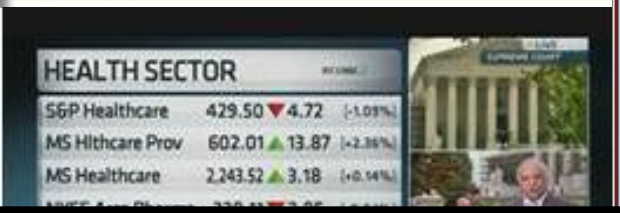
MANAGED Care

Q&A

A Conversation with Jeff Goldsmith, PhD: Reform Opens the Door For Consumer-Oriented Market

A consultant urges plans to streamline Web sites and devise new contracting strategies to prepare for an influx of individual customers



Moody's INVESTORS SERVICE

Announcement: Moody's: U.S. not-for-profit healthcare outlook remains negative for 2012

Health Affairs

National Health Expenditure Projections: Modest Annual Growth Until Coverage Expands And Economic Growth Accelerates

Thursday, August 9, 2012 As of 7:39 PM

THE WALL STREET JOURNAL.

It May Be Time to See Doctor

After Recent Slowdown, Health-Care Firms Detect Uptick in Outpatient Visits

CNBC

More Americans Put Off Medical Care as Costs Rise

Challenge and Response ... using your experience to steer direction

THE COMMONWEALTH FUND

Survey: Few ACOs Ready For Financial Risk

CAIN BROTHERS' BANKER COMMENTARY *by Wyatt Ritchie*

Guideposts for Health Care Organizations

Dialogue regarding fundamental questions of purpose and strategy is at an all time high in the board rooms of health care organizations today. Insurers becoming providers, providers becoming insurers, acute care hospitals adding non-acute services, etc., etc. Real existential questions are being grappled with as there is general belief that change is occurring and will be required of all who participate in the largest segment of the economy. In light of the current environment, it is important to look to history for potential insights. Two well known industries, financial services and auto manufacturing, provide some guideposts.

Fitch Ratings

20 September, 2012 2:28 PM

US Non-Profit Hospitals Face Reimbursement Reductions

providers that will be able to handle a change in reimbursement levels are the ones that remain focused on operating efficiency, resource allocation, physician alignment, and investment in electronic medical records.

JUNE 2012

A DATA BOOK

Health Care Spending and the Medicare Program

MEDPAC Medicare Payment Advisory Commission

Moody's Healthcare Quarterly (Newsletter)

14 pages (6301 words) — Published Jul 16, 2012
Price $550.00

...The Supreme Court decision upholding key provisions of the Patient Protection and Affordable Care Act (PPACA), which effectively translates into no change to the current reform environment, is credit negative for US healthcare insurers, particularly as we approach implementation of key provisions of the law that go into effect in 2014.

Managing Ambiguity

- Anticipate reduction in Medicare payments
- Embrace Medicare shared savings programs
- Create Accountable Care Organizations
- Establish bundled payment initiatives

- get control of the budget
- Preventive care to the forefront

- Continuing reimbursement pressures
- Consolidation in size & scale
- Value based payment models to forefront

- new payment models
- Physician alignment
- Growth strategies
- Balance sheet growth
- Improved governance & management

… using internal experiential encounter data to steer direction

Industry Opinions (external)

- Anticipate reduction in Medicare payments
- Embrace Medicare shared savings programs
- Create Accountable Care Organizations
- Establish bundled payment initiatives

Investment Banker

- Continuing reimbursement pressures
- Consolidation in size & scale
- Value based payment models to forefront

Fitch Ratings

- get control of the budget
- Preventive care to the forefront

US Comptroller

- new payment models
- Physician alignment
- Growth strategies
- Balance sheet growth
- Improved governance & management

Moody's

Future Expectations

external opinions
inside the industry

Industry Transformation

- reduce variability
- manage risk
  - different trend lines
  - rethinking service line management

Comprehending Past Trends via data points

- drilling down within the patient discharge record to:
  - comprehend and manage risk
  - manage clinical protocol compliance
  - create relevant benchmarks to gauge performance

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KPMG Survey Reveals Major Disconnect Among Healthcare System, Health Plan And Pharma Execs On New Payment S...

N BROTHERS' BANKER ... MMENTARY *by Wyatt Ritchie*

...for Health Care ...nizations

...ndamental questions of purpose and strategy is at an all ...e board rooms of health care organizations today. Insurers ...ing providers, providers becoming insurers, acute care hospitals adding ...-acute services, etc., etc. Real existential questions are being grappled with as ...e is general belief that change is occurring and will be required of all who ...icipate in the largest segment of the economy. In light of the current ...ironment, it is important to look to history for potential insights. Two well ...wn industries, financial services and auto manufacturing, provide some guideposts.

different Trend Lines

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JUNE 2012
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Health Care Spending and the Medicare Program

The Advisory Board Company

FTC's mixed merger message: Hospitals parse antitrust, reform requirements

FTC ramps up merger challenges, while overhaul encourages consolidation

THE COMMONWEALTH FUND

Survey: Few ACOs Ready For Financial Risk

BrianRucco.com

Industry Opinions (external)

Reform creates urgency

- sense of effectiveness required

Capital costs are inherent in change

- builds facility experience
- population management skills more important than controlling the dollars

Organizational Development & Restructuring are required with strategic decisions in order to survive

From Here to There by Finding Your Data Points

Avoid unintended consequences

Create a comprehensive discharge database. The database will have 100+ discreet data elements about the patient encounter.

