What Doctors Can Learn from Hip Hop Mogul Jay-Z

Do you know who Jay-Z is?

If not, chances are your kids do. Jay-Z is one of the most successful rap artists of all time, and has parlayed that success into a career in fashion, merchandising, his own line of vodka, as well as an ownership stake in the NBA's New Jersey Nets franchise that he recently sold to begin a new career as a sports agent. More than anything, Jay-Z has found a way to brand himself as someone who brings glamour, street credibility, and cool to any project he is involved with. His success, beyond the normal hard work and talent, is ultimately in **marketing himself.**

Where do Doctors come in?

The healthcare industry is focused on marketing more than ever. Declining reimbursement, increasing regulation, and the long-term shift from volume to value have turned the heat up on physicians, practices, hospitals and systems to change the way they do healthcare business to cut costs, improve outcomes for patients and deliver more value. Cost matters now more than ever for all the stakeholders in healthcare, and with more competition comes the need for ways to separate yourself in the market, and engage with **potential** and current patients.

This summer Jay-Z put out a new album and he did it in a very

unique way

To promote his album, Jay-Z ran a commercial during Game 5 of the 2013 NBA finals announcing that he had recorded a new album, and that it would be available to download, free of charge for the first million people to download it from a mobile app made especially for the release. The catch? The album would only be free to people who had a Samsung mobile device – a mobile phone or tablet. Jay-Z signed an exclusive deal with Samsung to promote the album (modestly titled Magna Carta Holy Grail), Samsung products and the free mobile app to get the album **before it was available via retail.** Because of the hype (and the price, of course) the million downloads happened almost as soon as the album was made available on July 4th.

- Samsung purchased the albums from Jay-Z, so RIAA certified the album Platinum immediately.
- Samsung was able to associate themselves with one of the biggest music releases of the year, and guarantee that only their current (and future) customers were first to hear it.
- More than that, using the permissions of the mobile app, both Jay-Z and Samsung were able to get tons of valuable market research about the internet and mobile habits of the downloaders.
- The fans (at least the first million of them with a Samsung) got a brand new album from Jay-Z for free.

This is a basic form of content marketing, but it was groundbreaking for an artist as big as Jay-Z and a company as big as Samsung.

What can doctors learn?

Market research is critical. *Jay-Z made a few million selling*

the digital copies of his album to Samsung, but the information he gained from the app downloads was priceless for future collaborations.

The more you know about your patient base and where they come from, the better. For niche specialists, your market might be global so you'll need to know more about them to reach them. Market research can take many forms, from hard data from census and surveys to anecdotal methods as simple as asking one of your patients "What could we be doing better?" In a future where providers are reimbursed based on value, leveraging the data in your EMR to understand your patient population as a whole will be critical to many of your most important business operations.

You gain by giving things away for free. *By buying and giving away a million Jay-Z albums, Samsung became aligned with a major force in global culture and music — and probably sold a few phones too.*

What about all of the questions you hear over and over again on the phone and in office visits? Seasonal stuff about allergies, sunburns, the flu and physicals for sports. What if you *gave this info away* to anyone who wanted it on your practice website? With the changes coming in the ACA, what if your practice manager wrote a post or white paper about how your patients can prepare for what will and won't change? If your practice offers a special service that is hard to find locally for many people, what if you prepared an ebook about how your particular therapy benefits patients, or how they can change other lifestyle habits to complement their current therapy? All of these things are ways to reach a wide variety of people, gain credibility, and give away high-quality free information that can be converted to marketing leads for your practice.

Separate yourself. *Jay-Z probably couldn't have released his* ***first*** *album in this manner. Jay-Z has been successfully*

building his brand for almost twenty years now though. ***The name Jay-Z has come to mean quality.***

To compete and thrive, healthcare providers must be able to offer a level of service and execute that service in a way that makes them stand out from the crowd. If someone moves to town and Googles the name of family practice doctors in your area, do you know whose practice comes up in the results, and how you can capitalize on that? If people ask their neighbors who is the best cardiologist in town, would they say your name? If you treat a more specialized population, where do they gather to compare caregivers, and what do they say about you? To brand yourself today as a quality care provider, you have to actively highlight and grow your footprint and reputation for outstanding value and patient satisfaction.

