go there to ask a question or interact with others. We've tried to really engage patients and families.”

One way in which the hospital has achieved that goal has been through Patientsite, a portal that allows all patients to view their medical records, renew medications, make appointments, secure specialty referrals, receive educational materials and do much more online. Patients also may e-mail their physicians.

“We did a patient survey and asked whether respondents would change doctors if they could have an e-enabled physician,” Halamka said. “Nineteen percent said they would. What we discovered is an incredible patient recruitment and retention tool, and we've enabled just that.”

In essence, building social networks builds “stickiness” to an organization, Halamka says, and patient stickiness translates to revenue. He added that BIDMC has seen steady revenue growth since social networking was established there a decade ago, and he estimated the social networking effort has brought in millions of dollars in revenue.

John Halamka

“I think that's fair,” he said “Our reputation for being an easy-to-navigate and accessible hospital has caused us to retain and grow our patient base at a time when others have not.”

BIDMC also is a member of the New England Healthcare Exchange Network (NEHEN), a leading organization in the emerging health information exchange arena. Working as a team, NEHEN and its 40 institutional and 140 provider practice members are coordinating the interoperability of electronic health records, health information technology and health information across organizational boundaries.

Shawn Riley

“It's a strange thing to think of social networking as connecting insurance companies and providers, but we provided the electronic links that enable the hospital to do all of those administrative processes fully electronically,” said Halamka, who chairs NEHEM. “The nice thing is that the cost we used to incur doing all of that communication is now less than 25 cents per task compared with $5 per transaction at one time. Millions of dollars have been saved at each participating hospital by linking payors and providers in Massachusetts.”

He added that “NEHEM builds coordination of care”—translated to efficiency, which also saves money and enhances a hospital's revenue cycle.

Shawn Riley, chief technology officer and director of information technology at the 80-bed Austin Medical Center in Austin, Minn. (an affiliate of the Rochester, Minn.-based Mayo Health System), is familiar with such stories. In February 2010, Riley, a longtime blogger at http://healthtechnica.com, was named No. 9 on the “Top 50 CIO and IT Leaders in the Social Media” list developed by Media Watching—a blogging group that discusses business trends. He acknowledged the “stickiness” factor.

“Revenue enhancement figures into the equation,” Riley said of the move toward social networking at healthcare organizations. “Ultimately, at the core, they're evaluating whether social networking will give them a competitive advantage. In most cases, hospitals are not making dollars directly from social media sites, but are trying to give patients a better feel for what they do-to develop a connection with them.”

According to Riley, increased patient satisfaction and enhanced customer retention are among the prime benefits emerging from social networking. What's more, they are benefits that indirectly may advance the bottom line at healthcare organizations long into the future.

“In the long run, you're going to see social media integrated into the medical home model, which attempts to engage patients with providers without forcing them to visit a hospital,” Riley said. “Examples of that might include engaging patients with their personal health records or connecting them with groups of people who have similar medical conditions.”

Among the revenue streams that Riley sees expanding out of social networking is telemedicine, enabling doctor-to-doctor or doctor-to-patient consults from remote locations on a broader scale than already occurs. Clearly, the way that doctors and patients interact among themselves is changing forever.

In fact, Riley recently responded online to a blogger who had offered several tips for connecting with healthcare professionals on Twitter. He suggested another tip, one available to anyone in the world who has access to the Internet: his own blog. The winds of social networking change are blowing hard.

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