Physician Engagement:
A Crucial Component of a Healthy Organization

White Paper

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Abstract: As the healthcare industry continues to shift from volume-based to value-based care, it will be critical for organizations to understand and control their cost drivers and determine ways to improve quality. One of the primary methods to increase success in the value-driven environment is by ensuring physicians understand the overall goals and their responsibilities in achieving them. Physicians, as the frontline caregivers, have the unique ability to drive bona fide change in their organization and deliver tangible results. Alternatively, if they are not working with the organization to meet shared objectives, they can easily undermine the potential success of the initiative. Thus, it is imperative for organizations to understand how to empower and engage their physician leaders across all settings. This awareness involves understanding their current level of engagement on an ongoing basis and determining methods to improve engagement going forward.

Key Words: Physician Engagement, Organizational Culture, Clinical Integration, Physician Leadership

WHY PHYSICIAN ENGAGEMENT MATTERS

The healthcare industry is undergoing a massive evolution in the way care is both delivered and evaluated and in how providers are measured in terms of success. Specifically, the industry is shifting to focus on value over volume for patient care, which is evident in many ways.

This shift has primarily stemmed from a transition in how payers are choosing to reimburse organizations, and more recently, the inclusion of risk-based components. While the focus has been mostly on upside risk (i.e., the organization has potential to receive a portion of savings, etc.), the attention is now beginning to expand to include downside risk (i.e., the organization has to cover expenditures that were not within the expected cost, etc.), as well.

As such, the overall number of value-based programs has grown substantially in the past five years. These initiatives include bundled payments, pay-for-performance, shared savings plans, and others. Government payers are a dominant force in pushing this action via mandatory programs such as MACRA/MIPS and bundled payment programs. (Note: Certain previously mandated value-based payments (i.e., Comprehensive Care for Joint Replacement model) have been changed to voluntary programs under the Trump administration; however, they continue to be prevalent for both government and commercial payers.)

Meanwhile, patients have access to more data relative to their care, increasing the overall transparency of cost and quality in the industry. Additionally, practices can advertise more aggressively for their business, as opposed to the traditional reliance on word-of-mouth referrals. Finally, care has become more consumer-driven with high deductible health plans that provide increased price transparency.

Consequently, providers have been forced to retool their operations to concentrate on care management, cost reduction, and data utilization. Organizations are also being incentivized to focus on population health measures, which has created more emphasis on prevention and wellness. Primarily, providers are now tasked with driving value into their care, which was not previously a key concern.

As the healthcare landscape has become exceedingly more complicated, more physicians are shifting from private practice toward health system employment. While this movement is due to a number of reasons (many of which are noted above), and each practice has nuances in its decision-making, a few of the primary motivating factors are:

- Adoption of expensive and complex EMRs
- Increased regulations and payer mandates
- Shift from fee-for-service (FFS) to fee-for-value (FFV) requiring more clinical integration and alignment
- Providers seeking a work/life balance and becoming less interested in assuming extra administrative duties
- Complexity of data collection and reporting
- Reduced willingness to undertake risk in an unstable market

Similarly, as the shift to value becomes even more pronounced, organizations are seeking ways to align further with providers to meet these expectations. These avenues encompass the pursuit of clinical expertise from their physician partners to understand the dynamics of these initiatives and assist in developing an appropriate response to value-based care. As the frontline leaders of change in healthcare organizations, physicians are uniquely positioned to guide an initiative to a successful implementation or, conversely, ensure that its application is doomed to fail.

As a result, healthcare organizations and providers have continued to seek ways to align to meet their independent and mutual goals best. Traditionally, alignment has been accomplished through models such as employment, professional services agreements (PSAs), clinical co-management agreements (CCMAs), and others. Recently, however, these parties have sought ways to clinically integrate via a clinically integrated network (CIN), accountable care organization (ACO), or a quality collaborative (QC). These contemporary models are based on delivering value by improving quality, enhancing access, and creating efficiencies. (Note: For additional information on these and other forms of alignment, see additional Coker whitepapers, accessible at http://cokergroup.com/white-papers/.)

Regardless of the alignment structure (or lack thereof), organizations are taking advantage of these changes in the industry and working to develop innovative, physician-based care delivery systems. The foundation of success for these structures is to ensure an engaged and supportive set of physician leaders. This component will be crucial in establishing a continuum of care and improving overall care delivery within the organization.

