



**FOR IMMEDIATE RELEASE**

**Fritz Guthrie**

**936.435.7573 - phone**

## **HUNTSVILLE MEMORIAL HOSPITAL PROVIDES ALL PHYSICIANS UNIQUE OPPORTUNITY FOR HOSPITAL CO-MANAGEMENT**

***“It has been unbelievably fun to see how the hospital and doctors are working together” – David Prier, MD – Chairman of the Board***

**HUNTSVILLE, TEXAS (December 18, 2009)** – As hospitals and physicians begin to respond to the changing healthcare landscape, Huntsville Memorial Hospital, a 123-bed hospital with an 80 year history in its community, instituted a new program this past year that provides primary care doctors and all specialists a seat at the administration table of the hospital without ownership of the hospital.

As with many healthcare systems across the country, Huntsville was beset with years of misaligned priorities and poor communication between community doctors and the hospital. Hospital officials and physicians agreed that a new model was necessary in order to provide the community with the highest quality healthcare. A comprehensive group of physicians from across all specialties and general practice created a management company that now contracts with the hospital to provide clinical management services to the hospital.

“Historically, when a patient visits a hospital, they receive care from the hospital and directly from a physician,” explained Chad Leopard, a consultant with Price Waterhouse Cooper who assisted Huntsville in establishing the co-management model. “Physicians have power over the quality and service they provide, but there is a disconnect when physicians aren’t at the table with hospital administrators when deciding what equipment to purchase, what nurses to hire, what programs to offer, etc., and the hospital’s budgetary, personnel and other management functions are not top of mind for physicians.”

This model aims to unite everyone’s goals. The unique aspect to Huntsville’s model is that both the primary care physicians and specialists are a part of the co-management company, Leopard explained. While several hospitals across the nation have co-management programs, they are traditionally service line specific, such as a cardiology group or orthopedic group. All active physicians on the medical staff at the hospital are eligible to join the co-management company, with 95 percent of the staff having already joined.

“When we, as physicians were forming the co-management company, we wanted to eliminate divisions among physicians and create instantaneous discussions between primary care doctors and our surgical peers,” said Dr. David Prier, an internal medicine physician and HMH’s Chairman of the Board. “When you look at issues such as a patient length of stay in the hospital, a patient’s overall health through the care of their primary doctor has a direct impact on



a patient's health during and after surgery and impacts how long they may have to stay in the hospital."

The co-management company is currently overseeing operations for the surgery and imaging center with plans to contract with the emergency room department and two other areas of the hospital in 2010. Plans call for adding more service lines annually. The physician-owned company works with a team of hospital administrators as part of a Joint Operating Committee (JOC) to develop best practices and new ideas for the hospital. The arrangement provides physicians incentives to meet quality outcomes and patient satisfaction goals.

While the physician company receives payment for the management of hospital services, they do not have an equity stake in the hospital. They partner with the hospital to provide clinical oversight instead of serving merely an advisory board.

"This model ties the physicians in to working with the hospital on quality, safety and efficiency issues," Leopard said. "With the changing healthcare landscape, physicians and hospitals are going to have to find a way to work together and accept risk together, especially in smaller communities like Huntsville."

Dr. David Toronjo, a family practice physician and Chief of Staff at HMMH, described the model as flexible, which is necessary as healthcare rules are continuously modified and updated.

"We're nimble and can change direction quickly with this model," Toronjo said. "It all comes down to efficiency and safety, and we feel like patients ultimately benefit because we are communicating together to make patient healthcare safer and less costly."

"The collaboration and partnership directly impacts patient safety and satisfaction, as well as our productivity" said Sally Nelson, CEO of HMMH. "Physicians have an expertise in patient satisfaction, and now we have a mechanism whereby we can engage them in setting goals for the hospital and working together to fulfill our mission of providing the best healthcare to our loved ones, friends and neighbors throughout Walker County."

"If you look at some hospital and physician relationships, there are some where the hospital employs physicians and there are others where physicians have absolutely no voice in the management of the facility," said Dr. Prier. "We maintain physician autonomy, but we have a voice at the management level, and we are sitting in the same room working to develop compatible solutions."

As an example, Prier explained that the Joint Operating Committee had determined a pulmonologist was needed in the community, so the JOC worked with the hospital to identify and recruit the pulmonologist, who is fully supported by the entire healthcare community.

"It has been unbelievably fun to see how the hospital and doctors are working together," Prier said. "We're looking at issues, such as whether the healthcare community can support a new invasive cardiology program and how to provide the best quality of care in the operating room." The arrangement provides an accountability system for both the hospital and physicians.



“The engagement level has increased, but more importantly, the communication between the hospital leadership and physicians has been enhanced significantly,” explained Tripp Montalbo, Assistant Administrator for HMH. “It takes unique leadership, energy and physicians who are open-minded to institute this type of program. In the end, our goal is to deliver to our community the best healthcare possible.”

### **About Huntsville Memorial Hospital**

*Since 1927, Huntsville Memorial Hospital has provided benevolent and charitable health care services, setting the standard for quality, proficient health care for the residents of Walker County and the surrounding communities. At Huntsville Memorial, we have great people who are passionate about your health. We have outstanding physicians, motivated leadership, and compassionate staff. We are your friends and neighbors – dedicated to excellence in everything we do – right here at home.*

