



7 LESSONS HOSPITALS CAN'T AFFORD TO LEARN THE HARD WAY

**A PRACTICAL GUIDE TO MANAGE YOUR REPUTATION
AND EDGE OUT THE COMPETITION**



THE HEALTHCARE INDUSTRY IS CONSTANTLY CHANGING.

With rising patient expectations, technological transformations and industry upheaval, the list of challenges faced by today's healthcare leaders is endless.

We've worked in the healthcare sector for more than two decades – long enough to know that the answers to the ever-changing challenges in healthcare are never simple. But by cutting through the clutter and getting to the heart of the issue, you can effect change. A change in attitudes. A change in beliefs. A change in perception.

This book explores seven of the most common issues facing hospital and health system leaders today.

SE2 offers strategies that help hospitals manage their reputations and the issues that impact their organization. We help clients edge out the competition and thrive in today's constantly changing market.

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Lesson 1: Step Up Reputation Management—Or Else

Media, algorithms and advertising combine to create a perpetual stream of content, noise and distraction — often intended to spark anger, which can be shared widely on social media.

This manipulated outrage can complicate life for hospitals. Issues that might have previously escaped widespread notice can be blown into larger reputational challenges by an angry consumer.

This new reality means hospitals must be more vigilant than ever about managing their reputation — and the issues that impact it.

By effectively doing so, you can help keep the consumer outrage from popping up in the first place.



EFFECTIVE STRATEGIES FOR MANAGING REAL — OR MANIPULATED — OUTRAGE:

1. MAKE SURE YOU'RE IN THE DRIVER'S SEAT

Reputation management is monitoring, responding to, and influencing the conversations about your hospital that occur online, in the community or in the media.

If you're not **tapped into and guiding these conversations**, rest assured they're still happening. You're just not in control of them.

Managing the good and mitigating the bad of what people think about you is ongoing, ever-present work.

Hospital communicators must **proactively cultivate their organization's brand** – who they are and what they stand for – while never losing sight of potential threats to the hospital's reputation.

2. FOCUS ON THE TRAFFIC HAZARDS

Myriad channels mean there are endless opportunities to promote your brand through social media, earned media, owned channels, and search engine marketing.

Be sure to focus your team on the channels that can bring the greatest ROI for your reputation.

You also need to focus on channels that reflect customer, employee and community feedback.

- What are former employees saying on sites like GlassDoor?
- What do ratings on sites like Healthgrades and RateMD say about your providers?
- What are the last 10 news stories that mentioned your hospital?

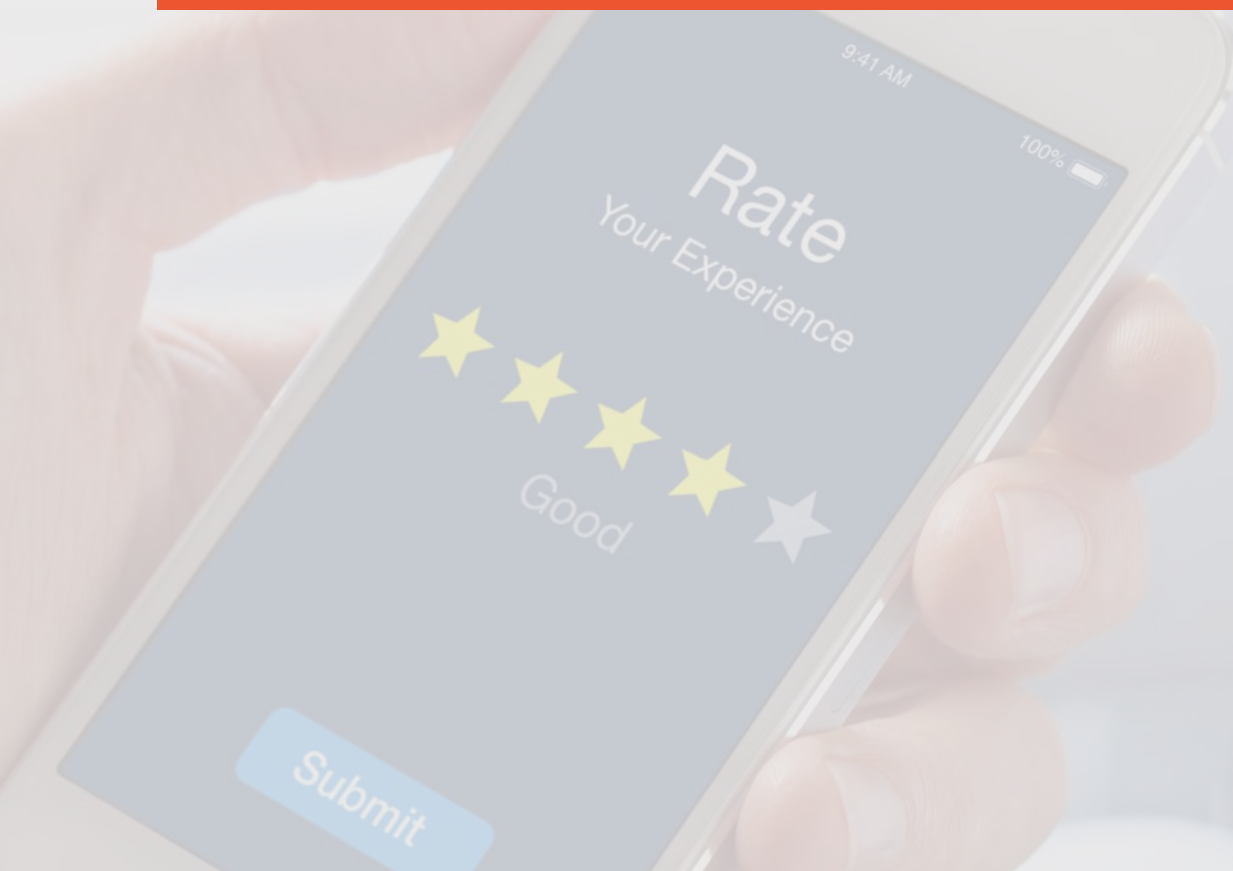
Staying on top of this feedback enables you to respond to threats and be proactive in addressing concerns. Managing reputational risks like these often requires working with other departments like human resources, quality and patient safety, and billing.