Recast top down analyses the provider needs detailed information and a tool to get at (manipulate) the data.

Acquire external database of regional facility discharges, duplicate report formats with clustered facility results.

Medical Management Analyses

Industry Opinions (inside)

Everything is interrelated; changing behaviors is paramount

Manage Risk

- Creating an ACO (controlling the dollars) is attractive; but requires population skills many providers have not demonstrated
- High quality\low cost is difficult; requires responsibility for entire episode of care even when beyond walls of provider. Reducing deviation in process is crucial.

IT Infrastructure

Implementation of EHR can be disruptive; will benefits (meaningful use) be demonstrated.

Relationship Building

- Incentive reimbursements will test durability of provider partnerships; care is a continuum process. Will specialists produce quality performance measures.
- Engage patients in their care management

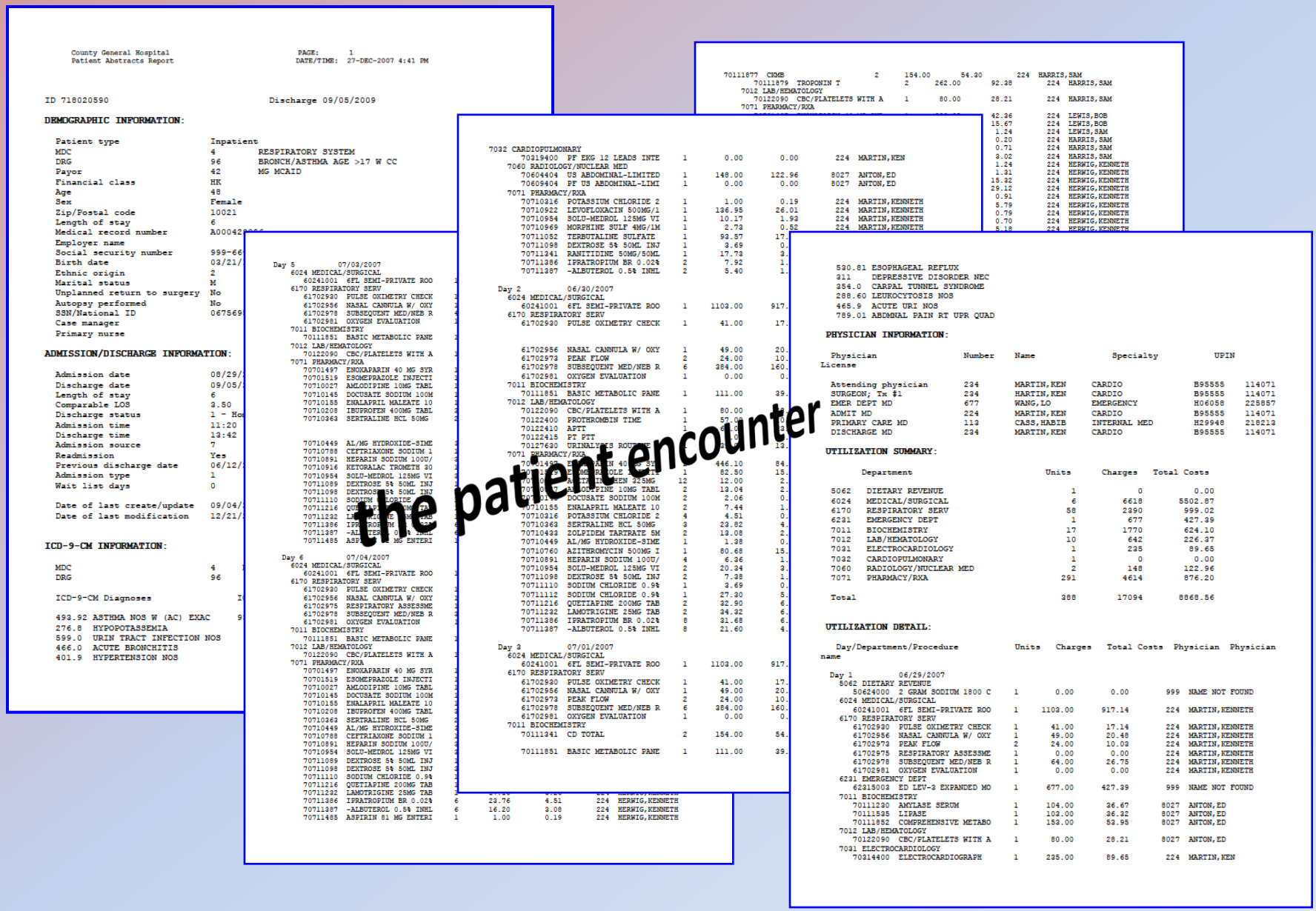
Difficult Strategy Issues

… everything is related

- New payment models
- Decreased physician visits
- Competition for particular physician specialists
  - Compensation plan types
- Questions re appropriate care
  - Readmission penalties
  - Implement standardized care management protocols
  - Adverse Events
- Healthcare is becoming discretionary
- HER can be disruptive to a physician practice
- Ability to report performance measures
- Transparency and cooperation between providers & insurers
- Precedes financial analyses and simulations

