The Ultimate Guide to Reducing Patient No-Shows

Best Practices for Hospitals, Health Systems, and Medical Groups to Drive Efficiency, ROI, and Patient Satisfaction

Introduction

Patient no-shows impact hospitals, health systems, and medical practices, regardless of specialty, geography, or practice model. In addition to creating a schedule vacancy that can no longer be filled, no-shows contribute to gaps in care, office rework, patient bottlenecks, and more. Despite the widespread problems caused by no-shows, organizations vary in how and even, if, they track their no-show rates, making it difficult for them to grasp the extent of their no-show problems and the impact to the organization.

Leaders tasked with reducing patient no-shows serve in roles like practice managers, patient experience officers, call center directors, and more. They utilize a variety of strategies to address the issue but often resort to manual processes or difficult-to-enforce policies, resulting in high resource consumption for little impact. Automated appointment reminders showed up on the scene years ago, promising to solve the no-show dilemma and create better efficiency for medical offices. While there's been measurable improvement in organizations that have implemented automated appointment reminders, many are still dealing with frustrations related to patient no-shows and are compensating with resource-intensive processes that are manual, unscalable, and fail to deliver the desired results.

We can do better. The combination of industry best practice with automated tools has the demonstrated ability to drive higher revenue, minimize patient no-shows, and delight both patients and staff along the way.

Measuring & Tracking Patient No-Shows

The growth of clinical and administrative health IT systems has made it easier to collect and track various performance indicators, including patient no-shows. Measuring and reporting these metrics gives organizations the ability to benchmark and compare their statistics, gauging performance against similar markets or similarly-sized organizations. It also makes it possible to document progress as resources are spent on improvement initiatives, health IT tools, and talent to solve patient no-shows.

Operating off the same definition of a patient no-show may seem simple but in large health systems and organizations with multiple clinic locations managed by different stakeholders, led by different managers, varying definitions and practices for designating a patient appointment as a "no-show" is all too common. There are two common mistakes made among healthcare managers when documenting and tracking patient no-shows:

- Including cancellations and appointment changes into their no-show rates
- Marking a no-show as "canceled"

Falling prey to either one of these two mistakes can falsely skew your statistics high or low, making it difficult to get a real grasp on your baseline or track improvement over time. When tied to revenue per no-show appointment, an accurate no-show rate can help a medical practice understand how much revenue they are losing to no-shows and track reclaimed revenue as the problem is addressed. The very first step in getting a handle on patient no-shows is to start with a solid definition of what is and is not a no-show and educate your organization accordingly.

How to Calculate Your No-Show Rate

Take the total number of patients that did not show up for their appointments and divide by the total number of scheduled appointments (if you removed patients that no-showed, be sure to add them back before you calculate).

Defining a Patient No-Show for Measurement

For benchmarking, a no-show is defined as a patient who never arrived for a scheduled appointment and gave no notice

Total No-Show

÷

Total Scheduled Apppointments*

=

No-Show Rate

*Remove walk-ins

How Low is "Low Enough"?

If you've been working on your no-show rate for a while and have seen significant progress, it's tempting to sit back and assume it's as low as it can go—but this may not be true. The national average for patient no-shows continued to change and is currently averaging at about 27% in North America, though FQHC's and community health clinics can average much higher while specialties like dermatology or oncology can average lower. This said, we consistently see healthcare organizations of varying sizes, structures, and serving different patient demographics see upwards of 50% no-show reduction when using best practices and the right appointment reminder system. Even in cases where customers come to us with a lower-than-average no-show rate, we've still been able to help them reach 5% or less, driving cost savings and improving efficiency.

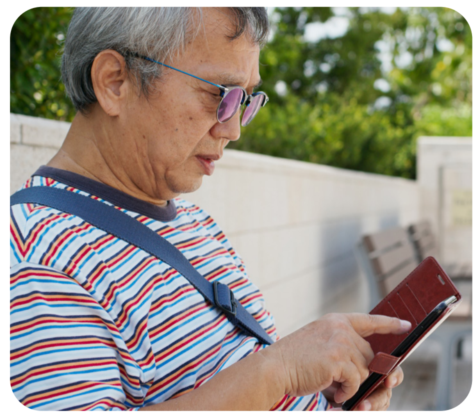
No-Shows: Who does it, why, and what you can do to change it

You've experienced it: idle physicians, waiting patients, and last minute vacancies—no-shows put patients behind in their care and negatively impact downstream processes.

