

**WHITE PAPER**

# PINPOINT AND CAPTURE PROFITABLE OUTPATIENT BUSINESS

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# PINPOINT AND CAPTURE PROFITABLE OUTPATIENT BUSINESS

Thomson Reuters observed five key factors driving the opportunity to pinpoint and capture profitable business.

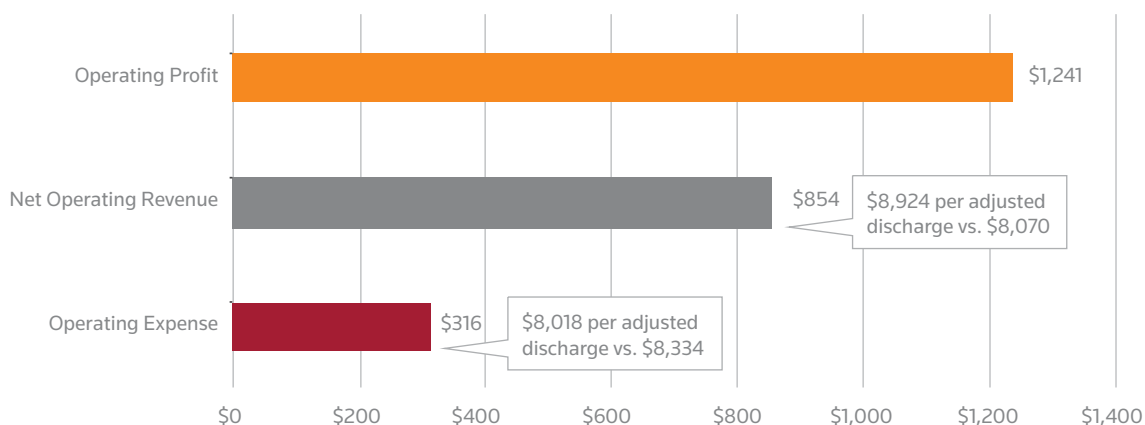
## I. KEY OBSERVED FINDINGS FOR SUCCEEDING IN THE 2009 MARKET

A review of hospitals' data, primary consumer research, and extensive proprietary data sources show that there are viable paths for hospitals to attract and retain profitable business. The current economic environment has brought caution, but there are some signs of optimism with the beginnings of economic resurgence. Examining best practices, identifying how markets differ, and listening to what consumers are saying lay a foundation that can help hospitals manage the increasing public health needs, while still finding ways to ensure profitable business.

### 1. Profitable hospitals drive success by generating increased revenue more than by reducing expenses.

Data show that top hospitals employed a combination of revenue growth and expense reduction to achieve a healthier bottom line.

#### The Most Profitable Hospitals Are Driven More By Revenue Than Expense Savings

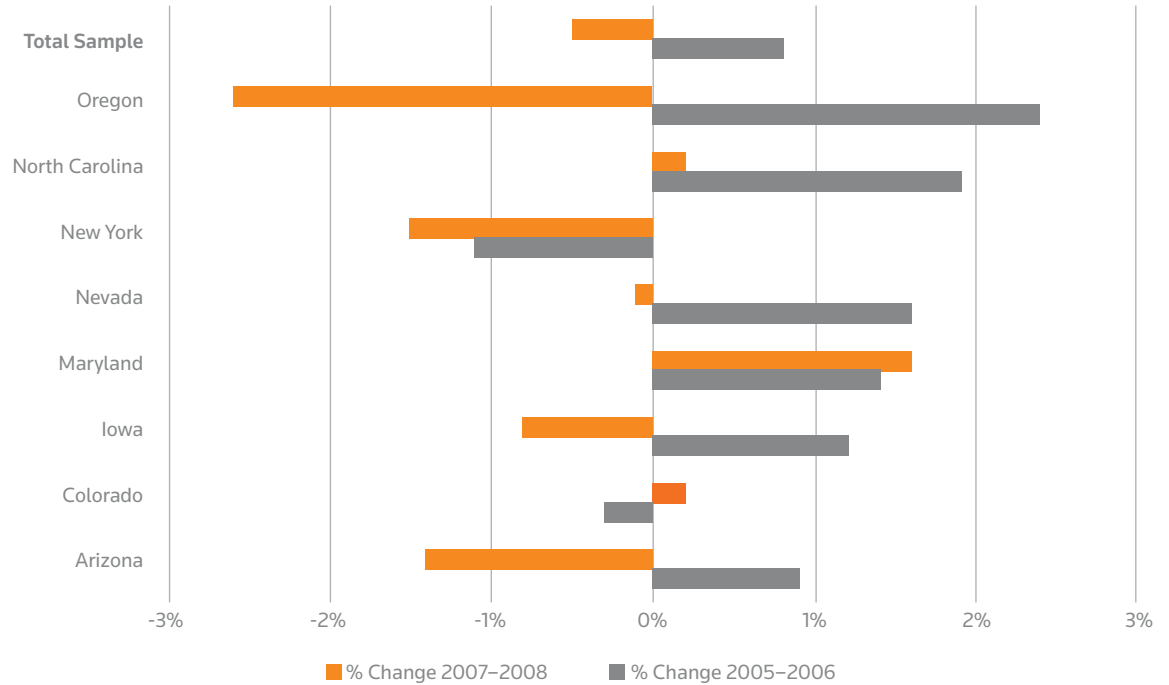


Source: Thomson Reuters ACTION O-I® Comparative Database

## 2. Healthcare is still local.

In a review of various states, there are clear differences among the changes in volume between 2007 and 2008, as compared to 2005 to 2006. However, when examining markets with more dramatic shifts, such as Oregon, or markets with consistent gains, such as Maryland, there are local differences. If you have seen one market, you've seen one market.

