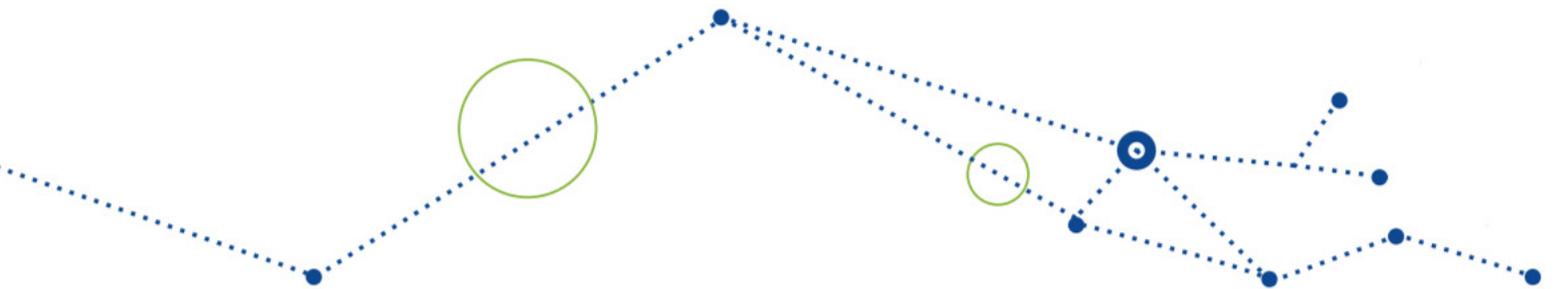




Crack the Code on Your Physician Referral Strategy:

Why It's Time to Reconsider Your Source

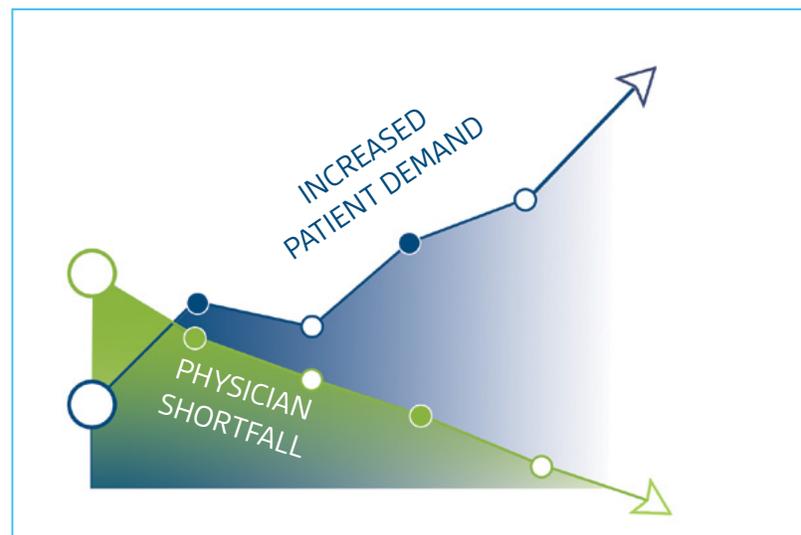




Whether it proves to be an opportunity or a curse, one thing is certain: today's healthcare providers are living in interesting times.

With the US healthcare system facing a monumental physician shortage as millions of new patients flood the market, hospitals and health systems have never had a more urgent need for accurate, actionable intelligence—especially with regard to fostering and maintaining their physician relations to drive strategic growth as they move into the latter half of 2016 and beyond.

Despite increased medical school enrollments over the last half decade, the physician shortfall is projected to grow to 90,000 by the year 2020, according to the Association of American Medical Colleges.





Meanwhile, with the advent of the Affordable Care Act, some 32 million new patients have entered the healthcare system in the last few years, with still more yet to come ([AAMC](#), 2015). Concurrent to these mirror-image headaches has come the onslaught of *big data*—seen by many as a potential elixir to a myriad of problems, and seen by others as merely a new conundrum.

