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Back to School How one oncologist became a certified practice administrator

by Ruben Sierra, MD, PFPM

After reading the title of this column, a question should immediately spring to mind: *Why would a busy physician take the time to become a certified practice manager?* I can answer that question in one word— necessity.

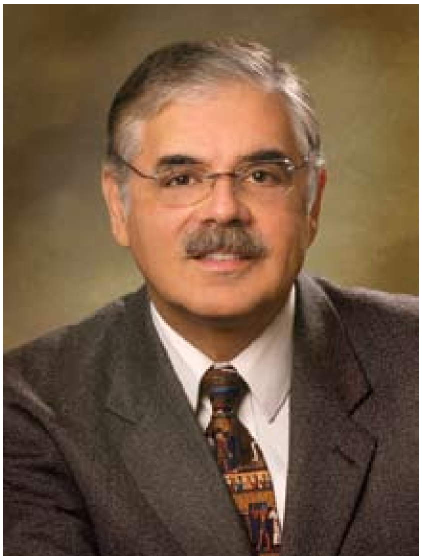
After more than 10 years in academic medicine and with experience as the director of a hematology/oncology department (1992-1993), I decided to make a change and go into private practice. I started out in a solo practice and later moved into a group practice. The transition from academic medicine to private practice drove home two points—one positive, the other not so much. First, I was a very good oncologist. Second, I did not really have the business acumen to manage an oncology practice. In short, I was ill prepared to deal with the many challenges required of today's physician/businessman.

At the start I told myself, "If I can understand hematopoiesis, classify lymphomas, and treat leukemia and lung cancer, then learning the business-side of running a practice should not be difficult." In fact, it was *not* difficult. It requires skills that most people have, although they may not be using these skills to their full potential.

The first skill you must have is organization. Good administrators are able to effectively prioritize and organize their days. Building on this basic step, I began to organize my learning process. During a six-year period, while I took CMEs in hematology/oncology, I also took many courses available for practice administrators, including courses from the American College of Physician Executives and the American Academy of Medical Management.

These courses covered a wide range of topics, such as:

- Basics in physicians as managers
- Essentials of health law



- Contract negotiations
- Basics of marketing
- How to compile and interpret financial information
- How to establish benchmarks for practice and productivity
- Personnel skills
- Fundamentals in finance and accounting.

While I was learning these "business" skills, I was also learning how to apply them to my practice. For a medical practice to have a physician with business skills and knowledge is rare; however, in today's current economic climate, it is also vital.

Most practices are separated (or fragmented) into two parts: clinical and business. Physicians, mid-level providers, and nurses "belong" on the clinical side; practice managers, billing staff, and office personnel on the "business" side. In many instances, this separation (or fragmentation) can result in a lack of understanding or even a distrust of the other side's perspective, which, in turn, may lead to tension or even confrontation. As the leader of a medical practice, I have found that being able to understand, represent, and reconcile both halves of today's medical oncology practice brings credibility, stability, and respect to you as the "business" partner.

The effort I put into becoming a certified practice administrator has paid off for my practice in several key areas. For example, I now have the skills to understand expenses, profits, accounting, benchmarks, budgets, marketing, and contract negotiations. I also have the ability to present this information to others in our practice.

Perhaps most importantly, the skills I've acquired as a certified practice administrator have allowed me to best position my practice for the future. As we all know, the passage of the 2003 Medicare Modernization Act drastically changed the landscape of oncology private practices. In fact, three years after this ground-breaking legislation, the landscape continues to shift under our feet. Today, the future of private oncology practices remains unclear. One reason my practice is surviving and healthy is that we have been proactive in instituting changes in how we practice and manage our office to include all providers, management, oncology nurses, medical assistants, billing department, receptionists, file clerks, etc. By changing the way my practice "does business," I've been instrumental in getting our entire staff (both the clinician and business side) to work together to provide quality cancer care to our patients.

In my opinion, any physician serious about running a successful practice today and well into the future must have—in addition to his or her medical skills—some understanding of the art of business.

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