3. OCCASIONALLY CHECK THE ENGINE

Solid communications fundamentals are the core of effective reputation management. Be sure your approach is built on a strong foundation.

- Ensure your messages are frequently updated to reflect the issues, conversations and concerns present in the community.
- Employ tools for media management and social listening to help you know what people are saying about the hospital — enabling you to respond in real time.
- Have a clear standard review process to help everyone involved in communications deliver messages as intended — in every column, post, conversation or tweet.

Keep your ear to the ground, an eye on social media, and avoid missing a key community issue that evolves quickly – without you leading the conversation. In this way, you can manage your hospital's reputation and make sure you are in control of the larger narrative surrounding it.





Lesson 2: Things Can Always Get Worse

If not properly managed, everyday issues can spiral into full-blown community relations crises.

Healthcare issues – quality, patient experience, cost, community and economic investment – are complex and wide-ranging. They impact consumers, families and communities. It is critical that you are on top of the conversations surrounding these issues.

If you aren't actively managing issues like cost, quality and community investment, you might find these issues are managing you.



YOU'VE GOT ISSUES — SO GET IT TOGETHER

Hospital communicators know their job isn't simply placing the next grateful-patient story. It's also navigating around complex issues that have wide-ranging impacts.

Consider how you regularly communicate important themes to patients, employees and community leaders such as:

- Quality and patient safety
- Cost, billing and accessibility of care
- Community investment and economic impact
- Urgent local health concerns (e.g., substance abuse, childhood obesity)

If you aren't asking (and answering) questions about your hospital's intersection with everyday healthcare issues, it's likely that the community – or the press – is.

Be sure to bring together colleagues and community partners to study and better understand the issues. Use their insights to back up claims made in your messaging materials, then infuse those messages into your strategic community outreach.

DON'T OVERESTIMATE WHAT CONSUMERS UNDERSTAND

When communicating about key healthcare issues, keep in mind how complex and confusing they may be to consumers. That lack of understanding among consumers can greatly impact how they feel about their local hospital.

Never mind that an individual hospital has limited control over healthcare or coverage costs. If people in your community are upset over cost, rest assured you will face some of the ire.

Remember: Perception is reality.

- If a patient doesn't understand their bill, they may think your hospital costs are too high.
- If someone has a negative interaction with a caregiver, they may question the overall quality of care at your facility.

Be sure to develop messages and strategies for communicating with the public about ongoing issues, like cost and quality.

Make sure your hospital regularly touts – via social media, in-person outreach, earned and owned media – investments in the community and how they drive local economic activity. Talk about what you're doing to control costs.

By focusing on and helping to drive conversation around key issues, you can help smooth rough waters and make the ground more fertile for your hospital's marketing and outreach.

