

Lead the way

Physician-led healthcare systems are consistently linked to better healthcare quality, efficiency and outcomes.

By Rajiv Sharma, MD

➤ You wouldn't hire your car mechanic to handle a plumbing problem. And your roofer probably isn't the best resource to update your home's electrical system. Following a similar train of thought, one would assume that hospitals would be best led by physicians and clinicians—rather than managers with a business or administrative background.

Despite the logic, healthcare systems traditionally put professional administrators at the helm, with medical staff looking after patients and management taking care of business. This has to change. Only the physician knows how the patient's healthcare should flow, what's best for the patient and why it's actually good business to always put the patient before profit. That's why we need physicians to pursue leadership roles in our hospitals. We need more physician executives—CEOs, CMOs and CFOs.

Physician Leadership Produces Better Performance

A recent study, published in *Health Care Management Review* tested the traditional viewpoint of administrators as healthcare organization leaders and reinforced the value of physician leaders. The study's aim was to determine if hospital systems led by physicians were associated with better *U.S. News and World Report* (USNWR) quality ratings, financial performance and operating efficiency as compared with those led by non-physician leaders. The conclusion suggests the answer is yes: "Large hospital systems led by physicians in 2015 received higher USNWR ratings and bed usage rates than did hospitals led by non-physicians, with no differences in financial performance ... [P]hysician leaders may possess skills, qualities or management approaches that positively affect hospital quality and the value of care delivered."

The study's deduction carries over into USNWR's 2019–2020 results. The five top-ranked hospitals—Mayo Clinic, Massachusetts General Hospital, Johns Hopkins Hospital, Cleveland Clinic, and New York-Presbyterian



Hospital-Columbia and Cornell—all have physician CEOs and/or presidents. It's strong evidence that physician-led hospitals rise to the top. So why isn't everyone following the leaders? More importantly, why does physician leadership matter?

Physician Leaders Understand Healthcare Goals

The American Medical Association (AMA) has also noted the advantages of a physician-led, team-based care team, explaining it can provide a better patient experience, better population health, lower overall costs and improved professional satisfaction. And beyond their support, the AMA says, "patients also support physician-led team-based care. A 2012 survey found that patients overwhelmingly want a coordinated approach to healthcare, with a physician leading the healthcare team."

The thorn in this statement is that it's difficult to build a physician-led team without a physician-led C-suite. With a business administrator leading a hospital, it feels



like someone is trying to sell you tea but has no idea how to make tea. They're schooled to put profit first. But it doesn't have to be that way. Money follows when doctors and nurses are free to perform quality work. Patients are happy, they receive the best care and the hospital prospers.

Physician Leaders Are Better Equipped to Control Physician Burnout

A 2018 Survey of America's Physicians, conducted by Merritt Hawkins, painted a grim picture in terms of physician burnout. It found that 78% of physicians "sometimes, often or always experience feelings of burnout," and 80% of physicians feel they "are at full capacity or are overextended."

The cause for physician burnout is complicated, but a major contributor is a hospital administration with an MBA and no MD. C-suite physicians understand how far you can stretch another physician before care becomes rote and impersonal. And as physician burnout

increases, an "us vs. them" mentality can evolve. In a physician-led hospital, however, everyone is on the same team. Everyone talks to each other. It's a far more collaborative environment, which greatly benefits the patient. It's also a warmer, collegial culture, which benefits everyone.

The Path to Physician Leadership

Presenting a solid argument in favor of physician-led hospitals is a good start, but physicians need to take action to realize a change. The next step is for physicians to put themselves on a path that heads directly into the C-suite. That means joining organizations and associations that act as physician advocates. These groups have doctors onboard who have already traversed the pathway toward becoming hospital CEOs. They guide more physicians to do likewise. They'll open doors. But not enough physicians are asking for help.

For physicians who want to take this next step but are unsure of how to go about it, there are a number of potential paths:

- ▶ Joining the American College of Healthcare Executives (ache.org/learning-center). It is an international professional society of physician executives who lead hospitals, healthcare systems and other healthcare organizations.
- ▶ Earning an Executive MBA.
- ▶ Fundraising for local senators and congressmen who can help give the physician a voice.
- ▶ Networking with private equity firms, as they can give the physician leverage to work with hospitals and gain freedom from financial captivity.
- ▶ Networking with community leaders and other business owners to expand your horizons.

Physicians have an opportunity to fundamentally change the leadership culture of medicine and improve patient health, reduce physician burnout and increase clinical camaraderie. I hope that we can start a positive chain reaction. The first step is to make sure every physician understands that he or she can be a hospital executive. Then, when you're running a hospital, you can build a team with more physician leaders. If we keep the momentum going, the right people will be leading our hospitals and everyone wins. 🌐



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