

Pinnacle Solutions White Paper

May 2018

The No-Show Problem

**Understanding How No-Show Patients Impact
Hospitals and Medical Clinics**



Patient no-shows are a growing problem for healthcare providers across the globe, costing medical practices badly needed revenue and wasting valuable time and resources that could be allocated to other patients in need.

In addition to financial costs, no-show patients also disrupt employee schedules and daily operations. They can even cause a drop in the level of patient care and a decrease in patient satisfaction.

So how do medical practices address this growing problem?

Let's dive deeper into the financial and operational impact of no-shows on healthcare providers, the impact on patient satisfaction and care, and methods used to address the no-show problem.



Financial Cost of No-Shows

Time is money. When patients don't show, you lose revenue, and same-day patients don't always make up the difference.



When a patient doesn't show up for their appointment and fails to cancel ahead of time, healthcare providers like you lose money. The amount of revenue lost varies, but consider this:

A general physician who sees just 30 patients a day for 48 weeks a year with an average revenue of \$40 per visit and a 10% no-show rate LOSES almost \$30,000 every year. In a 10-person practice, that number rises to almost \$300,000. Losses can soar into the MILLIONS in a large group practice where visit revenues may be even higher.

The amount of revenue lost can vary depending on the type of medical practice. Specialists, for example, often have larger per-visit revenues, which directly translates into larger losses from no-show patients. We also see variances among specialists. Specialists who address less serious health issues, such as pediatricians or physical therapists, are more likely to have patients skip appointments without cancelling. In contrast, doctors who deal with higher-risk patients, such as cardiologists, are less susceptible to no-shows.

No-shows are a global problem, affecting both private-practice and public-health providers. In a January 2018 article published by *The Guardian*, the National Health Service (NHS) England reported an annual loss of almost £1 billion

because of no-show patients. To put that into perspective, the NHS could fund approximately 250,000 hip replacements or 1 million more cataract operations with the money lost to no-show appointments - expanding the issue beyond just a financial one (Slawson, 2018).

Of course, some money lost to no-show patients can be recovered by same-day appointments. However, studies show that same-day patients generate only 89.5% of charges associated with scheduled visits. Practices still experience a 3-14% total loss of income over the course of a year due to no-show patients (Moore, Wilson-Witherspoon, & Probst, 2001).

With that amount of revenue at stake, no provider can afford no-show patients.

Pinnacle Solutions can help improve the return gained through same-day appointments using advanced analytics to inform scheduling decisions. Every scheduled patient is assigned a probability score based on their likelihood to no-show. When other patients call for same-day appointments, staff can schedule them in slots where patients are most likely to no-show. By strategically scheduling same-day appointments, healthcare providers can maximize the number of patients who receive needed care and minimize the amount of revenue lost from no-shows.



Disruption of Daily Operations

No-show patients can cause disruptions to daily operations, costing you valuable time.



When a patient doesn't show up for their appointment, it isn't as simple as moving everyone up in the schedule. No-show patients cause considerable disruption to daily operations for clinics and other healthcare providers.

In fact, a MGMA Stat poll taken in October 2017 asked healthcare professionals, "What is your biggest challenge with appointments?" An overwhelming 44% named no-shows as their biggest challenge (Harrop, 2017).

As with revenue, some of the time and resources lost to no-show patients are recouped through same-day patients, but studies show that a substantial portion of time and resources are still lost.

One study showed that same-day patients replaced only 61% of scheduled appointments. In other words, 39% of appointments lost through no-shows were not recouped by same-day appointments. The appointments not recouped by same-day appointments were approximately 19 patients per day or 12.1% of all scheduled appointments.

This gap is even wider when considering the actual amount of time lost to no-show patients. When researchers calculated loss based on the number of minutes allocated each day for patient care, they found that 25.4% was lost to no-show patients, with

only 42.4% of that recouped through same-day patients (Moore et. al, 2001).

Some healthcare providers use overbooking to compensate for no-shows. This practice comes with risks and can have negative effects if done blindly, causing longer wait times and bottlenecks. However, strategic scheduling can help recoup the time and resources lost to no-shows while also minimizing the risk of negative effects that can be caused by blind overbooking.

Using advanced predictive analytics to inform scheduling decisions, healthcare providers can optimize time and resources by maximizing the number of same-day appointments scheduled. No-show probability scores assigned to each scheduled appointment tell staff members the optimal time to schedule same-day appointments. By strategically scheduling same-day appointments during time slots with a high no-show probability instead of blindly overbooking patients, staff can minimize the negative impact of no-shows on daily operations.

Same-day patients can help recover some, but not all, of the valuable time and resources lost to no-show patients. However, there is another consequence of no-show patients that same-day patients cannot improve: decrease in patient satisfaction and care.



