

Strategies & SOLUTIONS

A Publication of Health Strategies & Solutions, Inc.

Volume Three, Number Two April 2000

PHYSICIAN-HEALTH SYSTEM PARTNERSHIP STRATEGIES

As health care organizations and physicians struggle with the legacy of the last decade's flawed partnership models, they should move beyond the limited options thought to exist for hospitals and physicians and examine the variety of creative, sustainable, and financially viable partnership opportunities that are emerging. These models include information system linkages, facility partnerships, joint operating agreements, joint development of ambulatory services, à la carte practice management services, and joint recruitment to geographic and program-specific priorities.

Two strategies characterize these newly emerging models:

Strategy 1: Reduce Potential for Conflict

- Recognize that competition for ambulatory care services is a no-win situation and that migration of some outpatient services to physician offices is inevitable
- Abandon efforts to control and dominate physician practices
- Avoid investments in infrastructure that add little or no value (e.g., PHOs, traditional MSOs)
- Limit risk assumption until tools to measure and manage risk and utilization are in place

Strategy 2: Maximize Areas of Confluence

- Join forces to improve competitive position relative to managed care companies and other providers
- Cooperate to enhance or expand ambulatory care services
- Reduce the administrative hassles of practice management

Health care organizations and physicians with a willingness to break new ground and create more effective alliances will set the standard for physician-health system partnerships in the new millennium and will become strong competitors in their markets.

Craig Holm's New Book Now Available

Next Generation Physician-Health System Partnerships, a new book by Craig Holm, has been published by Health Administration Press, the publishing division of the American College of Healthcare Executives. Craig's book examines the evolving relationships between physicians and health care organizations and discusses strategies for breaking new ground to create more effective, sustainable, and financially successful alliances that make the most of shrinking reimbursement and valuable community resources.

To order a copy of Craig's book, please call Health Administration Press at 301-362-6905. The book is also available from Amazon.com.®



Off the Press

Recent Articles

"Physician Practice Divestiture: Easing the Transition Back to a Market-Based Model," by Craig Holm, February issue of *Physician Performance & Payment Report*



"Economic Models for Physician-Health System Partnerships," by Craig Holm, March issue of *Journal of Healthcare Management*

"New Focus for Community Hospitals: Neuro Centers," by Christie Markham, March issue of *Health Care Strategic Management*

"Is Strategic Planning Relevant Anymore?," by Alan Zuckerman, April issue of *Trustee*

For article reprints, please contact Roxanne Jackson at rjackson@hss-inc.com or 215-636-3500, ext. 100.

On the Dais

Upcoming Presentations

Western Pennsylvania Hospital Association, May 1 & 2 in Warrendale, PA

Craig Holm & Christie Markham: "Revenue Enhancement Strategies"

Christie Markham: "Women's Health: Strategies for the 21st Century"

continued on back

**Society for Healthcare Strategy
and Market Development Spring
Strategic Planning Workshop,
May 5 in Chicago**

Alan Zuckerman: "Role of
Strategic Planning in an
Organization - Corporate versus
Operating Unit"

**Tri-State CARTS Conference,
May 11 in Bala Cynwyd, PA**

Tracy Johnson: "What Can We
Expect for 2000 and Beyond?"

**Society for Ambulatory Care
Professionals 13th Annual
Educational Conference, May 15
& 16 in Orlando**

Alan Zuckerman: "Applying
Advanced Competitive Strategy in
Ambulatory Care"

Craig Holm & Paul Kempinski:
"Revenue Growth Opportunities
in Ambulatory Care"

**Texas Hospital Association,
June 16 in Dallas**

Craig Holm & Ron Stephen:
"Revenue Enhancement Strategies"



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system partnerships, please contact one
of our directors:

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solutions for today's complex health care
challenges. Our staff has enabled
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across the country to address complex
issues, make decisions that achieve
lasting results, and set courses for
success in the new millennium.

Strategies & Solutions is published by
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