

HOSPITAL

**CHECK-UP REPORT
2007**

Physician Perspectives on
American Hospitals

PRESS GANEY[®]

Introduction

Dear Reader,

Hospital administrators, like other business leaders, are concerned with protecting and growing their business. Unlike most other businesses, people's lives depend on how these businesses are run. Because physician admission and referral patterns drive the financial health of the hospital, physicians are critical to protecting the hospital's business. Hospitals need to listen to this important group of care providers in order to fulfill their mission to provide quality care to their communities. Hospital administrators must be sensitive to the slightest shifts in physician attitudes and needs. These shifts—and the ability of senior leaders to detect and manage them in today's dynamic environment—can make or break the business.

It is interesting to consider the organizational role of the physician in the hospital setting. Physicians are more than "customers" utilizing a hospital's services, yet they are not partners in the traditional sense either. There is no contractual partnership to obligate patient admissions, referrals, or fiscal restraint in treating patients. A physician can direct a patient to any location that will best meet the needs of the patient and the physician's own needs. Physicians can, in fact, become competitors. Technology allows physicians to do more procedures from their offices. Some go into business with other physicians and create their own surgery or urgent care centers.

This option-filled landscape can create tension between hospital administrators and physicians, as evidenced here in the *Hospital Check-Up Report—Physician Perspectives on American Hospitals*. The 2007 edition by Press Ganey, the health care industry's leading provider of satisfaction measurement and improvement services, highlights the views of more than 21,000 physicians at 224 hospitals across the nation. The surveys were conducted in 2006.

Amazing things are accomplished in health care every day in the face of challenges and skepticism. This report explores what hospitals can do to satisfy the physicians that keep their business rolling. Physicians satisfied with how the administration treats them can then concentrate on their work—healing and caring for patients.

Sincerely,



Melvin F. Hall, Ph.D.
President and CEO

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The 2007 *Hospital Check-Up Report—Physician Perspectives on American Hospitals* examines the experiences of more than 21,000 physicians at 224 hospitals across the nation in 2006. The report provides physician perspectives on hospitals across the country. In addition to the key role physicians play in providing care and making treatment decisions, physician admission and referral patterns drive the financial health of the hospital, making physicians critical to business operations as well. Key findings from Press Ganey's research include:

- The most important thing hospital administrators can do to enhance their relationship with physicians is to respond to their needs and ideas. Four of the top five priority issues doctors have for hospitals deal with communication between administrators and physicians.
- One way the administration can build its relationships with physicians is to make it easier for doctors to care for their patients. One of the top national priorities for hospitals, from the physician's perspective, is to make it easier to provide quality care for patients.
- Physicians give the quality of patient care a high rating compared to other aspects of hospital operations.
- Surgeons, typically a large contributor to overall hospital revenue, are among the least satisfied physicians.
- In order to increase the growth of the hospital, administrators must convince low-admitting and low-referring physicians to utilize the hospital more frequently.
 - » Physicians who refer the majority of their patients to the hospitals they serve are the most satisfied with the care provided.
 - » Those who refer less than 20% of their patients are the least satisfied with the facility.
- The longer physicians work with a hospital, the higher their level of satisfaction with the hospital.
 - » Physicians who have had admitting privileges at a facility for more than twenty years report higher overall satisfaction.
 - » Physicians who have practiced eleven to twenty years are the least satisfied with a hospital's performance, especially compared to those physicians at both ends of the experience spectrum.
- Hospitals that are highly recommended by patients as a good place to receive care are typically lauded by their physicians and employees as well.

Top Priorities for Meeting Physician Needs 2

As the primary source of all patient referrals and as leaders of the health care team, physicians play a vital role in the hospital's overall performance. Hospitals that effectively build solid relationships with their physicians benefit from a consistent patient flow. Due to high physician demand, unsatisfied physicians can be easily drawn to a competing facility. Hospitals that successfully meet the needs of their physicians enjoy both financial and clinical benefits.

The National Physician Priority Index identifies what doctors say hospital administrators can do to better meet the expectations of physicians.

- The number one priority for improvement is how the administration responds to the needs and ideas of physicians.
- Four of the top five priorities deal directly with doctors' relationships with administrators.
- One way the administration can build their relationships with physicians is to make it easier for doctors to care for their patients.

