INSIGHTS FROM THE BDO CENTER FOR HEALTHCARE EXCELLENCE & INNOVATION

USING PHYSICIAN LEADERSHIP GROUPS TO BRIDGE THE CLINICAL, STRATEGY DIVIDE

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In today's consumer-centric, outcomes-driven healthcare landscape, coordinated care is the name of the game.

Hospitals that succeed in this environment will be those that not only share information with external partners on the care continuum to drive better care outcomes for patients at lower costs, but also those who break down traditional silos inside their own organizations.

Physician leadership groups (PLGs) are key to chipping away at these internal organizational silos by fostering mutual trust between a hospital organization and its physicians—all while driving sustained growth and strong operational performance.

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WHAT ARE PLGS?

PLGs have been around for more than 15 years, and more than 500 hospitals have initiated them to enhance the relationship between their senior hospital leadership team and physicians by engaging a small group of medical staff leaders.

By enhancing this teamwork, hospitals can develop strategies that include significant input from the medical staff and provide the best quality of care to the communities they serve. The single most important quality a hospital organization and its physicians must possess if they are to succeed in building a lasting relationship is mutual trust. Mutual trust is a shared belief that you can depend on each other to achieve a common purpose.

Why now? The need for PLGs has always been present. It creates a multispecialty, diverse group of physician advisors for the CEO that provides the best leadership for developing hospital strategy. However, the pressures that exist today have created an urgency to improve the alignment between these two important stakeholders to respond to the increasing public demands for accountability and quality transparency.

Public reporting mandates have set the stage for a new partnership. The successful hospital of tomorrow will have figured out how to align its administrative incentives, the incentives of its medical staff and the communities it serves to provide the highest level of coordinated quality care. In short, PLGs create what's best for physicians, the community and the hospital.

HOW DO PLGS WORK?

In the past, administrators and physicians shared a silent agreement between themselves. The doctors took care of patients, and the administrators ran the hospital.

As a result of this relationship, administrators made many strategic decisions with little or no input from the medical staff. As healthcare has evolved, though, the need for a more coordinated decision-making process is essential to success.

PLGs function as an "executive cabinet" to the CEO and his or her administrative team. They typically meet on a regular schedule (monthly is preferred), and the meetings usually take place at a local restaurant in an informal environment. The focus of meeting agendas is for physicians to voice their concerns while a running list of potential solutions, called the issues and actions list, is kept. The premise for PLGs is that when the CEO has input from physicians on strategic initiatives and/or is made aware of important physician needs, the output is an aligned quality product for the community.

WHAT ARE THE DIFFERENCES BETWEEN PLGS AND TRADITIONAL MEDICAL STAFF COMMITTEES?

Why can't the traditional medical staff committees, like the medical executive committee (MEC), perform this function? In the past, traditional medical staff committees, such as the MEC, credential and quality committees, focused on communicating announcements, providing updates from the administration and nursing, and performing limited peer review. In fact, traditional medical staff committees probably performed this function up until about 10 years ago.

Although the medical structure has not changed much today, the responsibilities and the regulatory requirements have changed significantly. For example, the regulatory climate today dictates how these committees must function, how often they meet and who must be on them. This requires medical staff committees to focus most of their time on reviewing their compliance with regulations, conducting peer review or other structured duties. The consequence of this regulatory mandate is that traditional medical staff committees have a limited amount of time—which hinders their ability to comprehensively discuss strategic initiatives.

Another limitation on the traditional structure is that these meetings typically occur during the lunch hour or early morning and are limited to about an hour, giving rise to appropriate concern from physicians about having enough time for their daily duties.

FUNDAMENTALS OF PLGS

PLGs essentially have a three-fold purpose:

- To provide ongoing dialogue between local hospital administration and members of the medical staff
- To provide a forum for strategic hospital discussions
- To act as a sounding board for the CEO when he or she has decisions to be made that will impact either patient care or physician work processes

An important differentiator for the PLG is that it is not designed to undertake any functions of the medical staff committee or any other standing medical staff committees. It does not engage in:

- Peer review
- Credentialing
- Disciplinary actions
- Quality assurance/CQI functions
- Addressing bylaws changes, etc.