YOU STEPPED IN IT; NOW WHAT?

Sometimes even your best efforts can't mitigate against an issue popping up that puts your hospital in a bad light. In the age of viral sharing and manipulated outrage, everyday issues can turn from tricky to treacherous in a heartbeat.

If your hospital has lost community trust, here's what to do:

1. EXPRESS EMPATHY AND STRESS SOLUTIONS

We all want to be heard and have our concerns validated. It's human nature — and the bridge to any effective interaction.

If you're in the midst of an issue you can't simply make go away (think workforce reductions or high costs), be sure to address your community's concerns and express appropriate empathy. Leading with understanding and a human touch doesn't necessarily mean taking responsibility, just acknowledging the hardship it creates.

Of course, empathy alone won't cut it. You have to make it clear what the hospital is doing to address the issue and ease the burden on the community.

2. ENLIST YOUR AMBASSADORS

Bring together the hospital's allies to ensure they are ready to carry the message of empathy, concern and solutions. Ambassadors can include board members, staff leaders, and even leading volunteers.

Be sure to provide ambassadors with messages, outreach training and materials to support their conversations and equip them to answer challenging questions.

3. INFLUENCE THE INFLUENCERS

Focus outreach efforts on influential members of the community, including leaders from business, education, nonprofits, faith communities, and civic life.

Work to increase these community leaders' understanding of the issue and let them know what you're doing to address it. With their clout and influence, they can impact the sentiments of others.



Lesson 3: Nostalgia Meets A New Reality

Legacy hospitals can balance a unique local identity with the changes required by system membership.

When a local hospital joins a health system, the response from stakeholders can vary — dramatically.

Yet as outpatient growth rates continue to beat inpatient rates, consolidation in healthcare continues to accelerate.

Successfully navigating this new reality requires outreach to cultivate the essence of the hospital's unique identity and stress the benefits of belonging to a larger system.



If your hospital is undergoing a consolidation or merger, you need to carefully consider how you engage key audiences.

Sometimes what's good for the bottom line can seem bad for business.

Healthcare research has shown that improving stagnant patient volume trends and service lines helps hospitals improve their short-term financial outlook.

But changes to a local hospital can be tough to swallow for the community – particularly in smaller towns and rural areas where there are fewer providers.

If your hospital is making big changes, you need to plan carefully and consider outreach to every key audience, both internal and external.

To help make a bitter pill easier to swallow...

Think of your audiences as potential ambassadors. The more information they have, the better job they can do in helping to spread your positive message.

Research shows that most consumers expect a larger system will improve quality and patient experience. But that doesn't mean you can be passive in communicating the benefits of the new relationship. Explain how system membership:

- Allows greater access to advanced care
- Connects patients to leading providers and specialists
- Provides resources for facility improvements

Without careful outreach, hospitals making big changes can find themselves under harsh scrutiny from patients, staff, providers and the community. Be sure to articulate the benefits of system memberships, such as access to capital, greater economic impact, technology and medical expertise.



ENGAGEMENT FOR EMPLOYEES

In any transition, be sure to prioritize internal stakeholders. They're more than just associates and physicians in your hospital. They're connected community members that can play a key role in your outreach.

Clearly explain how the change will impact their role, their department and the hospital as a whole.

Be sure to:

- Anticipate and answer questions before they are asked
- Target internal communications to ensure relevance (e.g., physicians vs. administrative staff)
- Create opportunities to hear from leaders and ask questions (e.g., team “town hall” meetings)
- Emphasize the benefits of system membership to them (e.g., access to new/better resources or equipment)

By doing strategic outreach internally, you can reassure providers and associates that the hospital can still be rooted in strong local values and yet nimble enough to stay strong in an evolving and competitive market.

CAUTION FOR COMMUNITY LEADERS

When a local hospital becomes part of a larger system, community and business leaders in particular may regard the system as diluting the mission focus of a legacy institution.

If not adequately addressed, their concerns can spiral into a host of other complaints about the general state of our healthcare system.

Ensure this group understands the tangible benefits of system membership:

- Access to capital for infrastructure, equipment and technology that contributes to patient outcomes
- Efficiencies that result from streamlined administrative functions (e.g., implementation of EHR)
- Benefit to local patients from the collective knowledge of the system's hospitals and providers

By engaging patients, employees and community leaders throughout the time of transition, you can successfully integrate into a larger health system and retain the goodwill you've built over years or decades.



