



2021 Outlook

*What's Ahead for Health
Systems & Provider Networks*



What a challenging year 2020 was, especially for the healthcare industry.

We compiled this whitepaper with the aim of providing you with the information and tools you need to support your success in the upcoming year. Since challenges abound for healthcare marketers in the current era, we wanted to take what we learned from 2020 and apply it to 2021 marketing strategies.

To do this, we talked with our healthcare clients, researched healthcare trends, and tapped into the top marketing channels to deliver a framework for a 2021 healthcare marketing outlook.

Within this whitepaper, we provide an overview of some major trends in the past year across the systems and providers healthcare markets.

Now, let's dig in, shall we?





The Biggest Challenge for 2021 – Building Trust in the Midst of Uncertainty

There's been nothing "normal" about the healthcare industry in the past year. COVID-19 turned it on its head in 2020, and will continue to be a major issue in 2021.

One thing's for sure, feeling safe in the midst of uncertainty will continue to be important to consumers in the coming year. Those within the healthcare industry are uniquely positioned to help them get there, but will need to build and maintain trusting relationships to do it.





The Impact on Healthcare Systems and Providers

In a June 2020 report, the American Hospital Association (AHA) outlined the “catastrophic financial impact of COVID-19,” which the organization expects to exceed \$323 billion in 2020. A variety of factors have played into these dynamics and continue to do so—such as low patient volumes attributed to various virus-related constraints, the costs associated with keeping everyone safe, and a reduction in the more lucrative elective procedures that help many hospitals stay afloat.



Additionally, while hospital beds may intermittently fill up to meet waves of virus surge, plenty of patients have lost their jobs and may no longer have access to employee-sponsored insurance to pay for the expensive care they receive. Kaiser Family Foundation (KFF) describes these dynamics in terms of the “Morbidity impact of economic disruption in the form of job terminations, leading to enrollment shifts from employer sponsored coverage to individual ACA and from individual ACA to Medicaid or uninsured.”



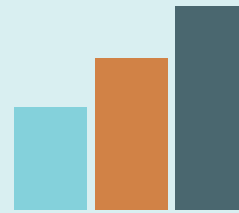
For its **2020 State of Healthcare Performance Improvement Report: The Impact of COVID-19**, consulting firm KaufmanHall surveyed leaders at hospitals and health systems across the country to assess the impacts of the pandemic. Areas of concern for those surveyed included:

- financial viability
- operating margins
- reduced patient volumes across service areas
- increased expenses related to PPE and staffing costs
- healthcare workforce concerns related to burnout and mental health
- sustainability of telehealth offerings
- increased competition from retail-based clinics
- increased patient acuity, reduced elective procedures, and longer lengths of stay

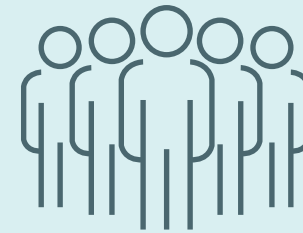
Areas of concern for hospitals and health systems due to the impacts of the pandemic:



financial viability



operating margins



reduced patient volumes



increased expenses



workforce concerns



telehealth offerings



retail clinic competition



in-hospital changes



Even with encouraging news regarding the progress of vaccine development at the time of the survey, the author notes that none of the survey respondents “anticipated a return to anything resembling a pre-pandemic ‘normal’ before the end of 2021.”

Supply chain issues have certainly been a problem, too, since many organizations found themselves scrambling to find the PPE and other supplies needed to keep staff and patients safe at the start of the pandemic. As a result, respondents “expressed a need to reimagine the supply chain by going more direct with manufacturers and sourcing more supplies domestically.”

Respondents also described how the pandemic has created a “whole new safety-related set of expenses for hospitals and health systems.” Almost all (95%) said they’d worked to “minimize exposure to other patients in waiting rooms,” and nearly 75% said they’d established “designated ‘clean’ facilities or units for non-COVID patients.”

95% worked to minimize exposure to other patients in waiting rooms



75% established designated ‘clean’ facilities or units for non-COVID patients





In the context of the factors described in the report, its author says that the greatest impact on patient care during the pandemic has been the “rapid movement of care delivery away from the hospital whenever possible, driven largely by consumer fears of exposure to the coronavirus. Looking forward, digital and ambulatory strategies will play an even more significant role at most organizations.”

