

Marketing Healthcare to Hispanics

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Introduction

In 2004 the Synovate U.S. Hispanic Market Report indicated there were at least 42,530,000 Hispanics living in the United States. This report projects that by the year 2020 there will be approximately 80.4 million Hispanics in the U.S., making up over 20% of the total population. This rapid growing population will inevitably impact the economy and spending of this country. The Selig Center for Economic Growth in 2004 positioned the purchasing power of U.S. Hispanics at roughly 700 billion dollars and estimated that by 2008 this will grow to over one trillion dollars. With this data at hand, one would assume industries would be competing to reach this market; however, Hispanics continue to be underserved, particularly in the healthcare arena. Reasons for this lack of proper healthcare are partly cultural and partly economic; some cultural reasons relate to how less acculturated Hispanics interact with the U.S. Health care industry (Palacios, 2005a). Regularly scheduled medical visits tend to be less frequent and tend to occur only when symptoms are evident.

The U.S. Census report, "Health Status, Health Insurance, and Health Services Utilization: 2001," indicated that a large proportion of Hispanics (43 percent) reported never visiting a doctor in the last 12 months. This is significantly higher than proportions of other groups, such as non-Hispanic whites, of whom only 22.5 percent never visited a doctor; approximately one third of both Asians and blacks reported the same.

Some possible explanations for these differences include that less use of medical services can indicate less need due to better health. Younger people are healthier and less likely to need medical services. The Hispanic population in the U.S. is on average younger than the overall population. According to 2004 Census data, the median age of Hispanics is 26.9 years compared to 36.2 years for the overall U.S. population. Therefore, Hispanics may have less need for some medical services; however, *less* use of medical services may also be due to lack of health insurance and affordability of care. Over 33 % of Hispanics in the 2001 U.S. Census Health Survey reported having no health insurance, in comparison to just 14.8 percent of the total sample population. Hispanics are also likely to have lower incomes. For example, Census data from 2004 reports median Hispanic household annual income as \$35,929, compared to \$44,684 for the overall U.S. population. Additionally, others speculate some Hispanics do not have insurance because they have not been informed. For example, some Hispanics are not accustomed to a competitive health care market and may be unaware of programs that exist. A survey conducted by Tamayo Miyares, a California advertising firm, found that while many Hispanics are likely to believe that the U.S. health care system is superior to that of their country of origin, they also perceive private insurance and hospitals as being for those of higher socio-economic status. Additionally, the survey indicated that Hispanics are generally unfamiliar with the HMO concept.

With lower levels of insurance, unfamiliarity with the U.S. Health Care system, and lower levels of income, does it not seem difficult for health care to profit with this market? In the short term, it may be complicated; however, in the long term this market presents a great opportunity that this industry should consider (Palacios, 2005a). As Hispanics continue to grow older, healthcare use is sure to increase, additionally, as Hispanics continue to work and obtain permanent, higher paying positions, purchasing

private insurance will also increase. The purchasing power, as explored above, is evident and quickly developing. Cultivating the Hispanic market in this arena will require a significant investment of time education, and dollars, but the pay-off will be significant.

Current Efforts

In order to gain a better understanding of where the healthcare industry presently stands in its efforts to reach the Hispanic market, the steps several companies in this industry have taken towards this goal will be examined. The information presented below, although limited in that comprehensive company profiles were not accessible, will provide a general idea of Hispanic marketing efforts currently taking place in the healthcare industry.

PacifiCare

PacifiCare, a California-based managed care health insurance company, has effectively tapped into the Hispanic market helping it become an \$11 billion provider of health insurance products for employer groups and Medicare beneficiaries (Edlin, 2005). Their efforts have been most salient through the creation of the Latino Health Solutions division of the company, providing bilingual English and Spanish Self-Directed Health Plans for small and large businesses. This was welcomed in industry where a growing number of employers are seeking a health plan that will reach out to their Hispanic employees.

In their research, the company found that the Hispanic population preferred Spanish-speaking physicians, customer service in Spanish, bilingual materials, preventive care services, affordability, and coverage for unforeseen catastrophic circumstances. They responded to these findings by establishing Plan Prevención, a self-directed health plan that provides first dollar coverage of routine and preventive health (up to \$2,000 per year). Additionally, PacifiCare developed a directory of physicians that speak Spanish and makes it available to its members.

PacifiCare, in collaboration with the American Heart Association, also developed Evaluate Su Salud (Evaluate Your Health), a bilingual interactive health risk assessment for its members. This program is in CD-ROM format and asks questions about a member's health, lifestyle habits and feelings and converts the answers into a profile for each member to share with his/her physician. Additionally, PacificCare also provides its members with an online program in Spanish and English to help them navigate their health plans.

