



# Returning to Profitability in a Post COVID Environment

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Hospitals are not only grappling with the current and future management of the COVID crisis but also how to dissect the “new normal” through re-engaging with their communities and promotion of revenue-generating service lines and elective procedures.

Through the input of leading healthcare executives, this white paper examines many challenges systems across the country are facing and potential solutions. Among them are the following:

- What should CEOs, Executives and Marketers be planning beyond the current crisis?
- How do hospitals plan to reopen their doors to the public after Coronavirus?
- What policies and procedures will be in place to regain public trust and reimplement elective procedures post Coronavirus?

## The Pandemic

Hospitals have been one of the hardest hit industries during the pandemic. They were thrust into crisis mode, with little national guidance on clinical operational adjustments to accommodate the growing COVID patient population (as well as growing resource requirements, ventilators, etc). Decisions had to be made individually and many hospitals were making decisions on different timeframes without cohesiveness.

There was well known lack of appropriate stock levels and necessary supplies that have been needed through every pandemic over the last twenty years including:

- Ventilators
- Testing labs
- Masks
- Testing kits and reagents from national lab
- Other forms of Personal Protective Equipment (PPE)

## Elective Surgery Pauses and Revenue Decline

In addition, hospitals worked in silos on when to cancel elective surgeries due to the overwhelming need to treat COVID patients and reduce risk for new patients. Due to pauses in surgeries, hospitals are experiencing record revenue declines. Consider:

- Nationally, elective procedures are generally the most lucrative segment of a hospital's business.
- Hospitals lose on average 8%-15% on the dollar for every Medicare patient which represents 50% - 60% of the patient volume.
- Average profit is 30% on elective procedures.

- When elective procedures are paused, there's acceleration to the rate loss on Medicare patients.
- Medicare COVID patients are the highest resource consumers, as their presentation requires more intensive medical treatment, therefore more expense to the hospital.
- Standalone rural hospitals are particularly impacted if there have been outbreaks in local nursing homes or area businesses.

## Current State of the Hospital Union

Beyond government Phase 1 and Phase 2 options to return to elective and outpatient surgeries, the following is a resounding theme for many hospitals:

- Just because hospitals say they're ready for patients, doesn't mean they are ready.
- Internal policies must be developed to guide delivery systems to recovery which require a great deal of industry sharing.
- Recovery plans will have to be attenuated to the pronouncements from local and federal authorities regarding community "reopenings".
- Patients must trust their hospitals and be confident they will be protected from unnecessary exposure if they are "COVID-free".
- Physicians must trust the clinical environment for patient procedures and treatment
- Appropriate testing should and must continue for COVID.

## What Are Hospitals Considering As They Re-open?

Hospitals are actively in the process of reopening and serving public needs. Consideration of this process includes:

- How is appropriate testing being done to ensure confidence for patients and staff?
- How are procedures evaluated to be performed based on elective nature and critical need?
- What is the right patient case volume?
- Standardization of policy and process across multi-state systems or multiple hospitals
- Coordination with local agencies and businesses
- Availability of PPE for IP and OP settings

## What Are Patients Thinking and Feeling:

- Can I afford a procedure right now? If I have been furloughed, lost my job, or had a salary reduction, I may not be able to afford copays or deductibles.
- Is the hospital reducing co-pays?
- Is the hospital safe for myself and my family?
- Is COVID testing available pre-procedure and where do I go?
- What types of procedures are offered?
- Where will they be performed? Main hospital or at ambulatory surgery centers?
- Will I be on the same floor as COVID patients?

## Revenue Recovery – Executives and Marketers Should Be Planning Now

From CEO's to Marketing, planning for the new influx of patients should be happening now. With national Phase 1 and Phase 2 as well as states beginning to ease restrictions, healthcare systems need to be prepared with comprehensive outreach to patient prospects. Every day, states are declaring various positions and implementations of "return to normalcy" processes. The economy, locally and federally, wants and needs a recovery, as well as the need to take care of the health of our communities.

Eruptr has developed a model called the 8 T's to Profitability to act as a guide to help hospitals transform their marketing efforts to reach, educate and drive new patient growth.

**Trust** – Hospitals must regain the confidence of patients with effective messaging that they are open for business and providing a safe environment for elective procedures.

**Testing** – Care providers must direct patients to pre-op screening testing centers and make it a centerpiece of marketing and messaging.

**Timing** – When is the right point to deliver messaging to patients and what is the vehicle to get your messaging to market?

### Types of Campaigns

- **Brand Campaigns** – Consumers are absorbing more online data than ever before and having an integrated online approach is paramount. For awareness, marketing should consider re-branding campaigns with multiple touchpoints through Facebook, YouTube Video, Display/Banner and other online efforts to fully inform and educate consumers.
- **Search Marketing Campaigns** – For patient acquisition, campaigns targeting users at the exact moment of intent as they are searching for surgical specialists will be the primary driver for new consumers.

**Tracking** – Measurement of campaigns through call tracking, registration forms, testing verification and risk assessments justifies marketing dollars back to cost per lead on acquiring new patients.

**Targeting** – Acquiring the right patients and the right payer mix is a chief concern as systems look to add new patient cases.

**Triage** – Before and during COVID, hospitals have had patients in the pipeline. Where are they now? What is their mindset? Tracking and re-engaging former patients through effective outreach and education will be vital as providers re-open.

**Telemedicine** – Now that Telehealth is federally mandated for insurance carriers to cover, hospitals will begin to shift their business models from brick and mortar to online services. Having an operational strategy and implementation plan for telemedicine will be a major business focus for healthcare networks.

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Eruptr is currently engaged with multiple systems in the development of customized online campaigns that accommodate the above environment. Systems need appropriate patient outreach and tracking to ensure the profitable health of their communities. If you are interested in hearing about our solutions, contact us at **888-378-7871** or [Contact Us](#).



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