

Easing the Transition: Private Practice to Employment

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Agenda

- **Introductions**
- **Why employment?**
- **Who is being employed?**
- **What are the key challenges?**
- **How are these being addressed?**

St. Vincent Regional Medical Center

- Est. 1865
- New Mexico's oldest hospital
- Non-profit, non-affiliated
- Local board of directors
- Major medical center for 19,000 square-mile area



St. Vincent Regional Medical Center

- 268 licensed beds
- 250 physicians
- 22 medical specialties
- 45 employed physicians
- Level III Trauma Center
(Only in northern New Mexico)
- More than 56,000 Emergency patients treated annually



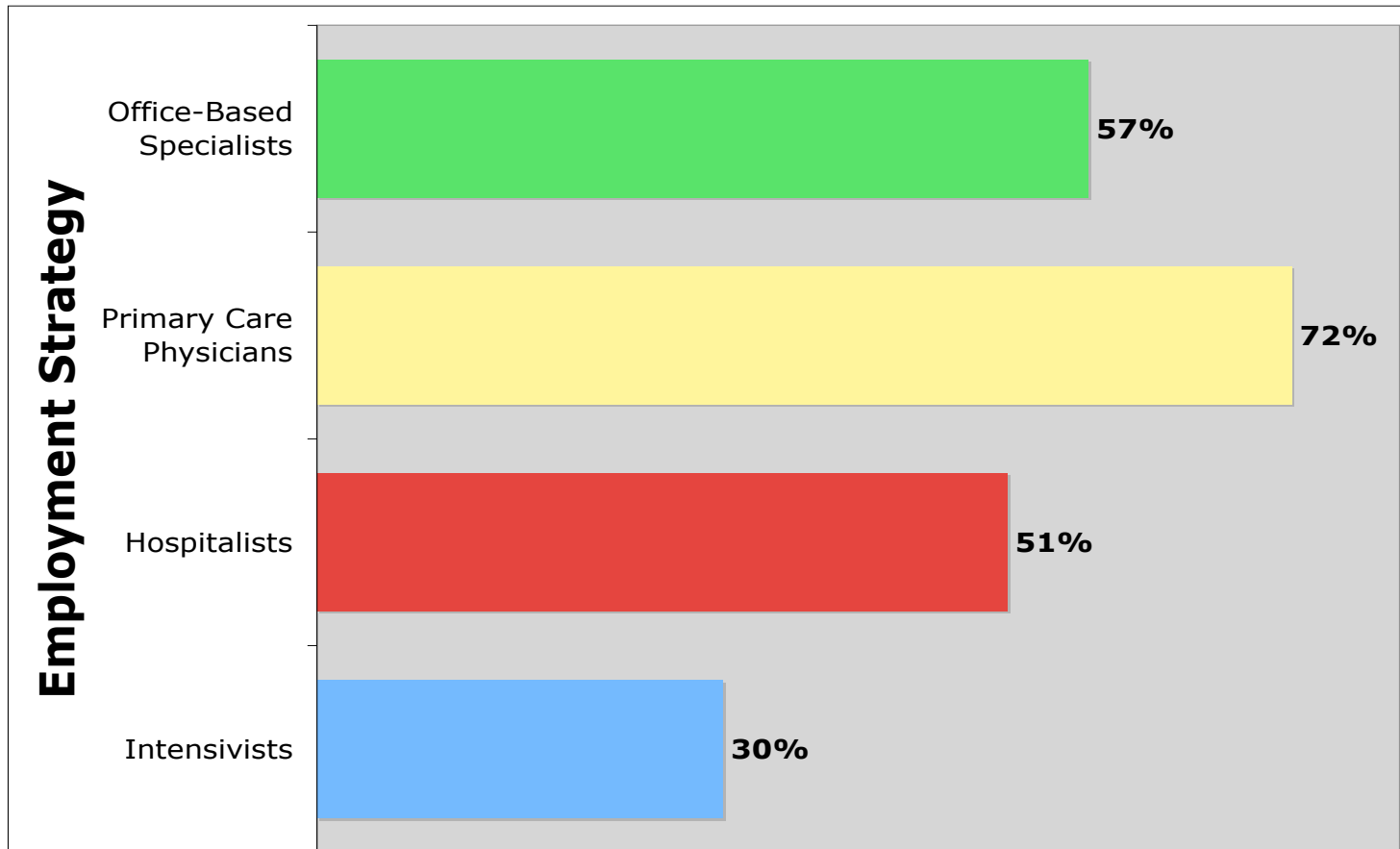
Threats to Private Practices

- Increasing Government regulation
- Growing capital requirements
- Declining reimbursement
- Shifting power toward payers
- Skyrocketing malpractice rates
- Growing consumer demands
- Move towards transparency
- Lifestyle concerns

Why do Hospitals Employ Physicians?

