10 ways to make a hospitalist service successful

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Hospitalist services are cropping up in communities, large and small, across the nation. As they do, patterns of what produces operational and clinical successes are beginning to emerge.

In barely more than a decade, the hospitalist has gone from a nearly unknown specialty to one of today’s hottest new fields. The numbers of these specialists increased from a few hundred in 1997 to about 20,000 by early 2007, with more growth ahead.

The parent organization of Sierra Hospitalists LLC was the first to offer the services of hospitalists in Reno, Nev. It was founded 12 years ago by seven physicians from Pulmonary Medicine Associates and four other hospital-intense specialists in the community. They were asked by primary care physicians in the community to take over the inpatient care of their patients; the primary care physicians wanted to spend more time in the office doing reimbursable procedures and office visits.

The specialists from Pulmonary Medicine Associates quickly discovered that their new service would be a way to serve our community’s primary care needs as well as the needs that we were already serving as specialists. They also soon realized that dedicated hospitalists were needed to meet the demands of our community’s growing population and the increased inpatient care needs of its local hospitals. Sierra Hospitalists LLC was created and now employs 19 full-time hospitalists. They are supplemented by three part-time physicians who help cover open shifts. In all, we serve six hospitals in and around Reno for the 80 primary care physicians who send their patients to us. We also are the dedicated hospitalists for one of the hospitals for all unassigned admissions.

As this new practice grew into a major commitment, we learned very quickly that service was the No. 1 ingredient of success. But just saying “we provide good service” doesn’t make it so. I’ve found 10 key areas important to whether a hospitalist service meets the expectations of patients, primary care physicians and hospitals.

Whether your practice plans to start its own hospitalist service or just wants to use a hospitalist service for its own inpatients, consider how these 10 areas can contribute to your success:

**New physician orientation**

Setting expectations for behavior and demeanor is critical, especially for hospitalists. These specialists work autonomously. They do not get a chance to absorb practice culture through observation and camaraderie. Many applicants for hospitalist positions are right out of residency and thus not attuned to the pace of private practice. Experienced physicians who apply may also be new to the field. Some may be attracted to the job because they view themselves as individualists who work better on their own.

Give all newly hired hospitalists:
- Menus of the paperwork they are expected to complete at each hospital;
- Examples of correctly completed documents;
- Expectations for what and when to communicate to primary care physicians; and
- Names and phone numbers of the primary care physicians whose patients they will see and the specialty physicians whom they can call on for help.
Assign experienced mentor physicians to new hospitalists to show them the ropes at each hospital. This mentor-physician should keep tabs on the new hospitalist, especially during the first few months on the job. Make sure your mentor-physicians set good examples by being efficient workers, good communicators, attentive to physician relations and diligent about following protocols.

When it comes to meetings and committee service, leave nothing to chance. Tell new hospitalists which meetings you’ll pay them to attend and which ones they must attend without pay; list the committees they should join and how often they must attend meetings. Encourage them to become active in their professional society as well as in county and state medical societies. This networking will prove invaluable to their personal and professional development, which will, in turn, help boost both their skills and job satisfaction.

Get up to speed on billing
You won’t get paid promptly, or maybe at all, if you don’t bill services properly and promptly. The seven pulmonologists from Pulmonary Medicine Associates who helped found Sierra Hospitalists opted to have the new hospitalist service use the pulmonary group’s billing office, which was set up as a separate entity. This step not only avoided the expense of creating a new billing service, it also allowed the hospitalist service to hit the ground running with a knowledgeable and experienced staff.

Outsourcing billing is a fall-back option for a hospitalist service not ready to invest in building a billing infrastructure. Unfortunately, not all billing services or hospital billing departments can offer the additional services a hospitalist service needs — tracking payer contracts, for example. Another source of billing services could be an established medical practice in the community; hospital-owned hospitalist services should consider this option because it can bring them the outpatient billing expertise their in-house staff may lack.

Whatever route the hospitalist service takes, it’s important that the billing employees serving it work closely with their counterparts in the hospital’s admitting department. Hospital workers may not know what information physicians need for billing Medicare Part B services or that they may need to track down a patient’s supplementary insurance coverage.

At Sierra, the practice management system is set up to routinely send a note to each patient to ask them if the information we received from the hospital is correct. We’ve found that about 20 percent of our patients send back corrections to the hospital’s billing and demographic data.