Decreased Patient Satisfaction & Care

No-show patients can create bottlenecks in your operations that negatively impact your patients who do show up. Sometimes this can even prevent patients from getting the care they need.

While same-day patients can partially compensate for time and resources lost to no-shows, they cannot fix what some might consider the most important no-show consequence: decreased patient satisfaction and care.

Same-day patients - who are often in need of immediate care - can be left to endure long wait times while the no-show status of the originally scheduled patient is confirmed. Other scheduled patients can also be affected when disruptions to daily operations clog the process flow and create unforeseen delays.

When wait times are too long or become a persistent problem, the patient experience can be diminished. In addition to affecting patient satisfaction, long wait times can cause patients to leave before seeing a provider and getting the help they need. While some patients may seek alternate care, others may simply stop seeking care altogether - potentially putting their health at risk.

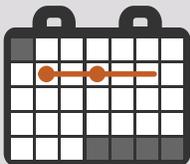
Of all the ways that no-shows impact providers, it is the potential impact to patients' health that creates the most cause for concern.

Current Methods for Reducing No-Show Patients



Appointment Reminders:

- Patients are more likely to make their appointment if they are reminded.
- **Despite 1 or 2 reminders, patients still miss appointments.**



Early Scheduling:

- Scheduling patients 1-3 days from when they call decreases no-show rate.
- **Sometimes it is not possible to schedule patients close to when they call.**

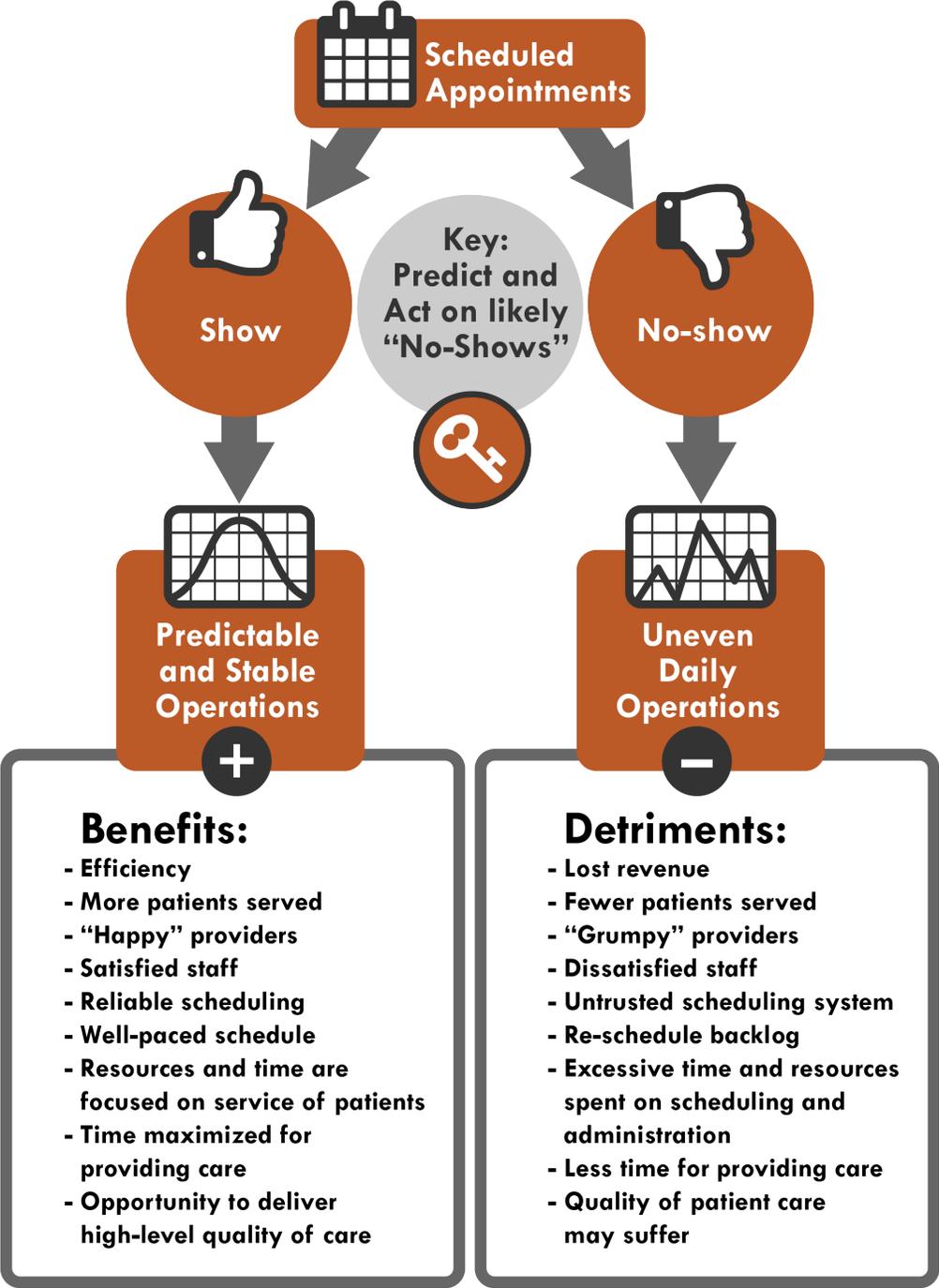


Pre-paid Appointments:

