BoardBrief

Knowledge Resources for Governing Effectiveness

*Inclusive Governance*

# Hospitals and Physicians Leading Together

As health care continues to evolve, hospital and health system boards are evaluating their governance strengths, needs and structures as they transition to value-based reimbursement, population health management and greater coordination of care. As hospitals and health systems strive for excellence in meeting community needs and ensuring quality and patient safety, the relationships between hospitals and physicians is a pivotal one.

One of the most frequent criticisms of the nation's health care system has been its fragmentation, a challenge that new payment systems, incentives, and changes in delivery systems seek to overcome. Health care transformation encourages more than hospitals and physicians cooperating to care for patients. It requires integrated care that is fully coordinated across the continuum of care.

## The Importance of a Well-Aligned Purpose

While collaboration and close alignment are essential elements of integrated care, hospitals and physicians often have different perspectives and unique cultures which can lead to a disconnect between the two. Now is the time for boards to take action to enhance collaboration, build trust, and strengthen leadership between the hospital and physicians.

The foundation for successful, collaborative leadership between hospitals and physicians is rooted in a well-aligned mission and a shared vision. An aligned mission provides a starting point for the hospital and physicians to form agreement about strategic direction, priorities, and commitments. A clear picture of a common future creates the motivation for developing a value-driven system of care that meets the needs of the hospital, physicians, and ultimately patients and families.

## Understanding Physician Needs

Success in any relationship requires an understanding of the other parties' position and needs. To succeed in building collaboration between hospitals and physicians, it is important for the hospital to understand the challenges physicians face in practicing medicine and show them actions the hospital is taking to help minimize or remove obstacles.

This has never been more critical than it is today. In a report released by Medscape in January 2016, researchers found that burnout rates for all physician specialties are higher and more severe than they were a year ago. The main cause of physician burnout was too many bureaucratic tasks, followed by spending too many hours at work and increasing computerization of practice.[1]

Hospital leaders and trustees must identify and address the greatest physician challenges unique to their organization, and find ways to build stronger collaboration and coordination that reduces physician burdens, rather than expanding them. Conducting a medical staff satisfaction survey or focus group discussions are two ways to clarify physicians' opinions on a broad range of issues relating to their practice needs and relationships with the hospital or health system.

## Involving Physicians

Involving physicians in meaningful ways and providing them with a real voice helps build trust, opens lines of communication, and forges strong working relationships. But it must also be done in a way that doesn't further contribute to physician burn-out.

Hospitals and physicians can best serve the community by collaborating on mutual opportunities for community service and population health improvement. Hospitals and health systems should engage physicians early in the process of assessing and understanding community health needs,

gauging medical staff needs, and designing collaborative strategies to improve the health of the community.

## Pursuit of Quality—A Shared Mission

Both hospitals and physicians place high importance on quality of care. When hospital leaders and physicians have laid the groundwork for collaboration, the commitment to work together and a willingness to leverage each partner's resources and complementary talents can create a synergy that enables greater accomplishment than what can be achieved by working alone. This collaboration results in better patient care, higher satisfaction and a greater capacity to improve community health.

While community board members don't need to be clinical experts, they must be willing to develop a working understanding of clinical care issues, which will ensure well-informed inquiry, discussion and oversight. High performing boards not only ensure the organization has a quality plan, they engage physicians to ensure the plan is evidence-based, well-supported and executable.

## Collaborative Leadership Is Needed

More than two-thirds of hospital boards have at least one physician serving on the board, and yet the American Hospital Association (AHA) and American Medical Association (AMA) have called attention to the fact that there are not enough

## Preparing for Increased Care Coordination

Strong alignment between hospitals, health systems and physicians is critical to success in the more integrated world envisioned under health care transformation. Trustees should consider the following questions:

- How vibrant are physicians' voices in the hospital or health system's strategic thinking and planning processes? What about in community engagement and improving overall community health?
- Does the hospital or health system work closely with physicians and other providers in the community to develop shared solutions and forge new partnerships that will be mutually beneficial in creating more seamless coordination of care?
- If some physicians are employed, are there challenges that need to be addressed between employed and non-employed physicians?
- As physicians are increasingly employed by hospitals and health systems, what opportunities does that create for greater collaboration, two-way communication, and physician input in decision-making? At the same time, what boundaries does the board need to draw to prevent potential employed physician conflict of interest on the board?

## Essentials in Creating Alignment

Creating alignment between hospitals and physicians requires five essential elements:

- *Trust.* Trust is critical for building successful, lasting relationships. A lack of trust allows doubt and uncertainty to undermine any real progress between the hospital and physicians, and their combined efforts to provide quality care for the community.
- *Two-Way Communication.* Clear, honest, two-way communication ensures all parties are well-informed, and have the opportunity to provide input and to participate in decision-making. Failure to communicate in a timely, straightforward manner opens the door for misunderstandings that contribute to lack of trust.
- *Clinical Voice.* Physicians and other clinicians should be given the opportunity to share their expectations, experiences and ideas. This can be accomplished by including one or more physicians on the board or in committees, including medical staff leaders in critical discussions, and by supporting leadership development programs. As integration evolves, a clinical voice is increasingly essential, but may also pose potential for conflict of interest when physicians are employed. To avoid potential conflict, some hospitals and health system boards seek representation from non-employed physicians.
- *Relationships.* Building positive relationships between physicians and executives, and physicians and the board is critical. This can be accomplished by assessing current relationships, identifying strengths and weaknesses, improving communication, addressing rather than avoiding conflicts, involving physicians early in decision-making processes, and through informal gatherings that promote relationship growth between physicians and leaders.
- *Connections.* The board should proactively seek out opportunities to build alliances between the hospital and physicians that lead to robust, successful alignment and increase financial success for both.

physicians or hospital executives with the training, experience and skills needed for leadership in integrated health care settings. In their joint report, *Integrated Leadership for Hospitals and Health Systems: Principles for Success*, the AHA and AMA identified leadership skill sets needed for the success of both physician leaders and hospital and health system leaders.[2] Critical skills needed for the success of physician leaders include management skills in areas such as mission and strategy alignment, team building, communication, risk management, negotiation, and collaboration. Physician leaders also need expertise in quality improvement, patient and consumer health expectations, data and population health management, value-based finance and cost-management, and the ethics of balancing care for the individual with care for the community.

The AHA and AMA recommended that hospital and health system leaders develop and capitalize on essential skills that include greater understanding of physician perspectives regarding medical professionalism, care delivery and clinical decision-making, physician advocacy for patient needs, and practice finances. They also recommend that hospital and health system leaders be able to reach consensus with physicians and create a leadership model with shared hospital/physician accountabilities in both clinical and business administrative decision making.

## Its About Trust

The ability to provide collaborative leadership is dependent on fostering a relationship of trust between the hospital or health system's leadership and physicians. The board sets the tone for trust, which is built on mutual understanding, clear and honest communication, common purpose and vision, and mutual dependence between the two groups.

## Sources and Additional Information

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