



NEWGROUND



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# Millennials, healthcare and the virtual healthcare facility

Disruption is impacting the healthcare market. The days of taking the kids to see Doc Jones at his private practice are fading rapidly. And while healthcare has traditionally been considered a stalwart industry, resistant to change, the growth of the Millennial generation is driving dramatic change in healthcare.

The role of digital technologies is disrupting whole industries. We've witnessed Amazon.com revolutionize retail; Facebook, Twitter and Instagram expanded socialization and marketing; eBay and Craigslist disrupted the secondary goods market; Uber and AirBNB ushered in the sharing economy; and BancVue, Charles Schwab and PayPal changed financial services forever.

And what is disrupting traditional healthcare? The virtual healthcare facility.

## Impact of the Millennial Mindset

To understand the emergence of virtual healthcare, we must understand how a company like Uber has become the largest "taxi" company in the world without owning a single car, and how AirBNB has become one of the largest hospitality companies in the world with zero properties. These Silicon Valley darlings have created unique technological platforms to unlock the sharing economy – which caters perfectly to the Millennial mindset demanding control at anytime, anywhere and anyway they choose.

A recent Entrepreneur.com article (June 9, 2016) detailed some of the characteristics of the largest generation which are enabling the rise of sharing services such as AirBNB, Uber and ZipCar.

1. They eschew the purchase of things in favor of partaking in experiences, preferring to borrow or rent goods such as cars and houses.

2. They see technology as a way to connect and access goods and services while saving money.

3. They prefer to avoid the middle man and access services directly.

And in an eye-opening [report](#) (April 25, 2016), the PewResearch Center reported that millennials have surpassed Baby Boomers as America's largest generation. This generation, defined as those between the ages of 18 and 32, is becoming an economic force to be reckoned with – and this is reshaping the look and delivery of healthcare as we know it.

## Industry Changing Millennial Stats

According to a recent [article](#) in Becker Hospital Review, the way millennials prefer to utilize healthcare options are deeply affected by their digital-forward behavior:

**1. Millennials don't have a relationship with their primary care physician: Approximately 40% of respondents of a Salesforce.com and Harris Poll survey (2015) of millennials replied they thought their primary care physicians would not recognize them if they passed them on the street.**

**2. Millennials are driven by information: According to a report (May 2015) from PwC's Health Research Institute, millennials are more likely to request a discount, request a price check, or appeal an insurance decision.**

**3. Millennials prefer to engage healthcare via mobile apps: 71% of millennial patients would prefer to be able to book appointments using mobile apps, according to a survey conducted by Salesforce.com and Harris Poll (2015).**

**4. Millennials refer to ratings and reviews: Half of millennials and Gen-Xers use online**

reviews to select healthcare providers, according to a survey from PNC healthcare.

**5. Millennials prefer to use telehealth and avoid in-person visits: The Salesforce.com-Harris poll also found that millennials prefer to use telehealth options to avoid in-person visits.**

Millennials go through the world with a technology first posture: they shop online, bank online, participate in the sharing economy through mobile access. It only makes sense that their healthcare preferences are shaped by their intimate relationship with technology.

As a result of millennial's digital mindset, healthcare is starting to look a lot like the "app-ified" world that millennials live in.

## **Rise of the Virtual Healthcare Facility**

To respond to this growing need, companies like Mercy Virtual based out of Chesterfield, Missouri, has created the world's first facility dedicated solely to digital monitoring.

Mercy Virtual is a 125,000 square foot, four story building with 330 specialized medical professionals. But the most salient aspect of this new technology-enabled Care Center is that not a single patient walks through the door. Everything they do is virtual. This facility is often described as a "hospital without beds". This new type of facility is using two-way cameras, on-line enabled instruments, and real-time vital signs, clinicians are able to "see" patients where they are, such as in a traditional hospital.

Penn State and the University of North Carolina recently teamed up with the Mercy Virtual network, adding more doctors to their virtual health delivery model and growing the network to provide the global service delivery. A significant benefit of this virtual technology is the capability to go beyond borders and serve third world countries at a much larger scale.

## **The Impact of Virtual Healthcare**

Like financial services, when mobile banking gained critical mass, traditional branches started to become less relevant, requiring different size and design of branches. The 4,000 square foot branch for everyday banking needs is waning simply because the traffic in the branch was greatly reduced. People were performing their financial transactions using mobile apps.

Similarly, healthcare facilities and outpatient centers are evolving. The need for healthcare facilities that receive patients will lessen, and the design needs for each facility will change to accommodate the digital footprint. Existing spaces will need to retro fit their configuration to handle virtual medicine.

## **What Does All of This Mean?**

### **Millennials Are Driving Digital Healthcare into the Future**

The digital reality is a way of life for Millennials. Their lifestyle choices have already begun reshaping a variety of services and industries, now with their healthcare utilization. For their healthcare needs they prefer choosing digital-friendly providers that are embracing telehealth as an alternative. Healthcare Systems like Mercy are responding.