Lesson 4: Big Changes Can Be Bitter Medicine

As hospitals close service lines, outreach is key to avoiding a community backlash.

Nonprofit hospitals today face a number of challenging trends, including:

- Stagnant service lines
- Lower reimbursement rates
- Shift to outpatient care
- Growth in M&A activity

Sometimes these and other changes require hospitals to make hard choices — including shuttering unprofitable services that are popular within their community.

How can you shed unprofitable services without losing community support?



ELEMENTS OF SUCCESSFUL OUTREACH

1. OWN YOUR OWN ANNOUNCEMENT

Avoid letting information drip out. Be sure to time the internal announcement with the public one to avoid leaks.

Develop strong messages that:

- Clarify what's changing (and what's not at your hospital)
- Correct misperceptions that may have evolved in the community
- Are targeted to the concerns of key groups (e.g., patients, providers)
- Show empathy and support for impacted staff and patients

2. DON'T KEEP A LOW PROFILE

Communicate broadly about the changes — and offer a steady stream of content highlighting your hospital's positive contributions to the community.

Staff and providers should receive regular updates including information tailored to their concerns. They also should have opportunities to engage with and question hospital leaders.

3. MOVE THE MESSENGERS

Influential community members can either help smooth over — or rile up — the community's response. So, it is essential they receive regular updates and information that can help them to communicate effectively about proposed changes at your hospital.

Ensure trusted members of the community like faith leaders, elected officials and business owners are well-informed about the changes. They should also receive special consideration and outreach by hospital leaders.

4. AGGRESSIVELY SEEK MEDIA COVERAGE

Coverage not only helps us spread transition messages broadly. It helps increase the credibility of your messages — and how they are perceived by the community.

5. KNOW WHEN TO TURN THE PAGE

The transition message starts by recognizing the difficult changes, then gradually shifts to focus on the services and providers that will define the next chapter of the hospital's service to the community.



Lesson 5: More Plans, More Problems

Skimpy health plans prompt some hospitals to help patients understand their coverage — before they get a big bill.

Health insurance is one of the most politically contentious issues we face. But everyone agrees that healthcare should be high-quality and always available.

Today, as the rules on short-term health plans relax, more patients come in with high-deductible plans that offer minimal coverage. With increasing liability on patients, consumers need to understand their coverage and plan for the right level of care.

Some hospitals are taking on the challenge of educating patients to cushion the blow of a big bill — and protect their own reputations from scores of angry patients.



SHEDDING AN ANTIQUATED MINDSET

The economics underlying every other business finally caught up to healthcare.

Historically, the “consumer” in healthcare didn’t matter much. Why? Healthcare consumers have had little access to easy-to-find, easy-to-compare cost and quality information. Most of us don’t pay for the full cost of our care, so we aren’t used to making rational trade-offs to increase value.

But things are changing fast with the rise of consumerism and consumer choice in healthcare.

TRANSPARENCY: MORE THAN A TREND

Hospital patients rarely know the actual cost of care they receive until they see a bill or explanation of benefits.


But consumer expectations are changing fast: People increasingly demand transparency.

Eighty percent of consumers agree that providers should discuss the cost of recommended treatment.

Consumers saddled with high-deductible health plans and increasing out-of-pocket costs are demanding information related to cost – but not necessarily from their insurer.

Ensure your providers can answer likely patient questions:

- What will my actual out-of-pocket costs be?
- If a provider orders a test, procedure or drug, will my insurance cover it?
- Where can I get the best care for my money?
- What are the options if I cannot pay?



Success today doesn’t just boil down to demonstrating high-quality care at a lower cost. We need to connect with consumers and reflect what they value.



Lesson 6: Treat Patients (Like Consumers)

Success requires a unique value proposition in a sea of sameness.

Ask 100 hospitals what they want to be known for and they'll likely respond "quality".

But brand research shows that claims of quality — illustrated through outcomes, innovation and awards — fall flat with consumers.

Quality is assumed by consumers, so it does little to differentiate hospitals.

What consumers want is to feel valued, heard and understood.



HOW CAN YOU ENSURE YOUR HOSPITAL STANDS OUT?

1. Start by defining a brand that is unique, authentic and based on attributes consumers actually care about.

Facing unrelenting financial pressures, hospitals and health systems continue to focus on providing higher quality care at lower cost — often at the expense of connecting with consumers.

Connect your business strategy to a compelling statement of who you are, why you're different and why people should care.

Defining your brand promise and positioning is critical, but often overlooked in healthcare. Missing this step results in a level of “sameness” that leaves customers confused and indifferent.

