



October 2009

Protecting Your Investment – The Key to Physician Retention

In today's challenging healthcare environment it is critical to keep the quality physicians you worked so hard to recruit. The key to successful physician retention is to have a well-designed and documented retention process in place and communicated across all levels of the organization before the physician recruitment process begins.

Did you know that physician retention actually begins during the interview? Below are several key factors to address during the initial interview to ensure a quality hire and prevent unwelcome surprises and disgruntled physicians:

- Discuss the mutual needs, values and expectations of your organization with the physician candidate to make sure they align.
- Have clear and detailed discussions regarding compensation structure and associated performance standards. If possible, prepare a pro forma outlining earning potential based on real data from practicing physicians.
- Include the spouse in the interview process and provide a well planned community tour including housing options, shopping, recreational activities and schools.

Once hired, a new physician may not relocate for several months. During this waiting period, uncertainties are common and therefore it is critical to keep in touch with the physician and spouse. Stay connected by:

- Assigning someone to work closely with the physician during the state licensing and credentialing process to ensure necessary documents are obtained and deadlines met.
- Communicating regularly with the physician and spouse regarding housing, school enrollment, daycare, utility arrangements and other matters of importance to ease the stress of relocation.
- Helping the candidate feel connected by sending organization newsletters and inviting them to special functions or events.
- Keeping the physician informed of new initiatives both within your organization and the local community.
- Identifying a physician mentor to touch base with the physician on a regular basis. This will begin a long term mentoring relationship that will prove critical to your retention program.

Once the physician arrives your challenge is to keep not only the physician but the entire family happy. This entails an ongoing process of relationship building activities:

- Institute an orientation program during the first week of employment including meetings with key physicians, administration and other personnel who will interact with the newly recruited physician.
- Continue the physician mentor relationship so the new physician does not feel alone and has a person to go to for support and guidance.
- Schedule periodic reviews with the physician (recommend 30, 60, 90, 180 and 365-day marks). This allows both management and the physician to discuss whether both parties' expectations are being met.
- Involve the new physician in committee/board meetings and encourage him or her to express concerns and suggested improvements to the practice.
- Introduce the new physician to the community on both a professional and personal level. Send announcements to local newspaper and community introducing the new physician.

- Stay connected to the physician's family by including the spouse in social activities and assigning a staff member to reach out to the family on a regular basis to offer advice on schools, babysitting, youth activities, religious facilities, shopping, and other needs.
- Keep the written and verbal commitments made to a physician. Nothing discourages a physician more than to have promises broken.

While good compensation, benefits or location may initially attract a physician, feeling unappreciated and lack of support are the key reasons physicians leave a practice. A well-designed retention plan with open lines of communication will provide the basis for keeping physicians long term. Remember the physician retention process never ends. It is an ongoing process of relationship building.

For assistance in designing a Physician Retention Program which complements your organization, please contact us.

Top 10 Phone Interview Questions

The goal of the first candidate phone conversation is to help both parties decide if an on-site interview should be forthcoming. This is your opportunity to learn more about the candidate and to also share specifics about your opportunity and community. At the end of this conversation, you should be able to determine if the next step is to invite the physician for an on-site interview.

1. I understand you have an interest in our practice opportunity. Why are you interested in us or our area?
2. If candidate is a resident or fellow:
 - a. On what criteria have you decided to compare all the practice opportunities available?
 - b. Tell me a little about the strengths of your training program.
 - c. Do you plan to focus on a subspecialty area?

If candidate is a practicing physician:

- d. Why are you considering making a change of practice?
 - e. What types of cases/procedures are you doing now?
 - f. What volume of cases are you seeing?
3. In thinking about all that comes with a new practice, what would you say is the most important thing you are seeking?
 4. What do you like to do in your leisure time?*
 5. What are you seeking in a community?*
 6. Are there any obstacles or other considerations to you making a move relatively soon?*

**To avoid asking possibly discriminatory questions, don't ask specifically about a candidate's family or marital status. But if in the course of your discussion the candidate mentions a family, spouse or significant other, also ask what their community preferences and leisure activities may involve. Also, if a spouse or significant other's occupation comes up, offer assistance if you or other practice members have contacts in their profession.*

7. What is your timeframe for relocating if this turns out to be a practice you would like to consider?
8. Do you have any malpractice history or licensure issues or disciplinary actions?
9. Do you have any questions about items not yet covered in our conversation?

10. I would appreciate your honest feedback regarding the practice opportunity and community. How do they meet your ideal opportunity specifications?

If by now you have decided this is a candidate you want to interview in person, close by asking if the physician is interested in visiting your practice for a formal interview and community visit.

For more tips on how to ensure a successful candidate phone interview, please contact us.

Can You Afford Not to Consider Physician Assistants

The presence of Hospitalists has given physicians in private practice the ability to concentrate on seeing patients in their offices and not care for hospitalized patients. Similarly, a Physician Assistant can free up a physician's time by handling patient history and physicals, diagnosing illnesses, ordering lab tests, and prescribing medications. This enables the physician to focus on caring for patients with chronic and complex illnesses. PAs also enable the physician to work fewer hours, share call, and provide medical care to more patients.