WHAT MAKES A PHYSICIAN INVESTED?

Physicians, like all individuals, have a unique set of needs and drivers for their actions. Thus, it is necessary to understand that the process of physician engagement must target a wide variety of personalities. Variations may be age, location, specialty, and a whole assortment of other mitigating factors.

Again, while physician engagement cannot be boiled down to one defining motivator (or even a list of motivators), we are highlighting the elements that physicians identify as their drivers.

DECISION MAKING ROLES

Physicians, as noted above, are more apt to be invested in decisions if they believe their responses and opinions are driving change. Many feel as though their concerns go unheard by top administration and are not seriously considered during strategic planning sessions. Thus, it is important to empower physicians with the ability to make decisions that directly affect their outcomes, clinical practice methodology, and overall administrative functions.

While the level of authority will depend upon the organization (private practice partners will naturally have more power than employed providers), management committees with physician representation have often proven successful to vet physician-specific issues. Areas include designing compensation incentives, developing quality metrics, creating care processes, driving process improvement initiatives, and others.

RESULTS OF REIMBURSEMENT

As MACRA/MIPS and other value-based reimbursement (VBR) models become increasingly more important to physicians' total reimbursement, it is likely they will be more willing to participate in activities that drive success under these systems. Again, this will affect private practice physicians differently than employed physicians as they will see the impact more directly. However, many organizations are aligning compensation with these metrics, thereby ensuring these providers remain engaged in the outcomes.

Regardless, every organization and its payer contracting staff should be transparent about the reimbursement rates, payment adjustments, and the transition process. This initiative should include educational sessions and ongoing coaching/reporting based on physician-specific outcomes.

VOICE IN OPERATIONAL STRATEGY

Physicians who link their economic future to an organization's performance desire an opinion in its strategy and execution. Again, this factor is evident in the difference between private practice partners and employed physicians. In private practices, physicians tend to be more engaged and willing to participate in the ongoing strategic planning for their organization (though some still leave these

discussions to a select few within the practice). Alternatively, hospitals struggle more to engage physicians as they are often consumed by patients' needs and maximizing production and perceive that they will not be profoundly affected (either positively or negatively) by the outcomes of certain operational decisions.

With that said, these VBR models are changing that concept. As providers remain the key force behind achieving many economic goals, organizations are tying additional potential dollars to their successful implementation. As a result, organizations should develop methods to ascertain physician input and utilize that information to determine go-forward strategies based on physician priorities.

Physician Leadership Opportunities

Again, a key function of driving physician engagement is merely putting physician constituents in leadership positions where they can make legitimate strategic decisions and assist in developing strategy. Organizations should identify physician champions to lead projects and reward and/or compensate them for their time. It is vital to ensure that these roles are dispersed among the various groups within the organization (i.e., physicians and APPs, departments, specialties, administrative, and clinical, etc.).

Further, organizations should foster the development of leadership skills and provide opportunities to network with key administrative and physician leadership. This action will continue to drive transparency within the organization and create increased communication and trust among the parties.

Relationships with Other Providers and Organizations

Finally, by establishing leadership bodies with representation across disparate practices, service lines, providers, etc., it enables the sharing of resources and creation of economies of scale. While these providers may work together on a daily basis, they may not understand how they can collaborate to improve the continuum of care. This may include aggregating patient data, sharing technology, distributing support staff, and other operational considerations.

How Do You Determine Engagement?

While there are various methods for ascertaining the level of engagement for providers, we have seen the most significant success in administering an individual engagement assessment. This review could be completed by all active providers or a subset of such, depending upon the issues at hand. The overall goal of the assessment tool is to understand how providers are currently working within their organization and how this can be improved going forward. Further, this measurement helps establish the level of support that can be expected if the organization decides to pursue higher levels of collaboration to participate in VBR (i.e., clinical integration, bundled payments, etc.).

