Our New Normal: How to Adapt by Building ROI Metrics for Physician Relations

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“The rabbit-hole went straight on like a tunnel for some way, and then dipped suddenly down, so suddenly that Alice had not a moment to think about stopping herself before she found herself falling down a very deep well.”

~ Alice's Adventures in Wonderland, Lewis Carroll
Forget It!
You are not alone

Source: Corporate Health Group 2012 (2014 coming soon) Physician Sales and Service Survey Results, corporatehealthgroup.com
Change your mindset

1 Orthopedic Surgeon
16 new cases
$70,000 CM
= Your Salary
CM = Contribution Margin

- Difference between a sale (referrals) and the variable expenses incurred to produce it (operational expenses)
- It identifies the degree to which the sale of a specific number of units sold (referrals) will yield the financial resources necessary to cover the fixed costs, as well as generate a profit (bottom line)
CEO’s Viewpoint

- Cost/Overhead Liability
- Revenue/Producer Asset

Growth/Increase (%, #, $)
Know your value
Performance Standards:
Meetings, correspondence, attendance, newsletters

Anecdotal
Keep Drs from complaining
Oil squeaky wheels

Investment

Goodwill
Target Loyalists
Internally focused
No outreach
Physician Advocate

Fix problems, there to listen, market intelligence

1st LEVEL

Return

1st LEVEL
Performance Standards:
X # of Drop Ins, correspondence, attendance, newsletters

Investment

Activity
All of 1st Level + externally focused Outreach
Newsletter, CMEs, events, tours, IS-EMR, etc.

Return
Performance Standards:
Meetings, correspondence, attendance, newsletters

Physician Satisfaction
High Scores

Retention
1st and 2nd Levels +
Operations Involvement
Rounding on key physicians

Investment

Return
Growth

ALL LEVELS +
Targeting
Good sales reps
Accountability (performance standards/goals)
Ops, Leadership support
Issue resolution process
Relationship Sales

Increase Volumes and Revenue

Investment

Return
ROI: Growth Model
Rate your program:

1 = Struggle with this
2 = Doing it sometimes
3 = Executing consistently

1 2 3 Targeting (filters and frequency)
1 2 3 Having the right people in the right roles
1 2 3 Accountability (performance standards/goals)
1 2 3 Internal support (Ops, Leadership)
1 2 3 Issue resolution process
1 2 3 Relationship Sales approach
“Would you tell me, please, which way I ought to go from here?”
~ Alice

“That depends a good deal on where you want to get to.”
~ Cheshire Cat
• Primary Service Area
• Secondary Service Area
• Hospital-based Services
• OP Services

• Service Line Approach

• # of referring physicians in PSA & SSA

• Loyalists
• Splitters
• Prospects

Service Line

Geography

Pool Size

Targets/Frequency
Targeting

Coding

Targets

A
B
C
AA
Skills related to
• Relationship development
• Process management
• Sales

Competencies reflect
• Marketing, sales and business development skills
• Self disciplined, focused, self-managed
• Ability to have a strategic dialogue -- shift from “sell and tell” to relationship management
• Ability to bring personal sales management skills to organization
• Plan, territory management, field sales work

Accountabilities
• Pre-call Planning and Prospecting
• Marketing
• Communication
• Qualification/Closing
• Account Management
• Reporting

Allocation of Time
• Percentages based on field-time (80%)
Visits
Time Spent in Field
75% with physician/staff

Sales Appts.
(growth)
Time Spent on New Biz
10-15 per week

Service Appts.
(service/
retention)
Time Spent on Loyal Offices
10-15 per week

Events
Additional Support
X CME/per Qtr

Customer Satisfaction
Knowing where you stand
?’s specific to physician relations rep
Internal Support