Questions are correlated to the physician's rating of "Recommendation you would give this facility to other physicians."*

National Physician Priority Index

Survey Item	Priority Rank
Response of Hospital Administration	1
Patient care made easier	2
Administration deals with changes	3
Confidence in Hospital Administration	4
Communication with Hospital Administration	5

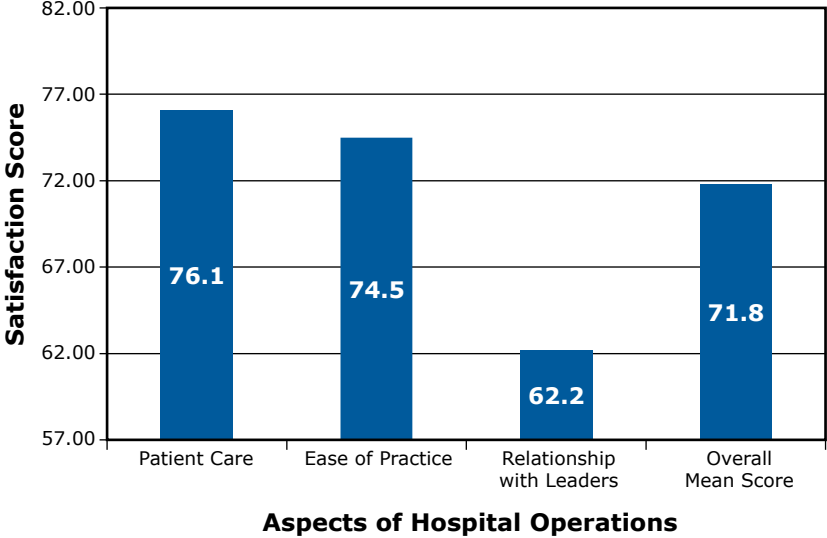
Represents the experiences of 21,672 physicians practicing at 224 hospitals/facilities nationwide between January 1 and December 31, 2006

**The survey questions referred to in the National Priority Index are ranked by hospital performance and correlation to the question "Your likelihood to recommend this hospital to others." Higher priority was given to those issues that are relatively important to respondents and for which hospitals scored low compared with other items on the survey.*

Physician Perspectives on Hospital Operations

Physicians give hospitals relatively high marks for the quality of patient care, but doctors are significantly less satisfied with the relationships they have with hospital administrators. In fact, physician-hospital relations continue to be an ongoing challenge from both the physician and administrator perspectives.

Physician Satisfaction with Hospital Operations



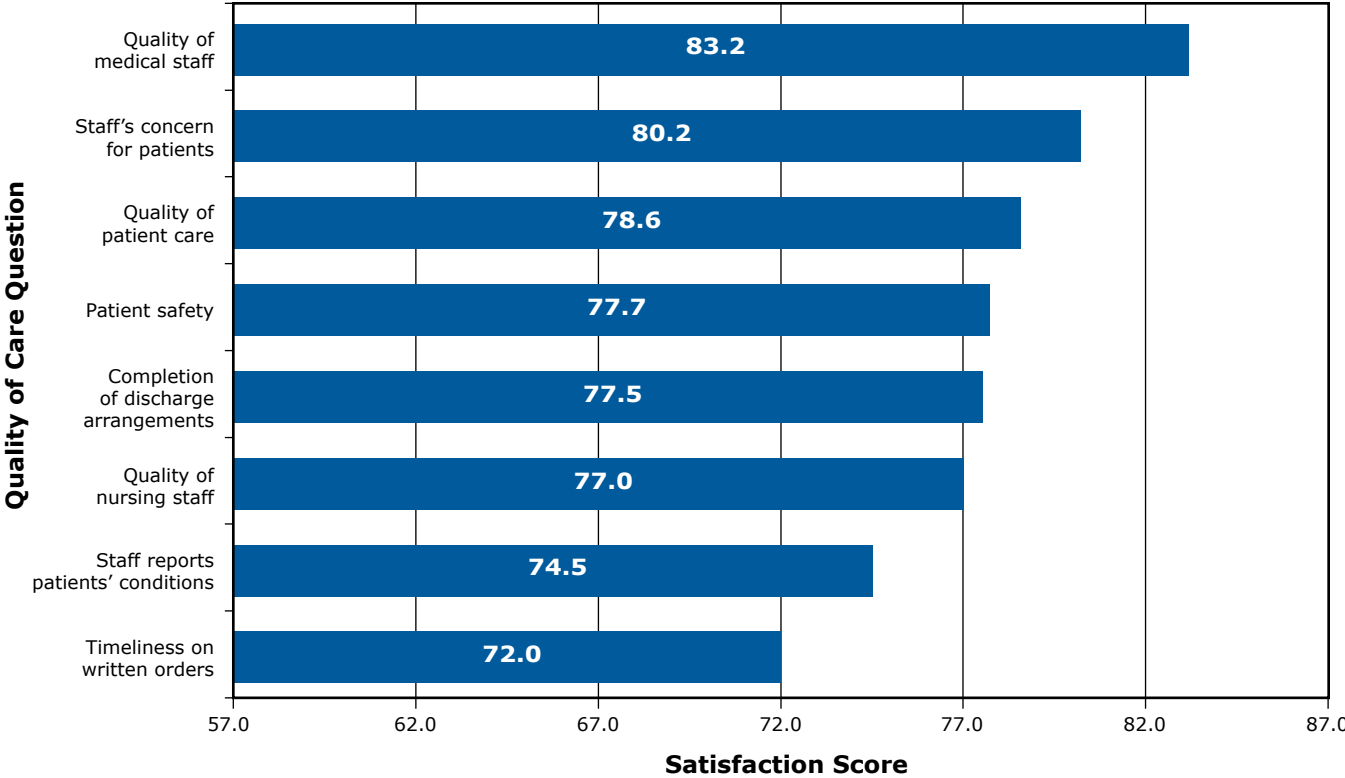
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Physician Perspectives on Quality of Patient Care