Through our experiences, we have developed a standard assessment tool, which we use to vet providers within our clients' organizations. (See Appendix A for the full assessment instrument.) The instrument measures twelve dimensions of engagement, including:

1. Physician Connectedness
2. Physician Loyalty
3. Quality of Staff Relationships
4. Communication
5. Professional Development
6. Operational Support
7. Clinical Practice
8. Executive Engagement
9. Support of External Demands
10. Patient Care and Experience
11. Compensation
12. Future Outlook

The dimensions vary on the number of questions, with the entire tool consisting of a total of 26 items. Each query (except the first) is answered on a 5-point scale (1- Strongly Disagree, 2-Disagree, 3-Neither Agree nor Disagree, 4-Agree, 5-Strongly Agree). After the submission of the assessment, administration or physician leadership should grade each item and determine the total score--the lowest score possible is a 26 and the highest score possible is a 128. These scores should then be averaged to determine the median engagement of the provider base.

Based on the score, organization leadership can determine the "level" of engagement:

- ≥32 points – Low Engagement
- 33-64 points – Progressing Engagement
- 65-96 points – Intermediate Engagement
- 97-128 points – Advanced Engagement

Further, this tool can identify areas that contribute to strong physician engagement as well as areas within the organization that need improvement.

While this assessment is beneficial in providing a general "score" of physician engagement for an organization, it is essential to understand that it is attempting to quantify something that is inherently qualitative; therefore, it is limited in its scope and application. Moreover, the responses only show the perspective of those selected to take the test and may skew answers based on the style of question. Finally, the score may fail to identify an issue that is unique to the organization and is therefore not included in the standard items.

Regardless, this assessment can be a relatively easy method of garnering widespread physician feedback, and its anonymity may gain more frank and upfront responses.

How Can Engagement Be Improved?

Based on the outcome of the assessment tool, organizations should develop an approach to improving physician engagement. Specifically, this should target the areas of weakness as established via the engagement analysis and should continue to build upon areas of strength. We have identified our commonly used strategies below. However, we emphasize the uniqueness of each organization, and these initiatives should be modified to fit their specific needs.

1. ***Develop a shared mission and vision.*** Providers and administrative leadership should develop a philosophy of mutual benefit and shared vision based on collaborative input. One critical goal should be transparency from upper management down, which should be evaluated by provider leadership on an ongoing basis. Additional goals should be established (both clinical and business-oriented), and the parties should work together to achieve them. Early wins should be identified and pursued aggressively to ensure parties continue to support the initiative.

2. ***Nurture physician leaders.*** Administrative leadership should seek to identify, mentor, educate, and foster physician leaders. Efforts should include the investment of time and money, and it should result in rewards to physicians (i.e., compensation, bonus, etc.). Organizations should consider having leaders attend a conference or work with a leadership coach on-site to ensure provider leadership is of the utmost quality. Finally, administrative leadership should continue to build up these providers and meet personally to maintain ongoing engagement.

3. ***Communicate effectively.*** Similarly, the administration should continue to emphasize the importance of communicating transparently and effectively. This transparency should be encouraged by probing provider leadership for necessary areas of improvement and quickly addressing any grievances identified. Additionally, it is essential for administrative leadership to understand the tactical impact of decisions; thus, leadership should attempt to monitor clinical care regularly. Finally, these leaders should try to understand the motivation behind its providers and work to create incentives that match.

4. ***Capture and share data.*** Organizations should implement processes that help determine what data to collect and how to obtain it. This data should be the foundation for discussions on how to improve care and lower costs. Additionally, data should be monitored on an ongoing basis to determine the successfulness of the initiative. Results should be shared frequently and broadly to ensure providers can respond to the information and affect their outcomes. Provider leadership should use data to make decisions and should push their peers to do so, as well.

5. ***Develop metrics and hold physicians accountable.*** As alluded to above, data should be used to measure ongoing improvements and areas of weakness. Physician leadership should create metrics (quality, cost, patient satisfaction) to be measured for all providers to ensure a consistent message across the organization. These may be broad (i.e., patient satisfaction scores) or targeted to individual specialties/sub-specialties (i.e., quality metrics). Physician

leadership should then set parameters for identifying underperformers and should meet with colleagues on a regular basis to encourage improvement in key areas. As a further incentive to providers, financial motivations should be put in place for these metrics and should be paid out on a regular basis.

6. ***Work toward clinical integration.*** Regardless of the formality of clinical integration (whether forming an actual structure such as a CIN/ACO), organizations should pursue strategies to establish a collaborative method of delivering care. This collaborative should involve as many providers as possible, with the end goal of creating a cohesive continuum of care across the organization. Again, the model for achieving this goal should be evaluated based on the organization's specific needs and supported by physician leadership's overall strategic plans.