PwC's Health Research Institute's 2016 annual report highlights, "High hopes surrounding big data investments in healthcare have been dampened by the challenge of converting large and diverse datasets into practical insights" ([PwC](#), 2015). In other words... strategists in healthcare are saying to themselves: *Am I in over my head?*

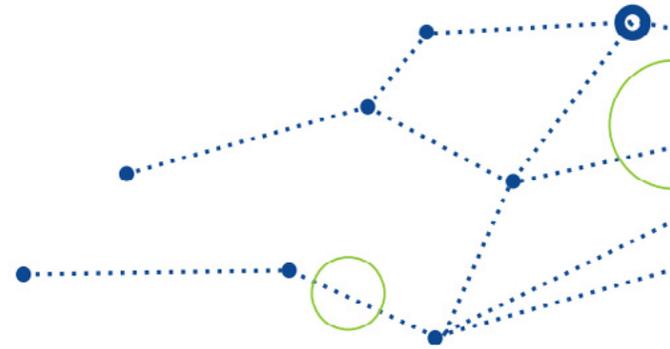


**...strategists
in healthcare
are saying to
themselves:
*Am I in over
my head?***





While it's true that determining how best to leverage the growing mountain of available data is a challenge, as the saying goes, the key to eating an elephant is taking one bite at a time. For that purpose, we'll narrow our focus.



As was briefly hinted above, we've targeted our forthcoming analysis on the various resources and strategies to best leverage data in driving productive physician referral networks. With a deeper understanding of the various datasets and resources available, hospitals and health systems can gain valuable insights—not only into their physician relations strategies but also their overall competitive landscapes. By harnessing those insights they can, in turn, develop targeted strategies to maximize operational efficacy in their respective markets.

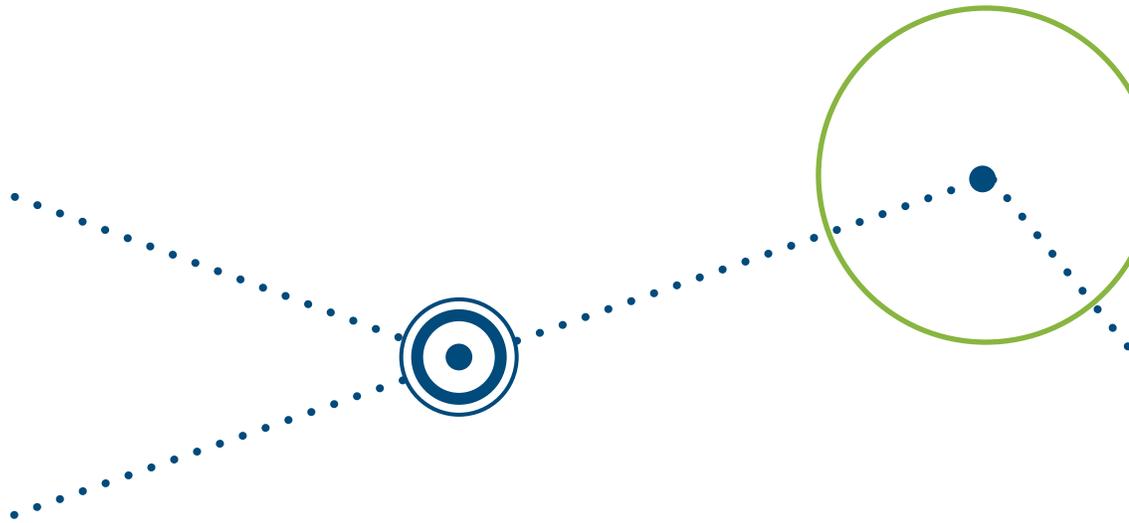
To aid in this process, Stratasan has broken down some of the most powerful datasets and strategies available—explaining the benefits and caveats associated with each (as well as debunking some misconceptions) in addition to illustrating ways in which they might be better used and supplemented to drive strategic growth.

THE GOAL

of well-harnessed data

With the above-mentioned physician shortage projected to continue for the foreseeable future, hospitals will need to place an increasing premium on their existing relationships with physicians. It's now more critical than ever that every physician relationship is appropriately tracked and analyzed. Additionally, health providers wanting to remain effective need a way to turn physician and patient data into a strong strategic asset. To maximize their effectiveness within their markets, hospitals and health systems must have a complete understanding of a multifaceted set of variables including:

- **Physician Relations and Communication**
- **Physician Referral Trends**
- **Service Line Opportunities**
- **Hospital Volumes**

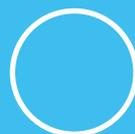


Set up an exploratory demo with our Product Specialist to review physicians in your markets and uncover potential growth opportunities. Schedule a call with Sean Conway today via [Calendly](#).

Connect with
Sean on LinkedIn 
[@SeanConway](#).

In order to remain effective while also staying ahead of their competitors, hospitals must keep tabs on these variables constantly. As technology becomes more integrated with patient care with each passing year, new insights into physician relations and patient populations which were previously unavailable will emerge. Additionally, effectively utilizing the right data will cut costs and help providers avoid unnecessary mistakes.

