

Know Your Numbers to Get Your Numbers: Identifying and Reaching Out to Your PACE[®] Market

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Colin Higgins, Senior Consultant, Health Dimensions Group
Rachel Kestner, Marketing Director, ESP of the North Shore

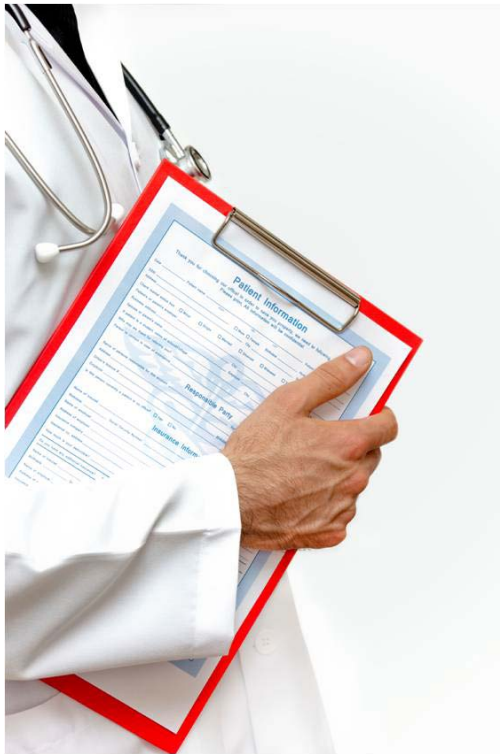
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Quantifying the PACE Opportunity for Growth and Expansion

Understanding Your State's Clinical and Financial Eligibility Criteria for Nursing Home Level of Care

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Clinical



Financial



Demographic Analysis

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- Demographic analysis answers the following:
 - ▣ Quantifies population trends
 - ▣ Segment by ages (65–74, 75–84, 85+)
 - ▣ Shows race/ethnicity
 - ▣ Five-year projections essential



Clinical Eligibility

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- Two disability categories can be used from census data:
 - ▣ 2+ disability, any (aggressive)
 - ▣ 2+ disability, including self-care (conservative)
- These categories do not match each state's clinical eligibility criteria and are proxies

