

## Satisfaction in a Hurry

A health plan's ultimatum to a physician group serves as a **catalyst for cooperation** on patient satisfaction improvement. **BY E. THOMAS WOOD**

YOU HAVE TO WANT TO CHANGE. THE ADVICE given so often to people with bad habits holds true for healthcare enterprises as well. Yet just as individuals can be stubborn until faced with irrefutable proof that there is a problem, so too was Central Brooklyn Medical Group P.C. For years it remained in denial as evidence mounted that poor customer service was sending patients away. And then this practice got scared straight.

When Health Insurance Plan of New York, the HMO that accounts for 90 percent of CBMG's revenue, said it would drop the group from its network unless there was improvement in chronic patient satisfaction difficulties, it got the attention of the 170-physician group, located in 10 offices across New York City's most populous borough.

Sunny Chiu, vice president for group practice at Manhattan-based HIP, however, doesn't like to speak of the health plan's encouragement as a threat. "The prospect of using another provider group has always been there, though we prefer, of course, not to go that direction because of the disruptions involved."

But when HIP came to the medical group in April 2003 and said it was time for things to change, the physicians knew all too well what was at stake. Many were at Central Brooklyn Medical Group because HIP had refused a few years earlier to renew the contracts of their own medical groups

and encouraged them to amalgamate with CBMG. Now, they were faced with another contract termination, or dramatic changes in how they did their jobs—and how they got paid for doing so.

Chiu's message to the group: "In order to improve in the long term, you need to fix the compensation plan."

That's when John W. Phillips got involved. A veteran of more than 30 years as a physician practice manager and consultant, Phillips is the co-founder of PivotHealth LLC in Brentwood, Tenn., which specializes in helping doc groups manage themselves more effectively. Central to that effort is aligning the compensation of physicians with their performance in the categories that really matter to the practice as a whole. One of those categories

is patient satisfaction, which includes making sure that patients can speak to a human being at the doctor's office when they need to, can set prompt appointments, and can receive care without too much time in the waiting or treatment room. Engaged by Central Brooklyn with the endorsement of HIP, PivotHealth set about measuring how well these physicians and their staffs met customer expectations, as a step toward helping them tie their pay to that performance.

### Measure for measure

Joel A. Wolk, M.D., M.S.H.P., medical director for one of the physician group's centers, recalls how he and his colleagues listened intently as PivotHealth presented the findings of an initial evaluation. "It was eye-opening," Wolk says. "The physicians here knew that patients

● **BIG STICK.** Manhattan-based Health Insurance Plan of New York threatened to drop Central Brooklyn Medical Group P.C. from its network unless serious patient satisfaction issues were addressed. Although Sunny Chiu, vice president for group practice, prefers to view the plan's ultimatum as encouragement, he does say that "the prospect of using another provider has always been there."



were leaving us because the waiting time was too long, and people were not able to get in to see their doctors.” That perception was confirmed and physicians also learned of office bottlenecks, such as the lengthy patient registration process. Wolk could see that there was much room for improvement.

## **"IN ORDER TO IMPROVE IN THE LONG TERM, YOU NEED TO FIX THE COMPENSATION PLAN."**

The next step was to design a pay plan based, in part, on patient satisfaction. Few exercises could be more likely to strike a nerve on the staff, and it would take a three-quarters vote of the 74 shareholders to alter the pay plan. But the practice had lost 30,000 patients in four years. Even if each of those patients is worth less than \$100 a month in capitation, it adds up. Faced with the facts, 93 percent of the physicians voted yes.

Designing a patient satisfaction tracking system was also crucial to helping physicians understand areas that needed improvement. The standard ways groups have surveyed patients in the past have usually involved either handing out forms during office visits or mailing them out after visits. Methodologically, both processes have their share of holes. Staff members tend not to hand the

forms to angry patients. Those who walk out after a long wait aren't part of the survey sample. The typical return rate of 5 to 15 percent on such surveys reflects responses only from the very angry or very happy.

Instead, Central Brooklyn patients seen in the past 90 days were surveyed by

phone. The patient list was purged of those with sensitive medical conditions, and to maintain privacy, the caller was informed only that the person was a patient of Dr. X. More than 90 percent of the patients in Brooklyn agreed to take the survey, with 40 patients surveyed for each physician. “The result is a reliability rate of 95 percent or greater on the data gathered,” Phillips asserts. In the end, physicians received a series of ratings on a scale of one to five, covering such topics as the waiting room experience, whether the patient had confidence in the physician, and whether the staff was helpful.


Such bulletproof data tend to convince physicians of the need for change. As Wolk points out, physicians function “in a data-driven world.” They will scoff at a bogus sur-

vey, but they will respect a good one, even when it delivers news they don't want to hear.

### **Paid by the numbers**

Beginning this year, the metrics from these measurements will determine compensation at CBMG. Besides tying each physician's allocation of group revenue to patient satisfaction results (as well as quality), HIP's contract with the group also includes incentive payments for superior achievement in patient satisfaction.

“The group as a whole may or may not achieve some of those thresholds,” Chiu explains, “but we also made it so that an individual medical office can get the incentive on its own.” The goal is for everyone on the front lines of service to have an incentive to excel.

Wolk notes that there is a “guaranteed fail-safe” built into the comp package for this first year to cushion the transition for those who have trouble managing it. But make no mistake: “We're certainly nervous,” he admits. “This remains unfinished business.” 

*E. Thomas Wood is staff writer with HealthLeaders. He can be reached at [magazine.editor@healthleaders.com](mailto:magazine.editor@healthleaders.com).*