Know your past

Finding Your Data Points: Discharge Record - extended



County General Hospital
Patient Abstracts Report

PAGE: 1
DATE/TIME: 27-DEC-2007 4:41 PM

ID 718020590 Discharge 09/05/2009

DEMOGRAPHIC INFORMATION:

Patient type	Inpatient	
MDC	4	RESPIRATORY SYSTEM
DRG	96	BRONCH/ASTHMA AGE >17 W CC
Payor	42	MG MCAID
Financial class	HK	
Age	48	
Sex	Female	
Zip/Postal code	10021	
Length of stay	6	
Medical record number	A00042	
Employer name		
Social security number	999-66	
Birth date	03/21/	
Ethnic origin	2	
Marital status	M	
Unplanned return to surgery	No	
Autopsy performed	No	
SSN/National ID	067569	
Case manager		
Primary nurse		

ADMISSION/DISCHARGE INFORMATION:

Admission date	08/29/
Discharge date	09/05/
Length of stay	6
Comparable LOS	3.50
Discharge status	1 - Ho
Admission time	11:20
Discharge time	13:42
Admission source	7
Readmission	Yes
Previous discharge date	06/12/
Admission type	1
Wait list days	0
Date of last create/update	09/04/
Date of last modification	12/21/

ICD-9-CM INFORMATION:

MDC	4
DRG	96

ICD-9-CM Diagnoses	I
493.92 ASTHMA NOS W (AC) EXAC	9
276.8 HYPOPOTASSEMIA	
599.0 URIN TRACT INFECTION NOS	
466.0 ACUTE BRONCHITIS	
401.9 HYPERTENSION NOS	

70111877 CKMB	2	154.00	54.30	224	HARRIS,SAM
70111879 TROPONIN T	2	262.00	92.38	224	HARRIS,SAM
7012 LAB/HEMATOLOGY					
70122090 CBC/PLATELETS WITH A	1	80.00	28.21	224	HARRIS,SAM
7071 PHARMACY/RXA					
			42.36	224	LEWIS,BOB
			15.67	224	LEWIS,BOB
			1.24	224	LEWIS,SAM
			0.20	224	HARRIS,SAM
			0.71	224	HARRIS,SAM
			2.02	224	HARRIS,SAM
			1.24	224	HERWIG,KENNETH
			1.31	224	HERWIG,KENNETH
			15.32	224	HERWIG,KENNETH
			29.12	224	HERWIG,KENNETH
			0.91	224	HERWIG,KENNETH
			5.79	224	HERWIG,KENNETH
			0.79	224	HERWIG,KENNETH
			0.70	224	HERWIG,KENNETH
			5.18	224	HERWIG,KENNETH