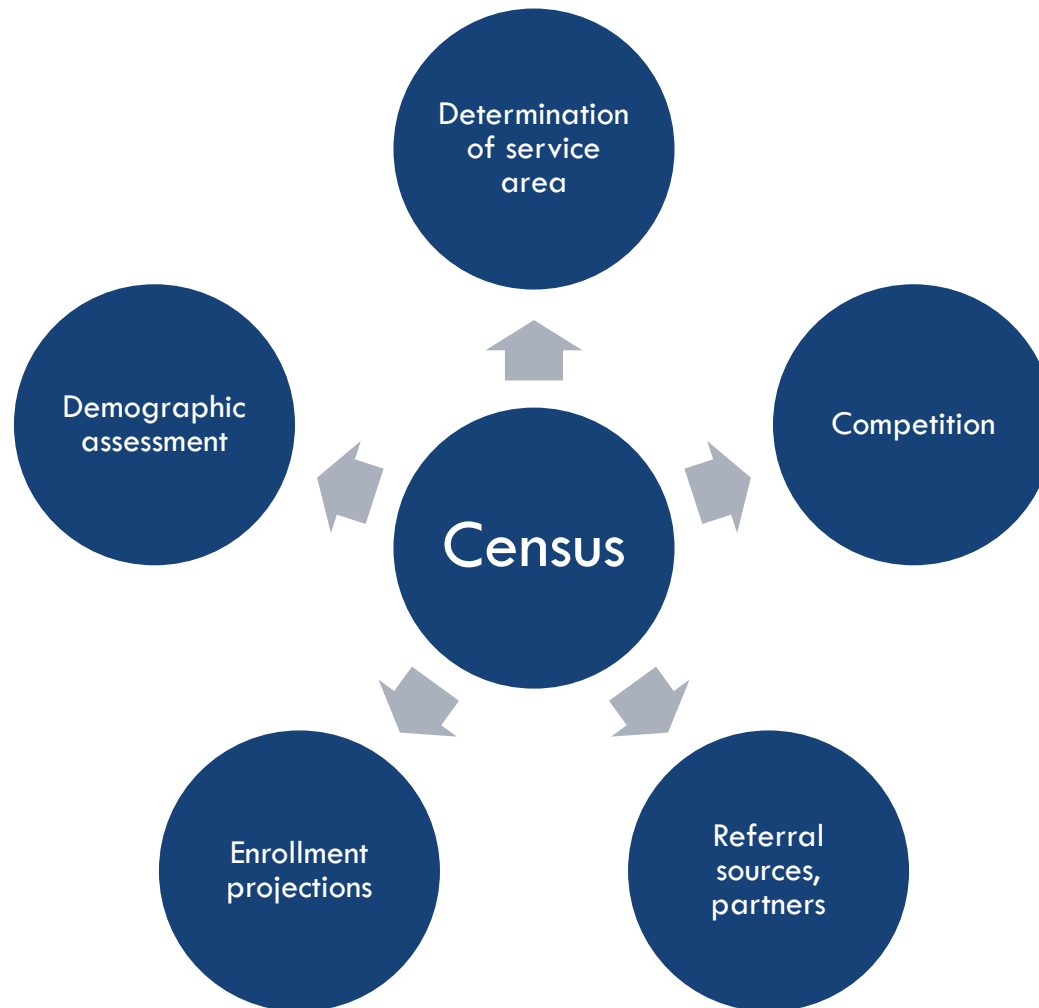
Financial Eligibility

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- Financial eligibility for nursing home level of care is established by each state Medicaid program
- Many states, such as Massachusetts, have financial eligibility of 300% of Supplemental Security Income (SSI) = \$24,264
- Other states have different approaches to establishing financial eligibility for Medicaid
- States such as California, North Dakota, and New York have different thresholds in establishing financial eligibility

