

HEALTHCARE SYSTEMS: SUPPORTING AND ADVANCING CHILD HEALTH**BUSINESS PRACTICES****INTRODUCTION**

Sound business practices form a foundation for the growth and effective development of pediatric hospital medicine programs. Business practice refers to program development and growth, practice management, contract negotiation, and financial solvency. Pediatric hospitalists require fundamental business skills to enhance individual success, and facilitate growth and stability of groups, divisions, and institutions. Hospitals increasingly need physician leaders with these skills to improve operational efficiency and meet other institutional needs. Pediatric hospitalists must acquire and maintain business skills that support the ability to negotiate and define hospitalist roles within the hospital, expand practices intelligently, anticipate and respond to change, and sustain financial success.

KNOWLEDGE

Pediatric hospitalists should be able to:

- Explain why clinical practice is a business that needs a sound business plan, professional management, and strategic planning. Discuss the elements of mission and vision statements.
- Identify institutional financial power structures and how resources are developed to build and sustain academic and non-academic programs.
- Compare and contrast the basic structure of hospital-employed and private practice pediatric hospital medicine models.
- Define the basic components assessed during the initial planning for a pediatric hospitalist practice, such as baseline and projected census, projected revenue and expenses, and impact on current and future stakeholders.
- Articulate the requirements for compliant billing and documenting when collaborating with physician extenders.
- Discuss the impact of critical practice variables on creation of an effective and efficient staffing plan, including:
 - Anticipated census, patient acuity and length of stay
 - Anticipated revenue streams and volume
 - Need for night and/or weekend coverage
 - Physician-to-patient ratios
- Compare and contrast pediatric hospitalist staffing models, including:
 - Rounding or patient-based model
 - Shift-based model
- List potential sources of non-clinical responsibilities, such as teaching, committee participation, administrative work, and research. Describe the impact of each on staffing models and revenue.
- Distinguish between various pediatric hospitalist compensation structures, including full salary, incentive salary, and case rate models.
- Define the Relative Value Unit (RVU) and its utility in tracking revenue and physician compensation.
- Discuss the difference between costs versus charges.
- Compare and contrast basic billing methods and revenue sources for the provider versus the hospital, and review the effect of payor mix on these.
- Articulate the importance of billing and coding compliance as it relates to physician compensation and physician-hospital contracting.
- Identify key elements of compliance monitored by the Office of the Inspector General (OIG) of the Department of Health and Human Services (DHHS).
- State the importance of professional credentialing, licensing and liability coverage.
- Describe key features of care management organizations, such as capitation, carve-outs, withholds, case-, disease-, and demand-management and their role in promoting quality of care and cost-control.

SKILLS

Pediatric hospitalists should be able to:

- Review basic business data including revenue, expenses, staff and marketing costs, and accounts receivable.
- Demonstrate basic negotiation skills through role play or attendance at negotiation sessions with third party payors, the institution, department chair, or other contracted entity.

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- Consistently document in the medical record in a manner that meets expectations for billing and coding and for external certifying agencies.
- Effectively utilize a clinical documentation system with an emphasis on:
 - Efficient, accurate, and complete documentation to support coding and billing
 - Compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA)
 - Compliance with trainee documentation guidelines, where applicable
- Complete coding and billing processes efficiently and accurately.
- Participate in group, division, and/or institutional business and finance committees.

ATTITUDES

Pediatric hospitalists should be able to:

- Advocate for a business model that encourages retention of pediatric hospitalists and allows for adequate staffing to support patient safety, and physician wellness.
- Role model accountability with regard to billing, coding and business regulations.
- Support the business of pediatric hospitalists, by maintaining fiscally awareness and proactively managing stakeholder expectations.
- Seek opportunities to acquire basic business skills.

SYSTEMS ORGANIZATION AND IMPROVEMENT

In order to improve efficiency and quality in their organizations, pediatric hospitalists should:

- Collaborate with colleagues and business office leaders to make sound group/division business decisions using performance feedback, peer review and quality improvement information.
- Engage with hospital administrators on strategic business planning, wherever possible.