7032 CARDIOPULMONARY					
70319400 PF EKG 12 LEADS INTE	1	0.00	0.00	224	MARTIN,KEN
7060 RADIOLOGY/NUCLEAR MED					
70604404 US ABDOMINAL-LIMITED	1	148.00	122.96	8027	ANTON,ED
70609404 PF US ABDOMINAL-LIMI	1	0.00	0.00	8027	ANTON,ED
7071 PHARMACY/RXA					
70710316 POTASSIUM CHLORIDE 2	1	1.00	0.19	224	MARTIN,KENNETH
70710922 LEVOFLOXACIN 500MG/1	1	136.95	26.01	224	MARTIN,KENNETH
70710954 SOLU-MEDROL 125MG VI	1	10.17	1.93	224	MARTIN,KENNETH
70710969 MORPHINE SULF 4MG/1M	1	2.79	0.52	224	MARTIN,KENNETH
70711052 TERBUTALINE SULFATE	1	93.57	17.		
70711098 DEXTROSE 5% 50ML INJ	1	3.69	0.		
70711341 RANITIDINE 50MG/50ML	1	17.73	3.		
70711386 IPRATROPIUM BR 0.02%	2	7.92	1.		
70711387 -ALBUTEROL 0.5% INHL	2	5.40	1.		
Day 2 06/30/2007					
6024 MEDICAL/SURGICAL					
60241001 6FL SEMI-PRIVATE ROO	1	1103.00	917.		
6170 RESPIRATORY SERV					
70702930 PULSE OXIMETRY CHECK	1	41.00	17.		
70702956 NASAL CANNULA W/ OXY	1	49.00	20.		
70702973 PEAK FLOW	2	24.00	10.		
70702978 SUBSEQUENT MED/NEB R	6	384.00	160.		
70702981 OXYGEN EVALUATION	1	0.00	0.		
7011 BIOCHEMISTRY					
70111851 BASIC METABOLIC PANE	1	111.00	39.		
7012 LAB/HEMATOLOGY					
70122090 CBC/PLATELETS WITH A	1	80.00			
70122400 PROTHROMBIN TIME	1	57.00			
70122410 APTT	1	74.00			
70122415 PT PTT	1	74.00			
70127630 URINALYSIS ROUTINE	1	13.00	13.		
7071 PHARMACY/RXA					
70714 [illegible] 40 [illegible]	1	446.10	84.		
70710 [illegible]	1	82.50	15.		
70710 [illegible] 325MG	12	12.00	2.		
70710 [illegible] 10MG TABL	2	13.04	2.		
70710 DOCUSATE SODIUM 100M	2	2.06	0.		
70710155 ENALAPRIL MALEATE 10	2	7.44	1.		
70710316 POTASSIUM CHLORIDE 2	4	4.51	0.		
70710363 SERTRALINE HCL 50MG	3	23.82	4.		
70710433 ZOLPIDEM TARTRATE 5M	2	13.08	2.		
70710449 AL/MG HYDROXIDE-SIME	1	1.38	0.		
70710760 AZITHROMYCIN 500MG I	1	80.68	15.		
70710891 HEPARIN SODIUM 100U/	4	6.36	1.		
70710954 SOLU-MEDROL 125MG VI	2	20.34	3.		
70711098 DEXTROSE 5% 50ML INJ	2	7.38	1.		
70711110 SODIUM CHLORIDE 0.9%	1	3.69	0.		
70711112 SODIUM CHLORIDE 0.9%	1	27.30	5.		
70711216 QUETIAPINE 200MG TAB	2	32.90	6.		
70711232 LAMOTRIGINE 25MG TAB	2	34.32	6.		
70711386 IPRATROPIUM BR 0.02%	8	31.68	6.		
70711387 -ALBUTEROL 0.5% INHL	8	21.60	4.		
Day 3 07/01/2007					
6024 MEDICAL/SURGICAL					
60241001 6FL SEMI-PRIVATE ROO	1	1103.00	917.		
6170 RESPIRATORY SERV					
70702930 PULSE OXIMETRY CHECK	1	41.00	17.		
70702956 NASAL CANNULA W/ OXY	1	49.00	20.		
70702973 PEAK FLOW	2	24.00	10.		
70702978 SUBSEQUENT MED/NEB R	6	384.00	160.		
70702981 OXYGEN EVALUATION	1	0.00	0.		
7011 BIOCHEMISTRY					
70111341 CD TOTAL	2	154.00	54.		
70111851 BASIC METABOLIC PANE	1	111.00	39.		

Day 5 07/03/2007					
6024 MEDICAL/SURGICAL					
60241001 6FL SEMI-PRIVATE ROO	1				
6170 RESPIRATORY SERV					
70702930 PULSE OXIMETRY CHECK	1				
70702956 NASAL CANNULA W/ OXY	1				
70702978 SUBSEQUENT MED/NEB R	6				
70702981 OXYGEN EVALUATION	1				
7011 BIOCHEMISTRY					
70111851 BASIC METABOLIC PANE	1				
7012 LAB/HEMATOLOGY					
70122090 CBC/PLATELETS WITH A	1				
7071 PHARMACY/RXA					
70701497 ENOXAPARIN 40 MG SYR	1				
70701519 ESOMEPRAZOLE INJECTI	1				
70710027 AMLODIPINE 10MG TABL	1				
70710145 DOCUSATE SODIUM 100M	1				
70710155 ENALAPRIL MALEATE 10	1				
70710208 IBUPROFEN 400MG TABL	2				
70710363 SERTRALINE HCL 50MG	2				
70710449 AL/MG HYDROXIDE-SIME	1				
70710788 CEFTRIAXONE SODIUM 1	1				
70710891 HEPARIN SODIUM 100U/	3				
70710931 KETOROLAC TROMETH 30	1				
70710954 SOLU-MEDROL 125MG VI	3				
70711089 DEXTROSE 5% 50ML INJ	2				
70711098 DEXTROSE 5% 50ML INJ	2				
70711110 SODIUM CHLORIDE 0.9%	1				
70711216 QUETIAPINE 200MG TAB	2				
70711232 LAMOTRIGINE 25MG TAB	2				
70711386 IPRATROPIUM BR 0.02%	6	23.76	4.51	224	HERWIG,KENNETH
70711387 -ALBUTEROL 0.5% INHL	6	16.20	3.08	224	HERWIG,KENNETH
70711485 ASPIRIN 81 MG ENTERI	1	1.00	0.19	224	HERWIG,KENNETH
Day 6 07/04/2007					
6024 MEDICAL/SURGICAL					
60241001 6FL SEMI-PRIVATE ROO	1				
6170 RESPIRATORY SERV					
70702930 PULSE OXIMETRY CHECK	1				
70702956 NASAL CANNULA W/ OXY	1				
70702975 RESPIRATORY ASSESSME	1				
70702978 SUBSEQUENT MED/NEB R	6				
70702981 OXYGEN EVALUATION	1				
7011 BIOCHEMISTRY					
70111851 BASIC METABOLIC PANE	1				
7012 LAB/HEMATOLOGY					
70122090 CBC/PLATELETS WITH A	1				
7071 PHARMACY/RXA					
70701497 ENOXAPARIN 40 MG SYR	1				
70701519 ESOMEPRAZOLE INJECTI	1				
70710027 AMLODIPINE 10MG TABL	1				
70710145 DOCUSATE SODIUM 100M	1				
70710155 ENALAPRIL MALEATE 10	1				
70710208 IBUPROFEN 400MG TABL	2				
70710363 SERTRALINE HCL 50MG	2				
70710449 AL/MG HYDROXIDE-SIME	1				
70710788 CEFTRIAXONE SODIUM 1	1				
70710891 HEPARIN SODIUM 100U/	3				
70710954 SOLU-MEDROL 125MG VI	3				
70711089 DEXTROSE 5% 50ML INJ	2				
70711098 DEXTROSE 5% 50ML INJ	2				
70711110 SODIUM CHLORIDE 0.9%	1				
70711216 QUETIAPINE 200MG TAB	2				
70711232 LAMOTRIGINE 25MG TAB	2				
70711386 IPRATROPIUM BR 0.02%	6	23.76	4.51	224	HERWIG,KENNETH
70711387 -ALBUTEROL 0.5% INHL	6	16.20	3.08	224	HERWIG,KENNETH
70711485 ASPIRIN 81 MG ENTERI	1	1.00	0.19	224	HERWIG,KENNETH