Billing starts, of course, with capturing charges, which has always been an iffy proposition when physicians are away from the office. Your hospitalists should know how to capture charges fully and accurately.

Pay attention to compliance
Make sure that hospitalists know you expect them to code correctly and fully to each payer’s requirements. Consider making these expectations an element in their annual evaluations.
MGMA’s *Rx for Health* course is one way to teach new physicians and staff the basics of coding and billing, especially concerning operations. Another source for coding knowledge is the Society of Hospital Medicine, the professional association for hospitalists. At Sierra Hospitalists, the senior mentors show our newly recruited hospitalists the finer points of diagnostic and procedural coding.

At a minimum, set aside time to meet with each new hospitalist and go over the Current Procedural Terminology guidelines for the types of codes they are most likely to use. They should become adept at determining and documenting whether patients are in observation or inpatient status. They also should know the guidelines for coding and documenting hospital discharge and other patient-status changes.

One of the implicit promises of the hospitalist movement is that dedicated inpatient physicians will help improve patient care, reduce unnecessary clinical variation, monitor resource use and reduce the average hospital length of stay. We encourage our hospitalists to use the hospital’s case management resources. By learning the rudiments of each hospital’s case management resource, hospitalists can understand the finer points of how that hospital distinguishes between patients in observation status vs. those to be admitted.

In addition, the hospitalist must not only understand how each hospital’s physician order entry system works but know the many variations in the way different hospitals may use the same system.

Hand in hand with billing and coding compliance is the hospitalist’s role in supporting other compliance activities. We also require our hospitalists to become proficient in each host hospital’s standard procedures, patient safety programs, infection control programs, HIPAA compliance and other programs.

**Written policies and procedures**

Successful medical practices know that written, clearly stated expectations for staff and physicians are the keys to getting the work done and building a cohesive team of motivated professionals.

Policies and procedures that the hospitalist practice must put into writing include:

- Call coverage duties;
- Incentive bonus calculations;
- Vacation coverage procedures;
- Expectations of documents to complete and when;
- Procedures for how hospitalists hand off patient information when changing shifts;
- Expectations and procedures to communicate with primary care physicians; and
- Expectations for what meetings they must attend.

What would seem like second nature to an experienced team of inpatient specialists can become messy and divisive issues as new physicians come aboard with different work styles. For example, does the hospitalist coming on duty know that she must pick up any patient admissions occurring in the final 60 minutes of the preceding shift? If you told her that during orientation, how likely

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**HOW ARE HOSPITALISTS TRAINED?**

Trained in:

- General internal medicine – 75%
- General pediatrics – 11%
- Family practice medicine – 3%
- Internal medicine subspecialty – 4%
- Internal medicine pediatrics – 3%
- Nonphysicians or physician assistants – 3%

Source: Society of Hospital Medicine, 2008
is she to recall that detail several weeks later when it occurs for the first time? If this detail is not written down for all to see, confusion and hard feelings are sure to occur.

Uniform policies and procedures do more than keep everyone’s feelings intact, they also prevent the delays and miscommunications that can imperil patient safety and ruin customer service. Even the smallest negative event can give inpatients a bad impression and, ultimately, hurt the service’s reputation. It might be something as minor as two hospitalists visiting the same patient on the same day because they failed to check their schedules. This can confuse patients and cause them to wonder what else the hospitalists aren’t telling each other. Consistency in how information is delivered also builds trust with patients and primary care physicians.

**Contract tracking**

Contracts and agreements to keep track of in a medical practice include employment agreements, partnership buy-in and buy-out agreements, medical directorships, payer contracts and leases with vendors and outside professional services, to name but a few. Failing to keep up with due dates, renewal provisions, performance requirements and other critical details in commitments can produce unpleasant surprises.

Don’t take chances on contract tracking. Create a basic tickler file – electronic or paper – so you are alerted at least 90 days before the expiration or renewal date of every contract you’ve signed. Nothing is worse than learning that a contract you wanted to renegotiate just automatically renewed for another year or, worse, that you are not going to get reimbursed at all because a payer contract expired weeks ago.

**Income diversification**

As popular as the hospitalist concept has become, most services are not major profit centers. Most require financial support from the hospitals with which they contract. That’s not to say these services can’t find new economic opportunities for their owners and partners. Sierra Hospitalists recently contracted with a large regional payer to conduct case reviews.