### Not All States Have Been Impacted Equally

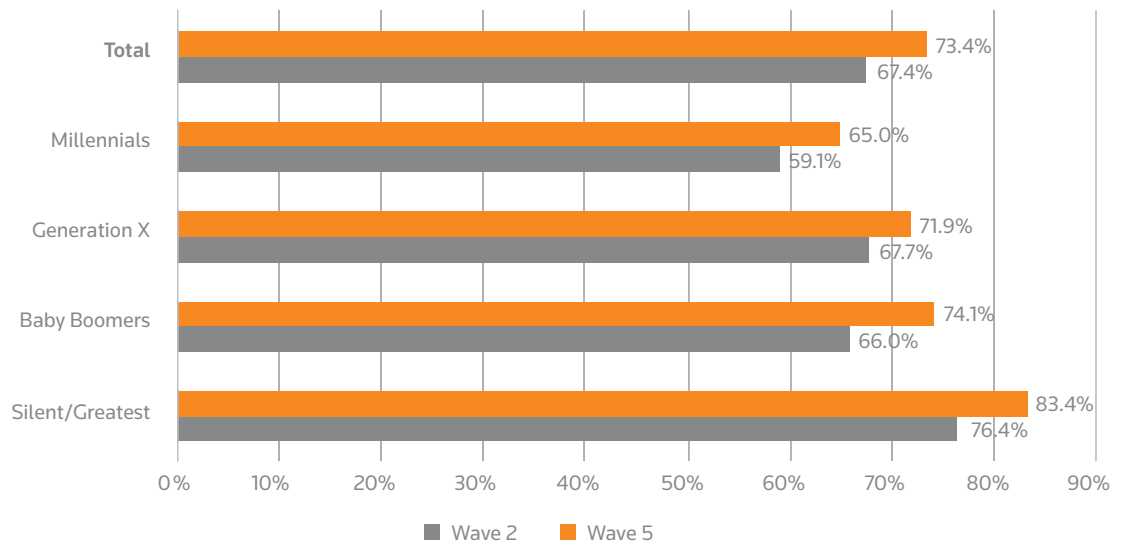


Source: Thomson Reuters Projected Inpatient Database

## 3. Consumers are increasingly optimistic.

Consumer intentions to defer or postpone care are shifting. Between March and July 2009, 12 percent of the total adult consumer audience were less likely to delay or cancel routine doctor visits. This shows a greater optimism about healthcare. More important is the strong recession resistance by the Silent/Greatest Generation, often called the Seniors. Baby Boomers also show optimism about healthcare. In relation to not delaying or cancelling routine doctor visits, Boomers show the strongest gain.

### Generations That Are Not Planning To Delay or Cancel a Routine Doctor Visit (Not At All Likely)



#### REFORMATION OF GENERATIONS

Millennials: Born 1982–present  
 Generation X: Born 1961–1981  
 Baby Boomers: Born 1943–1960  
 Silent/Greatest: Born before 1942

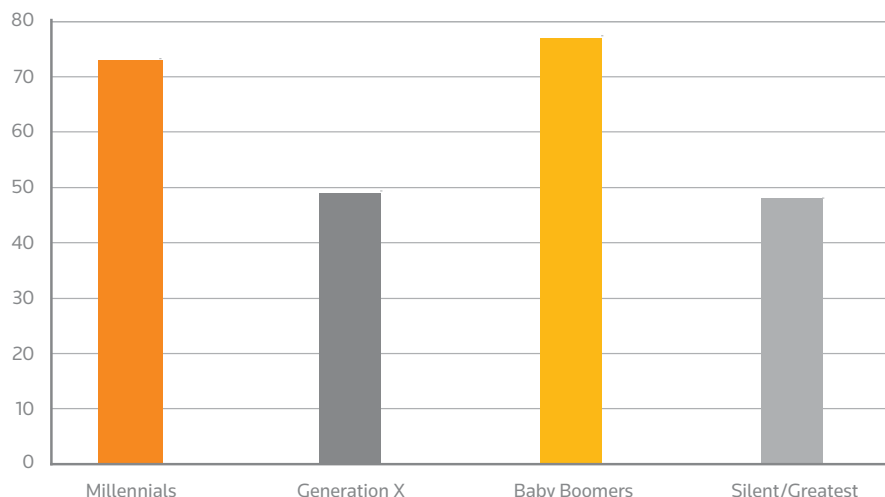
Source: PULSE™ Healthcare Survey, 2009

#### 4. The Silent/Greatest Generation is the most recession-resistant customer group.

Hospitals rely heavily on government payers to cover fixed costs. The engagement of the Silent/Greatest Generation serves as a basis for covering fixed costs, although the financial outcome per patient might be different than that of a younger patient. On the other hand, the recession barriers being removed from the Baby Boomers means hospitals could soon be welcoming this comparatively high-use adult customer group back into their facilities. This is particularly important given the comparatively high utilization rates of Boomers compared to the healthier Millennials and Generation Xers. Generational differences can inform hospitals about the most effective ways to engage and retain consumers, particularly in competitive markets.

#### Silent / Greatest Generation Is Most Recession-Resistant and Utilizes Healthcare at Highest Rates

Hospital Inpatient Use	122 Discharges /1,000 population	86 Discharges /1,000 population	85 Discharges /1,000 population	111 Discharges /1,000 population	344 Discharges /1,000 population
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Sources: *Matching the Market: Using Generational Segments to Attract and Retain Customers*, Thomson Reuters, 2009; *The Market Planner® Plus*, Thomson Reuters, 2009

#### 5. Outpatient growth brings challenges and opportunities.

The outpatient market is extremely complex. You can choose to focus on a variety of procedures, age groups, and referral sources, and each market is unique. The outpatient imaging market profile shown below highlights opportunities that differ across markets, particularly pertaining to growth rates.

Hospital-based imaging services saw substantial growth in market share in contrast to free-standing facilities, due in large part to the 2007 Deficit Reduction Act. The draft 2010 physician fee schedule from the Centers for Medicare and Medicaid Services further reduces imaging reimbursement to free-standing facilities. Therefore, in most markets, hospitals have an opportunity to continue the market share expansion enjoyed from 2007 through 2009. Finding and pinpointing those opportunities within each region allows hospitals to create strategies to capture the business.