the patient encounter

530.81 ESOPHAGEAL REFLUX
311 DEPRESSIVE DISORDER NEC
354.0 CARPAL TUNNEL SYNDROME
288.60 LEUKOCYTOSIS NOS
465.9 ACUTE URI NOS
789.01 ABDMNAL PAIN RT UPR QUAD

PHYSICIAN INFORMATION:

Physician	Number	Name	Specialty	UPIN	License
Attending physician	234	MARTIN,KEN	CARDIO	B95555	114071
SURGEON; Tx #1	234	MARTIN,KEN	CARDIO	B95555	114071
EMER DEPT MD	677	WANG,LO	EMERGENCY	H06058	225857
ADMIT MD	224	MARTIN,KEN	CARDIO	B95555	114071
PRIMARY CARE MD	113	CASS,HABIB	INTERNAL MED	H29948	218213
DISCHARGE MD	234	MARTIN,KEN	CARDIO	B95555	114071

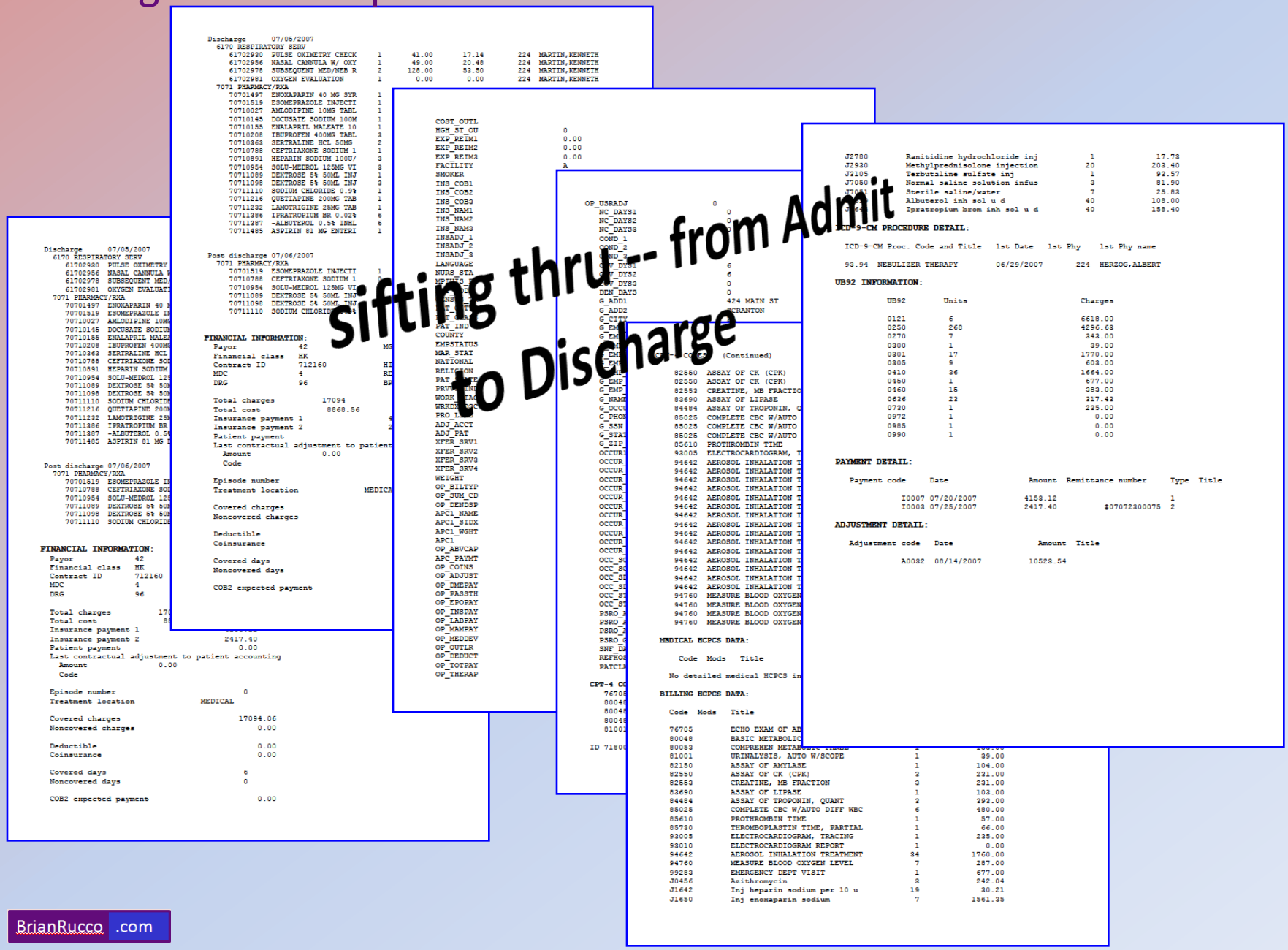
UTILIZATION SUMMARY:

Department	Units	Charges	Total Costs
5062 DIETARY REVENUE	1	0	0.00
6024 MEDICAL/SURGICAL	6	6618	5502.87
6170 RESPIRATORY SERV	58	2390	999.02
6231 EMERGENCY DEPT	1	677	427.39
7011 BIOCHEMISTRY	17	1770	624.10
7012 LAB/HEMATOLOGY	10	642	226.37
7031 ELECTROCARDIOLOGY	1	235	89.65
7032 CARDIOPULMONARY	1	0	0.00
7060 RADIOLOGY/NUCLEAR MED	2	148	122.96
7071 PHARMACY/RXA	291	4614	876.20
Total	388	17094	8868.56

UTILIZATION DETAIL:

Day/Department/Procedure	Units	Charges	Total Costs	Physician	Physician name
Day 1 06/29/2007					
5062 DIETARY REVENUE					
50624000 2 GRAM SODIUM 1800 C	1	0.00	0.00	999	NAME NOT FOUND
6024 MEDICAL/SURGICAL					
60241001 6FL SEMI-PRIVATE ROO	1	1103.00	917.14	224	MARTIN,KENNETH
6170 RESPIRATORY SERV					
70702930 PULSE OXIMETRY CHECK	1	41.00	17.14	224	MARTIN,KENNETH
70702956 NASAL CANNULA W/ OXY	1	49.00	20.48	224	MARTIN,KENNETH
70702973 PEAK FLOW	2	24.00	10.03	224	MARTIN,KENNETH
70702975 RESPIRATORY ASSESSME	1	0.00	0.00	224	MARTIN,KENNETH
70702978 SUBSEQUENT MED/NEB R	1	64.00	26.75	224	MARTIN,KENNETH
70702981 OXYGEN EVALUATION	1	0.00	0.00	224	MARTIN,KENNETH
6231 EMERGENCY DEPT					
62315003 ED LEV-3 EXPANDED MD	1	677.00	427.39	999	NAME NOT FOUND
7011 BIOCHEMISTRY					
70111230 AMYLASE SERUM	1	104.00	36.67	8027	ANTON,ED
70111535 LIPASE	1	103.00	36.32	8027	ANTON,ED
70111852 COMPREHENSIVE METABO	1	152.00	53.95	8027	ANTON,ED
7012 LAB/HEMATOLOGY					
70122090 CBC/PLATELETS WITH A	1	80.00	28.21	8027	ANTON,ED
7031 ELECTROCARDIOLOGY					
70314400 ELECTROCARDIOGRAPH	1	235.00	89.65	224	MARTIN,KEN

Discharge Record – part 2



BrianRucco .com

Managing Risk – care protocols

Identifying resource consumption is important not just to minimize costs but for identifying and modifying staff behaviors -- while still achieving optimum outcomes