While physicians are relatively satisfied with the quality of patient care delivered in hospitals, areas of opportunity always exist.

- Physicians point to the speed at which orders are carried out as an opportunity for improvement.
- Overall, physicians give high ratings on the quality of the medical staff and the overall concern hospital staff has for patients.

Physician Satisfaction with the Quality of Care

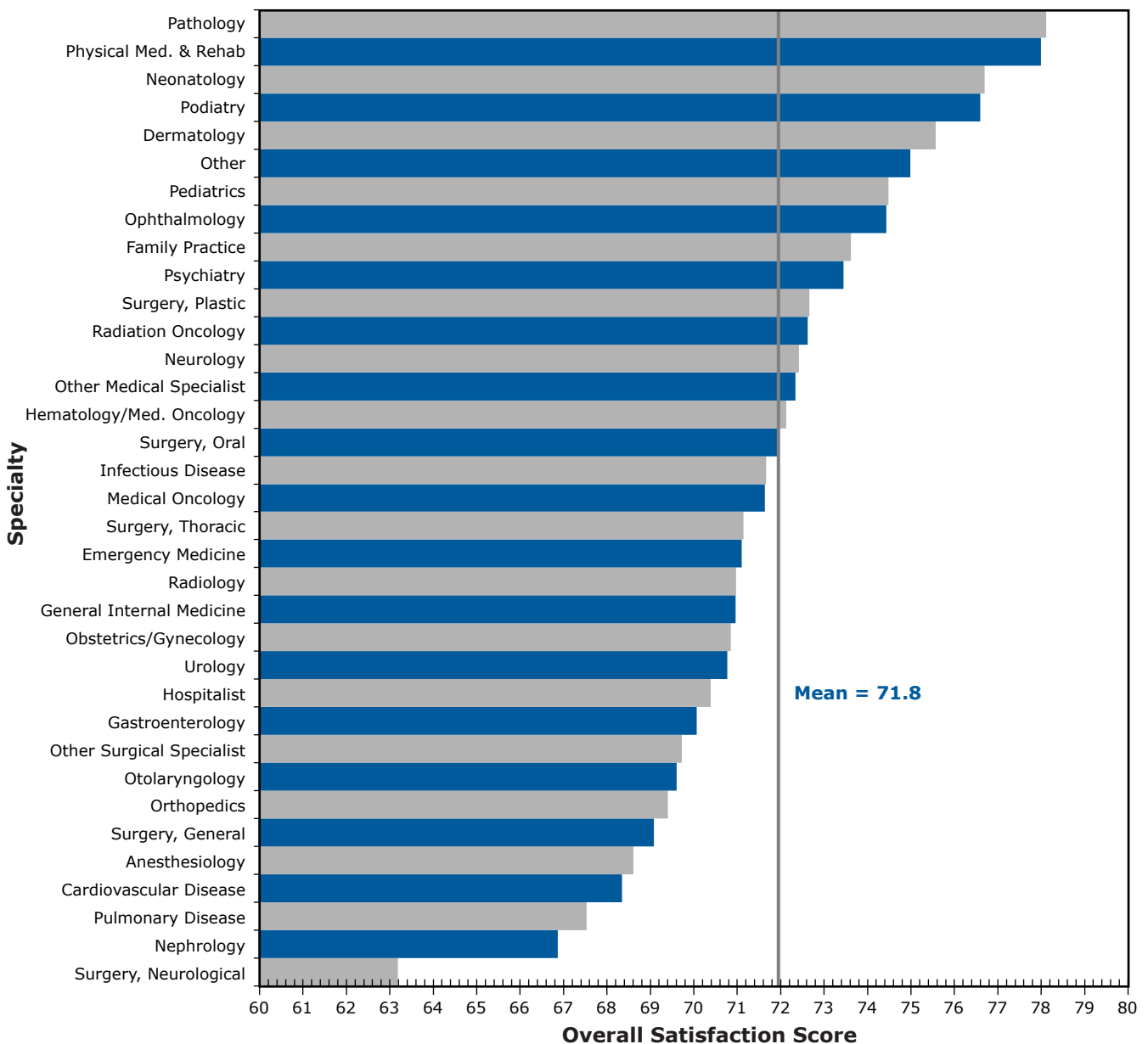


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Hospitals provide various services to meet the diverse needs of patients. Each specialty area covers a different type of care. Understanding physician satisfaction by specialty helps identify potential risk areas for physician attrition. Here are some highlights of Press Ganey research:

- Pathologists are the most satisfied physicians with the hospital.