2. Engage and re-energize associates and providers around the brand promise.

Do associates and providers understand what changes in the healthcare industry mean for your hospital?

Are they catalysts for helping to make needed adjustments — or are they holding onto the past and resisting efforts to move ahead?

Invigorating your brand promise presents hospitals with a rare opportunity to unify associates and providers behind a compelling vision and purpose.

3. Overhaul the patient/consumer experience based on the brand promise.

Defining your purpose and brand often calls for a corresponding overhaul of the patient experience.

Start with defining those tenets that the hospital holds dear and consistently adheres to, in each and every consumer interaction (i.e., Respectful, Friendly, Helpful).

Round out those principles with concrete efforts to address policies, procedures — even systems — that stand in the way of top-notch customer service.



With the rise of consumer choice, patients expect hospitals to invest in consumer relationships, customer experience and convenience.



Lesson 7: Leverage the Purpose Advantage

All hospitals and health systems should highlight their local legacy.

Faith-based hospitals and systems in particular can leverage significant advantage from their religious roots — as long as they make clear that the hospital is a welcoming and healing place for people of all faiths.

But reinforcing your roots isn't just relevant to faith-based organizations. Even secular hospitals and health systems can benefit from highlighting their mission and the ties that bind them to their community.

This article by SE2's CEO Susan Morrissey was published on Fierce Healthcare

GETTING BACK TO YOUR ROOTS

Not so long ago, Catholic hospitals were typically run by nuns. Their presence in the halls and executive suites were a constant reminder of the hospitals' faith-based legacies, which were generally appreciated by community members, regardless of their religious affiliation.

Today, Catholic hospitals are much more likely to be run by lay executives who don't serve as a human embodiment of religious roots. The nuns' presence may now be limited to black-and-white photographs on the hospital walls.

This shift has not gone unnoticed by the communities served by these hospitals. In some cases, there's a feeling that the hospitals have lost their souls. While hospitals with religious affiliations may continue to offer spiritual counseling as well as care for those in need, they may be increasingly indistinguishable from other hospitals, even for-profit institutions.

Ironically, this can actually hurt their bottom line, as religiously affiliated hospitals lose the loyalty of community members who sense an erosion of the values that were long integrated into their care.

This may coincide with market consolidation, which can pull faith-based hospitals even further from their unique local legacies in the community.


What results is a growing concern in communities that these nonprofit hospitals and health systems have lost their way, becoming more fixated on numbers than people or mission.

"So what?" you might ask. Numbers drive every business and a hospital isn't any different, especially in the increasingly competitive national healthcare landscape.

But hospitals face more scrutiny and are held to a higher standard than most other businesses.

Chalk it up to the charity-based origins of many of these institutions or because of healthcare deals with intensely personal and emotional issues of life and death.

Whatever the reason, hospitals are seen as more than just a business – they are often seen as a reflection of the overall health of a community.



Communities demand a high degree of engagement, transparency, and accountability from hospitals – and want to see them regularly putting their values into action.

DOUBLING DOWN ON PURPOSE

The timing is fortuitous for hospitals to double down on their faith-based and local roots.

Today companies across every sector are trying to demonstrate “purpose” because that’s what consumers want. Millennials, in particular, expect more in this regard from companies with whom they do business.

In fact, 76 percent of Millennials regard business as a force for positive social impact. According to Nielson, 73 percent of Millennials are willing to spend more on a product or service if it comes from a socially, civically or environmentally responsible brand.

Nonprofit faith-based hospitals already have that purpose at the core of what they do. And it’s not just window dressing, but something that is woven into these hospitals’ history and DNA. This is a position of great advantage – but nonprofit hospitals have to do a better job of telling this story.

When nonprofit hospitals reconnect with their faith based and local roots and reflect that connection to the community, they can reap the benefits of the goodwill it creates.

LEAD WITH THE MISSION

Nonprofit hospitals should lead with their mission when communicating in the community.

Healthcare communicators love to talk about quality first. While people need to be confident you can take care of the basics, what can set nonprofit hospitals apart is this added commitment to incorporating deeply held values in all care.

This can get complicated because this discussion may lead into controversial territory around reproductive health. These issues are what they are. Not all patients will agree with the Catholic approach to these issues but downplaying Catholic roots won’t make these questions go away.

A hospital shouldn’t sanitize or genericize its core values for the purpose of appealing to a wider audience. Own your hospital’s faith-based roots even as you make it clear that the hospital is a welcoming and healing place for people of all faiths.

