The SHM Administrators’ Committee appointed for the 2011-2012 period decided that the major output of the Committee for the year would be to develop a Core Competencies white paper that documents the critical knowledge, skills and attitudes of an administrator of a hospitalist practice. The Committee members felt that a hospitalist practice administrator uniquely integrates aspects of the responsibilities of a hospital administrator with those of a medical group practice administrator. By documenting these core competencies, the Society of Hospital Medicine (SHM) would be serving three audiences:

- New hospitalist practice administrators seeking to better understand their role and responsibilities
- Existing hospitalist practice administrators seeking to broaden their skill set
- Employers of hospitalists (hospitals, private practices, management companies) seeking to create a job description for their hospitalist practice administrator

By referencing existing work performed both by SHM and the Medical Group Management Association (MGMA), the Committee identified nine domains that define these Core Competencies: Business Operations, Financial Management, Grants Management, Human Resources, Information Management, Organizational Governance, Patient Care Systems, Quality Improvement and Risk Management. A standard format for documenting the Core Competencies was established and responsibility for writing and reviewing the chapters was assumed by the members of the Committee, listed below:

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We hope that this document provides value to the hospital medicine community.
# Core Competencies for a Hospitalist Practice Administrator

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INTRODUCTION

Business operations broadly covers many practice areas including financial planning and performance, regulatory compliance, corporate governance and business development. For the purposes of this domain, the focus will be on business operations and the oversight of the following functions:

- Integration of a business plan with defined roles and responsibilities
- Ensuring operational integrity relative to opportunity development, risk management, resource management and allocation, and overall best practices
- Assuring effective communication among interdependent departments
- Participating in the business planning and development strategy process
- Operating within the parameters of an integrated budget
- Adhering to all financial practices while following other established policies, procedures and controls

Central to an efficient, cost-effective and sustainable hospital medicine practice are the elements that define us as a business. While the healthcare environment experiences continuous evolution, it is currently going through an accelerated rate of change. One constant is the need to have well-defined and executable business operation practices and policies.

A key component of developing a successful business strategy is to attract leaders with a strong knowledge of healthcare administration and medical practice management. These incumbents should also possess robust experience in business analytics and human resource management and development to provide significant differentiation among service providers. Operational leaders bridge the gap between high-level strategic planning and tactical implementation. With one foot rooted firmly in planning and the other in process, they must anticipate how the next great strategy will impact real day-to-day issues. In day-to-day activities, they are both facilitators and translators providing oversight and insight.
KNOWLEDGE

- Understand, in depth, the current state of hospital medicine and its history, and have a well-informed picture of the future landscape
- Understand the full scope of revenue cycle management, payor contract negotiation and subsidy requirements for the practice
- Be familiar with the variety of scheduling and staffing options in hospital medicine practices
- Understand the nuances of applicable regulatory compliance requirements and how they impact operations
- Be familiar with the myriad of patient-centered safety and quality initiatives common to the industry and within the hospital
- Understand the importance of maximizing all levels of stakeholder satisfaction
- Understand and anticipate the need for expanded capital resources and the knowledge of how to present the case for increased resources
- Understand the most current information regarding the landscape of healthcare reform
- Understand how to implement a comprehensive and adaptable compensation and bonus structure that appropriately aligns pay with performance and productivity
- Understand how the alignment and engagement of hospital departments has a positive impact on the hospital medicine practice
- Understand the legal implications of business arrangements commonly created in hospital medicine practices including Provider Service Agreements, Management Service Agreements, independent contractor definition and application related to labor laws

SKILLS

COMMUNICATION

- Direct and participate in the development and communication of organizational and practice goals
- Identify areas that need improvement, plan strategies that provide sustainable advances, and develop and execute these plans for continuous quality improvement
- Communicate consistently, clearly and concisely with each level of the organization
- Develop a web presence for the practice that contributes to an integrated electronic health record (EHR) solution and contributes to ensuring consistency and quality in patient care
- Clearly articulate a vision for hospital medicine that resonates with hospital administration, community hospital constituents, clinicians and providers

BUSINESS DEVELOPMENT

- Craft business development strategies that support strategic growth and practice branding initiatives
- Recognize the market position, key strengths and challenges to determine the attributes that define the practice
- Raise practice visibility within the community and in the catchment area
- Effectively manage and monitor partnerships and affiliations

ADMINISTRATION

- Ensure adequate space and infrastructure to meet the operational goals of the practice
- Create systems that ensure timely provider credentialing and enrollment
- Proactively manage the full revenue cycle
- Routinely evaluate cost management strategies for efficiency and effectiveness including lean principles
- Integrate ethics into work goals, performance appraisals and financial incentives
- Identify opportunities to capture unrealized reimbursement
- Set goals and assign responsibility and accountability that reflect the mission, vision and values of the practice
- Interpret and analyze information to effectively shape the direction and goals of the practice

ATTITUDES

- Set the standard for operational excellence in your host institution and within the hospital medicine community
- Focus on critical issues, coupled with an ability to see the big picture
- Maintain calmness under pressure
- Exercise authority, diplomacy and tact
- Demonstrate assertiveness
- Encourage, motivate and inspire
- Create an environment that promotes innovation as a catalyst for change

UNIQUE CONSIDERATIONS BY PRACTICE MODEL

- **Private practices:**
  - Generally lack the support often found in hospital/health system practices, management companies and academic practices. Therefore, more “hands-on” responsibility for finance (profit and loss (P&L)), revenue cycle, human resources, legal/contracting and business development
  - May routinely expect or require higher encounters/shift/provider in order to maximize financial opportunities
  - Administrators should routinely review financial metrics to assure that payor mix and any required subsidy for program are balanced
- **Hospital and health system-employed practices** will require frequent communication with hospital departments such as Admissions, Registration, Accounts Receivable (AR), Medical Staff Office, Quality and Risk Management
- **Management company practices** generally will have access to central resources that refine and support operations
- **Academic practices:**
  - Additional emphasis on research activities
  - Additional emphasis on grant management
  - Additional emphasis on resident teaching responsibilities resulting in a lower workload expectation
  - More coordination/communication with other university departments for finance (P&L), revenue cycle, human resources, legal/contracting and business development
INTRODUCTION

