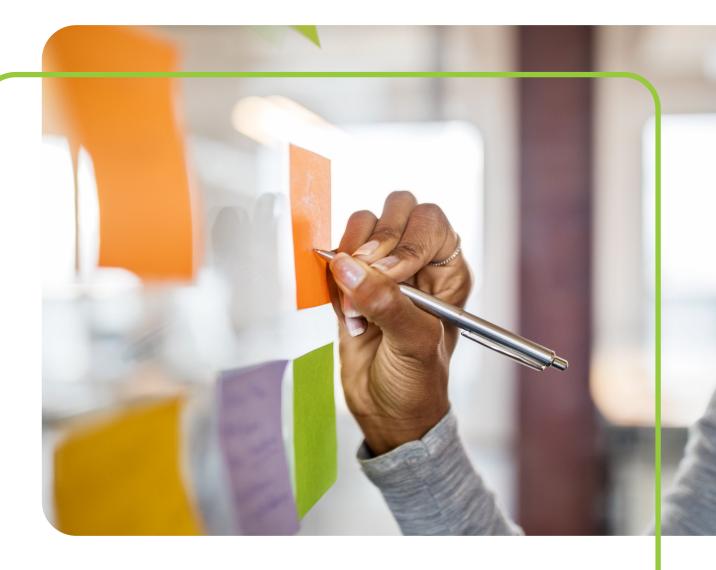
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The importance of workforce strategy

Clinical Team Insights 2020 data brief



4 Workforce imperatives

- 1. Leadership structure
- 2. Recruitment and retention
- 3. Operational efficiency and financial health
- 4. Burnout and well-being

The importance of workforce strategy

Workforce imperatives

Healthcare organizations typically spend 60% of their operating costs on workforce. The clinical workforce is not only an organization's largest single cost, but the individuals who make up the workforce also shape the organizational culture and impact financial performance and patient outcomes. Organizations have long struggled to develop a workforce strategy that is truly aligned with their organizational goals. As organizations strive to recover from the financial impacts of COVID-19, respond to changing patient demands, and cope with the toll the pandemic inflicted on clinicians, the imperative to optimize the clinical workforce is more important than ever. Many clinicians are suffering from burnout, moral injury, and Post Traumatic Stress Disorder (PTSD), and as many of 30% of them are planning to leave the workforce¹.

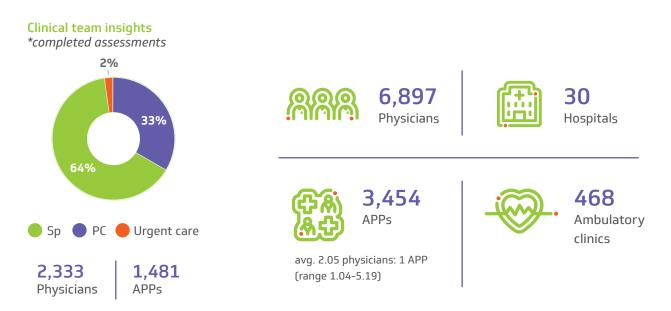
Four imperatives to cultivate an optimal workforce strategy are discussed in this brief. They were identified through evaluation of the 2020 Clinical Team Insight's data and assessment of the current healthcare landscape.

This brief will provide ideas and guidance for each imperative to explore and explain the current environment and provide ideas and guidance for improvement in each imperative.

¹ https://www.kff.org/coronavirus-covid-19/poll-finding/kff-washington-post-health-care-workers/

Clinical Team Insights members complete annual assessments and leverage this data to understand the current state both nationally and in their own organization, empowering organizations to identify opportunities and implement changes.

Although the pandemic stifled responses in 2020, 30 organizations completed assessments, reporting on over 9,000 physicians and nearly 5,000 Advanced Practice Providers (APPs)².



Optimal deployment of the rapidly expanding APP workforce is essential for appropriate and effective care delivery in modern healthcare organizations. The ratio of physicians to APPs in the Clinical Team Insights database widely ranges from one physician per one APP up to five physicians per one APP, with an average of about two physicians per one APP. This wide range represents how differently our members hire and staff APPs.



