Key Issues When Integrating Physician Practice Groups Today

**Written by Bob Herman | Becker's Hospital Review | May 19, 2014**

At the Becker's Hospital Review 5th Annual Meeting in Chicago on May 16, Holly Carnell, JD, associate at McGuire-Woods, moderated a discussion about hospital-physician integration with three panelists: Nick Fabrizio, PhD, principal at MGMA Health Care Consulting Group; Michael Simon, MD, anesthesiologist at North American Partners in Anesthesia; and Amber Walsh, JD, partner at McGuireWoods.

Ms. Carnell noted that the trend of hospitals acquiring physicians has been active for the past several years. Beyond that, however, some providers have had difficulties in integrating their newly acquired practices into their organization. Hospitals and physicians have historically not gotten along, but that has to change as population health management becomes the buzz phrase of the day.

“When you look at physicians as your partners, we try to drive home that you need to partner with the C-suite and the hospital and be part of the same decision-making process so everyone is on the same page and moving in the right direction,” Dr. Simon said.

Dr. Fabrizio noted that physicians should not feel as though they have limited option. Hospitals and physicians must determine which integration strategy — be it full acquisition, a management services organization or some other type of structure — is best for all parties involved. “Don’t let someone tell you a certain model is dead, because that might be the most successful model in your market,” he said.

In the end, a successful hospital-physician partnership will require each side of the table understanding what the organizational goals are. “As healthcare attorneys, we sit on different sides of this often,” Ms. Walsh said. “No matter which side we’re sitting on, the first question is: What are you trying to accomplish from this? What do you want from this partnership? For the hospital system, chances are they’ve done this many times, but for the physician group, this may be the big deal of their careers or organizations, and they often need a little more guidance about thinking through every single stage.”

[Source: Becker’s Hospital Review]