Physicians and other healthcare providers may never listen to Jay-Z, or any rap. But chances are, Jay-Z's marketing example could lead the way.

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Explaining the State Health Insurance Exchanges in Seven Minutes: A Video for Your Medical Practice Website

I came across this video from the Henry J. Kaiser Family Foundation and thought ***"This is exactly the kind of content medical practices can use for their website and social media content."*** In this seven-minute video, the "YouToons" learn how the coming healthcare reform will affect them by placing consumers into one of four insurance categories: employer covered, government covered, privately insured, and privately uninsured.

The video is a straightforward, approachable overview of a complicated subject, and would make a fantastic post on the website of a physician or medical office. Even providers without a website could educate patients by posting this link to Facebook or Twitter, or by including it in an email newsletter. My partner Abraham **wrote a primer** on talking to patients and staff about reform last July, but this video is even simpler, and is everyone's favorite – an entertaining movie! It even has clickable icons inside the video for calculating premiums and finding out the status of state health insurance exchanges by state.

Why is a video like this a great piece of content to share with your patients and readers? Here are three reasons:

Reason #1 – This is high-quality content, from a high-quality source.

The **Kaiser Family Foundation** is a non-profit, non-partisan healthcare research organization **"dedicated to filling the need for trusted, independent information on the major health issues facing our nation and its people."**

This is not from a political advocacy group or a campaign committee. It's critical that the quality of the information you share with consumers has the ability to positively impact their healthcare experience – whether it is satisfaction, financial or outcome-based. Regardless of whether you are for

or against Obamacare, you need to stay focused on presenting factual information from strong reputable sources. You wouldn't take professional or medical advice from just anyone, so don't share just anything.

Reason #2 – This is actionable, in-demand information.

There is no shortage of noise on the internet about any given subject, let alone healthcare reform. Your patients (and staff) have questions! They are looking now for answers, and if you step up, **you have a serious opportunity to expand and strengthen your relationship with them**. Guiding patients through difficult subjects is what providers have always done, and using the internet to do this more efficiently at scale is a natural extension of the doctor-patient relationship.

If they don't get the information from you passively with a website or social media connection, there's a good chance they might call the office, or ask about it at your next appointment. I am sure you are happy to help with that, but it is not your core business, is it? Getting the word out preemptively can cut your costs as well as improving your brand.

Reason #3 – This is a low-impact way to reach healthcare consumers.

Blogging and creating social media content does not have to mean going outside of your comfort zone or hiring new people. It is as simple as finding great stuff, sharing great stuff, and using great stuff as a jumping off point for critical conversations with your stakeholders. You don't have to animate or record anything, but your authority as a practice (and the Kaiser Foundation's) means your panel can trust your info. Posts from providers or executives are great – but also time consuming, and not everyone is comfortable or in the

habit of putting a few hundred words on a page for public consumption.

With a great, informative video like this you don't have to reinvent the wheel to reach your patients.

So keep your eyes open, and look for high-quality, actionable content that you can share!

(Photo Credit: ✿ SUMAYAH © ²º¹³ via Compfight cc)

The Direct Pay Physician Practice Model: An Interview With Scott Borden

Most readers know that I have a special interest in helping physician practices survive and thrive, and have been writing recently about different models of care that physicians are adopting to make private practice financially viable. Here's an interview with Scott Borden of Direct Pay Consulting, who helps practices convert to a Direct Pay Model. ~ Mary Pat Whaley

Mary Pat: What is your background, Scott?