² Advanced practice providers (APPs) encompasses physician assistants (PAs) and advanced practice registered nurses (APRNs)

1 Leadership structure

Create a leadership structure to effectively support the entire clinician workforce

APP leaders lack comprehensive authority and oversight for the APP workforce

There is a striking imbalance in the overall level and type of leadership experienced by individual APPs when compared to physicians. Most APP leaders do not have direct authority over much of their APP workforce and each APP leader supports almost six times as many clinicians as physician leaders do. Even when an APP leadership structure is present, many APP leaders have limited professional development opportunities and lack role models and mentors to support their leadership growth.



Each physician leader supports about 36 physicians



1:208

Each APP leader supports about 208 APPs

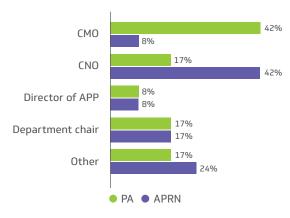
While almost all physician and APP leaders spend time on policies and procedures, less than half of organizations task their physicians and APPs with oversight of compensation, billing and reimbursement. Many APP leaders do not have the authority or budget to promote work-life balance and provide the growth opportunities that are essential for a stable, committed and engaged APP workforce. Lack of engagement in these key activities impairs these leaders' ability to advocate for their workforce, promote financial performance and meet the organization's strategic goals.

Many APPs do not report to APP leaders

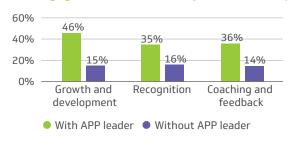
Only 8% of ambulatory organizations' APPs report through an APP executive leader. Physician assistants (PAs) and advanced practice RNs (APRNs) often report up through different channels in the organization, with PAs most commonly reporting through the chief medical officer, while APRNs most often report through the chief nursing officer. Others report to a department chair or another organizational structure. While PAs and APRNs have similar roles and responsibilities, reporting to different leaders in the organization often results in inconsistent processes and communication, impacting both the effectiveness of the clinical team and patient outcomes.

When APPs are led by non-APPs who lack a thorough understanding of their training, skills, and scope of practice, they often receive suboptimal professional feedback and coaching. This has been shown to exhibit lower engagement.

Ambulatory reporting structure



APP engagement is enhanced by APP leadership



Member vignette | Nebraska Medicine

Nebraska Medicine created APP supervisor roles and provided leadership development for these new provided leadership development for these new leaders. Subsequently, internal research revealed that APPs who report to APPs show markedly higher engagement





APPs lack representation in leadership structures and professional development opportunities

In many organizations, APPs lack leadership representation and may be excluded from organizational governance and credentialing committees. While all organizations reported a physician leadership structure, only 67% of organizations reported an APP leadership structure. This lack of representation can result in policies and processes that do not reflect the needs, perspectives and potential contributions of this critical workforce segment.

67%

of organizations have an identified APP leader

58%

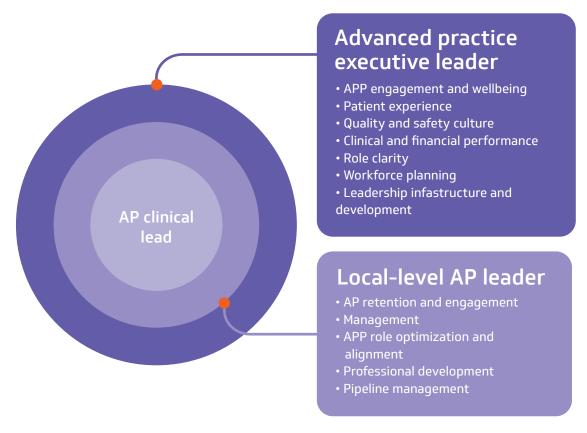
of organizations have APP representation on governance committees