Day 3	07/01/2007			
6024 MEDICAL/SURGICAL				
60241001	6FL SEMI-PRIVATE ROO	1	1103.00	917.14
6170 RESPIRATORY SERV				
61702930	PULSE OXIMETRY CHECK	1	41.00	17.14
61702956	NASAL CANNULA W/ OXY	1	49.00	20.48
61702973	PEAK FLOW	2	24.00	10.03
61702978	SUBSEQUENT MED/NEB R	6	384.00	160.51
61702981	OXYGEN EVALUATION	1	0.00	0.00
7011 BIOCHEMISTRY				
70111341	CD TOTAL	2	154.00	54.30
70111851	BASIC METABOLIC PANE	1	111.00	39.14
70111877	CKMB	2	154.00	54.30
70111879	TROPONIN T	2	262.00	92.38
7012 LAB/HEMATOLOGY				
70122090	CBC/PLATELETS WITH A	1	80.00	28.21
7071 PHARMACY/RXA				
70701497	ENOXAPARIN 40 MG SYR	1	223.05	42.36
70701519	ESOMEPRAZOLE INJECTI	1	82.50	15.67
70710027	AMLODIPINE 10MG TABL	1	6.52	1.24
70710145	DOCUSATE SODIUM 100M	1	1.03	0.20
70710155	ENALAPRIL MALEATE 10	1	3.72	0.71
70710363	SERTRALINE HCL 50MG	2	15.88	3.02
70710433	ZOLPIDEM TARTRATE 5M	1	6.54	1.24
70710449	AL/MG HYDROXIDE-SIME	5	6.88	1.31
70710760	AZITHROMYCIN 500MG I	1	80.68	15.32
70710788	CEFTRIAXONE SODIUM 1	1	153.33	29.12
70710891	HEPARIN SODIUM 100U/	3	4.77	0.91
70710954	SOLU-MEDROL 125MG VI	3	30.51	5.79
70711089	DEXTROSE 5% 50ML INJ	1	4.14	0.79
70711098	DEXTROSE 5% 50ML INJ	3	11.07	2.10
70711110	SODIUM CHLORIDE 0.9%	1	3.69	0.70
70711112	SODIUM CHLORIDE 0.9%	1	27.30	5.18
70711216	QUETIAPINE 200MG TAB	1	16.45	3.12
70711232	LAMOTRIGINE 25MG TAB	1	17.16	3.26
70711386	IPRATROPIUM BR 0.02%	6	23.76	4.51
70711387	-ALBUTEROL 0.5% INHL	6	16.20	3.08
70711485	ASPIRIN 81 MG ENTERI	2	2.00	0.38

Managing Risk- locating readmissions

… staff protests aside, locating readmissions can be achieved within a spreadsheet by appropriately sorting discharges using conditional formatting report features.

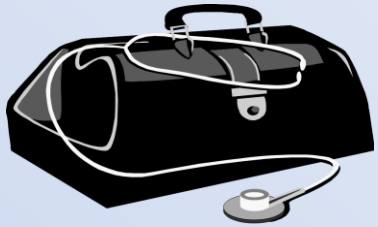
	A	B	C	D	F	G
1		MRN#	AdmitDate	DISCHdate	READMIT	MED-SERV
2	717000695 WILSON, JAMES	458886		7/6/2009		MED
3	720700453 SMITH, ROBT	469677		7/31/2009		PED
4	717100360 MORRIS, JOHN	470714		7/5/2009		MED
5	**718000546 BELL,FRANK**	**472530**	**7/1/2009**	**7/3/2009**		SUR
6	**720100547 BELL,FRANK**	**472530**	**7/5/2009**	**7/24/2009**	2	MED
7	719300598 CASTRO,J	474248		7/25/2009		MED
8	718700310 BANK,SCOTT	486811		7/12/2009		PSY
9	**718700501 WILLIAMS, E**	**506138**	**7/1/2009**	**7/9/2009**		SUR
10	**720200003 WILLIAMS,E**	**506138**	**7/24/2009**	**7/23/2009**	15	SUR

Managing Risk- adverse events

707.21	pressure ulcer
977.9	severe allergic reaction
998.4	retention of a foreign object in a patient
996.62	inflammatory reaction due to other vascular device
999.31	unspecified infection due to central venous catheter
999.32	bloodstream infection due to central venous catheter
E856.	accidental poisoning by antibiotics
E876.5	Wrong surgical procedure on a patient
E884.2	Patient death associated with a fall

Payment denials due to patient harm is the **new normal**

Finance -Physician Integration-Compensation



- Straight salary
- Equal shares
- Productivity based comp
- Incentive based comp
- Capitation

How Has the Rise of Physician Employment Changed Hospitals' Recruitment Strategies? **Becker's Hospital Review**

The appeal of hospital employment to physicians is no secret. Upon completion of their training, more physicians are looking to work in either larger, independent group or hospital-owned practices, whether for financial reasons, lifestyle preferences or a combination of the two. The number of independent physicians, or providers with a financial stake in their practice, shrunk from 57 percent in 2000 to 39 percent in 2012 and a projected 36 percent in 2013, according to data from Accenture.

