

Professional integration

[Health & Medicine](#), [Hospital](#)



A striking development in the healthcare market place has been of strategic relationship between hospitals and physicians. Hospitals-physicians integration appears to be a response to rapidly expanding managed care health insurance. A number of scholars have hypothesized that hospitals-physician integration likely leads to efficiency gains by facilitating the exploitation of transactions cost economies such as being better able to deal with incomplete contracting challenges and economies of scope (Santere & Neun, 2010).

Physicians in increasing numbers are realizing that participation in some form of integration is necessary to not only decrease operating cost of individual's practices but to effectively compete. There are myriad integration options available to physicians. Choices among the various options depends on expectations, future goals, level of autonomy desired and the degree of risk they are willing to assume to consummate the deal (Cuellar & Gertler, 2006). Specifically, integrated organizations have higher prices than stand-alone hospitals and the differences are larger for exclusive arrangements and in less competitive markets.

However, integrated organizations are no more efficient than stand-alone hospitals. Hospital-physician integration likely reflects providers' organizational responses to competitive pressures from rapidly expanding managed care health insurance. Further to this, it has been hypothesized that hospital-physician integration likely leads to; Efficiency gains by facilitating the exploitation of transaction cost economies such as being able to deal with incomplete contracting challenges and economies of scope,

where the more efficient integrated organization is able to offer lower prices to manage care plans (Cuellar & Gertler, 2006).

An attempt to improve bargaining (market) power with managed care plans and thereby increasing prices. According to Cuellar & Gertler (2006), he argues that rise of managed care is for hospitals and physicians to integrate. Literature provides two explanations for why hospitals and physician have formed vertical relationships in response to managed care. The first is a transaction cost and economies of scope arguments that such relationships increase efficiency and quality. With greater efficiency, providers are able to offer managed care plans lower prices without sacrificing quality (Cuellar & Gertler, 2006).

The second is that hospitals and physicians ally in order to improve their bargaining positions with managed care plans and other insurers and thereby raise prices. Case Study of Hospital Sisters Health System in Illinois Wisconsin In the case of the Hospital Sisters Health System (HSHS), it has a successful health care system in Illinois Wisconsin and included the successful integration of physician network. The health system's mission of integration meant bringing together all the needs from which the organization's mission and legacy was woven.

The approach of the hospital was to bring together elements of today fragmented health care delivery systems to provide superior value to the patients and to promote efficiency. It focused on providing care for whole person, from preventive care to quality treatment to follow-up care, rather than simply treating the disease. HSHS understood that in today's health care consumer is more likely to receive care outside of the traditional hospital

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setting and uses care integration to bring continuity at every point of access in the health care system (Santere & Neun, 2010).

Therefore, the hospital engaged in reducing fragmentation, this is important in providing care to patient and means focusing on practical ways to make health care access easier for patients. This was by using such ways as online scheduling of appointments, faster check in and registration, attention to details and reduced duplication, in addition using new technology to provide patients with single point of accessing information and services throughout HSHS (Cuellar & Gertler, 2006).

As part of care integration initiative, Hospital Sisters Health System has built partnership with variety of providers. Its strategy was to unify key components of healthcare delivery in Illinois and Wisconsin communities, using both technology and relationship to link patients, providers and care facilities to provide seamless care (Cuellar & Gertler, 2006). These has been achieved through such ways as; rationalizing care integration at HSHS. This was done to drive 'waste' from the system in order to realize effective integrated health care.

Another strategy that was put in place was been securing input before moving forward. This was done to develop implementation requirement in order to deliver the care integration model focusing on eliminating waste and infrastructure requirements such as information technology. The next strategy was forming the 'care integration Partnership'. This was to enhance members to network through many points of work to further the care integration mission of HSHS that included the development of medical homes.

Successful care integration could not be achieved without ensuring that the right infrastructure was in place and this was done through maximizing technology to reduce waste, support free flow of information and ensure the entire system operates smoothly (Santere & Neun, 2010). Part of the care integration strategy at HSHS involved the implementation of electronic medical record systems that both improve quality and prevent waste, linking physician offices, ambulatory care settings, hospitals and care provided at the patient bedside into one system.

This was to reduce paperwork and create an attractive environment for caregivers. In addition driving costs out of the system was another strategy employed to enhance care integration and make it successful at HSHS, in part, because the organization is a true health care system. Understanding that one size does not fit all, the HSHS agreed that successful integration strategy required comprehensive information technology integrated throughout the organization (Cuellar & Gertler, 2006).

Furthermore, at HSHS leadership have been involved in the integrated health care system in making it a success. By incentivizing integration, to strengthen partnerships and a sense of shared commitment 'seed money' was integrated into the budget (Santere & Neun, 2010). This was to enable support good business plans for care integration, incentivizing local management teams to work with physicians to determine what needs to be done to create better integration and coordination. Impact of the integrated care model in Hospital Sisters Health System at Wisconsin

Although the final stages of implementations are not yet complete, the system has experienced positive impacts. HSHS developed a system of

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removing ‘waste’ from the system and at the end of fiscal year; larger amount of waste had been removed (Cuellar & Gertler, 2006). This could not have been achieved without the care integration platform, which aided in staffing efficiencies and reduced supply costs. In addition to cost savings, HSHS has established goals to add new providers throughout the system to improve access to care in critical areas.

The number of new physicians and specialty types targeted are unique to each location’s specific needs. Finally, care integration is enabling HSHS to forge new relationships with providers and to drive volume that is sustainable for future generations (Santere & Neun, 2010). Care integration helps remove barriers that physicians encounter when caring for patients. HSHS goal is to keep growing its inpatient and ambulatory care volume despite economic downturn and increase in bad debt. This could not be done without care integration, which makes patient care seamless.

Providers seek to work with HSHS facilities because the process of receiving care in multiple locations is easier for their patients resulting in better care (Santere & Neun, 2010). Conclusion The recent wave of hospital physician integration is a strategic response to counter the rising monophony of managed care and is one of the sources of recent increase in health care cost. The empirical evidence indeed demonstrates that most of the forms of hospital-physician integration occurred in markets where managed care grew rapidly.

Nonetheless, hospital –physician integration is a promising strategy and one of the key fundamental areas in improving the health care system all over the world. REFERENCES Cuellar, A. E. , & Gertler, P. J. (2006). Strategic <https://assignbuster.com/professional-integration-research-paper-samples/>

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