



Will Consumers Manage their Health Effectively?

Scott MacStravic, for HealthLeaders Media, August 13, 2008

The idea of consumers managing their own healthcare has been around for decades. Walter McClure's championing of a "buy right" model for healthcare included both employers and consumers engaged in value-based purchasing, and dates back to the 1970s. It re-emerged with the promotion of consumer-directed health plans (CDHPs) in more recent years, adding personal health spending accounts (HSAs) as a way to make consumers more accountable for their health and healthcare management.

Making consumers more accountable has been suggested as part of the recent "patient safety" movement, with consumers advised to ask the right questions of their healthcare providers, and monitor the care they are offered for potential mistakes. Shifting more responsibility and costs to consumers is widely lauded as the way to overcome the "tragedy of the commons" where consumers' lack of "skin in the game" makes them lean toward unnecessary or overly expensive healthcare, along with slovenly management of their own health.

Shifting more roles and responsibilities to consumers is an ideal "market solution" to the healthcare cost crisis because it reduces the government role and business costs simultaneously. But is it realistic to expect consumers to adopt and execute their role effectively?

One way to examine this question is to consider three key elements with respect to consumers' behavior in general:

1. Their motivation to carry out their role
2. Their capacity for doing so
3. Their likelihood of being conscious of the proper thing to do at the right times. (referred to as the "MC2" model of consumer healthcare demand in S. MacStravic & G. Montrose, *Managing Health Care Demand*, Aspen, 1999.)

Motivation

It can easily be argued that consumers ought to be sufficiently motivated to manage their health as well as healthcare demand for their own intrinsic reasons. Their health and life quality greatly depend on how well they manage their health behavior, as well as healthcare use.

Consumer behavior has been credited with affecting, if not determining, as much as 50-75% of all health problems and healthcare use. Recent epidemics of HIV/AIDS, obesity, and diabetes have clearly shown that consumers' self interest in their health is by no means sufficient motivation for them to behave "correctly," however. Employers and insurers have recognized that intrinsic motivation is not enough. The majority of employers who offer their employees (along with dependents or retirees in many cases) health management programs also offer incentives to entice them to participate.

These range from as little as a few dollars worth of T-shirts or coffee mugs to as much as thousands of dollars in health insurance premium reductions, cash or other rewards. And the effectiveness of incentives has been clearly demonstrated by making the difference between participation rates in the 10-30% range and those as high as 90-95%.

Capabilities

There is no strong case available indicating that consumers are inherently capable of health selfmanagement. All the suggestions for consumer-directed health management that I have read address the necessity for employers, insurers, government, and cooperating providers to supply additional education, training, or information to consumers in order to empower them to carry out such a role effectively. In fact, the combination of managing both their health and their healthcare effectively calls for an immense information infrastructure investment.

Given the wide variations in consumer capabilities in general, with respect to factors, such as innate intelligence, literacy, language skills, reading and learning speed, etc., it is clear that we do not really know how much of an investment in capability will be necessary to enable truly effective consumer management of their health. We lack the scientific foundation to even identify and promote what are the best approaches to health management in general, much less what are the best ways to enable consumers to use them

Consciousness

While this factor is "honored more often in the breach than in the observance?" (Shakespeare's Hamlet), it is increasingly recognized as an essential third leg in supporting consumer behavior management whether by themselves or by others. Reminding consumers of the right thing to do at the right time and place, using the right media and messages, is recognized as an essential element in marketing, for example, as well as management.

Fortunately, recent technology developments in computer analysis and communications make the delivery of reminders far more cost-effective than would have been true in the past. Computer-automated analysis of individual consumer characteristics, preferences, attitudes, and personality traits, along with "brain science" learning of how emotions affect behavior, along with rational thought, have vastly increased the potential for effective messages to be created.

Along with the analytic potential, developments in wireless and Internet communication have made it dramatically less expensive to deliver messages to consumers at the right time and place, rather than relying on less effective disconnected remote communications or less efficient face-to-face alternatives. As health management programs have moved from a narrow chronic disease focus to holistic health and entire populations, these communications technologies have become far more widespread, if not dominant in such uses.

The challenge for all stakeholders who champion the idea of consumer selfmanagement of their health and health care is to ensure that all three elements are in place to motivate, enable, and remind consumers how they can and should behave. Given the millennia-old challenges of governing consumers' public and private behaviors in general, along with managing their employment behaviors and marketing their purchasing behaviors, this is not a challenge to be taken lightly.

Scott MacStravic, Ph.D., is semi-retired after a 35-year career as a hospital and health system executive, a professor and consultant on hospital planning, healthcare marketing and customer relationship management. He is the author of 10 books and 500 articles on these subjects. He may be reached at scottmacstra@earthlink.net