Positioning Your Practice

Running a medical practice is one thing; running a medical practice that functions like a finely tuned instrument is something else entirely. Optimizing the efficiency and profitability of your practice is essential to its ability to grow, its long-term prospects, and its focus on patient care.

- *When scouting locations to set up a practice, go where the patients are.* *Page 12*
- *There are a few different standards for patient scheduling. The right one for your practice depends on the doctors, the office, the patient population, and the services provided.* *Page 16*
- *Building a patient base takes time. Physicians should take the time to meet and greet potential patients and referring physicians as well, through community events, informal networking, and other forms of publicity.* *Page 18*

Practice management pundits urge physicians to remember that you can't entirely separate the business of medicine from the practice of medicine. For a practice to run well and serve patients effectively, physicians need to attend to both aspects, says Edward Gulko, administrator of Englewood Orthopedic Associates, Englewood, N.J., and author of *Medical Practice Management Body of Knowledge Review: Business and Clinical Operations* (Medical Group Management Association, 2006).

Physicians are aware of the importance of the business aspects of medical practice, but that doesn't mean they relish the challenge or the time it takes to manage the financial aspects of their

practices. A 2005 survey by American Express found that 89 percent of respondents found the dual role of practicing medicine and practice management challenging, and 76 percent said that they thought the financial rigors of medical practice will increase over the next few years. If they were able to spend less time on business aspects of their practices, 74 percent of the physicians said they'd spend more time on leisure activities, and 53 percent said they'd spend more time with patients. Nearly three quarters said that further training in financial management skills would help them run their practices more efficiently.

This issue of *Doctor's Digest* is designed to give you the tools you need to position your practice for profitability and productivity. In this chapter we'll start with the basics, including practice identity and structure, location, and patient base.

Who Are You?

It may at first seem like an extraneous question, but understanding your practice identity is essential for setting long-term goals for it to sustain itself and grow, says Russell Foulk, M.D., founder of Nevada Center for Reproductive Medicine in Reno, Nev. That includes understanding the needs of your "customers."

"A practice is like any other service-industry business," he says. "The type of practice you have depends on who your customer is." Different types of practice have different customers. For example, Dr. Foulk's practice focuses on fertility, and insurance often doesn't cover fertility treatments. Therefore, Dr. Foulk says, "our patients are our primary customer. Referring doctors are also customers to a degree," he explains. In practices in which insurance pays for most of the services, then the insurance companies are also customers. "Once you identify who your customer is, take the Nordstrom approach and create an environment where they get *more* than they would expect," Dr. Foulk explains.

That includes identifying what each stake-holding sector of your practice needs, he says. In his fertility practice, because there can be no guarantees of conception, he and his staff strive to create an environment in which patients are comfortable and enjoy coming to the office. That, says Dr. Foulk, helps ensure that the patient will have the best possible experience.

Of course, if there is more than one partner physician in the office, determining the practice identity and the customer-service philosophy needs to be a team effort. Everyone needs to be on board, not only with the practice positioning, but with other facets of running a business, says Ryan Losi, a certified public accountant with Piascik & Associates, an accounting firm in Glen Allen, Va. Partners may be equal or hold different percentage shares in the business. However, even if one partner has controlling interest, keeping partners on the same page concerning how the practice is operating and growing, as well as how the partners are communicating and being compensated, can mean the difference between harmony and acrimony.

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Medical practice consultant Ron Rosenberg, P.A., M.P.H., of Practice Management Resource Group, Inc., in Oakland, Calif., says that a big part is fostering a team environment in which physicians aren't in competition with each other, but instead focus on what's good for their patients and for their practice.

Mr. Rosenberg says that it's critical for partners to define what it is to be a partner, beyond the financial arrangements. Everyone should have a clear understanding of the governance of the practice. Having those policies in writing can help avoid conflicts and misunderstandings.

It doesn't work to wait until there's a problem to deal with. "The process of working together to manage the practice needs to be initiated when big problems have not arisen," he says.

Putting a structure in place, including which partners will oversee each aspect of the practice and how disputes—if they arise—will be settled, becomes more complex as the practice grows. However, he says, the larger the practice, the more essential those systems of management and conflict resolution become so that the practice does not suffer because of differences of opinion.