- Surgeons, typically a large contributor to overall hospital revenue, are among the least satisfied physicians. Of the eleven identified surgical specialties—Ophthalmology, Plastic Surgery, Oral Surgery, Thoracic Surgery, Ob/Gyn, Urology, Other Surgical Specialty, Otolaryngology, Orthopedics, General Surgery, and Neurological Surgery—eight are below the national mean in overall satisfaction.

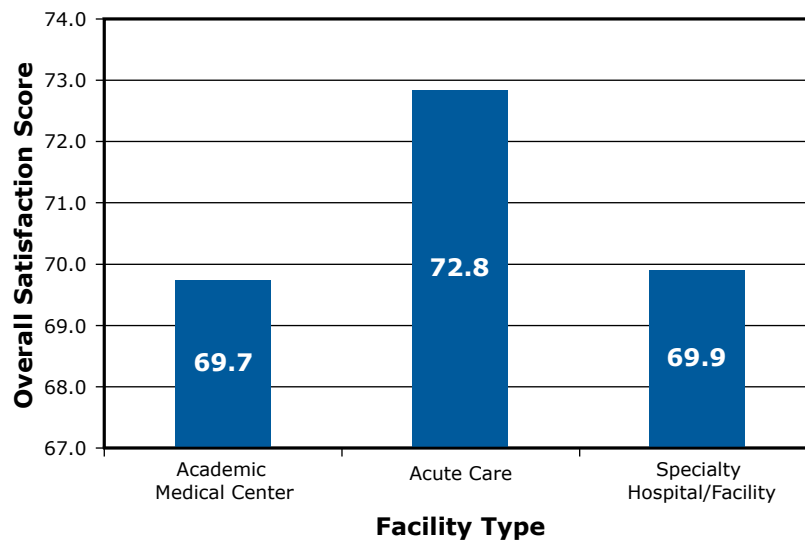
Physician Satisfaction by Specialty



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There is considerable variation in physician satisfaction by the type of hospital in which they work. General acute care hospitals have physicians that are much more satisfied than those at academic medical centers or specialty hospitals.

Physician Satisfaction by Facility Type



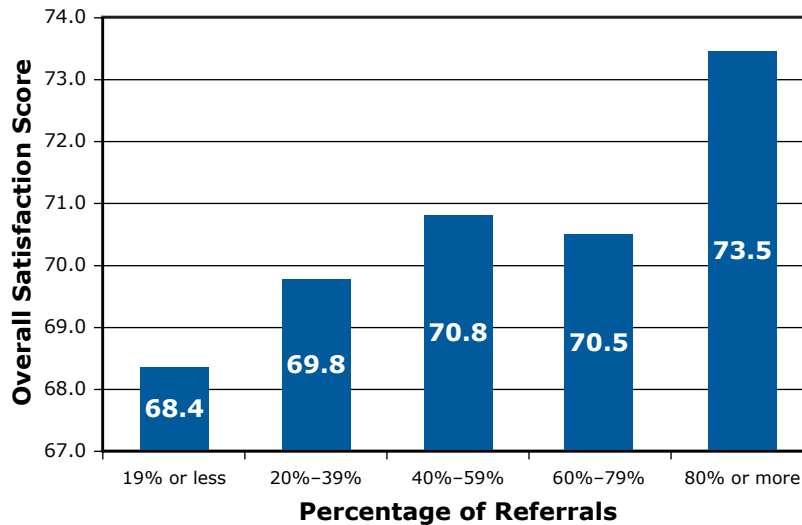
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Physician Satisfaction by Referrals to Hospitals