DATASETS





internal **PATIENT DATA**

Ultimately, the best data that any health system can utilize to gain insight into their patient base is the data they collect themselves. **Internal Patient Data** comes directly from the hospital's in-house data records and, [coupled with local knowledge](#), is the definitive source for their market penetration and volume trends.

Although many organizations underestimate the power of their patient data for strategic planning and physician relations, Internal Patient Data gives you the opportunity to collect more comprehensive data regarding health services received, especially among populations who are continuously uninsured and would therefore have no other medical record available.

In order to effectively harness this dataset, your Electronic Health Records (EHR) system must be used intelligently to make sure that the internal data that hospitals and health systems are collecting is accurate, secure, and fundamentally sound.



If the data your practice collects is lacking, so too will be the intelligence drawn from it.

The beauty of this dataset is that it's a natural byproduct of continued operation. To ensure your facilities produce the best possible intelligence, it's important that the EHR system is implemented effectively on the front end. If the data your practice collects is lacking, so too will be the intelligence drawn from it.

For this reason it can be wise for hospitals and health systems to partner with an organization that works with internal data and understands its potential. By working with a partner to streamline and optimize internal data collection, hospitals can be assured that they are getting the best data possible. Properly utilized, this data can help drive evidence-based decisions about patient care improvements and overall hospital planning.



DEBUNKING THE MYTH

on all payer claims data

The nation's largest private insurers (e.g., Blue Cross Blue Shield, United Healthcare, etc.) collect reams of claims data on millions of patients across the country. Each of these insurers collects their own data into a "covered-lives" database to which they then sell access. Some vendors in the market purchase access to these private datasets from commercial claims data warehouses and then subject the data to a barrage of modeling algorithms in an attempt to extrapolate a clear picture of the healthcare market. These projections can then be packaged and sold as "comprehensive" market intelligence to health providers.

The large and expensive sets provide a great deal of data for providers to work with and can *seemingly* provide a comprehensive picture of the market. They are not, however, without serious drawbacks.



In general, **All Payer Claims Data (APCD)** is the exhaust of claims clearinghouses that process claims on behalf of specific insurance providers. The data consists of various service-level information such as charges or

payments, the provider(s) receiving payment, clinical diagnoses, and procedure codes. To mask the identity of patients and ensure privacy, the data is scrubbed of all patient identifiable information. Market coverage will vary from clearinghouse to clearinghouse and the format is challenging to interpret.

Some vendors in the health data market crow about the breadth of the intelligence they derive from APCD, asserting in some cases to have information on 90 percent of a market's employers (i.e., commercial payers). A cursory glance would lead one to the conclusion that 90 percent is fairly near comprehensive, but the wording is important. 90 percent of *employers* is not 90 percent of *people* by any means. What if that "90 percent of employers" lacks a market's two largest employers—a retail giant or a major manufacturing player, for instance? Without the thousands of people those employers represent, any projection based on that incomplete data is essentially a shot in the dark.



Further, provider claim submission is often inconsistent, disorganized, and incomplete. Even with the commercial data in hand, which has to be purchased through clearinghouses, there are still plenty of opportunities for holes. For example, each clearinghouse only has contracts with certain payers. If you are using APCD, you have to model the data from one payer (e.g., Blue Cross Blue Shield) to make it compatible with what it could be for the other payers (e.g., UnitedHealthcare). Additionally, patient origin is stripped from the dataset making it difficult to accurately map individual markets.

The outgrowth of all this inconsistency, supplemental modeling, and algorithmic elision is that, while the dataset is large and seemingly quite powerful, a great deal of additional work is required to clean up and make the data truly useable. Even then, due to holes within the acquisition process and omissions in the modeling process, it is impossible to get a fully complete picture of the whole market. The caveat there is that vendors will often not tell you where the real data ends and the projections begin.



Vendors will often not tell you where the real data ends and the projections begin.