43%

of hospitals have an APP on medical staff credentialing committee

APPs need system-level, executive leadership

High performing organizations have structures that are designed to support and advocate for the APP workforce. Many organizations are moving toward a layered leadership structure with clinical leads supported by local-level and executive system-level AP leaders. This layered structure can engage the entire clinical workforce while ensuring focus on strategic priorities such as workforce planning, performance, patient experience, and clinician engagement

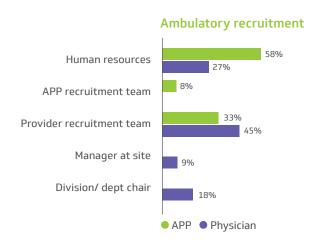


2 Recruitment and retention

Build a culture and infrastructure that supports integration, retention and engagement for all

Effective recruitment is the first step in building your clinician workforce

Hiring clinicians is a significant financial investment that impacts nearly every aspect of the organization's performance, which makes it essential for the entire team to be involved early in the recruitment phase. Ambulatory APPs are mostly recruited and hired by human resources, while physicians are most often recruited and hired by provider recruitment teams. Clear job descriptions, a carefully selected interview team with appropriate clinician representatives, and effective interview processes can ensure that APP candidates are a good fit for organizational culture, can meet the expectations of their role, and will be a good fit with the care team. When the recruitment and hiring of APPs is not coordinated by a provider recruitment team, organizations run the risk of not hiring for the best fit.



Strategically aligned onboarding protects your investment

Over half of organizations do not have a formal onboarding process beyond the typical two-day orientation. The current state is often ineffective and disconnected from strategy, resulting in avoidable turnover.

Acute care	Current state	Ambulatory org
40% have formal onboarding	Majority: two-day orientation Process not connected to strategy Mentors in short supply Process abbreviated; results variable Efforts are resource-intensive and duplicative Leadership presence lacking Internal efforts inadequate	50% have formal onboarding

Onboarding programs lasting 6-12 months have been shown to reduce turnover rates by 40%-70%

Clinician turnover is common and costly

Many organizations are bracing for excess turnover in the wake of the COVID-19 pandemic, which has stressed and challenged many clinicians like never before. Across Clinical Team Insights, physician turnover in 2020 was 9.2%, while APP turnover was 7.7%. It is unclear why physician turnover increased in 2020 while APP turnover decreased as compared to 2019 and future impact/trends are difficult to predict due to these unprecedented times. The COVID-19 pandemic may have wholly or partly contributed to the differing pattern in the reported turnover rates. It is important for each organization to monitor turnover regularly and intervene early.



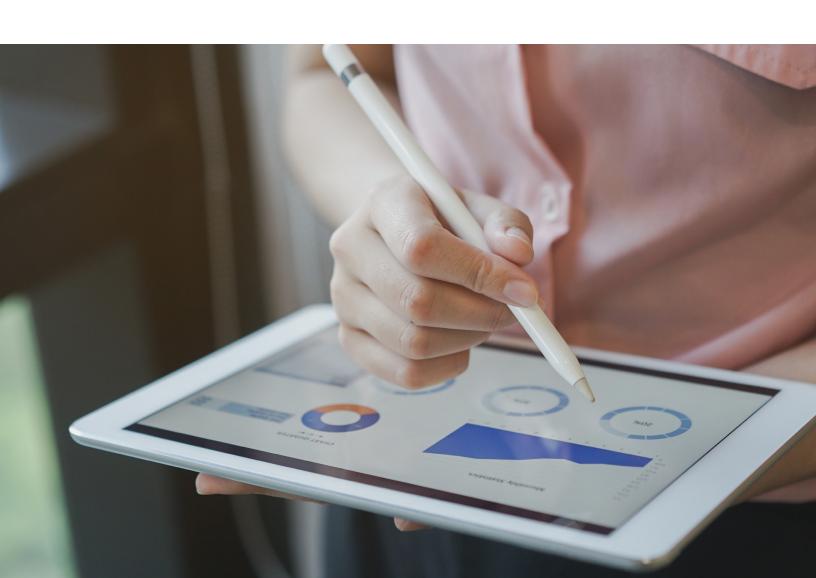


\$550K-\$1.5M

Turnover cost per physician

RECRUITMENT EXPENSE / ONBOARDING EXPENSE / LOST PRODUCTIVITY

The costs of turnover are immense, with an estimated cost of \$250,000 for each APP and between \$500K and \$1.5M per physician. Use our expense turnover calculator to understand how turnover impacts your organization.