PacifiCare has also become actively involved in the Hispanic community, establishing the Latino Health Scholars Program in 2003, which in 2004 awarded 50 scholarships of \$2,000 each to Spanish-speaking, Hispanic students pursuing careers in healthcare.

United Health Care of Illinois

United Health Care of Illinois, a Chicago HMO, has taken two primary initiatives to attract the Hispanic market: community events and advocating for family friendly service environments (Ross, 1995). United Health Care has teamed up with local officials in Chicago to organize health fairs and immunization drives in its service areas with high Hispanic populations. They have utilized these events as an opportunity to

educate Hispanics in their area regarding services available. In preparation for these events, the company has prepared handouts and brochures in Spanish describing services available. Additionally, Spanish-speaking sales representatives and customer service staff are available at these events to attend to its clientele.

United Health Care has also found these events as most effective when they are organized in a family-oriented manner recognizing that the support of the entire family is crucial to gaining and keeping the Hispanic business, even if not all family members are on the plan. Not only have they designed these events in a family-friendly manner, they have also found it important to provide for family members in other ways. For example, Hispanics are more likely to accompany a family member to a medical visit, thus Hispanic patients are also concerned about how their companions are treated. United Health Care has advocated for their service providers to have clean, open waiting areas, with reading materials in Spanish, in an effort to satisfy those needs.

Tuality Health Care

Tuality Healthcare/Tuality Health Alliance of Hillsboro, Oregon has also taken an innovative approach at attracting Hispanic consumers of healthcare. They not only sponsor a local health center, but work with local growers and wineries, which mostly employ Hispanic farm workers, to provide these individuals with free health care services. This initiative, in addition to providing much needed care, is working to establish roots with families who will one day have private insurance. Upon obtaining insurance, Tuality Healthcare will already be an established and trusted healthcare provider and Hispanic individuals previously receiving services, and their family members, will be more likely to continue seeking services from them.

Blue Cross of California

Other major health care providers have also begun to take steps towards addressing the Hispanic market. In 2005 Blue Cross of California began to accept Matricula Consular IDs for the purchase of health care insurance. The Matricula Consular ID is an identification card issued to Mexican foreign nationals in the U.S.; it is most useful for illegal aliens, because legal immigrants are able to obtain legal U.S. government-issued documents. Although not an intricate change to market their plans to Hispanics, this was a bold move for the company to take, recognizing the importance of the Hispanic market.

Aetna

Aetna, one of the nation's leading providers of health, dental, group, life, disability and long-term care benefits, is already placing advertising in Spanish-language magazines (Rauber, 2004). Additionally, they have Spanish-speaking nurses available on 27-7 information lines and have developed Spanish-language print and video materials. They have also established a telephone health advice line and the DocFind internet service, available in Spanish, where members are able to locate service providers in their area. Aetna uses the tag line "When it comes to quality healthcare coverage, we speak the same language;" their advertisements have appeared in publications such as Hispanic Business.

Access Salud

Access Salud, a California based company providing insurance and health care services has found an interesting way to reach the Hispanic market. They have partnered with Meridian Health Care management and a major Mexico City provider to offer cross-border coverage so that Mexican employees can buy health coverage not only for themselves in the U.S., but also for their families in Mexico. Additionally, Access Salud has launched Club de Salud, a medical savings membership program that provides significant discounts, bilingual telephone assistance, and other health care services (Palacios, 2005b). This initiative will also help to gain the trust of Hispanic consumers in the long-term as they would have already established a working relationship with Hispanics who will eventually purchase private insurance.

Anthem Blue Cross and Blue Shield

Anthem Blue Cross and Blue Shield, with 11 million health plan enrollees in Indiana, Kentucky, Ohio, Connecticut, New Hampshire, Colorado, Nevada, Maine and Virginia launched a Spanish-language website in April 2004. This website provides a wide spectrum of information targeting Hispanics. This includes corporate information about Anthem; benefit information and state-specific background on products and services, and links to related Web resources. Additionally, a Spanish-language provider directory is included. Also on this website, a Spanish version of MyHealth@Athem, a health-information resource site with daily health news, articles, and reports, was established - MiSalud@Anthem. Anthem also plans to include interactive tools to help Hispanic enrollees manage their health in specific areas such as diabetes, personal fitness, and pregnancy.

