

PAYERS & PROVIDERS

Hospitals Need To Take Role In Communicating With Medicare Enrollees *By Defaulting to Health Insurers, They Risk Losing Patients*

Collectively, the nation's more than 5,000 hospitals contract with hundreds of different health plans, many offering Medicare Advantage or Medicare Supplemental insurance to America's 55 million seniors. Capturing this growing population is a major component of most hospitals' strategic objectives, which is why contracting is commonly found front and center on the C-suite agenda.

Hospitals rely on these plans to drive volume with favorable reimbursement. But history tells us that not all contracts play out as intended, and sometimes the hospital and health plan can't find common ground on a new contract when the old one is about to expire. When this occurs, health plan members are forced to decide where their loyalty resides and with whom continuity is more important – their provider or their health plan.

On the surface the answer should be clear-cut. Changing hospitals and doctors has the very real potential to negatively impact continuity of care and destroy trusting relationships, while changing health plans may be little more than an administrative hassle of signing new paperwork. Yet far too often patients choose health plan over provider for one simple reason: the health plan does a better job of capturing the minds of these seniors at point of decision.

That needs to change.

All hospitals regardless of size or sponsorship should have a strategy to retain their patients – many of whom they have worked years to cultivate – when contract negotiations go south and termination is imminent. Absent of such a strategy that proactively directs patients toward another plan with whom the provider is contracted, the health plan will deliberately assign the member someplace else. That hurts both the patient and the provider, and it should no longer be allowed to happen. Here are three things hospitals can do to make sure this doesn't occur:

1. Health plans regularly communicate with members - providing reminders to get their health screenings or to eat healthy or to be aware of changes impacting their coverage. Hospitals need to take a page from this playbook and not default such communication to the plan. Why shouldn't the "time for your annual physical" reminder come from the doctor, and why couldn't hospitals provide the same personalized health information health plans have become so proficient in doing? It's time to get the patient accustomed to receiving their trusted healthcare information from their provider, not their health plan.
2. Hospitals should establish a Medicare insurance helpline so patients have a go-to resource throughout the year to get information that may impact their care and coverage.

Agents on this helpline can help seniors make intelligent, informed decisions in choosing a plan that best meets their needs and budget. There are now independent resources a hospital can work with to provide this kind of ongoing patient communication. Once these relationships are established, these independent services can support ongoing patient communication throughout the year and provide real-time advice on what is most important from the patient's perspective regarding value and service.

3. Once it is clear that contract termination is imminent, the hospital needs to call a "Code Red" and begin an aggressive and coordinated patient communication program that includes:
 - Sending personalized letters and emails as early as possible so as to prepare seniors for the upcoming change. Even though affected patients cannot change until the next open enrollment period, this allows them to begin to mentally process the information and be ready for what is likely to happen.
 - Conducting live calls and autodialers stressing the importance of the senior taking action rather than letting the health plan arbitrarily assign them new providers. As with the letters, the calls need to point out that most hospitals do not accept all insurance options; and if a patient enrolls with a health plan that their providers do not accept, their care and provider relationships will be in jeopardy.
 - Providing those patients who prefer face-to-face interaction with an on-site agent resource with whom they can confidentially discuss their personal situation and options. This agent should be prepared to assist with the paperwork required to change health plans, making the process as seamless and hassle free as possible.

Doing all of this is a sizable undertaking for a provider, which is why an increasing number of hospitals and health systems are turning to an outside resource to assist with developing and implementing these important communication strategies. Leveraging the road-tested experience that these resources bring helps to level the playing field with health plans whose marketing savvy and deep pockets attempt to take market share that hospitals should rightfully be owning.

If past is indeed prologue, hospitals know that contract termination is a fact of life. John Wooden once said that "Failing to prepare is preparing to fail." Now is the time to prepare. The stakes are too high to do otherwise.

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