"For groups of 10 to 20 doctors, you may need to elect some

of the partners to positions, or define their roles or have a system of appointing them. You need a management team that works through things on its own and takes its best suggestions to the group. You can't have every little issue being put in front of 20 docs," he says.

One aspect of practice that physician partners need to establish early on is compensation, says Mr. Losi. Financial expectations that have not been agreed on can quickly derail relations at even the most successful practices, and there's no particular standard for how partners are paid.

"With smaller practices, it's usually going to be what they are producing and how that will impact their salary. If they're owners, then they'll get what's left over after all the bills are paid."

Referrals can be particularly tricky. Mr. Rosenberg recommends coming up with an approved system for distributing referrals throughout the practice. Since some physicians may be better known than others, the partners need to decide whether each doctor will treat all the patients who are referred directly to him or her, or whether referrals to any one doctor will be distributed among the practice partners on a rotating basis, he says.

"In most practices, assuming all doctors have the same qualifications, referrals should be rotated," he says. "If they hire a new associate and need to build that doctor's practice, that would be an exception; and that doctor might get more of the referrals for a period of time."

Physicians also need to look at their specific roles in the practice, says Mr. Losi. If the role is primarily patient care, then a compensation model based on how much patient care they handle may be appropriate. If their responsibilities extend beyond patient care, such as overseeing operations, hiring, or other management functions, the physician also needs to be appropriately compensated for that time.

Physicians who are not owners, but who regularly attract new patients should also be compensated appropriately for bringing in new business, says Mr. Rosenberg. That might include a practice compensation split of some kind. For example, the physician might earn a 40- or 50-percent split on the revenue from the business that he or she brought in.

This type of split allows the physician to benefit financially

from helping to grow the practice, even if he or she is not an owner. Regardless of partnership status, all physicians should feel invested in the success of the practice. A straight salary may not be a fair arrangement for a physician-employee, especially if she or he is actively managing, growing, or otherwise participating in the practice beyond the role of treating patients.

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Usually, says Mr. Rosenberg, the practice splits the revenue it earns after expenses among the physician partners, according to each one's percentage of ownership. For example, if a physician owns 50 percent of the business, he or she would receive 50 percent of the profits, while a 30-percent shareholder would be compensated by that measure. However, like any business, medical practices need reinvestment in order to grow. The physicians need to be clear about how reinvestment will be handled. Mr. Rosenberg says that, without communication and consensus, some partners may seek to take profits out while others may want to invest the profits in the practice.

Location, Location, Location

When David C. Watts, M.D., F.A.C.S, was getting ready to set up his practice, he started with the demographics. He had just finished his fellowship and was ready to strike out on his own. So he looked at areas in the Mid-Atlantic region. From his research he knew that a plastic surgery practice has the highest likelihood for success if there is one plastic surgeon per 41,000 people in a region. When he found a location in Vineland, N.J., where his practice would represent one plastic surgeon for 130,000 people, he knew he had a winner. Then he started building his network.

"When I first got here, I met with administrators at hospitals and got buzz going about plastic surgery," he recalls. "I got a tremendous amount of support in the community. Instead of going somewhere else and going up against a bunch of other

doctors in my field, I came into an area where they really needed a plastic surgeon."

Mr. Gulko, administrator of Englewood Orthopedic Associates, also recommends that doctors choose their office locations wisely. And, he says, the conventional wisdom of having to be near the hospital isn't always on target.

"Unless you have primarily a hospital-based practice, you don't necessarily want to be by the hospital," advises Mr. Gulko. "If you have a primary-care practice, you want to be where the patients are. That's a better indication of where your practice should be located. It might be a good idea to be close [to the hospital], but close doesn't mean next door. You could be 10 or 20 or 30 minutes away."

Mr. Gulko says that knowing the community and positioning your practice so that it's accessible to the people whom you will be treating are the key considerations when you're looking at where to locate your practice.

K. James Ehlen, M.D., CEO of Halleland Consulting in Minneapolis, also advises that physicians consider the differences between rural and non-rural settings. He says that there are remarkable differences in practices.

"Rural practitioners have a great deal more responsibility for a defined population. They know the geography and the people who live in that geography who will come to them. They should feel some responsibility for the question, 'What does this population need to satisfy medical needs so they won't go somewhere else?' " he advises.