Most importantly, PLG meetings are purposely scheduled in the evenings with a special meal and typically last about two hours (or as long as members want to meet). PLGs function along the lines of a brainstorming, idea-generating session. It has a lightly structured agenda, fewer time constraints and less patient care constraints, and strategy is the focus.

WHAT IS THE COMPOSITION OF PLGS?

PLGs consists of several key stakeholders that make up about a 12-14-member committee:

1. **Key formal and informal medical staff leaders:**

- Formal leaders such as the president of the medical staff or other representatives on the MEC, medical directors from service lines of the hospital, credentials or quality committee chairs
- Informal leaders such as outspoken leaders on the medical staff with great credibility and clinical leadership
- Miscellaneous, multidisciplinary representatives including from primary care, surgical care, specialty care, representatives from the hospitalist service (if one exists), ER physicians and others

2. **Key senior administrators:**

- The CEO is mandatory
- The CNO is mandatory
- The CMO (if you have one) is mandatory
- Optional: CFO, business development VP and other senior nursing leaders

3. **Corporate representatives (if a member hospital of a larger health system):**

- Corporate CMO
- Corporate CEO (based on availability)
- Corporate business development

4. **Ad-hoc representative based on the agenda items:**

- Medical director of ICU, ER, Radiology, Pathology, Anesthesia, Surgical Services

WHAT CAN PLGS ACCOMPLISH?

PLGs can address many strategic initiatives to improve efficiency, patient experience and the quality of care provided to patients. PLGs have proven to be invaluable when implemented at facilities around the country by driving improvements in:

- Communication between the hospital ER and community primary care physicians when the latter's patients have been admitted to the hospital
- Implementation of departmental redesign strategies
- Communication between hospitalists and PCPs
- Implementation of clinical order sets
- Patient registration process
- Discharge planning process
- Facilitation and discussion of action plans to improve physician and patient experience survey results
- Medication reconciliation process
- Physician-nurse councils focused on the delivery of care in special care units
- Care Coordination Initiatives
- Technology/Large Capital Selection
- Clinical Documentation Standards

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- Performance Indicators

WORKFORCE

- Care Model Design
- Role Standardization
- Organizational Design
- Workforce Optimization
- Workforce Transition
- Culture Activation
- Scenario Planning

WHAT DOES THE FUTURE HOLD FOR PLGS?

In an ideal healthcare landscape, all hospitals would embed PLGs in a culture of leadership. They can serve as the cornerstone for:

- Incubating models of care
- Vetting out solutions to implementation of clinical guidelines
- Ensuring that the community is at the center of care
- Identifying population-based programs that improve the health of the community

PLGs are an important component of a health system's vision and strategy. As systems set out to achieve their goals by aligning clinical strategy with goals of the triple aim, PLGs uniquely position them to maximize their strategies with ample physician input.

WHAT OTHER INNOVATIVE LEADERSHIP STRUCTURES HAVE EMERGED FROM PLGS?

Some healthcare organizations that have realized success with their PLGs have established innovative subsidiaries such as:

- Nurse leadership groups
- Service line leadership groups

These innovative committees have the same goals, allow key stakeholders to share insight with senior management and generate first-hand suggestions on how to improve hospital service offerings.

WHAT IS THE "SECRET SAUCE" FOR PLGS?

It's crucial to view PLGs as not just another committee meeting for senior leadership to report out, but instead as a physician-led committee focused on gathering input from physicians. The hospital leadership's role in the context of these committees is to listen.

The most successful PLGs are those in which the CEO simply listens to his or her medical staff for an entire meeting, takes and reflects on their input, and comes back in a month with proposed solutions to physician concerns.

LEARN MORE about how your health system can establish a PLG strategy.

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