Utilizing Physician Extenders to Achieve Group Practice Initiatives

Your presenters

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The presentation

- Rationale
- Application
- History and development
- Data

HealthFirst Medical Group

- MIMA was an independent 150 provider multispecialty group practice, recently acquired by HealthFirst Inc.
- HealthFirst, Inc combined their 130-provider HealthFirst Physician group with MIMA physicians to create HealthFirst Medical Group

HealthFirst, Inc.

- Integrated healthcare delivery system in Melbourne, FL:
  - 4 hospitals (900 beds total)
  - Commercial and Medicare Health Plan
  - Ancillary services: home health, hospice, physical therapy, DME, etc.
  - HealthFirst Medical Group: 246 physicians, 66 mid-levels, 35 specialties

Why utilize physician extenders (mid-levels)?

- Plentiful supply of candidates
- Short time from recruit to start
- Often reside locally; familiar with available health services, residents, organizational culture
- Extenders are malleable, provide support for evolving practice initiatives

How to use physician extenders

- Improve timely access to care
- Expand intake points in system
- Increase provider face time with patients, improving patient satisfaction and potentially compliance and outcomes

How physician extenders support the physicians

- Allows PCP to expand panels
- Provides an intake point for preventive care, screening services
- Generates referrals to diagnostic modalities and medical specialists as indicated
- Facilitates work-up and referral of surgical patients

How physician extenders support the group practice

- Quality initiatives
- Cost saving initiatives
- Patient access
- Referrals
- Adherence to compliance and regulatory requirements
- Fast recruitment process
- Easy dissolution if not a match

How we use our extenders

- Company funded:
  - Walk in clinic providers (base rate only)
  - Cardiology testing (base rate only)
  - *Clinical practices (base rate and productivity bonus)*
- Physician funded:
  - Dermatology (base & bonus at MD discretion)

From pilot program to profit center

- 2009: MIMA was competing for short supply of Primary Care Physicians
- Felt physician extenders might be a solution
- Successful pilot with one employed Internal Medicine ARNP
- Next IM ARNP not successful

Lessons learned

- Developed clear protocols and disclosed expectations in interviews
- Productivity bonus and sharing of quality awards provides motivation
- Bonus based on a share of profits contributed to entrepreneurial behavior; extenders were productive and became good stewards of resources

Lessons learned cont'd

- New graduates are often easy to train and adapt well to group culture
- Working with educational institutions to supervise clinical rotations provides insight into suitable candidates for employment

2012

- As an independent group practice, MIMA had 31 physician extenders total, 13 in clinical practice settings: primary care, GYN, Pain Management, Endocrinology, Orthopedics, Vascular Surgery and Neurology.
- Extenders provide service, stimulate the group practice, and generate a good net profit

Pilot Program Revenues:
Company funded extenders with clinical practices

2012	# extenders	Change from prev. qtr	profit
Q1	3	--	$120,000
Q2	10	+7	$150,000
Q3	11	-3, +4	$150,000
Q4	13	+2	$220,000

Other advantages

- Primary care extenders provide valuable screening
- A primary care extender averages 500 specialist referrals per year
- Our primary care and specialty extenders ordered over 21,000 ancillary services; injections, labs, and imaging, which generated over $500,000 in ancillary fee for service payments

The role of the supervising physician

- Provides clinical oversight
- Mentors and trains as needed, signs off on orders and documentation as indicated
- Receives 15% of revenue as a supervising stipend

Contract vs. No Contract

- Either model works
- Contracts should be relatively soft
- Non-compete is specialty and market dependent
- Strive for consistency, note variances in addendum

Compensation model A

- ARNP/PA:
  - Base salary just below market
  - Plus productivity bonus, calculated at a rate per wRVU bonus, paid quarterly
- Supervising Physician
  - 15% of collected revenue paid as stipend

Compensation model B

- ARNP/PA:
  - Base salary at low end of market
  - Plus productivity bonus; calculated as a percent of profit. Two tiers based on net revenue
- Supervising Physician
  - 15% of collected revenue paid as stipend

Compensation model C

- ARNP/PA:
  - Base salary at low end of market
  - Plus productivity bonus, $15 per wRVU beyond target
- Supervising Physician
  - 15% of collected revenue paid as stipend

Discussion