MARKETING HOSPICE TODAY FOR A CHANGING TOMORROW

Stan Massey
Partner and Chief Branding Officer
Transcend Hospice Marketing Group
smassey@hospice-marketing.com

Judy Lang
Director of Communication
Hospice of Northwest Ohio
jlang@hospicenwo.org
POLITICAL FACTORS

- Political pressure to continue to reduce overall budget
- CMS is a primary target
- Healthcare Reform Act still under scrutiny and threat of change
- “Death panels” debacle still keeps politicians wary of end-of-life issues

ECONOMIC FACTORS

- CMS looking for more ways to cut reimbursements
- Medicare penalty for hospital re-admissions
  - 1% in 2013
  - 2% in 2014
  - 3% in 2015
- ADRs show strict scrutiny of hospice claims
- ACOs growing to provide best care at lowest cost
ECONOMIC FACTORS (cont’d)

- Value-based purchasing
- Outcomes-based reporting
- MUST quantify financial value of hospice

PERCEPTUAL FACTORS

- “Death & dying” still subject to avoidance and denial
- MLOS in hospice continues to decline
  - Down from 20.1 to 19.1 days from 2009 to 2011
  - 35% of hospice patients <7 days
- Physicians avoid hospice referrals in lieu of treatment
- Physicians do not distinguish between hospice care and palliative care
COMPETITION IS GREATER, TOUGHER

- Number of hospice organizations has multiplied
- For-profits now outnumber not-for-profits
  - Often have deeper resources for marketing
  - Often compete in multiple markets

COMPETITION IS GREATER, TOUGHER

For-profit vs. nonprofit growth trend

2012 NHPCO Facts and Figures on Hospice Care
COMPETITION IS GREATER, TOUGHER

- Hospitals, health systems, SNFs adding hospice and palliative care
- ACOs and other alliances are locking in preferred providers

WHAT’S A HOSPICE PROVIDER TO DO?

- Leverage fullest scope of care possible
- Position organization as single, integrated resource for more solutions
- Evaluate opportunities by target markets/audiences
- Evaluate opportunities by service lines
EVALUATE NEEDS OF TARGET AUDIENCES

- Family healthcare decision makers
- Physicians and support staffs
- Hospitals and health systems
- Insurance payors

FAMILY HEALTHCARE DECISION MAKERS

- Educate families they can contact you directly
- Empower families with choice and self-referrals
- Let families know you can assess patient for most appropriate care
- Start a relationship as early in the illness as possible
PHYSICIANS AND THEIR STAFFS

- Use targeting for best opportunities: e.g., geography, specialty, availability
- Focus first on physician needs, not capabilities of your organization
- Find ways to complement physician’s services, not compete
- Be the eyes and ears of physician in patient’s home

HOSPITALS AND HEALTH SYSTEMS

- Create a strategy and tools to market to hospital C-suite
- Quantify financial value your programs can offer
- Reduce spending
- Improve quality
- Increase access
HOSPITALS AND HEALTH SYSTEMS

- Different “buying model” than physician referrals
- Solutions focused rather than relationship focused
- Multiple decision makers
- Collective influence of numerous individuals

QUANTIFYING THE VALUE OF YOUR PROGRAM

Use Medicare and other data to:

- Quantify cost efficiencies of partnering with your organization
- Reduce hospital re-admissions and avoid penalties
- Consider quantifying by disease states and focus on your strongest offer
QUANTIFYING THE VALUE OF YOUR PROGRAM

- Reduce reported mortality rate
- Reduce hospital LOS and ICU usage
- Reduce per beneficiary spending

APPEAL TO PRIVATE INSURANCE PAYORS

- La Crosse, Wisconsin, case study
- During last six months, elderly spend half as many days in hospital vs. national average
- 85% have written advance directives
- End-of-life care costs just slightly above half of national average
- Medicare spends about $8,000 less per patient of Gundersen Lutheran in last six months
APPEAL TO PRIVATE INSURANCE PAYORS

- Aetna – Concurrent care offering full hospice benefit
- Study in La Crosse in 2004
- Improve quality of care and patient/family satisfaction
- Significant cost savings to payor

BRAND, BRAND, BRAND YOUR COMMUNICATIONS

- Package all data and communication in highly branded ways
- Establish solid brand standards and insist on sticking to them
- If you brand service lines separately, aim for integrated continuity
- Be as brief and easy-to-read as possible with each communication
A CASE STUDY – HOSPICE OF NORTHWEST OHIO

- Targeted family healthcare decision makers, age 45+, skewed toward women
- Statistically significant survey of target audience in service area
A CASE STUDY – HOSPICE OF NORTHWEST OHIO

Sample Statistic: If someone you loved needed hospice care, who would you contact for information?

- Physician: 45%
- Hospice: 11%
- Don’t know: 17%

A CASE STUDY – HOSPICE OF NORTHWEST OHIO

- Created marketing strategy to educate consumers
- Positioned HNWO as a resource for information
- Emphasized positive aspects of living life’s final months to the fullest
- Educated families about self-referrals
- Overall goal of first three-year campaign: Increase ALOS 25%
A CASE STUDY – HOSPICE OF NORTHWEST OHIO

TV spots
A CASE STUDY – HOSPICE OF NORTHWEST OHIO

Supplemented with branded campaign for physicians and referrers
A CASE STUDY – HOSPICE OF NORTHWEST OHIO

Results after three years:
- Would contact hospice directly for information about hospice care
  - Increased from 11% to 48%
- Would contact their physician for information about hospice care
  - Decreased from 45% to 27%
- Thinks hospice is for just the last few days
  - Decreased from 32% to 21%

A CASE STUDY – HOSPICE OF NORTHWEST OHIO

Results after three years:
- Increased family-directed admissions 47%
- ALOS up 68%
- MLOS up 25%
- Patient days up 84%
A CASE STUDY – HOSPICE OF NORTHWEST OHIO

- Competition increased significantly
- Strong brand and reputation major obstacles for competitors
- Through 2011, still maintaining over 60% market share

LEVERAGING A FULLER CONTINUUM

In 2013, branded palliative care program separately
LEVERAGING A FULLER CONTINUUM

- Reasons for separate brand identity
- Connection to core hospice brand
- Opportunities and expectations for new brand

ALTERNATE STRATEGY:
BUILD AN UMBRELLA BRAND

- Trademarked brand names must be used as adjectives
- You can then tailor your organization name and service line names to combine with the umbrella brand
- Position your organization as a single, integrated source for continuum of care
SUMMARY

- Leverage fullest continuum of care
- Be active in assessing most appropriate care for patient
- Quantify value your hospice program provides vs. alternatives
- Build a strong, cohesive brand and stick with it
- Tailor brand messages to each audience’s perspective
- Track effectiveness of marketing with data; adjust as needed

QUESTIONS?