Financial management systems are an integral part of the core competency for an administrator of a hospitalist practice. Physician reimbursement is primarily received through third parties such as Medicare, Medicaid and other insurance companies. The rules and regulations regarding compliance with billing practices are complex and require a good understanding of these issues. Also, physicians are typically not trained in financial management issues and will rely heavily on the administrator in this area. Because of the unique role that hospitalists play in the management of patients in the hospital, it is important for the administrator to have a good understanding of hospital reimbursement issues as physicians play a major role in affecting hospital reimbursement.

KNOWLEDGE

- Understand, in depth, accounting issues facing hospital medicine and healthcare in general (i.e., professional services revenue, performance-based reimbursement, utilization issues, etc.)
- Understand quality/performance-based reimbursement and relation to hospital medicine outcomes (HCAHPS)
- Understand hospital medicine’s role and ability to impact technical billing outcomes (focus is currently on professional billing)
- Understand hospital medicine’s role to impact utilization within the institution (and related cost savings)
- Be familiar with ICD-9 and ICD-10
- Be able to apply benchmarks and comparison groups to assess how well the group is doing compared to peers, opportunities for improvement/cost savings, etc.
- Have a knowledge of reimbursement and its link to productivity in order to align revenue and compensation
- Understand commonly used performance metrics including length of stay, readmission rates, etc., and the financial impact of such metrics on the institution
- Understand the full scope of revenue cycle management, charge capture and billing procedures and processes, including a thorough knowledge of the physicians’ CPT reimbursement system, as well as denials and impact of payor mix and associated reimbursement rates
- Be familiar with Medicare, Medicaid and other third-party (i.e., managed care plans) healthcare provider laws, rules and regulations
- Understand the nuances of accounts receivable management, collection procedures and processes, and laws associated with these activities
- Understand the financial information/reports necessary to evaluate hospital medicine practices
Know how to analyze the above-referenced financial reports to monitor practice financial performance
Be familiar with terms and conditions in provider contracts, and be able to monitor those contracts to maximize payments to the practice
Understand the preparation and monitoring of practice budgets to achieve the practice’s objectives
Understand the preparation and use of financial audits
Understand external controls necessary for effective cash management
Understand cash management techniques and the various investment opportunities available to the practice to maximize the practice’s profitability
Understand lending policies and procedures to effectively obtain outside financing for the practice should this become necessary
Understand the nuances of professional liability insurance to provide the practice with adequate, cost-effective insurance coverage
Understand payroll processes and procedures
Have a basic understanding of tax laws and their implication for hospital medicine practices
Have a basic understanding of new healthcare reimbursement models (accountable care organizations, bundling of payments, medical homes, etc.)
Comprehensive (working) knowledge of the financial industry and healthcare finance

SKILLS

- Experience in designing compensation based on expected reimbursement from services rendered, hospital support or contract reimbursement
- Experience in working with dedicated financial professionals to produce working financial documents that are understandable and meaningful to the physicians
- Experience or ability to take complex financial data and simplify it for physicians’ operational use
- The ability to work with administrative teams at the hospital to assist the hospital in meeting mutually determined goals
- Experience translating process improvement, clinical outcomes and other performance-based initiatives into financial terms to demonstrate the value of the hospital medicine practice to hospital administration
- Experience developing financial proposals to secure the necessary programmatic resources within the institution

REPORTING AND ANALYSIS

- Individual physician performance
- Performance to quality metrics (practice and hospital)
- Length of stay and readmission
- Business development reporting (sources of business)
- Compensation analysis
- Budgets and plans
- Collections and accounts receivable
- Thirdparty payor contracts analysis
ATTITUDES

- Confidence at making sound investment decisions
- Persuasive and confident communicator
- Persistence and assertiveness combined with tact and diplomacy
- An aptitude to motivate staff
- Proficiency at developing, implementing, communicating and evaluating finance-related policies
- An understanding of a wide range of other roles
- Ability to establish and maintain strong working relationships with customers
- Ability to oversee a number of different projects simultaneously
- Ability to manage time effectively, keep cool under pressure and prioritize tasks
- Honesty and transparency so that staff have clear expectations
- Ability to recognize employees/staff’s efforts and achievements

UNIQUE CONSIDERATIONS BY PRACTICE MODEL

- **Private practices:**
  - Private hospitalist models, including local, regional and national management companies that employ block scheduling of 5 or 7 days on with an equal amount off, are reliant on the client hospital for some measure of financial support
    - The 2010 SHM-MGMA rate survey reports that hospitals typically spend $132,000 per hospitalist per year in support of the program
    - Such an outlay can have hospital leaders looking for justification of this expense
  - Hospitals expect hospitalist programs to go beyond simply staffing to meet volume needs (e.g., demonstrated results in areas such as improved patient satisfaction, reduced readmission rates and leadership in key hospital initiatives such as electronic medical record (EMR) implementation)
  - It is common for hospital administration to look to contracted practices to share in risk-based performance metrics

- **Hospital and health system-employed practices:**
  - Have broader opportunities to incorporate quality and financial gain-sharing as a part of physician compensation as the physicians are direct employees of the institution
  - Often enjoy more robust benefit packages than their counterparts, including paid vacation, 401K plans, etc.
  - Liability insurance and compliance issues become the hospital’s concerns instead of a contracting entity’s issue

- **Management company practices:**
  - See discussion above for private practices

- **Academic practices:**
  - Typically include teaching responsibilities and generally have lower volume expectations
    - The MGMA survey suggests that academic hospitalist productivity be measured at 20% less than non-academic programs in order to account for time spent instructing residents and students
  - Academic hospitalist programs are not immune to current economic realities
● Academic hospitalists do not earn as much as their counterparts in community hospitals
○ As changes in state funding levels have impacted teaching hospitals, hospitalists in these settings are also faced with reduced ancillary staff support and often find themselves becoming more self-reliant for tasks normally handled by others
  • Academic productivity is impacted by responsibility for research, publication, grant funding, etc.; academic productivity is generally an expectation but is often not adequately supported financially
INTRODUCTION

NOTE: This core competency only applies to academic hospitalist practice administrators.