According to the report, a key factor when it comes to building trust relates to providing the public with clear and accurate information about COVID-19: “Health systems that have taken the lead on educating the public about the impact of COVID-19 in their communities and effective preventive measures have eased concerns and built trust in the health system.”

The need for a shift in ambulatory strategy was also highlighted in the report: “Approximately one third of our survey respondents (31%) said that competitive dynamics in their market had been affected as more consumers sought out care from retail-based clinics, such as CVS, Walmart, or Walgreens. An interviewee noted that, while inpatient volumes remained suppressed in many areas, ‘urgent care is exploding.’” As a result, “the availability of clinical space removed from the main hospital campus will be essential in maintaining patient volumes.”

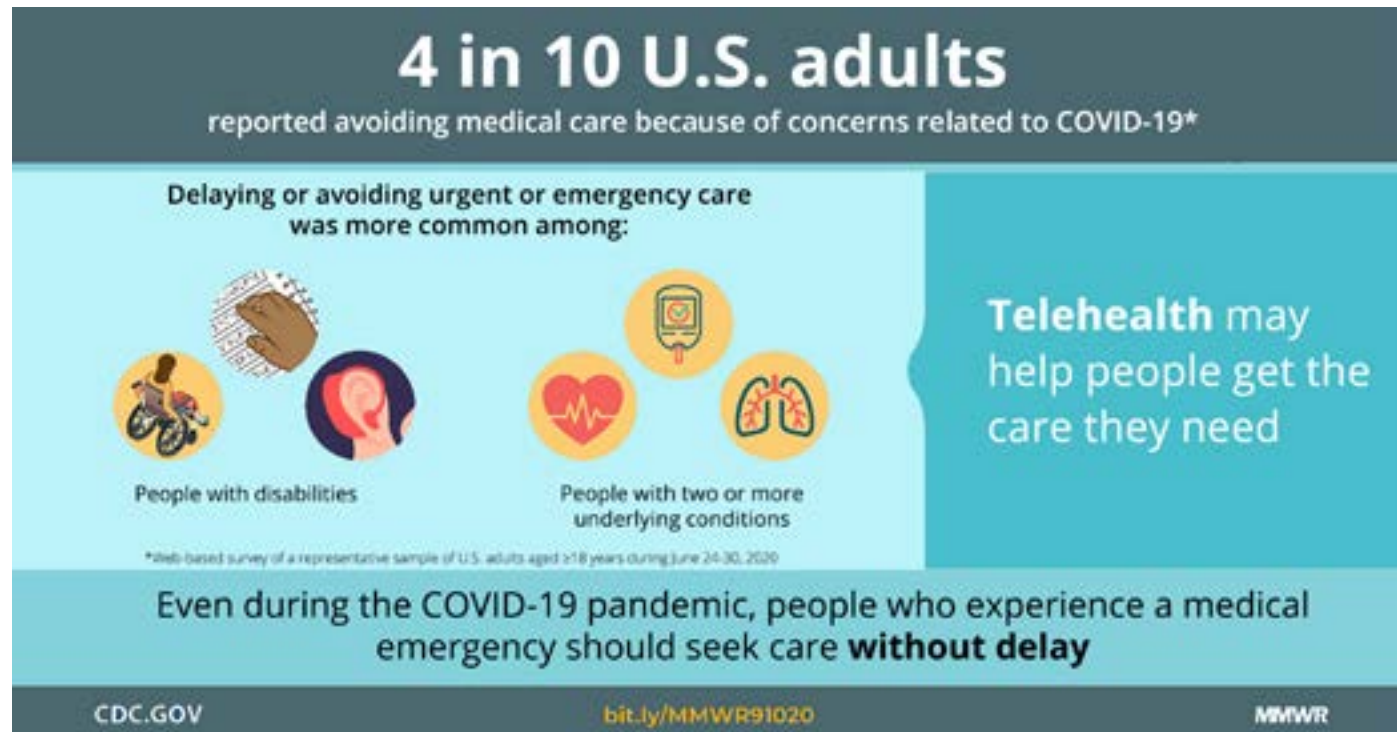
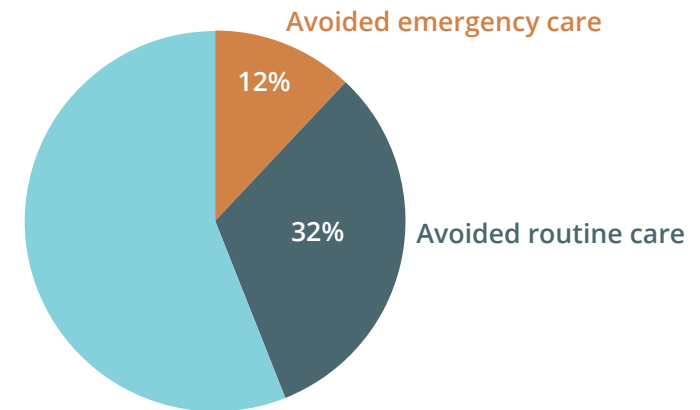
Both primary care and specialty care practices have been deeply impacted by COVID-19, with many patients putting off routine visits for screening and maintenance due to concerns about safety in the midst of the virus.

