

How Healthy is Your Physician Relations Program?

Why an Assessment Should Be an Integral Part of Your Strategy
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Whether they view physicians as partners or customers, savvy hospitals recognize an old truism in an ongoing relationship: Hospitals need physicians more than physicians need them. Thus, hospitals must make a dedicated, consistent effort to manage that increasingly critical relationship.

The scales have been tipping toward this new reality. Healthcare industry changes have left more physicians dissatisfied and more hospitals seeking new revenue to offset declining reimbursements. Reduced income, malpractice risks, payer market shifts and managed care headaches have led to a growing professional unhappiness that affects the physician-hospital relationship.

Meanwhile, physicians have more options for referrals. They can keep procedures within their offices; turn to new outpatient or specialty services that provide convenience for physicians and their patients. That increased competition intensifies financial pressures on hospitals and exacerbates the already tense relationship between hospital and physician.

Now isn't the time to be complacent.

Front-burner issues like health care reform, reimbursement challenges and options make it critical that we not get too comfortable in how we present, communicate and deliver on the promise to an important customer of our hospitals.

Even with a strong viable physician strategy and relations program in place, an effective marketing leader should always scan for new approaches, assess what is working well and what would benefit from improvement, and continue to find ways to prove the program's effectiveness. Budgets are requiring programs to do more with less and, in some cases, face uncomfortable decision making. For those who haven't succeeded at proving value or ROI, cutbacks are inevitable.

What you must address to be a strategic resource.

Your organization and physician relations program must address these concerns and ensure you become a strategic resource, by focusing on four areas:

1. Think about and respond to the "physician as customer" as a strategy.
2. Identify and respond to physicians' needs.
3. Make an impact and garner referrals.
4. Prove your value internally through ROI.

Take an honest look at where you are today.

Before you can determine your strategy and model for implementation or how and where to focus resources on enhancing your current program, you need to first take a step back and objectively assess your program strategically, operationally and structurally.

For the manager of physician relations and its strategy, the key to success is honing the ability to assess and implement for results. That means having an ongoing—not just one-time—strategic assessment.

Your job is in knowing and understanding your physician customer and what they want, as well as being proactive about fulfilling those needs. Before you can expect the physician customer to embrace and be a part of your organizational effort, use the strategic assessment process to ensure that your program:

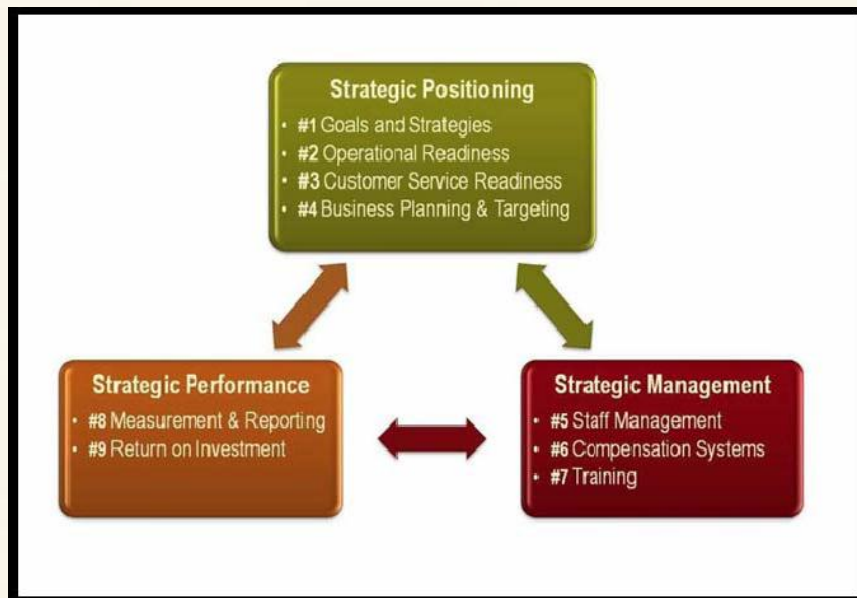
1. *Meets their needs as a customer.*
2. *Creates opportunities for collaboration.*
3. *Responds to their issues or concerns.*
4. *Makes their experience worthwhile.*

Thinking of the physician as a customer and getting them more involved and connected with your organization is key to help you differentiate your organization from others. When quality is equal, physicians will choose to go where they feel wanted, respected and nurtured.

How well are you functioning compared with CHG's 9 best practices?

In 2008, CHG measured the best practices in physician relations and published [Physician Sales & Service Best Practice Survey 2008](#). Well-functioning, ROI-oriented programs have validated the interconnection and success using the framework of the nine best practices defined below. As you assess your organization to either build a physician relations program or to enhance your current program to a more competitive level, follow the best practices as a supportive framework for a successful model.

A physician relations program operating with best practices should include the following components (Figure 3):



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