In less rural settings, physicians need to have a better sense of the other physicians and the services they provide, Dr. Ehlen explains. Since more services are widely available in densely populated areas, physicians need to be able to identify the most appropriate practitioners and facilities to which to refer patients.

"If you're working in a small town, you don't need to know who the best practitioner is who can operate on a brain tumor, because it's not going to happen. You'd send the patient to a larger healthcare system. But I've worked with an area of 55,000 people who needed good primary care, family practice, internal medicine, and OB/GYN practitioners. In many ways, that kind of community can be terrifically gratifying. You have more con-

trol over your own destiny," he says. He adds that you need to understand the community and how far people will travel for certain services.

Productive by Design

The layout of your office can have a significant impact on your productivity. Dr. Watts has a full-service surgery center on site, and each of his exam rooms meets American Association of Ambulatory Surgery Centers (AAASC) standards. As chairman of the education committee for AAASC, he believes that the guidelines are easy to follow. Manuals that outline these guidelines are available from the organization, and Dr. Watts says consultants are available to help you navigate the process.

Own or Rent?

Conventional wisdom says that owning your office is the way to go. Or is it?

Physicians should carefully consider the decision to rent or own an office, reports an article in the *Baltimore Business Journal*. These factors need to be considered:

- **Is the location of the practice likely to change over time?** Given enough time, real estate can be a strong investment opportunity. But if the practice is likely to move or need additional space, renting may be a better option.
- **Is the lease favorable?** Physicians generally make good tenants; they pay their rent on time and often stay in the same location for many years. Take advantage of this to negotiate a favorable lease. If the landlord covers maintenance and utility costs, a lease can be a good choice.
- **What are the real estate costs in the area?** Are prices going up or down? According to the *Baltimore Business Journal* article, the average price per square foot to purchase medical space is approximately $248 in that market—more than double the rate in 2002. However, experts estimate that the rental market has decreased, which means that you might pay less to rent. For those who buy space with the expectation of renting part of it to another company, it would take longer to pay off the original investment with positive cash flow from leasing.

Consult with your accountant or financial advisor to determine the best situation for your practice.

"Having done it myself, I just followed the manual. It's doable. The people at AAASC were incredibly helpful to walk me through the process. They're not trying to fail you, they just want everyone to be safe," says Dr. Watts.

When designing or redesigning your workspace, Mr. Gulko recommends working with an architect who is familiar with medical practices. He advises physicians to set up their clinical areas in so-called "pods" for maximum efficiency, configured as six to eight exam rooms around a nurses' station. The pod setup reduces the number of steps—and the amount of time—spent in moving between rooms and facilities.

"Most physicians are most efficient if the doc has three exam rooms to work in at a given time. What you don't want are docs or staff standing around," he advises. "The idea is to provide the patient with the best quality care with the least amount of wasted time. You always want to give the patients the time they need to properly care for them."

In addition, Mr. Gulko is an advocate of standardization of product usage as much as is possible without impacting patient care. "You want to make sure that all the doctors have bought into the same manufacturer, the same supply," he says, using the example of computer printers. Different models and manufacturers use different types of cartridges. "If you standardize the printers you use," Mr. Gulko explains, "you don't have to maintain stock for seven different printers, and you might be able to get a discount on reordering the same cartridges."

The same approach can be used for medical supplies, he says. "At my practice, we do knee injections. We were using products from four different manufacturers. We standardized to one manufacturer. [The injection] is an expensive item, but now we can get discounts by buying it in bulk."

Of course, he is quick to add that the primary consideration should be patient care; and if a doctor believes that one product would work better than another for a particular patient, then exceptions should be made. However, he says there are many areas that can be standardized with no impact on patient care. In these cases, standardization can lead to significant improvements in the efficiency of ordering and managing supplies and inventory as well as in cost savings.

Different specialties may face particular challenges in setting up an efficient office. For example, oncologists have some special choices when organizing their offices, says Mr. Rosenberg. The practice can be set up to offer chemotherapy and other services on site or through an affiliation with a hospital or clinic where those services are performed. Oncologists need to carefully evaluate their goals for their practices and determine how their patients will best be served.