One way to build trust with current and potential patients is through content marketing. With so much COVID-19 information floating around, consumers aren’t always sure who to believe about what. This creates a great opportunity for healthcare providers to display their knowledge and expertise—by publishing evidence-based content consumers can rely on.

In that light, developing high-quality content that’s aligned with your prospects personas and intent has never been more important if you want to show up prominently in search results related to your organization’s specific area of focus. You have to engage with prospects who are ready for care and those who aren’t as well. Expanding your online experience will help keep healthcare prospects in the pipeline who are still delaying plans for care, and help convert those who are ready to take action now.



According to the CDC: "By June 30, 2020, because of concerns about COVID-19, an estimated 41% of U.S. adults had delayed or avoided medical care including urgent or emergency care (12%) and routine care (32%). Avoidance of urgent or emergency care was more prevalent among unpaid caregivers for adults, persons with underlying medical conditions, Black adults, Hispanic adults, young adults, and persons with disabilities."



Source: U.S. Centers for Disease Control and Prevention (CDC)



Consulting firm Forrester puts it in more dire terms, predicting that “the collapse of primary care” means that health insurers will be forced to restructure benefit plans: **“Patient engagement has dropped off a cliff in recent years, as nearly 50% of consumers have avoided seeking care from a primary care provider for more than a year.”**

Noting that primary care is the entry point for many and a “first line of defense” when it comes to detecting chronic conditions and various mental health needs, Forrester says the traditional paradigm may not be enough: “Primary care as we know it today stands in the crosshairs, with new entrants vying for the hearts of consumers who legacy healthcare ignored for too long.”

The firm also predicts the growth of healthcare offerings within the workplace, noting that “every company bringing employees back will become a healthcare company. Onsite clinics, symptom screening technology vendors, and diagnostic testing partners are increasingly working with enterprise occupational health and human resources teams to bring new healthcare expertise to the workplace and reduce the risk of COVID-19 transmission.”

Forrester says that while such a trend may benefit employees and employers, it will have a negative impact on traditional healthcare providers in the area: “Local health systems and retail clinic operators will lose visit volume as employees choose more convenient and price-transparent care at work.”



Knowing the challenges primary care providers face, it's imperative to have a multichannel marketing approach. Practices that become thought leaders in their practice specialty by producing empathetic, accurate and timely content will ensure survivability and foster the practice's growth. Combining content marketing with digital display, social media and search will create brand awareness for potential patients and maintain relationships with current patients.



Healthcare Technology Trends

As the shift to telehealth indicates, COVID-19 will also influence 2021 healthcare technology trends: including virtual care, mobile initiatives, and remote patient monitoring. Writing for *Forbes*, healthcare CIO David Chou says that “Advancements in telemedicine, virtual care, and robotic surgery will drive down costs while improving access. Virtual care will be the standard and preferred model for care while emerging as the preferred triage source for hospitals. I also expect the direct-to-consumer and direct-to-employer care offering from hospitals will continue to grow.”

Chou predicts that with reimbursement uncertainty on the horizon, healthcare organizations will increasingly count on technology to improve cost efficiencies while also enhancing patient care: “Focus on value-based programs misses the mark on population health. Organizations and healthcare leaders often don’t use a whole-person approach. Digital transformation shifts priorities from provider-centric approaches to a model focused on patient experiences and patient-centric delivery.”

