Conversations on Leadership and Management

Managing Physicians—Part 1

Ricardo Peverini, MD
President, Loma Linda University Faculty Medical Group
January 22, 2023

LOMA LINDA UNIVERSITY
Faculty Medical Group

Presentation Outline

1. Structure of discussion, disclaimers, questions welcomed
2. Employment and Payment Relationships
3. Clinical Privileges (“permission to provide services”) Relationships
4. Compensation Benchmarks and Productivity Measures
5. Compensation Approaches
6. Code of Conduct: Expectations of Professionalism
7. Discipline Case Study
8. Questions

Presentation Structure

- Conversation
- Based on medical group leadership responsibilities
- *“Managing” physicians difficult at best*
- Ongoing journey of goal alignment, communication, trust building
- Disclaimer: LLUFMG local regulatory constraints may not be applicable or informative to other situations
- Comments and questions welcomed at end of presentation

Presentation Outline

1. Structure of discussion, disclaimers, questions welcomed
2. Employment and Payment Relationships
3. Clinical Privileges (“permission to provide services”) Relationships
4. Compensation Benchmarks and Productivity Measures
5. Compensation Approaches
6. Code of Conduct: Expectations of Professionalism
7. Discipline Case Study
8. Questions

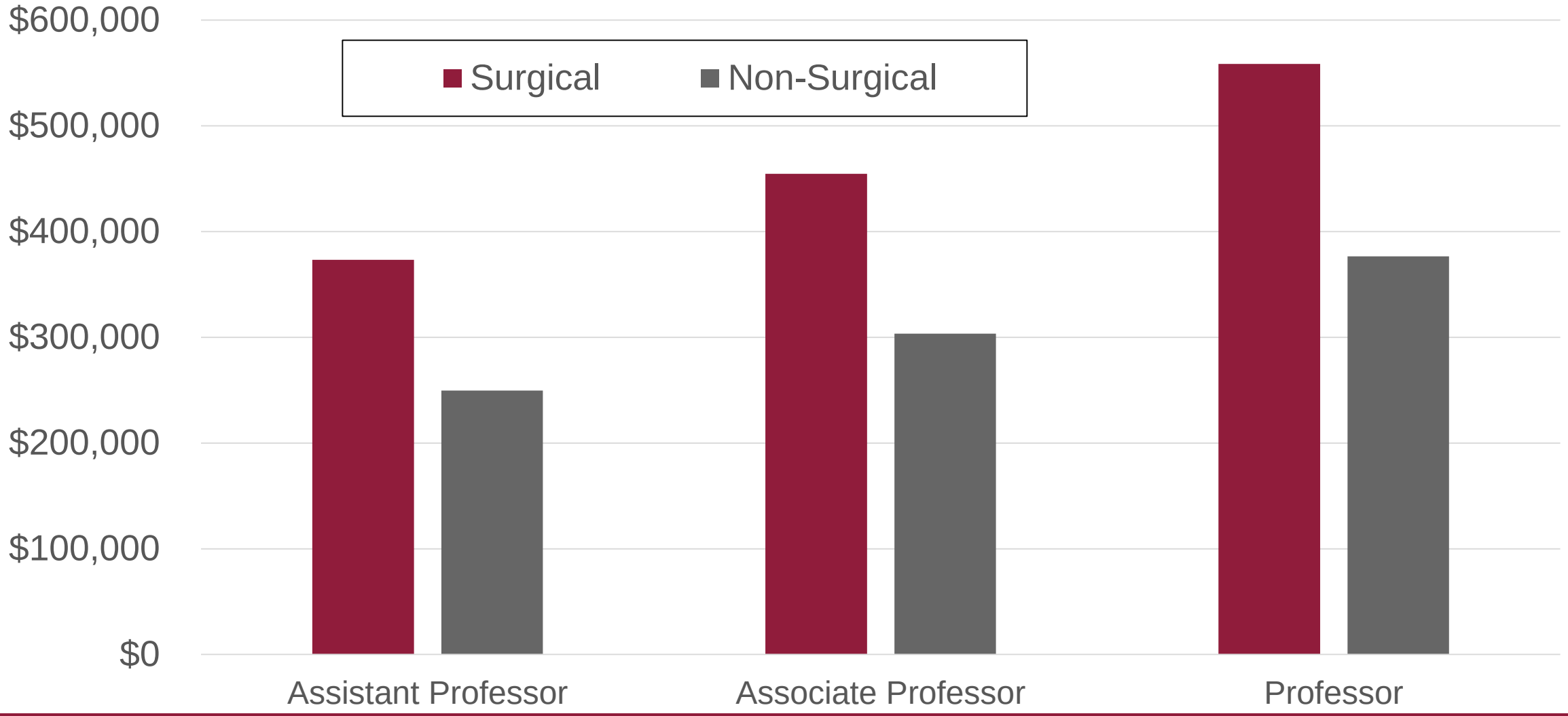
Employment and Payment Relationships

- Employment Relationships
  - Individual “self-employed”
  - Medical group as the employer
  - Hospital or clinic as the employer
- Payment for Clinical Services Relationships
  - Patients pay directly
  - Care is funded by health insurance or patient employer
  - Care is funded by a governmental agency
  - Combination of the above
- Compensation for the physician depends on these relationships

Clinical Privileges Relationships

- Privilege / permission to practice tied to
  - Training
  - Board certification as well as “maintenance of certification”
  - Proctoring of admissions or cases
- Granted by multiple entities
  - Government
  - Payor
  - Professional liability carrier
  - Employer (self or medical group or clinic / hospital)
- Subject to meeting expectations, periodic review / renewal

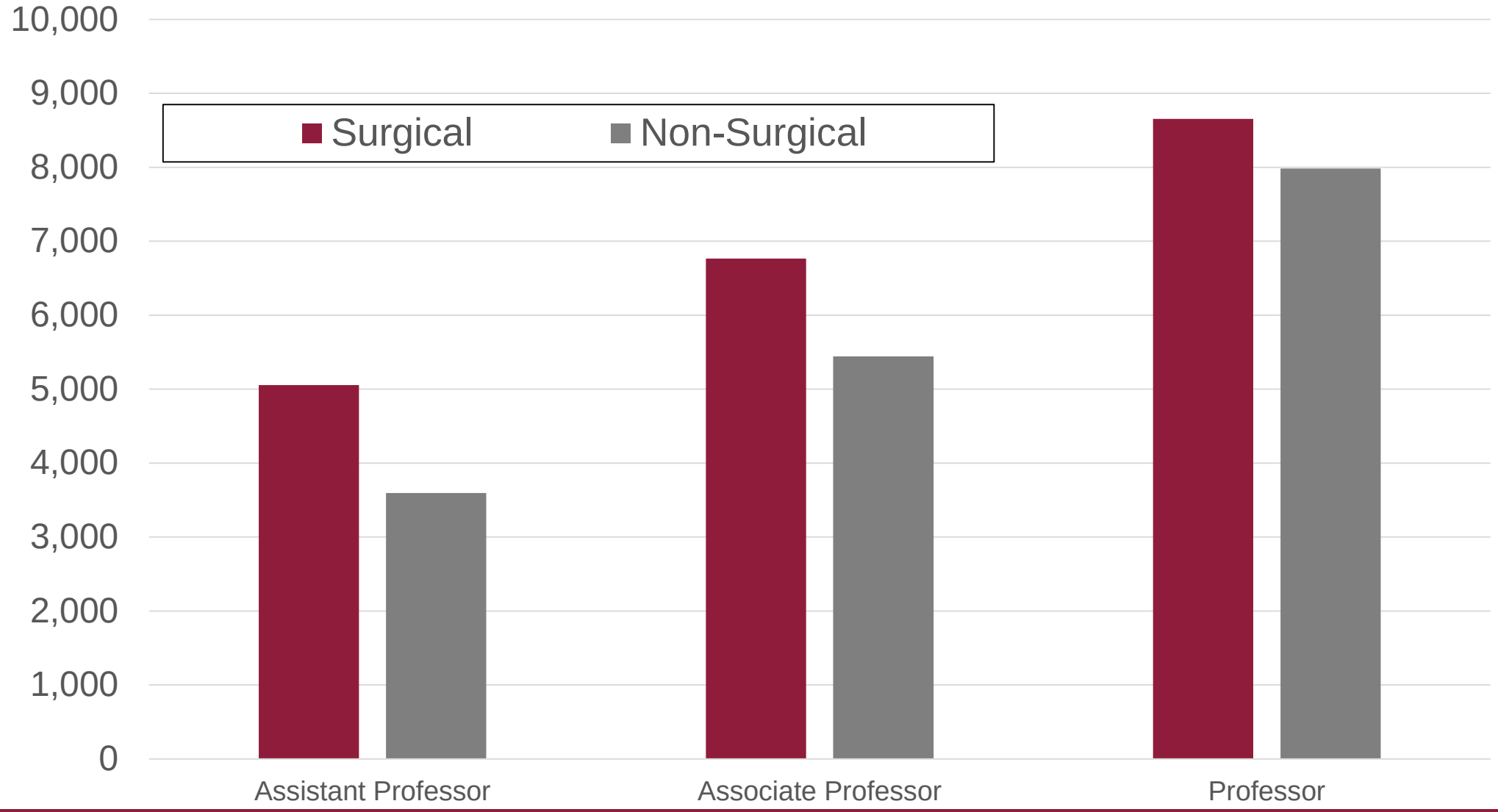
Compensation by Faculty Rank / Experience