Scott: I am a passionate Health Savings Account (HSA) expert. My background has been in health insurance marketing and management for 23 years. I have been heavily involved with Consumer Driven Healthcare for the past 15 years. I have been both a talk radio show host and guest on hundreds of shows over the past 8 years. I have also been featured on several television broadcasts and been a guest speaker for dozens of

organizations.

Mary Pat: Your company is called Direct Pay Consulting and you help primary care practices transition to a Direct Payment Care (DPC) model – will you explain what that model is?

Scott: DPC is where the patient pays the physician directly without any third-party insurance company or government program being involved with the payment or treatment plan. It is also known as Direct Primary Care or simply Direct Pay. This usually involves an annual membership fee and sometimes a per visit fee. There are hybrid versions available where insurance is billed above the annual membership fee, but we know any payment from an insurance company or government entity will include intrusive control over how the physician practices medicine. And it significantly increases paperwork.

The original version known as "Concierge Medicine" started in the late 1990's in Seattle and has been slowly picking up steam. Both Concierge and DPC allow physicians the time necessary to treat the root cause instead of simply medicating symptoms. Additional benefits include same or next day appointments, less (or no) waiting times, cell phone / email / Skype access, coordination of care with specialists and even house calls. Concierge physicians may charge $1,500 – $20,000 or more per year so it may be cost-prohibitive for many Americans. DPC offers nearly the same benefits as a Concierge Physician at an affordable rate almost anyone can afford.

Mary Pat: Why do you think now is the right time for this model?

Scott: There are many things currently happening that each point towards DPC as the solution. Together they are turning what would have been a gradual movement into a potential mass exodus.

The first issue frustrating all physicians is decreasing reimbursements. The "Doc Fix" is unlikely this year as

Medicaid payments will match Medicare in 2014 meaning the fix would be much more expensive this time. The odds are further reduced by the lack of an election this fall pressuring congress to delay the planned cuts again. Many independent physician practices are being bought by larger hospital groups. Since reimbursements are not tied to the amount of time spent per patient, these groups typically pressure physicians to see more patients per day. They have been known to require treatment plans based on maximizing reimbursements instead of better patient outcomes. So unfortunately many doctors today feel like they're working for insurance companies and hospitals instead of their patients.

Second is the shortage of physicians. Nearly 50% of a primary care physician's time is spent writing letters and filing claims in order to receive payments from insurance companies. And whatever payments they actually do receive seem to arrive late. Forecasts show that physician access will be significantly worse once the Affordable Care Act (Obamacare) subsidizes health insurance for 30 million people that will be searching for a primary care physician instead of using the Emergency Room for minor medical needs. This will even further reduce the amount of time available with each patient.

And the most important driver is the pent-up demand from patients. People are afraid Obamacare will take their doctor away. They already hate being being herded through a system of long waits and limited access, and they know it's not going to get any better. Many middle class Americans are willing to pay a little more to receive excellent medical care from a doctor they have chosen.

Mary Pat: How can physicians evaluate whether DPC is a good fit for them?

Scott: Although every physician should consider DPC, very few will be able to transition without the typical "income dip" that occurs when all insurance and Medicare reimbursements

stop.

We have developed tools to help determine whether a physician should go full DPC or start out with a hybrid version while the DPC side builds along with potential revenue projections. These tools don't account for every situation such as those physicians that are wanting to semi-retire without reducing income. Every situation is different.

Mary Pat: What is the scope of services you provide?

Direct Pay Consulting provides all of the services a physician needs to convert his/her practice:

- Conversion planning and execution
- Patient insurance education and guidance
- All announcements and ongoing communication
- Patient sign-up management
- Patient agreements
- Online tools and calculators for patients
- Custom web pages for the doctor
- Management of the wait-listed patients

The idea is for the doctor to continue to do what they do best while we manage the conversion and ongoing patient participation. We have partners that can provide services from setting up an office to management of day-to-day operations for those doctors who are breaking away from a group. All of this is completed at fair and reasonable costs.