> **"The magic time** [before patients get impatient at waiting] is somewhere between 15 to 20 minutes. So if you target 15 minutes from appointment time, you will rarely, if ever, have patients who are dissatisfied with the wait time," says Mr. Phillips.

Mr. Rosenberg adds that oncology practices that have affiliations with outside entities need to develop clear parameters for those joint ventures. "You need to understand their equipment and how the services will be delivered. It's important to managing issues related to alignment and joint ventures in imaging, radiation, infusion, and other services as you define your practice," he says. That includes agreements about the equipment that is used and how often it will be upgraded to ensure that it maintains the standards that you set for your practice.

Keeping the Schedule

Mr. Gulko says that there are a few different standards for patient scheduling. Some practices prefer to slot patients every 15 or 30 minutes. Others have a "modified wait" schedule in which three or four patients are scheduled every hour. Some practices schedule all their morning patients for 9 a.m., with an assurance that they'll be seen by noon.

"The method of scheduling is determined by what works well for the doctor, the office [including the patient population], and the specialty," says Mr. Gulko. "Different specialties lend themselves to different methodologies. A plastic surgeon who is doing more boutique work, where everything is scheduled in advance, would go for individual scheduling. An internist and others who do episodic care would look at the scheduling differently, trying to get more patients in and see them as they can."

John Phillips, president of PivotHealth, a practice management consulting firm based in Brentwood, Tenn., says, "The magic time [before patients get impatient at waiting] is somewhere between 15 to 20 minutes. So if you target 15 minutes from appointment time, you will rarely, if ever, have patients who are dissatisfied with the wait time."

If your practice continually runs late, or if patients complain, it's time to re-evaluate how you're handling your scheduling, says Mr. Phillips.

"The doctor and staff need to make sure that they properly appoint certain types of patients. Don't schedule four complete physicals in the morning. You might have a policy that allows only one physical per half-day. If the doctor is continually late, then you need to consider shifting your start times back. Otherwise, everything just backs up, and it affects the schedule throughout the day," he says.

Oncology practices are somewhat different, he advises. Because patients may need to see the doctor and receive chemotherapy from a nurse, in addition to other treatments or services, you may be running two or three different schedules at the same time, says Mr. Gulko. Each schedule may use a different standard, depending on the type of appointment. You might use a modified wait schedule for chemotherapy, but an individual schedule for other appointments. If there are other procedures, like a bone marrow biopsy, the doctor's schedule may need to be adjusted to accommodate that, says Mr. Gulko.

Mr. Gulko also recommends scheduling lengthier procedures on specific days. "In our orthopedic practice, we do epidural injections only on certain days. You also have to schedule resources, like the bone densitometry room. If you aren't careful with the schedule, you have doctors backed up, and everyone loses time," says Mr. Gulko.

Mr. Gulko also says that staff usually know which doctors tend to run over, and adjust the schedules as needed. Also, he recommends categorizing patients: a new patient needs a great deal more time than a post-op patient who just needs a bandage changed or a quick surgical-site check, he says. Pediatric practices may need more scheduling flexibility to deal with emergency appointments for sick children.

Finally, to help prevent no-show patients or those who forget the exact time of their appointments, he recommends having a staff member place a phone call the night before the appointment as a reminder. “Sometimes people say, ‘Oh, I was going to call you. I can’t make it.’ And that opens up an appointment for someone who is waiting to get in. Other times, they may have forgotten the time and this helps them get there when they are scheduled instead of an hour or two later,” he says.

Attracting Patients

Managing schedules to reduce wait times and keep patients flowing efficiently through the office is a good way to keep patients happy and keep them coming back to your office. But to get patients there in the first place requires that you get the word

What Statement Does Your Waiting Room Make?

Most physicians place a premium on patient care. But that might not be immediately obvious from their waiting rooms. So many are worn, crowded, and uncomfortable—yet patients may spend more time in the waiting room than in the exam room. What does this say about how the physicians feel about patients and their time? When you stop to look at the waiting area with a patient’s eyes, it makes sense to spend some time and money to make the space a pleasant place to be—no matter how long the wait.

Your waiting room should be a comfortable area in which to spend time, says Edward Gulko, administrator of Englewood Orthopedic Associates, Englewood, N.J. The less comfortable the waiting room, the more anxious patients will be, he says.

