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Buying up the doctor market

Oconee Medical strategy: sign doctors, open clinics

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SENECA — New facilities are nice, but it is doctors who put patients in hospitals.

When Oconee Medical Center approved its budget earlier this week, projecting a $15 million increase in revenues next year, administrators made it clear they were hinging growth expectations on a new facility and a plethora of new doctors.

However, anticipating a 110 percent increase in clinic visits — 64,000 to 135,000 — isn't exactly a long shot when the odds makers work for you, and that's exactly what OMC is making sure is the case.

The hospital is not only hiring doctors and adding practices, it is bringing existing area clinics into the OMC fold. In recent months, the hospital has established or purchased eight clinics or groups, involving 16 new doctors.

The recent hires and acquisitions brings to 13 the total number of groups in what is now known as Oconee Physician Practices (OPP). There are 44 physicians in the organization.

The result? When patients from those clinics need hospitalization, Oconee Medical is where they go.

Although the impact of opening a $42 million Patient Tower can't be minimized, hospital officials believe that recent patient numbers are equally attributable to the rapid growth of OPP.

In July, discharges were 38 percent higher than had been expected. The number of inpatient surgeries was 44 percent higher than anticipated, and the number of births was more than 39 percent above the number on which OMC's current budget was built.

OMC is not the first hospital to realize that, to keep beds full, it must have doctors for whom the local hospital is the first choice. It's a national trend that is being fueled by economics as well as changing attitude among doctors, young and old.

"Over the past several years, we had seen a steady decline in the number of patients using the hospital and in our market share. More and more patients had been leaving the county for care. Left unchecked, this trend would have jeopardized our

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Jessica Nelms/Staff

The desire of an increasing number of physicians to escape the administrative duties of private practice has played into Oconee Medical Center's strategy to recruit "employee" doctors to assure that patients use the organization's new Patient Tower, thus keeping OMC fiscally viable.

DOCTOR

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ability to continue to be an independent, community-based hospital," said OMC Vice President for Operations Hunter Kome.

An aging facility was blamed for part of the migration, but a shortage of physicians in the hospital's service area was also a factor.

To resolve the facility issue, OMC built a Patient Tower that opened in June.

To resolve the physician shortage, they studied needs and set out to recruit doctors.

"We quickly discovered that most of the physicians we spoke with wanted to be employed," Kome said. "For that reason, we decided to offer employment as an option."

Not only were new recruits enticed by an option that eliminated much of the bureaucracy and paperwork of health care, but so were some doctors already practicing in the community. Kome said those doctors simply wanted to focus on patient care.

Another incarnation of the trend away from private practice has been the evolution of hospitalist programs. OMC has jumped in with both feet. Oconee Hospitalists employs four doctors, a physician's assistant and a nurse practitioner. More are being recruited.

Hospitalists see patients passed off to them by local doctors upon being admitted. They are regular physicians who work regular shifts, while the doctors to whom they report are enjoying life without rounds at 6 a.m. and 8 p.m., seven days a week.

In the evolving picture of American health care, this is considered a win-win.

In addition to several new primary care physicians, OMC has recruited a kidney specialist (nephrologist), a rheumatologist, two new female OB-GYNs, two new cardiologists, two new psychiatrists with specialties in geriatric and pediatric care, the hospitalist team and internal medicine physicians.

"All asked to be employed and have become members of our physician network. Some of these are specialties we did not have before," Kome said.

The impact of this physician driver has been immediate.

Two years ago, small patient numbers led to serious financial problems for the hospital, resulting in cutbacks and layoffs. One year ago, during the summer months, it was not unusual to have 60 to 65 patients in the hospital on any given day.

This summer, OMC has had many days with more than 100 patients, bucking trends at many hospitals in the region, state and nation where sharp drops in patient numbers are being seen due to the recession.

"It is almost certain that we are seeing patients who previously were leaving the county for care, often because we did not have the specialist they needed," Kome said. "The rapid increase cannot be explained by population growth or a sudden increase in illness. It seems clear that our ability to recruit and retain a strong physician base is the primary factor, supported by our new Patient Tower."

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Daniel Smith, MD
Patricia Smith, NP

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* Recent clinic additions