As the research interests of hospitalist faculty grow and funding opportunities expand to support investigation into key topics for hospital medicine and healthcare delivery, academic practice administrators must be engaged in understanding the research process and the intricacies of research administration to best support their faculty. Key research topics for which hospitalist faculty seek sponsorship in the form of grants include clinical research (effectiveness of protocols), health service value and quality improvement (readmissions interventions, impacts of staffing models on patient satisfaction) and impacts of technology on patient care (electronic medical record (EMR) implementation).

KNOWLEDGE

- Understand the general research process and the stewardship requirements driven by both the research sponsors as well as the home institution’s policies in order to support the faculty Principal Investigator’s (PI’s) successful execution of the grant award
- Understand the role of the PI, which may include the following:
  - Responsibility for the technical, administrative and fiscal management of the research project, including subcontracts
    - It is important to acknowledge that grants are awarded to institutions, not to PIs; a PI typically serves the role of being the institution’s project manager
  - Development of the research project
  - Reflecting accurate costs in proposal budgets
  - Ensuring costs are compliant with regulations
  - Providing sufficient time to process proposals
  - Disclosing and managing conflicts of interest/commitment
  - Complying with grant terms and conditions
- Understand the function of and develop a relationship with the various institutional-sponsored research groups (pre-award, post-award, compliance)
- Be familiar with the structure of local research administration expertise in the institution (typically within the Department of Medicine)
SKILLS

- Facilitate resolution of any potential barriers during the research (and the administration of research) process
- Support faculty understanding of the entire research award process – from concept to award close-out. At a high level, the process consists of three elements:
  - PreAward Administration
    - Proposal and Budget Development
    - Proposal Review, Approval, Submission, Processing
  - Post-Award Administration
    - Award Acceptance and Account Establishment
    - Managing and Monitoring Projects
  - Award Close-out
    - For specific Research Administration-related information, visit the website of the National Council of University Research Administrators (http://www.ncura.edu/content/)
- Maintain an interdependent relationship with PIs by providing administrative support on sponsored projects. Support may consist of the following:
  - Completing appropriate forms
  - Developing budgets
  - Conducting quality assurance on proposals and sub-contracts
  - Submitting proposal to sponsor, when appropriate
  - Knowledge of rules and regulations
  - Monitoring financial and compliance controls for external funding
  - Coordinating communications to sponsors regarding changes in faculty effort, personnel status and significant salary changes
  - Monitoring university communications for regulations, investigations and policies related to effort reporting
  - Assisting in cases with high commitments of effort or other unique situations
- Assume a stewardship responsibility to funding agencies and the institution
INTRODUCTION

The human resources function is a strategic partner at the table with finance, operations and other business centers that are not centers of profit for the organization. The job of human resources is to ensure that the organization gets the most from its employees. The human resource management needs to provide a high return on the organization's investment in its people. This makes it a highly complex function, because it deals with not just technical management issues but human ones as well.

KEY RESULTS AREAS

- Employment and Recruiting
- Training and Development
- Compensation
- Benefits
- Employee Services
- Employee and Community Relations
- Personnel Records
- Health and Safety
- Strategic Planning

The human resources function also contributes to the organization by constantly assessing the effectiveness of its departments and work practices, and by sponsoring change. To promote the overall success of the organization, human resource departments champion the identification of the organizational mission, vision, values, goals and action plans.

KNOWLEDGE AND SKILLS

The hospitalist practice administrator must possess much of the knowledge and many of the skills of a Human Resources Manager. The administrator must relate well with a variety of personalities and have a solid grasp on what is expected from all staff in the practice on a daily basis. The administrator must have the knowledge of employment and in some cases immigration law, recruitment, hiring and training, creating and maintaining personnel files, and educating of all staff about the organization's policies. Other areas include:

- Exhibit organizational, time management and personal efficiency skills
- Use discretion and maintain confidential information
- Serve as a role model for business ethics and be responsible for ensuring proper business ethics are applied and enforced within the practice
- Appreciate and balance the needs of practitioners and other staff, by making decisions to protect them individually while protecting the organization, its culture and values
- Balance advocating for practitioners and staff concerns, while enforcing top management’s policies
- Demonstrate fairness through clear communication and ensure that all voices are heard, laws and policies are followed, and privacy and respect are maintained
- Coach and develop practitioners and other staff
- Demonstrate forward-thinking by taking a leadership role and influencing the practice’s strategic path
- Gauge and fill labor needs, devise compensation plans, and bring on board new skill sets in order to achieve practice growth and stability
- Understand team dynamics and find ways to bring disparate personalities together and make the team work

ATTITUDES

- Develop a shared philosophy for managing people; build systems and practices to implement the philosophy
- Take care of people with the goals of having them deliver high levels of service to customers and achieve profitability
- Show employees that you value them by protecting jobs, promoting from within and sharing the wealth
- Invest in employee learning and create development opportunities
- Encourage autonomy and participation by redesigning work, fostering teams, promoting egalitarianism and infusing work with meaning
- Create an environment where employees see their work as meaningful and worthwhile so that they feel personally accountable for results
- Give feedback to employees about their efforts so they can improve

