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TODAY

Premium Practice Partnering for Success



Surround yourself with smart people and listen to them.

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Premium Practice Today is a monthly feature section in **CRST** providing articles and resources to assist surgeons and their staff in the pursuit of premium practice development to facilitate exceptional experiences for patients and business success.

Premium Practice Partnering for Success

Surround yourself with smart people and listen to them.

BY ROCHELLE NATALONI, CONTRIBUTING EDITOR

Traditionally, “partnership” in a medical practice defined the surgeons who co-owned the practice and gained the most from revenue and profit growth. In today’s premium practices, the term partnership takes on a new and more meaningful definition that includes staff, referring doctors, vendors, sport franchises, procedures, service locations, and patients.

This month, we interview an executive recruiter, several entrepreneurs, and surgeon Cory Lessner, whose movement toward office-based cataract surgery is a trend I believe will only continue.

In short, being premium means expanding your partnerships and stakeholders beyond the physicians and into the realm of every resource that affects clinical outcomes and customers’ satisfaction.

—Section Editor Shareef Mahdavi

The most successful practice leaders appreciate the importance of surrounding themselves with and tapping into the strengths of capable, talented partners and staff members. This article explores the use of effective relationships as a conduit to the growth and prosperity of the premium practice. This strategy may include hiring staff, bringing on partners, joining forces with optometrists, developing agreements with professionals who run a tangential arm of the practice—such as the dispensary—or even partnering with community groups that provide an endless fount of potential patients. Ultimately, you are only as strong as your weakest link.

PLACEMENT WITH PURPOSE

“Clearly, a practice’s success relies heavily on effective partnerships,” says ophthalmic recruitment and placement professional Cristina Boggiano, owner of Ophthalmic Associates in Boca Raton, Florida (www.theophthalmicassociates.com). “It is crucial to apply a thorough and consistent recruitment plan across all levels of an organization to identify candidates with traits that will contribute to carrying out the practice’s purpose. A united vision, clarity, and similar values will create a strong foundation from which a practice can grow and succeed.”

Ms. Boggiano points out that every role within an ophthalmic practice has a partnership component. With 15 years of recruiting appropriate candidates for partnership track positions as well as placing ophthalmic staffers at every other level of the practice hierarchy under her belt, she suggests that effective relationships among all members of an ophthalmic practice are critical to an operation’s success. “Physicians, staff, and patients who pursue a joint vision create cohesion and build trust and unity at all levels of the organization, but defining a practice’s vision often starts with successful partnerships at the top. In fact, an organization’s growth and success can often be measured in direct proportion to how successful those initial partnerships are,” she says. “Partnerships at the physician/administrative level set the tone for the organization’s culture and define that practice’s shared goals, values, and direction for the future.”

Ms. Boggiano says that leaders of the most successful premium practices do more than surround themselves with the smartest people—they actually listen to them.



Cristina Boggiano

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"All of the responsibility should not fall on the shoulders of those at the top. A practice has many layers of leadership and staff with diverse roles. Successful leaders will build the best team they can and rely on that team to carry out the practices' shared goals," she explains.

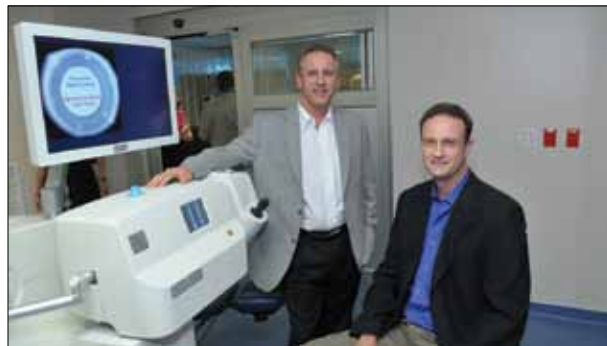
It is not uncommon for practice leaders to think that their surgical skills or those of a potential partner represent the be-all and end-all of a lucrative partnership, but personality and character play an integral role as well. "Personal qualities, behaviors, and attitudes shape how a physician communicates with the team and how effectively they are able to collaborate," says Ms. Boggiano. "Today, practices are under intense pressure to work faster and more efficiently. A higher value is being placed on interactive personality traits, on creating collaborative partnerships, and on increasing team-driven cohesion throughout the organization. The most successful physicians have a full complement of (surgical) skills along with a personality that creates an environment where partners, employees, and patients can thrive."