A report from the Center for Connected Medicine (CCM) and KLAS Research supports a new focus on technology initiatives for healthcare executives. For this year’s “Top of Mind for Top Health Systems” report, CCM surveyed 117 executives representing 112 healthcare provider organizations to assess “how innovation priorities shifted in response to COVID-19 and the role of key technologies in managing the pandemic.”

Findings revealed that although telehealth, AI, and revenue cycle management were all priorities prior to the pandemic,





COVID-19 put everything on the fast-track: “Health systems looked to telehealth to continue seeing patients, AI to enable better decision making, and revenue cycle management technologies to improve efficiencies.”

While the majority of organizations were able to meet the increased demand for telehealth, “quick implementation of solutions magnified opportunities for improvement, including integration and patient and clinician experience — which many will seek to address in the coming year.” As systems seek greater efficiency in revenue cycle management, many are looking to predictive analytics, AI, bots, and automation to do it.

For the report, Rob Bart, MD, chief medical information officer at health system UPMC says rapid innovation shifts to meet the needs of patients within the pandemic has changed

everything for healthcare: “Technology has been so essential to the COVID-19 response at UPMC and other health systems that the line is now blurred between traditional health care and digital health. ...It is now our responsibility to create an excellent patient experience with all of the tools at our disposal, whether they are virtual or in person.”





In a summary of a virtual media event sponsored by the Healthcare Information and Management Society (HIMSS), *FierceHealthcare* outlines strategies recommended by Justin Gernot and Neil Patel, both executives at healthcare advisory firm Healthbox. Noting how the stressors of the pandemic have exposed weak areas within healthcare systems, they made several recommendations regarding what needs to change in terms of patient safety and technology innovations:

- New strategies for elective surgeries—since patients need to be assured that it's safe to return to hospitals and other healthcare facilities. "Hanging a shingle and saying, 'We're open' is not going to be effective for those patients who feel that they can wait to have their procedures," Patel said. He says one key strategy they've seen from health systems is "branding initiatives to be transparent about what they are doing to make things safe." He says health systems are also recognizing the need to offer patients the option for alternative sites for surgeries—such as ambulatory surgery centers.
- Acceleration of digital health offerings—which have moved from "nice to have" to "must have." Such offerings include telehealth and remote patient monitoring tools like wearables and at-home diagnostic equipment that can help optimize virtual care. In addition to the practical needs such offerings meet, the "consumerization of healthcare" means that many patients may not be willing to settle for the old way of doing things.

Consulting firm Forrester agrees there's no turning back, predicting that digital healthcare is here to stay: "In 2021, transformation (and not just digital) will continue on a grander scale, bringing forth greater and sustained transformation across all healthcare settings. The word 'digital' will fall to the wayside as we adjust to a new normal and digital consumer experiences and the digital back office just blend into healthcare."



One caveat about telehealth is that in addition to the temporary changes in reimbursement structures the federal government has put in place to increase access during the COVID-19 Public Health Emergency, there has been a temporary relaxation of HIPAA requirements to enable more rapid deployment. That change has allowed providers to use a variety of consumer-facing technology platforms that wouldn't have otherwise been permitted. If the stricter requirements are once again put into place, providers will need to ensure that their telehealth offerings align accordingly and patients may need help in adjusting to using new telehealth tools.

What Consumers Want and Need

Research from NRC Health indicates that around 60% of patients are worried about visiting any type of healthcare facility—which is likely why 71% say they'd be interested in replacing in-person visits with those conducted via telephone and 64% responded similarly regarding video encounters. That explains why millions are trying telehealth for the first time ever—even for critical needs such as cardiovascular care—and most are quite happy with the convenience it provides.

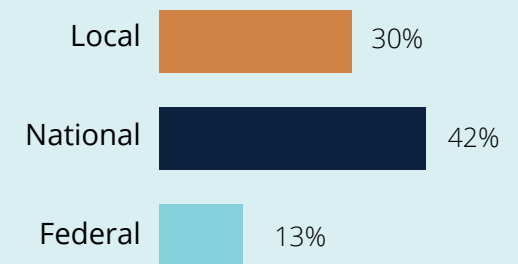




Survey data from Sage Growth Partner (SGP) and Black Book Market Research confirms respondents' discomfort about in-person care, noting that **"nearly one in three Americans are unsure about their safety in doctors' offices, hospitals and urgent care centers. They feel safer at their doctor's office than in an urgent care or hospital setting."**