UNIQUE CONSIDERATIONS BY PRACTICE MODEL

- Private practices:
  - More direct responsibility for human resource functions
  - May or may not have an in-house provider recruiting/retention function
  - Performance evaluation and compensation processes will range from non-existent to very formal
  - Practitioner and staff training will often be performed by outside companies
  - Compliance with employment laws and regulations will often be handled by payroll services, outside legal firms and consultants
  - Often hire and process more employer-sponsored visa applications, especially small rural practices

- Hospital and health system-employed practices:
  - Responsibility for human resource functions will be handled by the Human Resources Department
  - Normally will have an in-house recruiting/retention department
  - Performance evaluation and compensation processes will be very formal
  - Practitioner and staff training will often be handled in-house
  - Compliance with employment laws and regulations will often be handled by Human Resources Department and in-house legal counsel although consultants may occasionally be used
HUMAN RESOURCES

- **Management company practices:**
  - Responsibility for human resource functions will be handled by a corporate Human Resources Department; with multi-state companies, there may also be regional Human Resources Departments
  - Often will have a corporate recruiting/retention department
  - Performance evaluation and compensation processes will be formal
  - Practitioner and staff training will often be handled in-house on either a national or regional basis
  - Compliance with employment laws and regulations will often be handled by corporate Human Resources Department and in-house legal counsel

- **Academic practices:**
  - Responsibility for human resource functions will be handled by the Human Resources Department
  - Normally will have an in-house practitioner recruiting/retention department
  - Performance evaluation and compensation processes will be very formal
  - Practitioner and staff training will often be handled in-house
  - Compliance with employment laws and regulations will often be handled by Human Resources Department and in-house legal counsel
  - Often hire and process more employer-sponsored visa applications, especially for research and education
  - Teaching programs and students can be a unique responsibility for the Human Resources Department

**KEY REPORTING AND ANALYSIS**

The following is a list of reports, analysis, policies and procedures that will give a hospitalist practice administrator the insight needed to manage human resource challenges and establish metrics that link key workforce issues to business outcomes.

- **Recruitment, Workforce Planning, and Outsourcing** – The practice of soliciting and actively seeking applicants (including temporary staff) to fill recently vacated or newly created positions using a variety of methods (i.e., internal position postings, advertising in newspapers or electronic position boards/sites, utilizing search firms, or listing position with trade and professional associations, etc.).

- **Orientation/On-boarding and Retention** – This function is key for integrating new practitioners within an organization/practice to obtain the best results from them. Retention refers to efforts to retain current practitioners. The purpose is to avoid turnover and associated costs: hiring and training expenses; productivity loss; lost customers; diminished business; and damaged morale among remaining members of the workforce.

- **Salary/Compensation, Benefits Packages, Bonus and Incentives** – Hospitalist practice administrators must understand how the market for hospitalist compensation and benefits is evolving in order to recruit and retain successfully. Bonuses and cash incentives are a form of variable pay and are a means of incentivizing higher performance among physicians associated with performance measures.

- **Coaching, Training and Development** – Administrators must identify and offer opportunities that will better the performance of individuals and ultimately the group, while developing the skills and styles required to deal with a variety of situations. Coaching and mentoring are development techniques that use one-to-one discussions to enhance an individual's skills, knowledge or work performance.
■ **Disciplinary, Grievance, and Suspension** – The administrator must develop frameworks that provide clear and transparent structures for dealing with difficulties that may arise from either the employer’s or practitioner’s perspective. These frameworks are necessary to ensure that everybody is treated in the same way in similar circumstances, to ensure issues are dealt with fairly and reasonably, and that employers are compliant with current legislation and Codes of Practice for handling disciplinary and grievance issues.

■ **Competence and Competency Frameworks** – There is a need to outline what practitioners need to do to perform their jobs, as well as the behavior that lies behind competent performance, such as critical thinking or analytical skills.

■ **Human Resources Policies** – The practice must maintain written guidance on how a wide range of issues should be handled within an employing organization, in a manner that incorporates a description of principles, rights and responsibilities for managers and practitioners.

■ **Performance/Personal Development Reviews and Reward Strategies** – These reviews ensure the key business objectives of the practice are shared and understood by all practitioners. They further enable an analysis of the development areas for practitioners, thus identifying where training and development is required. Reward strategies can provide a framework and diagnostic tool to help clarify reward goals and prioritize a shared agenda for change.
INTRODUCTION

Information systems, whether automated or manual, are a vital element of all organizations. They support the organization's daily operations and provide the data needed for decision making. In healthcare organizations, information systems have a unique importance because they support the patient care process. The administrator of a hospitalist practice needs to take a leadership role in managing the information systems resource, within the practice itself, as part of the broader hospital institution, and in relationship to the systems of referring physicians.

KNOWLEDGE

- Understand types of information technology (IT) systems and applications used in a hospital-based medical practice, including:
  - Physician practice management and billing systems
  - Hospital administrative and clinical systems
- Be familiar with vendor solutions for these systems
- Understand how these systems interface and interact with one another
- Understand the sources of information in the hospital (both systems and people) to support analysis and reporting
- Understand the systems and processes employed by office-based physicians who refer patients to the hospitalist practice
- Understand the issues and challenges of new system implementation and conversion of an existing system, specifically as it applies to process redesign and data transformation
- Understand the Current Procedural Terminology (CPT) coding system, specifically with regard to services related to admissions, discharges, inpatient visits and procedures performed by hospitalists
- Understand issues of data integrity, security and confidentiality according to the Health Insurance Portability and Accountability Act (HIPAA)
- Understand regulatory requirements for the prescribing, transmission and monitoring of patient medications
- Understand reporting requirements for medical conditions as established by state and federal Departments of Health
- Understand requirements for disease, vaccine and other registries that require physician reporting
- Understand federal and state requirements for biohazard and epidemic response requirements
SKILLS

