

# Don't Just Pay for ED Call, Link Call Pay to Physician-Hospital Alignment

## Client

Fairfield Medical Center in Lancaster, OH serves more than 250,000 residents and employs more than 2,000. The 222-bed, nonprofit, 501(c)(3) hospital provides full-service, general acute health services.

## Background

When Fairfield Memorial Hospital in Lancaster, OH implemented a hospitalist program to address the rising number of low- and no-volume providers, it created an unintended consequence for specialists. Specialists perceived the hospitalist program as the hospital's attempt to reduce the ED call burden for primary care physicians, and, naturally, they wanted the same benefit. Soon after the hospitalist program was established for adult services, the OB/GYNs approached hospital administration regarding the possibility of hiring a laborist, and that request eventually escalated into a demand. "The cost of a laborist for a hospital that does 1,000-1,200 deliveries a year, the majority of which are Medicaid, is just not practical," said Mina Ubbing, CEO at the time.

With no laborist program, the OBs presented administration with an ultimatum: They would not provide back-up ED call unless they were paid. The organization had two choices: close the OB unit or keep the service and pay the OBs for call.

"We didn't think it served our community well to deliver babies in the ED, so we decided to pay them for call," says Ubbing.

Within hours of deciding to compensate the OBs for ED call, medical staff members in other departments presented Ubbing with a signed petition and demanded to be paid for ED call, too. They demanded the same rate the OBs were receiving regardless of their specialty. According to Ubbing, the cost of paying each physician for ED call was greater than the organization's bottom line. It was time for the organization to call for outside help, and Fairfield chose The Greeley Company.

## Greeley approach and solutions

Physician consultants from The Greeley Company interviewed administrators, the medical staff, and board members to pinpoint the major issues underlying the contention over ED call pay. Throughout

the interview process, the hospital and physicians recognized that the issues that prevented them from reaching alignment were much broader than ED call, and some were the result of 20-year-old grudges.

“At that point, we framed the conversation about ED call as a broader conversation about how can we work together and get to ‘we’,” says Ubbing.

From that jumping-off point, the hospital appointed a task force of board members, administrators, and medical staff members to develop the hospital’s approach to ED call. With the help of The Greeley Company, the task force tackled this through a deliberate, balanced, step-by-step process. The task force identified ways to reduce the burden of call while simultaneously coming up with a fair market value compensation for each specialty.

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“We had criteria to quantify the burden: frequency, intensity, and liability exposure. From that, we came up with the call pay number,” says Ubbing.

The final step was helping physicians understand that the only way the hospital could afford to pay for call was if the physicians helped the hospital achieve key strategic goals. How was an organization that previously could not afford to pay physicians for ED call able to manage it?

“As a result of alignment, we are able to perform better as an organization and therefore care for more patients and generate more revenue. We recognize that as an independent community hospital, if we are going to survive, we better have the doctors and the hospital on the same page,” concluded Ubbing.

### **A Step-by-Step Process to Develop ED Call Compensation that Achieves Alignment**

**Step 1:** Reframe ED call as a negotiation, getting the parties out of position- and power-based negotiation into interest-and principle-based negotiation

**Step 2:** Seek opportunities to reduce the burden of call

**Step 3:** Develop principles of fairness to guide decisions regarding which specialties will receive ED call compensation and how to determine compensation for each specialty

**Step 4:** Use accurate data on the burden of call to establish fair market value for ED call compensation

**Step 5:** Link ED call compensation to physician alignment with key hospital strategic goals

## ABOUT GREELEY

### *The Greeley Company*

Headquartered in the greater Boston area, The Greeley Company serves administrative and clinical teams in more than 500 healthcare organizations nationwide each year—ranging from the largest healthcare systems and academic medical centers to critical access rural hospitals. We have a rich history of providing innovative consulting, education, outsourcing solutions, interim staffing, and external peer review to healthcare organizations nationwide. Greeley focuses on contemporary needs and challenges related to medical staff optimization & physician alignment; accreditation, regulatory compliance & quality; and credentialing & privileging.

### *Our mission*

The Greeley Company's mission is to help healthcare organizations improve efficiency, comply with regulations and standards, achieve practitioner engagement and alignment, and excel in delivering high-quality, cost-effective patient care.

### *Our clients*

Our clients include healthcare organizations of all sizes and types—from large, multi-setting healthcare systems and academic medical centers to critical access rural hospitals. We work with clinical and administrative individuals and teams across the entire organization including physicians, executives, directors, managers, and frontline staff.

### *Our advisors and staff*

The Greeley Company provides our clients with a dedicated team of advisors who bring valuable experience and rich backgrounds as former hospital, nurse, and physician executives, as former “Big 4” consultants, and as former regulatory surveyors. Our professionals understand your pain and provide the breadth and depth of preparation, training, and education needed to drive success. Behind our advisors stand talented management and support staff committed to ensuring the highest level of customized attention and client fulfillment.

### *Contact us*

Please contact us at 888/749-3054 or [info@greeley.com](mailto:info@greeley.com) for more information on how The Greeley Company can help you meet your challenges and goals.