#### Outpatient Imaging: A Tale of Three Markets

##### Los Angeles, CA

- 17.8 million population
- Expected five-year growth rate: 7.3 percent

##### Portland, ME

- 0.9 million population
- Expected five-year growth rate: 3.5 percent

##### Nashville, TN

- 2.4 million population
- Expected five-year growth rate: 6.0 percent

“... recessions are not so much ‘slowdowns’ as they are intense crucibles of opportunity. Many companies either hunker down or stray outside their core business in a desperate bid for growth, creating opportunities for companies willing to pursue thoughtful and balanced recession strategies.”

Executing Strategy for Business Results<sup>1</sup>

During these challenging times, when capital may be tight, and even as economic recovery begins, the ability to identify profitable outpatient services can help guide a hospital’s strategic direction. This translates to a constant need to evaluate how much healthcare business is in the market, assess how much of that business a hospital currently captures, and define what “realistic growth” means. This requires strong alignment between marketing, operations, and finance. These times are “intense crucibles of opportunity.”<sup>1</sup> Given limited resources, targeting key customers in profitable business procedures will help hospitals sustain their business. In other words, hospitals should employ best practices by finding and executing opportunities in key segments and services.

## II. WHEN YOU’VE SEEN ONE MARKET, YOU’VE SEEN ONE MARKET

### The opportunity for outpatient volume growth varies by market.

The maximum revenue by market also varies, and this is determined by the composition of the local healthcare delivery system (hospitals, retail clinics, outpatient sites of care, etc.), the demographics of the market, and the percentage of commercial coverage. As a means of comparison, below are market profiles for outpatient services.

There are a variety of ways to characterize the level of market competition, such as the number of hospitals in the market, or the number of healthcare services performed in nonhospital settings, including freestanding ambulatory surgery centers and office procedures. Hospitals can measure their business opportunities by quantifying the additional number of procedures that can be shifted to a hospital outpatient setting.

CBSA (CORE BASED STATISTICAL AREA)	HOSPITAL PERCENTAGE OF TOTAL	TYPE OF MARKET
Atlanta	20%	HIGH OPPORTUNITY
Boston	41%	LOW OPPORTUNITY
Chicago	28%	MODERATE OPPORTUNITY
Miami	10%	HIGH OPPORTUNITY
Philadelphia	24%	MODERATE OPPORTUNITY
Phoenix	13%	HIGH OPPORTUNITY
San Francisco	33%	LOW OPPORTUNITY
Seattle	28%	MODERATE OPPORTUNITY
St. Louis	27%	MODERATE OPPORTUNITY

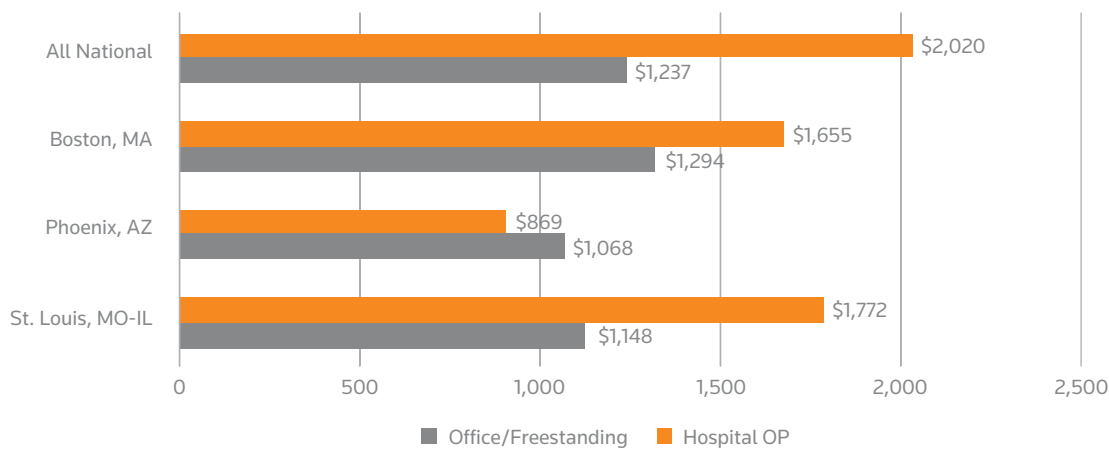
Markets are structured in various ways based on scaled business opportunity:

- Low Opportunity: The majority of procedures take place at a hospital outpatient setting
- Moderate Opportunity: Procedures are split evenly between a hospital outpatient setting and the private business setting
- High Opportunity: There is a great deal of private business that could move to the hospital outpatient setting

**This categorization of the markets provides the most comprehensive basis for assessing the amount of business that can be gained from shifting current utilization; i.e., your outpatient opportunity.**

Within markets, variations exist between hospital reimbursements and non-hospital settings. Hospital prices vary widely for selected imaging procedures. Non-hospital competitors have lower prices and much less variation. It appears that hospitals have not yet experienced real market pressure in outpatient imaging services pricing.

