

PubH 6570- section 2

Managing Medical Practices as Components of Integrated Health Systems Spring 2009

Credits:	2
Meeting Days:	Thursday
Meeting Time:	3:30-5:15
Meeting Place:	TBA
Instructor:	Daniel Zismer
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Office Hours:	By Appointment

I. Course Description

This course focuses on the management of medical practices that are owned and operated by integrated health systems; the design, strategy and operation of medical practices integrated with hospitals and other components of comprehensive systems of health care; the “embedded” medical practice.

II. Course Prerequisites

Students must be admitted to the University of Minnesota’s Master in Healthcare Administration Program or have consent of the instructor.

III. Course Goals and Objectives

Listed per teaching module

IV. Methods of Instruction and Work Expectations

Each topic will be introduced by didactic presentation. Case studies are introduced with each module for discussion in class. Guest lecturers will be presented throughout the course. Students will be required to read specific articles that pertain to modules and be prepared to discuss in class.

V. Course Text and Readings

Course Readings are posted on-line for student:

Zismer, D.K., Person, P.E.: “Reasons Why Integrated Clinical Care and Business Models Should Improve the “Economic Odds” for Physicians and Health Systems”; Perspective, October 2008 by Essentia Health Consulting

Zismer, D. K., "Managing the Ninth Standard Deviation Risk in Community-Based Health Care", Perspective, Feb. 2008, by Essentia Health Consulting

Zismer, D.K., "Market Pressures on Community Health Systems and Physicians to Consolidate and Integrate", Perspective, Feb. 2007, by Essentia Health Consulting

Brueggeman, J.G., Zismer, D.K., "Physician Autonomy in Integrated Health Systems". Group Practice Journal, Oct. 2008.

Zismer, D.K., Person, P.E., "Are Community-Based, Not-for-Profit Health Systems a Threat?", Group Practice Journal, Feb. 2008

Zismer, D.K., Person, P.E., "What Does the Future Hold for Larger, Independent, Multi-specialty Groups, Is a "Tipping Point" on the Model's Horizon?" Group Practice Journal, April 2007

"Farewell to a Time of Plenty?" Strategies in Capital Finance, Vol. 56. Caine Bros. Publications.

"Cueller, A.E., Gertlen, P.J., "Strategic Integration of Hospitals and Physicians", Journal of Health Economics, available on-line as of November 2005. JHE, 25 (2006) 1-28.

Management Lessons from Mayo Clinic: An Interview with Leonard L. Berry, Ph.D. and Kent D. Soltman, Ph.D.. Group Practice Journal. Sept. 2008

Vavdorey, S.J., Loos, S.J. "Physician Compensation Update: Trends in 2008 and the RVUs Played a Role." Group Practice Journal, Sept. 2008

Burns, L.R., Mullen, R.W., "Hospital-Physician Collaboration: Landscape of Economic Integration and Impact on Clinical Integration". The Milbank's Quarterly, Vol. 86, No. 3, 2008, (pp 375-434).

VI. Course Outline/Weekly Schedule

Module 1: Consolidation and Integration of the Medical Practice; "What is Driving the Trend; the Macro and Micro-Economic and Market Drivers of Healthcare Industry Consolidation and Integration".

Learning Objectives:

Students will be able to identify and describe the macro and microeconomic factors driving industry consolidation.

Students will recognize and evaluate market factors that pertain to industry consolidation.

Module II: The Integrating Events and New Corporate Structures and Designs for Medical Practices. Presentation of "how" physicians integrate with community health systems including methods used, such as medical practice acquisitions and various organizational designs and employment methods and structures.

Learning Objectives:

Students will be able to describe the medical practice integration process, including methods of practice acquisition and asset valuation.

Students will be able to create organizational designs for the placement of medical practices within integrated health system corporate structures.

Module III: Medical Practice Governance and Operating Models; description of models and methods for medical practice governance and operations in integrated systems. A range of options is presented including: the single multispecialty group model, "the divisional model", models that promote "shared governance" and opportunities for the medical group to retain specific "rights" for physician decisions. Practice operating models will be presented with various structures for physician participation.

Learning Objectives:

Students will be able to design and present medical practice governance and operation models.

Students will be able to “fit” various models to an organization based upon its “phase” and “stage” of integration.

Module IV: The Medical Group/Health System Strategy: the focus is on the medical practices role in the overall integrated health system strategy; optimizing the “embedded” medical practice. Typical strategic plans are presented. Results from research in this area will be emphasized.

Learning Objectives:

Students will be able to design a strategic plan for an embedded medical group.

Students will be able to identify metrics to determine success of implemented strategies.

Module V: Physician Compensation: a presentation of physician compensation designs is provided together with evaluation of various methods. Strategies of physician compensation will be presented. Methods of “fair market” determination will be presented. Market-based analyses of compensation are presented. Managing physician compensation is addressed.

Learning Objectives:

Students will be able to array the various compensation methods by designs.

Students will be able to design physician compensation into an integrated medical practice strategy.

Students will be able to identify best sources of compensation survey data.

Module VI: Financial and Operations Management in the Embedded Medical Practice: the focus is effective financial and operations management in the integrated design – revenue and operating expense relationships are demonstrated. Accounting and reporting models are presented optimizing physician “productivity” in the integrated model is discussed (the uniqueness of the opportunity). Applying physician potential as leaders and managers is stressed.

Learning Objectives:

Students will be able to develop operating and financial plans for the embedded medical group.