BIRD'S-EYE VIEW

Ophthalmic industry professional Tero Rinne has a unique perspective on this dynamic. He is the global sales director for Valon Lasers (www.valon.fi), which produces a retinal laser for the treatment of patients with diabetic retinopathy, and he also runs a Finland-based company, called Iogen Oy (http://iogen.fi; facebook.com/iogen; twitter.com/iogen_oy) that distributes premium ophthalmic devices. He says that traveling 200 days a year speaking with people in the ophthalmic industry all around the world has given him "a bird's-eye view" on practice development initiatives within the specialty. "With the economy remaining stagnant—or even shrink-



Facebook page for Iogen (facebook.com/iogen).



Cory M. Lessner, MD, recruited successful surgeon Andrew Shatz, MD, to take the reins of his sister practice.

ing in some countries—I've seen some interesting shifts in practice management. For instance, some practices that were only dedicated to laser refractive surgeries (some even doing only LASIK) are now expanding into other fields of ophthalmology due to the necessity of accessing other sources of revenue." For instance, he says, "If a surgeon is already a very good refractive surgeon, it might make more sense to partner with a proficient cataract surgeon than to master the technique himself. The internal processes of a clinic are usually geared towards a highly efficient patient flow for a certain type of procedure. A surgeon suddenly adding a new procedure modality will throw the entire team off and create disruption, whereas a new partner who focuses on a different field (ie, cataract surgery) will allow for greater efficiency and hopefully better outcomes and higher revenues."

Cory M. Lessner, MD, head of Florida-based Millennium Laser Eye Centers (www.havelasik.com), uses Mr. Rinne's tactic, as described earlier. This successful LASIK surgeon recently opened SightTrust Eye Institute (www.sighttrust.com) in Sunrise, Florida, and recruited veteran cataract surgeon Andrew Shatz, MD, to take the reins as medical director of Millennium's sister practice. "It took me a year to identify Dr. Shatz as the perfect candidate. The fact that he was doing a very high volume of [premium] IOL cataract surgery was among the determining factors, but certainly not the only factor," says Dr. Lessner. "Whenever we bring someone new on board, we look for certain personal qualities. For instance, it's very important that all of the people in our organization be nice. Employees can be trained to do almost anything, but they can't be taught how to be nice. You either are or you aren't, and we want every patient or potential patient who comes to Millennium or SightTrust to look forward to coming back as well as tell others about their experi-

DOES YOUR PRACTICE HAVE WHAT IT TAKES TO ATTRACT THE RIGHT PARTNERS?

In 1996, two ophthalmologists practicing in a coastal southeast city decided they wanted to grow their practice. They contracted with DoctorsManagement (www.DoctorsManagement.com), a Knoxville, Tennessee-based practice management firm.

DoctorsManagement started by optimizing the practice's operations. Then, they hired and trained a practice administrator and put together a strategic plan to acquire practices. Over the course of 15 years, the group acquired and absorbed the patients from several ophthalmology practices. The practice now has 11 physicians and five optometrists across their six locations.

Paul L. King is the president and a partner of DoctorsManagement. Mr. King says ophthalmology practices represent a significant percentage of their clients. Oftentimes, he says, ophthalmologists do not have an exit strategy planned when retirement looms, and in these cases, DoctorsManagement identifies potential partners and sets the wheels in motion for a seamless transition.

Premium Practice Today interviewed Mr. King to discuss helping a practice develop, how to attract potential partners, and some concerns regarding plans to improve efficiency.

Premium Practice Today: How does DoctorsManagement go about getting a practice into shape to help it attract a partner so it can grow?

Mr. King: If it's a new client, we start with a survey or assessment so we can develop a strategic plan. We send a team into the practice and go over everything related to the business side of medicine with a fine-toothed comb. Most practices are usually doing 80% to 90% of things right. We're looking for that 10% to 20% that we can improve.

PPT: What are some examples of what practices can improve in order to be more attractive to potential partners?