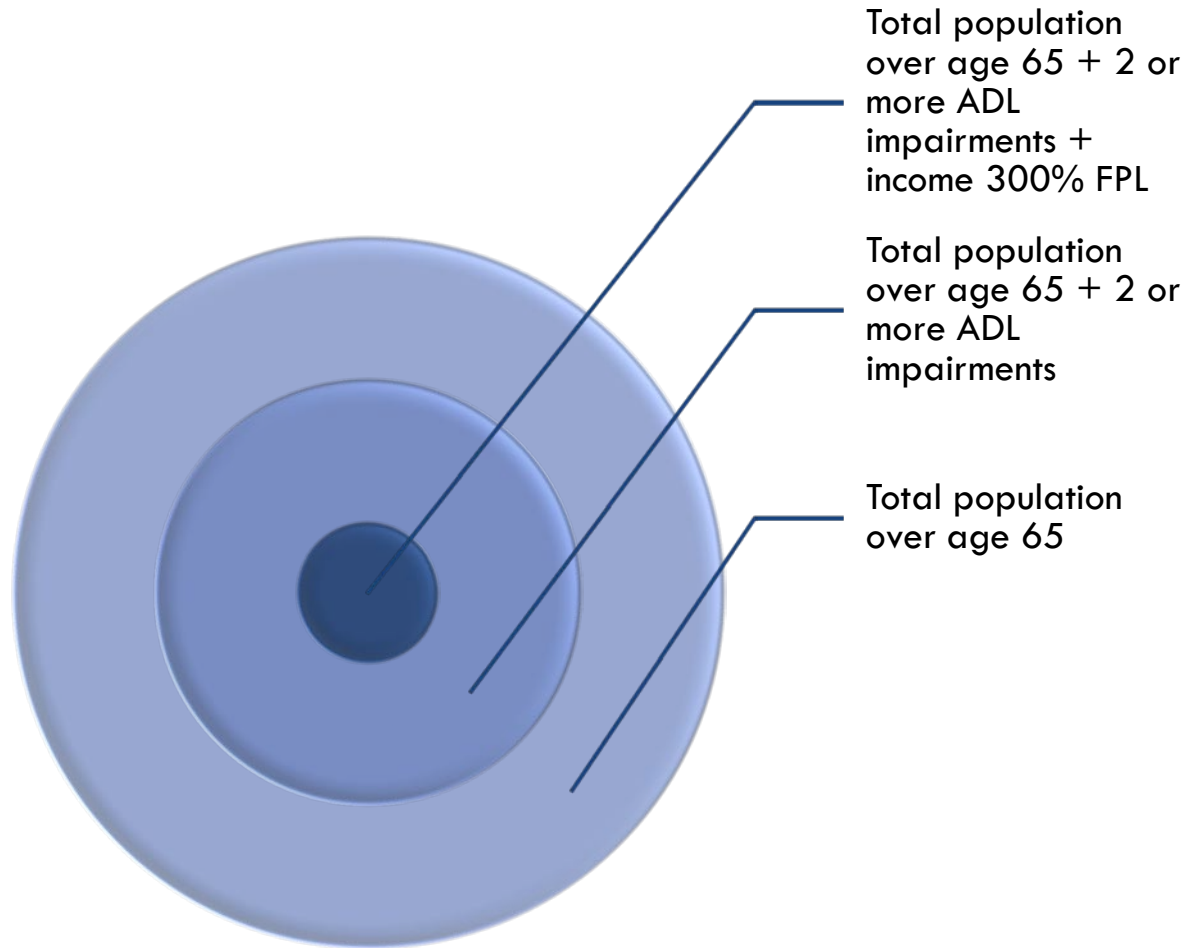
Market and Demand Analysis

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Demographic Assessment: Understanding Penetration and Market Share

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PACE Demand by Zip Code

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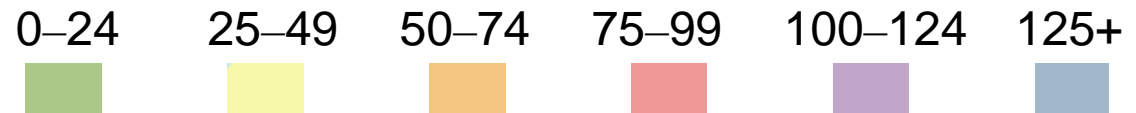
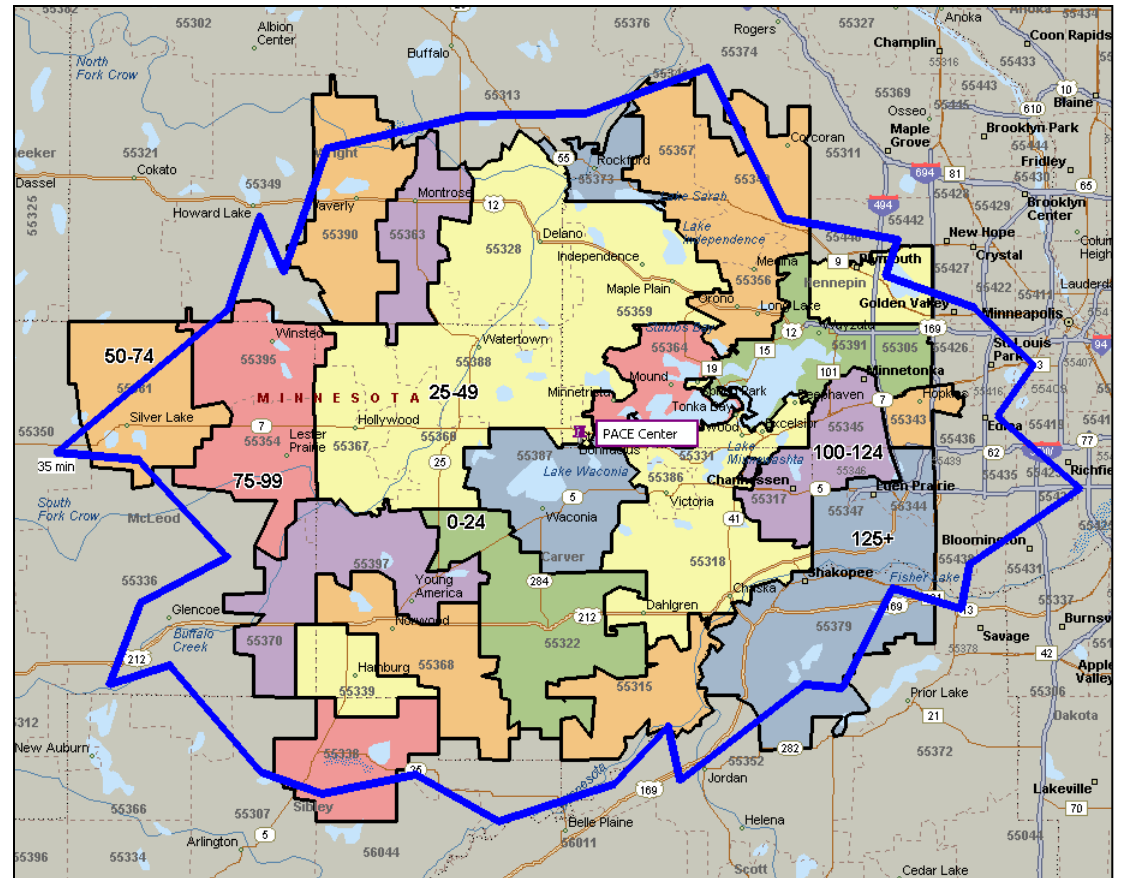
ZIP Code - City	Financially and Clinically Eligible with 2+ Disability Including Self-Care (Conservative)	Financially and Clinically Eligible (Midpoint)	Financially and Clinically Eligible With 2+ Disability Any (Aggressive)
55375 - Saint Bonifacius	68	111	154
55369 - Osseo	44	67	90
55311 - Maple Grove	390	595	799
56301 - Saint Cloud	59	102	145
56303 - Saint Cloud	95	163	230