- **To fully integrate care across the continuum**
 - **Improve outcomes and patient safety**
 - **Reduce resource utilization and duplication**
 - **Align incentives**
- **To place committed physicians in outlying markets**
- **To create or strengthen ties with specialists who support the Hospital**
- **To address specific community/employer needs**
- **To maximize use of Information Technology**

Physician Employment Trends



Source of Employed MDs

- Established Private Practices
- Other employment situations
- Newly graduated residents

Cost to Recruit

First year guarantee/ salary	\$250,000
Benefits	50,000
Recruiters fees	25,000
Candidate sourcing	8,000
Candidate/spouse interviews	5,000
Relocation expense	8,000
Practice marketing	3,000
TOTAL	\$349,000



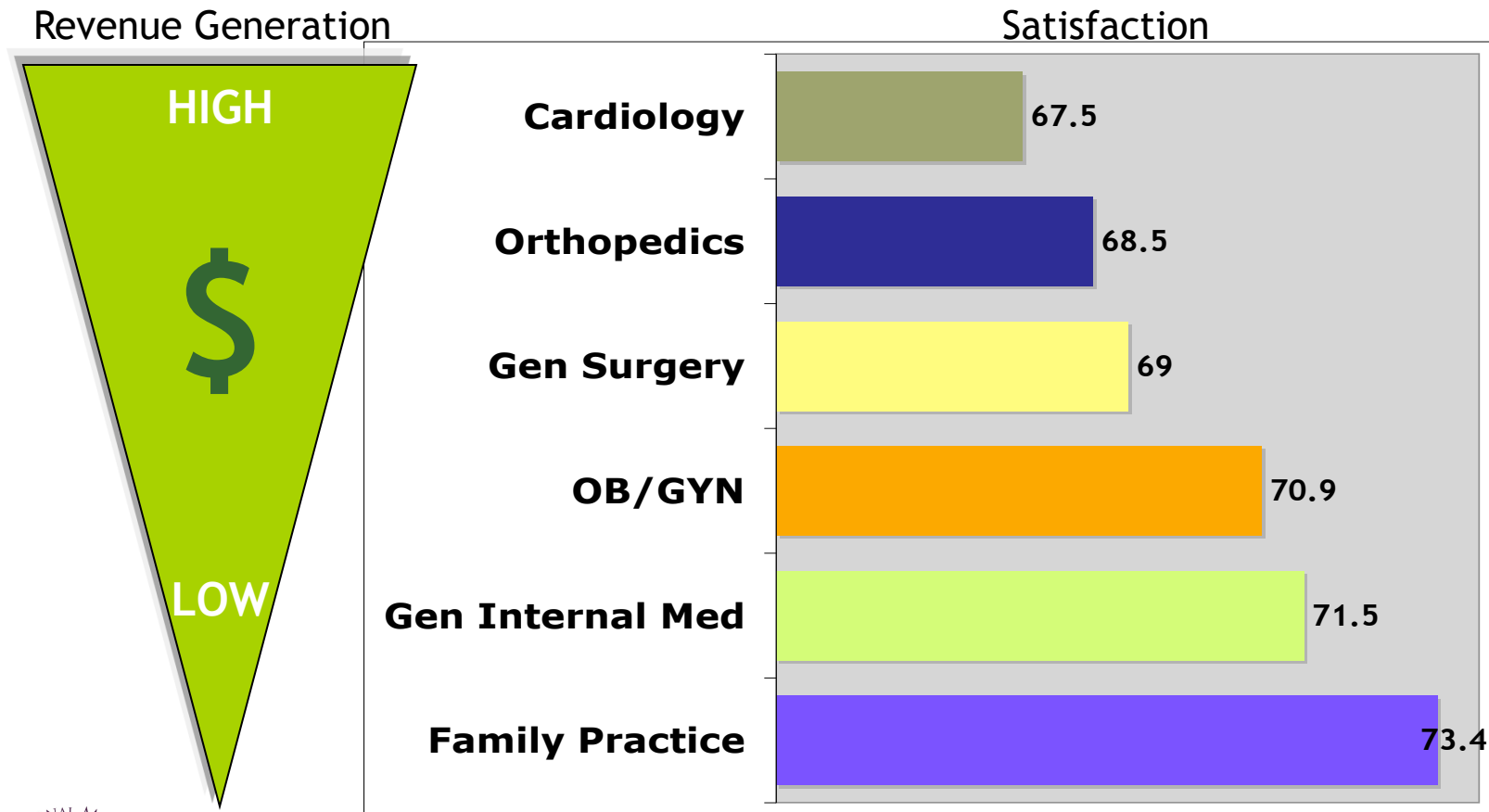
Cost to Replace

- **Financial consequences**
 - Recruitment expenses
 - Lost revenue
- **Effects on patient satisfaction**
- **Effects on the organization**
- **Effects on public relations**