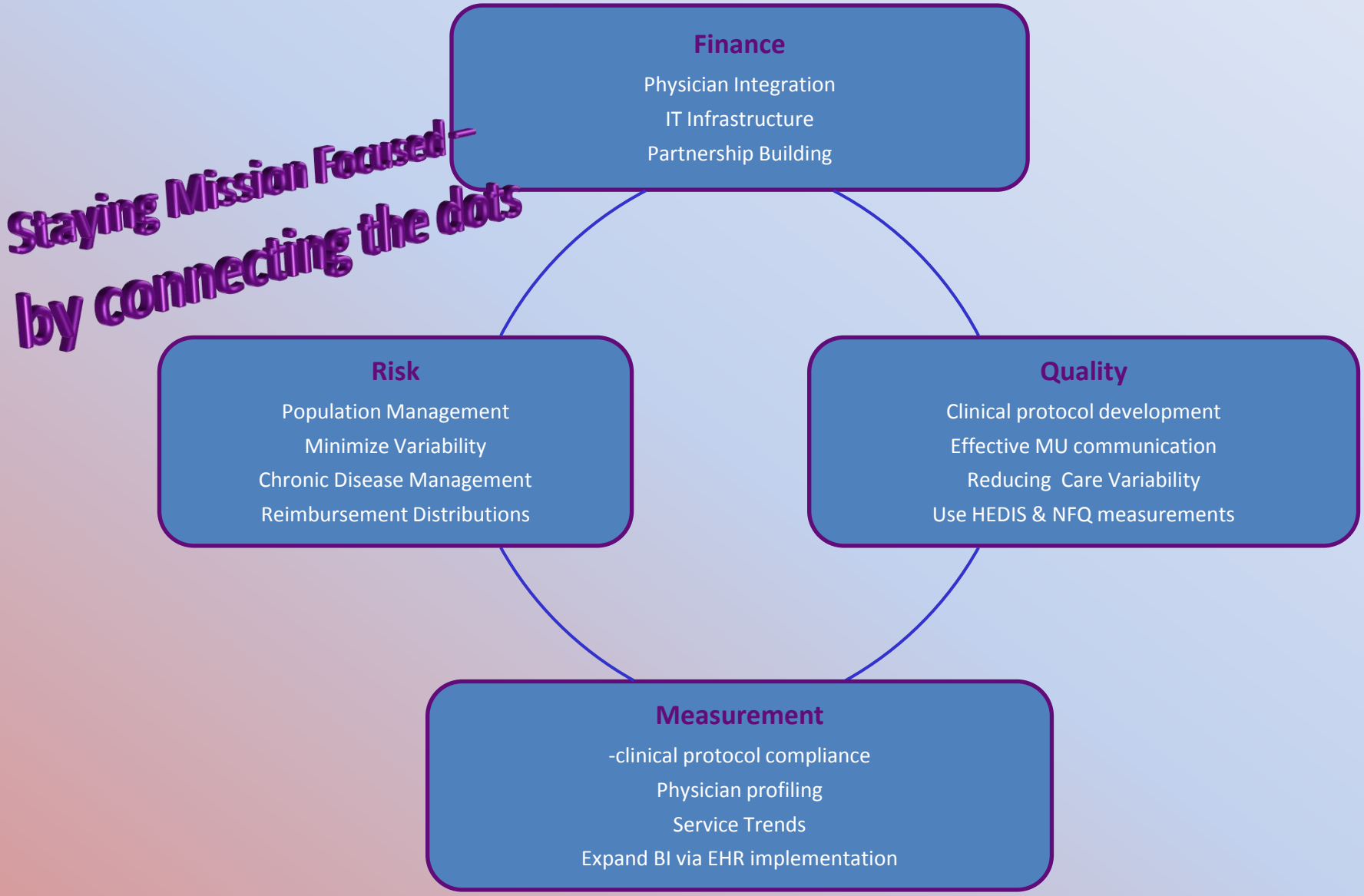
In the latest annual Residents and Fellows Survey conducted by Cejka Search, 46 percent of respondents from medical schools' 2012 graduating classes said group practices were the ideal choices, while 29 percent said hospital-affiliated practices were most preferred. And interest in employment is not restricted to fresh-faced residency graduates, either. Many established physicians in private practice are losing interest in entrepreneurship and the risks associated with it.

"The fact that established physicians also want to become employed has changed hospitals' attitudes toward recruitment," says Max Reiboldt, CPA, president and CEO of healthcare consulting firm Coker Group.

These findings suggest a natural and progressive physician exodus from private practice into group practices and health systems, begging the question of whether physician recruitment is still imperative to hospitals these days.

Finance – ACO Development

- Multi-year relationship with insurer to re-engineer care processes; sharing information re ER visits and readmissions
- Improve Service Line Management that targets and manages chronic disease conditions
- Acquire benchmarks (*eg* HEDIS, NFQ) to measure performance and provide plausibility
- Prepare for government payment innovation



Brian Rucco collaborates with healthcare providers, insurers and industry watchdog organizations producing fact based insights about rapidly changing local healthcare environments. Business Intelligence analyses have helped clients better *manage risk*, understand *disruptive innovation* and locate *root cause* issues through data driven analyses.

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