- Patients are more likely to make their appointment if they have already paid.
- **Patients most likely to miss their appointments may not be able to pay for pre-paid for appointments.**



Scheduling Challenges for Healthcare Providers



How Pinnacle Solutions Helps

The Pinnacle Patient No-Show Predictor™ enables healthcare providers to leverage advanced predictive analytics to make informed patient scheduling and reminder decisions.

What if you could predict the likelihood of your patients to show up for scheduled appointments? Imagine the power this insight would give your staff when making patient scheduling and reminder decisions.

Instead of “blindly” overbooking patients - a commonly used strategy that can be risky and even have negative impacts on practice operations and the overall patient experience - what if staff could use advanced predictive analytics to identify timeslots where the scheduled patient has the highest probability of not showing up to their appointment? Armed with this insight, staff could strategically schedule patients in those spots to ensure those appointment times are used by patients seeking much needed care, while minimizing revenue loss and operational bottlenecks caused by no-shows.

Imagine if staff could also use this insight to identify patients who might benefit from customized reminder protocols, further increasing patient compliance and decreasing the impact of no-show patients on your practice and other patients.

Imagine no more.

With the Pinnacle Patient No-Show Predictor™, you can infuse your current scheduling practices with game-changing insights to finally address the no-show problem that plagues most medical practices.

How does it work exactly? Our Pinnacle Patient No-Show Predictor™ uses your practice’s historical data to create predictive models that assign every scheduled patient a score that clearly articulates their individual no-show probability for that specific appointment.

Our integrated dashboards allow staff to easily view results while scheduling and following up with patients. For example, to maximize time spent caring for patients each day, staff may choose to strategically schedule same-day patients in appointment slots currently filled by patients with high no-show probability scores.

Staff can use insights provided by the Pinnacle Patient No-Show Predictor™ to customize individual patient reminder strategies, further increasing patients’ likelihood of keeping scheduled appointments. Many healthcare providers already send one or two reminder messages, but the Pinnacle Patient No-Show Predictor™ reveals which patients may require more than the standard communication level, resulting in more targeted and personalized communication.



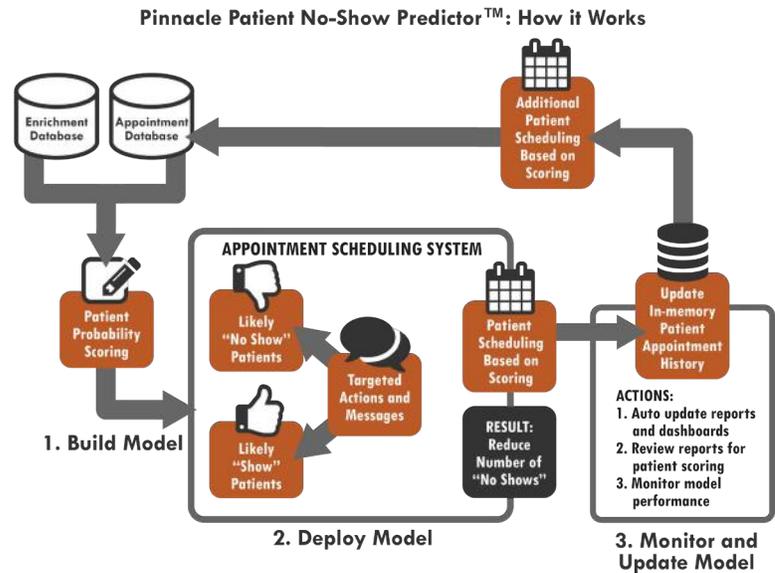
The integrated dashboard also enables staff to monitor model performance. Was the no-show predictor score accurate? Did the patient keep the scheduled appointment as predicted? Did customized reminders have an impact on patient compliance?

Staff can even be notified if model performance begins to decline. If model accuracy degrades or new information is collected that may improve model accuracy, models can be refined to ensure optimal performance and insight.

The result is a solution that evolves with your practice to address your ever-changing needs, as well as the needs of your diverse and growing patient population.

What are you waiting for? Take action with the Pinnacle Patient No-Show Predictor™. Drive increased practice revenues. Maximize operational efficiencies. Improve patient satisfaction. Facilitate optimal patient care. All by combating your no-show problem with one simple solution that provides powerful results.

Can your practice afford not to?



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