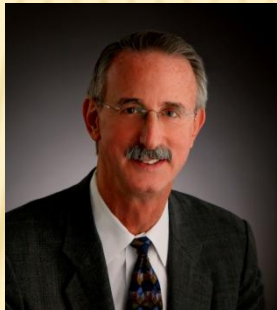


UNCOVERING & SOLVING CHALLENGES FOR:

- Physician Recruiting
- Hospital & Physicians Awareness
- Increasing Physician Loyalty



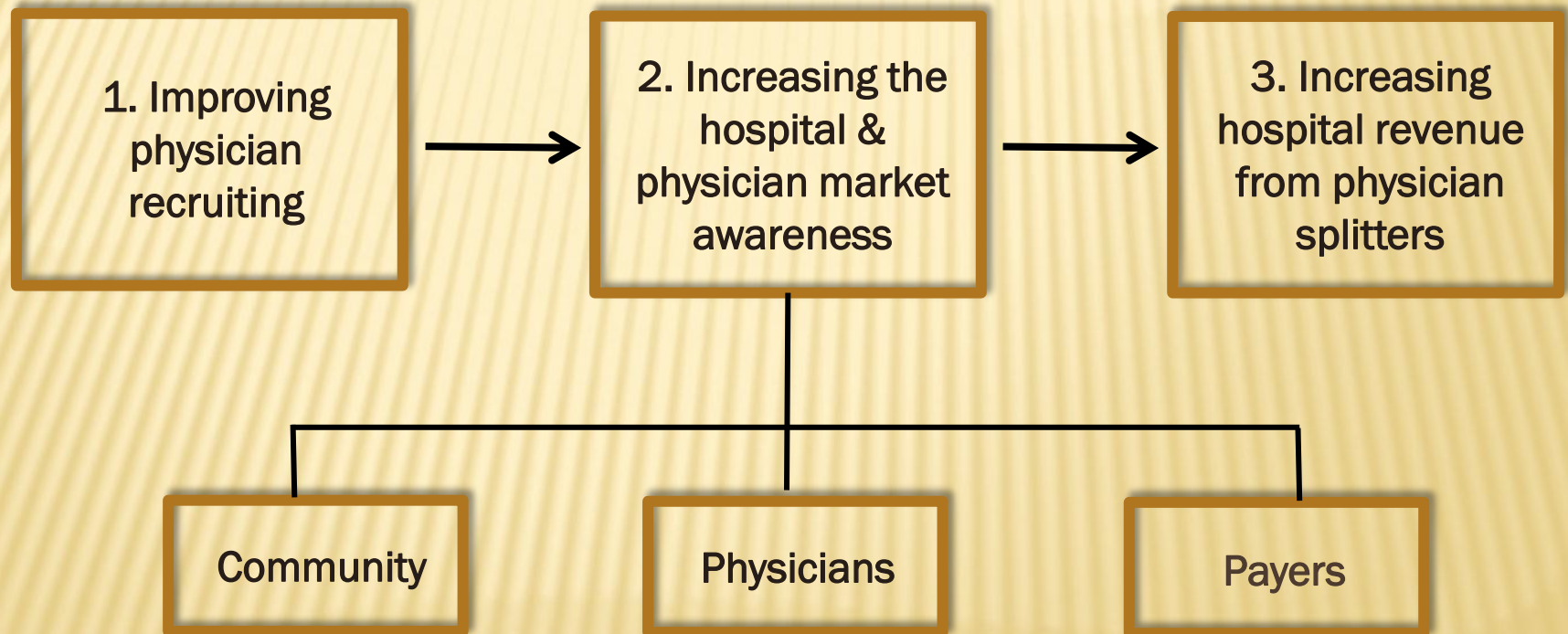
Katie Carow
Carow Consulting Inc



Marty Gilbert
Growth Initiatives LLC

PHYSICIAN-HOSPITAL INITIATIVES

Physician and hospital marketing efforts involve a 3-step process:



OUR PROCESS

1. Data / Analytics

- Market assessment to include supply/demand, physician volumes/charges, competitive volumes, projected growth

2. Interviews

- C-suite, Physician Leaders, Board, Clinical Leaders, Community Members, and Spouses