- Patient no-shows cost the healthcare industry $150 billion annually
- On average, no-shows cost a single physician medical practice $150,000 annually.
- Patients who fail to show up for their appointments often require more expensive emergency care later on.

These higher costs get factored into healthcare costs for everyone else

Understanding who is most likely to no-show for an appointment and why a patient may intentionally or unintentionally no-show is important to determining how to best tackle the issue.



Why Patients Miss Appointments

Anyone can be guilty of missing an appointment, though there is an increased likelihood among patients who are:

- 21 years of age or younger
- of minority ethnicity
- low sociodemographic status
- unable to access transportation
- faced with greater family/childcare commitments

Even patients who don't fall into any of these demographic categories can miss their appointments and fail to cancel ahead or reschedule. Without understanding what contributes to missed patient appointments, practices and healthcare organizations can unknowingly contribute to the problem.

Top Reasons Patients Miss Their Appointments

1. **Forgetfulness**
Is a common reason patients report for not showing up for their appointments, which can be due to the length of time between scheduling the appointment and the appointment itself.

2. **Time**
Patients will often accept an appointment that isn't convenient because it appears to be their only option but will later no-show because their schedules truly couldn't accommodate the appointment dates and/or times from the beginning.

3. **Demographic & Socioeconomic Barriers**
Language and age are two examples of demographic barriers that can result in a patient no-show. Consider the elderly patient who no longer drives, a failure or unforeseen change to their transportation plan may leave them without a way to get to their appointment and without the time to notify the clinic. Lack of childcare or ability to leave work for an appointment can also create situations where a patient may have planned to attend their appointment and couldn't.

4. **Fear**
Patients have anxiety about visiting their providers—these anxieties and fears are easily overlooked by clinical staff who handle medical interactions on a daily basis. Procedures, bad news, and disapproval from a physician can all be contributing fears that cause patients to avoid their appointments.

5. **Cost**
While the rate of insured patients has dropped in recent years, copays, deductibles, and out-of-pocket expenses have risen dramatically. Patients fearing they won't be able to afford their portions of their medical bills will sometimes avoid appointments altogether because they are too embarrassed to discuss the financial burden.

Best Practices & Tangible Solutions for Reducing Patient No-Shows

If you're frustrated with your current patient engagement strategy because it's failing to deliver the results you were anticipating, or is creating more complications and a heavier workload for your teams, it's time to start re-evaluating your options. While some may opt to start over with a new vendor, and sometimes this is necessary, others simply need to adopt some best practices and change how they are using their current system.

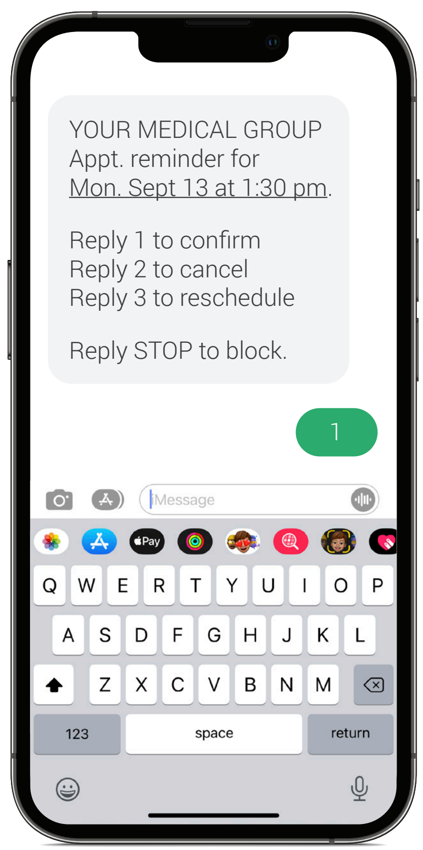
Automate Appointment Reminders

Most health systems and large medical groups are already using automation of some kind. However, it's worth noting that if your organization still relies on voice-only appointment reminders or manual phone calls and letters, it's time for a serious change. Nothing will reduce your patient no-show rate more effectively or efficiently as replacing this human outreach with a next-generation appointment reminder system. Automating your reminders also reduces the risk of errors and gaps in communication. If reminders don't require the time and attention of a human, they won't get reprioritized when the clinic has a rush or is short-handed for a day.