HealthLeaders Media of June 2009 states that GI, Orthopedic Surgery and Dermatology specialists, whose services are increasingly in demand, can resolve bottlenecks in their appointment calendars and increase revenue dramatically by using Physician Assistants to help treat patients. Although third-party payers have varying reimbursement schedules for PAs, "when these clinicians independently provide services, Medicare typically reimburses at 85% of the physician reimbursement rates." Outpatient services are billed under Medicare's "incident to" physician care provisions, which pay at 100% of the physician's reimbursement rate as long as the following conditions are met:

- The specialist physician is physically on site at the time the PA provides care
- The specialist physician personally treats and diagnoses the patient on their first visit, although the PA provides subsequent care
- The specialist physician treats and diagnoses patients with new conditions, although the PA may provide subsequent care
- The specialist physician remains involved in the patient's care

The scope of practice of Physician Assistants is determined by their sponsoring and supervising physicians. By using the guidelines established by the American Medical Association (AMA), the PA and physician work as a team. Although a PA has autonomy and can work in a facility where the physician is not present, it is necessary for the physician to be available by telephone or other means of communication.

Currently, there are over 79,000 Physician Assistants in the US with the vast majority of Physician Assistants practicing in primary care. Kevin LoHenry, MPAS, PA-C, Physician Assistant Program Director at Midwestern University in Glendale, Arizona, noted that among many curriculums in medical sciences, PAs are also trained in more than 60 different surgical and specialty fields.

The American Academy of Physician Assistants (AAPA) states the mean salary for a PA is \$77,000–121,000 with the median for a PA in practice less than one year at \$75,000–91,000. LoHenry sees salary trends well over \$100,000 for specialties such as Dermatology, Gastroenterology, and Orthopedics. He noted physicians and administrators may not be aware that employing a Physician Assistant can actually increase revenue, expand the practice, and decrease the physician's workload. In determining the cost effectiveness of adding a PA to your practice or hospital, depending on specialty, consider that a PA generates an average of anywhere from \$175,000 to \$300,000 in collections to a practice. Ancillary services can generate additional revenue.

With the average length of Physician Assistant programs at 2–3 years, in 2011–2012 there will be an additional 12,000 medical providers. As a physician shortage will continue to exist, Physician Assistants will certainly improve patient access to quality medical care and be an integral part of the healthcare team.

Can you afford not to consider Physician Assistants? To learn more about implementing PAs into your practice, please contact us.

Locum Tenens: Malpractice Insurance Is Vitally Important!

Locum tenens may be a mystery to medical practices that have not used a temporary physician staffing firm. A locum tenens physician allows for continuity of patient care when the office has an increased patient load or if a physician is away due to CME, sabbatical, vacation or illness. Your patients continue to be treated and you don't lose your revenue stream.

While considering locum tenens as an option, it is important to understand the contractual issues with regard to a locum company's obligation in locating and arranging for a licensed and qualified physician. Chief among these is that the locum company routinely is obligated to provide the malpractice insurance for the physician, so it is critical that all parties involved in a locum tenens agreement are aware of the type of malpractice insurance that will be provided. As we live in a very litigious society, malpractice insurance must be a priority when considering a locum tenens firm, especially given the difference between the predominant policy types.

According to Forrest S. Pullen, Healthcare Department Manager at Bowen, Mickette and Britt, "like most other segments in healthcare, locum tenens organizations are benefiting from the competitive insurance environment. The key is to leverage the strengths of the organization into measurable coverage improvements and pricing reductions." This is generally dictated by the type of coverage provided.

Claims Made Coverage

A claims-made insurance policy provides coverage for alleged medical malpractice incidents that are first reported during the policy period, and the date of the incident is after the retroactive date (how far coverage goes back) on the policy. Given the incubation time for a claim to be asserted, it is important to note the physician will be covered as long as the malpractice insurance is in effect and the retroactive date is maintained. Simply put, policy periods change annually and retroactive dates typically do not. If for any reason the malpractice insurance is not in effect, the physician is no longer covered. However, the physician will continue to have coverage if the locum firm obtains an extended reporting period endorsement (aka "tail coverage") to their policy.

Tail Coverage

This "tail coverage" will cover the physician in the event a claim is made after the policy is no longer in effect. Although tail coverage can be very expensive, provisions for an extended reporting period endorsement or "tail" assures continued coverage for the physician. To protect themselves, practices/clinics must carefully review the locum tenens agreement to make sure tail coverage is addressed if the policy provided is on a claims-made basis. Contractually, the locum firm should provide tail coverage but all firms may not. Be very leery if they don't.

Occurrence Based Coverage

An occurrence based insurance policy provides coverage for alleged medical malpractice incidents regardless of when the claim is actually filed. With an occurrence form policy, tail coverage is not necessary. The physician will have coverage if the incident occurred during the applicable policy period. As long as the policy was in effect when the medical incident occurred, coverage should be provided under the policy.

What is important to you? The bottom line is that whether a locum firm provides a claims-made policy or occurrence policy, the malpractice insurance should be addressed in the locum tenens agreement. Make sure the coverage is clearly spelled out in the agreement.

For more information regarding locum tenens physician staffing, please contact us.

Compensation Corner: 2009 Mean Compensation for Mid-level Practitioners

Certified Nurse Midwife (CNM)	
Outpatient/Inpatient	\$93,000
Outpatient only	\$81,000
Inpatient only	\$104,000

Certified Registered Nurse
Anesthetist (CRNA) \$140,000

Nurse Practitioner (NP)
Cardiology \$79,000
Emergency \$85,000
Family Practice \$94,000
Internal Medicine \$80,000
Pediatric/Child Health \$82,000
OB/GYN Women's Health \$93,000
Surgical \$88,000

Physician Assistant (PA)
Cardiology \$101,000
Family Practice \$93,000
General Surgery \$78,000
Internal Medicine \$77,000
Orthopedic Surgery \$97,000
Pediatric \$94,000
Urgent Care \$121,000

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