Students will be able to identify the “high leverage” performance opportunities with physicians in roles as leaders and managers.

Module VII: Transformational Leadership in Embedded Medical Practice: the roles for physicians and other leaders and transitioning the embedded medical practice to a high performing partner is an Integrated Health System. This module focuses on physicians and other leaders as transformational “agents” in the embedded medical practice; methods, learnings and skill sets required to engage physicians and medical practice staff as contributing members of successful integrated health systems.

Learning Objectives:

Students will identify positions for physician leaders in integrated health systems.

Students will be able to identify leadership skills and methods to support organizational transformation.

Module VIII: Legal, Regulatory and Tax: a focus on the unique aspects of applying health law, regulation and tax to the embedded medical group practice. Attention is paid here to the evolving nature of the legal, regulatory and tax environments as they apply to medical practices in integrated health systems.

Learning Objectives:

Students will be able to apply each relevant area to the design and operation of embedded medical practices.

Students will be able to undertake risk analyses of various integration models and operating Methods.

Module IX: Quality, Safety and Risk: the roles of physicians and other leaders in the integrated system's quality, safety and risk management programs. New roles for physicians and other leaders are identified. Areas for quality, safety and risk management are highlighted. Best practices for quality and safety are presented.

Learning Objectives:

Students will be able to outline a quality, safety and risk management plan for the embedded medical practice.

Students will identify key quality, safety and risk metrics to evaluate and manage.

Students will be able to apply best practices to quality, safety and risk-related problem solving.

Module X: Ambulatory "Destination" Strategies and the Role of the Embedded Medical Group Practice: a focus on optimizing the "off-campus", large-scale, multispecialty ambulatory strategies as a key component of an integrated health system's overall strategy.

Emphasis will be, large-scale facilities' development, optimizing the co-location of specialty services, optimizing the strategy, the patient experience and financial performance and special facility financing opportunities.

Learning Objectives:

Students will be able to plan the basics for large-scale ambulatory destination strategies.

Students will be able to establish a strategic and financial plan with evaluation metrics.

Students will be able to analyze financing methods.

VII. Evaluation and Grading

Students will complete one 100-point project for a final grade. The project will be the design of an integrated medical group strategy for a health system. Various case scenarios will be provided by the instructor. This is a "take-home" project. Groups of three or less may work together to complete the project.

Grading is:

95-100 points	=	A
90-94 points	=	A-
85-89 points	=	B+
80-84 points	=	B
75-79 points	=	B-
70-74 points	=	C+
65-69 points	=	C
60-64 points	=	C-
55-59 points	=	D

Below 55 points = F
Incomplete Grade

A grade of incomplete "I" shall be assigned at the discretion of the instructor when, due to extraordinary circumstances, the student was prevented from completing the work of the course on time. The assignment of an incomplete requires a written agreement between the instructor and student specifying the time and manner in which the student will complete the course requirements. In no event may any such written agreement allow a period of longer than one year to complete the course requirements.

University of Minnesota Uniform Grading and Transcript Policy

A link to the policy can be found at onestop.umn.edu.

VIII. Other Course Information and Policies

Grade Option Change (if applicable)

For full-semester courses, students may change their grad option, if applicable, through the second week of the semester. Grade option change deadlines for other terms (i.e. summer and half-semester) can be found at onestop.umn.edu.

Course Withdrawal

Students should refer to the Refund and Drop/Add Deadlines for the particular term at onestop.umn.edu for information and deadlines for withdrawing from a course. As a courtesy, students should notify their instructor and, if applicable, advisor of their intent to withdraw.

Students wishing to withdraw from a course after the noted final deadline for a particular term must contact the School of Public Health Student Services Center at sph-ssc@umn.edu for further information

Student Conduct, Scholastic Dishonesty and Sexual Harassment Policies

Students are responsible for knowing the University of Minnesota, Board of Regents' policy on Student Conduct and Sexual Harassment found at www.umn.edu/regents/polindex.html.

Students are responsible for maintaining scholastic honesty in their work at all times. Students engaged in scholastic dishonesty will be penalized, and offenses will be reported to the Office of Student Academic Integrity (OSAI, www.osai.umn.edu).

The University's Student Conduct Code defines scholastic dishonesty as "plagiarizing; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis."

Plagiarism is an important element of this policy. It is defined as the presentation of another's writing or ideas as your own. Serious, intentional plagiarism will result in a grade of "F" or "N" for the entire course. For more information on this policy and for a helpful discussion of preventing plagiarism, please consult University policies and procedures regarding academic integrity: <http://writing.umn.edu/tww/plagiarism/>.

Students are urged to be careful that they properly attribute and cite others' work in their own writing. For guidelines for correctly citing sources, go to <http://tutorial.lib.umn.edu/> and click on "Citing Sources".

In addition, original work is expected in this course. It is unacceptable to hand in assignments for this course for which you receive credit in another course unless by prior agreement with the instructor. Building on a line of work begun in another course or leading to a thesis, dissertation, or final project is acceptable.

If you have any questions, consult the instructor.

Disability Statement

It is University policy to provide, on a flexible and individualized basis, reasonable accommodations to students who have a documented disability (e.g., physical, learning, psychiatric, vision, hearing, or systemic) that may affect their ability to participate in course activities or to meet course requirements. Students with disabilities are encouraged to contact Disability Services to have a confidential discussion of their individual needs for accommodations. Disability Services is located in Suite 180 McNamara Alumni Center, 200 Oak Street. Staff can be reached by calling 612/626-1333 (voice or TTY).