Retention efforts aren't just about clinicians exiting out the back door

Movement of clinicians within your organization can be positive when individuals pursue new opportunities and grow their careers, but a high rate of lateral transfer, also known as employee churn, can be a sign that clinicians see a lack of advancement or professional development opportunities in their current department or clinic. It can also indicate culture issues, poor work-life balance, or low staff morale is pushing them away from their current role. APPs often have more flexibility to pursue lateral transfers than physicians because of the nature of their training and certification. In 2020, churn for APPs was 5.8%. If your rate of lateral transfers is high compared to the Clinical Team Insights benchmark or varies significantly across your organization, take a closer look to identify and address issues that are driving employee churn.

Lateral transfer (employee churn)

5.8% for APPs

1.1% for physicians



Member vignette | Reduction in drivers of burnout through workforce

When Advanced Practice Providers (APP) perform tasks that could be done by another member of the clinical team, this increases the workload and time spent working. Increased work hours and workload increases burnout. One organization conducted time studies to examine workflow and found that APPs in a primary care clinic were working long hours, performing tasks that were not top of scope of practice and producing suboptimal work relative value units. During a six-month pilot, APPs offloaded tasks deemed to be more appropriate for another member of the clinical team. Results included:

- Decreased work hours (down from 66/week to 52/week)
- Improved production
 - -wRVUs up from approx. 430 To above 600 and climbing
- Improved clinician engagement
- Improved role clarity
- Decreased burnout



A successful retention strategy is a multi-faceted approach

Clinician retention isn't just about one or two factors like compensation or advancement opportunities. To retain clinicians, your organization needs to pursue multiple retention strategies such as:

- · Hire for fit
- · Formal onboarding programs
- · Provide professional development
- · Provide leadership training

- Focus on work-life balance
- · Fair and equitable compensation
- · Foster and inclusive culture
- · Appropriate work expectations

Use the "Transforming Clinical Teams: A change package for improving organizational design & processes that optimize the clinical workforce" to learn more about the retention strategies above. Clinical Team Insights members can find the Change Package on the Community Page.

Example from change package

CHANGE CONCEPT

Hire for fit (3.1)

CHANGE TACTICS

- **3.1.1:** Use a thoughtful recruitment and selection process, including behavioral-based interviewing, to ensure that the clinicians you hire are a good fit for your practice, the team and the patient population that you serve.
- **3.1.2:** Institute a consistent hiring process for all clinicians. Ensure that when hiring an APP, the process is as vigorous as when hiring a physician into your practice.
- **3.1.3:** Confirm each candidate's commitment to and ability to execute on the organizational mission, culture and standards before an offer is extended.
- **3.1.4:** Recruit and hire new clinicians through a coordinated multidisciplinary recruitment process that includes local clinic/department representatives.
- **3.1.5:** Help practices clarify roles, competencies and preferences when new members join the team and ensure that the expectations are aligned with system-wide standards. These expectations should then be communicated transparently to prospective candidates.

3 Operational efficiency and financial health

Define efficient care delivery models that meet patient needs and support financial health

Operational efficiency and financial health result when the right people use the right processes to deliver the right care

Operational inefficiency is a leading cause of wasted health care dollars. Clinical Team Insights uses the following framework to address this waste:

· Right person

Right process

· Right care

When all three of these are optimized, an organization can achieve higher productivity with existing resources, strong operating margins, improved access and improved quality outcomes.

Right person

- · Attract, develop and retain top talent
- · Engage and empower clinicians and staff
- · Top-of-scope of practice
- · Effective leadership structure

Right process

- · Reduce variation in workflow
- Reduce variation in utilization
- Align strategic goals and operations
- · Achieve systemness

Right care

- Foster a culture of team-based case
- · Encourage innovative care modalities
- · Deliver cost-effective, high-value care



Outcomes

- · Operating margins
- · Access to care
- Quality
- Productivity

Role clarity can improve operational effectiveness

Your entire care team is more effective when staff perform activities that match their education and training and delegate tasks to others when appropriate. Here are a few examples of appropriate distribution of tasks.

