

Filling Your Physician Needs

Board members can ensure that their hospital has a well-thought-out medical staff development plan

By James Lifton

A medical staff development plan identifies your community's needs for physicians. It establishes your hospital or health system's physician need and recruitment priorities. And it addresses other medical staff development issues. An up-to-date, contemporary medical staff development plan is one of the hallmarks of a well-governed and well-managed hospital.

More specifically, the plan provides a blueprint for your organization to recruit physicians by certain specialties and clinical skills. The plan also describes how those physicians should relate to each other — in the case of community-based and hospital-based physicians, for instance — as well as with other providers on multidisciplinary care teams.

A hospital board should ensure that the planning process is transparent and inclusive. The medical staff plan should support the organization's strategic plan and yet distinguish between community and organizational physician need. It should incorporate emerging market characteristics and also address the roles of physicians without medical staff privileges, as well as those of advanced practice providers. Finally, it should present a realistic response to behavioral health needs in your area.

Changes in health care delivery and payment have had an impact on physician-hospital relationships in most communities. These evolving relationships also can be reflected in the medical staff plan.

7 criteria

While management is responsible for preparing and implementing the plan, there are a number of criteria that will help your board exercise its oversight responsibility. Here's what you should make sure happens:

1. The planning process is transparent and inclusive. Management should build physician and board support for the plan from the beginning of the process. Informing the medical staff and board at the outset and involving them during the process will make it more likely that the plan will be adopted, accepted and implemented. For instance, physician support will be needed to recruit physicians to the practice.

Physician input representing a variety of perspectives is important for transparency and inclusion, especially when there is a diversity of opinion on the medical staff. Broad input also will be helpful if one of the recommendations in the plan is sensitive — for example, if the hospital could be perceived as going into competition with physicians already on staff.

Board support also may be needed at such times as approving a sensitive recruitment recommendation or unbudgeted expenditure. Guidance and feedback during the planning process typically come from an ad hoc or standing board committee — strategic planning, for instance. Committee members are then able to keep their board or medical

staff leaders informed about the planning process. The committee also can provide physician feedback to the board.

The database and analyses of the medical staff plan should be transparent and understandable to all involved in the process. Proprietary data and methodologies may be used in preparing the medical staff plan, although enough must be known about them so that the process and plan will have credibility. At a minimum, the physician-demand model must be transparent, and physician supply data must be spelled out clearly.

In some instances, the perspective of stakeholders outside the organization may be valuable. A Community Health Needs Assessment is one way the organization can obtain this input. Or, targeted interviews with representatives of the county health department or Federally Qualified Health Center in the area could provide useful input.

2. The medical staff development plan supports the organization's strategic plan. Physician recruitment is often necessary to implement one or more of the organization's strategies. For instance, the organization's clinical, geographic or contracting strategies likely will have implications for physician need. In these situations, the medical staff plan should support the strategic plan by demonstrating need for these physicians and describing any special characteristics (e.g., subspecialty training) that may be required.



Planning for Special Circumstances

Some medical staff development situations may require additional attention from the board. If so, the medical staff plan is where they can be addressed.

□ Identifying the preferred practice location and group setting for new physicians

In some situations, the medical plan may need to go beyond identifying the number of physicians needed by specialty and their recruitment priority. It may be appropriate to specify a preferred practice location or setting for a new physician. Practice location may correspond to a hospital's geographic initiatives or pockets of population growth in the community. Identifying the group for which a new physician is best suited, or even the possibility of forming a new group, can determine the success — or even the retention — of a physician. This decision may involve assessing group cultures and physician temperament (and may not be included in the formal plan document).

□ Transitioning the practices of retiring private solo physicians

Physicians in solo practice are often important to both the community and the hospital. These physicians, however, might not have the mechanism or incen-

tive to transition their practices to other physicians. If these circumstances are on the horizon for a hospital, the plan should address how these physicians and their practices will be replaced.

□ Integrating telemedicine into the hospital's services

An increasing number of hospitals are taking advantage of telemedicine technology, either by providing it to other hospitals or relying on it to expand their own capabilities. Telemedicine typically involves leveraging physician expertise, which may require the credentialing of remote physicians. The medical staff development plan may be the place to identify and describe how telemedicine will be used, including physician credentialing and medical staff category (perhaps by creating a telemedicine category), and may also describe follow-up and transfer arrangements for patients.

□ Specifying needed subspecialty expertise

The need for a subspecialist, a hand surgeon or electrophysiologist, for instance, may be identified during the medical staff planning process. The demand for these subspecialties should be incorporated into the demand identified for the parent

specialties — cardiology for electrophysiology, for example, and orthopedic or plastic surgery for the hand surgeon.

In these situations, physician need often is identified by physicians already in practice. A cardiology group may indicate that it wants to add an electrophysiologist. Management would be responsible for determining if this is reasonable and whether the subspecialty practice can be supported, how the subspecialist would fit in with his or her colleagues, and the subspecialist's role in providing call coverage.

□ Including doctors other than physicians

At some hospitals, podiatrists, psychologists, oral surgeons and other professionals are granted medical staff privileges. For these hospitals, it may be appropriate to include them in the medical staff development plan as well. In these cases, the term "provider development plan" may be more appropriate, as it reflects the broader scope of doctors included.