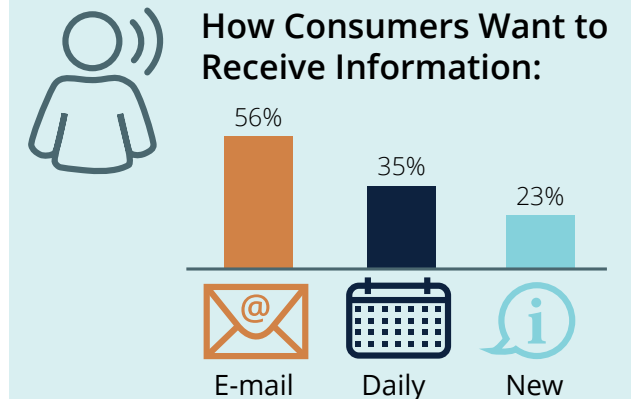
NRC Health's survey also reveals the critical role healthcare providers play within the current environment to keep consumers updated and informed. In our current environment of mixed messages from various sources, respondents indicated that their healthcare providers were one of the entities they trusted most: "NRC Health's respondents trust local healthcare organizations (30%) and national healthcare brands (42%) to handle the crisis more than they trust any other entity—including the federal government (13%)."

Respondents Trust in Healthcare Organizations:



In that context, clear, reliable, and consistent communication is something consumers crave from providers. Information about capacity and safety measures are essential—as is messaging delivered the way consumers want to receive it. While various factors may influence these dynamics, NRC Health's results include:

- "Most respondents (56%) said they preferred email over any other form of contact."
- "A significant plurality (35%) said they wanted to hear from providers every day."
- "23% would like to be reached as often as new information becomes available."





As far as what the messages should say, respondents prioritized the three most important topics as:

- "COVID-19 treatment and recovery (51% of respondents)"
- "Information on local testing sites (49% of respondents)"
- "COVID-19 prevention tips (46% of respondents)"

In addition to safety concerns and a preference for ongoing access to virtual care, DocASAP's **Telehealth Consumer Experience** 2020 survey reveals consumers' growing demand for digital offerings, including self-service capabilities: "Understanding patient preferences and empowering them with the tools needed to manage their healthcare journey is becoming a major competitive differentiator for providers."

Commenting on survey results, Puneet Maheshwari, co-founder and CEO of DocASAP says, "Telehealth has quickly emerged as the preferred care setting during the pandemic and will drive patient behavior in the future. As providers continue to adopt innovative technology to power a more seamless, end-to-end digital consumer experience, I expect telehealth to become fully integrated into overall care management, ensuring timely access to the right provider in the right care setting."

Most Important COVID-19 Topics

- 1 Treatment and Recovery
- 2 Information on local testing sites
- 3 Prevention Tips



What It All Means for Healthcare Marketers

For healthcare marketers, evolving dynamics on the healthcare landscape mean they have to be more agile and creative than ever in order to effectively market their organizations.

Have you noticed a trend here? There has never been a stronger call for a people-first approach to marketing. Prioritizing connection over conversion and demonstrating empathy not only in marketing messages but also extending it to ensure prospects are reached when and where they are in life and the healthcare journey is crucial in resonating with your audience and will ultimately benefit your organization's bottom line.

Analysts at Forrester agree with the need to focus on providing an empathetic customer experience, especially in the midst of the COVID-19 era. In "Predictions 2021: It's All About Empathy, Digital, And Virtualizing Customer Care," Principal Analyst Ian Jacobs describes how the pandemic has created a new urgency to get customer service right: "The purpose of customer service is no longer just to alleviate run-of-the-mill inconveniences; it is to provide fundamental and necessary services for consumers devastated by the COVID-19 pandemic. These consumers...need a new type of empathy-heavy support. In 2021, customer service must reduce the frustrations of, and advocate for, these devastated consumers."

Jacobs says these dynamics have led to the need for "high-quality, emotionally sensitive customer support in the flexible ways that consumers need," and a shift to a digital mindset: "The pandemic created a trend—an increased reliance on online shopping, digital financial services, and telehealth (virtual care) options—and that genie ain't going back in the bottle."