### Example of Market Variation in Revenue: MRI of Brain, Commercial Insurance

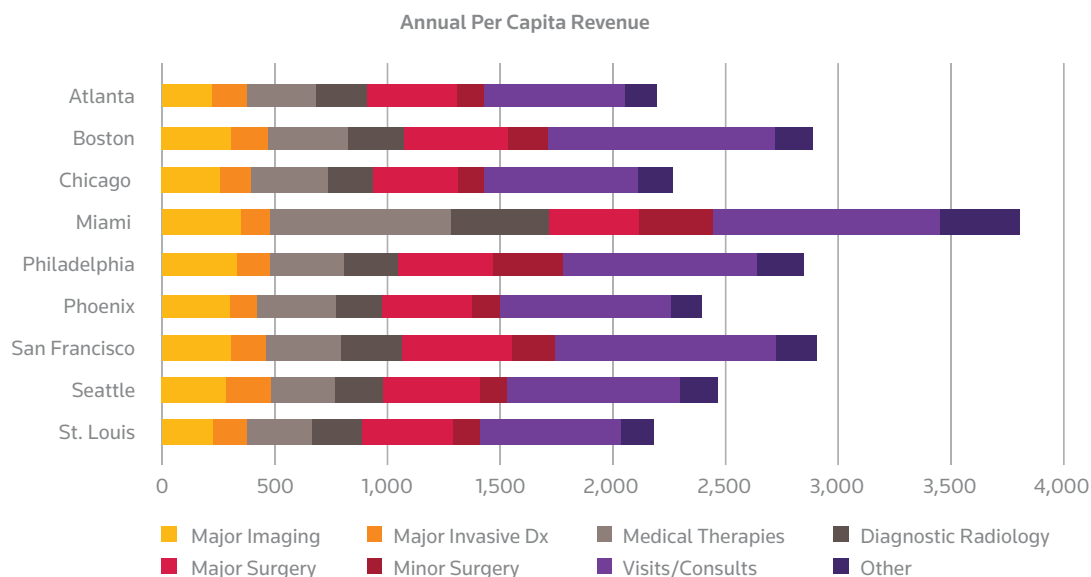


Some procedures are more valuable to the top and bottom line than others. Demographics determine the business opportunity. Reimbursement by procedure can only be used as a driver of revenue if the demographics of the market support growth in that area. For example:

Sometimes large-revenue procedures do not hold the largest outpatient market potential, as can be seen when comparing pacemakers and colonoscopies. Hospitals can receive an average \$10,134 reimbursement for one pacemaker placement in the hospital outpatient setting. This is the revenue associated with a single procedure.

However, in addition to the unit reimbursement, a more accurate measure is the per capita revenue, which links reimbursement to the population needs of a hospital's market. In that case, the per capita revenue of the pacemaker placement drops to \$1.52. So while the pacemaker has the highest reimbursement for a single procedure, hospitals have the opportunity to grow more additional revenue by focusing on colonoscopies. With a lower per-unit revenue of \$707, this procedure could easily be passed over in planning in favor of larger ticket items. Based on market need, colonoscopies have a per capita revenue of \$55.

### Market Variation in Revenue by Procedure Group



Hospitals have the most opportunities to succeed when they focus on the potential growth within the outpatient market. For example:

In Boston, a 5 percent increase in the hospital outpatient setting (or a 5 percent gain from the private setting) demonstrates the value of looking beyond reimbursement alone. By focusing on one hospital's potential revenue, a 5 percent increase for one facility could result in additional annual revenue as noted in the following table.

Possible Hospital Revenue Gain in Boston			
PROCEDURE	5% GAIN: HOSPITAL RATE	5% GAIN: NON-HOSPITAL RATE	5% GAIN: AVERAGE MARKET RATE
Cystourethroscopy	\$8,566,374	\$1,546,173	\$4,354,253
Magnetic Resonance Imaging (MRI)	\$7,821,191	\$6,086,620	\$6,953,906
Ultrasound	\$5,072,316	\$3,359,677	\$3,930,556
Single Photon Emission Computed Tomography (SPECT) – Heart	\$5,066,877	\$3,497,742	\$4,543,832
Echocardiography, transthoracic	\$4,946,482	\$2,199,533	\$4,030,832
XRAY	\$4,831,060	\$1,510,023	\$2,617,035
Cataract Surgery	\$4,189,748	\$1,751,342	\$2,564,144
Colonoscopy	\$3,061,546	\$1,353,996	\$2,037,016
Computer Axial Tomography (CAT or CT) Scan	\$2,125,385	\$1,194,975	\$1,567,139
<b>Total Opportunity</b>	<b>\$45,680,980</b>	<b>\$22,500,081</b>	<b>\$32,598,715</b>

In Phoenix, a 5 percent shift to the hospital outpatient setting demonstrates the value of looking beyond reimbursement alone. By focusing on one hospital's potential revenue, a 5 percent increase for one facility could result in additional annual revenue as noted below.

Possible Hospital Revenue Gain in Phoenix			
PROCEDURE	5% GAIN: HOSPITAL RATE	5% GAIN: NON-HOSPITAL RATE	5% GAIN: AVERAGE MARKET RATE
Magnetic Resonance Imaging (MRI)	\$18,145,359	\$14,201,969	\$16,173,664
Neurostimulator insertion/revision	\$12,400,244	\$4,980,089	\$7,453,474
XRAY	\$11,142,788	\$3,723,939	\$6,196,889
Single Photon Emission Computed Tomography (SPECT) – Heart	\$9,644,392	\$5,789,850	\$8,359,545
Computer Axial Tomography (CAT or CT) Scan	\$9,283,441	\$5,311,171	\$6,900,079
Echocardiography, transthoracic	\$8,383,423	\$3,232,565	\$6,666,470
Colonoscopy	\$7,667,567	\$3,184,748	\$4,977,876
Cystourethroscopy	\$6,689,326	\$1,112,492	\$3,343,226
Ultrasound	\$6,126,761	\$3,758,422	\$4,547,869
<b>Total Opportunity</b>	<b>\$89,483,302</b>	<b>\$45,295,245</b>	<b>\$64,619,091</b>

In Phoenix, hospitals have a lower share of overall utilization compared with non-hospital providers, but they have a higher unit reimbursement. A 5 percent shift in share to the hospital setting at a hospital reimbursement rate is significant. The type of market, such as low opportunity or high opportunity, will translate to a need for more aggressive tactics to achieve the growth.

The question remains: Are these recession-resistant services, or do they have enough recession-resistant consumers to remain profitable?



