



Family Centered Maternity Care: The Business Case

By Celeste R. Phillips, RN, EdD • Phillips+Fenwick • June 18, 2007

Hospitals today are pressed more than ever to improve performance, satisfy a dynamic patient demographic and drive increased profitability. As a result, administrators are continually searching for affordable solutions to satisfy critical business objectives while remaining competitive in the fast-paced healthcare marketplace.

Female-specific healthcare provides substantial revenue opportunities to dramatically improve patient experience and loyalty, which, in turn, drives stronger revenue. Women in the United States spend more than \$43.3 billion on female-specific conditions every year,¹ with childbirth being one of the first and most pivotal roles played by hospitals in a woman's life. To add to this growing opportunity, birth rates are reversing after a long decline, with the U.S. Bureau of Census projecting long-range figures at 4.2 million in 2010 and 4.8 million in 2028. After 2011, the number of births each year are expected to be the highest annual rate ever achieved in the United States.² This millenni-boom encompasses an increasingly diverse patient population.

While hospital administrators previously viewed Obstetrics (OB) as a loss leader, OB actually gives hospitals a unique opportunity to earn long-term patient loyalty and greater revenue. Imagine the benefits that organizations gain when they offer long-term, extended, women-centric products and services following a patient's initial OB experience. Further imagine the benefits in offering extensive and unique education programs prior to childbirth to build relationships with women and to educate them about family planning, conception, prenatal and infant care, attracting even more patients through the door.

About Family Centered Maternity Care

Family Centered Maternity Care (FCMC) broadens and prolongs the hospital/patient relationship, when delivering OB as a product and not a service offering. The OB product is built on a clear vision of business outcomes to be achieved. The innovative product features are clearly described to the community as benefits. This means OB has its own identity, its own image and its own brand. When health care organizations

recognize the value of OB as a product, they can dramatically improve patient satisfaction and overall financial performance.

From a customer service standpoint, FCMC provides greater comfort, convenience, knowledge, privacy and patient satisfaction. It offers a one-stop-shop for all prenatal, childbirth and infant care needs. FCMC is also an exceptional means for hospitals to develop a long-lasting, positive reputation with their communities.

Physicians themselves play a pivotal role in generating market share, being key to growth. Many women follow their physician's guidance on hospital selection based on their recommendation or practice location. Women tend to view the hospital/physician relationship as transparent or linked. Thus, full physician engagement is crucial to FCMC success.

FCMC supports women during a period of time when they feel tremendous stress and vulnerability. This care model includes high-quality services that take the patient's complete needs into consideration – from her family to her career, cultural and religious beliefs. It's a philosophy, as opposed to a rigid protocol, uniting care within the context of her family, as she defines family.

FCMC provides a family-friendly environment focused on prevention, health, wellness, social support and the special and unique needs of each childbearing woman and her baby. While unique to each hospital, these services might include private mother and baby rooms and private NICU rooms, flexible visitation and daily activity, overnight accommodations for the child's father or co-parent, education, lactation consulting, bereavement programs, relevant retail products and postpartum visit or telephone follow-ups.

Ten Principles of Family-Centered Maternity Care

Principle No.1:	Childbirth is seen as wellness, not illness. Care is directed to maintaining labor, birth, postpartum, and newborn care as a normal life event involving dynamic emotional, social and physical change.
Principle No. 2:	Prenatal care is personalized according to the individual psychosocial, educational, physical, spiritual and cultural needs of each woman and her family.
Principle No. 3:	A comprehensive program of perinatal education prepares families for active participation throughout

	the evolving process of preconception, pregnancy, childbirth and parenting.
Principle No. 4:	The hospital team helps the family make informed choices for their care during pregnancy, labor, birth, postpartum and newborn care, and strives to provide them with the experience they desire.
Principle No. 5:	The father and/or other supportive persons of the mother’s choice are actively involved in the educational process, labor, birth, postpartum and newborn care.
Principle No. 6:	Whenever the mother wishes, family and friends are encouraged to be present during the entire hospital stay including labor and birth.
Principle No. 7:	Each woman’s labor and birth care are provided in the same location unless a Cesarean birth is necessary. When possible, postpartum and newborn care are also given in the same location and by the same caregivers.
Principle No. 8:	Mothers are encouraged to keep their babies in their rooms at all times. Nursing care focuses on teaching and role modeling while providing safe, quality care for the mother and baby together
Principle No. 9:	When Mother-Baby care is implemented, the same person cares for the mother and baby couplet as a single-family unit, integrating the whole family into the care.
Principle No. 10:	Parents have access to their high-risk newborns at all times and are included in the care of their infants to the extent possible given the newborn’s condition.

Developing A FCMC Brand

Branding differentiates unique products from others on the market. It sets one product apart from the competition and helps organizations capture an even greater market share.