Forrester VP and Research Director David Truog also predicts that "trust, safety, and inclusion" will also be critical to customer service in 2021: "Consumers have been jolted into



a starker understanding of how contagion works in public places like stores, airports, and restaurants. So more than ever, for in-person experiences, they'll seek out brands they trust."

When it comes to accessing health information, research from PwC's Health Research Institute (HRI) regarding consumer sentiment before and during the pandemic indicates it's being accessed in ways that differ from before. In an April 2020 online survey of 2,533 Americans, researchers uncovered several key trends:

- ◆ Employers could play "a greater role than ever in their employees' health."
- ◆ Care delivery "may look very different after the pandemic."
- ◆ American consumers are taking a "more active role" in the health system.

Additionally, when it comes to telehealth, 88% of first-time users said they would "use it again." PwC points out that telehealth isn't just being used for the "occasional sniffle or rash" anymore, but to help with chronic care management.

As far as sources of health information, respondents said they were obtaining health information from "three or four sources on average during the pandemic," and that local news organizations were frequent sources of information for respondents over 24 years of age, as well as national news providers. Individuals 18-24 years of age said social media and local news were both sources they used.

A surprising finding was that only 14% of respondents said they had "received health information" from their health system—which was true even of vulnerable populations: "Less than 20% of consumers considered more susceptible to the effects of COVID-19 based on health status said they have received information from their health system or doctors. More consumers told HRI that they were receiving health information from their employers (16%), whom they trust less for accurate information."



Consumer Sentiments Before & During the Pandemic



Employers could play a greater role than ever in their employees' health.

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Obtaining Health Information



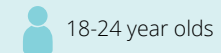
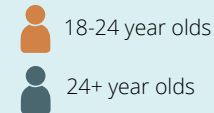
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Frequent Sources:

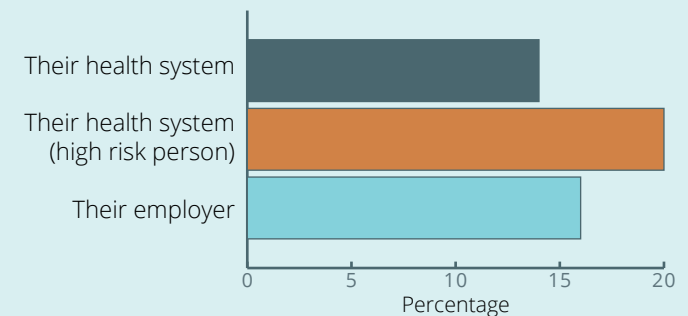


Local News

Social Media



People Received Health Information From:





As a result, PwC recommends that healthcare providers shift from a mindset of transactional communication to one that focuses on building patient loyalty: “Health system communication with patients tends to be transactional. Health systems should focus on increasing patient loyalty by staying connected with them even when they are not directly interacting with the system.”

As we stated earlier, feeling safe in the midst of uncertainty will continue to be important to consumers in the coming year. Those within the healthcare industry are uniquely positioned to help them get there but will need to build and maintain trusting relationships to do it. How exactly do we do that?

The practices that will foster the most growth will be the ones that can stay on top of patient sentiment and give them the information they need to feel comfortable at your facility with a multichannel marketing approach. You might’ve heard of the phrase ‘Content is King’ which is true, but how good is the content if no one consumes it?

Building your brand through digital display and promoting posts through social media for example is a surefire way to get your content noticed. The dynamic flexibility within digital marketing allows for a playground of sorts for marketers to experiment and explore what works for them, no matter how big or small the budget. All in all, driving a thoughtful, multifaceted branding strategy will increase awareness and consideration for your practice while funneling prospects through the patient acquisition process.



About Advance Healthcare

The health of the local practice depends on a marketing strategy that engages both the current and prospective patient base. From websites to social media platforms, practices must be seen and heard in the digital spaces where their patients are active.

Advance Healthcare directly reaches the majority of Alabama patients through our own online sites and publications and we use our data to connect with 100% of prospective patients through targeted social and digital networks. Because we have the ability to tightly target relevant audiences via HIPAA-compliant patient targeting data on our owned and operated digital publications, we can uniquely deliver more relevant, effective results than marketing agencies.

Whether it be a hospital/health system, private practice or senior/home health, Advance Healthcare is prepped with the tools, knowledge and expertise to propel your healthcare marketing strategy forward. **Connect with us today** to get started.