3. Summarized Results

- Medical staff plan, physician revenue comparisons, loyalty findings

4. Marketing Plan

- In-house marketing recruitment strategies to increase physician awareness and referrals

5. Implementation

- Hands-on consultation during plan execution

IMPROVING IN-HOUSE PHYSICIAN RECRUITMENT

Katie Carow: kcarow@carowconsulting.com

Marty Gilbert: mgilbert@growthinit.com

PHYSICIAN RECRUITMENT FACTS

Costly

Attracting and retaining the right candidate is expensive

- It can cost 2.7 times a physician's annual salary to find a replacement when he or she leaves increasing the importance of retention. – Feb. 2008, HealthLeaders Media

Scarce

Recruiting physicians in the proper specialties is important as MD supply is insufficient

- By 2025, a 21% increase in the supply of physicians will be needed to meet the market demand. (Shortage = 159,300 MDs) – 2008 AAMC Complexities of Physician Supply & Demand
- 65% of the respondents mentioned that physician shortages were the biggest threat to their hospital-physician alignment strategy. – September 2011, HealthLeaders Media

Revenue and Volume Drivers

Employing physicians “buys” share or adds new geographies

- 63% of search assignments in 2011/12 featured physician employment by hospitals, up from 56% the previous year and only 11% eight years ago. – Merritt Hawkins
- 56% of healthcare leaders have a specific team dedicated to hospital-physician practice acquisition since they play a critical role in the healthcare delivery system. – Jan. 2012, HealthLeaders Media

THE OPPORTUNITY COST OF DELAYED HIRES

- ✖ It takes an average of 12.2 months to recruit a physician.
 - 2011 MMS Physician Workforce Survey
- ✖ Some specialties far exceed this recruitment time and can result in significant revenue losses per MGMA figures:

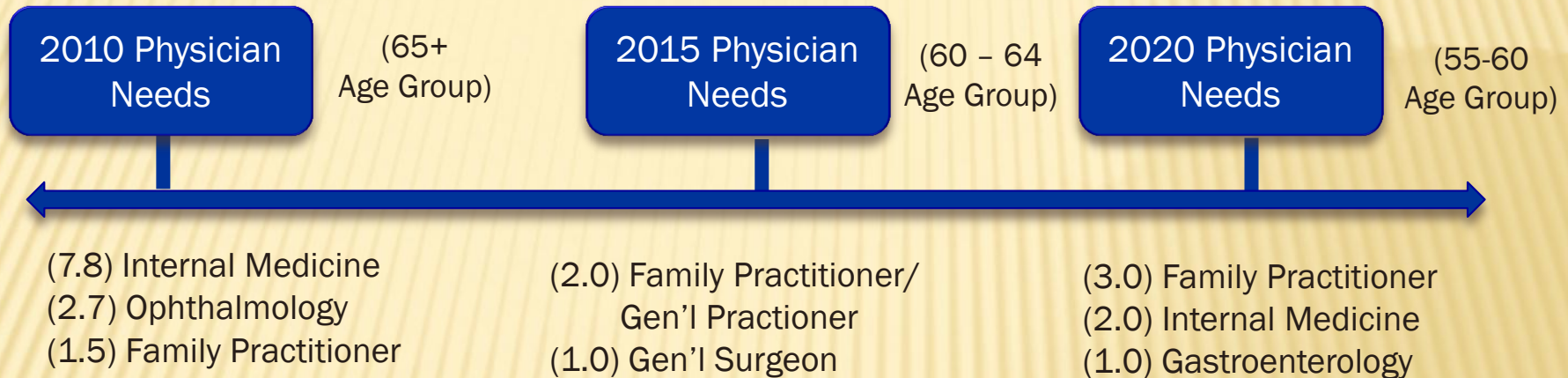
Specialty	2011 Recruitment Months	Avg. Monthly Collections	Avg. MD Salary/ Month	Lost MD Net Revenue During Recruitment
Neurosurgery	25.3	\$ 81,628	\$ 55,055	\$ 672,299
Orthopedics	20.5	\$ 71,488	\$ 42,137	\$ 601,706
Urology	19.7	\$ 57,927	\$ 34,584	\$ 459,860
Gen'l Surgery	14.6	\$ 48,427	\$ 29,191	\$ 280,841
Neurology	12.7	\$ 34,363	\$ 21,691	\$ 160,932
Family Medicine	11.8	\$ 31,978	\$ 16,401	\$ 183,808
Internal Medicine	11.5	\$ 32,865	\$ 17,223	\$ 179,879

WHY DEVELOP A MEDICAL STAFF PLAN?