Just as leaders like Johnson & Johnson will always be associated with their signature red script logo, and just as pharmaceutical companies distinctly brand their popular

drugs for stronger recognition and market appeal, hospitals can gain tremendous impact through professional FCMC branding. This brand focuses on the FCMC program features and includes all of the traditional marketing elements like naming the hospital unit, developing collateral, selecting colors, fonts, a logo and tag line. With ongoing use, patients, their families and prospective patrons begin to recognize the hospital as a trusted option for high-quality, family-centric maternity care. The brand becomes instilled in their mind and memory.

Each FCMC program begins with a brand promise, which is then reinforced by consistent product quality and service. As patients have positive experiences with this brand, word-of-mouth marketing builds even greater momentum, increasing interest, demand and hospital revenue.

FCMC Opportunities

Obstetrics plays a key role in women's healthcare. As society changes, as women become more focused on their career and as they demand more from their hospital experience, OB centers are starting to reevaluate their services and discover ways to improve.

True today as it was decades ago, women of all cultures, races and religions want a dignified and respectful childbirth. They want personalized care from professionals that are sensitive to their cultural and religious beliefs. They want support from their family, friends, physicians, midwives and nurses. They also want to retain some measure of control over their labor and birth. Hospitals and health care organizations can improve their existing OB processes or introduce new products and services to satisfy their patients' needs, capitalize on their loyal audience and increase their bottom line.

OB revenue opportunities include:

Quality Improvement and Risk Reduction Activities. OB staff and resources should be lean and efficient, driving maximum productivity. Quality improvement efforts focus on cross-training, process improvement to reduce length of stay, improve throughput and make it easy for physicians to care for their patients. Operational improvements also include accurate charge and cost capture. Collaboration and communication are key in reducing operational risk, with all parties driven toward the same goal - improving maternal and newborn outcomes.

Downstream Revenue Capture. A Solucient study based on its customer-relations database reported that one-third of OB patient admissions returned within three years charging, on average, \$3,000 each. In addition to this recurring revenue stream, one-fourth referred a family member to the same hospital within three years charging, on

average, \$4,000 each.³These repeat visits and referrals amount to significant downstream revenue opportunities for Obstetrics centers.

NICU Development or Expansion. A record high of 12.5 percent of all 2005 births were premature, with annual hospitalization cost for these infants reaching \$26 billion, or \$51,600 per infant⁴. High-risk nursery care is the most profitable part of OB. Experts predict NICU growth rate at seven percent between 2007 and 2015. These strong NICU volume trends offer a significant contribution profit opportunity for hospitals offering neonatology services, nationally averaging \$200K in variable contribution to margin (VCM) per annual ADC (Level iiiib)⁵. As VCM increases, hospitals can more easily underwrite the fixed cost associated with OB. Therefore NICUs offer hospitals and health care organizations tremendous profit opportunity.

An increasing number of hospitals are providing special education, infant and patient care, and developmental care programs for preterm infants and private NICU rooms for sick infant care. These programs and environments minimize the stress, anxiety and depression many parents of premature babies experience, promoting successful breastfeeding and bonding.

Retail Business Development. Healthcare retail in the United States generates more than \$400 billion in annual sales⁶, with female customers more trusting of products purchased from a specialist at a hospital. This means healthcare organizations have an opportunity to serve their loyal market base and generate significant revenue streams. On average, 73 percent of mothers with children between the age of 19 and 35 months breastfeed their child⁷. Therefore, OB can cater to this market by providing retail breastfeeding supplies – from bras to pumps and pillows – significantly contributing to the hospital's bottom line.

Cesarean Family Care Integration. OB has an opportunity to capture Cesarean Section revenue instead of passing it along to OR. These procedures are at an all-time high nationally, at 29.1 percent. Hospitals are performing a growing number of Cesarean Sections because of litigation fears, patients' need to control their delivery date due to career demands, reduced vaginal births after cesareans, failed inductions and basic patient preferences⁸. Following the surgical procedure in many hospitals, these mothers are transferred to a post-anesthesia care unit, with their infants sent to the nursery. Cesarean patients typically have small rooms without adequate space for the infant's other parent to sleep or visit. Meanwhile, in these same hospitals, vaginal birth mothers recover with their babies in a room able to accommodate the family, separated only upon request. Overall, this surgical, rather than postpartum/recovery, focus does not address the psychosocial and emotional aspects of giving birth and forming a family. When hospitals improve these processes and amenities, they increase their revenue potential.

Family Care Suite Introduction. Most women view childbirth as a whole-family celebration. They would like to have accommodations for family, friends and their child's father or co-parent. When shopping for a birthing hospital, many families seek comfortable accommodations including private bedrooms and bathrooms. Family care suites offer a comfortable, home-like environment with double beds where both parents can sleep soundly following the birth.

