

*The US & UK
Long Term Care:
What We Can
Learn from Each
Other*



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Presentation Available

**US & UK: What We Can Learn
from Each Other**
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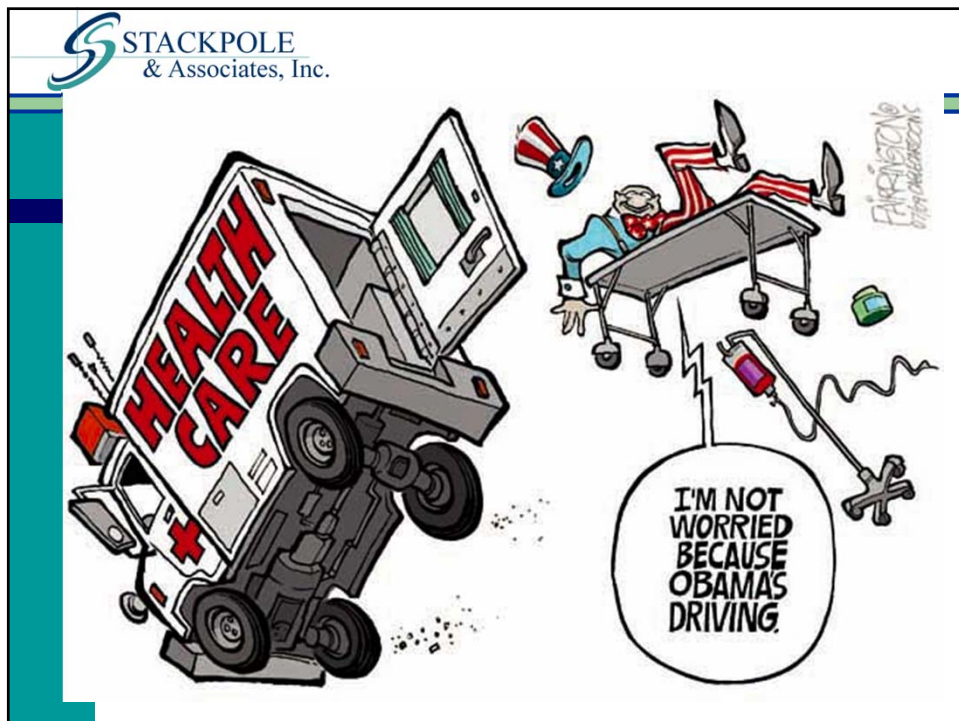
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The Challenges

- *Population living longer & carrying more chronic illnesses into their later years*
- *Demographic cycles –*
 - *Aged decline right now – false security*
 - *Looming baby boom*
- *Birthrate declines ➡ Fewer paying the social care / health care taxes*
- *Macro-Economic Issues*

The A-Team's Working on This – RIGHT?