Nancy Elliott, M.D., a breast cancer surgeon in Montclair, N.J., agrees. When she redesigned her medical office, she tried to create a look as different from a traditional waiting room as possible. “Lots of windows. We have skylights. We have wood floors and wallpaper,” she says, describing the patient waiting area. “It doesn’t look like a doctor’s office. It doesn’t look like a doctor’s waiting room at all.”

Here are some tips for making your waiting room a more pleasant place to pass the time:

- **Have enough space.** It may sound basic, but it’s not uncommon to find patients standing in some waiting rooms. Chairs should be comfortable for people of various sizes and should be placed with some

out about your practice.

Information and results are the things that attract potential patients most, says Scott Lorenz, president of Westwind Communications, a Plymouth, Mich., firm that specializes in marketing medical practices. That means you have to establish a track record and then let people know about it.

Ways to help get the word out about your practice include advertising in local media, creating direct-mail campaigns, generating publicity, participating in community groups, and affiliating with appropriate causes, Mr. Lorenz says. What's most important is to target the promotional opportunities as carefully as you can to reach the audience most likely to need the services that you provide.

"Newsletters are often effective. They give you the opportu-

space between so that people don't feel as if they are sitting on top of one another.

- **Keep magazines current.** Reading material should be targeted to the patients who come to your office, says Mr. Gulko. And it should be current—no more than six months to a year old. "You don't want a magazine that announces that President Bush just won his second term," he says. Even better, keep only the latest issues on hand. Dr. Elliot keeps an ample collection on hand, including *Cooking Light, Spa,* and other magazines that she says women often don't buy for themselves.
- **Turn on the TV.** A television is a great way to entertain patients, says Mr. Gulko. But keep control of the remote. "Keep it on CNN or ESPN or some other channel that your patients will be interested in. Not Jerry Springer," he says. There are also closed-circuit systems that offer educational information on healthcare issues for patients, he says. These can be helpful, too. Of course, not all patients want to listen to the TV, so some consultants advise having a TV-free zone as well.
- **Consider offering beverages.** Depending on your practice and the types of services you provide, you might consider offering beverages or other light refreshments. Dr. Elliot offers patients a menu of exotic coffees and teas to enjoy as they wait for their mammograms. She says it helps put patients at ease. Obviously, if beverages would interfere with any service or procedure being provided, this is not a good idea.

nity to show other things you're capable of doing, how you can help your patients," he says. "It's a good way to stay in touch."

The key to effective newsletters, whether they are distributed in print format or by e-mail, he says, is to be more informational than promotional. By including articles and information that inform the reader, with your practice's information clearly printed on the newsletter, you put yourself in a position of authority. If the information is useful, says Mr. Lorenz, the patient is likely to pass it along to friends, relatives, or colleagues who might be interested in the content. He also suggests the following:

- **Articles on procedure benefits and risks.** Well-balanced and reported articles that help the patient better understand a procedure, illness, or other medical issue can be very valuable. "Some people are afraid to share negative information, but you would not want to tell them something's all wonderful if that's not true," Mr. Lorenz says. "You might want to say, 'Here's the downside. And here's what we'll do to address it.'"
- **Before-and-after photos.** For doctors performing weight-loss surgery or plastic surgery, for example, photos can communicate a powerful message.
- **Patient testimonials.** Happy patients may be willing to let you tell their stories. You can do this anonymously, but Mr. Lorenz says that people like to hear about real people.

For new practices or those that are actively looking for new patients, Mr. Rosenberg says that it's important to meet and greet physicians who are in a position to refer new patients.

When Dr. Watts first got to his southern New Jersey location, he met with administrators at the local hospital and immediately began networking with other doctors in the community.

"Instead of going up against a market full of competition, this business just came to me because I made connections with other doctors in the area," he says.

Referrals are a critical method of developing a patient base, says Mr. Rosenberg. For some specialty practices, such as oncology, doctor referrals can be the single most important source of new patients.

For oncologists, networking with surgeons can be important, he says, since sometimes patients are seen by surgeons before

they are referred to oncologists. So think about the source from which referrals are most likely to come. Once the referral has been made by a physician, Mr. Rosenberg advises reassuring the referring physician that his or her patient has been treated well.

