

# Physician Retention Demystified

5 Retention Areas to Evaluate



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1. Work/Life Balance
2. Limited Support from Administration
3. Concerns about Overly Complicated Production Models
4. RVU Factor is not Competitive
5. Outmigration from Larger Systems

Physician recruitment is hard, it's inconvenient and doing so successfully takes a lot of time, effort and patience. Physician recruitment is as challenging today as it has ever been.

Our recruiters talk to hundreds of physicians each week and we have identified five key motivations relative to retention that are within your control.



# 1. Work/Life Balance

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There is a tipping point in every physician's practice when the time invested no longer delivers his or her expected return. That return is not always financial however. The tipping point for every physician is different. Here are two questions to ask yourself.

1. Do you know that tipping point for your physicians?
2. Is your practice model adaptable enough to fit the individual needs of your providers while also accomplishing organizational goals?

Practice models that are inflexible and designed as one size fits all options should be stored away in the same closet as all those old paper charts. Reasonable flexibility of schedules, patient encounters and compensation are all factors when we hear from active candidates.



## 2. Limited Support from Administration

Based on our conversations with providers over the years, we have learned this concern is really more about limited access versus limited support.

When we talk to physicians, we always ask two questions; one, have they spoken to the administration about their concerns and, two; if the administration was able to address their concerns would they stay. Yes, is the answer we often hear on question two, but when it comes to question one, well that is a different story. Far too often we hear, "My administration doesn't care, I've not even had a one on one with our CEO since my interview." Or they will say "I've tried, but cannot even get a meeting with my CEO or CMO, they have other priorities, and I'm tired of waiting."

Surprisingly, major adjustments to the practice is not always necessary to keep a provider engaged. Merely providing access and letting them know their concerns have been heard can be enough.



### 3. Concerns About an Overly Complicated Production Model

Physicians, like all of us, are looking for simplicity, or more importantly transparency when it comes to compensation incentives.

Whether quality or production based, hidden caveats or “gotcha” clauses are not necessary.

Our advice is to keep things simple and transparent. It builds trust and loyalty with your medical staff. We’ve actually seen physicians accept lower guaranteed compensation models because the incentive model was transparent and straightforward.



## 4. RVU Factors are not Competitive

RVU's are not the mystery they used to be, and today's physicians are more educated than ever before on what RVU factor is competitive. In fact, the RVU has become one of the most negotiated elements of a contract today.

Keep in mind, the opportunity cost of losing your provider may be higher than the actual cost of bringing your RVU factor to a competitive value. Providers who produce in the 75th percentile want to be paid in the 75th percentile and so on.

Visit [www.cms.gov](http://www.cms.gov) for access to national RVU data.



## 5. Outmigration from Larger Systems

We are seeing this more and more and it is tied mostly to one factor, and that is the perception of power being taken away from local administration.

Whether accurate or not, perception is reality and organizations who struggle with these optics have trouble with retention. We see that organizations who are agile and able to respond to “LOCAL” market factors impacting local physicians are better at both retaining their current staff and attracting new providers.

It is important to remind you that the expense of replacing a physician is often greater than the cost of retaining them. At the end of the day, remember this, retention is one of the most important, yet overlooked recruitment strategies in the healthcare industry.

