

- Strategic Planning
- Leadership Advisory Services
- Business & Financial Planning
- Clinical Program Planning
- Physician Strategies
- Medical Staff Development
- Ambulatory Care Planning
- Facility Planning & Space Programming
- Demand Forecasting & Resource Development

Strategies & Solutions is the monthly electronic newsletter published by [Health Strategies & Solutions, Inc.](http://www.hss-inc.com), which provides cutting-edge strategies, innovative solutions, and practical ideas for health care professionals. We welcome your [comments and feedback](#). To subscribe or unsubscribe to this publication, click on the links at the bottom of this page.

Hospitalist Programs: Competitive and Operational Advantages

Hospital care accounts for nearly half of all health care expenditures in the United States and is being increasingly scrutinized for opportunities to improve care and reduce costs. Hospitalist programs are one approach to the cost/quality challenge that has gained traction despite skepticism about their ability to achieve these goals.

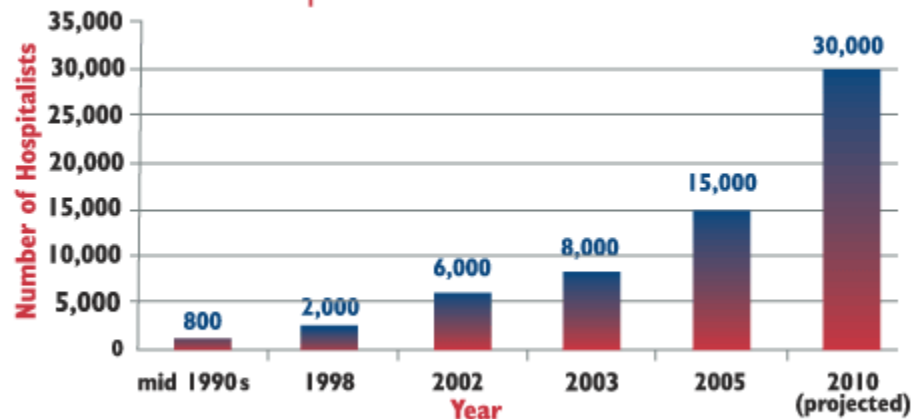


Hospitalists represent one of the newest and certainly the fastest growing physician specialty in the United States. First recognized in 1996, it is now estimated that more than 15,000 hospitalists are practicing in hospitals, with forecasts that as many as 30,000 hospitalists will be providing care in 2010.

[View the Society of Hospital Medicine website](#)

Growth of Hospital Medicine

Hospitalists in North America



Source: Society of Hospital Medicine, 2007

The Hospitalists' Evolving Role

Hospitalists are generally responsible for the inpatient component of health care and focus on improving the quality of care, shortening length of stay, and reducing the cost of care through more efficient use of hospital resources, such as laboratory tests and radiological examinations. As with many other medical care issues, concentrating on inpatient care only, as well as becoming knowledgeable and facile with the use of hospital resources, hospitalists contend that they provide better care and do so in a lower cost manner. Studies to date indicate that while it may take some time to achieve the goals of reducing length of stay and costs, many hospitalist programs have been successful in achieving these outcomes.

Hospitalist programs require considerable communication to the referring physician and to the patients and families. Patients and family members come to appreciate the availability of a physician in the hospital at all times and their ability to speak with this physician multiple times each day, leading to increased patient satisfaction. In addition to patients, nursing staff and ancillary personnel report increased satisfaction through the constant availability of the hospitalist in the facility. Health care organizations also benefit from having 24-hour physician availability for code calls and rapid response events. Coordination with house staff and the emergency department is also improved.

Competitive Advantages

There is increasing acknowledgement in the field that hospitalist programs can provide compelling competitive advantages. As health care organizations seek to recruit physicians and attract admissions from existing primary care physicians, they are finding that many

physicians are more interested in devoting their scarce time to office practice development and find it inefficient and costly to travel to a hospital to care for a few patients. Many health care organizations with hospitalist programs find that they can better serve their referring physicians than providers without these inpatient specialists.

A recent Health Strategies & Solutions' client determined that the lack of a hospitalist program was resulting in admissions being funneled to competitors that did offer the service. After an analysis of the organization's operational and financial issues, we recommended and our client approved a hospitalist program for their institution.

The Financial Issues

Analyses by Health Strategies & Solutions indicate that hospitalist programs can be quite costly. The direct costs of employing hospitalists are not covered by the revenues they typically generate for inpatient billings. Rather, the hospital must take a long-term view of the program and look for cost reductions to provide the financial return to the organization. Reductions in length of stay and lower use of expensive ancillary tests in a fixed cost per case reimbursement environment will ultimately pay for this program based on our experience, but require patience and dedication to achieve. This perspective is confirmed by a September 2007 study conducted at New York's Montefiore Medical Center that evaluated patient length of stay (LOS) over a two-year period. The study reports a reduction in LOS of .86 days per patient for those patients cared for by hospitalists with no difference in readmission rates or mortality between the two groups.

Support for hospitalist programs is not universal and some primary care physicians still wish to follow their patients in the hospital to ensure continuity of care or to garner professional fees. Yet hospitalist programs are increasing in popularity as hospitals, physicians, and patients see improvements in the quality of care and reductions in the cost of care.

To achieve these goals, health care organizations must work in partnership with their referring physicians to develop the program and communicate its benefits to staff and patient families. It is essential that patients and their family members understand why their primary care physician has turned to a hospitalist to manage their inpatient care and the benefits that they can expect from this expert focus on their needs. In addition, health care organizations must align their goals and expectations and be patient regarding the achievement of these goals. In the final analysis, hospitalist programs can benefit all of the parties involved when implemented correctly.

For more information on hospitalist programs, please contact Sam Steinberg at ssteinberg@hss-inc.com or (215) 399-1866.



Sam Steinberg



Join Craig Holm and Lou Glaser for
their upcoming presentation

**Understanding, Evaluating, and
Executing Joint Ventures**

January 22-23
in Denver

Click Here for More Info

If you would like a free subscription to Strategies & Solutions, please [click here](#).

Copyright 2007 by [Health Strategies & Solutions, Inc.](#)

8 Penn Center

1628 John F. Kennedy Boulevard, Suite 200

Philadelphia, PA 19103

(215) 636-3500

www.hss-inc.com

Reproduction in whole or in part without written permission is prohibited.





This email was sent to: [sstewart@hss-inc.com](mailto:ssewart@hss-inc.com)

Go [here](#) to leave this mailing list or [modify](#) your email profile.
We respect your right to privacy. [View](#) our policy.



This email was sent by: **Health Strategies and Solutions, Inc.**
8 Penn Center 1628 John F. Kennedy Boulevard , Philadelphia , PA, 19103 , USA