Clinician

- · Document visit in EHR
- Enter billing codes for visits
- Inbox results Is it normal?
- Inbox reminders Complete task
- Mini mental exam
- Send consult note
- Enter orders during visit
- Educate patients
- Manage inbox messages from patients
- Deliver testing results to patient
- Medication reconciliation
- Daily team huddles
- Review screening questionnaires
- Medical decision making
- Assess patient

Clinical support staff

- Scanning forms
- Retrieving supplies
- Entering orders during visit
- · Restock exam rooms
- Medication reconciliation
- Pre-visit planning
- Minor procedures: Ear irrigation, dressing change
- Measure vital signs
- Transcribe screening answers in EHR
- Deliver patients routine results
- Form completion: Disability, DME, DMV, physical
- Point of care testing: Lab, EKG, spirometry, instructions to patients
- Set up equipment for procedures
- · Screening exams: Visual, audio, foot, retinal

Another role could complete this Sometimes yes, sometimes no Must be completed by this role

Hiring RNs can be a cost-effective strategy to improve the performance of ambulatory clinics

Hiring RNs can be a cost-effective strategy to improve the performance of ambulatory clinics. While approximately three-quarters of ambulatory medical specialty and surgical specialty clinics employ RNs, only 54% of primary care clinics do. These essential team members complete vital functions and contribute to the success of the practice. Considering the financial, staffing and access issues faced by many primary care clinics, there is an opportunity to maximize the role of RNs to free up physicians and APPs to see more patients. RNs can also generate revenue by providing billable services such as nurse visits, Medicare annual wellness visits and transitional care management (TCM). They also perform vital functions that improve outcomes for patients such as patient education and chronic care management.

54% of primary care clinics

employ RNs

77%
of primary care clinics
employ LPNs



% clinics where RNs perform tasks listed. Clinical Team Insights 2020 workforce assessments.



Top of scope of practice for APPs can improve patient access and increase revenue

While scope of practice limitations for APPs vary from state to state, there are no federal regulations that prohibit APPs from having their own schedule or from seeing new patients. These limitations are being implemented at the local (practice, unit, department, system) level. Ensuring that APPs function at top of scope of practice can dramatically improve patient access, increase patient volumes and increase revenue, many ambulatory clinics are missing these opportunities.

Primary care 95%

of APPs at this ambulatory site/ clinic have their own schedule

Types of patients APPs can see

New	90%
Established (acute care)	90%
Established (chronic/ ongoing management)	96%

Medical specialty 92%

of APPs at this ambulatory site/ clinic have their own schedule

Types of patients APPs can see

Consults	43%
New	69%
Established (acute care)	80%
Established (chronic/ ongoing management)	95%

Surgical specialty 83%

of APPs at this ambulatory site/ clinic have their own schedule

Types of patients APPs can see

Consults	54%
New	73%
Established (acute care)	87%
Established (chronic/ ongoing management)	97%

Member vignette | Improved access for new patient appointments

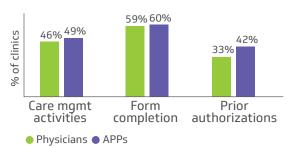
A sleep medicine clinic decreased wait time for a new patient appointment from greater than 100 days to 43 days without adding an additional provider to the clinic. Elevating the APP to top of scope of practice and allowing the APP to perform new patient appointments, increased APP productivity from the 10th percentile to the 70th percentile and opened access for more new patient appointments.

Clinicians perform too many administrative tasks

Both physicians and APPs perform administrative tasks in many ambulatory clinics, such as care management, form completion and prior authorization, resulting in wasted clinician time and increased costs.

