



Case Study:

Optimizing Multi-site Medical Fitness Centers Performance

Unifying Programming, Reducing Expenses, Improving Marketing
and Scaling Medical Integration Through Consolidated,
Outsourced Management

Founded in 1996, Power Wellness is the nation's largest medical fitness consulting and management company. Power Wellness has proven solutions to maximize service line performance for a single site client, with enhanced value add for multi-site clients, including the following four clients:



Northwestern Medicine owns five centers, varying in size from 60,000 sf to 115,000 sf, in the Chicago metro area. Each center was acquired through mergers with local health systems. Four of the centers are on a hospital campus and one is a stand-alone location. All centers serve community members and health system employees. In addition to land and water fitness programming, most centers offer synergistic outpatient services such as physical therapy.



Bon Secours Mercy Health owns four centers, varying in size from just under 10,000 sf to 140,000 sf in the Cincinnati metro area. Each center was developed by Mercy Health prior to the merger with Bon Secours Health. Two of the centers are on a hospital campus, located within a larger ambulatory care center, and two are stand-alone locations. All serve community members and health system employees.



5 Healthy Towns owns three centers varying in size from 5,000 sf to 50,000 sf, located west of Ann Arbor, Michigan. 5 Healthy Towns is a community health foundation, created upon the sale of Chelsea Community Hospital Chelsea, MI to St. Joseph Mercy Health System. One of the centers is located on a hospital campus and two of the centers are stand-alone locations. The centers offer land and water fitness programming.



Virtua Health developed three centers between 2000 and 2012, varying in size from 45,000 sf to 82,000 sf in southern New Jersey, featuring land and aquatic fitness programming and serving community members and health system employees. The stand-alone centers were located within larger ambulatory care centers, as part of an overall outpatient strategy. Two of the centers were closed in 2019 and 2020 in response to unreasonable landlord financial requirements.



THE CHALLENGE

Any healthcare service line with multiple locations may be challenged without unified processes, centralized support, or scalable programming. These challenges are compounded when service lines are acquired through health system mergers. Medical fitness centers are often one of the last

service lines to be consolidated, likely due to a retail reimbursement model and lack of regulatory oversight requirements. Some of the common challenges of decentralized multi-site centers include:

Inconsistent monthly dues schedules



Disparate or outmoded business systems



Variable programming and poor-quality control



Fledgling medical integration strategies



Autonomous marketing and sales



THE SOLUTION

Partnering with a service line expert under a development or operations strategy helps eliminate these challenges, particularly under a consolidated health system reporting structure. Multi-site locations should have unified processes, reduced expenses, and scalable medical integration. With retail revenue streams, multi-site centers should be

managed under a “franchise” approach with standardized marketing, staffing, programming, and quality control. If the centers were acquired through mergers, a discovery process in the form of an operations assessment is recommended to identify disparities and opportunities.

UNIFIED PROGRAMMING

As a result of individual manager and instructor experience, multi-site centers often offer disjointed programming options. Often similar programs have different names or descriptions, confusing the consumer. A unified programming solution requires:

- **Site Evaluation** including member demographics, physical spaces, and instructor certifications to understand programming needs and available resources. Like retail franchises, multi-site locations might offer a common base of services with flexibility tweaked for unique demographics or expertise.
- **Center Reciprocity** allowing membership access, sometimes within a special monthly dues structure, to all centers versus the original enrollment location. Like retail franchises with frequent customer cards, certain members will appreciate the location flexibility based on commuting patterns or personal relationships.
- **Pricing Structure** including standardized enrollment categories and limited monthly dues ranges to avoid consumer or health system employee confusion or location bias. Like retail franchises, consumers expect a predictable pricing model with slight location adjustments.
- **Quality Control** ensuring each program is consistently named, marketed, taught, and measured. Like retail franchises, consumers expect a predictable experience with slight physical environment adjustment.

REDUCED EXPENSES

As a result of organization charts and health system support services priorities, multi-site operations may not be leveraging potential staffing efficiencies. This may result in redundant leadership costs and inefficient support services. Cost-effective, multi-site operations feature:

- **Centralized Support Services** including the same professionals providing human resources, information technology, membership management, financials and accounting, marketing, sales oversight, and purchasing services for all centers.
- **Lean Organization Chart** ensuring the appropriate leadership resources are cost effectively deployed, based on each center's size and needs, and report to a single health system executive for consistent communication and direction.
- **Operations Staffing** streamlining employee recruiting, onboarding, training, and scheduling to ensure consistent human capital which in turn results in a consistent member experience.
- **Integrated Technology Platform** featuring industry leading member management and customer relationship management software, and integrated peripherals such as mobile applications, capacity tracking, EHR connectivity and health assessment tracking. As a result, multi-site centers enjoy shared training costs, local peer support, reduced vendor fees and comparable analytics.