### III. CHOOSING THE RECESSION-RESISTANT SERVICES

You can work toward recession-proofing your organization by monitoring triggers in the market that signal decline in certain procedure use, or by focusing on self-reported usage trends. The most recent research on generations from Thomson Reuters suggests that while consumer confidence is increasing, the two groups least likely to delay care are the Silent/Greatest Generation, followed by the Baby Boomers.

Profiling the generational composition of each market identifies the outpatient services that these groups are most likely to use. For the Silent/Greatest Generation, these services are imaging, cardiovascular, and GI conditions.

Silent / Greatest Generation Procedures	
<b>BOSTON</b>	<b>PHOENIX</b>
Computer Axial Tomography (CAT or CT) Scan	Computer Axial Tomography (CAT or CT) Scan
Electrocardiogram (EKG)	Electrocardiogram (EKG)
Ultrasound	Ultrasound
Radiation oncology, physics	Radiation oncology, physics
Colonoscopy	Colonoscopy
Magnetic Resonance Imaging (MRI)	Magnetic Resonance Imaging (MRI)
Echocardiography, transthoracic	Upper GI endoscopy
Upper GI endoscopy	Noninvasive vascular studies
Cerebrovascular arterial studies	Single Photon Emission Computed Tomography (SPECT) – Heart
Noninvasive vascular studies	Cataract surgery
Additional Baby Boomer Procedures	
Single Photon Emission Computed Tomography (SPECT) – Heart	Sleep studies

In Boston, Upper GIs represent a market-growth opportunity, while in Phoenix, Sleep Studies represent a market-growth opportunity.

### IV. PINPOINTING FOR THE TOP AND BOTTOM LINES: THE ROLE OF MARKET DEMOGRAPHICS, CLINICAL PROPENSITY, AND REVENUE

When evaluating the potential for capturing outpatient services, procedures can be evaluated based on population need and profitability. The categories that each segment or service can fall into include the following.

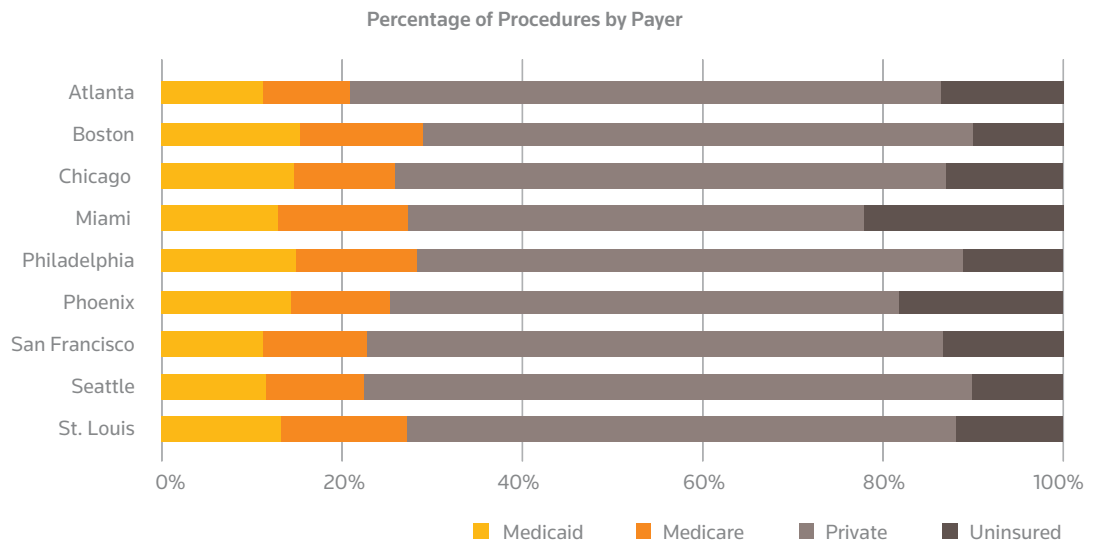
- **Grow**  
These customers have a high utilization rate for services and are high-revenue producers. They comprise a significant percentage of current customers in the total market.
- **Gain**  
These customers have a high utilization rate for services and are high-revenue producers. They comprise a low percentage of current customers, but make up a high percentage of the total market.
- **Gather**  
These customers have a high utilization rate for services and are high-revenue producers. They are less common in the patient population or in the total market.
- **Consider Later**  
These customers have a low utilization rate for services or are low-revenue producers.

The first step in determining the best fit for your market is evaluating the demographics of your potential patient population. As demonstrated in Appendix A, each market has a unique demographic footprint. In Philadelphia, the largest demographic group is lower-income, married families over the age of 65. In Atlanta, the largest demographic group is upper-income, married families between the ages of 35–44. Demographics play a large role in defining which procedures can grow, gain, or be gathered.

For example, in markets where 19 percent of the population is over the age of 65, there are 46 percent more potential patients for outpatient cardiovascular campaigns than in a market where 13 percent of the population are above the age of 65.<sup>2</sup> This type of analysis can provide the first level of refinement when deciding on campaigns to help grow or gain services. The demographics in Philadelphia mean that there are approximately 11,000 cardiac catheterization procedures possible per year versus 8,000 possible per year in Atlanta.

While age is a key driver of outpatient service utilization, the insurance coverage structure of the population is a key revenue driver. More variability in coverage compared to age exists across markets. For example, 10 percent of the Boston market is uninsured, while 22 percent of the Miami market is uninsured.

### Payer Distribution by Market



### CLINICAL PROPENSITY

After refining by demographic, it is helpful to determine the clinical propensity for certain procedures. While the demographic filter is helpful, clinical propensity allows hospitals to predict which individuals within the market are more likely to have a specific procedure. Rather than focusing on high-level service lines, we suggest linking clinical propensity to specific outpatient procedures. This allows you to predict likely outpatient utilization for nonpatients and to create a system for predicting current patients' utilization without using protected health information to promote specific procedures.