Demand methodologies for such professionals are not well-developed. Unmet demand, however, may be identified in the Community Health Needs Assessment, during stakeholder interviews or by comparing local supply with state and national figures. — *James Lifton*

Synergy is created when the strategic plan identifies physician resources at a high level and the medical staff plan provides the supporting analyses, recommendations and rationale. These features of the medical staff development plan also would help the board meet its duty of care in approving the related strategy.

3. The plan distinguishes between community and organizational physician need. Physician demand, supply and need in the community are the starting points for medical staff development planning. They provide the foundation and context for determining organizational physician need. Community need must be demonstrated for a hospital to justify providing financial support for a private physician. For an employed physi-


cian, while there is no requirement to demonstrate community need, the medical staff plan can and should demonstrate when a viable practice opportunity exists.

A hospital's clinical programs and services will determine which specialties are relevant to its medical staff plan. This is true whether a community has one hospital or more than one. In either case, a hospital is unlikely to offer services requiring that all specialties be included in its medical staff. So, organizational physician need is a subset of community physician need.

The board may be asked to act on organizational need (e.g., by approving a recruitment plan). An understanding of community physician need provides context for the board's actions.

4. Current and future market features affecting physician need are identified and described. Population estimates and projections, along with selected demographic data, provide the starting point for medical staff planning. Often, though, there are other community characteristics that could affect physician need and that should be incorporated into the medical staff plan.

For example, employer or payer initiatives, such as employee health or workers' compensation-related services, might indicate the need for certain specialties. Or there may be a competitor's initiative (e.g., expanded-practice acquisition) to which the organization should respond. In such cases, assumptions about the plan should be spelled out clearly and incorporated.



Physician demand, supply and need in the community are the starting points for medical staff development planning.

5. The need for physicians without medical staff privileges is addressed. Dermatologists, ophthalmologists and other specialists who do not need hospital resources for their practice may not necessarily be a part of the medical staff. If they do have privileges, they infrequently come to the hospital. The hospital, on the other hand, may need the services of these specialists. They may be necessary for emergency department call coverage, inpatient consults or to ensure continuity of care.

This need presents a challenging situation for hospitals, one that can and should be addressed in the medical staff development plan. The organization may have to pay for call coverage, use locum tenens physicians or hire a physician full time without the volume to support him or her — options that may be unattractive, yet necessary.

6. The role of advanced practice providers is considered. Advanced practice nurses and physician assistants play an important role in health care delivery. They may practice in support of, in collaboration with and sometimes independently of physicians. They typically do not have individual medical staff privileges. Their roles vary by state, depending on scope of practice laws, by communities within a state, and within a community, depending on organizational cultures.

Advanced practice providers traditionally have been incorporated into physician-to-population ratios or other physician demand models. Contemporary health care delivery and medical staff planning, however, suggests that a more explicit treatment is necessary.

Defining the supply of these providers — that is, developing a roster with each of them listed — is typically not possible because they are not included in a state database or because they practice in multiple locations. Some may be hospital employees, some may work in private physician practices, and others may

practice in FQHCs or other settings. Demand models for these providers, or ways to explicitly account for their presence, are not well-developed.

It is possible, however, to gain some insight into where the community and/or organization fall on a low-moderate-high spectrum of nonphysician provider activity. Comparing the service-area supply of these professionals to the supply statewide or nationally is one way to assess the relative supply. This insight might be used to adjust the physician demand methodology.

7. Behavioral health services are addressed realistically and responsively. Delivery of behavioral health services is a challenge in most communities and many hospitals. Difficulties can arise in making psychiatric transfers from the emergency department, obtaining timely approval for involuntary psychiatric admissions or getting a consult for comorbid psychiatric conditions. The situation may be especially problematic for hospitals without an inpatient psychiatric unit and, perhaps, without any psychiatrists on the medical staff.

Further complicating this scenario is a shortage and maldistribution of psychiatrists. And the opioid epidemic adds yet another dimension to the challenge. A medical staff plan calling solely for recruitment of psychiatrists may be unrealistic. By not attempting to address the situation, however, a hospital would fail to respond to a clear community and organizational need.

There is rarely an easy, straightforward solution to this problem. Rather, the solution may involve a combination of physicians, nonphysician providers and, perhaps, telemedicine services, as well as formal and informal provider networks.

Trustee oversight

Physicians are the cornerstone of high-quality care and are integral to a hospital's ability to serve its community.

Medical Staff Development Planning Checklist

Trustees can exercise their oversight role by ensuring that the organization's medical staff development plan:

- Results from a transparent, inclusive process.
- Supports the organization's strategic plan.
- Distinguishes between community and organizational physician need.
- Describes features of the future market that could impact physician demand.
- Addresses the need for physicians without medical staff privileges.
- Considers the role of advanced practice providers.
- Addresses behavioral health services in a realistic manner.
- Responds to special situations that may arise, such as:
 - Practice settings for new physicians.
 - Transitioning retiring solo-practice physicians.
 - Integrating telemedicine.
 - Specifying needed subspecialty expertise.
 - Considering professionals other than physicians.

Demand for physicians exceeds the supply in many specialties, and a medical staff development plan can focus a hospital's physician recruitment activities.

The board's role in medical staff development planning is to provide oversight and guidance. In doing so, the board will be fulfilling its responsibilities to the hospital by promoting appropriate utilization of hospital services and facilities, and to the community by ensuring access to high-quality care. **T**

James Lifton, MBA, LFACHE (jim@liftonassociates.com), is principal of Lifton Associates LLC in Park Ridge, Ill., and an adjunct faculty member for the University of Illinois at Chicago's master of health care administration program.