

*Soliciting
the Sick:*

Hospitals Are Selling Their Services

Marketing: It's a concept that the business school gurus have been pushing for a long, long time — aimed primarily at businessmen and captains of industry. But, until recently, nobody except a few visionaries thought the principle applied to hospitals, as well.

After all, hospitals were places people went when they needed to — when they were sick, or,

on a happier note, in labor. They certainly didn't seem to be fertile fields for heavy promotion. And, anyway, since in recent times the population was aging and a new baby boom was on, the hospitals had plenty of potential patients. Didn't they?

Most hospitals must have thought so because a lot of them began to expand, to erect new, larger buildings to serve that pool of potential patients.

But in October 1964, things changed. The federal government stepped in and started a revolution, a whole new way of reimbursing hospitals for the services they provided. Even more significantly, it limited the duration of stay for most illnesses, which were classified by a term known as Diagnostic Related Groups.

DRGs were structured to determine not only how long patients could stay in the hospital for a particular category of illness, they also specified how much the hospital would be paid for it. In other words, if the hospital got the patient out sooner than the government prescribed, it reaped a profit on that particular stay. On the other hand, if the patient stayed longer or something else went awry, the hospital lost money. In some instances, that certainly seemed inevitable. After all, who could predict with certainty exactly how long the course of an illness would be?

With potentially less money coming in from the government and from the insurance companies that had hopped on the bandwagon, the hospitals realized they had to do something. Something constructive. Something that would bring patients to that particular hospital instead of to just any hospital where the patient could be treated.

Hence, hospitals began to market their facilities and services, to tell the public about what made their specific hospital unique and desirable. They also began to set up new special services for the physicians and for the patients — present and potential. In the past several years, the marketing has become increasingly aggressive; advertising budgets have grown.

At Rolling Hill Hospital we're investing for life's everyday emergencies.

**Discover
the new**



At
The New
Rolling Hill
Hospital,
You'll Like
What
You See.

We'll give you
confidential
men's health

With today's lifestyles, women have all the questions that deserve expert answers. Who do you ask?

That's why Jefferson is introducing Women's Information Line. It gives you access to clinical nurse specialists and doctors for expert answers to your health questions.

Maybe you've heard 3 differing opinions about the incidence of breast cancer. Perhaps you've read conflicting advice on how to best combat stress. Or maybe you simply want some answers to your own questions about pregnancy, a sports injury, or a skin problem.

Any health issue that concerns you is important enough

"That's why women call Jefferson."

G
THE GRADUATE HOSPITAL
Laser Center

H
HEART CENTER

**ALBERT
EINSTEIN
MEDICAL
CENTER**



Thomas
Jefferson
University
Hospital

By Barbara Ann Rosenberg

Hospitals

Continued from Page 8

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At Thomas Jefferson University Hospital, Trevor Fisk, associate executive director, marketing and planning, has been instrumental in a variety of changes for that institution.

"In the past 10 years, the country has gone from too few hospitals and physicians to too many, and not all will survive," Fisk says. "Obviously, the ones who survive will be the ones that continue to attract large numbers of patients."

Attracting large numbers of patients, Fisk notes, isn't as easy as it was because "patients are becoming more aware and more pro-active consumers. It's now in a minority of circumstances that a patient blindly accepts the recommendation of a doctor to see a specialist or to be admitted to a particular hospital."

INFORMATION

Consequently, the public is demanding more information with which to be able to make informed decisions. Therefore, Fisk says, the thrust of the Jefferson marketing effort is to provide the information the public is clamoring for. "To do that, we depend heavily on advertising. And, we really have a mass audience that extends throughout Pennsylvania, South Jersey and Delaware.

"Not only do we have to keep that audience up-to-date on what's new in medicine, but we also have to let them know what services Jefferson has to offer, particularly in the area of somewhat less-crucial programs (in contrast to those things that are life threatening) like sleep disorders and weight control.

"Also," says Fisk, "we are making ourselves more approachable, and a big part of that is our physician referral service." Fisk

says that the service currently processes about 25,000 calls a year (on a toll-free number 1-800-JEFF-NOW) from people wanting information in order to select a doctor for a particular symptom or illness.

Because of the large area that Jefferson draws its patients from, Fisk notes, "We are broadening our focus. We're getting more information to more people all the time. Every year the hospital adds more programs."

However, it's just not a question of attracting people to the hospital, "giving them good service when they come in — that's the key to keeping a hospital successful," says Fisk.

It's not just the behemoth city hospitals that have embarked on a marketing course. Some of the smaller, community hospitals have recognized the need also and have undertaken measures designed to keep them flourishing. Rolling Hill Hospital in Elkins Park, a member of a not-for-profit group that includes Warminster General, Lawndale Community and St. Christopher's (all part of United Hospitals, Inc. of Cheltenham), is an outstanding example.

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OUR CONSUMERS

Gittelman notes that hospitals have two sets of consumers, the patients and the doctors, "and we have to do something to keep them happy, too." The hospital offers continuing medical education, education for the physicians' office staffs and the like, including such things as a regional diabetes symposium, "so they could keep their skill levels up," Gittelman notes.

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the community's need for a "skilled nursing care facility," Rolling Hill has opened three previously unused floors. (The hospital was built in the late '70s to allow for growth, but because of the change that ensued in 1984, it had ceased expanding.) "Now," says Gittelman, "since we cannot control the size of payments from Medicare, we work to build up the services we make money on and concentrate our efforts on those people who can afford and want the service."