"Provide good service and understand what the referral sources want. Follow up with a letter," he says. Some practices simply reprint the patient encounter as the referral letter, but most referring physicians find it irritating to sift through and find the diagnosis and treatment course. "Really, the best thing to do is to write two or three short paragraphs with the significant findings to the referring doctor," he advises.

Other sources of referrals may include current patients and even insurance companies. It's a good idea to find out where new patients heard about your practice by asking that question on the new patient information sheet. This may also be helpful in determining which of your marketing methods is working best.

When the source of referral is another patient, it's a good idea to thank the patient, says Mr. Rosenberg. A simple thank-you note can be a thoughtful gesture that is appreciated, he says.

Not all patients come through referral. Especially in the case of cosmetic surgery, patients may decide to seek out a specialist without consulting their primary-care doctor. Dr. Watts is savvy about positioning himself as an expert—which helps bring in the patients. He has participated in the community by giving talks

Are You Slumped or Pumped?

In the book, *The Successful Physician: A Productivity Handbook for Practitioners* (Jones and Bartlett, 2003), author Marshall O. Zaslove, M.D., recommends a couple of tips for optimizing your schedule. First, he says, get to know your "slumped" and "pumped" times—in other words, the times when you're least and most productive. Scheduling high-intensity work during the periods when you're at your highest level of energy will lead to greater productivity. In addition, blocking work—tackling several similar tasks in one sitting, such as returning phone calls, completing paperwork, etc.—can lead to greater productivity, Dr. Zaslove says, because you're focused on completing similar tasks instead of having to shift your focus from one type of activity to another.

about plastic surgery to local groups. When he opened up offices in other communities, he began doing speaking engagements in those areas as well. Often community groups are hungry for speakers with information of interest to their memberships. While there is usually no stipend for speaking to these groups, Dr. Watts has found that it's a valuable tool in continuing to build his patient base and mailing list.

These speaking engagements can lead to other types of media exposure, too. Through his networking and publicity activities, Dr. Watts was invited to fill in on a local cable access show that was broadcast in Delaware and southern New Jersey. He filled in for the guest and was such a success that he was offered his own show shortly thereafter. The show reaches 2.5 million homes in his market area, and gives him instant credibility as "the doctor on TV."

Feedback Loop

But it takes more than attracting patients—you need to keep them happy. And it takes more than excellent health care to do this. A practice needs to make sure it cares for the whole patient—from the time he or she calls to make an appointment through checkout.

Mr. Gulko advocates reviewing your communication systems with patients, including how the phone is answered and how the practice follows up with patients; this is good customer service and good patient care. Like many consultants, Mr. Gulko is a fan of follow-up phone calls, especially for test results. This increases the connection with the patient and helps ensure that test results don't get lost in the shuffle.

"We're also seeing more practices use e-mail as a tool," he says. "Patients can e-mail us with issues. They can request pharmacy refills via e-mail. While some doctors are concerned about that level of communication, we don't see it abused."

Once you've got the basics in place—your practice's identity, location, layout, scheduling, and communications plan—and you've got a good patient base, you need to make sure you stay on track and keep those patients coming back. That's where a mechanism for feedback comes in.

Understanding and addressing how patients feel about your

practice isn't always easy. Staff may not want to ask directly about how the patient feels about the practice, and patients may feel self-conscious making complaints or compliments. That's why John Phillips, president of PivotHealth, a medical management consulting firm in Brentwood, Tenn., says that practices should use follow-up surveys to get objective feedback about what they're doing well and what they're doing less than well.

Mr. Phillips suggests working with a market research or survey firm that is accustomed to doing medical surveys to conduct phone outreach to patients who have visited the practice within the last 30 to 90 days. It is important to use a firm that is skilled in doing medical surveys, as they will be more knowledgeable about handling privacy issues. In addition, he advocates phone surveys over mailed surveys.

Some practices simply reprint the patient encounter as the referral letter, but most referring physicians find it irritating to sift through and find the diagnosis and treatment course. "Really, the best thing to do is to write two or three short paragraphs with the significant findings to the referring doctor," Mr. Rosenberg advises.