Mother-Baby Care Services. According to consumer research, most mothers want their newborn at their bedside, with nurse assistance at hand for both their child and themselves. They also want a safe and nurturing place where they can send their baby outside of their room when needed. Nurses cross-trained to care for both parties, in lieu of one or the other, can provide this type of Mother-Baby care. This service increases nursing staff efficiency and patient satisfaction.

Prenatal Education. Education for the woman and her family about the benefits of FCMC is key to success. In the prenatal period women are presented with information about evidence-based practices and, together with their providers, they develop preference plans for their births, for infant feeding and for care of themselves and their babies in the first hours and days of life. Prenatal classes can lead to downstream revenue⁹. If the first time mother who has not decided on a birthing facility attends and enjoys a class at a hospital, she may decide to deliver there and actually change hospitals to do so.

How FCMC Boosted Overall Satisfaction

A hospital in the Houston, Texas area is an ideal example of the dramatic impact FCMC can make on patient, physician and community satisfaction. The six-story hospital launched its five-year construction plan in 1998, introducing a modern, 252-bed tower expansion geared specifically toward family-centered care. This tower encompasses clinical services, OB, medical/surgical beds, pediatrics, NICU, a Critical Care Unit and Catheterization Laboratory Suite. To provide family members with a cozy, home-like atmosphere, the hospital provides all private rooms with comfortable accommodations for family members.

The ground floor offers easy access to the Family Birth Center. This Center is a luxurious home away from home for patients housing 34 birthing suites and a 14-bed NICU. The Center offers private labor-delivery-recovery-postpartum rooms (LDRPs) and comprehensive mother-baby care. Rooms are equipped with the finest in modern amenities including Internet access, comfortable furnishings and linens. Spacious floor plans are carefully designed for the occasion with open space plush lounges for family gatherings.

While facility improvements mark 40 percent of FCMC success, people and processes are responsible for the remaining 60. Therefore, this hospital committed to an ongoing

plan to change its OB nursing culture, developing competencies and facilitating Family Centered Single Room Maternity Care (SRMC), the chosen care model for its new center. As part of this plan, staff nurses attended a two-day, interactive program called *Adventures in Attitudes*, helping them understand the benefits of this new concept, confront their fears and remain committed to the hospital and its patient's satisfaction. During the transition, physician resistance was also addressed, with some hesitant to examine newborns in their mothers' rooms or concerned about the elimination of a well-baby nursery. In time, all parties grew to understand and see the importance to FCMC, strongly reinforced by the resulting patient satisfaction levels.

In February of 2003, the new FCMC OB unit officially opened its doors. Since that time, nursing satisfaction scores have risen higher than at any time before. Family Birthing Center turnover rate plummeted from 17.9 to just 3.5 percent. Hours worked per patient day remain stable at 10.30, well below the national 25th percentile of 11.87.

Further, physicians are extremely pleased with the outcome and with patient satisfaction, with their Satisfaction with Nursing in the Family Birthing Center ranking 3.23 as opposed to just 3.18 in other areas of the hospital and even higher than the National Norm of 3.02. Press Ganey rank score for community and patient satisfaction are the highest of all time.

Conclusion

Family Centered Maternity Care increases satisfaction levels across the board, drives stronger revenue and dramatically improves long-term income opportunities. These programs, when carefully designed, capitalize on an already captive and loyal audience base, providing the services and amenities women desire. FCMC treats OB patients within a wellness, not illness, atmosphere, enhancing their overall experience – from birthing beyond.

FCMC is an exceptional way for hospitals to help families unite during the immensely important life process. These programs encourage exceptional moral support for new mothers and their infants, reducing stress and increasing convenience while simultaneously driving stronger staff and physician satisfaction levels. Family Centered Maternity Care is the clear choice for patient satisfaction both now and into the future.

About Phillips+Fenwick

Phillips+Fenwick, The Women's Healthcare Company, has provided family-centered maternity and women's healthcare consulting services for start-up and existing facilities since its inception in 1988. Phillips+Fenwick helps organizations hire qualified staff, ensures program efficiency and helps organizations communicate the value of family-centered maternity care to patients, families and their communities. Services include

strategic business planning, operational assessment, improvement recommendations, architect consultation, staff education and development, operations improvement and operational change to family-centered maternity care.

To complement its core services, Phillips+Fenwick also offers extensive research services ranging from focus groups to national or regional telephone surveys, customer satisfaction surveys, family-centered maternity care nursing and physician assessment surveys. The company provides effective labor support workshops and professional training in the areas of mother-baby couplet care and family-centered maternity care.

Phillips+Fenwick also provides ancillary tools and products to help hospitals introduce and promote their products and services including maternity care policies and procedures, family-centered nursing screening tools, and single-room maternity care and mother-baby marketing collateral.

To learn more about Phillips+Fenwick, please visit www.pandf.com or contact Celeste Phillips at 831.426.1961 or celesterph@aol.com.

Footnotes:

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