COMMUNICATION SYSTEMS
- Establish communication system for clinical and nonclinical staff to communicate among themselves, with other hospital departments and with external healthcare providers and organizations
- Ensure good communication pathways through careful planning, selection of appropriate communication channels and a consistent professional message
- Oversee meeting management, including facilitation skills, agendas, decision-making processes and recordkeeping
- Foster ongoing development of effective interpersonal communication skills; build trust with other hospital departments and clinicians to ensure their support on issues related to systems planning, implementation, analysis and reporting

INFORMATION SYSTEMS PLANNING
- Develop an effective information systems plan and budget (addressing both manual and technology-based systems) to support business needs and organizational goals, including an information system needs assessment
- Conduct cost-benefit analyses that justify the investment in new systems
- Document current and proposed systems and processes using flow charting and documentation techniques
- Together with other parties (e.g., hospital IT), ensure appropriate IT selection, procurement and installation, including request for proposals, a selection committee, physician buy-in, vendor relationships, contract negotiation and technical support
- Develop plan to oversee database management and maintenance for systems internally maintained within the practice
- Develop plans in conjunction with referral physicians (primary care and subspecialty) to create/coordinate linkages for the hospitalist to use in obtaining patient records

INFORMATION SYSTEMS IMPLEMENTATION
- Use effective coordination and project management skills to ensure effective systems implementation, including installation, training, work flow redesign, process integration, reporting and ongoing support
- Ensure training and support for clinical and nonclinical staff
- Gain physicians’ acceptance of new information systems and their active engagement in implementation

REPORTING AND ANALYSIS
- Develop and implement processes to provide reports to senior hospital leadership and other departments
- Develop and implement processes to provide data and reports that support internal practice requirements (e.g., bonus calculations, staffing, etc.)
- Develop and implement processes to comply with mandated reports of specified patient issues to regulatory agencies
- Demonstrate data analysis skills
ATTITUDES

- Recognize the influence of data quality and timeliness in the interpretation of available information
- Adhere to principles of data integrity, security and confidentiality
- Lead, coordinate or participate in multi-department initiatives to adopt hospital information systems that improve efficiency and optimize patient care
- Lead, coordinate or participate in multi-department initiatives to continuously improve hospital information systems and physician practice patterns by providing constructive feedback and advice in system development
- Advocate for information systems that promote patient quality/safety, practice efficiency and ease of use
- Advocate for information decision support to facilitate efficient and optimal medical management

UNIQUE CONSIDERATIONS BY PRACTICE MODEL

- Private practices:
  - More direct responsibility for systems selection, implementation and maintenance
  - Conversely, potentially less engagement with hospital-based systems projects
  - Potentially less opportunity to technically interface with hospital IT systems
- Hospital and health system-employed practices:
  - Difficulties getting attention, getting data
  - In health systems, more attention to interfaces with aligned office-based practices
  - Potentially greater attention to regulatory/compliance issues
- Management company practices:
  - Focus on implementing/leveraging corporate systems (which often have comprehensive functionality)
  - Interface with corporate IT function for service
  - Competition with other medical groups (that are part of the same management company) for IT resources and priorities
  - Ability to share best practices across and among medical groups
- Academic practices:
  - Greater emphasis on committee participation to drive problem identification and resolution, which may result in a more costly and more lengthy process
  - Need to develop systems to support grant acquisition, management and reporting
  - Systems implications of the clinical teaching function
INTRODUCTION

Organizational governance, comprising both people and processes, plays a vital role in healthcare organizations. It integrates the management team with the Board of Directors to provide strategic direction and ensure the organization fulfills its mission statement. Typically, the Board of Directors consists of individuals with experience in multiple disciplines. The Board is responsible for the principles and values that guide the operating structure.

Often, an important priority for organizational governance is accountability for regulation compliance. While compliance is essential, organizational governance should also focus on identifying factors that affect an organization’s success or failure. Specifically in healthcare, improved outcomes must be balanced with financial performance by the Board of Directors, which establishes leadership and guides the overall direction of the organization. Organizational governance can provide the vehicle for monitoring and assessing risk, optimizing performance, creating value and defining accountability. Additionally, the Board can establish the framework for how an organization influences its members, patients, customers and other stakeholders to contribute to organizational goals.

Practice administrators link the organization’s day-to-day activities with communicating and implementing the Board of Director’s vision and policy objectives.
ORGANIZATIONAL GOVERNANCE

KNOWLEDGE

- Understand the governance structure and roles/responsibilities of the Board of Directors, committees and management, including:
  - Their roles, responsibilities, accountabilities and key success factors
  - Differentiation between issues that are the responsibility of the Board of Directors and issues that are the responsibility of management
- Be familiar with Robert’s Rules of Order
- Be familiar with requirements for recordkeeping and documentation
- Know how to develop plans and strategic initiatives
- Understand strategic and business communications, marketing, financing options, public policy/advocacy and public relations
- Be familiar with legal implications – accountability, liability, fiduciary responsibility and regulatory considerations
- Understand, define and enforce the ethical principles that apply to medical practices
- Understand performance measurement, performance indicators and accountability
- Understand the responsibility for defining the overall mission of the company and assuring that it is understood by management, staff and external audiences

SKILLS

COMMUNICATIONS

- Conduct Board meetings, including establishing an agenda and maintaining records
- Facilitate Board-level discussion, build consensus and resolve conflicts
- Establish a sub-structure to assure effective governance (Executive Committee, Board Committees, etc.)
- Coach/train Board members to be effective in carrying out their responsibilities