Mary Pat: Is it scary for physicians to take the "leap of faith" necessary to make the switch over from fee-for-service to DPC?

Scott: Actually I think the scary option would be to remain in the current system allowing insurance companies and government bureaucrats to take over virtually every business and patient decision! Many doctors who take on the conversion as a lone wolf find that it takes much more time than expected. They

experience many pitfalls and delays. Many times they are forced to completely stop their practice to allocate the time needed which is very costly. If they don't have enough patients sign up then physicians are forced to begin the even more difficult process of finding new patients. The idea behind Direct Care Consulting is to have the doctor continue to file insurance until a predetermined number of patients sign up thus limiting the risk.

Mary Pat: What expenses are eliminated when DPC is adopted? What new expenses, if any, arise? Are any staff positions eliminated?

Scott: Each conversion is vastly different. The primary expenses that go away are those related to coding and filing for payment from insurance providers and government agencies. Rarely are there any new expenses. For many practices this can eliminate one or two clerical positions.

Mary Pat: How does it work if physicians want to continue to see Medicare patients? Does the physician have to opt out of Medicare?

Scott: No physician would be forced to opt out, however most DPC physicians will choose to stop taking Medicare. They don't want anyone (let alone a government agency) dictating how they are to treat patients. Accessing some benefits outside the DPC practice for Medicare patients such as durable medical equipment might be more complicated, but not impossible. Medicare patients may find it more difficult to find physicians willing to accept them in the near future, so Medicare patients could very well become the fastest growing adopters of DPC.

Mary Pat: I've heard you are called the "HSA Guy." What do HSAs have to do with DPC?

Scott: HSA-qualified High Deductible Health Plans (HDHP) offer the catastrophic protection everyone needs at a significantly

lower cost than low deductible co-pay health insurance plans. I call HSA-qualified plans “DPC friendly” since they are not allowed to have office visit co-pays which wouldn’t be accepted by a DPC physician anyway. This insurance premium & tax saving tool allows many middle income patients to transition to a DPC practice without breaking their budget. HSAs make DPC affordable for (almost) anyone.

Mary Pat: Why did you transition from 20+ years of health insurance consulting into Direct Pay Consulting?

Scott: Last year I had no idea how much pent-up demand there was from both physicians and patients for DPC. Then I was approached by Dr. Douglas Brooks who has been a long time talk radio show listener that was ready to go Direct Pay.

But Dr. Brooks’ wife wasn’t convinced. She was concerned about the dreaded income dip that normally accompanies quitting insurance and Medicare cold-turkey. She was especially concerned since Dr. Brooks was already one of the top 1% compensated primary care physicians in the country. But Dr. Brooks was so fed up with the various hospital groups he had worked for that he was willing to go for it. He asked me for my help and we put together a business and marketing plan.

I felt we needed 1,000 patients to sign up in order to replace his salary. He reached that level in three months. Let’s just say Mrs. Brooks is no longer concerned. I now know this level of success is extremely rare. I’m not sure it has ever been done before. Ignorance is bliss. The biggest reason he was able to transition so quickly is because he is a very popular physician with a large number of loyal patients. Many of them attended one (or both) of our seminars. Our insurance office fielded hundreds of phone calls from his patients along with dozens of appointments ,helping them understand why they should switch to HSA- qualified plans. Dr. Brooks estimates 40% of his DPC patients are now paying his fees with tax-deductible HSA dollars. HSA participation is around 5%

nationally.

We know the direct patient contact necessary for a successful transition will limit the number of physicians we are able to work with to a maximum of 20 this year. There are currently less than 5000 DPC physicians. Yet there are over 300 million Americans that want more access to their physician. HSAs and DPC make it affordable for almost everyone.

Scott Borden is the founder of **Direct Pay Consulting** and can be reached at 913-980-4694 (mobile) or at SBorden@DirectPayConsulting.com.