La Clínica de Pueblo

Although both are direct service providers, rather organizations overseeing managed care, a lot can be learned from the unique partnership of La Clinica de Pueblo (LCDP), a grassroots healthcare clinic serving the Hispanic community in Washington, D.C., and the Howard University Hospital (HUH) (Sevenson, Elzey & Romagoza, 2002). The LCDP saw itself serving large amounts of Hispanic individuals, but struggled to keep up, financially, with its efforts. Meanwhile, HUH, although in the same community, did not see the same influx of Hispanic patients in their facility. Both parties agreed on uniting to better serve the Hispanic community and the hospital became primary benefactor and partner of the clinic. Their agreement included collaboration to develop referral mechanisms between the two organizations, medical education programs to train hospital staff regarding the needs of the Hispanic community, and outreach to the Hispanic community, in part through funding the clinic's new building. In its first three years, the economic benefits of the affiliation were seen to be far better than expected. Although LCDP operated as a free clinic, with the hope that patients unable to pay for services eventually would go to other providers, many patients repeatedly were drawn to LCDP because of its quality of care and the sense of security provided. As those patients were referred to HUH, employing sophisticated financial counseling programs, many patients were found to be eligible for coverage of services offered at the hospital and as a result as few as one in four referrals from LCDP has remain uncompensated, resulting in a tremendous improvement in payment levels for the hospital. This serves as a great

example of how an organization can easily increase its probability of becoming the provider of choice in the Hispanic market, by investing time and energy into the Hispanic community, which helps develop consumer loyalty.

Trends

After examining the efforts of some of the major organizations in this industry, it is useful to highlight trends and patterns observed. By looking at what strategies companies have employed in marketing to Hispanics one can better understand efforts currently taking place, get a better sense of what is most effective, and know how to best build on these.

Spanish Language Service Providers

A common initiative taken to earn the business of the Hispanic market has been to ensure that service providers are able to attend to consumers in Spanish. Although living in the U.S. results in the need to speak English, the Spanish language continues to be of much cultural importance. Synovate (2004) reports that 63% of Hispanic households overall can be classified as Spanish dominant, or speaking Spanish only or Spanish more than English at home. The industry has responded to this by taking initiatives, such as PacifiCare, to provide its members with listings of Spanish-speaking service providers. Additionally, companies such as United Health Care of Illinois are making available brochures and other literature in Spanish, delineating services provided. Another more popular approach has been to establish Spanish telephone hotlines to provide members with healthcare information and advice. Aetna has Spanish-speaking nurses available around the clock, and Access Salud has an established telephone assistance service. This has been an ideal approach as it may be difficult for managed care companies to find bilingual professionals in some areas.

Internet Resources

Another popular trend in the healthcare industry has been the use of the internet. Companies such as PacificCare and Blue Cross Blue Shield have established Spanish websites. Additionally, some have initiated on-line programs in Spanish to help members locate service providers – such as Aetna’s DocFind internet service in Spanish. Others have gone a step further and created on-line tools that allow members to manage and change their healthcare plans, in both Spanish and English. According to Synovate (2004), approximately 4.5 million Hispanic households had internet access at home. About 1.5 million of these households obtained internet access since 2002, indicating continuing key growth. The internet is clearly a tool to consider when addressing the Hispanic market.

Other Technology Mediums

Innovatively, several organizations have turned to other technology mediums in their efforts to cater to the Hispanic market. For example, PacifiCare distributed a bilingual CD ROM to Hispanic members that allows them to complete a health self-assessment, which provides them with a report they can print out and take to their physician to aid in diagnosis or treatment planning. Such initiatives help to make a connection with the consumer, in a culturally relevant manner; it is a way for the

organization to show its value of the consumer and an opportunity to establish a relationship and build loyalty. Similarly, Anthem Blue Cross Blue Shield, created the MyHealth@Anthem electronic portal, providing daily bilingual health news, articles, and reports relevant to the Hispanic consumer. Aetna has begun to publish video materials in Spanish with information regarding plans available and services provided. These are innovative mediums to, not only get useful and relevant information out to Hispanics, but also present opportunities for the company to introduce itself to the consumer and begin establishing a relationship. This combination of culturally relevant information, and health information presented in a culturally sensitive manner, with taking stock and showing interest in the Hispanic consumer's health, is important in reaching this market.

