

# Physician Engagement Models Fill the Knowledge Gap

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**I**N OUR PREVIOUS COLUMN, we discussed the subject of physicians serving on the governing board. Our conclusion was that physicians should serve as directors/trustees for practical and symbolic reasons, as the benefits far outweigh the challenges. However, we advised that boards need to be sensitive to the risk of material conflicts of interest presented by any voting member, especially physicians. In addition to the boardroom serving as a forum for open and meaningful physician engagement, what other venues are being created to serve this purpose? Below are two examples.

## Scripps Health: Physician Leadership Cabinet

In 2000, the CEO of Scripps Health faced votes of no confidence from five of the system's six medical staffs and was asked to resign. Physicians, feeling alienated from the system, took their patients to competing facilities, resulting in a \$23 million operating loss for Scripps Health. Chris Van Gorder, FACHE was promoted from COO to become the new CEO and was charged with turning the situation around. As CEO, Van Gorder's first step was to help Scripps doctors and administration work together as a team, with the doctors as an integral part of the decision-making process. Van Gorder, along with CMO Brent Eastman, M.D., established Scripps Physician Leadership Cabinet (PLC). The PLC consists of the chiefs of staff, the chiefs of staff elect, the CEOs of each hospital and, on a rotating basis, one of the hospitals' chief nursing officers. This forum is designed to:

- Identify and address physician concerns
- Tackle process and structural issues
- Promote quality and medical excellence
- Share information between medical staffs and administration
- Provide physician input on significant health system issues

In addition to contributing to the system's return to profitability, the PLC serves a critical role in strategic and operational decision making. Van Gorder adds, "To this date we have never rejected a decision coming out of the PLC. Its informal power has created one of the most powerful bodies ever seen at Scripps. Some organizations don't like giving physicians this type of power. I don't think we could function without it."

## Cottage Health System: Medical Advisory Panel

During its 2002 board retreat, the Cottage Health System board reviewed a series of alternative construction proposals, which were intended to meet seismic standards and prepare Cottage Hospital for the long-term future. Cost and financing of this nearly total replacement facility ranged from frightening to fantasy depending on various configurations and sizes of major programs and service lines. Since administration was already in "hot water" with the medical staff over its definition of program priorities, the board chair wisely recom-

mended that the medical staff come up with its own set of priorities and present them at next year's retreat. System CEO Ron Werft appointed co-chairs of a Medical Advisory Panel (MAP), designed to engage physicians in serious and meaningful program planning. The co-chairs selected 15 additional members to include a mix of physicians and surgeons, specialists, and internists; a balance of private practice, clinic, and hospital-based physicians; and those who are well respected by their peers.

For about a year, the MAP met on a weekly basis, listening to presentations from the leaders of all major departments and service lines. Each presentation was evaluated using a sophisticated scoring/rating tool, which was crucial to making objective priority decisions. The CEO and administration were invited to educate the MAP on financial concepts, nursing challenges, the impacts of information technology, and other subjects.

The MAP report, describing its recommended priorities and lessons learned during the process, was presented to the full board in September 2003 (without prior administration review). It was unanimously approved.

Robert Reid, M.D., VPMA and a MAP participant, offers the following benefits of MAP beyond its report and recommendations:

- Physicians became owners of the process.
- Physicians developed a shared vision of the hospital's future.
- Physicians realized they could really make a difference and be heard.
- By actively engaging physicians in the process, administration strengthened its position with the board.
- By filling the knowledge gap, initial physician skepticism gave way to enforcement of administration.
- A new pool of physician leaders was created.

Because of its overwhelming value to the health system, MAP has been mandated to continue into the future.

Scripps and Cottage are but two examples of many. Multiple new models for physician engagement are emerging, each tailored to engaging physicians in a forum compatible with local needs and physician culture. Many center around quality as a common goal; some emphasize employed and other closely aligned physicians as opposed to formal medical leaders; and all require a change in the traditional board and management culture to empower physicians with a real role in decision making.

The Governance Institute is creating a library of similar models to share with members. If your hospital or health system is developing or has established creative physician engagement strategies, please send brief descriptive summaries and names/e-mail addresses of contact individuals to Kathryn Peisert, editor, at [kpeisert@governanceinstitute.com](mailto:kpeisert@governanceinstitute.com).