Do We Really Need a Crystal Ball to Find the Answers to Physician Alignment?

CHERYL L. COORS, PRESIDENT
COORS HEALTHCARE SOLUTIONS

PAUL HILTZ, PRESIDENT
MERCY HEALTH SELECT

PERSONALIZED AND COMPASSIONATE APPROACH IN DELIVERING STRATEGIC SOLUTIONS TO COMMUNITIES, PHYSICIANS, HOSPITALS & HEALTH SYSTEMS
Physician Alignment

- Alignment of current medical staff with organizational strategy
- Development of Physician Advisory Council (PAC)™
- Options for Physician/Hospital Alignment:

<table>
<thead>
<tr>
<th>Employment</th>
<th>Business Services</th>
<th>Contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Physician Compensation/ Productivity Models</td>
<td>✓ Management Services Organization (MSO)</td>
<td>✓ Physician Recruitment</td>
</tr>
<tr>
<td>✓ Single-Specialty Group</td>
<td>✓ Practice Leasing</td>
<td>✓ Call pay arrangements</td>
</tr>
<tr>
<td>✓ Multi-Specialty Group</td>
<td>✓ Lease/ Real Estate Contracts</td>
<td>✓ Medical Developments</td>
</tr>
<tr>
<td>✓ Physician Network Development</td>
<td>✓ IT Infrastructure</td>
<td>✓ Clinical management agreements</td>
</tr>
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Physician Advisory Council (P.A.C.)™

CREATING A PARTNERSHIP BETWEEN HOSPITAL ADMINISTRATION AND MEDICAL STAFF

P.A.C.™ Structure

- Board
- Administration
- P.A.C.™
- Communication
- Medical Staff

P.A.C.™ Philosophy

- Physicians are a hospital’s number #1 customer!
- Use this philosophy to create a Physician-centric customer service model
P.A.C.™ Design

- TRANSPARENT COMMUNICATION – Open atmosphere
- SEAT AT THE TABLE – Physician and decision makers
- DIRECT INPUT TO CEO - Input for decisions effecting physicians and patient care
- OPEN FORUM – Early discussion with Physicians – avoiding crisis
- ALIGNMENT with Strategic Needs – Physician alignment with Organization’s strategic needs

[Diagram showing Strategic Physician Solutions with blocks for Physician Recruitment, Physician Integration, Needs Assessment/Gap Analysis, Contracts, Compensation & Implementation, Physician Strategy, Physician Alignment]

Contracts, Compensation & Implementation

- Compensation & bonus structure
- Productivity, performance, outcomes
- Flexible work schedule model
- Terms of engagement
- Outside income JV’s, partnerships, imaging, surgery center, etc.
- Expectations
Physician Recruitment

- Assessment of existing recruitment practices
  - Assessment of existing physician services department
  - Define recruitment compensation package
  - Development of recruitment strategy
    - Identify targets, goals & objectives for 12 & 24 months
    - Recruitment process
    - Identify members of physician search committee
    - Timeline
    - Measure & track outcomes
  - Training & implementation
  - New medical practice setup
    - On-boarding
    - Retention strategies

Organizational Strategy

Needs Assessment / Gap Analysis

Physician Strategy

Physician Integration

Contracts, Compensation & Implementation

Physician Alignment

Strategic Physician Solutions™
Physician Drivers:
- Reimbursement
- Health Reform
- Administrative Complexity
- Recruitment
- Concern for Future Referrals

Hospital Drivers:
- Clinical Integration
- Health Reform
- Fear of Market Share Loss
- Competition
- Hospital Based Reimbursement

Top Considerations For Doctors
- Alignment of Model Options
- Health System Motivations
- Referral Sources
- Financial
- Governance, Term and Exit Strategy
- Health Care Reform

Physician Must-Haves

<table>
<thead>
<tr>
<th>Must-Have</th>
<th>Most Important</th>
<th>Somewhat Important</th>
<th>Least Important</th>
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<tbody>
<tr>
<td>Geographic Location</td>
<td>81%</td>
<td>57%</td>
<td>19%</td>
</tr>
<tr>
<td>Adequate Call/Coverage/Perso Time</td>
<td>40%</td>
<td>31%</td>
<td>1%</td>
</tr>
<tr>
<td>Lifestyle</td>
<td>64%</td>
<td>N/A</td>
<td>34%</td>
</tr>
<tr>
<td>Good Financial Package</td>
<td>50%</td>
<td>42%</td>
<td>31%</td>
</tr>
<tr>
<td>Proximity to Family</td>
<td>50%</td>
<td>30%</td>
<td>31%</td>
</tr>
<tr>
<td>Good Medical Facilities/Equipment</td>
<td>31%</td>
<td>17%</td>
<td>31%</td>
</tr>
<tr>
<td>Specialty Support</td>
<td>31%</td>
<td>17%</td>
<td>31%</td>
</tr>
<tr>
<td>Low Malpractice Area</td>
<td>15%</td>
<td>15%</td>
<td>31%</td>
</tr>
<tr>
<td>Education Loan Forgiveness</td>
<td>15%</td>
<td>15%</td>
<td>31%</td>
</tr>
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**Healthcare Integration Trend**

**Hospitals With MD Employment Plans: Top 5 Areas Over Next 3 Years**

- Primary Care
- Hospitalists
- Cardiology
- General Surgery
- Orthopedics

Source: HealthLeaders "Physician Alignment in an Era of Change" September 2010

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**Healthcare Integration Trend**

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**Physician Integration**

- Manage employed physicians
  - Operations improvement
  - Coding compliance program
  - Revenue cycle management
  - Practice compliance & integrity programs
  - Develop Primary Care feeder programs
- Involve physicians in measuring quality goals
- Clinical Integration, Co-Management, IT infrastructure
Mt. Airy Hospital – Mercy Health

- 148-bed, faith-based, acute care facility
- Mercy Health - Catholic Healthcare Partners, Cincinnati, Ohio
- Recognized nationally for its orthopaedic program and emergency care
- Top five orthopaedic programs in the state of Ohio and one of the top performing hospitals in the nation by The Joint Commission
- On July 1, Mercy Health became the first system in Greater Cincinnati to become an Accountable Care Organization (ACO)
Mt. Airy – Organizational Strategy

- Part of a larger IDN
- Rebrand Hospital
- Focus on what we do best
- Communicate!
Mt. Airy – Needs Assessment

- We need more doctors!
- And make sure they are PCP’s
- Ways to fill specialty needs

Mt. Airy – Physician Strategy

- Communicate the vision
- Listen, Listen, Listen
- Physician Advisory Group
- Developing the sense of ownership
Mt. Airy – Physician Alignment

- Starts with the Advisory Group
- Over communicate
- Using all of the available tools
- What about “competitors”?
Hey, this stuff works!

Physicians' Perceptions of Quality of Care

Physicians' Perceptions of Patient Safety
Physicians' Perceptions of Administration

Physicians' Perceptions of Mission and Values

Physicians' Perceptions of Mercy Hospital Mount Airy As a Place to Practice Medicine
Mt. Airy - Physician Recruitment

- Success in Primary Care
- Orthopedics today
- Call coverage
- Hospitalists

Mt. Airy - Physician Alignment

- Aligning for firm foothold starting on the “Path Toward ACO”...
Mercy Health Select: Vision

Partnership between Mercy Health hospitals, Mercy Health Physicians, community PCPs, specialist groups contracted with Mercy Health hospitals, and potentially other health care professionals who accept responsibility for and are dedicated to improving the health status of residents in the Tri-State region through improved access, coordination of care and clinical performance management.

The Answer?

Found in a step-by-step process... Not a crystal ball!