Clinical Integration for Administrators

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The Dual Nature Problem

- Given that medical organizations are both clinical entities and business entities, it is important to have physician and administrative leadership at every level of the organization

Buzzwords

- Integration (vertical or virtual)
- Aligning Incentives
- Breaking Down Silos

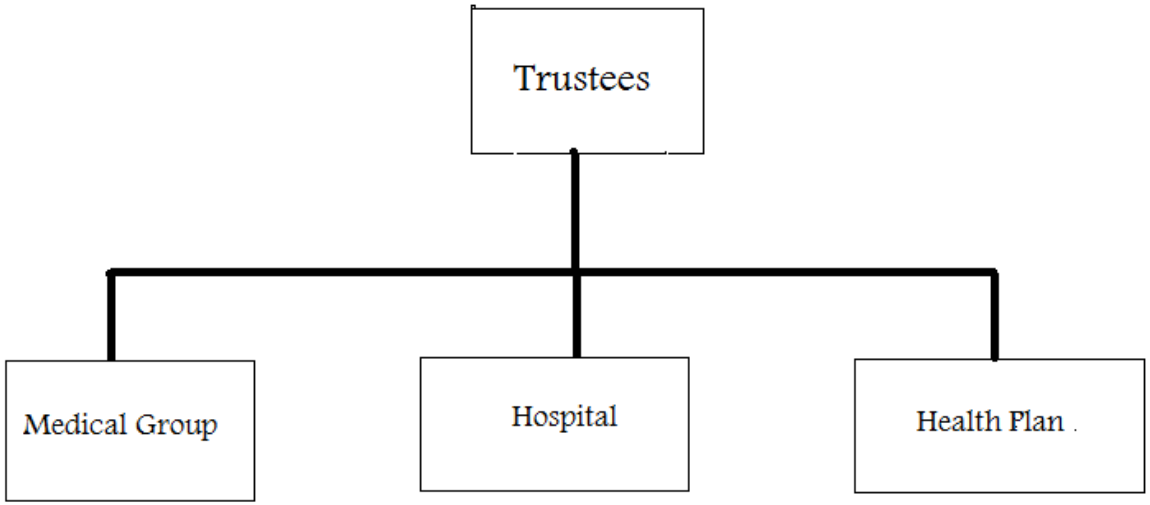
Types of Integration

- Functional—IT, HR, QI etc. coordinated across business units
- Physician—the extent to which physicians and the organized delivery system with which they are associated agree on the aims and purposes of the system and work together to achieve mutually shared objectives

Types of Integration

- Clinical—The extent to which patient care services are coordinated across people, functions, activities, and sites over time so as to maximize the value of services delivered to patients.
  - Shortell, S. M. et. al. Remaking Healthcare in America: The Evolution of Organized Delivery Systems. 2nd Ed. (San Francisco, Jossey-Bass, 2000.)

Organizational Structure



Ideal Functions of a System

- Focus on the meeting the population's needs
- Matches services and capacity to meet the need
- Coordinates and integrates care across the continuum
- Common IT system

Ideal Functions of a System

- Can provide information on cost, quality outcomes and patient satisfaction to multiple stakeholders
- Uses financial incentives and organizational structure to align governance, management, physicians and other caregivers in support of the shared objectives

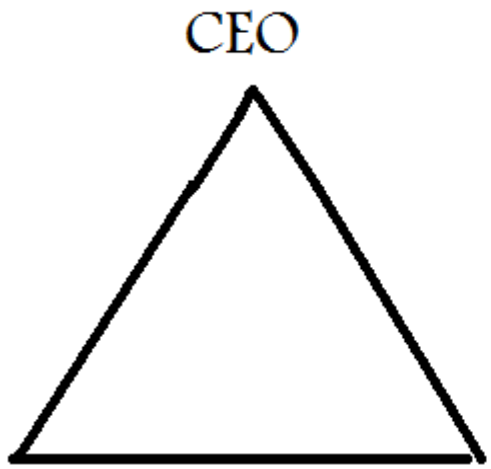
Ideal Functions of a System

- Capable of CQI
- Willing and able to work with others to ensure the community's health objectives are met.

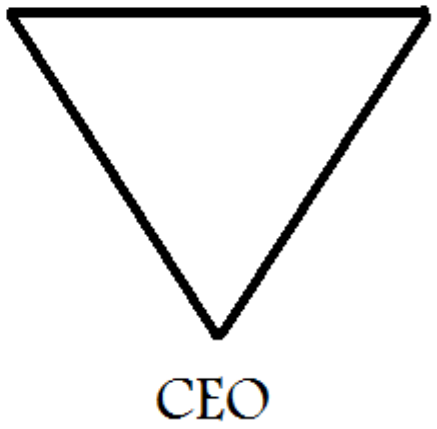
Governance

- “The most complex workplaces today are tertiary care hospitals….This is complexity of an order of magnitude greater than automobile assembly, and anyone who has been hospitalized knows that management has thus far been unequal to the scope of the task.”
  - Harvard Business Review July-Aug 2008

Operational Structure



Versus



Doctor Strengths

- Deep knowledge of clinical realities
- Comfort level operating within broad statistical probabilities
- Flexibility to rapidly adjust to changing realities
- Focus on individual patients and their particular needs at a particular point in time

Doctor Weaknesses

- Short attention span—difficulty dealing with projects that take a long time to produce results
- Lack of knowledge of business and administrative realities
- Lack of community awareness and community needs
- Business organized to pay all of the excess to the physician this year—no financial capital

Hospital Strengths

- Bureaucratic structure necessary to sustain long-term efforts
- Financial capital
- Community awareness, if not responsiveness

Hospital Weaknesses

- Rigidity
- Non-responsiveness to individual needs of patients (or doctors)
- Inability to incorporate clinical information into decision making

Hypotheses

- People have characteristic ways of dealing with the world, all of which are designed to bring a level of internal control and comfort to the individual.
- There are a finite number of ways which, when combined, form patterns of behavior.
- Physicians are not randomly selected members of the population

Physician Characteristics

- Seek control through knowledge.
- Prefer concrete goals
- Have demonstrated high persistence levels in attaining goals.
- Prefer direct action.
- Prefer immediate response to their actions.
- Score high on tests for narcissism.

Physician Characteristics

- To function effectively as a clinician the physician must be able to amass large amounts of data quickly, make a decision quickly, and execute a plan--usually without significant input from anyone else.
- We like it that way--its why we went into this field in the first place.

Organizational Leadership

- Requires knowledge and persistence.
- Goals are often not concrete.
- Results seen over long time periods.
- Most effective actions are indirect.
- Requires recognizing that other people's role may be more important.

The Results

- The physician may fail to recognize that the leadership role is different from the attending physician's role.
- He/she may try to fulfill the requirements of the role using his/her physician training at times when that is counterproductive.
- He/she may simply refuse to participate.

Combining Strengths

- Doctors have intellectual capital, decision making capability, and flexibility to focus on the individual
- Hospitals have financial capital, organizational infrastructure, and the steadiness to focus on long-term projects

Achieving Clinical Integration

- Create partnerships between physician leaders and administrative leaders at all levels of the organization
  - Develop a training program for inexperienced, but interested physicians
- Require consensus
- Focus on the patient