IS A MICROHOSPITAL THE RIGHT CHOICE FOR YOUR SYSTEM?

The microhospital is an emerging strategy deployed to drive growth, defensively maintain market share, and increase market footprint or expand access channels. Given the array of facility models, it can be difficult to determine which will best achieve these goals while maintaining positive margins and serving consumer needs. Below are a few considerations to help decide which, if any, of these facility models are ideal for your market.









URGENT CARE

FREESTANDING ED

MICROHOSPITAL

Emergency Care	×	\checkmark	\checkmark
Cost to Build	\$\$	\$\$\$	\$\$\$\$
Cost to Consumer	\$	\$\$\$	\$\$\$
Services	 Unscheduled low-acuity care Some offer specialty care (pediatrics, orthopedics, occupational medicine) 	 Low-trauma ED care Some lab and imaging services (x-ray, CT, ultrasound) 	 Low-trauma ED and observation care Short-stay IP care, lab, imaging and OP surgery (some locations)
Consumerism	Convenient location and hours Lower copays and deductibles	 Convenient location for emergency care High cost for nonemergent visits 	Convenient location for emergency care High cost for nonemergent visits
Operations	PCPs, APNs, MAsTypically open 10–12 hours per day	• ED doctors and ED nurses • Open 24/7	 ED doctors, ED nurses, and lab and imaging technicians Open 24/7
Best Option For	Providing affordable and convenient low-acuity care	Providing low-trauma ED care in a growing market, 15–20 minutes away from a hospital	Providing low-trauma ED and IP care, as well as OP surgery, in a growing market

APN = advanced practice nurse; MA = medical assistant; PCP = primary care provider. **Source**: Sg2 Analysis, 2017.



KEY INSIGHT: Given the nascent nature of the microhospital as a strategy for growth, the long-term financial sustainability of this model is yet to be determined.

LEARN MORE!

To explore more about the emerging model of microhospitals, visit Sg2.com to read the full article, You Asked: Microhospitals as an Emerging Market Growth Strategy.



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