Measuring Clinical Productivity

- Time (12-hour shift, night call, half-day, etc)
- Cases (number of return visits, new patients, surgical cases, etc)
- “Relative value units” (RVUs)
  - Physician work RVU
  - Practice expense RVU
  - Malpractice expense RVU
  - Total RVU
- Medical Services (describe by “Current Procedural Terminology” codes)
  - Office visit has a CPT and a wRVU
  - Surgery has a CPT and a wRVU

Productivity (work RVUs) by Faculty Rank / Experience



Methods for Clinical Compensation

- Large variability in methodology
- Per diem arrangements: per half-day or shift; per work RVU
- If employed then typically, either of
  - Set pre-agreed upon amount (tied to training, experience, etc)
  - Base Salary (80-90%) plus Variable Compensation (10-20%)
  - In addition, “benefits” (health coverage, vacation, retirement, etc)
- Variable Compensation tied to multiple factors
  - Extra productivity (additional time / work)
  - Academic performance
  - Achieving pre-established metrics

Presentation Outline

1. Structure of discussion, disclaimers, questions welcomed
2. Employment and Payment Relationships
3. Clinical Privileges (“permission to provide services”) Relationships
4. Compensation Benchmarks and Productivity Measures
5. Compensation Approaches
6. Code of Conduct: Expectations of Professionalism
7. Discipline Case Study
8. Questions

Code of Conduct

- Institutional policy
- Typically integrated into employment agreement or clinical privileging
- Calls for demeanor whereby individual
  - Always conducts work and communication in a professional manner
  - Treats others with respect, courtesy and dignity
  - Supports the institutional mission
  - Promotes quality patient care, cooperation and teamwork
  - Manages concerns with courtesy through appropriate channels
  - Avoid harassment of any kind, blaming or shaming of other, belittlement
  - Avoids inappropriate verbal or written communication
  - Supports and promotes teamwork and collegial interactions

Code of Conduct—Implementation

- If concerns are ignored, code of conduct is or becomes meaningless
- Patterns much more important than specific events
- Culture whereby concerns can be expressed without fear of retaliation
- Culture whereby expectations and discipline apply to all
- **Case study:**
  - Concern / complaint
  - Investigation
  - Documentation of feedback as appropriate
  - Escalation if additional pattern not in compliance with code of conduct

Case Study: Code of Conduct—Concern

- Ability to submit concerns / complaints to management
- Concerns confidential but not anonymous
- Multiple examples
  - “Always arrives an hour late to clinic”
  - “Does not complete medical documentation”
  - “Treats colleagues or staff rudely, questions their integrity or competence”
  - “Blames others for bad clinical outcome”
  - “Slams door, pushed another individual, punches computer monitor, etc”

Case Study: Code of Conduct—Investigation

- Complaints / concerns needs to be carefully reviewed
- Interviews to confirm or deny specifics
  - Witnesses
  - Complainant
  - Complainee
- Confidential, assurance of non-retaliation
- Conclusion as to merit of the complaint

Case Study: Code of Conduct—Feedback

- Discussion with person in question
- Confidential, typically with third party present
- Request to stop behavior that is in violation of the Code of Conduct
- Documentation of request
- Documentation of consequences to failure to comply

Case Study: Code of Conduct—Escalation

- Subsequent events must also be reviewed, investigated
- Assessment of pattern
- Escalation may include
  - Request to undergo training focused on communication, professionalism
  - Suspension or Interruption of employment
  - Suspension Interruption of clinical privileges
  - Change of responsibilities
  - Permanent separation from employment or clinical privileges

Presentation Outline

1. Structure of discussion, disclaimers, questions welcomed
2. Employment and Payment Relationships
3. Clinical Privileges (“permission to provide services”) Relationships
4. Compensation Benchmarks and Productivity Measures
5. Compensation Approaches
6. Code of Conduct: Expectations of Professionalism
7. Discipline Case Study
8. Questions

Questions? Comments

Contact Information: Ricardo Peverini, MD; rpeverini@llu.edu