**Prospecting**
- Feature/Benefit
- Objections
- Closing

**Visits**
- “Out of sight, out of mind”
- Filling the funnel
- Issues

**Providing excellent service**
- Fixing problems

**Growth**

**Retention**

**Service**

**Volumes**

**Keep the business**

**Grow new business**

**Deliver on the promise**
Physician Issue
24 hours

Issue in System
1 to 14 days

Triaged to “Go To”

Operations Respond

Go

Response: Physician/Staff Answer

No Go

Response: Physician/Staff Update

Reminder for answer to physician/staff timed for 48 to 72 hours

If No Answer, Documentation to Leadership over area for 48 Hour Response
Consultative “Relationship” Sales

Planning the Visit
- Pre-call planning
- Getting past the gatekeeper

Build Trust
- Finding their personal WIIFM

Understand Their Needs
- Effective Questioning

Offer Solutions
- How to differentiate

Measure Buy-In
- How to ask for commitment
- How to handle objections

Manage Barriers
- How to support volume growth

Gain Commitment

Clarify Expectations

Deliver on the Promise

Relationship Sales

Carolinias Healthcare Public Relations & Marketing Society (CHPRMS)
CRM: You need one

Benchmarking studies reveal that the right use of CRM applications account for:

- Revenue increases of up to 41% per sales person
- Decreased sales cycles of over 24%
- Lead conversion rate improvements of over 300%
- Customer Retention improvements of 27%
- Decreased sales and marketing costs of 23%
- Improved profit margins of over 2%

Source: Corporate Health Group 2012 (2014 coming soon) Physician Sales and Service Survey Results, www.corporatehealthgroup.com
Where to begin

- Know your objectives
- Ask those you trust
- Generate vendor list
- Research & Demos
Considerations

- Provider and Practice Profile Management
- Activity Tracking
- Issue Management
- Physician Satisfaction

- Performance Standard Tracking
- Territory Management
- Data Integration - Referral/Volume Tracking/Targeting

- Portals for Hospital/Clinic Staff
- Consumer Campaign ROI / Effectiveness
- Market/Comp Data Projections

Business Value

- Provider Data
- Practice Data
- Provider Satisfaction Data

- Referral Data
- Finance/Billing Data
- Performance Standards Established

- Patient Data with Link to Marketing Data
- Market Share Data
- Propensity Data
It's in your hospital, find it

- Sales Team
- Surveys

- Sales
- Marketing
- Operations
- Administration

- Finance
- Registration database
- Operations

- Planning
- State Data
- Other?

Physician Satisfaction

IP/OP Exams and Procedures

CRM

Research Market
Case Study

Laser-like targeting
Staffing

• Relationship/Referral Development Model
• 2 physician liaisons covering 3 counties with primary focus on medical staff (generalists)
• 1 regional liaison (generalist) and 1 cardiology service line liaison covering 14 counties
• Reporting Relationship: VPMA & Network Development
Determining “Growth” Physicians

- What are the areas we need to grow?
- What/where is there capacity to grow?
- What is the operational readiness of the area?
- Do we have specialists who are motivated to grow their volumes?
- What physicians are the right targets to grow this?
Determining “Retention” Physicians

• Goal is to increase satisfaction, get them more involved, and stabilize or slightly increase their referral volumes as their business grows.

Measure success by:
• Stable volumes, to ensure there is no erosion and, if possible, some small amount of growth
• Physician satisfaction, including the number of issues or problems raised by the group of loyal referrers.
Liaison Performance Expectations

- **Category A**  Every 6-8 weeks (or 4-8 weeks)
- **Category B**  Once per quarter
- **Category C**  1-2 times/year

Local Liaison: 12-15 visits/week (70% or 9-12 visits with physicians)
Regional Liaison: 10-12 visits/week (8-10 with physicians & hospital leadership)
Case Study

Internal communication; it’s crucial
“Then you should say what you mean.”
~ March Hare

“I do; at least - at least I mean what I say – that's the same thing, you know.”
~ Alice
Learn how best to internally communicate