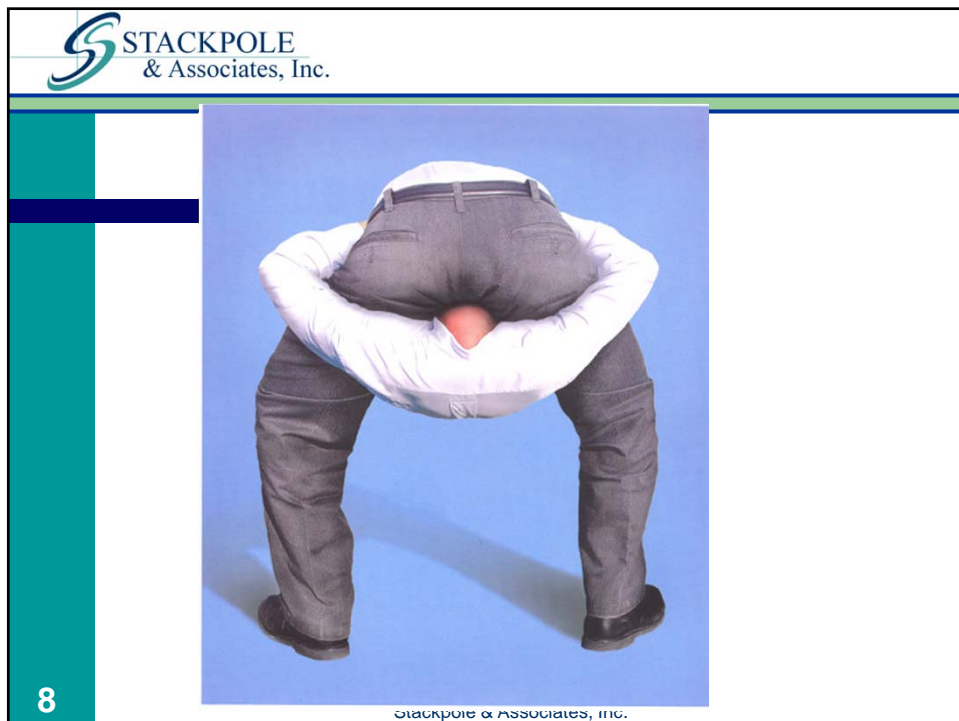
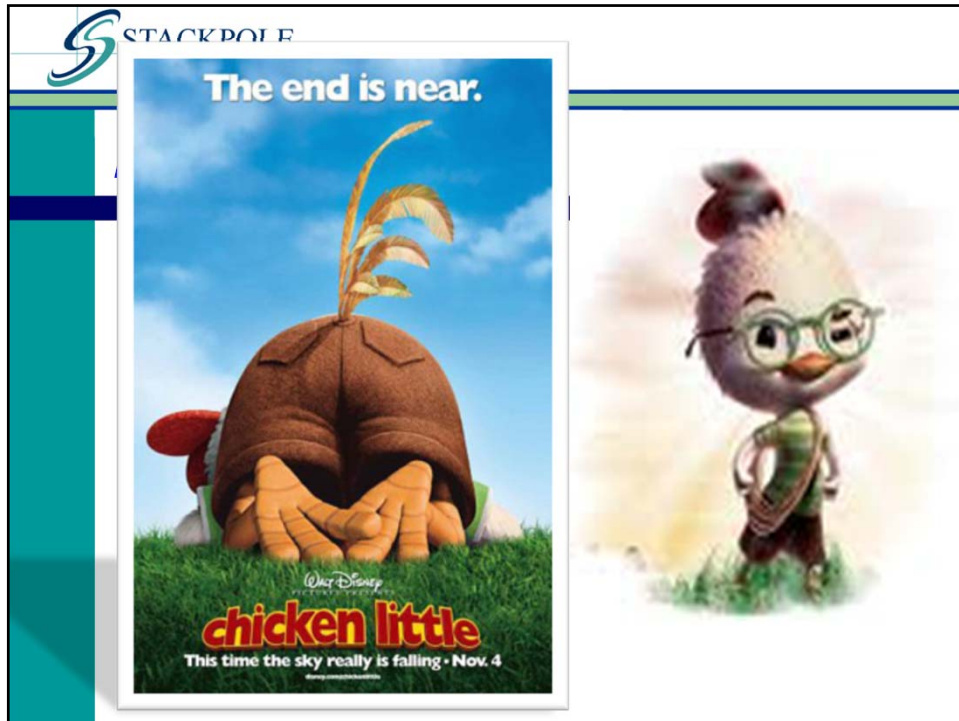
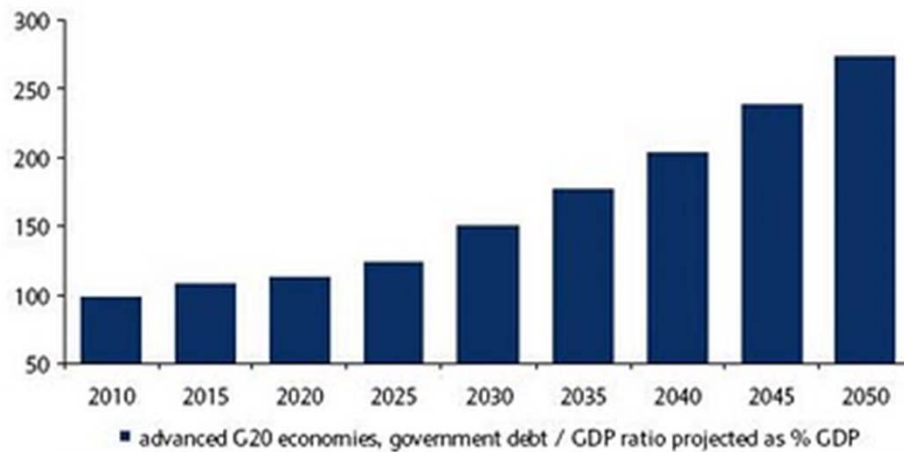


Figure 7: The impact of ageing – advanced G20 economies, projected government debt/GDP ratio



Source: IMF, "The State of Public Finances: Outlook and Medium-Term Policies After the 2008 Crisis" March 2009