Physicians are the primary supplier of patient referrals to hospitals; therefore hospital administrators could benefit by considering the needs and desires of the doctors who practice there. One way to determine how satisfied physicians are with the hospitals they serve is to examine the percentage of patients physicians refer to the hospital. Press Ganey research uncovered the following:

- Physicians who refer the majority of their patients to the hospital they serve are the most satisfied with the care provided at that hospital.
- Those who refer less than 20% of their patients are the least satisfied with the facility.

Physician Satisfaction by Percentage of Referrals to the Facility

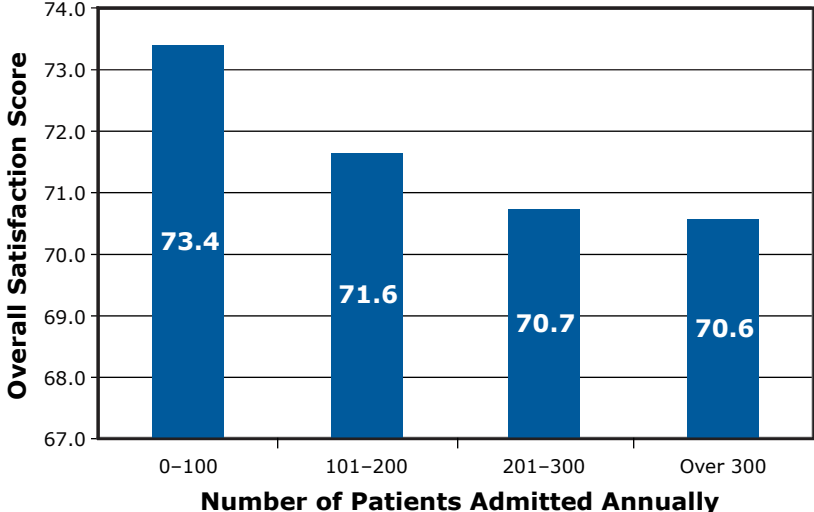


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Physician Satisfaction by Volume of Referrals

Not all physicians contribute equally to a hospital's bottom line. Hospitals must be certain to maintain the satisfaction of high-volume admitting physicians to avoid losing a substantial number of patients when just one physician exits. Interestingly, high-volume admitting physicians are the least satisfied with their current hospital.

Physician Satisfaction by Volume of Patients Admitted to the Facility

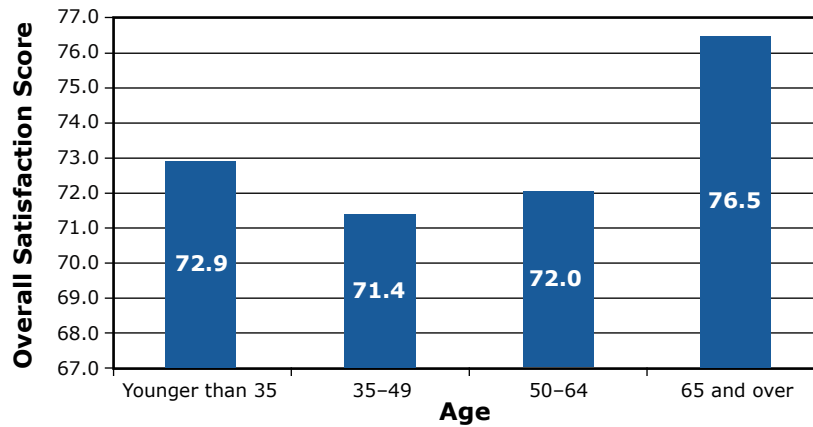


Represents the experiences of 21,672 physicians practicing at 224 hospitals/facilities nationwide between January 1 and December 31, 2006

As physicians become more and more experienced with hospital operations, they often report higher levels of satisfaction. Dedicated, loyal physicians who have been with a facility for the majority of their careers report greater satisfaction with the hospital's performance.

