Evaluating and Choosing a Cardiology Practice

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The Changing Landscape

- Regulatory and Legislative Pressures
- Financial Pressures
- Supply of Cardiologists
- CVIS
- Public Reporting
- Ownership Models
Which Model Do I Choose?

- Private
- Integrated
  - Hospital/Health System
    - Not for Profit
    - For Profit
  - Foundation
- Academic
Practice Culture

• Culture statement/Covenant/Compact
• Internal Peer Review
• Internal Credentialing
• Scope of Clinical Practice
• Frequency of Call
• Orientation, Evaluation, Mentorship
Clinical Practice Style

- Practice Guidelines
- Internal Performance Measures
- PQRS and P4P, eRx, MU
- Accredited Labs
- Support for CME
- Continuity vs. Efficiency Model
Financial and Business Performance

- Financial Statements
- Audits/Focused Reviews
- Cash Control Measures
- Terms of Long Term Debt
- Retirement Plan
Employment Agreement

- Terms of the Agreement
- Compensation Plan
- Productivity Measurement
- Group Benefits vs. Individually Purchased Benefits
  - Disability
- Real Estate Visits
- Vacation/Education
- Non-Compete
Practice Governance

• Size of Board
• Members: Representative, At-Large, Both?
• Board Meetings
  - Frequency
  - Open?
  - Minutes
• Committees
• Reserve Powers
• Bylaws
• For Integrated: Reporting Level
Management

- Professional Management
- Performance Benchmarking
- Strategic Plan
- Mission and Vision
- Hospital Partnerships!!
- Legislative and Regulatory Advocacy
- Age Distribution of Physicians
- Relief of Call/Slow Down Policy
Risk Management

• Compliance Plan
• Risk Management Plan
• Malpractice History
• Malpractice Insurance
  - Claims Made with Tail
  - Occurrence
  - Self-insured
Partnership Opportunities

• Partnership Track
• Criteria for Partnership
• Performance Evaluation Frequency
• Buy-in Calculation
• Buy-out Calculation
• Partnership Compensation Plan
• Other Partnership Opportunities
  - Real Estate
  - Heart Hospital
Evaluation Process

- **Hire an Attorney**
  - Review the Employment Agreement
  - Take only recommendations that are truly meaningful
- **Ask for References**
- **Speak with Junior Cardiologists in the Group**
- **Speak with Key Hospital Staff**
- **Start the Process Early**
Evaluation Process

- Prepare a list of criteria
- Give each criterion a weight
- Do the math and the total wins!
  
  Or

- Go with your gut
  
  Or

- Ask your SO!
Evaluating and Choosing a Cardiology Practice

Questions?