% clinics where physicians and APPs are tasked with the activities listed. Clinical Team Insights 2020 workforce assessments

Administrative tasks



Research has found that when physicians are tasked with administrative activities, it consumes an average 0.24 of a full-time FTE and 0.38 of an APP full-time FTE. It's time to offload these tasks that are not at top of scope of practice for clinicians and free up their time to complete patient visits, tasks necessary to their role and revenue generating activities. These costs represent waste that could be reduced by engaging the other members of the care team.



\$68,880

for every 1.0 physician FTE, 0.24 FTE is wasted on administrative activities



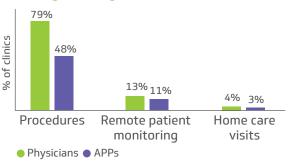
\$52,440

for every 1.0 APP FTE, 0.38 FTE is wasted on administrative activities

Clinicians should devote more time to revenue generating activities

If clinicians spent less time on administrative tasks, they could spend more time generating revenue by performing activities such as procedures, remote patient monitoring and home care visits. In 2020, we saw that the percentage of clinics where physicians performed these activities remains higher than those that task APP with these activities. Only 48% of clinics have APPs performing procedures which leaves a lot of opportunity to increase this responsibility and create revenue without taking up too much of the physicians' time. New processes may need to be developed and implemented to increase some of these activities. First, take a look at the activities performed by all team members and then clearly define roles and create workflows so team members are performing tasks most appropriate for their role.

Revenue generating activities



Delegating administrative tasks can increase revenue and improve access

Even when factoring in the cost of additional staff such as a medical assistant, registered nurse, or care coordinator, the positive financial impact can be substantial. Our pro forma tool will help you model your specific organizational scenarios.³

By reassigning activities that are administrative tasks and optimizing clinicians, your ambulatory organization could:



\$25,851

in labor cost per optimized APP

INCREASE
APP capacity by

836

visits per APP/ year

Net revenue by

\$57.011

per APP/ year



\$52.087

in labor cost per optimized physician

INCREASE

Physician capacity by

528

visits per physician/ year

Net revenue by

\$36.007

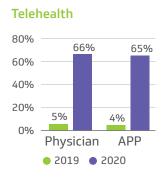
per physician/ year

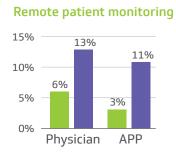
Consider having APPs perform procedures. The time it takes to consent, prepare, and perform a procedure is enough time to free up for the physician(s) to see additional patients.

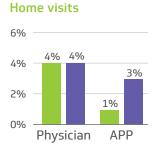
³ In the example above, reassigning administrative tasks away from an APP can save an estimated \$25,851 in labor cost, add 836 patient slots and generate additional net revenue of \$57,011 annually. Reassigning administrative tasks away from a physician can save an estimated \$52,087 in labor cost, add 528 patient slots and generate additional net revenue of \$36,007 annually.

Alternative care modalities provide opportunities for patients, clinicians and organizations

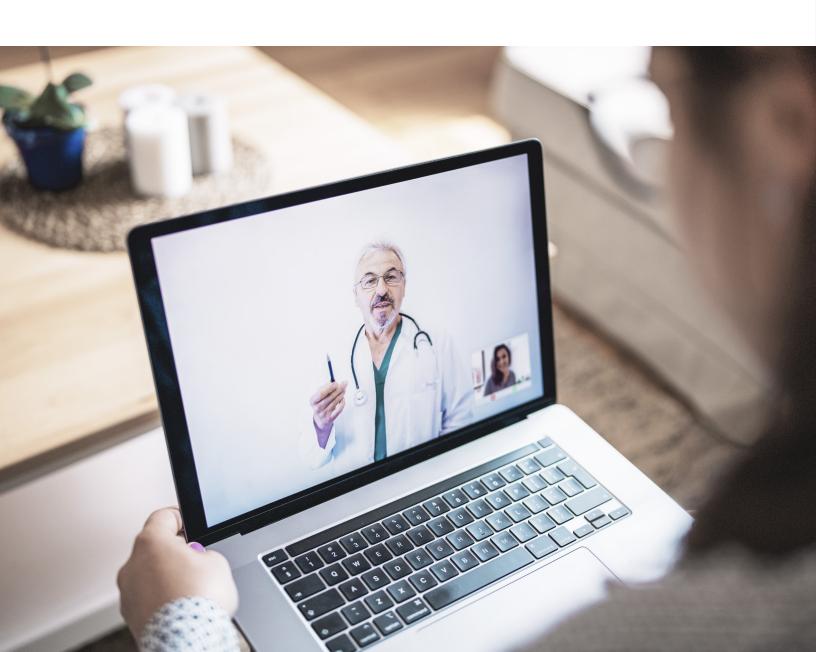
Patient demands have changed as a result of the COVID-19 pandemic, and some of those changes will be long-lasting. Telehealth utilization rose sharply in 2020; at the same time, many patients did not receive needed care or deferred care to reduce their risk of exposure to the COVID-19 virus. Organizations should continue with their momentum toward these alternative modalities of care and expand their use to meet patients' needs and preferences.







