

# WEALTH MANAGEMENT

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## Developing medical-community referral sources

Estate lawyers can add elder law practices by networking effectively.

By Mark Merenda  
SPECIAL TO THE NATIONAL LAW JOURNAL

THE LAST FEW YEARS have seen a change in the estate planning market. The apparent determination of President Bush and the Republican majority in Congress to do away with the estate tax has made marketing estate planning more difficult.

Most estate planning attorneys know there are plenty of reasons—reasons completely unrelated to tax issues—that an individual needs to make an estate plan. Most of these reasons have to do with family issues. Perhaps parents have a son-in-law they don't trust. Perhaps one of their children is a spendthrift. Perhaps one child works in the family business and others do not. All are very good reasons for making an estate plan.

Yet lawyers would be fooling themselves if they do not admit that the hammer that has driven the estate planning market is fear of the estate tax. It is this fear that most often drove individuals to stop procrastinating and create an estate plan.

Unfortunately, that fear is greatly diminished. Procrastination is back in vogue. As they currently exist, estate tax laws actually reward procrastination—at least until 2010.

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The bursting of the Internet bubble and subsequent dive in the stock market did not help matters, as many high net-worth individuals decided that their net worth wasn't so high after all.

For many estate planning attorneys, a viable strategy to boost or maintain revenues has been to add elder law and Medicaid planning as an extension of their estate planning practices. This strategy makes a lot of sense. Medicaid planning, after all, is asset protection of another sort and for another purpose. Instead of protecting someone's life savings from the estate tax, lawyers are saving someone's (much more modest) life savings from nursing home costs.

There are several advantages to this market. For one thing, the number of people who qualify (net worth \$50,000 to, say, \$600,000) is huge compared to the less than 2% of the population who need tax-based estate planning. For another, some attorneys find a great deal of emotional and even spiritual satisfaction in helping these "salt of the earth" individuals and families. And from a purely marketing point of view, these people are strongly motivated by a very real fear of the devastating effects of nursing home costs.

But attorneys who have decided to extend their practices in this area often have trouble knowing how to market their services.

There are four main markets for lawyers to address: the public at large,

referral sources in the financial/legal community, referral sources in the medical community and the lawyers' own client base.

Each is a subject in itself, but let us concentrate for now on the third item, gaining referral sources in the medical community.

### Defining a target market

The first task is to define a target market: Who, among the medical professionals, is best situated, and best motivated to send referrals? A typical list might include hospital discharge administrators, geriatric care specialists, gerontologists, licensed social workers, funeral home directors, Medicaid administrators at nursing homes and assisted living facilities, nursing agencies and so on.

The next step is to identify the members of the target universe. That is, lawyers should develop a list. This usually means purchasing a list from a list broker and then building on it. For every person on that list, they should have a name, address, title, telephone number, e-mail address and fax number.

Then lawyers need a strategy to get themselves in front of these contacts, or vice versa. This strategy is predicated on forming relationships, and the only way to form relationships is to actually meet these people.

And finally, lawyers need a strategy for "dripping" on their referral sources—

that is, reminding them of their existence on a regular basis.

### Ways of reaching out

Two methods that have proven very effective are the Medicaid roundtable and the life care planning guide. Briefly, the Medicaid roundtable involves hosting a luncheon once a month and inviting members of the aforementioned target universe to attend (ideally, no more than 15 people) for a discussion of issues related to the crisis in elder care and the challenges facing older patients and their families. After the hosting attorney gives a short (5-10 minute) talk, a free discussion ensues. The goal is not to ask for business or openly promote one's practice, but to demonstrate one's concern and knowledgeability.

Which brings up an important point. When marketing to referral sources in the financial/legal community (financial advisors and other attorneys who can refer clients), the key concern is money. Their underlying question is: How many of my client's assets can you preserve? With the medical community, the focus is compassion. Their question is: Will you take good care of my patients, so that I may safely refer them to you?

These luncheons should be followed by thank you notes and appreciation of the guests' contribution to the discussion.

Everyone on the original list should also receive (with their permission) the attorney's newsletter and other communications on a regular basis, either a print version, or by fax or e-mail.

Another method that has proven very effective was used by elder law attorney Meg Rudansky of Sag Harbor, N.Y. Rudansky created a 24-page guide entitled "Life-Care Planning for the Aging and Those With Long-term

Illness"—a sort of senior resource guide. This booklet contains some general information on housing options, how to pay for long term care, care-giver support and the like. But the more important section of the booklet is a listing of area professionals who can help: elder law attorneys, geriatric care managers, hospices, mental health counselors, doctors, nursing homes and adult day care.

## Hosting a Medicaid roundtable is one way to get started.

But the key value in creating this book comes from the value of the relationships lawyers can form with referral sources in the process of compiling their listings.

In building the booklet, lawyers can create multiple opportunities to come face to face with all the key players in the elder law

sub-culture. Lunch with a geriatric care manager on Monday, a meeting with the discharge planner or social worker at the hospital on Thursday and one with the director of the Town Department on the Aging on Friday.

The purpose of these meetings is to learn from other professionals about services and programs for the elderly so that the resource book will continue to improve. By learning about these services and programs, lawyers become better able to counsel their clients. And, last but not least, these meetings open the door to building strong relationships with those individuals who serve the same population as the lawyers do—creating opportunities for tremendous growth in their practices.

All the while, as lawyers build their book, they are building credibility and a useful handout. This project gives them the opening to begin a relationship. Relationships lead to referrals. And referrals lead to clients.

### Service works both ways

But just as important is the way

lawyers can increase their own knowledge base, add a valuable resource to their own network and add tremendous value for their own clients.

If a lawyer interviews a gerontologist, for example, for inclusion in his book, he is making that gerontologist aware of his services, what kind of person he is and what he can do for her patients. It is a reasonable ambition to hope that the gerontologist will someday refer a patient to the lawyer for legal services.

But at the same time, the lawyer has learned a good deal about the gerontologist—who she is and what she does. And the next time one of his clients needs this kind of service, he can pick up the phone, and say "Let me call my friend." There is value for the lawyer, value for the gerontologist, value for her patients and value for his own clients.

It seems as obvious as sunshine, does it not?

Now multiply that simple process times 10, or 20, or 50.

Imagine the network that a lawyer can build and its value to his clients. Imagine the referrals. Imagine the good feelings all around. Now, imagine that the lawyer has a published guide that contains all of this good information, and he can share these books with everyone he knows, and many he doesn't know.

By developing such a list of the members of a target universe, by holding a Medicaid luncheon, by "dripping" on referral sources and by building a senior resource guide booklet, a lawyer may well be identified as the pre-eminent source of information on senior affairs in general, and elder law in particular, in his region. ■

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