Why Physicians Move?

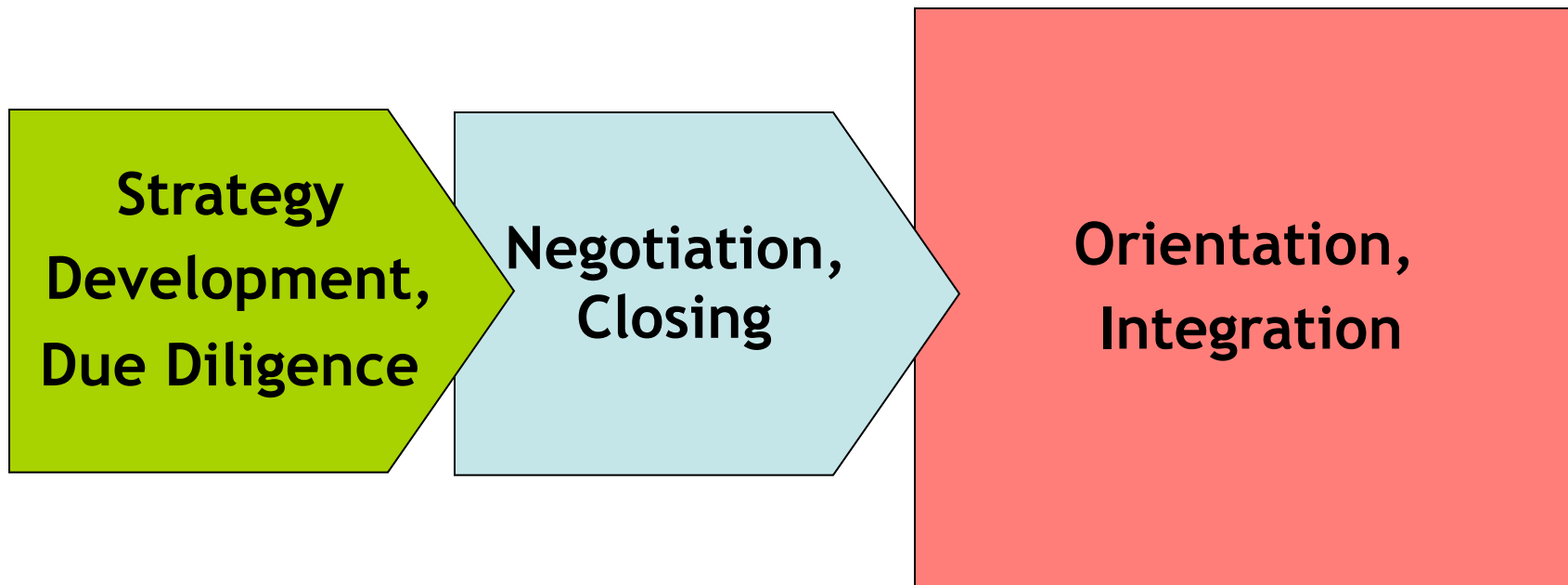
- **More money**
- **Hours/ call schedule**
- **Focus on patients**
- **Lack of autonomy/appreciation**
- **Poor relationships with Hospital Administration**
- **Poor relationships with Colleagues**

Revenue vs. Satisfaction



Source: Press Ganey Associates, 2007

Where's the Risk?