WHAT'S THE TAKEAWAY?

The rise of value-based care has placed a spotlight on the need for stronger relationships between physicians, their peers, and healthcare organizations to remain competitive. Physician engagement needs to be an ongoing focus to ensure this outcome. When done successfully, physician engagement should result in increased collaboration between providers and their organization.

Provider leadership is the key to achieving engagement, creating opportunities for feedback and developing a defined leadership structure with authority to implement change. Providers should be allowed to create, lead, and implement process improvement initiatives, focused on financial performance, quality of care, and cost of care.

Additionally, provider leadership in these areas will open up opportunities for the organization to participate in VBR structures, including contemporary alignment models. A fully engaged provider base will be the only way to ensure the successful transition to these models, as it is their sole responsibility to ensure the clinical requirements are upheld.

At the head of the physician engagement program should be an individual with acute emotional intelligence, who can finesse their approach depending on the situation and specific individual. Overall, physicians are seeking transparency with the leadership of their organization, especially in larger hospital systems. Thus, the leader must be either the head of the administrative leadership (i.e., practice administrator) or a representative with executive access (i.e., VP or C-Suite).

Regardless of the shift to value in the industry, provider engagement is crucial to a healthy organization; indeed, it is more important than ever and should be at the highest priority. This effort can be a part of other initiatives, but it should be identified as a top-down management goal to ensure all understand the requirements of their role and infrastructure is in place to effectuate engagement tools (i.e., compensation structure, professional development, workplace culture, etc.). Organizations that achieve and maintain physician engagement can expect to see improved provider satisfaction, operational efficiency, and overall value of care.

APPENDIX A: PROVIDER ASSESSMENT TOOL

Instructions: Answer all questions on a 5-point scale, as provided below (i.e., strongly disagree = 1, while strongly agree = 5), unless the question indicates otherwise.

Physician Connectedness

1. Please indicate your alignment status:
    a. Employed
    b. Affiliated via a professional contract
    c. Independent

	Strongly Disagree (1)	*Disagree (2)*	*Neither Agree nor Disagree (3)*	*Agree (4)*	*Strongly Agree (5)*
Physician Loyalty					
2. I am willing to put in a great deal of effort to help this organization succeed.					
3. I would recommend this organization to a colleague as a great place to practice.					
Quality of Staff Relationships					
4. I have good working relationships with clinicians in the practice/organization.					
5. I trust and believe in the work/abilities of my fellow physicians in the practice/organization.					
Communication					
6. This organization is open and responsive to my input.					
7. Leaders effectively communicate difficult messages that my colleagues and I need to hear.					
8. I am kept informed of the organization's strategic plans and direction.					

	Strongly Disagree	*Disagree*	*Neither Agree nor Disagree*	*Agree*	*Strongly Agree*
Professional Development					
9. I am interested in physician leadership opportunities at this organization.					
10. This organization supports my professional development.					
Operational Support					
11. I receive the necessary assistance from clinical support staff to succeed in my practice.					
12. I receive the operational and business support services (IT, billing, coding, scheduling) to succeed in my practice.					
Clinical Practice					
13. I get the information I need to assess my productivity and care quality.					
14. I have the right amount of autonomy in managing my clinical decisions.					
15. This organization recognizes providers for excellent work.					
Executive Engagement					
16. The actions of this organization's executive team reflect the goals and priorities of participating providers.					
17. Members of this organization's executive team are easily accessible to me for contact.					
Support of External Demands					
18. I have a good work-life balance outside of the demands of my job.					
19. My coworkers, colleagues, and management are supportive and understanding of priorities I have outside of work.					

	Strongly Disagree	*Disagree*	*Neither Agree nor Disagree*	*Agree*	*Strongly Agree*
Patient Care and Experience					
20. This organization makes patient safety a priority.					
21. Patients receive excellent service and clinical care at this organization.					
22. I look forward to interacting with and caring for my patients on a daily basis.					
Compensation					
23. I believe my compensation and benefits package justifies my work.					
Future Outlook					
24. I am likely to be practicing or aligned with this organization 3 years from now.					
25. This organization is well-prepared to meet the challenges of the next decade.					