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Health Care
Reform?



Innovation
in the Wake of Health Care Reform

PHYSICIAN
HOSPITALS
OF AMERICA



PHA+ PULSE

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Physician Hospitals of America (PHA)
5900 South Western Ave, Ste 102
Sioux Falls, SD 57108
Phone: 605.275.5349
Fax: 605.731.2575
info@physicianhospitals.org
www.physicianhospitals.org

Interim Executive Director:

Keri Bolte
605.275.5350
keri@physicianhospitals.org

Graphic Designer:

Jen (Sandvig) Pfeiffer
Design Loft
605.271.9901
jp.design@midconetwork.com
www.designloftsd.com

Our Thanks to This Issue's Writers:

C. Elliott Jeter & Kevin McDonough, VMG Health; William Persefield, Medica Development Corporation; Ralph Weber, MediBid; Richard Bruch, MD, North Carolina Specialty Hospital; Ethan Fallang & David Fallang, MD, Riverview Health Institute; Colleen Heeter, Nueterra Healthcare; Jerry Mitchell, U.S.Arthroplasty; Methodist Hospital for Surgery; OrthoColorado Hospital; and OSS Orthopaedic Hospital.

For more information on writing & advertising, please contact the PHA Office at info@physicianhospitals.org or (605) 275-5349.

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Communication Is the Key to Opening Your Hospital Doors to Inbound Medical Tourism

By: Ralph F. Weber, President, MediBid



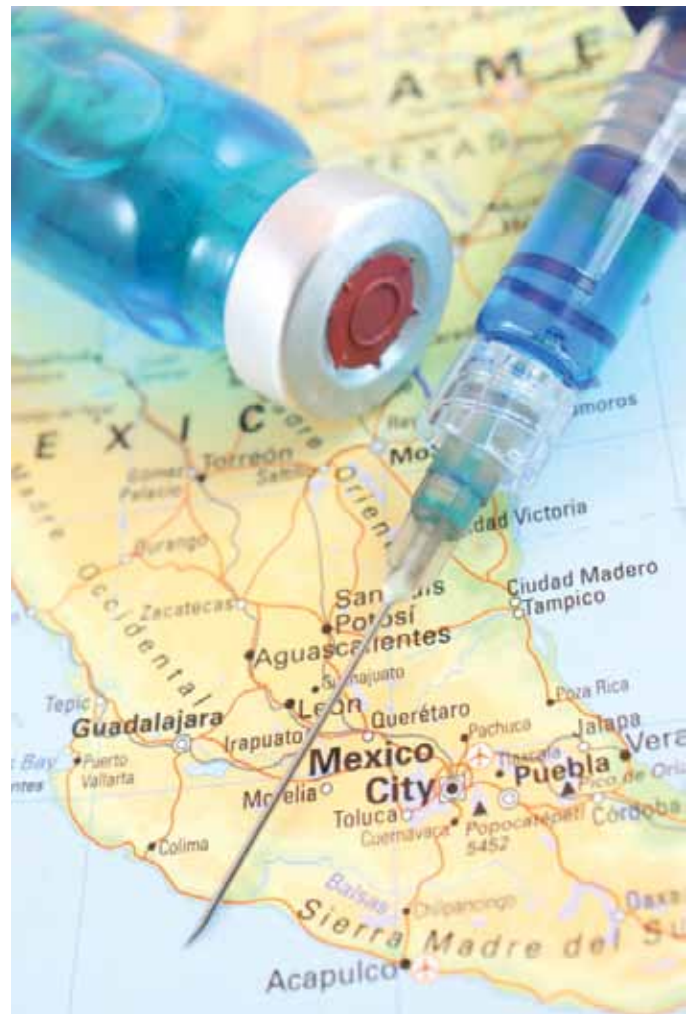
Ralph F. Weber

There are many factors in a patient's decision to travel for their medical care. Some patients travel to save money, others to obtain a procedure with specific qualifications needed, or to use technology not available in their own area and some simply travel for the luxury of the vacation they can associate with their medical procedure. Who wouldn't want to sit on the beach and sip a cold drink

while waiting for the lab to finish their new dental implant?