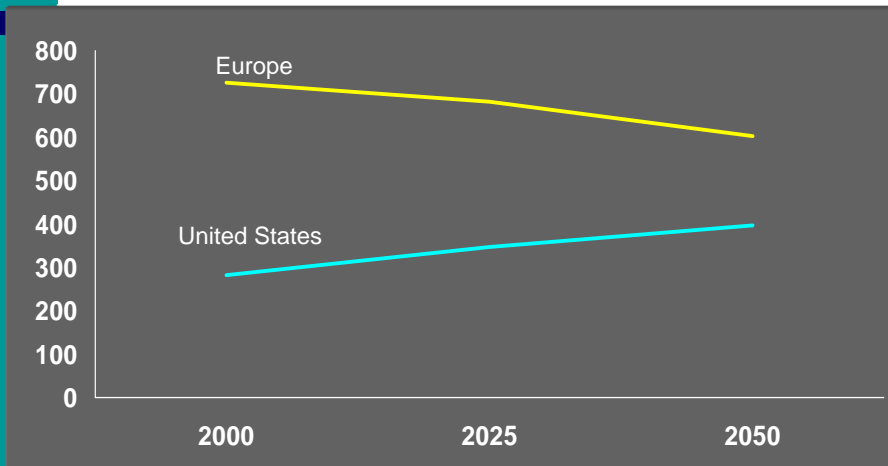
Who Will Pay? Workers per oldster

1950
 16.0 Workers Per Retiree

2005
 3.3 Workers Per Retiree

2030
 2.0 Workers Per Retiree

An aging world & population declines in millions



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What Seniors Imagine



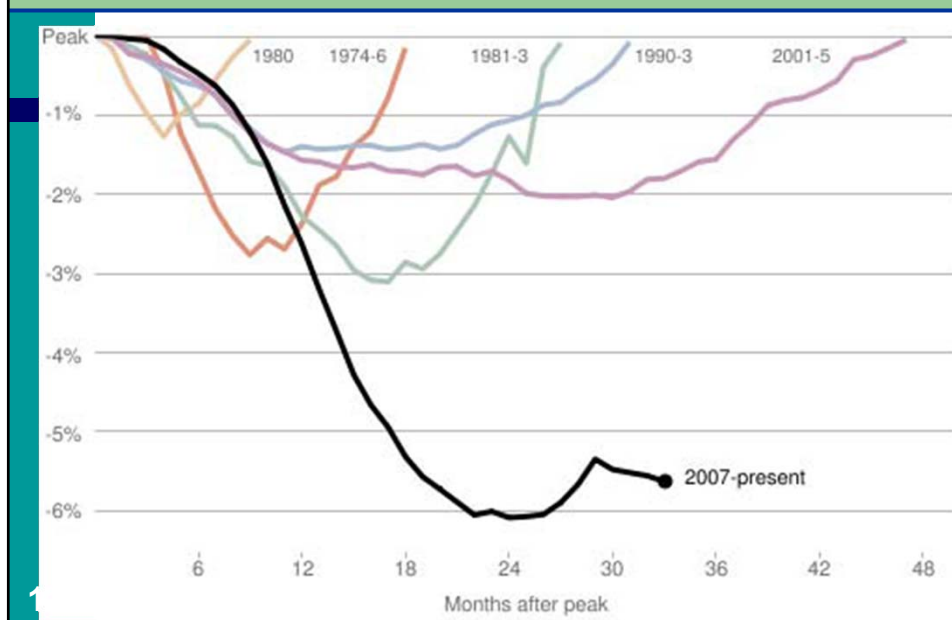
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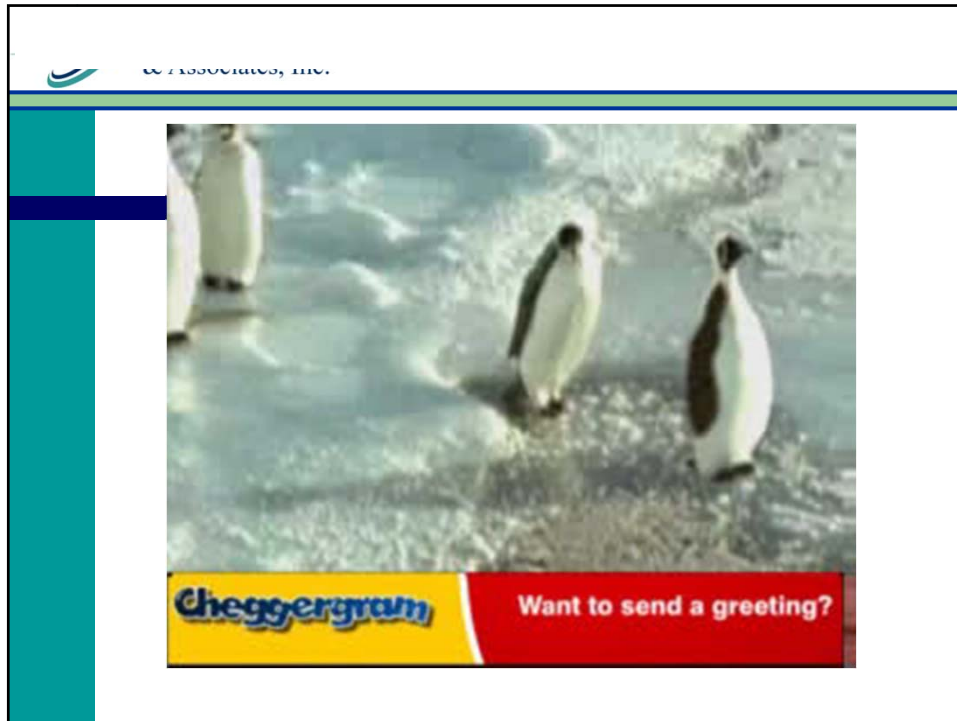
What Seniors Experience



