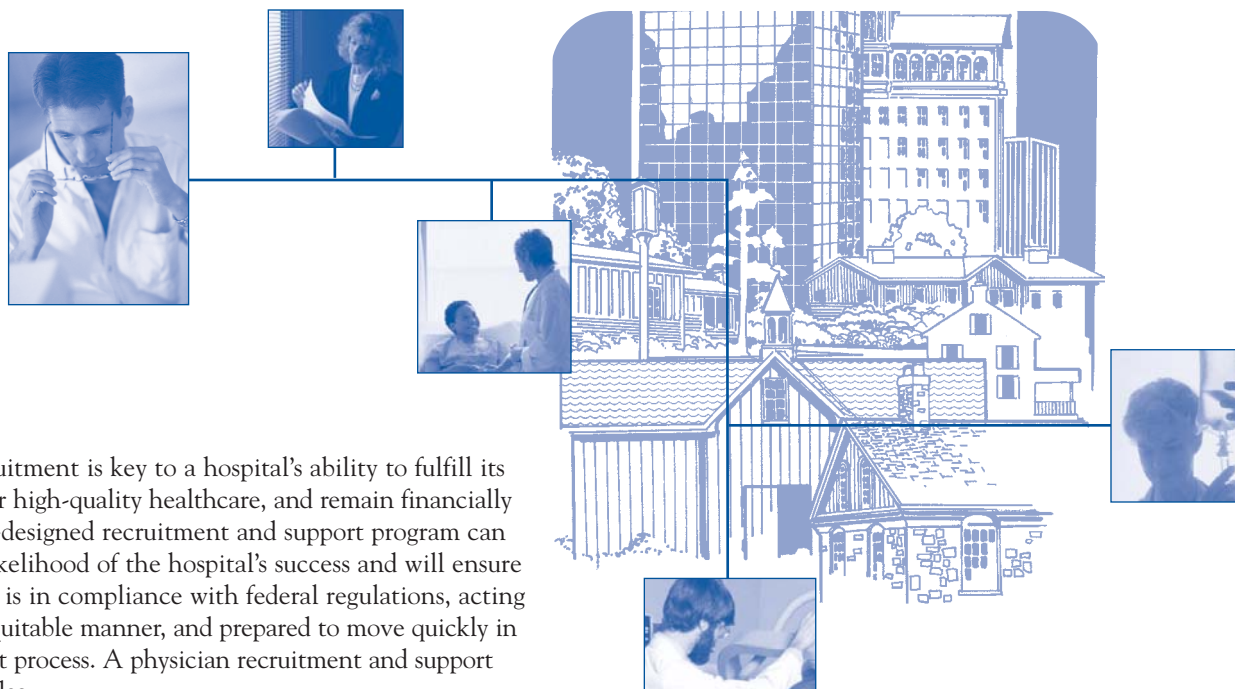


# How to Structure a Physician Recruitment and Support Program

Establishing a recruitment and support framework will help a hospital recruit good physicians, integrate them into the community, and help them develop successful and satisfying practices.



Physician recruitment is key to a hospital's ability to fulfill its mission, deliver high-quality healthcare, and remain financially viable. A well-designed recruitment and support program can improve the likelihood of the hospital's success and will ensure that a hospital is in compliance with federal regulations, acting in a fair and equitable manner, and prepared to move quickly in the recruitment process. A physician recruitment and support program includes:

- An up-to-date medical staff development plan
- Information about the community and hospital
- A recruitment protocol
- The physician support package

## Step 1: Prepare a Medical Staff Development Plan

A medical staff development plan is the foundation for physician recruitment. It defines and describes the geographic area served by the hospital, includes an assessment of physician supply and demand in the area, and establishes recruitment priorities. The following framework can be used to categorize physician need (defined as demand less supply) and recruitment priority by specialty.

- **None.** The supply of physicians is at or above the target physician-to-population ratio for the defined population, and there are no circumstances (e.g., imminent retirement, need for a physician with second-language skills) that indicate the need for additional physicians.
- **Low.** Need exists, but there are other options for care, and the specialty is not required to support hospital services.
- **Moderate.** Need exists, and additional physicians will allow the hospital to expand or initiate a clinical service.
- **High.** There is a substantial undersupply of physicians in the area, and additional physicians are needed to support a clinical service at the hospital.

A medical staff development plan typically identifies the preferred practice setting and location for each physician targeted for recruitment. It provides the documentation not-for-profit hospitals require to justify spending money to recruit and support new physicians. It also offers some assurance that sufficient patient volume exists to support recruiting additional physicians.