In their publication *Medical Tourism: Update and Implications*, the Deloitte Center for Health Solutions projects that "outbound medical tourism could reach upwards of 1.6 million patients [annually] by 2012, with sustainable annual growth of 35 percent. Concurrently, inbound medical tourism will see relatively slow growth to report up to 561,000 travelers by 2017." This updated report factored in to the new economy we are currently in, as well as trends in medical tourism over the past few years. One of the big reasons overseas hospitals draw so many patients from the United States out of country each year? It is the transparency in their communication about their quality and up-front, fair pricing.

If palm trees and a turquoise lagoon aren't visible from the front door of your hospital, think about the other factors you have to offer patients, such as quality, specialty, and price. What sets your hospital apart from the crowd? Access to quality care should be at the top of your list. Many Canadian patients face waiting lists of a year or more for their non-life-threatening medical needs. Or, you may have one of only three 320 slice CT scanners in the country; although impressive, it may not bring patients pounding down your door, as most patients won't need to use it. However, there is something that you have that every patient can relate to - quality which stems from your medical staff. You may have a high satisfaction rating, a low infection rate, surgeons with multiple board certifications, or other quality-of-care features that you can use to tell your story.



Every patient can empathize with the situation of being cared for by a great physician. If you currently rely solely on word-of-mouth to communicate your quality-of-care to patients, you're undoubtedly missing out on both domestic medical tourists, and hundreds of thousands of inbound medical tourists that come from all over the world each year. You can increase visibility by building a website that is more than just an address and phone number page. Feature your doctors with short biographies and

(continued on page 16)

talk about what makes them such an asset to your hospital. Create profiles on other sites, too, like MediBid.com, that market to self-pay patients and medical tourists. Be on the watch out for companies that request payment based on a percentage of fees, or collect the money from the patient themselves, then pay you. Either of these scenarios could be considered fee splitting by your state medical licensing board. Some of these medical tourism brokers mark up the procedure by as much as 80% or more. Their incentive is often based on who pays the biggest kickback, rather than quality. And don't forget to use social media sites to build fan pages that allow that word-of-mouth you've been depending on to go viral across the Internet. There are estimates that say as many as 70% of Americans go online before making any medical decision.

Equally as important as communicating quality, is your ability to give the real price to a patient. A coded bill after the appointment is difficult to understand and often leads to collections and open accounts receivable for months. You wouldn't sit down to a steak dinner without knowing the price first, because, as we all know, if you have to ask you can't afford it. Medical tourists are paying out-of-pocket for their care. This is great news for you. You can eliminate the extra overhead associated with billing and waiting six months for payment with medical tourists. It also means you get to name your own price. The Medical Tourism Association's 2010 survey revealed the average billed rate for knee replacement surgery, either at a surgery center or hospital in the U.S., to be about \$50,000. Medicare's reimbursement of that same surgery is only one-fifth of that. Medical

tourists won't have a third-party-payer to haggle the reimbursement rate with you, and they are likely shopping around, so it is vital that you give them a fair price. First you should know what it actually costs you, then price the procedure at a fair-market price for the patient and see if they accept your offer. Posting prices online isn't necessary if you are worried about repercussions from other payers, and CPT codes won't be required either. Also, make sure the people who answer your phones and emails know how to respond to self-pay patients by getting them a custom price, unique to their needs and coded in your system accordingly.

By making your hospital accessible online, communicating the quality of your professional staff to the masses of people online, and giving individualized attention and pricing to each patient who approaches you for their procedure, you will not only attract medical tourists, but you can increase your hospital's revenue and profitability as well. Self-pay patients operate in a free-market system, which means they will pay you directly at a price you agree upon with no third-party interference. +

Ralph F. Weber, President of MediBid, born in Canada, raised in Thailand, Nepal, and Germany. He is Founder and CEO of Route Three Life Health Disability, Inc. In 2005, Weber moved to the US after too many adverse experiences with Canadian Health and later contributed healthcare reform policy for Mayor Giuliani, and state assemblyman, Mike Villines. Weber's latest venture is MediBid.com, the Marketplace for Medicine™

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