Community Involvement

Involvement in the Hispanic community has also been a common trend in the healthcare industry. Companies such as United Health Care of Illinois have sponsored or organized health fairs and immunization drives in areas with High Hispanic population. Others, like Tuality Healthcare and La Clinica de Pueblo together with Howard University Hospital, have gone a step further and provided cost-free health services to uninsured Hispanics; they have been eventually able to retain these individuals as paying clients in the long-term. Additionally, PacifiCare has begun to offer scholarships to young Hispanics. These types of initiatives have been very successful at establishing relationships with the Hispanic consumer. These organizations's investment of time, energy, and resources often times results in high levels of loyalty to the organization on behalf of Hispanic consumers. Through community events, these organizations get to know their consumer. In some instances organizations have invested into the Hispanic community without reaping immediate results; however, in the long-term, they are able to reap the benefits.

Provision of Culturally Relevant Services

Other organizations have taken steps to adapt healthcare coverage plans to reflect the needs and desires of the Hispanic market. For example, PacifiCare, in response to their research on Hispanic managed-healthcare users, which found that Hispanics value utilizing routine medical services, initiated Plan Prevención, making first dollar coverage of routine and preventive health services available to its members. United Health Care of Illinois worked towards offering family-friendly services, recognizing the importance of family within the Hispanic culture; they advocated for their services providers to have family-friendly waiting rooms with relevant reading materials accessible. This is a logical approach to take in targeting the Hispanic market; if culturally relevant services are available, they will be more likely to utilize their services.

Conclusion & Recommendations

Healthcare providers are beginning to recognize the potential of the Hispanic market. Some companies have begun to target the Hispanic consumer through culturally relevant marketing strategies and outreach programs. Some of the methods include marketing Spanish-speaking service providers, on-line websites and applications along with other technology mediums, such as CD ROM and video. Additionally, organizations have increased their community involvement with in areas heavily populated with Hispanics. Some have made adaptations to ensure culturally relevant services and plans are offered.

At the present the Hispanic market has just barely been tapped in regards to health care. Meanwhile the Hispanic market continues to grow, with increased levels of spending power. This is an opportune time for organizations to begin establishing relationships with the Hispanic community, in order to earn the loyalty of the Hispanic consumer, particularly as spending in this area increases. The following are recommendations for the healthcare industry to consider in reaching this market.

Reach out to Established Organizations

A useful step in marketing healthcare to Hispanics will be to reach out to already established organizations (Sevenson, Elzey, & Romagoza, 2002). In many communities, the Hispanic population has already begun to build its own healthcare institutions, as was seen in La Clinica de Pueblo in Washington D.C. It is important to not underestimate the significance of these institutions to the Hispanic community; healthcare providers not recognizing these organizations risk alienating themselves from the Hispanic community. The strong bonds these facilities have with the Hispanic community can be important allies in outreach programs.

Understand What Hispanic Means

An imperative step to take is to understand the Hispanic market, particularly as related to healthcare. This would imply to learn about Hispanic health practices and attitudes generally, and relative to illness and treatment. Until these perceptions are understood, it will be difficult to appropriately provide and market relevant healthcare to Hispanics. Additionally, it will be important to understand that reaching out to the Hispanic market may not yield automatic returns, but rather this type of undertaking should look for long-term commitment. Those organizations who begin to connect with the Hispanic consumer now, will gain loyalty, and eventually profit as Hispanic spending continues to increase.

Locate Appropriate Channels

Locating and identifying the appropriate channels to use in reaching Hispanics will also be important. Channels mentioned above include the internet, community events, and other technology mediums, such as videos and CD ROMS. Other mediums should also be considered. For example, Hispanics are the leaders in television viewing, spending over 40% of their media hours with it, in comparison to the general market's spending one-third of their media time on TV. Also notable is that Hispanics spend 25% of their media hours with radio, compared to the general market's 17% (Synovate, 2004).

These media outlets should be considered in expanding services and reaching out to the Hispanic market.

Provide needed Spanish Materials

In creating culturally relevant communications, it is important to translate what *needs* to be translated into Spanish. Translating materials into Spanish is not necessarily a first step to take, as some companies think. While language is a real issue, it is not the lead issue; it is a tactical issue to address as materials are developed (Palacios, 2005c). The lead issue, as discussed, is to understand Hispanic health culture and to develop specific strategies for Hispanic markets. To be effective, offers, messages, and branding should reflect the needs and attitudes of Hispanic culture – translating materials will not do this.

Create a Solid Infrastructure

It is important to backup marketing programs with a solid infrastructure. This may mean that prior to sending out an ad in Spanish, establishing Spanish-language human resource staff, or bilingual customer service and sales representatives. If an ad is placed in Spanish, Hispanics will respond and one must be ready to handle the new inquiries. To achieve this, the organization must be prepared to employ culturally adept corporate strategies and adaptations as needed.

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