

Physician Alignment or Physician Integration?

Alignment and Integration are the new buzz words, as trends accelerated by health reform - patient demand and provider supply imbalance, reimbursement declines, quality requirements, and technology pressures - create the need for hospitals and physicians to create stronger partnerships that optimize value for the consumer, whether that's patients, payers, or the community at large.

However, many hospitals are confused about what constitutes alignment and integration – what does this mean? Are they synonyms or just proxies for employment?

The short answer is no. Alignment and Integration are fundamentally different concepts and require different actions, competencies and cultures for the collective organization.

Alignment	Integration
Array on a side against a cause; agreement or cooperation among individual with a common cause or view <ul style="list-style-type: none"> Lined up but functioning independently Accepting of the same goal 	Form, coordinate or blend into a functioning whole; Work together to accomplish a set of objectives that cannot be achieved effectively individually <ul style="list-style-type: none"> Function together Push towards the same goal
Alignment is a measure of intent	Integration is a measure of action

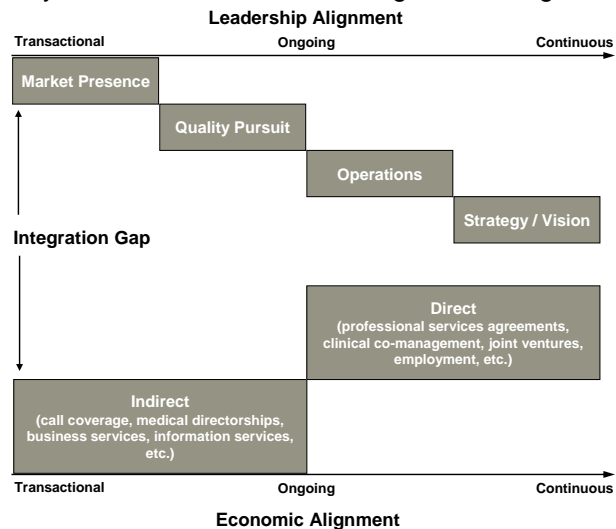
To create integration, a group must be blended into a functioning whole. Many clinic-run organizations (e.g. Mayo, Cleveland) and integrated systems (e.g. Kaiser) are examples of integrated groups.

The majority of community hospitals and health care systems are not integrated. Attaining hospital-physician integration is thereby a lofty goal that can only come about after there is alignment along a host of factors and a culture of a team is created.

Which factors should hospitals and physicians focus on aligning? Historically the focus has been on markets – practice locations and patients.

Moving forward, the collective should focus on additional leadership areas: quality pursuit, operations, strategy and vision in addition to economic alignment – both indirect and direct forms of compensation. These alignment mechanisms should be coordinated to create a more effective partnership for optimizing care.

Only when the collective group is aligned on all these factors, can integration even occur. Even then, it is not a slam dunk.



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