Clinical propensity is useful in determining the gain and grow strategies for a hospital. If specific procedures have already been chosen based on the demographics of the market, these propensity values will allow hospitals to focus marketing efforts on those with a higher use rate. If a hospital is focusing on the current market potential to select procedures, clinical propensity is key in determining the most likely procedures needed in the market.

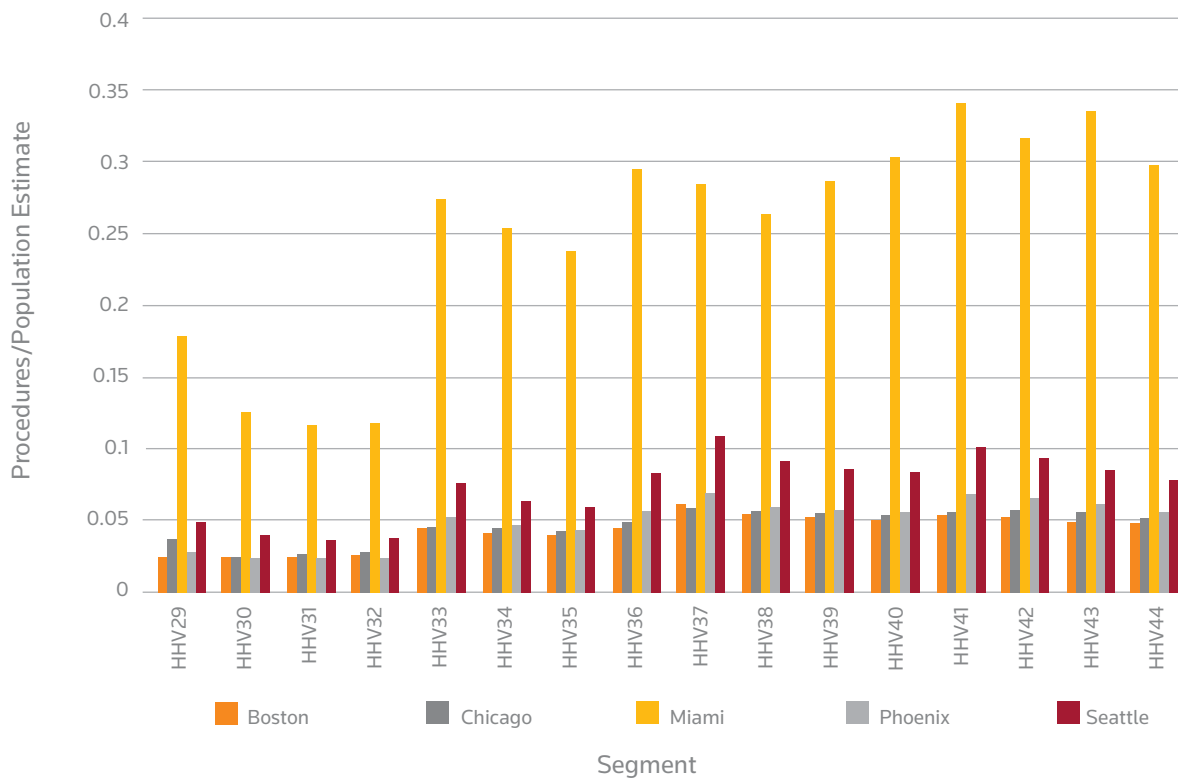
The value of clinical propensity can be seen in the chart below. While focusing on minimally invasive vascular surgery within groups between the ages of 45 and 65, there are numerous segments that have a higher use rate than others. For example, segment 43 is 50 percent more likely to have minimally invasive vascular studies than segment 29. Refer to Appendix A for segment explanations. However, without evaluating profitability, it might not be apparent that only some of those segments are desirable marketing targets.

### Clinical Propensity of Minimally Invasive Vascular Studies By Segment



A look by market demonstrates that these propensities are subject to local variation. Refer to Appendix A for segment explanations.

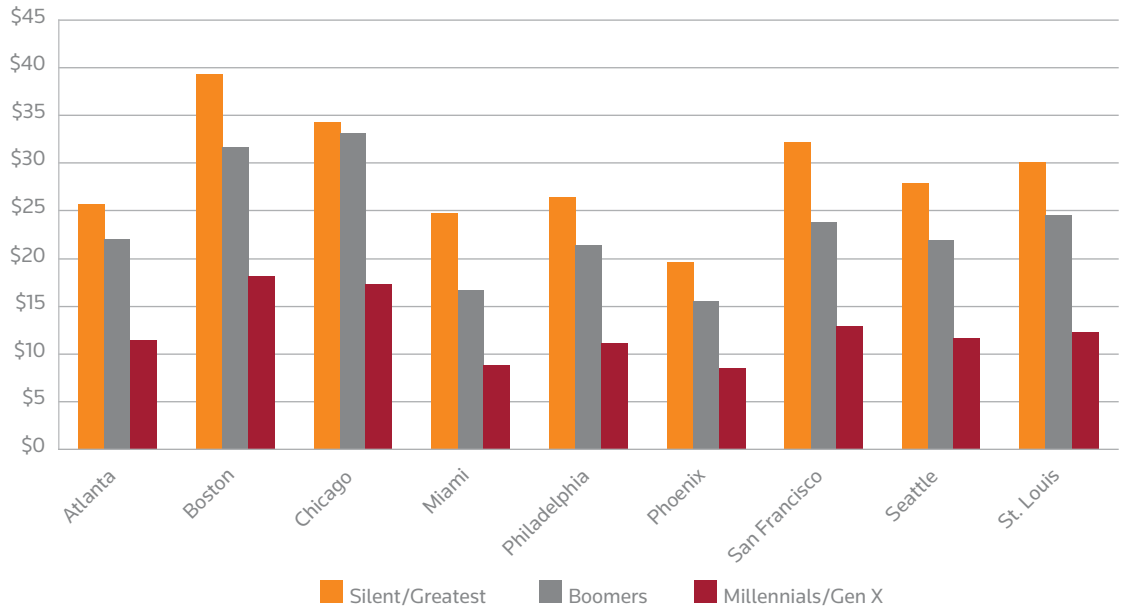
### Clinical Propensity of Minimally Invasive Vascular Studies By Segment and Market



## MERGING CLINICAL PROPENSITY WITH REVENUE PROPENSITY

Propensity is most useful when it helps focus attention on segments that contribute to the top and bottom lines. When we compare the per capita revenue for cardiac catheterization by market, we find that the Silent/Greatest Generation has the highest reimbursement; however, Baby Boomers in Atlanta and Chicago are a close second.