- ZIP code level analysis will help show areas with the most opportunity

Market and Demand Analysis: Demographics Assessment

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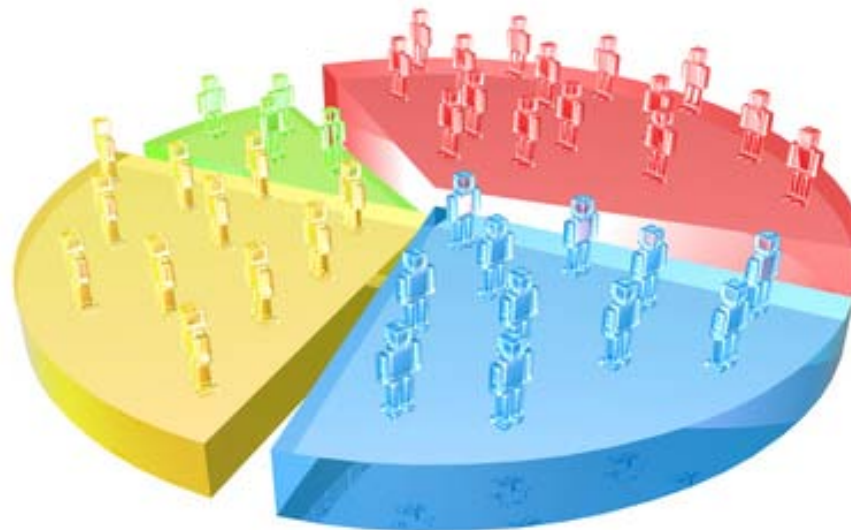
Density of population can help identify target areas for centers and growth potential



Penetration

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- Penetration rate (market share) is the number of potential enrollees a program serves
- Penetration rate varies by state and program
 - ▣ Averages approximately 12% nationally



Market and Demand Analysis: Factors Influencing Penetration Rates

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Penetration Rate

- Reputation of sponsor
- Number of centers or alternative care sites
- Enthusiasm and support of referral sources
- Distance and drive time
- Competition

Market and Demand Analysis: Determining Service Area

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- Considerations include:
 - ▣ Is the area available?
 - ▣ How strong is our presence?
 - ▣ Are there sufficient eligibles?
 - ▣ What is the right size of the service area?
 - ▣ What geographical obstacles exist?