In 2020, the percentage of clinics performing the modalities shown above rose, except for physician home care visits, which remained stable. While there were significant increases in telehealth and remote patient monitoring, these modalities have the potential to generate even more revenue, perhaps without adding clinician resources.







67%

of hospitals have APPs on their Hospitalist teams 40%

of hospitals have APPs on their Intensivist teams 30%

of hospitals track APP productivity

Member vignette | A targeted approach to onboard APPs

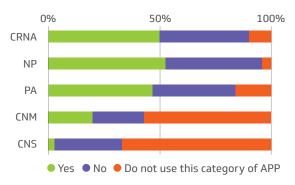
The trauma service orchestrated an onboarding plan which included training needed to prepare APPs to manage patients while the surgeons were in the operating room. By devoting time and energy to training and working as a team when they lost their 4th surgeon, they added an APP, expanding APP coverage to 24 hours. Expanding APP coverage improved the surgeon's work-life balance by having the APPs in the hospital responding to emergencies and leaving the on-call surgeon at home, only coming in only if surgery was required. With one more APP and one less surgeon, the team performed an additional 60 surgical cases.



Failure to track APP productivity and outcomes can render APPs invisible

Only 30% of organizations reported tracking acute care APP productivity and most do not attribute outcomes data to individual APPs. This interferes with the ability to realize the value of APPs' contributions. Organizations may not track productivity because it is often obscured and difficult to do given that most APPs do not bill for their services. With this large workforce and payments being based on outcomes, it is necessary to create methods for monitoring and tracking metrics for APP productivity, quality, safety and utilization.

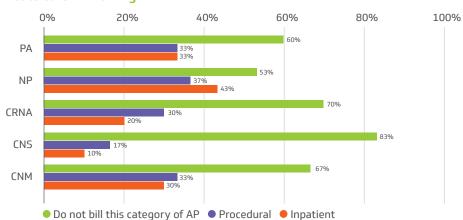
Hospitals that attribute outcome data to individual APPs



>50%

of hospitals are not billing for services provided by APPs

Acute care APP billing



Your organization can improve operational efficiency and financial health

The tactics outlined in this third imperative can enable your organization to achieve strong operating margins while improving access for patients, quality outcomes and staff productivity.

Objectives

Right person

- · Attract, develop and retain top talent
- · Engage and empower clinicians and staff
- Top-of-scope of practice
- Effective leadership structure

Tactics

Right person

- · Top license/ scope
- · Eliminate non-clinician tasks
- Role clarity for each team member



Right process

- · Reduce variation in workflow
- · Reduce variation in utilization
- Align strategic goals and operations
- · Achieve systemness

Right process

- Optimize scheduling practices
- Standardize workflows (including EHR)

Outcomes

- · Operating margins
- · Access to care
- Quality
- Productivity

Right care

- · Foster a culture of team-based case
- · Encourage innovative care modalities
- Deliver cost-effective, high-value care

Right care

- · New care delivery models
- "Right-size" telemedicine
- Develop team productivity measures



4 Burnout and well-being

Address work unit and organizational factors to impact clinician and staff well-being

Work unit and organizational factors drive burnout

Your organizational design and processes have a profound impact on the engagement and resilience of your clinicians4. Work unit and organizational factors have a greater impact on clinician wellbeing than individual factors and should be examined and proactively addressed.