MONITOR AND ASSESS RISK

- Create a forum that balances internal and external perspectives affecting the organization
- Assure oversight of organizational activities
- Facilitate establishment of appropriate legal counsel
- Encourage and lead participation in policy development at local, state and national levels
- Assess the barriers and facilitating factors to effect change and incorporate those factors into a strategic approach
- Identify gaps in competencies

OPTIMIZE PERFORMANCE AND CREATE VALUE

- Optimize the relationships among healthcare value, quality and cost
- Create value through recognition and development of opportunities in the practice
- Implement and support talent development to ensure a productive workforce that has the on-going ability to meet changing job requirements
CONTRIBUTE TO ORGANIZATIONAL GOALS AND DEFINE ACCOUNTABILITY

- Construct program mission, vision and value statements and articulate their message throughout the organization
- Develop strategic planning processes to establish practice goals, determine accountability and identify indicators of achievement
  - Ensure organizational and practice alignment
  - Ensure alignment of executive and provider compensation plans with the organization's strategic goals
- Develop a culture that embraces change and learning
- Facilitate enhanced communication and transparency

ATTITUDES

- Be an authentic leader by leading with passion and inspiration. Be honest, trustworthy and sincere not only to yourself, but to people who surround you. Empower others to strive for excellence and create a unified vision
- Recognize that organizational structures and governance tend to be situational and evolutionary; maintain flexibility and adaptability
- Motivate, mobilize and engage team members to meet high performance standards
- Serve as a role model for professional and ethical conduct
- Promote a philosophy of trust and respect
- Demonstrate professional integrity
- Accept responsibility and accountability for management decisions

UNIQUE CONSIDERATIONS BY PRACTICE MODEL

- Private practices:
  - More direct responsibility for all levels of governance
  - May be a great deal of overlap in the roles
- Hospital and health system-employed practices:
  - Potentially greater attention to regulatory/compliance issues
- Management company practices:
  - The importance of governance grows as the level of complexity in the organization grows
  - Structure needs to be compatible with parent organization
- Academic practices:
  - Need to be aware of the rules and roles of academic rank and promotion as these often affect the physicians’ outlook/role
  - Need to facilitate interaction among School of Medicine, practice and hospital to ensure:
    - Interdependencies between the faculty appointment process, practice plan credentialing, and hospital medical staff office privileging are known and aligned to maintain anticipated clinical start dates for hospitalists
    - Grants and sponsorship administration requirements and compliance are maintained with respect to salary sourcing, reporting, effort and hospital medical administrative support
Alignment of priorities between the clinical, educational and research aims of the institution (there are often different reporting structures and governance models for the academicians alongside traditional models)

Line of sight to hospitalist funds flow activity (clinical revenue/expense; research revenue/expense; hospital support model)
INTRODUCTION

Patient care systems entail designing business processes to ensure effective and efficient delivery of clinical care. Hospitalist practices are unique in that all patient care is delivered in an inpatient environment and, as such, practice support staff may have little or no face-to-face interaction with patients. Patient care processes must be designed to support clinical providers in care delivery in acute care facilities and coordination of transitions of care to the appropriate post-hospitalization care providers. Practice level business processes must be aligned with hospital/facility processes to ensure patient safety, patient and provider satisfaction, optimal use of institutional resources including provider schedule efficiency, effective care transitions to the outpatient setting and revenue cycle effectiveness.

KNOWLEDGE

- Understand and explain business processes within the hospital medicine practice and the hospital to ensure alignment and integration of such practices, as well as effective and efficient clinical operations
- Understand and apply the concepts of emerging models of healthcare delivery including patient-centered care, practice redesign, etc.
- Understand, explain and monitor relevant patient outcome measures and quality of care metrics, as well as the impact on performance-based reimbursement models
- Understand, articulate and implement methods of effective patient and primary care physician communication
- Understand the:
  - Patient referral process
  - Patient education process and available resources to facilitate such education
  - Principles of clinical research studies
  - Institutional and programmatic patient flow process and volumes
  - Scheduling methodologies to optimize physician and physician extender staffing in periods of fluctuating volumes
  - Coverage models including backup coverage options
  - Importance of confidentiality and compliance with the Health Insurance Portability and Accountability Act (HIPAA)
  - Importance and implications of legislation and regulations affecting the practice of hospital medicine
  - Importance of developing internal data tracking and reporting mechanisms to optimize resource utilization, business operations and patient flow (e.g., tracking volumes of Emergency Department admissions to enhance staffing levels at peak admission times to reduce patient wait times, etc.)
Describe required system improvements needed to meet new healthcare legislation or public health guidelines and articulate programmatic and institutional impact of compliance and non-compliance

Define and explain the role and value of hospitalists and hospital medicine programs; define metrics and develop scorecards to measure outcomes and demonstrate value

Understand and discuss commonly used hospital financial terminology, including but not limited to procedure codes, relative value units (RVUs), direct and indirect costs, average length of stay and case mix index

Understand and define the components of a useful financial report

SKILLS

BUSINESS PROCESSES

Create work systems that connect the healthcare services and support processes to enable successful healthcare delivery. Link design of business processes at practice level to interface with facility processes to support effective and efficient clinical operations

Understand impact of facility-level clinical outcomes on provider outcomes with the aim of delivering services that lead to patient satisfaction and engagement

Provide a focus and knowledge for providers and staff based on emerging healthcare trends

Explain the impact of third-party payor contracts on hospital reimbursement. Understand the implications of contract language on the hospital medicine practice sufficiently to be able to successfully implement measures to improve reimbursements and make recommendations to managed care analysts negotiating on behalf of the institution

Understand and identify opportunity to integrate clinical research at facility level with provider interests and individual leadership

Understand and explain the potential impact of Pay for Performance initiatives on patient care, and expectations for individual hospitalists and hospital medicine groups

Understand and explain patient satisfaction measures and scores, including HCAHPS, and relevance to hospital reimbursement

