

Challenges and Keys to Success of Growing a Health System Medical Group

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What is the future of Health System Medical Groups?

Significant Growth!

(with significant strategic challenges)

Challenges of Health System Medical Groups

- Recognition of fundamental differences
 - group vs. individual
 - specialty vs. primary care
- Operational and financial improvements
- Continued growth – sometimes rapid
- Meeting current practice needs during growth
- Assuring adequate voice to all providers
- Achieving successful cultural shift
 - Within each practices
 - Between practices and specialties
 - Within the health system
- Ensure administrative leadership can meet the increasing complex needs of the Group

Challenges of Health System Medical Groups

- Outside market forces
 - Reimbursement changes
 - Competition changes
 - Changing patient expectations
 - “Town vs. Employed” phenomenon
- Development of MSO arrangements for non-employed physicians
- Recruitment of physicians
 - Retirement
 - Growth in existing practices
 - Perimeter strategy
 - Development of physician leaders

Physician Recruitment Evolution

Phase 1: Independent Physician Engagement/Partnerships/JV's

Phase 2: Employ Support Services Physicians

1. Emergency Department
2. Pathology
3. Radiology
4. Hospitalists
5. Anesthesia

(Healthcare reform introduced – 2009)

Phase 3: Challenging Call Arrangements

Phase 4: Practice Acquisition

Phase 5: New Recruitment

Recruitment/Acquisition: Keys to Success

- Updated medical staff development plan
- Flexibility and speed
- Be prepared:
 - For unexpected inquiries
 - To say “no” and why
 - More expensive than expected
- Develop a solid on-boarding checklist
- Establish an on-boarding team
- Communicate, communicate, communicate

The Five Keys to a Health System Medical Group's Success

- Plan, but be flexible
- Communicate, up and down the organization
- Execute, in a timely fashion
- Be consistent, don't be known as the “deal of the month”
- Collaborate, partner with specialty firms as needed

These five keys to success can also serve as a blueprint for organizations which are developing ACOs and Integrated Clinical Delivery Networks.

Coming together is the beginning.
Keeping together is the progress.
Working together is success.

- Henry Ford

QUESTIONS