SCALABLE MEDICAL INTEGRATION

Two primary differences between medical fitness centers and commercial gyms are integration with health system service lines and providers, and demonstrated improvements in participants' health outcomes. Many medical fitness centers open with these goals and may even develop some clinically oriented programming. However, most remain a "branded health club", lacking the systems to scale program utilization, member health assessments, and third-party payor reimbursement. A scalable medical integration strategy requires:

- **Unified Prescriptive Fitness Programs** with standardized enrollment, structure, credentialing, training, and reporting to ensure a consistent high quality service experience that is efficiently replicable.
- **Standardized Health Assessment** using the same equipment, measurements, data storage, and outcomes reporting to ensure a consistent high quality clinical experience that is efficiently replicable.
- **Electronic Health Records** Integration allowing providers to efficiently refer patients into appropriate prescriptive programs and receive participant utilization and outcomes through HIPAA compliant technology.
- **Data Dashboards** allowing leadership to digitally track providers referrals, participant engagement, membership conversion, and participant feedback, and sort data according to needs.



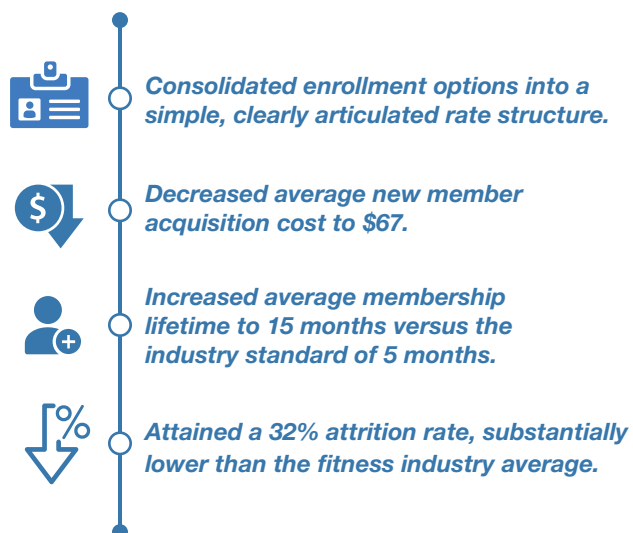
IMPROVED CONSUMER FOCUSED MARKETING

Marketing is often the biggest challenge for multi-site medical fitness centers. Health system resources may not prioritize the service line or lack the B2C retail experience to produce effective content. A successful multi-site marketing strategy requires:

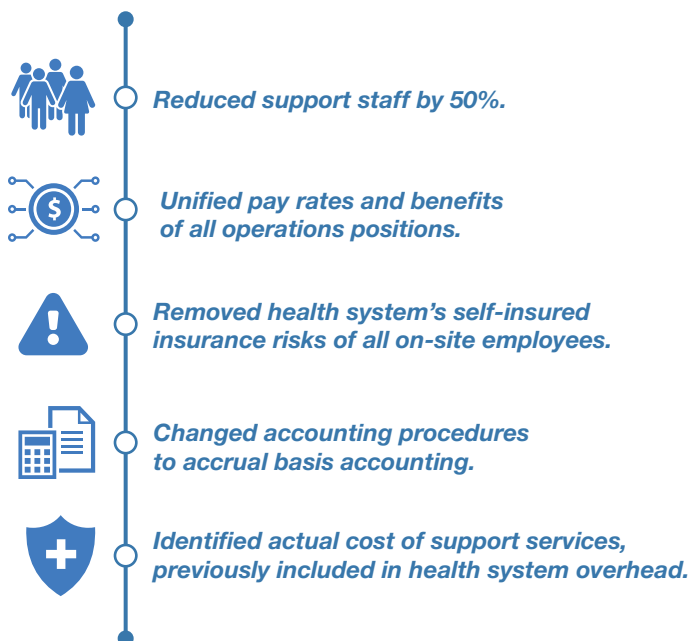
- **Member Demographic Analysis** identifying the drivetime trade area and unique consumer segments that comprise at least 80% of the members.
- **Market Analysis** identifying the total number of unique consumer segment households in the overall trade area and specific physical and IP addresses for each segment.
- **Targeted Campaigns** delivering generation appropriate printed and digital content targeted to each unique consumer segment.
- **Sales Focused Website and Social Media** driving interested consumers to request additional information or schedule a facility tour.

THE IMPACT

Power Wellness has a proven strategy to optimize performance at multi-site centers. Marketing and engagement improvements include:



Expense reductions include:



The process of unifying multi-site centers takes expertise and process, but the value-add is worth the investment. Unfortunately, many health systems do not have the internal resources to focus on non-core service lines. A partnership with Power Wellness ensures multi-site centers have unified programming, reduced expenses, improved marketing, and a scalable medical integration strategy.

Contact Power Wellness at 630.785.5180 or via email at info@powerwellness.com to learn more about our multi-site management experience, and evaluate whether working with Power Wellness is right for your organization.



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