






5 things health tech vendors need to know about physicians

1. The physician landscape is more complex than ever

Physician group	Who they are	
 Physician-owned medical group	A medical group that is wholly or majority physician owned, physician-governed, and not operated by a hospital, insurance company, or practice management company.	Traditional physician options
 Health system-owned medical group	A single or multi-specialty group of physicians employed by a hospital or health system.	
<hr style="border-top: 1px dashed red;"/>		
 Enablement partner	A private corporation that provides centralized, scalable business resources through a subscription service or investment in a medical group's managed service organization (MSO).	New players
 National medical group franchise	A national, for-profit care delivery organization that is not owned by a hospital or health system.	
 Virtual care organization	A care delivery organization that only offers telemedicine services.	

2. The pandemic will drive some to seek or switch partners

Nature of deals will depend on underlying physician motivation, finances



Small groups seeking financial support

Ex: Small primary care and single specialty practices



Disgruntled individuals seeking new home

Ex: Employed physicians with adjusted compensation



Big influential groups making strategic plays

Ex: Large multispecialty groups, risk-based primary care groups

Prevalence



Common

Rare—but increasing

Few and far between

Time frame



Near-term (need immediate capital infusion)

Medium-term (“wait and see”)

Longer-term (considering their options)

Agency in deal-making



Compromising when necessary

Depends on strategic value of individual physician / specialty

Can afford to be choosy

3. Here's what physician groups will look like in the future

01

Larger independent groups. Physician group M&A will continue, resulting in larger and increasingly more multispecialty groups.

02

Private equity-backed single specialty groups. Private equity firms will continue acquisition activity, forming national single-specialty groups

03

Payer-owned multispecialty groups. Payers will continue to acquire and employ physicians directly with a goal of value, innovation, and experience

4. Here's how physician-hospital relationships may change

Splintering

existing relationships



Employed physicians break from health systems to form their own independent groups

- *Example:* Atrium Health physician leave employment to form Tryon Medical Partners

Physicians, especially surgeons, take business to ASCs, other care sites that are more responsive

- *Example:* Five orthopedic groups form Michigan Orthopaedic Surgeons, perform more procedures at ASCs

Strengthening

current relationships



Hospitals & physician groups that have worked together well during Covid-19 may have stronger formal and informal partnerships

- *Example:* Physician groups who felt well-supported from hospital partners in vaccine administration, PPE provision may be more willing to create clinically integrated networks

Shifting

priorities from new market entrants



Large physician groups have different calculus for how they choose hospitals to refer patients

- *Example:* ChenMed makes decisions about hospital partnerships based on success under capitated payment models, demonstrated ability to reduce costs of care

5. These are the top-of-mind issues for physicians



Telehealth adoption

How to address common barriers to scalable, usable telehealth that complements in-person care



Site of care shifts

Preparing for services increasingly moving out of the hospital into ambulatory facilities



Value-based care

Deciding if and when to increase participation in risk-based models

Two things to remember in your physician conversations

Physicians have very little time outside of their Covid-19 responsibilities. Make sure you respect the time they give you and understand if they cannot speak with you

To truly be a trusted partner, you need to build on the empathy you've been displaying throughout the pandemic. This isn't about "checking the box" to see how people are, it's about building a partnership.