"If you say that you're with Dr. So-and-So's office, people are likely to participate by phone. Also, you're more likely to get a more realistic sample by phone. People who fill in mail-in surveys are either really happy or really angry. That may not be an accurate representation of your practice," he says.

Mr. Phillips suggests working with the market research firm to formulate questions about aspects of the patient experience, such as wait time, interactions with office staff, and confidence in the clinical team, as these are often reasons patients seek new physicians. If you start to see a pattern in areas of dissatisfaction, it's time to address that element of your business. The compelling reason, he says, is competition. As the medical field becomes more crowded, patients demand a higher level of service from their healthcare providers, he says.

"Competition is starting to push doctor care. I still think that quality long-term has to be the mainstay. First, do no harm, do the right thing. That's the quality of medical care. The rest of it comes down to patient satisfaction. It is a good business practice," he says.

Some of the questions that Mr. Phillips suggests for a patient survey include the following:

- How would you rate your wait time?
- How would you rate the office staff?
- How would you rate the overall quality of medical care that you received?

Mr. Phillips says that there are several areas of common complaints: phone manner, care provided by nursing staff, wait times (in waiting room or treatment room), time spent with physician, and physician's manner. Surveys are often set up so that the patient can rate the practice with a grade of one through five with five being "excellent" and one being "poor." He also suggests that the last question be this: "If there were one thing that you could change about the practice, what would it be?" Then have the service record the responses verbatim and group them

Reducing Wait Times

A November 2006 Associated Press story outlined some ways that doctors' offices could reduce wait times for appointments and tests. It reported that overbooking is a frequent cause of wait times and that the American College of Physicians, a nonprofit group that represents more than 120,000 doctors, advocates insurance reimbursement for less traditional methods of contact, like e-mail and phone consultation. The report also suggests "open access" scheduling, which reserves up to 70 percent of the doctor's time for patients who call for same-day appointments, on a first-come, first-served basis.

Drs. Les and Vicki Wilson, who own Wilson Family Medicine, a family medicine practice in Tallahassee, Fla., use a Web-based portal to allow patients to view test results as soon as they are available, instead of waiting for a call from the office or adopting a "no news is good news" policy in which the practice calls only if test results indicate that something is wrong. Patients can also request prescription refills through the portal, as well as access new-patient paperwork, which saves time during the initial visit. The Web portal gives patients access to information about the practice, and allows them to e-mail doctors with questions instead of having to wait by the phone until the doctor has a free minute to call them back. This also reduces the amount of time the doctors spend on playing "phone tag" and allows them to more efficiently route requests to the proper person. This, in

according to topic.

The result should be "an aggregation about problem areas in your practice. Wait times, being put on hold for 30 minutes, whatever it is. Those are the areas that you need to address to increase patient satisfaction," he advises.

This is also a great way to create incentives for better patient service among your staff, he says. Explain your goals for patient satisfaction to the people in your office. "Now what you're saying to staff is that we're measuring patient satisfaction. If the max score is 5, and we get a 4.4 [average score], everyone gets a $500 bonus," he suggests. (For more on staff incentives, see Chapter 5.)

Each of our experts and doctors agrees that managing your office so that it's well-organized, efficient, and responsive to patient needs will help you see positive results in patient satisfaction and practice profitability.

turn, enables them to more effectively manage their in-office patient load and to reduce wait times in the office, Dr. Les Wilson says.

"We have a couple of specialist offices that we call for our patients, then it's three days later and I haven't heard back," he says. "It's not that the doctor doesn't care. It's just the result of a paper-based world where they have to find charts and get to the right person. With the patient portal, that patient has a stronger line of communication with the practice."

John Phillips, president of PivotHealth, a medical management consulting firm in Brentwood, Tenn., says that the practice needs to know its own rhythms as well. If a physician routinely starts late, that will set the practice back each day that it happens, he says. Instead, review your patterns and start asking questions. How many days did you start late over the past few months? Should the practice begin scheduling patients later to avoid the setbacks? "Sometimes it's because of an unavoidable incident, but sometimes it's just that the physician is unrealistic about what time he really starts to see patients and how much can be done in a day," says Phillips.

Phillips says that this is where staff communication and information management become essential. The staff must feel free to discuss these improvements with the physician, and the practice should regularly review the realities of how it is operating—including wait times for patients—and make adjustments to improve the business.