***You have to have a strategy,
not something you hope for,
but something you work for.***

Floyd Loop, MD

Key Components of a Strategy

- **Expectations**
- **Governance/Leadership**
- **Compensation**
- **Practice Management**

Cultural Differences Drive Relationship Challenges

Physician	Management
Focus on patient and practice	Focus on organizational survival
Rapid-fire decisions based on clinical judgment	Deliberative decisions based on consensus
Hour-day time horizon	Week-month time horizon
Responsive to needs of patients, families, colleagues	Responsive to needs of patients, families, physicians, employees, community, Board

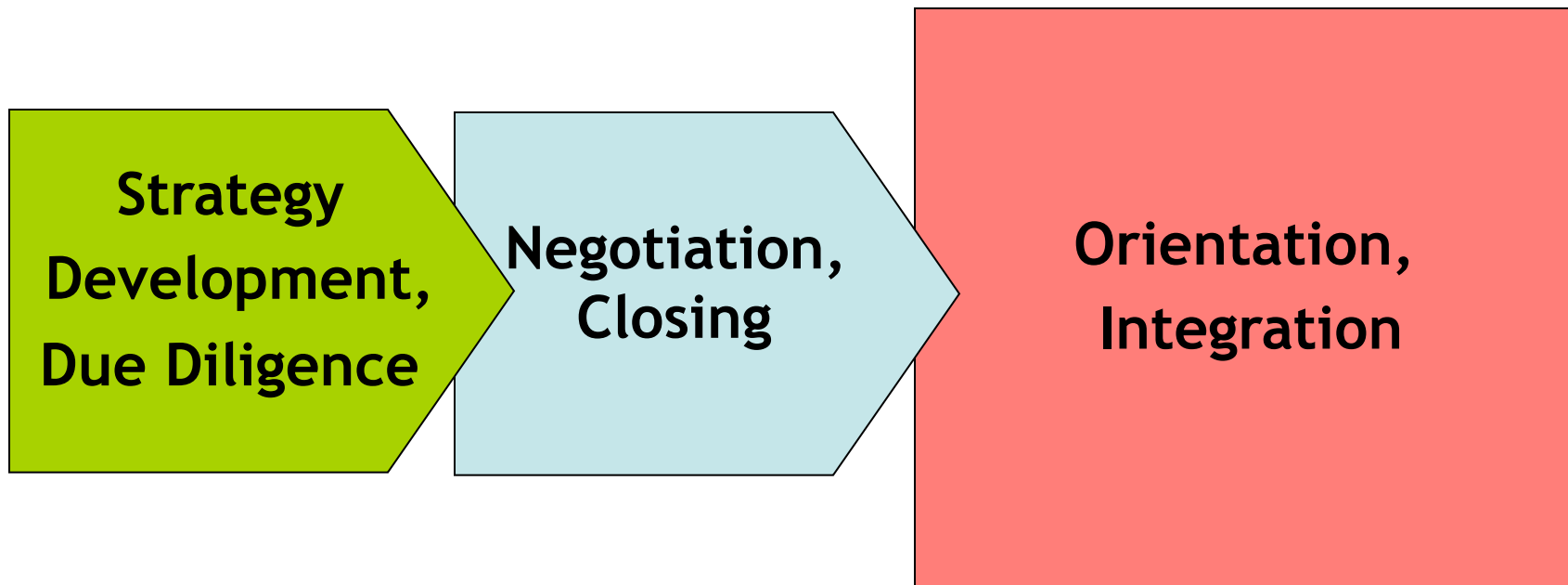
VICTOR'S

FUNNY BUSINESS



"When I say play the game, Perkins, I mean *my* game."