Put 2-way Chat at the Center of Your Strategy

At Relatient, we talk a lot about being patient-centered, it's the force behind everything we do. Our solutions and best practices are designed to be invisible because we want patients to engage with their physicians without even thinking about it. We've learned a couple things about patient behavior and know that adoption happens when:

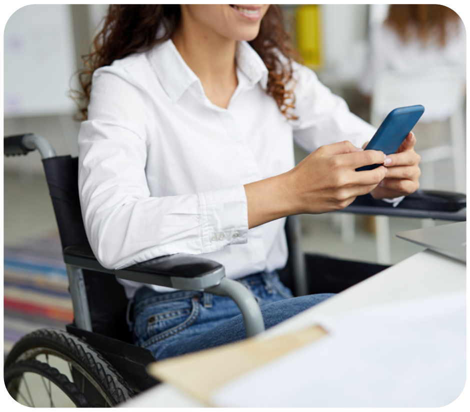
- Technology is convenient and familiar. The newer the technology is to patients, the lower the adoption
- The solution doesn't require a username or password
- The solution doesn't require the user to download an app
- A relevant message is delivered at the right time, and allows for 2-way communication between the patient and provider.



This is why 2-way chat through text (sms) messaging should be at the center of your strategy. In fact, if you're not using text as a component of your appointment reminder setup, you're missing out on significant ROI. SMS is on every phone, it's been around longer than the iPhone, and it's easy enough for anyone to do. Offering patients the ability to ask questions, seek directions or request appointment information via text can dramatically impact no-show rates and can create better efficiencies for staff and patients. Appointment reminders alone is so effective, we've seen practices reduce their patient no-show rates by 40%-50% within weeks of implementation, giving them the ability to add appointments back to their schedules every week. This sends productivity through the roof and dramatically increases revenue by getting patients that are already scheduled in the door and moving waitlisted patients to an open slot in the schedule.

Leverage Multiple Communication Methods

A good strategy is comprehensive, it doesn't assume all patients are equal. While evidence shows that text messages have the highest response rate and are capable of reaching the greatest percentage of patients, email and voice are also important components of a patient engagement strategy. The key is that every message utilizes a modality that can be pushed to a mobile device and leverages a strategic timeline to trigger the right patient behavior. If a message is sent to a patient too far in advance of an appointment, there's a higher chance the patient will disregard. If no communication is sent until the day of an appointment, it may be too late for the patient to work it into their schedule. Using a combination of communication methods triggered at specific times prior to the appointment keeps appointment information top-of-mind for the patient and increases the likelihood that they will confirm and attend as scheduled, or communicate a conflict and free up the appointment for a waitlisted patient.



Make Your Data Easily Accessible

Bi-directional communication refers to the ability for your automated appointment reminders to send data back and forth to your scheduling software, often referred to as your practice management system. Reducing the manual burden on staff and creating new efficiencies requires an integration to your EHR or practice management system so the data is readily available and staff can act on it accordingly. Case in point—Oklahoma Heart Hospital left a first-generation reminder system whose integration didn't deliver as-promised and made their data difficult to access. When they switched appointment reminders to Relatient's Dash Engage solution, the integration with Cerner made it easy for schedulers and managers across 60 clinic locations to see which patients needed rescheduled and which had not confirmed their appointments yet. The ability to access patient data and respond proactively is saving this large cardiovascular specialty group nearly $1 million annually.

