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Choosing an Administrator

You have a growing pediatric practice, complete with numerous managed care contracts, and you might be expanding even more to be more competitive in your market. Is your current manager ready and able to administer a larger, more complex pediatric practice?

A successful practice needs a manager who is capable of functioning as a project manager, can analyze data sets, and is willing to develop business and marketing plans. In addition, the manager must be competent in negotiating for managed care contracts.

It is very common for practice administrators to have started their careers as secretaries, receptionists, and even nurses. Many have worked as administrators in other fields. If you are planning to continue using a manager with one of these backgrounds, you may quickly find that this individual will be insufficient to handle the demands that a growing pediatric practice will have without further education and/or guidance provided by advisors in the health care field.

In an expanding practice, your manager must take charge of a growing and diverse group of employees who may be either at a main office location or at one or more satellite offices. Today's pediatric manager should no longer help out routinely if the office is short staffed, but rather must concentrate on the duties of managing and providing leadership and guidance to a busy staff while attending to his or her own duties. (This is not to say on occasion the manager will be the one to answer a phone, check a patient in, or put a patient in the exam room on a hectic day. Sometimes everyone must pitch in to get through the day. If, however, this is the rule and not the exception, you have a problem with how your manager perceives his or her role in your practice).

If your practice is growing and busy, your administrator must deal with issues such as financial management, quality assurance, physician productivity and income division, managed care reimbursements and contract issues, upgrading your technology and patient satisfaction. The administrator may also handle vendors and supplies while still dealing with day-to-day personnel and business systems and routines.

YOUR OPTIONS

If your pediatric practice manager isn't able to perform these operations in a satisfactory manner, you need to consider the options.

- Train your current manager to become a practice administrator. If the current manager is a good employee and the physicians want to remain loyal to employees, this is a viable option. In addition, this individual already knows the specifics of the practice. However, a manager who has a clinical background may not have the desire to learn finances, computer technology and the specifics of managed care contracting. She may not want to give up clinical duties to take on the added business responsibilities required, even for the additional compensation that may be involved. If your manager needs to take courses to learn any new skills, consider subsidizing or outright paying for them. A reasonable salary increase and the cost of a few courses could be all that is necessary for a manager to become a competent practice administrator.
- You may decide to hire an experienced administrator away from another group practice.. This person will most likely have a good amount of experience to perform the job efficiently. While pediatric experience would be an added benefit, look for someone with experience in running a comparable sized primary care practice. Experience in a practice seeing large numbers of patients is more helpful than experience in a specialty practice where staffing issues and business routines are so different. Expect to pay a premium to attract someone away from another practice. In the health care industry, competition is intense for administrators who have

the training and skills to be an administrator in a large and complex practice. Recognize, too, the importance that the right personality and chemistry play in structuring the administrator's role. While education and experience is essential, the administrator and the physician-owners must be on the same wavelength for the team to be workable.

- Hiring an administrator from another field is a third option. You may find that administrators with similar skills in another industry can easily adapt to managing a medical group. The new employee may need a few months to become adjusted to a medical practice, but you may find the compensation will not be as high. If you follow this route, you should have someone on staff who has strong billing and operations background until the new administrator becomes more familiar with these routines.

It is crucial that you plan now for any changes in the size or structure of your pediatric practice. Whether you are merging, expanding, or becoming affiliated with another organization, the correct choice of an administrator could alter the future of your practice.

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