Understand, explain and identify resources to stay abreast of and seek clarification on federal statutory restrictions on physicians contracting with hospitals, third-party payors and group practices. Possess adequate knowledge to guide and advise in-service line development and program growth initiatives

PATIENT INTEGRATION

Design patient care support processes to meet operational needs for an environment where there is limited or no direct face-to-face support staff interaction with the patient

Create processes (paper or electronic such as interface with facility IT department) to seek data from facility registration department or to have clinical providers obtain patient demographic and payor information

Establish a process to review facility paperwork for informed consent and approval for clinical outcomes; understanding treatment plan along with associated risk and anticipated outcomes; and patient educational material and delivery of such information

Create a process for patient transition from acute setting to post acute or back to primary care provider with regards to prescription and refill management

Establish policy and procedures for termination of care and the patient relationship (additional caution to reflect patient status in the acute setting if the termination/transfer request is initiated by the patient or family)
REFERRAL MANAGEMENT
- Create support processes to foster strong relationships with referring physicians. Create effective communication processes using support staff and/or technology conforming to regulatory compliance associated with HIPAA
- Understand the referral process and payor requirements; decision regarding plan participation may be dependent on referring physician payor distribution and facility participation

PROVIDER SCHEDULE/PATIENT FLOW
- Understand development and communication of provider call schedule including managing call procedures for the practice
- Understand and explain advantages and disadvantages of utilizing physician extenders in a hospital medicine practice
- Understand the impact of the different models of physician compensation and incentives on patient care processes

PATIENT REGISTRATION
- Understand and develop effective patient registration process that may rely on facility registration process or information gathered by clinical providers from facility sources
- Understand practice management software integration with facility system and/or charge capture system used by clinical providers and/or data entry process from paper face sheets
- Understand and incorporate the necessary elements for effective and compliant billing, coding and revenue capture, audit and review, and process improvement in the design of patient care processes
- Understand compliance requirements associated with personnel files (e.g., Joint Commission and other regulatory agencies) to develop and implement a process to maintain compliant files especially in an environment where the practice is a part of a hospital or integrated health system

PHARMACEUTICAL MANAGEMENT
- Understand and describe the impact of medication formularies, utilization review requirements, third-party payor contracts and other policies impacting patient care
- Manage relationship with hospital pharmacy departments, pharmaceutical sales representatives and specialty physicians who may control hospital formularies or access to certain medicines.

ATTITUDES
- Ability to conduct critical analysis of practice operations to optimize efficiency and meet regulatory compliance
- Ability to communicate with providers on a regular basis to ensure patient care processes are keeping current with any changes at the facility level
- Ability to assert influence in making patient care process decisions and receiving buy-in from clinical providers
- Recognition of the importance of public relations and to foster that philosophy across others in the organization
- Familiarity with current regulatory requirements
UNIQUE CONSIDERATIONS BY PRACTICE MODEL

- **Private practices:**
  - Generally stand-alone practice management software
    - May or may not interface with facility systems
  - Role of physician extenders dependent on facility medical staff bylaws
  - Typically aggressive referral management and personal relationship development approaches are deployed

- **Hospital and health system-employed practices:**
  - Greater instances of integration with facility registration processes and IT systems
  - Use of physician extenders more common
  - Variation of additional practice management resources available within the institution (e.g., revenue cycle management, marketing, etc.)

- **Management company practices:**
  - Centralized resources available to address revenue cycle management as it relates to patient registration processes

- **Academic practices:**
  - Use of medical residents in clinical care delivery
  - Enhanced focus on incorporating research studies into the hospital medicine practice
INTRODUCTION

Quality improvement is the process of continually monitoring and identifying opportunities for improvement in clinical and operations practice and proactively acting upon these opportunities by implementing policies and procedures to maximize performance and optimize outcomes. Such opportunities can be related to customer service, patient satisfaction, patient safety, environmental issues, clinical outcomes, efficiency of services, and effectiveness of process or treatment. Continuous improvement requires a solid understanding of the processes used in quality improvement as well as the accreditation standards, laws and regulations affecting the hospitalist practice.

KNOWLEDGE

- Understand processes used by healthcare entities in quality and process improvement, such as lean management, Six Sigma and total quality management
- Be aware of the specific methodology used by client hospital
- Be aware of the current JCAHO accreditation standards related to the practice of hospital medicine, including but not limited to those addressing medical record documentation and quality
- Be aware of the CMS Core Measures for which hospitalists have responsibility for attaining in part (Emergency Department response times) or in total (medication reconciliation)
- Understand laws and regulations, whether federal, state or hospital, relevant to the practice of hospital medicine, including but not limited to:
  - Patient Safety and Quality Improvement Act
  - National Committee for Quality Assurance (NCQA)
  - Physician Quality Reporting Initiative (PQRI)
  - Health Plan Employer Data and Information Set (HEDIS)
  - Centers for Medicare & Medicaid Services (CMS) Core Measures
  - Hospital credentialing and peer review
- Understand the components of an effective process improvement/quality improvement program
- Understand the implications of noncompliance with quality-related requirements
- Understand components of evidence-based medicine and best practice tools such as clinical pathways and protocols
- Understand components of pay-for-performance and tools used to measure and report such performance
- Understand hospital patient satisfaction survey methodology
SKILLS

- Be able to function effectively as part of a multi-disciplinary team representing the various areas of healthcare organizations
- Ensure compliance with federal and state regulations related to quality and outcomes
- Ensure compliance with provider medical record documentation requirements
- Ensure compliance with HIPAA regulations to ensure patient confidentiality
- Ensure compliance with all state licensing and hospital credentialing
- Identify the need for coordination and communication with Risk Management and Quality departments
- Ability to implement a quality monitoring system using appropriate tools (run charts, work flow sheets, etc.) to measure the practice in relation to standard benchmarks
- Assist with implementation of best practices through use of clinical pathways and protocols
- Develop patient satisfaction program requiring training of staff, collection of data or utilization of data provided through hospital survey vehicle, and use results to make interventions for increase in patient satisfaction
- Establish an internal peer-review process