Make sure that faith-based differentiator is clear, not just to patients and the broader community, providers and staff, as well. And, of course, live those values in all aspects of the hospital – just paying lip-service to them will not cut it.



HIGHLIGHT BENEFITS OF THE SYSTEM

Highlighting the local Catholic roots may be complicated if a hospital is part of a larger system, even a faith-based one.

Communities may become suspicious when a long-standing local hospital joins with a larger health system. They may see the system as responsible not just for diluting the mission-focused orientation of a legacy institution in their community, but also bearing guilt for a host of other complaints about the general state of our healthcare system.

Therefore, there's benefit in continuing to cultivate the essence of local hospital's unique personality and roots, even as the benefits of system affiliation are stressed.

For example, the system may provide communities with greater access to capital for infrastructure improvements or leading-edge technologies and services that they might not be able to access to on their own.

And it's fair to acknowledge that even nonprofit organizations have to be business smart. In fact, their faith-based missions are dependent on their economic sustainability.

Hospitals with religious affiliation benefit when they can align the legacy of faith and service to the community with the advantages of system membership. In this way, they can recapture the community's confidence that a hospital can be rooted in faith-based values while also nimble enough to stay strong in the evolving healthcare market.





SE2 is Helping Hospitals and Health Systems Keep Pace with the Healthcare Revolution

For more than two decades, SE2 has helped nonprofit hospitals and health systems deliver on their promises.

From strategy consulting and leadership training, to fast-paced and nimble storytelling, we create impact at the heart of today's most challenging healthcare issues.

Our team of experts is tapped into the latest issues and conversations shaping the healthcare world. With a finger on the pulse of what's happening, we ensure you're ready for what's next—in every moment, medium and matter.

Whether you're with a small community hospital or a multistate health system, SE2 has proven strategies and innovative approaches to help you tell your story, build goodwill among diverse groups, durably enhance your reputation, and make you the hospital of choice in your community or service area.

SAMPLING OF CLIENTS



SE2 CONSULTING PACKAGES



1. REPUTATION RESCUE

When hospitals have to make difficult decisions—like eliminating service lines or workforce reductions — they can face significant and sustained community criticism. Other times, this criticism centers on the cost of care.

SE2 can help you navigate significant change or community pushback:

- Prepare you to address urgent or emerging issues and create a roadmap for managing change
- Equip your ambassadors with messages and outreach strategies to address community concerns
- Help you identify and engage key community influencers including physicians, business leaders and policymakers
- Respond to media inquiries and create content for stakeholder and media outreach



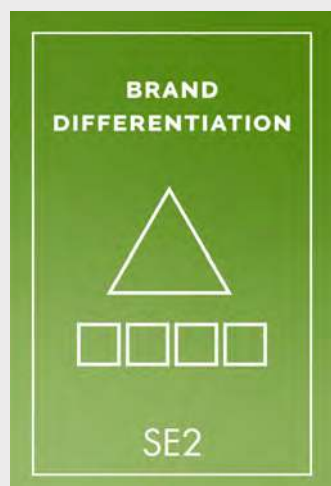
2. STRATEGIC STORYMAKING

Even if you're not confronting urgent communications challenges, hospitals face ongoing and evolving pressures in a highly competitive marketplace.

For hospitals that are part of a larger system of care, challenges include the need to reaffirm your local roots while articulating the benefits of system membership.

SE2 can help you tell powerful stories that connect with patients and communities:

- Identify what differentiates you from your competition — and position you as the undisputed hospital of choice
- Get you noticed for your good work in the community
- Articulate and disseminate the benefits of being part of a larger system
- Engage in proactive earned media outreach and storytelling



3. BRAND DIFFERENTIATION

Ask 100 hospitals what they want to be known for and they all respond “quality”. Yet claims of quality do little to distinguish you from competitors or position you with consumers.

SE2 can help:

- Assess your brand and identify what sets you apart from the competition
- Scan the competitive marketplace, so you truly understand where you stand relative to competitors
- Sharpen your brand so that it reflects exactly what makes you the best choice for care
- Engage and energize associates, physicians and other stakeholders around your new brand promise



SE2 Works at the Intersection of Policy, Perception, Behavior and Culture to Help Clients Move Their World

Learn more about our services and view case studies at SE2communications.com/healthcare.

Or call SE2 today to discuss your hospital's challenges and opportunities. CEO Susan Morrissey will provide a free hour-long consultation. In follow up, SE2 will deliver a customized strategy and cost estimate for your consideration.

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