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Comparing Recessions





The Demand Side

- *Both UK & US aged populations*
 - *Are older when seeking care*
 - *Are more frail / have more dependencies*
 - *Therefore – more costly care*



UK system – Less costly

UK - “triage” in community

The US - You have to be really sick



OR really rich

The Demand Side

- *In both UK & US “care” is seen as negative*
 - *Both are desperately mis-informed*
 - *Old Americans are a political powerhouse*
 - *Old Brits seem to be marginalized*
-  *US system – Better advocacy*
-  *The UK – Faulty Towers*

Daily Mail
MONDAY, JANUARY 22, 2007 www.dailymail.co.uk 45p

Minister's shameful admission on how care system fails the old

STARVING OF THE ELDERLY

By **Benedict Brogan**
Political Editor

A HEALTH minister made the shameful admission last night that elderly people are effectively being starved in care homes and hospitals.

Ivan Lewis said some are given just a single spoon of mash as a meal

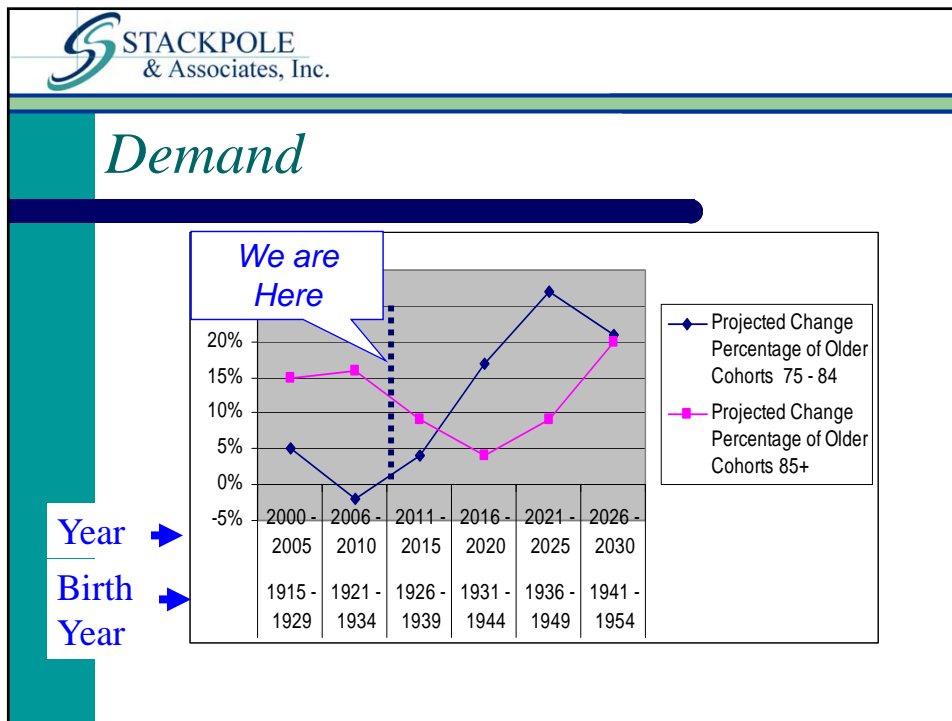
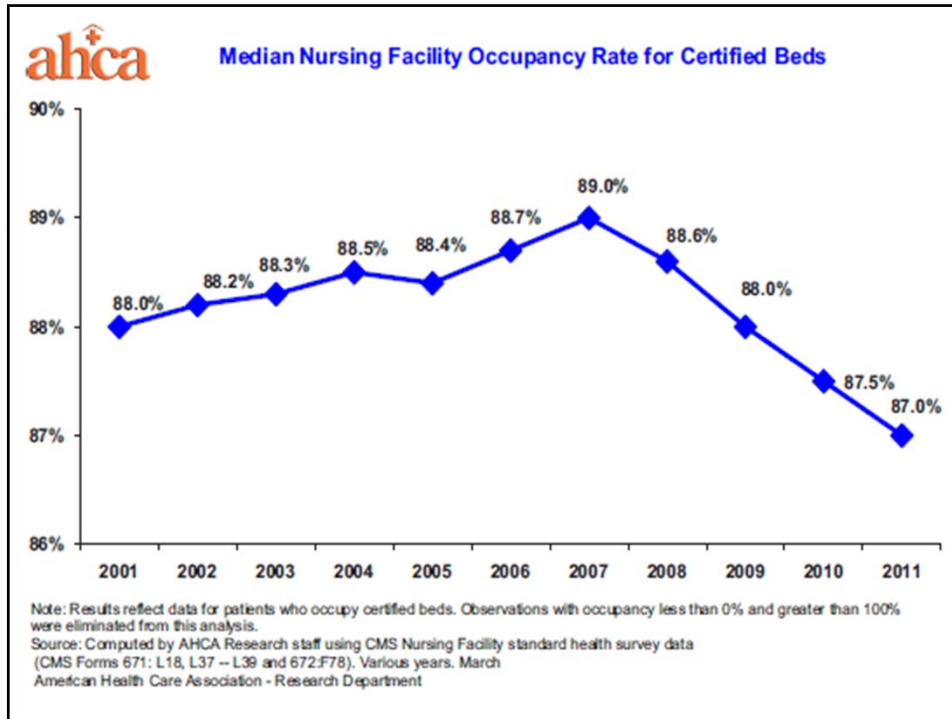
One Benefit of Marketing?