Per Capita Revenue for Cardiac Catheterization By Generation and Market



Markets may experience wide variation in revenue potential among generations. However, focusing on specific segments within these markets based on procedures demonstrates the value of using generations as a starting point and as segments for further refinement.

For example, in both Boston and Phoenix, colonoscopy is a valuable procedure. However, segmentation allows each hospital to focus on the individuals within their market who represent the most profit potential.

If a hospital examines only the potential segments that would use a certain procedure, a valuable data point is missing. Evaluating revenue by segment allows a complete understanding of potential revenue. See Appendix B for more detail.

## V. BENEFITS, APPLICATION, AND RETURN ON INVESTMENT

Despite changes in utilization driven by recent economic declines, there are still numerous opportunities to grow outpatient revenue. These opportunities are shaped by the demographics and unique circumstances of individual markets. One of the first areas of focus should be retention, or the “grow” segments of the population. These patients represent a large percentage of current outpatient customers. Retaining patients is less resource-intensive and most likely to have the largest financial impact on short-term utilization.<sup>3</sup> Customer relationship management<sup>4</sup> can help hospitals focus on patients who are likely to continue to make outpatient healthcare visits throughout the year. These patients will be the core focus of profitable outpatient growth.<sup>5</sup> These same segments also comprise a large percentage of the prospective patient market. Campaigns focused on these prospective patients should highlight the current strengths of the hospital’s outpatient offerings.

In addition to grow efforts, hospitals can also develop strategies based on acquisition or “gain” tactics that focus on converting patients from private settings to hospital settings. Even a 5 percent increase from private settings can positively affect the bottom line. However, to successfully implement this strategy, hospitals must first know:

- Which segments are using non-hospital settings services
- Which procedures are of higher value to the hospital

Marketing efforts should pinpoint the most likely users of private settings who are also the most likely to use the procedures selected by the hospital. The cost of acquiring these customers must be balanced against the revenue generated from the targeted procedure, and then the wallet share of retaining these customers.<sup>6</sup> One of the most important factors in successful acquisition or “gain” strategies is the ability to focus on patients who will contribute to both the top and bottom line.

## VI. SUMMARY

Strategic growth opportunities lie in knowing your local market volumes and growth rates, as well as the best customer segments.

### Five Factors to Keep in Mind in This Economy

1. Top performers grow revenue more than control costs.
  2. Volume growth and decline through the recession varies dramatically from market to market.
  3. The impact of the recession on healthcare use depends on consumer segments.
  4. A focus on the Silent/Greatest Generation can help weather the storm.
  5. Growing outpatient services is an attractive strategy, even in this economic environment.
- These procedures show opportunities for hospitals to draw business from non-hospital sector.

A hospital will need to understand the balance between the most profitable procedures and the availability of the most profitable customer.

### Tactics for Growing Outpatient Services

1. The total revenue associated with procedure categories varies dramatically by market and is a product of prices, use, hospital share, and demographics.
2. Market segments can be viewed not only in terms of their propensity to use services, but also by the expected annual revenue they could generate. Mapping your market by gain, grow, and gather categories can help you focus your outpatient services strategy and help identify high importance market segments.
3. Mapping is specific to each market, and local market estimates are necessary to develop a local market strategy.

The data and insights presented offer a roadmap to discover outpatient opportunity to pinpoint and capture volume.

## FOOTNOTES

- <sup>1</sup> Sarajjit Singh Baveja, Steve Ellis, Darrell Rigby. "Taking advantage of a downturn," *Executing Strategy for Business Results*, Harvard Business School Press, 2007.
- <sup>2</sup> In Philadelphia, six top segments are older than age 65 and comprise 19 percent of the population, while in Atlanta, those six segments account for 13 percent of the population.
- <sup>3</sup> Gupta, Sunil, Lehmann, Donald R. and Stuart, Jennifer Ames. "Valuing Customers." *Journal of Marketing Research*, pp. 7-18, February 2004; HBS Marketing Research Paper No. 03-08. This study found that a 1 percent improvement in retention can increase firm value by 5 percent.
- <sup>4</sup> P.E. Frow and A.F. Payne. "Customer Relationship Management: A Strategic Perspective," *Journal of Business Market Management*, 2009. CRM is a cross-functional strategic approach concerned with creating improved shareholder value through the development of appropriate relationships with key customers and customer segments.
- <sup>5</sup> Benefits attached to improvements in customer retention (Reichheld & Sasser, 1990; Reichheld & Teal, 1996). Villanueva and Hanssens (2007) expressed these benefits in five propositions:
1. It is cheaper to retain customers than to acquire them.
  2. The costs of serving long-life customers are less than those of serving new customers.
  3. Long-life customers improve the reputation of the company and attract new customers through word-of-mouth advertising.
  4. Long-life customers are less price-sensitive than new customers and are therefore more willing to pay higher prices in some cases.
  5. Long-life customers are more likely to buy more from the company, so that the company can increase their share-of-wallet through up-selling and cross-selling.
- <sup>6</sup> Ang, Buttle. "Managing for Successful Customer Acquisition: An Exploration," *Journal of Marketing Management*, 2004. This finding confirms that in order to understand customer profitability, it is necessary to understand the costs of acquisition. The problem with ignoring potential customer profitability during acquisition is that a company may acquire customers who enhance the top line but diminish the bottom line, being more costly to acquire and serve than the revenues they generate.