Community Needs and Relationships

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Understand competitors

- Traditional competitors such as SNFs and ADHCs
- Emerging competitors such as managed long term care plans

Understand collaborators

- Low-income senior housing
- Physicians
- Senior housing

Turn competitors into collaborators

- Area Agencies on Aging
- SNFs

Enrollment Projections

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ZIP Code - City	Mid-Point of Clinical Eligibility	Estimated PACE Enrollees with +2.5% Overall Market Penetration	
55375 – Saint Bonifacius	111	3	2.7%
55369 – Osseo	67	36	53.7%
55311 – Maple Grove	595	152	25.5%
56301 – Saint Cloud	102	25	24.5%
56303 – Saint Cloud	163	42	25.8%

- Projection of enrollment numbers helps determine reasonable targets

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Other Supporting Analyses

Diversity of Potential PACE Population

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- Know the different cultures living in your service area
- Culture can impact:
 - ▣ Likely enrollment of different ethnic groups
 - ▣ Service provision such as use of ADHC



Diversity of Working Population

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- Know ages and race/ethnicity of working population
- Diverse PACE population demands diverse staff



Demographics of Working Population

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- Not unusual to see a decrease in certain age cohorts over next five years
- Decrease in workforce may indicate more competition for skilled staff



Questions to be Answered



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- Can you answer the following questions:
 - What are the underlying demographic trends in our current/expanded service area?
 - Have we penetrated our current service area?
 - Can we achieve greater penetration in existing market area?
 - Are there sufficient PACE eligibles to support an additional center?
 - Who are our competitors and collaborators in this service area?

I have a
marketing
idea

Could you be getting more referrals?

Are your presentations effective?

Where are your untapped markets?

Is your current market saturated?

Marketing Plan

Start Caregiver support Group

Print Ads

Council on Aging Fair

Health Expo

Open house

1 presentation or tour each week

Health Fair at high school

Rotary Presentation

20 new referral sources each year

Speak at women in business group

10 enrollments every month

Radio Interview

Ad in church bulletin

Develop new brochure

6 months of bus ads

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Revisiting Colin’s example, we have two towns in the same PACE service area with wildly different penetration rates. This is where the work for your marketing plan really begins – analyzing the “Why” behind this and working to change it.

Analyze Present Conditions

High Penetration	Low Penetration
<ul style="list-style-type: none">• Location of PACE site• Word of Mouth from current clients and families• Hospital in zip code• Strong relationships with Housing Coordinators• Active senior center	<ul style="list-style-type: none">• PACE site not in zip code• Less clients, less WOM• No hospital in zip code• Various social service orgs with high turn over• ESL population

Redistribute Marketing Efforts

High Penetration

- Create a maintenance plan for your largest referral sources
- Use easy lifting marketing
- Leverage current relationships to help open new doors

Low Penetration

- Start a networking lunch to connect providers
- Intimate presentations and special events
- PR featuring local participant
- Complement what others are already doing in the area
- Embrace new cultures

I have a
marketing
idea

Stay Focused

Start Caregiver Support Group

- Target spousal caregivers in Saint Cloud
- Find non-competing partner to share
- Use a series of special events to warm up to on-going groups
- Try targeted direct mail
- Hyper-local advertising and PR
- Be strategic about your location

Questions?

rkestner@pacenorthshore.org

Contact Information

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Colin Higgins

Senior Consultant

Health Dimensions Group

colinh@hdgi1.com

763.225.8623



Managing. Consulting. Caring.

Rachel Kestner

Marketing Director

Elder Service Plan of the
North Shore

rkestner@pacenorthshore.org

(781) 715-6650