- *In the US , most customers / consumers have real choice*
- *Therefore, providers pay close attention to:*
 - *Resident & family satisfaction*
 - *Mystery shop services*
 - *Representations in the media*

The Supply Side

- *Supply is more elastic in the UK*
 - *UK care centers are smaller*
 - *30 to 40 beds*
 - *US centers are larger*
 - *Nursing centers – ave. 111 beds*
 - *ALRs ave. 70*
- **UK system adapts faster**
- **US system – Big + D/CONs**





“Show Me The Money!”

■ *US ~ 13.5 million in nursing & assisted*

- *65% nursing paid below cost (Medicaid)*
- *15% by Medicare (age & disability)*
- *20% private – out of pocket*

■ *UK ~*



- *Need-based for everyone – (Mostly)*
- *Burden of payment NOT individual & family*
- *Payment MUCH LESS COMPLEX*

The Supply Side

■ *Nursing centers / assisted living is better regulated in the US*

- *UK care centers - extremely vague metrics*
- *US centers collect / aggregate more, and more reliable data*



–UK system less data



–US system more and more reliable data

What About Competition?

Conclusion

- *To Quote Randy Newman*

“It’s a Jungle Out There”

UK – Little / No Competition

- *In the Nursing centers, and in Care Home Markets, the “Customer” (Chooser) is the Local Authority*
- *What does the Consumer lose in this?*
 - *Some Choice*

£892.00

£3,835.60



Downside to Competition?

- *Resources – Time & Money – devoted to persuasion*
- *Customers unable to judge on quality, judge on “looks”*
- *Body snatching / ambulance chasers*

Marketing Long Term Care

- *Marketing Messages*
 - *The metaphors are extremely negative*
 - *The words are bad – really bad*
 - *Images are often worse than the words!*
 - *The “F” word*
- *Re-Position our Products / Solutions*

Recommendations

- *Scrutinize messages*
 - *Print*
 - *Web*
 - *In-Person*

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Recommendations

- *Prospective customers' don't want us – they need us*
 - *Support the need*

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Recommendations

- *Aggressively attack the negative metaphor*
 - *Start with staff – move on to families*
 - *Ban the “F” word*
 - *Add “movement”, action and kinesthetic language*
 - *Ask current customers & families*
 - *Measure satisfaction & loyalty*

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Cheap subliminal suggestion →



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