Sub-optimal

organizational design and processes lead to burned out and ineffective clinicians



Optimal

organizational design and processes lead to engaged and resilient clinicians

Clinical Team Insights data allows you to explore and benchmark your performance on the work unit and organizational factors that drive burnout.

Work unit factors	Organizational factors	
 Productivity expectations Schedule/ hours worked Team structure and support Scope of practice matches education and competencies Equity 	 Compensation methodology Leadership Efficiencies in workflow Inclusive culture Professional development Communication 	

⁴ Tawfik, D.S., Profit, J., Webber, S. et al. Organizational Factors Affecting Physician Well-Being. Curr Treat Options Peds 5, 11–25 (2019). https://doi.org/10.1007/s40746-019-00147-6

Productivity expectations and financial incentives can promote or hamper a team-based model

While 359 ambulatory clinics reported measuring APP productivity on RVUs, only 161 clinics reported that APPs bill under their own National Provider Identifier (NPI), suggesting that there is a misalignment between expectations and measurement. If APPs are not billing under their own NPI, there is very little chance their productivity can accurately be measured by wRVUs alone.

Misaligned work expectations with how productivity is measured

359

clinics measure APP productivity on RVUs

161

clinics with APPs who bill under their own NPI

Because 39% of clinics incentivize physicians to work with APPs and over a third of those provide the physicians credit for the wRVUs produced by the APPs, those organizations have missed an opportunity to promote a team-based model through appropriate productivity expectations and aligned incentives.

39%

Physicians incentivized to work with APPs

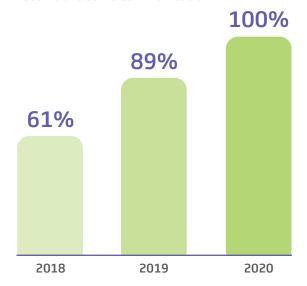
36%

Physicians receives credit for APP wRVU

Consistent communication for physicians and APPs fosters well-being

Effective communication, planning and problem solving can reduce burnout and foster well-being in the clinical workforce. For the first time, all ambulatory organizations reported that physicians and APPs received the same communication in 2020.

Physicians and APPs in ambulatory organizations receive the same communication







Key takeaways for the workforce imperatives

1. Leadership structure

Create a leadership structure to effectively support the entire clinician workforce

2. Recruitment and retention

Build a culture and infrastructure that supports integration, retention and engagement for all

- 3. Operational efficiency and financial health

 Define efficient care delivery models that meet patient needs and support financial health
- 4. Burnout and well-being

Address work unit and organizational factors to impact clinician and staff well-being

Clinical Team Insights tools and resources

Clinical Team Insights provides a wide variety of tools and resources to help you optimizing your clinical team:

- Clinical Team Insights annual assessments
- Change package
- Community page
- Pro forma report/ tool
- Turnover report and worksheet
- · Advisory services

- Rapid solution huddles
- Improvement community
- Steering committee
- Thought leadership
- Webinars
- Annual workforce conference

By leveraging Clinical Team Insights data and resources you can impact organization success in the following areas

Improved clinician engagement and well-being

- Effective leadership structures
- Professional development opportunities
- An inclusive culture

Improved patient outcomes

- Stable care teams
- Reduced clinician turnover
- Systemwide, high-quality care

Improved patient access to care

- Top of scope practice for all clinicians
- Workflow efficiencies
- Expanded scheduling capacity

Improved financial performance

- Maximized revenue-generating productivity of clinicians
- Optimal billing practices



As the nation's largest member-driven health care performance improvement company, Vizient provides solutions and services that empower members to deliver high-value care by aligning cost and quality in the critical areas of clinical, operational, and supply chain performance.

To learn more, please contact Clinical Team Insights at TeamInsights@vizientinc.com.

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