Mr. King: The actual receipts and payments received and compensation should look good. The profits, collection ratio, and payables need to represent a positive opportunity. When we analyze a practice,

and these variables look good, we develop a strategy to take things up a notch, so that if you are looking to bring someone on board, they will see it as a very attractive opportunity and can picture themselves being in that practice physically. They should be able to envision this as someplace where they can be very productive.

PPT: What are some common concerns that you hear from clients when you present your strategic plan to improve efficiencies?

Mr. King: These can be very simple, for example, an ophthalmologist that we've been serving for a number of years told us from the beginning that he wanted to make sure that patient care remained the priority, and he thought that wasn't possible if he saw more than 35 patients a day. After we analyzed his practice patterns and implemented some changes, today, his practice serves 65 patients a day, and he works less. We increased the number of technicians in the practice. It's all about the systems that are put into place.

PPT: Do you have any practice expansion pearls to share with premium practice surgeons?

Mr. King: Sometimes, it makes sense to spend your marketing dollars on acquiring a practice because oftentimes, within the charts of that practice is loads of untapped business, which is ultimately the goal of marketing. Acquiring a practice is especially effective for ophthalmologists because there are a lot of solo practices without an exit strategy in place.

Also, any premium practice that wants to work at peak performance needs to have an exemplary practice administrator. The practice manager/administrator is so important to the success of these practices, and we spend time and effort in training, coaching, helping, and supporting these people. We spend a significant amount of time trying to get physicians to understand how important it is for their success to have someone who is very complete in that role.

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The Rock, aka Dwayne Johnson, after his LASIK surgery.



Millennium Eye has a partnership with the Miami Heat.

Dwyane Wade provided a testimonial on the practice's website (www.mleye.com/testimonial.asp?testimonialid=8).

ence and what a pleasure it was to work with our staff."

SightTrust is home to one of the first LenSx Laser systems (Alcon Laboratories, Inc.) in the region. Dr. Lessner is horizontally integrating into the refractive cataract surgery realm and doing so in a unique way. "In an effort to streamline and contain costs in the delivery of medical care, we have designed a fully accredited office-based surgical facility that follows the same stringent health and safety rules as an ambulatory surgery center. Our challenge now is to seek recognition of this more efficient type of facility from third-party payers and obtain fair reimbursement for the services provided," says Dr. Lessner. "So far, we've gotten reimbursement from BlueCross/Blue Shield, Aetna and Cigna, and we are working on getting fair reimbursement from Medicare. We looked at the cost structure and determined that we could still be profitable with 65% to 70% premium IOL conversion on all cataract patients and 80% conversion on premium lens candidates even if we had to eat the cost of the disposables and other things that we were not reimbursed for because there is enough of a revenue stream. Now that we are getting some insurance reimbursement, it's even better," Dr. Lessner explains.

Dr. Shatz says, "The overhead is less than that of a surgery center, and insurance companies will pay a single fee to the office rather than paying the surgery center, the surgeon, and the anesthesiologist individually. With over 3 million cataract surgeries being performed in the United States annually, this can amount to a savings in the hundreds of millions of dollars for insurers, which will hopefully be passed on to the insured in the form of decreased premiums and copays."

Another example of a unique partnership that has enabled Dr. Lessner to grow his premium practice is his relationship with all four of the major sports teams in his local market. After being approached by the Miami

Dolphins in 1998, word spread among the professional sports community in South Florida, and shortly thereafter, representatives from the Florida Panthers, the Miami Heat, and the Florida Marlins each approached him for official agreements. Ten years later, Dr. Lessner continues to perform LASIK on many of the players, as well as their administrative staff members and others who are associated with the teams as well as fans who hear about the players' success with the surgery and seek out Dr. Lessner because of that. "The relationships with these teams have been invaluable as far as referrals. When fans see that players who have multimillion dollar contracts trust their eyes to us, it often helps to instill the confidence that they need to move forward with LASIK and will usually choose to trust the same doctor that these celebrated athletes have chosen," says Dr. Lessner.

Partnering with these sports teams, Dr. Lessner added, also provides him with frequent opportunities to network with influential community members who often become patients or stepping stones to other potential referrals. "Our business is generated from 50% optometrist network referral, 42% patient referral, and 8% marketing leads. People go to people because of relationships; people go to people who they trust. The stronger the relationship, the more likely a referral will be generated." ■

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