

Evaluating Barriers to Productivity in a High-Performing Physician Network

NORTHEAST HEALTH SYSTEM

CLIENT QUICK FACTS

- ✓ Based in the Northeast U.S.
- ✓ 12 hospital system
- ✓ 1000+ employed providers
- ✓ \$4bn+ net revenue
- ✓ Client since: 2013

OVERVIEW

HSG partnered with a Northeast health system to conduct a productivity assessment on 30+ clinical departments to evaluate productivity levels of each departments providers, and make determinations about optimal usage of advanced practitioners and staffing to maximize productivity.

Productivity benchmarking for the health system was compared to agreed upon benchmarks based on provider contact hours and the wRVU performed per contact hour. The purpose behind utilizing provider contact hours was to ensure providers were appropriately incentivized to perform their non-clinical duties (medical record completion, quality meeting attendance, electronic portal messaging with patients, etc.) as well as their clinical requirements.

Potential revenue opportunities were also defined for the network as a whole if productivity targets were shifted to the 75th percentile. This opportunity was very service line dependent but represented over \$50M in incremental revenue to the system based on current provider production levels.

CHALLENGES

The health system was struggling to understand variation in practice productivity for similar practices within a clinical department. The system targeted physician productivity to exceed the 65th percentile and deemed office staffing

ratios between the 50th and 75th percentiles as acceptable, however many practices were below the productivity benchmark while many practice exceeded the staffing benchmark.

THE PROCESS

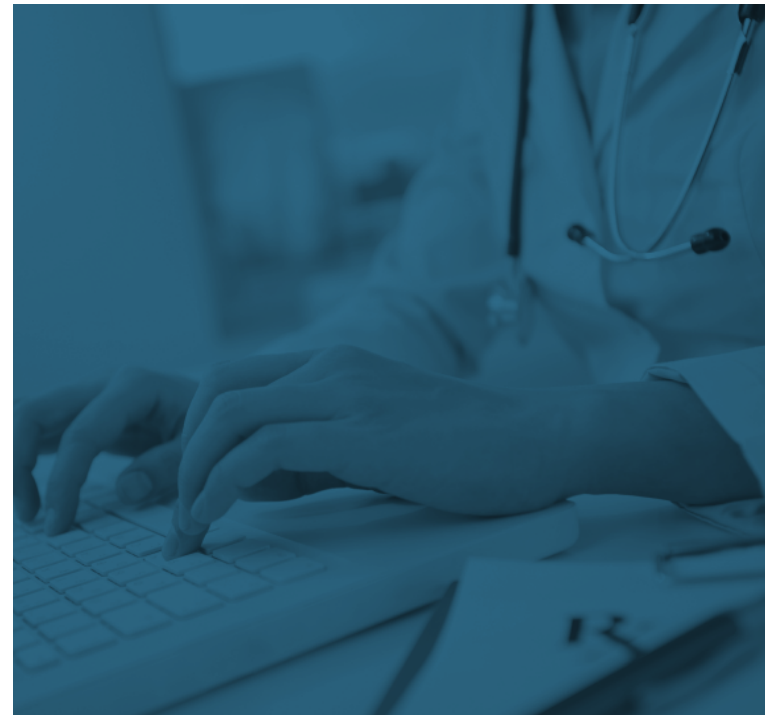
HSG worked with health system leadership to conduct a productivity assessment on 30+ clinical departments evaluating physician and all-provider productivity and office staffing ratios versus HSG and industry benchmarks. When the analyses of all clinical departments were completed, HSG also summarized the data and ranked the

individual departments according to All-Provider productivity to make determinations about advanced practitioner top-of-license usage. HSG reviewed the takeaways with leadership and then with each practice and provider – seeking to first educate stakeholders and then to build a plan for improved performance.

THE RESULTS

The productivity ranking produced an interesting insight regarding associated staffing ratios. For all but one department that achieved an All-Provider productivity above the 70th percentile, the clinical staffing ratios compared to external benchmarks would indicate that the offices were overstaffed. Impressions obtained during the individual department interview and data review process indicated that these highly productive departments utilized their support staff to their maximum capabilities and the departments attributed their success to the level of staffing they were afforded. The interesting aspect of the data was that this phenomenon uniformly applied to each of the highly productive areas.

Bottom line observation become **(1)** be careful when interpreting only one facet of office function and making decisions based solely on that facet and, **(2)** excess staff compared to benchmarks may not actually be excess, but the reason that the office is able to perform well on patient throughput. In this instance, looking only at the staffing ratio might lead to efforts to decrease the number of clinical support staff to be in line with external benchmarks to the detriment of function and outcomes.



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KEY FINDINGS

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