Holy Redeemer Hospital and Medical Center, in Meadowbrook, utilizes such things as a banner at the Spectrum, according to its spokesperson, Muriel Liney, director of community relations, to build public awareness about its sports medicine program. "Our program is multifaceted," she says, "not just promoting and advertising." Liney notes that when Holy Redeemer had an open house and invited the community, 3,000 people came. "Of course, we had some of the Flyers there, too, and the Hooters and others." □

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THE SPECIALISTS

To carry out this aggressive stance, many Delaware Valley hospitals have hired marketing specialists to sit on their senior staff to advise them how to get more than their share of the market pool, particularly those patients that can pay their own way.

John A. Eudes is the newest recruit to the already flourishing Philadelphia field. Hired by the Hospital of the University of Pennsylvania in January 1989 as associate executive director for marketing and public affairs, Eudes perceives his role as "the senior ranking consumer advocate — the person who voices their concerns."

In the few months since he's been at HUP, Eudes says that he has already mounted a program of "satisfaction studies" directed not just to the patients, but also their families, their doctors and their employers to determine what those concerns really are. He also asks the people who are interviewed for the studies to recommend "system enhancements." In other words, Eudes wants to know what people really want from their hospital, such things as whether the clinics should be open longer hours and whether doctors should be available on weekends.

"For a long time," Eudes says, "we did everything the way the administration and the doctors wanted it. Now hospitals are moving to an external focus: Hospitals exist for the patients — not the other way around."

AT AEMC

Albert Einstein Medical Center has been actively engaged in an aggressive marketing campaign for about five years. "Before I came to Einstein," says Robert Kimmel, senior vice president, marketing and external affairs, "the hospital only practiced public relations in a traditional sense — that is, as it was practiced in hospitals for years and years." Some hospitals still haven't altered their focus, Kimmel notes, but, those are fewer and fewer.

Hospitals are now realizing that they've been deregulated, Kimmel says. "We're starting to look like the banking industry or the airlines. Competition has set in. And that's the reason I'm here at Einstein."

Kimmel continues, "If a hospital wants to stay alive with

Continued on Page 8

prospective payments in DRGs (rather than actual fee for service), it had better figure out a way to operate effectively, efficiently and with a leaner staff."

One of the marketing tools Einstein has mounted under Kimmel's direction is the highly successful Premier Years promo-

tion which offers "Free Yourself from Medical Paperwork" to "folks 55 and over, only at Einstein."

The promotion was deemed so successful by the American Marketing Association that it awarded Einstein Communications the marketing and adver-

tising agency of Albert Einstein Healthcare Foundation, its most prestigious award — the EFFIE. The award is viewed nationally as the marketing and advertising profession's highest achievement because it recognizes superior results in meeting marketing objectives.

Another successful promotion mounted by the Einstein agency is the breast self-examination card, designed to hang in the shower to remind women when and how to examine their own breasts for lumps that might have formed. The card has been so well received locally that Einstein is now distributing it nationally, and more than two million have been offered to women all across the United States.

AT GRADUATE

According to Tony Ryzinski, corporate director of marketing for the Graduate Health System (including Graduate Hospital, Mount Sinai Hospital and other affiliates), that entity began its marketing effort seven years ago, also in anticipation of the DRGs, "because the Health Care Financing Agency (an arm of the Department of Health and Human Services) had been telling hospitals that they were going to effect a system of cost containment."

Ryzinski continues, "It quickly became evident to us that the hospital had to be prepared to attract the proper mix of patients so it could survive. So we began targeting the groups that were appropriate to offset the millions of dollars of free care we supply to people who simply aren't able to pay for it themselves."

In order to get the right mix of paying patients, Ryzinski notes that some of the targeted areas were cosmetic surgery, orthopedic surgery, psychiatric services and substance abuse. Precisely how Graduate goes about attracting more patients in each area, "changes from product to product. We put together a demographic profile and, then, based on that information, we determine which is the most

effective means — such as advertising or sales to companies (for such things as occupational health)." Ryzinski points to a key factor in the success of the Graduate marketing program. "You do your homework first."

Ryzinski and his staff had evidently done its homework well enough that Shirley Bonnem, vice president of public and government relations at Children's Hospital, used Graduate Hospital, in one of the classes she was teaching, as an example of how effective marketing can position an institution appropriately.

"Graduate has created little pockets of medical care here and there in Center City," she says, "and they've positioned themselves as the Center City hospital." The hospital's fundraiser in Rittenhouse Square, called "The Fair in the Square," and the use of the Barclay Hotel as the location for hospital parties all are factors that reinforce that stance, according to Bonnem.

CHILDREN'S HOSPITAL

Bonnem, a pioneer in the field of hospital marketing, says that Children's Hospital understood the need for such an approach many years ago. In 1971, it began its first formal effort with six meetings of 10 doctors each. "They were really focus groups," says Bonnem, "although that was before that term was even recognized as a marketing tool." Bonnem says the hospital learned a lot from those meetings, including the fact that its transport system wasn't meeting the doctors' needs. It seems that the volunteer ambulance drivers didn't really know how to care for the children they were carrying to the hospital.

"As a result," Bonnem recalls, "Children's instituted an outreach transport system using contracted ambulances, but with our own doctors, our own nurses and our own equipment in attendance. It's been very successful, and it was all done in response to a need expressed in a market survey."

Continued on Page 15

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