- ✗ Proactively plan for future retirements
- ✗ Determine the timing and impact physician retirements will have on your hospital
- ✗ Obtain objective insights on the strengths and opportunities as perceived by your Medical Staff and Senior Leaders
- ✗ Determine the ROI for technology, service line expansion, and physician recruitments to see if revenues exceed investments
- ✗ Identify if market demand for services is sufficient to support new physician recruitments and additional services

WHAT IS THE RESULT?

WHEN AND WHO TO RECRUIT



NEXT STEPS

- ✘ Develop recruitment committee
- ✘ Establish physician and spouse contacts
- ✘ Develop external and internal marketing plans
- ✘ Enhance communication/transparency throughout organization
- ✘ Implement operational changes to increase retention

WHAT WILL BE THE IMPACT

Status	Phys Aged 60-64	Grand Total	% of Total
OP Charges	\$ 4,024,466	\$ 100,486,746	4%
OP Visits	3,617	\$ 42,809	8%
IP Charges	\$ 21,968,676	\$ 197,140,035	11%
IP Discharges	1,340	\$ 10,550	13%
Total IP & OP Charges	\$ 25,993,142	\$ 297,626,780	

PHYSICIAN RECRUITMENT MARKETING

The following are considerations for enhancing your physician recruitment efforts:

- ✗ Physician recruiting collateral materials
- ✗ Direct marketing campaigns
- ✗ Develop hospital's recruiting website presence
 - + Hospital's position-specific web page
 - + Podcasts, virtual tours and video postings
 - ✗ Hospital environment, community, schools, housing, cultural activities
 - ✗ Physician and patient interviews
- ✗ External communications plan to other physicians for referrals



PHYSICIAN RECRUITMENT MARKETING

- ✗ Internal communications plan to employees and employed physicians for outside referrals
- ✗ Post physician openings with appropriate media
 - + Medical journals, sub-specialty associations and medical websites
- ✗ Promotional initiatives at local university residency programs
 - + Ad space in publications
 - + On-campus sponsored events
 - + Guest lecturing opportunities

INCREASING MARKET AWARENESS

Katie Carow: kcarow@carowconsulting.com

Marty Gilbert: mgilbert@growthinit.com

BUILDING COMMUNITY AWARENESS

- ✗ Conduct a community awareness survey
- ✗ Direct marketing campaigns
- ✗ Update the hospital website
 - + Physician profiles for consumer research
 - + Short videos on technology upgrades
 - + Hospital blog with health tips, industry news, new physicians, human interest stories
 - + Patient testimonials and physician interviews
- ✗ Post physician profiles on consumer search websites
 - + www.locateadoc.com, www.WebMD.com, www.healthgrades.com
- ✗ Announce newly hired physicians in local media and websites



BUILDING COMMUNITY AWARENESS CONT.