# APPENDIX A

## DEMOGRAPHICS OF EACH MARKET INCLUDING SEGMENT DESCRIPTIONS

The top 10 Thomson Reuters HouseholdView® segments present in each market are shaded in dark orange. The majority of these segments are married and in the upper-income levels. There are eight married segments — of those, seven have children, six are upper-income. Two segments are single with children.

SEGMENT	SEGMENT DESCRIPTION	ATLANTA	BOSTON	CHICAGO	MIAMI	PHILADELPHIA	PHOENIX	SAN FRANCISCO	SEATTLE	ST. LOUIS
25. BIG SUCCESS	35-44, MK, U	8%	7%	6%	6%	6%	7%	7%	7%	6%
44. ANTIQUERS	55-64, MK, U	5%	6%	5%	8%	4%	6%	8%	6%	5%
32. WEEKENDS AWAY	45-54, MK, U	5%	6%	5%	5%	5%	5%	6%	5%	5%
24. PLAY GROUPS	35-44, MK, UM	4%	3%	3%	1%	3%	3%	2%	3%	3%
46. PLAYING BINGO	65+, M/MK, L	4%	4%	5%	4%	8%	4%	4%	3%	5%
21. BALANCING ACT	35-44, SFK, ALL	4%	3%	3%	3%	3%	3%	3%	3%	3%
7. CARPOOL MOMS	18-34, SFK, ALL	4%	3%	3%	3%	3%	3%	2%	3%	3%
35. HIGH SOCIETY	45-54, M, U	3%	4%	3%	6%	2%	4%	4%	4%	3%
43. CRUISEWEAR	55-64, M/MK, UM	3%	3%	2%	2%	2%	2%	2%	3%	3%
23. UP ALL NIGHT	35-44, MK, LM	2%	2%	2%	1%	3%	1%	1%	2%	2%
45. ON YOUR OWN	65+, SM/SMK, ALL	2%	3%	3%	5%	3%	3%	4%	3%	3%
53. TIME TO TRAVEL	65-74, M/MK, U	2%	3%	2%	5%	2%	3%	4%	3%	2%
56. GOLDEN YEARS	75+, M/MK, UM/U	1%	2%	1%	4%	1%	2%	2%	2%	2%
16. LIVING LARGE	35-54, SM, UM/U	1%	2%	1%	3%	1%	2%	3%	2%	1%
54. EARLY BIRD SPECIALS	75+, M/MK, L	2%	2%	2%	1%	3%	1%	1%	1%	2%
31. DINNERS OUT	45-54, MK, UM	2%	2%	2%	1%	3%	1%	1%	2%	2%
51. TOURING THE COUNTRY	65-74, M/MK, LM	2%	2%	2%	2%	2%	3%	2%	2%	3%
36. TEE TIME	55-64, SM/SMK, ALL	1%	2%	1%	3%	1%	2%	3%	2%	2%
<b>% OF TOTAL MARKET</b>		<b>55%</b>	<b>58%</b>	<b>54%</b>	<b>59%</b>	<b>56%</b>	<b>56%</b>	<b>58%</b>	<b>56%</b>	<b>56%</b>

### KEY

S – Single

M – Married

K – Kids

U – Upper Income

UM – Upper Middle Income

LM – Lower Middle Income

L – Lower Income

ALL – All Incomes

SM – Single Male

SM – Single Male with Kids

SFK – Single Female with Kids

# APPENDIX B

## REVENUE BY SEGMENT FOR COLONOSCOPIES

The top 10 Thomson Reuters HouseholdView® segments present in each market are below.

Two segments, Antiquers and Time to Travel, appear in both charts. Members of these segments are aged 55–64 or 65–74, married or married with kids, and in the upper income brackets.

### SEGMENTS WITH HIGHEST POPULATION PERCENTAGE

SEGMENT	BOSTON	SEGMENT	PHOENIX
7. CARPOOL MOMS	\$10	7. CARPOOL MOMS	\$7
21. BALANCING ACT	\$17	21. BALANCING ACT	\$14
24. PLAY GROUPS	\$24	25. BIG SUCCESS	\$20
25. BIG SUCCESS	\$26	32. WEEKENDS AWAY	\$46
32. WEEKENDS AWAY	\$64	46. PLAYING BINGO	\$72
46. PLAYING BINGO	\$94	45. ON YOUR OWN	\$80
35. HIGH SOCIETY	\$102	51. TOURING THE COUNTRY	\$85
45. ON YOUR OWN	\$106	35. HIGH SOCIETY	\$91
53. TIME TO TRAVEL	\$113	53. TIME TO TRAVEL	\$91
44. ANTIQUERS	\$141	44. ANTIQUERS	\$126
<b>TOTAL FOR COHORT</b>	<b>\$697</b>	<b>TOTAL FOR COHORT</b>	<b>\$631</b>

### SEGMENTS WITH HIGHEST REVENUE

SEGMENT	BOSTON	SEGMENT	PHOENIX
51. EARLY BIRD SPECIALS	\$108	35. HIGH SOCIETY	\$91
52. ENJOYING LIFE	\$110	34. EMPTY NESTERS	\$91
53. TIME TO TRAVEL	\$113	53. TIME TO TRAVEL	\$91
40. SPA GOER	\$120	38. OUTLET SHOPPERS	\$98
38. OUTLET SHOPPERS	\$122	39. SALON SETTERS	\$102
36. TEE TIME	\$123	40. SPA GOER	\$103
39. SALON SETTERS	\$127	42. SUNSETTERS	\$108
42. SUNSETTERS	\$127	36. TEE TIME	\$111
43. CRUISEWEAR	\$141	43. CRUISEWEAR	\$124
44. ANTIQUERS	\$141	44. ANTIQUERS	\$126
<b>TOTAL FOR COHORT</b>	<b>\$1,231</b>	<b>TOTAL FOR COHORT</b>	<b>\$1,044</b>





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