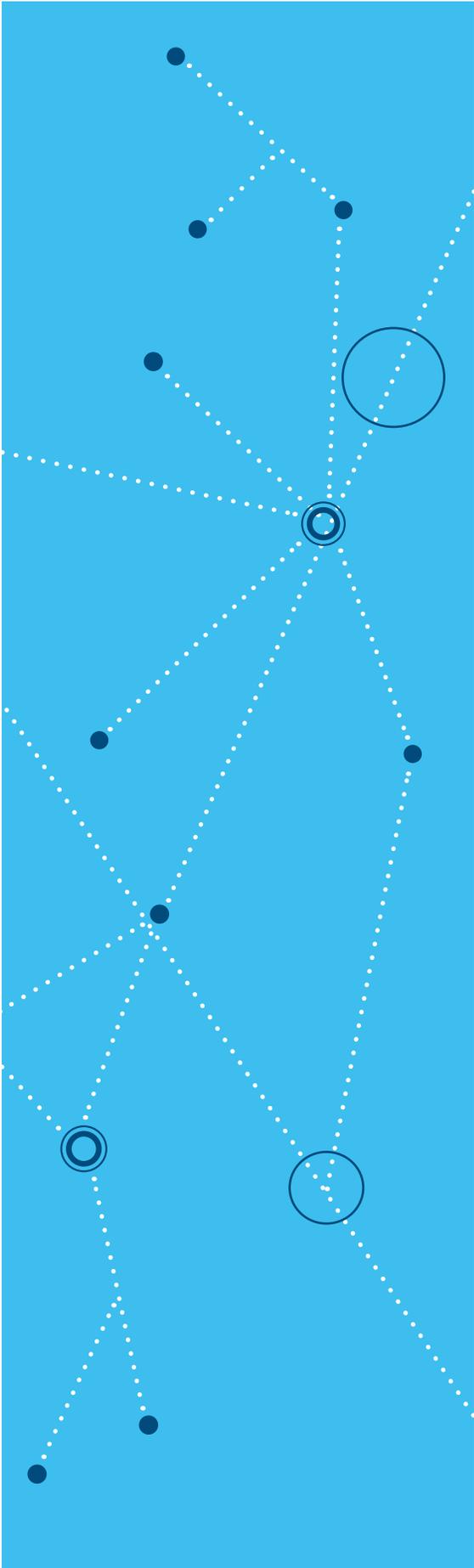


MEDICARE

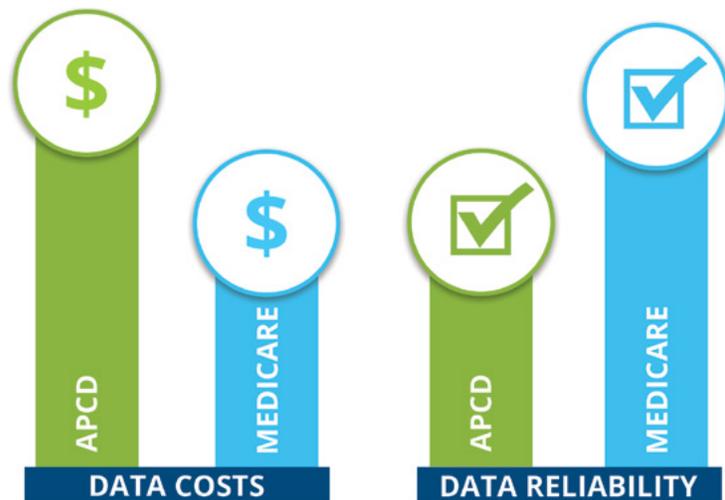
data

Medicare provides claims data (i.e., data generated by billing) for all Medicare patients across a wide variety of care settings including outpatient, inpatient, skilled nursing facility, hospice, home health agency, and more. The data primarily covers patients ages 65 years and older, who are the largest utilizers of the health system. It's collected with the goal of improving the standard for how patients are cared for across all areas within a health system. Therefore it can still be relied upon as an accurate gauge of the entire market. Medicare data also provides insight for hospital system management, planning, and development.

Because it's drawn from a single payer source through a process standardized across all collection points, Medicare is often considered the cleanest external dataset available. The streamlined, standardized nature also reduces the need for follow-up cleaning in order to effectively harness the data. The reorganization and modeling required with APCD is not needed with this set.



As with APCD, Medicare is not a comprehensive picture of every patient within the healthcare market. It does, however, provide a compelling picture of the *direction* of the market. Further, since the data is generally less adulterated, the projections which can be drawn from it are more reliable. For physician liaisons and physician relations professionals, this directionally correct data, which is refreshed quarterly and annually, meets the needs for planning and mapping growth projections.



Medicare is not only considered the cleanest external dataset, but also the least expensive to obtain.