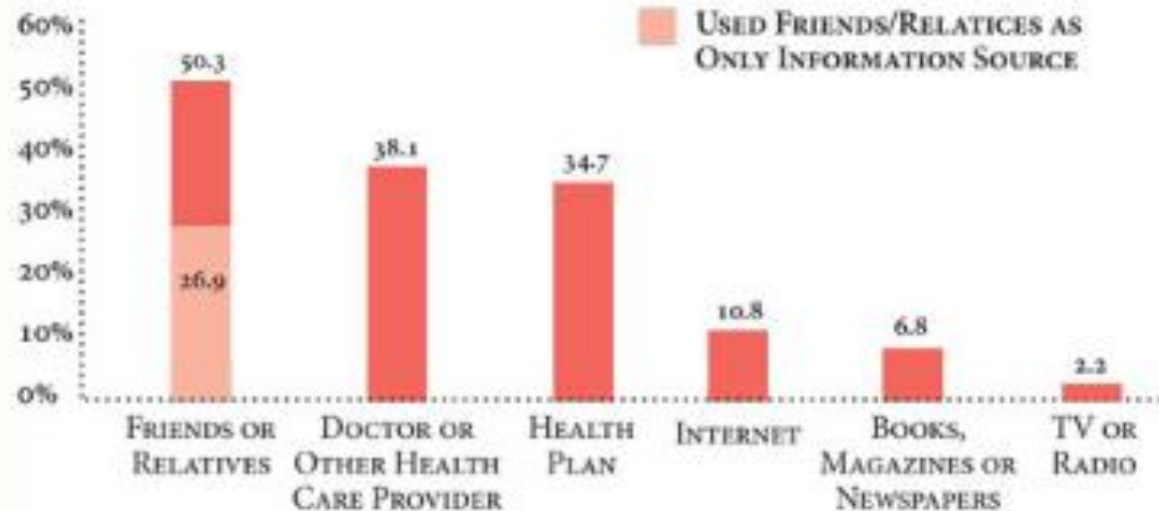
- ✘ Attend local community meetings and seek speaking opportunities
 - + Village meetings, PTO, health clubs, chambers of commerce
- ✘ Reach out to potential feeder environments
 - + Retirement communities, elder care and rehab centers
 - + Social service agencies
 - + Federally qualified clinics
- ✘ Connect with local radio/TV stations and health event promoters about new hospital services and technology breakthroughs

BUILDING AWARENESS FOR PCPs

Which Information Sources Did Shoppers Use in Choosing New Doctors or Facilities for Procedures?

Figure 2a

Information Sources Used to Select a Primary Care Physician



Note: Categories are not mutually exclusive; respondents could select multiple categories.

- ✗ A three-fold approach must be taken to build your referral network – physicians, payers, and community.
- ✗ 38.3% of all PCP referrals come from doctors or other health care providers and over 80% of all specialist referrals

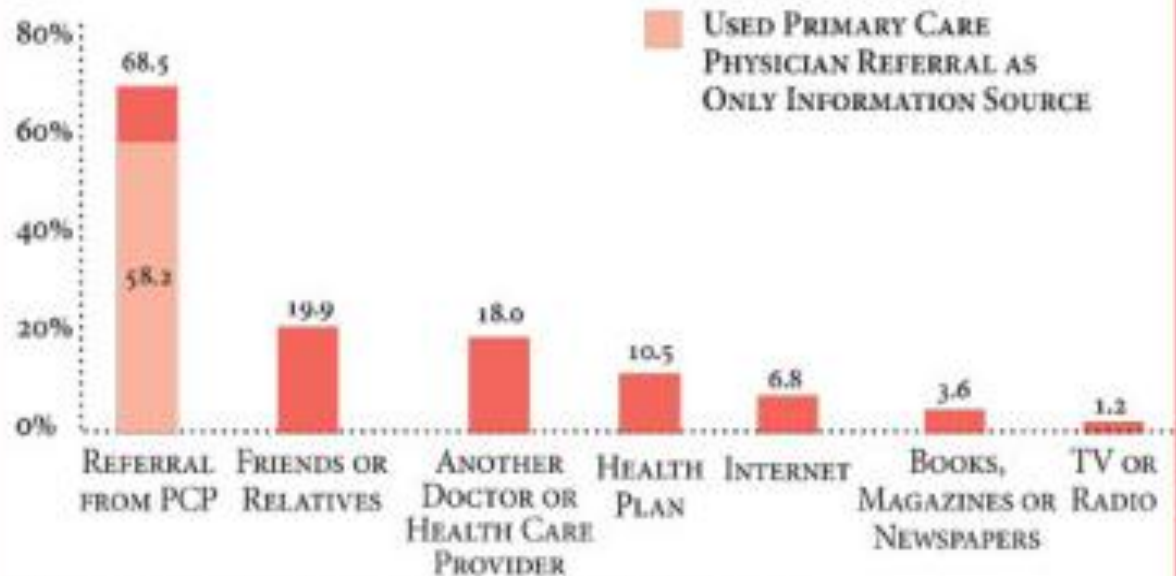
Center for Studying Health System Change, 2007 Survey

BUILDING AWARENESS FOR SPECIALISTS

Which Information Sources Did Shoppers Use in Choosing New Doctors or Facilities for Procedures?

