



HOW TO INCREASE VOLUMES WITH PHYSICIAN ENGAGEMENT

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Inpatient volumes are declining across the country and, coupled with reimbursement reductions, are understandably the source of much anxiety in the C-Suite. Many systems respond to volume declines with advertising campaigns aimed at improving their “brand” or reputation. As enticing and exciting as these campaigns might be, these efforts to create predictable growth in the short run are most often lacking.

What **does** work effectively to create predictable growth is a much more tactical “on the ground” effort. And this requires a deeper understanding of the referring physician community, clarification of the roles of those assigned to the work in the field, appropriate training and a customer relationship management tool.

FOCUS ON THE PHYSICIANS

Health systems that successfully drive volume in the short and long run must be equally concerned with their “brand” among referring physicians, as they are with consumers/patients. In fact, all things being equal, (including the complexities of narrow networks, high deductible plans and emerging consumerism) what has more impact on a patient making a decision about a hospital: A trusted physician recommendation or a billboard attesting to the quality of services? Referring physicians are the drivers of volume and as such they need to be understood as a customer.

Every health system has a physician “brand” or reputation; the issue is that some are deliberate but most are not. Is your physician “brand” deliberate? What would you like your reputation to be among physicians and what are you doing to achieve or maintain that reputation?

TACTICAL GROWTH STARTS WITH THE PHYSICIAN’S POINT OF VIEW

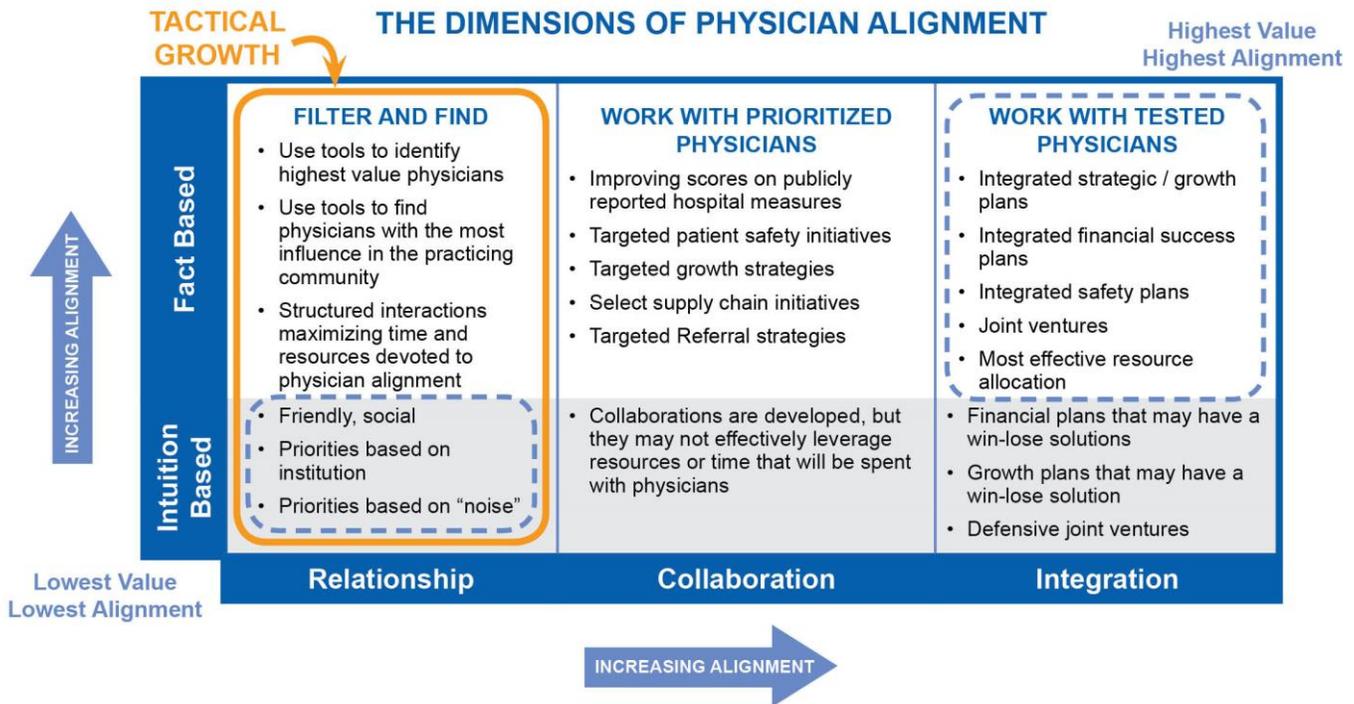
A tactical growth campaign begins with establishing a specific point of view about physician engagement. Like physician “brand”, if you don’t create a deliberate alignment strategy, your actions will create one for you. Further, if an organization’s view of physician alignment is underdeveloped or simplistic, this lack of understanding will interfere with an effective growth campaign. Most organizations have underdeveloped frameworks for understanding physician engagement. In fact, our experience with hundreds of health care organizations suggests that most misinterpret easy, comfortable, social relationships with doctors as good engagement with the physician community. It’s **much more** complex than this. Our physician alignment framework is found below:

“In the short run, managing growth by adjusting market perception of an organization’s brand is like managing fog. Tactical growth is the opposite: Measurable, specific and rapid”.