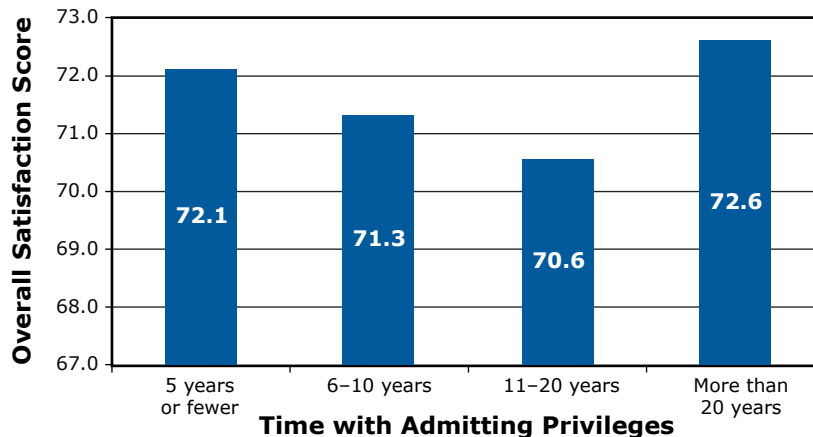
- Physicians who are 65 years old or older are notably more satisfied than their younger peers.
- Physicians who have had admitting privileges at a facility for more than twenty years report greater satisfaction than those who have been with the hospital for less time.
- Physicians new to the practice of medicine (less than five years) report only slightly lower satisfaction when compared to those who have had practices for longer than twenty years.
- Physicians who have practiced for eleven to twenty years are the least satisfied with the hospital's performance.

Physician Satisfaction by Age



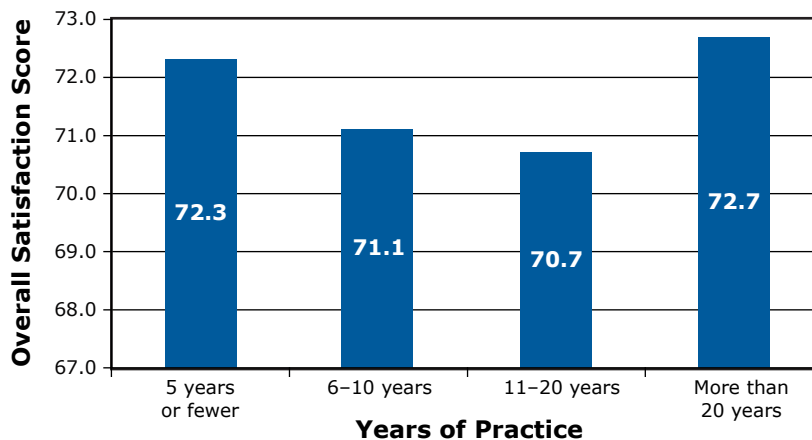
Represents the experiences of 21,672 physicians practicing at 224 hospitals/facilities nationwide between January 1 and December 31, 2006

Physician Satisfaction by Length of Time with Admitting Privileges



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Physician Satisfaction by Years of Practice



Represents the experiences of 21,672 physicians practicing at 224 hospitals/facilities nationwide between January 1 and December 31, 2006

“It is important to recognize that there is no hierarchy or seniority recognized in medicine, unlike law and accounting. When physicians start practice, they expect their needs and priorities to be given equal weight to those of physicians who have been in practice for ten or twenty years. They expect their opinions to be sought out and count or they will consider going elsewhere. I recommend including younger physicians in strategic planning. Think about it: you are counting on their admissions and them being there for the future you are planning.”

—Consultant, Press Ganey Associates, Inc.

Word of mouth is the main way the reputation of a hospital is communicated. Patients are likely to first seek the advice of friends and family members when selecting a health care provider. As a second choice, the patient might turn to their current physician for a recommendation of a hospital. As a third option, patients are likely to go to a trusted health care worker for his or her guidance. Hospitals that are highly recommended by patients as a good place to receive care are typically also lauded by their employees and physicians.

The following graphs (pgs. 11–13) demonstrate the strong relationships among patients', physicians', and employees' likelihood to recommend the hospital for care.

Figure 1 displays the patient–attending physician loyalty link. The extent to which a hospital meets its patients' expectations for care is strongly related to how the hospital's physicians rate their experience with the hospital.

