

Medical Staff Development Planning *Are You Using a Credible Methodology to Determine Need?*

Physician manpower assessment and planning is a critical task for any healthcare facility. The key is to find a balance among your community's identified needs and your organizational strategies, while simultaneously ensuring compliance with all federal regulations.

The Challenge

Traditional methodologies can't accurately determine physician need.

The industry standard practice, to be compliant with Stark and other legal statutes, is to recruit a physician only when a community need has been documented. Traditionally, that need has been defined by three factors:

- *The serviced population* – drawn from a population demographic provider and defined as the fewest contiguous ZIP codes that comprise 75 percent of the total discharge volume.
- *The need ratio* – a highly variable element that determines through exhaustive study and statistical backing how many physicians of a given specialty per 100,000 in a community are required to meet healthcare needs.
- *Physician supply information* – where physician supply, allocated by FTE, is assigned to a geography by office location only and does not take into consideration surrounding ZIP Codes where services are also provided.

This existing methodology for calculating physician need in a community is fundamentally flawed. Ideally, we should all have access to a physician of any specialty at any time, but this notion is, unfortunately, not realistic. It is also both time and cost prohibitive to attempt to assess the ideal versus realistic quantities of physicians to service a population. Current need methodologies are unable to translate regional variations to the representative "standard community." In addition, traditional ratios do not provide enough data to detail a demand rate for subspecialties, even though the importance of this information continues to grow exponentially as physician services become more specialized.

So how can your healthcare facility accurately define physician demand if existing models can't extrapolate the most accurate information?

The Solution

Navigate-MD offers new methodologies to define community need and physician supply.

DataBay Resources, a national leader in healthcare market analysis systems, offers an alternative to the traditional, less accurate methods of calculating physician need, instead utilizing innovative national/regional benchmarking and out-of-area adjustment methodology through Navigate-MD. Navigate-MD is a powerful, analytic software package that streamlines every aspect of the physician manpower planning process, from providing more options for examining supply data to incorporating a choice of demand ratios. The software's patent-pending methodology incorporates out-of-area adjustments and a variety of national/regional benchmarks to better define physician supply. This more accurate determination of supply will help your facility to better calculate physician need in your service area.

Navigate-MD's unparalleled features provide detailed physician supply data that you can view not only by geography, but by specialties and subspecialties. Demand can be adjusted by region, and where appropriate to certain specialties, by gender and age. In addition, Navigate-MD includes a tool to integrate your internally-maintained supply lists, and features annually updated supply and demand benchmarks and area demographics, utilizing the most current information available.

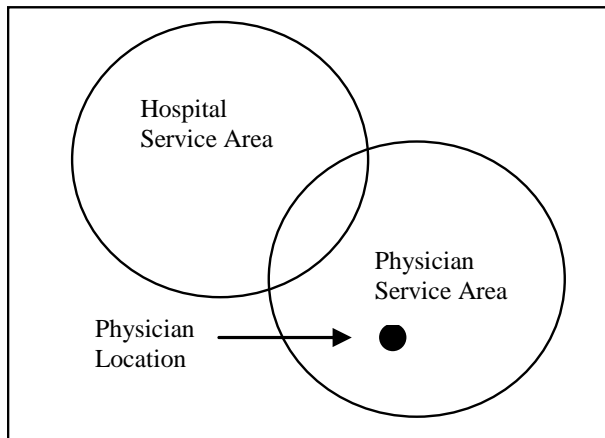
DataBay constructs its benchmarks using highly reputable AMI and AMA national and state-level supply data, which is published annually and details the number of practicing physicians by specialty. From these supply numbers, DataBay constructs ratios based on Claritas demographics, providing a ratio of physicians per 100,000 for each given specialty on both national and state levels. These comprise benchmarks by which healthcare facilities can analyze in greater detail their community's needs, allowing for subspecialty assessments, regionalization and population stratification by age and gender.

Adjusting for out-of-area influences better defines a physician's true service area.

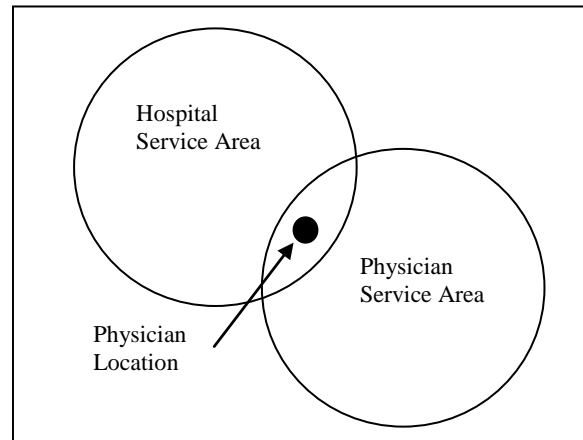
Through Navigate-MD, organizations can continue to enhance their physician needs assessment through the redesign of how FTE weights are allocated. Although there may be an awareness of the impact that out-of-area influences have, many people involved with physician recruitment struggle with how to quantitatively address this dynamic. By utilizing out-of-area adjustments through Navigate-MD, you can now account for the entire community each physician serves, not just where the physicians' offices are located, to better determine community need.

Until Navigate-MD, the only method for determining a physician's service area (by FTE allocation) had been solely based on the ZIP Code of the physician's practice location. This method is highly inaccurate because most physicians serve a much different area than what is defined solely by ZIP Code divisions. Navigate-MD provides an efficient, precise solution to address out-of-area influences by offering two adjustments for the true service area of a physician.

Navigate-MD Adjusts for Out-of-Area Influences in Two Ways



Adjustment #1



Adjustment #2

One adjustment is for physicians located *outside* a facility's service area who treat patients *within* the service area. The other adjustment is for physicians located *within* a facility's service area who treat patients *outside* the service area. The software will examine supply and demand by specialty for the service area in total, as well as at the traditional ZIP Code level. Navigate-MD's incorporation of new technologies and methodologies to adjust for these out-of-area influences help healthcare organizations like yours to better assess who is actually impacting health care delivery in a given community, rather than just assessing physician office locations.

From providing more options for examining supply data to incorporating a choice of demand ratios, Navigate-MD offers unsurpassed functionality to streamline every aspect of the physician manpower planning process compared to any other software on the market. Healthcare strategic planners, marketers and physician recruiters can more accurately determine a community's physician need and validate a healthcare facility's physician recruitment efforts through Navigate-MD.

The Resource

Navigate-MD is one of a helpful suite of products developed by DataBay Resources.

DataBay Resources is a national leader in market analysis systems. Since 2000, DataBay has provided valuable, customized healthcare market intelligence software, reporting services and analysis to improve the market and financial positions of hospitals, health systems and ambulatory surgery centers. Cleaner data facilitates clearer decisions. DataBay's cutting-edge software tools translate state discharge databases into short- and long-term action plans.

DataBay Resources is a subsidiary of Amerinet. Supported by a team of clinical, data and supply chain experts, Amerinet offers a suite of tools, programs and services including a comprehensive and competitive portfolio that delivers practical solutions to address members' specific needs. For more information about DataBay Resources and Navigate-MD, visit the web site at www.databayresources.com, or call 800-974-2627.