Mitch Galloway President,
Galloway Consulting

Physician alignment activities, operating under the growth umbrella are driven by a point of view...

Our architecture, process, and tools move a health system to highly integrated relationships with physicians resulting in consistent growth and cost management



Why is it that, despite falling volumes and unpredictable referral relationships, more than 95% of health system and hospital executives state that they have good physician relationships? It's because most leaders assess physician alignment and engagement is measured by intuition and is primarily relationship based. While this is one way to assess physician relationships, it is certainly not the most evolved point of view. Galloway believes that the strongest, most predictable level of physician engagement is fact based and dependent upon integrated, mutually beneficial tactics and strategies.

Our tactical growth program is developed around the idea that organizations need to have a more mature, complex view of physician relationships and that -- properly executed -- will move the organization towards a more highly evolved level of alignment.

The first challenge is that "not all physicians are created equally". Most organizations focus on their highest volume admitters. But defining "most important" by admission volume is only the beginning. And if high volume admitters are your only filter, you will not evolve towards higher levels of engagement and you will miss tactical opportunities for growth.

The key to tactical growth is the "filter and find" part of the alignment model. Identifying an organization's highest value physicians is crucial, but even more critical is identifying the criteria upon which you will decide an individual physician's importance. There are three major items to consider when determining physician targets:

1. Physicians with the highest contribution margin
2. Physicians influencers with high legitimacy among peers

3. Those with the **highest volume declines** over the past two years

TACTICAL GROWTH DEPENDS ON HIGHLY STRUCTURED, MEASURED INTERACTIONS IN THE FIELD

The real work begins once the physicians are identified. It is important to understand that the universe of high value physicians is a fraction of the total physician staff, usually 4% of the physician community or less. Once identified, the following major steps must take place:

- Development of specific duties, job description elements and assignments, by role, related to driving the growth plans (e.g., Hospital CEO, VPs, Physician Liaison, Director of Surgery, etc.). Note that effective growth strategies require an understanding of **everyone's** role in growth. **Tactical growth is not about redesigning the physician liaison program!**
- Evaluation of the existing sales organization to identify specific recommendations that will improve the structure.
- Implementation of sales training designed specifically for each organizational role. Organizations that are most effective driving growth involve **everyone**. Sales training, particularly for senior leaders, will help them understand the art of people interactions, both verbal and non-verbal. While senior leaders only receive classroom training, others with regular roles in the field have much more training. These staff are shadowed on sales calls and remedial or advanced training is provided as necessary.
- Coordination of physician interactions across the organization is essential and a CRM mechanism to capture, track progress and share information about the targeted physicians.
- Assessment of the feedback from the targeted physicians, with the goal of developing a list of highly targeted interventions necessary to drive growth. These interventions might mean service adjustments, other operational improvements, or in some cases small capital investments (e.g., surgical instruments).
- Implementation of an oversight structure to monitor and measure results, both improvements needed and the resulting volume gains.

TACTICAL GROWTH CREATES AN ENVIRONMENT FOR ACCOUNTABILITY

The beauty of a tactical growth program is that it is measurable and clear accountabilities are assigned. There is nowhere to hide in a tactical growth program; you either get the results or you don't and measurement systems provide this immediate feedback. At the end of a volume dropping quarter, you don't want C-Suite discussions around the effectiveness of your ad agency. Driving **predictable** growth requires that you can point to a success or a failure of a defined set of initiatives. Tactical growth plans provide you exactly that.

MEET OUR EXPERT



Jay Zerwekh is a Partner and Executive Vice President with Galloway. He brings a broad range of senior management and consulting experiences in a variety of healthcare settings. Zerwekh has a particular expertise in working with physicians, physician practices, medical groups, and physician organizations to help healthcare organizations improve partnerships with physicians. He has more than thirty years of operational experience in the healthcare industry to his clients. His experience as a

healthcare executive in medical group, health plan and hospital settings, both for- profit and not-for- profit, provided the foundation to guide clients to practical and effective solutions.

Prior to his work as a consultant, Zerwekh served for nine years as vice president of Network Operations and member of the office of the president; first for Rush Prudential Health Plans (now WellPoint) based in Chicago and most recently at Trinity Health Plans based in Michigan. Before working in the insurance side of the healthcare industry, he gained extensive experience in medical group management as vice president of operations for Rush Prudential's model medical offices and as Administrator for the Henry Ford Health System's largest region of ambulatory care centers. Under his leadership, both medical groups increased profitability, improved customer service, and improved the practice environment for physicians.

Zerwekh has a Master of Health Services Administration from the University of Michigan and a Bachelor of Arts from Clark University.