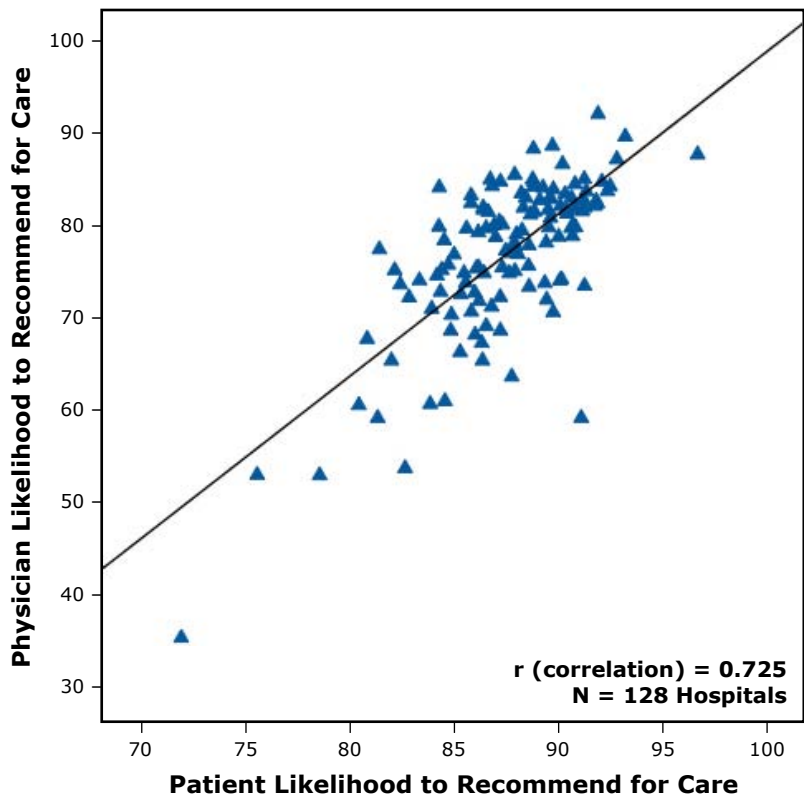


Figure 2 displays the hospital employee–attending physician loyalty link. The extent to which a hospital meets its employees’ expectations is strongly related to how the hospital’s physicians rate their experience with the hospital.

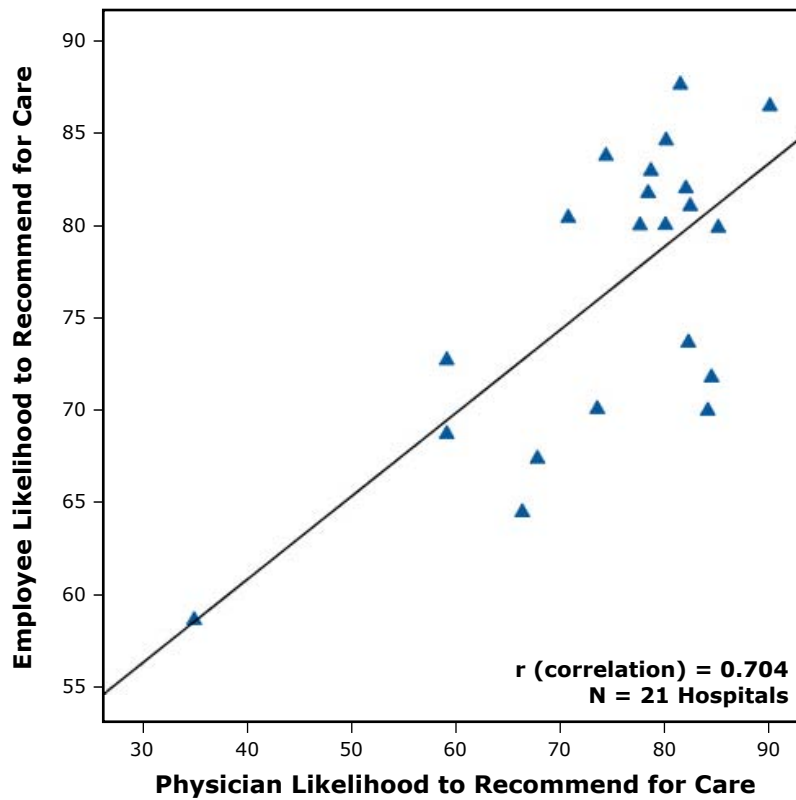
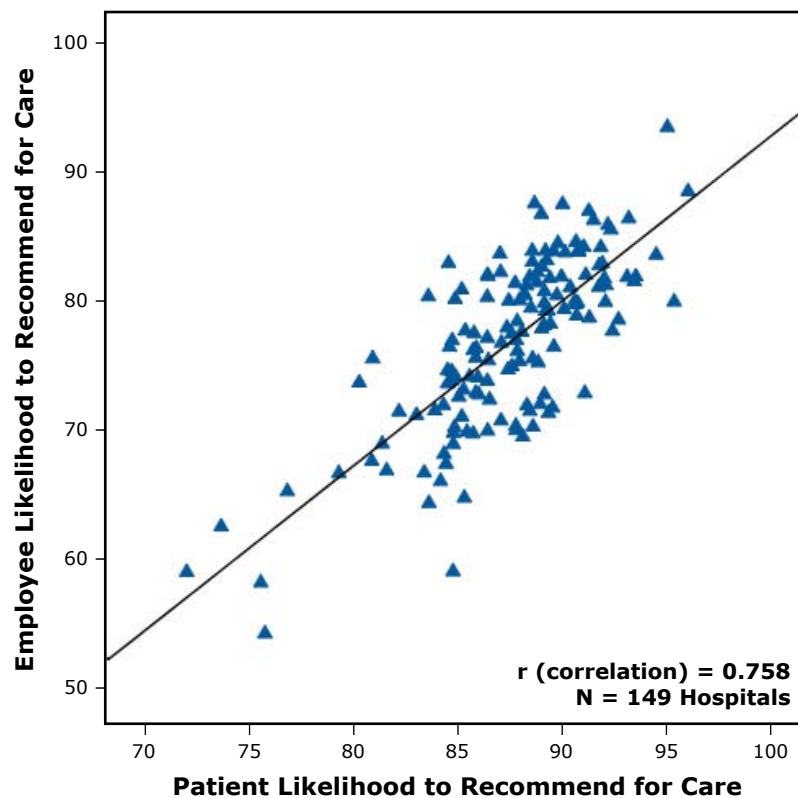


