

## **Hospitals Offer Unconventional Services in Hopes of Attracting Future Patients**

By LARALYN SASAKI, *Staff Reporter of THE WALL STREET JOURNAL*

ROCKY RIVER, Ohio -- Seven preschoolers in pastel-colored capes are pretending to be Superman, "flying" across a carpeted classroom and jumping over imaginary obstacles.

These students, however, aren't in nursery school; they are part of a fitness and nutrition class sponsored by Fairview General Hospital here. The youngsters and their parents are discovering that hospitals aren't just for the ill and injured any longer.

Faced with shrinking patient rolls and reduced federal support, hospitals across the country are offering a wide variety of new and-for them- unconventional services to bolster their finances. Although the services themselves aren't always profitable, hospital administrators hope the programs will give their facilities a positive image and persuade customers to return when they need medical care.

Thus, North Florida Regional Hospital in Gainesville, runs the Excess Express, a cab service for people who have been drinking. Florence General Hospital in Florence, S.C., operates a day-care service for the elderly. And Holy Cross Hospital in Silver Spring, Md., last winter offered a bicycle-repair class. Other facilities offer classes in everything from preventive medicine to clowning. One California hospital even has a catering service for champagne receptions.

"In these competitive times, we want to develop allegiances with as many people as we can," says Henry Jacques, assistant administrator at Fairview General.

### **Selecting a Hospital**

Hospitals believe consumers are playing a larger role in selecting a health-care facility, reflecting concerns about a hospital's reputation, location and costs. "Before, they didn't question their doctor's choice of a hospital," says Lisa Anderson, a spokeswoman for Cyprus Fairbanks Medical Center Hospital in Houston. "Today they're voicing more of an opinion."

Consumers also have a growing interest in personal health issues. Some marketers believe that hospitals can easily tap that interest with classes and other services and eventually attract customers to their medical facilities.

In Ohio, for example, Health Technology Inc., a health and fitness company, bought private health clubs in Cleveland in 1982 and Columbus this year and now runs them in conjunction with clinics operated by local hospitals. Clients visit the clubs for checkups or to exercise, and staff members help them develop personal-fitness programs. If a medical problem arises, clients are automatically referred to a professional in the clinic.

During the physical of one visiting company president, the club staff detected what turned out to be heart disease. The executive was immediately referred to the clinic and eventually underwent open-heart surgery at the affiliated hospital. Later, he returned to the club for rehabilitation.

St. Vincent Charity Hospital & Health Center, a 120-year-old institution in downtown Cleveland, joined forces with Health Technology two years ago. Robert Range, the hospital's

senior vice president for development, says the relationship with the health club as well as other fitness programs that St. Vincent offers has helped offset declining occupancy rates. The average hospital stay was shorter last year, he says, but total patient admissions increased.

Kenosha Memorial Hospital in Wisconsin began a similar program in response to declining business in its industrial area, where unemployment is high. The hospital's former seventh-floor storage area is now the Lifestyle and Fitness Center, a carpeted room ringed by windows and overlooking Lake Michigan.

The facility provides medical evaluations and "exercise prescriptions," says Judy, Schmude, its director. Memorial hopes that if people become comfortable in the center doing workouts, they will be more likely to choose the hospital for medical care.

Other hospitals have gone to greater lengths to attract consumers. Fairview General, a 500-bed hospital outside Cleveland, opened a Center for Health Education in 1982. Originally designed only for physicians' patients, the center eventually moved to a renovated school building and last year offered 142 classes to the public.

Area residents can choose everything from clowning, ballroom dancing, square dancing, bird-watching and cooking to classes on coping with divorce, study skills and assertiveness training. About 2,000 people have already used the center this year. Although the facility doesn't support itself financially, hospital officials believe the programs make people comfortable at Fairview and will generate health-care business.

The theory, however, that name recognition and a positive image will trigger hospital business is difficult to prove. Many hospitals lack hard evidence that their new marketing efforts will pay off, and some industry consultants say the approach is misdirected. Jeffrey Goldsmith, an Ernst & Whinney consultant who advises hospitals on marketing and strategic planning, says hospitals are viewed as an "easy mark" by the marketing industry.

### **'Heart of the Hospital'**

"The retailing is colorful," he says. "But hospitals aren't perceived to be light and airy places. They're places where people go to have crises. I think it's straining the imagination that hospitals are places where people go to have fun."

The best way to compete, Mr. Goldsmith contends, is to develop lower-cost products and services while building bridges to the people who make health-care decisions -- the physicians. "Physicians are still the heart of the hospital," Mr. Goldsmith says. And he is especially skeptical about health-education centers, health clubs and other popular diversification efforts. "Hospital management wasn't trained to run dozens of businesses," he says.

Despite such warnings, hospitals are continuing with efforts they believe will help business no matter how off-beat. St. Rose Hospital in Hayward, Calif., for example, has started a catering service. The under-used hospital kitchen provides the food for weddings and champagne receptions, and has an annual contract to cater the Shriners' Christmas dinner. Donald Stafford, vice president of general services at St. Rose, says such services-if performed in a professional manner-can benefit the hospital. "If people see something at a wedding or a reception and like the food presentation," he says, "they feel they'll get something of comparable value at the hospital."

Judy Belk was at first apprehensive about ordering hospital food for a dedication ceremony at the organization where she handled public relations. But she ended up being impressed with the quality of the meal-and the hospital's competitive prices. The experience, she says, gave her a good feeling about St. Rose: "If they're feeding the patients the same caliber of food, I'd say the patients are eating pretty well."