> *"Thanks to the **real-time interface between Relatient and Cerner**, we now have a dashboard that allows our managers to see patient responses from inside the EHR. This is huge, not only did we drop our no-show rate significantly but the difference is **saving us approximately $980,000 in lost revenue annually**."*
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> —Lead Software Architect, Oklahoma Heart Hospital

Strategies That Don't Work for Reducing No-Shows

For every great strategy that delivers results, there's one that didn't pan out. First generation solutions to patient no-shows were well-intentioned but failed to deliver results though some are still common practice, here a few of the most common.

No-Show Appointment Policy: Charging Patients for Missed Appointments

Practices use this strategy in hopes that charging a fee will force a patient to connect value to a physician's time, will recover a small portion of lost reimbursement, and will alter patient behavior even if a practice never intends to collect the fee. Charging a fee for missed appointments yields only small improvements in patient no-show rates, partly because many practices fail to inform patients they have no-show policies in place. This strategy also creates additional work for staff and fails to address many of the underlying reasons that patients miss their appointments. Finally, Medicaid doesn't allow medical practices to charge patients for missed appointments in some states yet Medicaid patients are one of the more likely patient types to no-show, rendering this type of no-show strategy ineffective for a large percentage of a practice's patients.

Voice-Only Reminder Messages

Voice-only appointment reminders fall short because patients rarely answer their phones or respond to voicemail. Robocalls and phone scams have dissolved consumer trust in phone calls from numbers that they don't recognize and most prefer to communicate via text. The success of voice-only reminders hinge on patients answering their phones because if the call is missed, the patient has no opportunity to confirm, cancel, or reschedule the appointment—something that is pivotal to a successful no-show reduction strategy.

Double Booking Appointments

Double booking appointments banks on the probability that a patient won't show up for their appointment. When patients do show up as scheduled, the results are long wait times, frustrated patients, and minimal time with a provider—all of which put the hard-earned reputation of the practice in jeopardy and require double the work for staff. While double booking may serve as a short-term solution, in the end it requires more work for the same amount of revenue.

Finding The Right Vendor

If optimizing your current setup won't cut it or you're simply ready to start over, it's time to start identifying a new partner with proven results. Choosing a vendor can be overwhelming, but evaluating your options based on the things that will improve your patient satisfaction, provide new efficiencies, and reduce wasted time and effort will quickly narrow the list.

Key Considerations:

- Can it scale? Does the system accommodate multiple sites, multiple families on one contact number, and multiple modes of communication?
- Is it interactive? Can patients confirm, cancel, or request to reschedule from the appointment reminder?
- How is the product priced? Is there a cap on the volume of messages sent?
- What kind of service will you get after go-live? Will you have the option to talk to a human during the most critical hours of operation? What's the average turnaround time on support tickets?
- Is the system bi-directional? What happens to patient response data and how will you access it?
- Is HIPAA, CAN-SPAM, and TCPA compliance built into the solution? If not, how will they help you ensure regulatory compliance?
- Can the strategy be expanded later? It might be appointment reminders now, but when you're ready to look at strategies for closing gaps in care, streamlining patient intake, implementing 2-way secure messaging, or offering patient self-scheduling, you'll want a vendor who has robust, mobile-first solutions that can be added to your appointment reminders.

Finding the right partner to help you identify existing gaps, match you with the right solutions, and provide long-term support and training will do more than just lower patient no-shows. This kind of collaboration helps equip healthcare leaders with the tools and solutions that deliver efficiency, patient satisfaction, and a streamlined patient experience that isn't possible with manual processes or silo-ed systems.

Conclusion

Hospitals, health systems, and medical groups are all impacted by no-shows, organizations that don't perceive patient no-shows as a problem are missing an opportunity to increase revenue and fill open appointments in their schedules.

With the many demands placed on medical groups and systems, resources are thin yet many settle for limited functionality and unresponsive support from first-generation solutions. A top-notch communication system paired with patient-centered best practices offers healthcare leaders solutions to their no-show problems that operate in the background and require minimal work from support staff. This frees them to focus on patient care, clinical support and better documentation.

To learn more about Relatient's Dash Engage solution, visit heydash.com.