Hospitalist physicians spend all of their time on the hospital campus, but their work flow can be intermittent. Consider ways to use their talents and time wisely, such as staffing an after-hours urgent care clinic at the hospital. Other opportunities may include staffing in-house clinics that focus on geriatric, indigent or Medicaid patients. Avoid conflicts with primary care physicians by serving patient populations that they do not compete to serve.

**Commit to communication**

Communication breakdowns are among the chief concerns of many primary care physicians when considering a hospitalist.

Try to recruit physicians who have better-than-average listening skills. The responsibility to listen carefully may be greater for the hospitalist than for other types of doctors. While primary care
physicians most likely treat patients they’ve seen several times, a hospitalist is always starting from scratch.

Communications responsibilities also include assuring a smooth handoff of patients between hospitalist shifts. Make it a mandatory practice for hospitalists to speak in person or by telephone at each shift change to briefly review the current roster of patients and any significant issues.

A well-organized service also sets clear expectations for how and what information the hospitalist relays to the primary care physician. These expectations should include notifying the primary care physician:

- When one of their patients is admitted;
- If major procedures and tests are performed while the patient is in the hospital;
- Whether there are significant changes in the patient’s status; and
- When the patient is discharged or transferred.

Give clearly stated, written expectations to primary care physicians who want to be consulted about their hospitalized patients. Spell out the acceptable time frames in which they should reply to the hospitalist’s pages or other requests for information.

Communicating within the hospitalist group is critical to reinforcing a medical practice group’s culture. Your practice should create ways for hospitalists on all shifts, including part-timers, to meet regularly with each other. Find ways for hospitalists to touch base with billing and administrative staff at headquarters periodically. Encourage them to meet frequently, even daily, with the hospital’s case management staff and know when to call on the hospital’s higher management.

**Provide customer service**

A successful hospitalist service makes sure that the hospitals it serves get what they need, too. Hospitals want to reduce potentially costly variations in how care is delivered, lower the average length of stay for hospitalized patients and reduce the span of time from the patient’s emergency room arrival to hospital admission.

Hospitalist services and hospital officials must agree on how results will be measured. Otherwise, hospitalists’ contributions could be unfairly penalized by factors out of their control. For example, the hospitalist may quickly write an admission order only to see an hour or more drag by before the patient is admitted because the hospital did not have a bed available.

By keeping current with order entry and documentation, hospitalists also can help the institution’s discharge staff with a more timely patient release.

Some hospitals provide discharge nursing services. Even when those services are turned over to the primary care physician, the hospitalist can help out by spending a few minutes to call each recently discharged patient. John Nelson, MD, director of the hospitalist program at Overlake Hospital in Bellevue, Wash., says such calls only take a minute or two, but the effect on patient satisfaction is
tremendous. Nelson, one of the founders of the hospitalist movement and a practicing hospitalist since 1988, says the brief calls also can catch important omissions or oversights that could slow or imperil a patient’s recovery.

**Dress for success**

Yes, we’re talking about a dress code here right along with all the meaty financial issues of running a hospitalist service. Why? These physicians work on their own for extended hours, overnight and on weekends. This independence leads some, especially those new to the work force, to get a little too relaxed in their appearance. There’s no reason that physicians cannot do rounds in jeans and T-shirts, but then again there’s no reason for hospital staff to take them seriously. And that’s not to mention the poor impression the casually dressed hospitalist may leave on patients, especially those who still expect their doctors to look like, well, doctors.

The dress-for-success issue is even more important for the hospitalist because many are young physicians who are already up against a barrier in getting respect from the older and more established staff and physicians they encounter at the hospital.

**Build community**

It may sound a bit too touchy-feely, but developing a sense of community is a critical piece of the hospitalist’s long-term success. The relatively autonomous work style of inpatient physicians can lead them to forget their links to the broader medical community.

Advise all new physicians, young and old, that you are hiring them to become part of the local medical community. Make sure new hospitalists know how the community — namely, your practice and the hospitals — expect them to hand in charges, enter codes, do paperwork and complete other important tasks.

Hospitalists may not grasp how much influence they have in making the entire system work for patients and physicians, not to mention payers. For example, if a patient has an especially good experience with the hospitalist assigned to him, then his primary care physician will hear about it, too. That’s especially true when it is a bad experience. Those experiences can bolster or undermine patients’ trust in their primary care physicians.

Whether you plan to start a hospitalist service for your community’s primary care physicians, create a new venture as a sideline or service to your current practice, or just anticipate using one in the near future, consider how these 10 success factors are working at your hospitalist service.