## Step 2: Compile Information About the Community and Hospital

A hospital should have the following material, which is basic to the physician recruitment process, readily available.

**General information.** An attractive packet of information about the community and hospital that can be tailored to individual needs (e.g., profiles of local schools for candidates with school-aged children) should be available. Printed material is the standard format, although a CD is feasible and may make a more favorable impression on prospective medical staff members.

**Medical staff application and related material.** In addition to an application, the packet should include medical staff bylaws, contact information from the medical staff coordinator, and perhaps a letter from the CEO and chief of staff inviting the physician to apply for privileges.

**Step 3:  
Draft a Recruitment Protocol**

The recruitment protocol lists all steps and activities involved in recruiting a physician, from the initial inquiry through resolution. It identifies the person responsible for each activity, and can be used as a checklist to guide the process in an orderly fashion as well as monitor the status of each physician being recruited.

Hospitals without a written protocol may move through recruitment following an intuitive, established process. This can work well...until a phone call from a physician being recruited goes unreturned, or an important attendee doesn't get invited to dinner with the recruit. Then the value of a simple piece of paper becomes clear.

**Step 4:  
Decide on a Physician Support Package**

The physician support package includes all of the financial and other support provided to induce a physician to join the hospital, relocate to the area, and establish his or her practice. Most recruitment and support programs will include the following components:

**Relocation expenses.** Reimbursement of relocation expenses, or a relocation allowance, is typically provided to all physicians recruited by the hospital.

**Assistance in setting up the physician's practice.** This is especially important for any physician who is not joining an established practice. It could include help in finding office space, hiring and training staff, and getting on the provider panel for insurance and health plans.

**Marketing support.** A new physician should be properly introduced to prospective patients and the medical community. The methods used and amount of money devoted to each physician may vary, but should be established in advance. For example, three marketing "packages" might be structured, with Package A consisting of print ads, Package B adding direct mail, and Package C including radio ads.

**Signing bonus.** A signing bonus or some other form of cash up front may be paid, with a higher amount going to a physician in a higher priority specialty.

**Income guarantee.** An income guarantee may be required, with the length of the guarantee depending on the recipient physician's recruitment priority. The amount of the guarantee will differ by specialty and region, but must be reasonable.

Other support could include access to medical liability insurance, perhaps through a captive insurance company, and a stipend for serving as a medical director or performing some other defined service. Guidelines should be set in advance that specify the types and amounts of assistance, and describe related conditions such as the duration of any assistance and provisions for repaying an income guarantee.

After review and board approval, management can work within the guidelines to recruit physicians targeted in the medical staff development plan. (Note: Before any payment or induce-

ment is offered to a physician, or to recruit a physician, a legal review is essential to ensure that the organization complies with the Stark laws and other applicable laws and regulations.)

The matrix below illustrates a scheme for relating the support given to a physician to the recruitment priority assigned to that physician's specialty.


**Support Component Available by Physician Recruitment Priority**

Support Component	Recruitment Priority			
	None	Low	Moderate	High
Community and hospital information	Yes	Yes	Yes	Yes
Medical staff application	Yes	Yes	Yes	Yes
Practice development assistance	Yes	Yes	Yes	Yes
Relocation expenses	None	Yes	Yes	Yes
Practice marketing and promotion	None	Package A	Package B	Package C
Signing bonus	None	X dollars	1.5X dollars	2X dollars
Income guarantee	None	None	1 year	2 years

Wherever possible, the established framework should be followed. However, circumstances may arise that warrant special consideration. For instance, the spouse of a physician being recruited may also be a physician, but in a specialty that is a low recruitment priority. Or, a physician who grew up in the area and wants to return may practice a specialty for which there is no community need. In the first case, a board-approved exception (for example, authorizing an income guarantee for the spouse) may be appropriate. In the second instance, employment by the hospital may be an acceptable approach.

**More Resources**

**Medical staff development planning.** PSI Arista's executive checklist, *Medical Staff Development Planning*, summarizes the components of a medical staff development plan. It is available from the author or may be ordered online at <http://psiarista.com/company/publications/default.asp>.

**Designing a physician support package.** For information on the frequency and amount of various recruitment and support components, see *Summary Report: 2004 Review of Physician Recruitment Incentives* by Merritt, Hawkins & Associates, available at [www.merrithawkins.com](http://www.merrithawkins.com); click on "Compensation Surveys." 

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