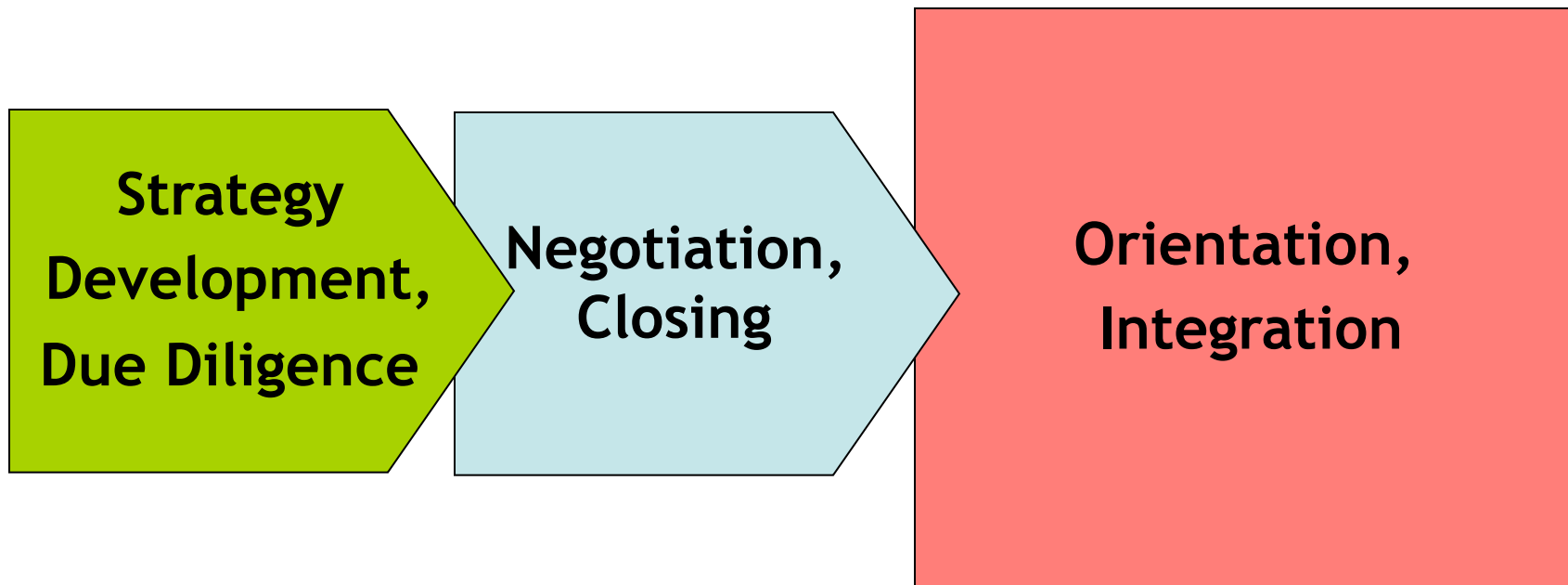
Where's the Risk?



The Devil is in the Details

- Term
- Duties & Performance
- Licenses
- Salary
- Benefits
- Vacation & PTO
- Expense Reimbursement
- Malpractice Insurance
- Acceptance of Patients
- Ownership of Records
- Non-compete
- Non-solicit
- Termination

Where's the Risk?



Physician Transition Guide

- **Orienting**
- **Mentoring**
- **Monitoring**

First Impressions Count: Physician Priorities

- 1. Response of hospital administration**
- 2. Administration deals with changes**
- 3. Confidence in hospital administration**
- 4. Communication with hospital administration**

Orienting:

Employee Checklist

- ID Badge
- Parking Sticker
- TB Fit Testing
- TB Screening
- Mailbox location
- Medical Staff Library location
- Hospital policies & procedures

Orienting:

Hospital Leaders

- **Senior Management Team**
- **Executive Committee**
- **Section Chiefs**
- **Medical Directors**

Orienting:

Departmental Meetings

- Emergency Department
- Information Systems
- Health Information Management
- Pharmacy
- Operating Room
- ICU
- Obstetrics
- Outpatient Clinic
- Radiology
- Hospitalist Program

Orienting:

Key Committees

- Credentials Committee
- Quality Mgmt. Committee
- Pharmacy, Nutrition and Therapeutics (PNT) Committee
- Infection Control Committee
- Transfusion Committee
- Radiation Safety Sub-Committee
- Medical Education Committee
- Critical Care Committee
- Bylaws Committee
- ER Trauma Committee
- Cancer Care Committee
- Physician Assistance Committee

Orienting: Information Systems

- Available Clinical & Specialty Applications
- Access Codes and Passwords
- Requesting Support & Services

Physician Transition Guide

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Mentoring

- The Merriam-Webster Dictionary defines a mentor as "a trusted counselor or guide."
- The Anesthesiology Department of Cleveland's MetroHealth System defines mentor as "a wise, loyal advisor or coach."

Mentoring @John Muir

- “Local” mentor
- “Leadership” mentor
- Social activities

Physician Transition Guide

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Monitoring

- **Productivity**
 - **WRVUS**
 - **Clinic Revenue Growth**
- **Quality**
 - **Clinical Indicators (HEDIS, PQRI)**
- **Patient satisfaction**
 - **Satisfaction Surveys**
- **Professional growth.**
 - **CMEs**

Putting it all Together



Focus on Patients

“ After becoming an employed physician, I found the key benefits tend to be **fewer management concerns and general peace of mind**. As a result, I’ m able to concentrate on taking care of patients.”

~ Dr. Gupta, Norton Healthcare

Quality of Life

”My excitement is to have **found a place that works for me**....It is absolutely acceptable to make choices between money and time, between work and family. And the career growth I am experiencing is really interwoven with the personal growth I'm feeling.”

- Tanya Threewitt, MD, Family Practice
John Muir Medical Group



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Questions & Comments



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