ATTITUDES

- Ability to identify opportunities for improvement and coordinate appropriate action
- Respect patient confidentiality
- Collaborate with hospital departments (e.g., Quality, Risk Management, Health Information Management/Medical Records, Compliance) involved in developing policies to maximize improvements of processes and outcomes
  - Required reporting and addressing of sentinel events or other medical errors
  - Environmental safety (blood-borne pathogens, respiratory safety, fire safety, personal protective equipment, material safety, hazard communication, emergency and evacuation procedures, emergency response)
- Ensure providers are properly trained in all aspects of mandated core measure documentation and action
- Be aware of new issues relating to quality improvement as they arise
- Assure customer service focus

UNIQUE CONSIDERATIONS BY PRACTICE MODEL

- Management company practices: Interface with corporate clinical operations teams and/or departments
INTRODUCTION

Risk management is the process of identifying risks to the hospitalist practice and proactively managing such risks by implementing policies and procedures not only to minimize exposure to these risks but also to set up guidelines for how to handle such risks should they develop. Such risks can be related to environmental issues (physical workplace) or human behavior. Continual risk assessment requires a solid understanding of the laws and regulations affecting the hospital practice.

KNOWLEDGE

- Understand possible adverse legal events
  - Patient care
    - Negligence (breach of standard of care)
    - Informed consent
    - HIPAA and patient confidentiality
    - Ethical issues (i.e., end-of-life care)
  - Employment issues
    - Sexual harassment
    - Discrimination
    - Board of directors fiduciary duty
- Understand hospital and/or health system’s process for patient notification of a HIPAA violation when a hospitalist patient is involved
- Understand impact of legal events on physicians and the organization
- Understand laws and regulations, whether federal, state or hospital, that are relevant to the practice of hospital medicine, including but not limited to:
  - Emergency Medical Treatment and Active Labor Act
  - Patient Safety and Quality Improvement Act
  - State licensing
  - Hospital credentialing and peer review
- Understand the components of an effective compliance plan
- Understand hospital/health system processes for compliance
Understand the impact of various types of disasters on the practice, including but not limited to:
- Natural disasters (hurricane, flood, tornado, blizzard)
- Fire
- Bio-contamination

SKILLS

- Develop and implement a compliance program with the following elements:
  - Standards of conduct
  - Appointed compliance officer
  - Training
    - Specifically with respect to hospital and/or health system's compliance initiatives (i.e., hand hygiene) requiring annual compliance training
  - Auditing
  - Ability for employees to report non-compliant activity
  - Disciplinary guidelines and corrective action initiatives
- Ensure compliance with federal and state regulations, including but not limited to:
  - U.S. Department of Health and Human Services, Office of Inspector General (OIG)
  - Physician self-referral – Stark law, anti-kickback law and antitrust
  - Centers for Medicare & Medicaid Services (CMS)
  - Health Insurance Portability and Accountability Act (HIPAA)
  - Occupational Safety and Health Administration (OSHA)
  - Centers for Disease Control and Prevention (CDC)
  - Employment laws and regulations
- Ensure compliance with provider billing and coding
- Ensure compliance with legal requirements of recordkeeping, including record retention, storage, retrieval and destruction
- Obtain appropriate insurance coverage for the hospitalist practice
  - Professional liability
  - General liability
  - Property and casualty
  - Directors and officers liability
- Ensure appropriate and timely response to subpoenas received by the practice not only for medical records but also the group's billing records, which requires establishing a process to direct patients to the hospital for medical records and a process for submitting the practice's additional billing records and notes
- Investigate all grievances, claims and complaints against the practice, assessing legal ramifications
- Develop and use effective relationships with insurance brokers and legal counsel
- Establish plan for disaster response and recovery to ensure continuation of practice
  - Ability to get critical staff to/from hospital
  - Protection and backup of practice information (personnel files, patient information)
ATTITUDES

- Identify risk situations and promptly inform pertinent parties
- Respect patient confidentiality
- Collaborate with various hospital departments (specifically risk management, quality, environmental services, compliance) involved in developing policies to minimize risk situations within the hospital
  - Required reporting and addressing of sentinel events or other medical errors
  - Environmental safety (blood-borne pathogens, respiratory safety, fire safety, personal protective equipment, material safety, hazard communication, emergency and evacuation procedures, emergency response)
- Ensure staff is properly trained in all aspects of risk and safety, including infection control, environmental hazards and medication errors
- Maintain awareness of new issues relating to risk management as they arise

UNIQUE CONSIDERATIONS BY PRACTICE MODEL

- **Private practices:**
  - Interface with independent and private practice general counsel
  - Use independent outside consulting firms
- **Hospital and health system-employed practices:**
  - Interface with hospital counsel
  - Coordinate physician practice charity care policy and process with that of the hospital and/or health system
- **Management company practices:**
  - Interface with national general counsel, risk management and compliance personnel
- **Academic practices:**
  - Interface with university general counsel
  - Coordinate physician practice charity care policy and process with that of the hospital and/or health system
About SHM

Representing the fastest growing specialty in modern healthcare, the Society of Hospital Medicine (SHM) is the leading medical society for more than 34,000 hospitalists and their patients. SHM is dedicated to promoting the highest quality care for all hospitalized patients and overall excellence in the practice of hospital medicine through quality improvement, education, advocacy and research. Over the past decade, studies have shown that hospitalists can contribute to decreased patient lengths of stay, reductions in hospital costs and readmission rates, and increased patient satisfaction.

For more information about SHM and hospital medicine, visit www.hospitalmedicine.org.