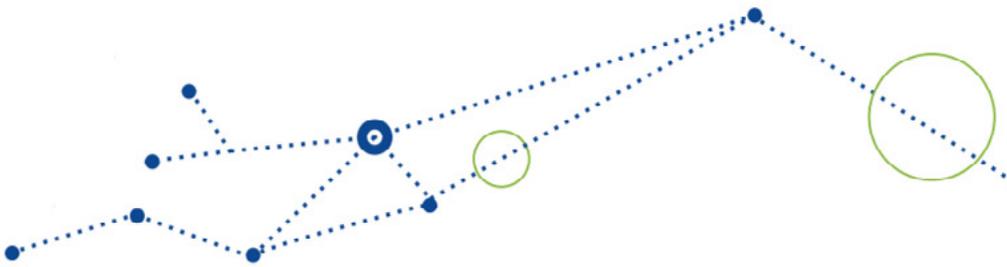


Using CRM Data to Enhance Your Healthcare Data's Value

ONE LAST TIP

As was noted above, regardless of the paid-for dataset hospitals choose, the most accurate data they have is the data they're collecting themselves—directly from their own populations.

Customer Relationship Management (CRM) systems are designed to help companies, typically those with a heavy emphasis on sales, manage their various customer relationships. In healthcare, a good CRM system helps providers manage a dataset that covers all areas of their systems. By utilizing CRMs, providers are able to leverage a master dataset and keep up to date with their physician interactions.



Like their internal patient data, a properly managed CRM contains a complete picture of providers' interactions. Unlike EHR systems, where data is simply egested as a byproduct of operations, a CRM requires active maintenance.

When using a CRM or any internal data collection system, the most important consideration is finding a tool that can complement these data collection efforts and present the information in a way that usable physician relations insights can be extracted.



By utilizing CRMs, providers are able to leverage a master dataset and keep up to date with their physician interactions.

The background is a solid green color. Overlaid on this are several white dotted lines that form a network of paths. Some of these paths end in solid blue circles, while others end in hollow blue circles. The paths are scattered across the page, primarily on the left and top edges, creating a sense of movement and connectivity.

THE TAKEAWAY



When considering the right dataset(s) to use, particularly with regard to physician relations, the ideal offering is the one that provides the most comprehensive and valuable insight at the lowest

financial and time investment expense. The right data can ultimately lead to strategic growth and an improved system for tracking and optimizing physician relationships.

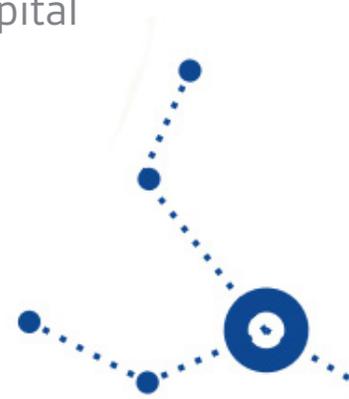
There are benefits and drawbacks to every solution we've listed, but, as we've outlined here and in a [recent blog post](#), we at Stratasan believe there's a clear winner in the Medicare dataset when it comes to the convergence of cost and utility.

Whichever dataset providers choose to employ, there are benefits to be gained from data-driven physician relations strategies. High-level overviews of facility loyalties and connections combined with an in-depth understanding of physician referral patterns, relationships, and patient interactions provide the leverage for strategic relationship development with physicians.



At Stratasan, we developed our [Physician Pathway](#) platform to support this client need for a data-driven physician relations strategy. Physician Pathway equips physician relations professionals with the tools they need to build upon market expertise and provides a support system for their strategy. Instead of modeling data, it presents the reality, allowing those professionals to improve their physician relations management by reacting to concrete facts. Liaisons are able to clearly see physician referral patterns, secondary market growth opportunities, and potential improvements to quality of facilities and care, thanks to our proprietary software platform.

[Physician Pathway](#) brings to the market a powerful and cost-effective solution for harnessing the power of physician relations data. Used in conjunction with Internal Patient Data and/or a well-maintained CRM, Physician Pathway is a uniquely effective means to drive improved physician relations for hospitals and hospital systems. With this understanding in hand, providers will be poised for strategic growth as the market moves forward and the landscape continues to shift. Contact [Stratasan](#) to learn more about the [Physician Pathway](#) platform and arrange for a free strategy session with our product specialist.





*Paper by Tony Camarata, Product Manager for Stratasan.
Tony is responsible for championing new product ideas and is the
in-house expert in data analysis and product development.*

Connect with Stratasan on [LinkedIn](#)  @ Stratasan
or follow Stratasan on [Twitter](#)  @ Stratasan

Citations

- *American Association of Medical Colleges 2015*
- *PwC Health Research Institute 2015*



1009 3rd Ave North, Suite 100 | Nashville, TN 37201
Sales: 866-628-5051 x 1 | Support: 866-628-5051 x 2
Email: info@stratasean.com | Fax: 615-208-9657
www.stratasean.com