Figure 3 displays the patient–hospital employee loyalty link. The extent to which a hospital meets its patients’ expectations for care is strongly related to how the hospital’s employees feel about their workplace.



“Cultural and behavioral transformation is a long expression because it takes a long time for it to happen with success. A culture of service excellence built around your external customers (patients) and internal customers (employees) does not happen overnight, because action plans for change need time (three months, six months, twelve months, or even longer) to develop, germinate, and resonate within all levels of your organization.”

—Consultant, Press Ganey Associates, Inc.

The following case study examines an approach to tackle communication problems between physicians and administrators at High Point Regional Hospital, a not-for-profit hospital in west central North Carolina with 384 licensed beds, 2,381 employees, and 317 medical staff members. In October 2006, High Point was awarded the North Carolina Baldrige Level 2 Commitment Award for Excellence.

Years of communication problems between the physicians and administrators at High Point made both groups increasingly concerned about the state of the relationship. To better understand the needs of physicians, High Point commissioned a physician satisfaction survey.

Like much of the nation, concerns over the physician-administration relationship were at the top of the improvement priorities. Many administrators were surprised by the disconnect between physicians and senior leaders. Previous in-house surveys conducted by High Point had not provided benchmarking to accurately assess the administration's relationship with physicians.

"When we looked at the priority list, the survey spoke very loud and clear," said Dr. Gregory Taylor, Chief Medical Officer of High Point Regional Hospital. "There are three or four things in this organization that are a real concern with our medical staff: leadership, responsiveness, communication, and strategic planning."

Committed to improvement and guided by the Baldrige criteria, High Point set out on an impressive journey to improve the physician-administration relationship. Initiatives included changes in the peer review process and a restructuring of the medical staff. While no single initiative solved all issues, many improvements were made, and each venture demonstrated High Point's continued commitment to excellence.

To read the entire case study on High Point Regional Health System's physician satisfaction efforts, go to <http://www.pressganey.com/leadership/physician/default.php> and click on the fifth white paper.

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About Press Ganey Associates, Inc.

For more than twenty years, Press Ganey has been committed to providing insightful information that allows our more than 7,000 health care client facilities to continuously improve their performance. Our foundation for success is built upon dedication to scientific integrity, relentless responsiveness to our clients' changing requirements, and an overall passion for helping our clients succeed. By pursuing and acting upon input from our clients, we are consistently able to develop and deliver the newest innovations. We continue to succeed by exchanging knowledge with our clients, and facilitating the exchange of knowledge between our clients.

Among U.S. inpatient hospitals, roughly one-third currently contract with Press Ganey to measure patient satisfaction. With over 9.5 million surveys processed annually, Press Ganey has the most extensive database of patient, health care employee, and physician satisfaction data. Press Ganey's tools and services—measurement tools, consulting services, networking opportunities, and solutions for improvement—utilize patient, employee, and physician feedback to drive health care improvement initiatives.

All data and findings represent surveys returned by patients, physicians, and employees to Press Ganey clients.

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