Figure 2b

Information Sources Used to Select a Specialist Physician



Note: Categories are not mutually exclusive; respondents could select multiple categories.

Center for Studying Health System Change, 2007 Survey

BUILDING PAYER AWARENESS

- ✗ Validate physicians are accurately listed on payer websites and in directories
- ✗ Develop internal marketing packet to share with payers outlining comparative data
 - + Charges
 - + Quality
 - + Volumes
- ✗ Develop marketing campaign to promote employed or on-staff physicians during open enrollment periods
- ✗ Develop marketing strategies for self-funded employers targeted at payers

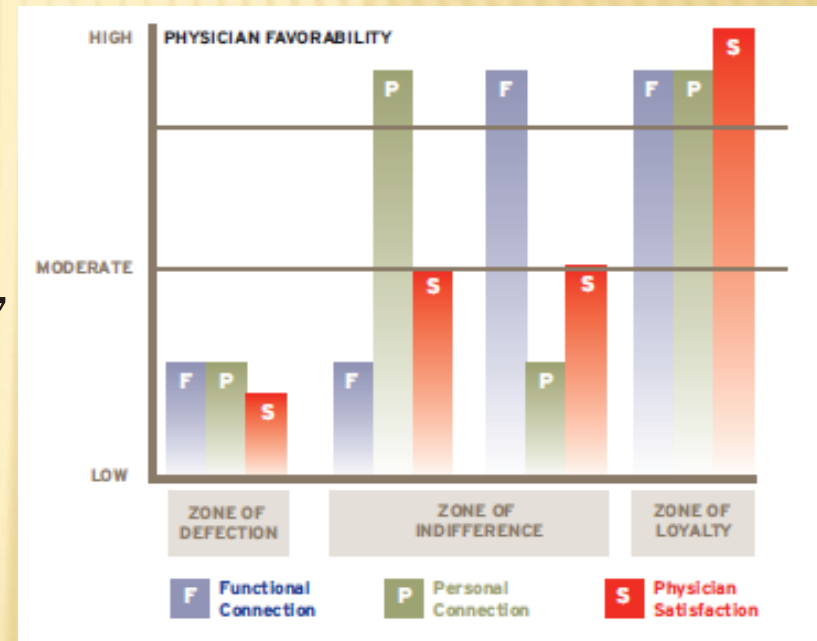
ENHANCING REVENUE FROM PHYSICIAN SPLITTERS

Katie Carow: kcarow@carowconsulting.com

Marty Gilbert: mgilbert@growthinit.com

ADDRESSING HOSPITAL SPLITTERS

- ✘ Interview current Medical Staff, Board members, and Senior Leaders to obtain diverse opinions on internal operations and culture
- ✘ Analyze the volumes, charges and referral patterns by physician/group
- ✘ Identify who are your “heavy hitters” i.e. 80/20 rule
- ✘ Utilize the data in conjunction with the interview results to outline a targeted strategy at key physicians and specialties to uncover the who, what, and why you are not receiving 100% loyalty



Source: June 2010, Morehead

HOW WE CAN HELP

- ✗ Medical Staff Needs Plan
 - + Current and future physician demand and supply
 - + Population zip/county age estimates
 - + Specialty-specific regional physician counts
 - + Interviews with qualitative recommendations
- ✗ Physician Marketing Plan
 - + External outreach to attract new MDs
 - + Promotions to increase community awareness of physicians
- ✗ Loyalty Enhancement Plan
 - + Identifying splitters by specialty and physician
 - + One-on-one meetings to determine barriers to loyalty

CONCLUSION

Some of your greatest financial opportunities can be addressed by:

- ✗ Improving the physician recruiting process
- ✗ Increasing market awareness among the community, physicians and payers
- ✗ Increasing physician loyalty and migrating more splitters to your hospital



Are you ready to tackle the challenges?

Thank You

Inquiries can be sent to:

Katie Carow

Carow Consulting

Phone | 312.636.5845

Fax | 847.444.0371

E-mail | kcarow@carowconsulting.com

Web Site | www.carowconsulting.com