- Know what matters to Leadership
- Define your value – articulate it in PNL terms
- Internal understanding - about what you and your team does
- Getting the support you need with internal advocates
- Build relationships internally first before externally
- Prepare yourself to handle push back
Begin with the end in mind

- Not going to be a linear process
- Seek help; colleagues that have done in past, consultant
- Stay focused on designing the end point “B”
- Create action plan – detailed
- What is on everyone’s mind right now?
- Everyday plug away at next steps – don’t say “forget it”
- Check in with point person
- Pilots (manageable chunks)
Small steps

• But I am responsible for everything
• Yes, you can still do your day to day but you are going to have a sales plan, strategy and specific measurable points for up to 3 areas...
• Chose Breast Health & 2 new ambulatory sites
• What’s keeping your leadership up at night/what does the board care about
• Operational readiness, ready to grow
Case Study

Find your reports; tell your story
What type of data analytics are most useful for Physician Relations planning? (select all that apply)

Source: Corporate Health Group 2012 (2014 coming soon) Physician Sales and Service Survey Results, corporatehealthgroup.com
## Measurement

<table>
<thead>
<tr>
<th>Goals</th>
<th>Targets</th>
<th>Calculations &amp; Reports</th>
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<tbody>
<tr>
<td>• Meet or exceed the number of targeted discharges and procedures for the A and B physicians by 2% (local)</td>
<td>• Tie in with Org Strategy</td>
<td>▪ <strong>CRM</strong></td>
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<td></td>
<td>• Categorizing/Profiling Medical Staff/local physicians as A, B, C and Growth v Retention</td>
<td>Activity Reports (2)</td>
</tr>
<tr>
<td></td>
<td>• Frequency: Annual, As Needed w/ End of Year</td>
<td>▪ <strong>Integration w/ Decision Support (Data Warehouse)</strong></td>
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<td>• Geographic Focus Primarily (Some overlap, developing local liaison skills in regional role)</td>
<td>Homegrown</td>
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<td>• Increase discharges from 3 county area by 5% (regional)</td>
<td></td>
<td><strong>Multiple reports</strong></td>
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<tr>
<td>• Increase regional referrals to the Hospital Medicine Program by 5%</td>
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<td>Physicians by Tier v. Target</td>
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<td><strong>Graph, bar charts</strong></td>
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<td>▪ <strong>EPIC EMR Reporting</strong></td>
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<td>Achieving pre-epic reports</td>
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<td>Interfacility Transfer data</td>
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<td>By specialty, facility</td>
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<td></td>
<td>▪ <strong>Finance</strong></td>
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<td>Zip code/county data</td>
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<td></td>
<td>▪ <strong>Business Dev &amp; Planning</strong></td>
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<td>Regional facility PSA data</td>
</tr>
</tbody>
</table>
Measurement

- Referrals from target physicians were high in June 2014.
- In August 2014 referrals from target physicians slightly dropped due to the end of summer vacations/start of the new school year.

Source: Client data

Note: Number on top of bar graph represents total referrals from target physicians, gray bar represents total referrals for screening mammo to the Women’s Center.
Source: Client data
Note: Number on top of bar graph represents total referral change from June to August
Source: Client data
Note: Number on top of bar graph represents total referral change from June to August
Your next steps

- Understanding at what Level of Investment your team is functioning
- Respond to your Gap Analysis and make changes to increase their level to GROWTH
- Using goals and expectations as a starting point
- Implementing measures and metrics to guide the process; small cases only (you can build later)
- Build an effective design of CRM – it contributes to increase volume and revenue
- Take three ideas from the presentation and make them priorities
- And then make ROI happen!
“Tut, tut, child! Everything's got a moral, if only you can find it.”

~ The Duchess
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· 2014 (coming soon) National Benchmarking Survey results:
· Free Executive Summary and complete data set available on our website
· corporatehealthgroup.com
· info@corporatehealthgroup.com

Customer-based, ROI models that drive referrals