



August 31, 2017

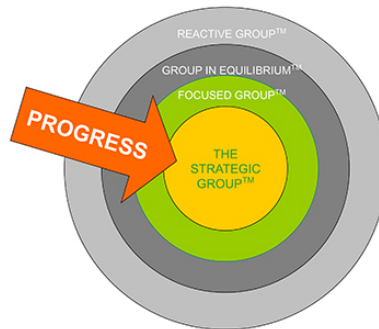
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The Four Circles

After having represented medical groups for more than 30 years, it has become strikingly clear that what distinguishes the most successful groups, the Strategic Groups, from the great majority of the mediocre.

In fact, I have come to realize that there is a way of ranking groups from the most reactive to the most strategic. I call this ranking The Four Circles™:



The Reactive Group

A group at the reactive level exhibits many of the following characteristics:

- It exists only as a matter of convenience to further each of its individual physician's goals.
- It has little, if any, organizational structure beyond the rudiments required by law, and even those formalities are rarely followed.
- The relationship among its members may or may not be civil but the mindset is definitely "what's in it for me?" not "what's in it for us?"
- The group is entirely reactive to its circumstances in respect of the hospital, competition, referral sources, and the medical staff.
- Its sole purpose for existence is to provide services at a hospital — if that hospital no longer wanted to obtain those services from it, it would have no reason to exist.
- Their services are completely commoditized. There is virtually nothing that distinguishes their services from any other group of providers within their specialty.

The Group in Equilibrium

A group at the equilibrium level exhibits many of the following characteristics:

- It exists primarily to further each of its individual physician's goals although there is some understanding that they must band together as a group in order to compete — in essence, it is a "club" with members sharing at least one common goal: keeping others out.
- The group follows the minimum required formalities to protect its structure from legal attack.
- The group members have more or less civil relationships among themselves. They understand, to a certain degree, that fulfilling their individual objectives requires that they align themselves with others.
- The group engages in a low level of planning as to its very short term future, chiefly in respect of scheduling matters. For the most part, it is reactive to all circumstances outside of its easily accomplishable, immediate concerns.
- Its sole purpose for existence is to provide services at a hospital — if that hospital no longer wanted to obtain those services from it, it would have no reason to exist.
- Their services are commoditized. There is little that distinguishes their services from any other group of providers within their specialty.

The Focused Group

A group at the focused level exhibits many of the following characteristics:

- It exists to further the group's immediate and midterm goals although group members are also free to pursue their independent goals outside of the group.
- The group follows the required formalities to protect its structure from legal attack.
- The group members have good relationships among themselves, understanding that fulfilling their individual objectives requires that they align themselves with others.
- The group engages in a high level of planning as to its short and medium term future, chiefly in respect of scheduling matters. However, it remains chiefly reactive to all circumstances outside of its easily accomplishable, immediate concerns.
- Its chief purpose for existence is to provide services at a hospital — if that hospital no longer wanted to obtain those services from it, it would have little reason to exist as its outside work is not sufficient to enable it to remain in business.
- Their services are commoditized. There is little that distinguishes their services from any other group of providers within their specialty.

The Strategic Group

A group at the strategic level exhibits many of the following characteristics:

- It exists to further the group's long term goals.
- The group follows the required formalities to protect its structure from legal attack.
- The group members have well developed, positive relationships among themselves, understanding that they will maximize their long term interests by maximizing the group's long term interests.
- The group engages in a high level of planning as to its short, medium and long term future. Although it remains flexible in order to deal with the inevitable surprises, it actively strategizes and deploys tactics to influence its future.

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NEW BOOK OFFER

The Impending Death of Hospitals



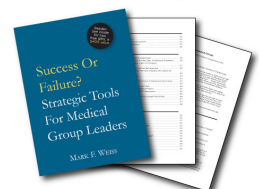
COMPLIMENTARY BOOK DOWNLOAD

Having fallen for the fallacy that there's profit in market share, hospitals have gorged on acquisitions and on employment and alignment of physicians. But it's becoming evident that physician employment leads to losses and that integrated care delivers neither better care nor lower costs. And now, technology is about to moot many of the reasons for a hospital's existence. How can your practice survive and even thrive in the post-hospital world?

The Impending Death of Hospitals is available for download below.

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Success Or Failure? Strategic Tools For Medical Group Leaders



COMPLIMENTARY BOOK DOWNLOAD

Today's medical groups must confront multiple challenges, including the impact of Obamacare. Increasing commoditization. More competition, not just from other physicians and medical professionals, but also from hospitals, investor-owned groups and also

- Its chief purpose for existence is to develop its business for the profit of its owner physicians and, as such, does not see its existence as necessarily tied to the existence of its relationship at any particular hospital.
- The way that their services are delivered is unique. Although it may well be that there are many other providers of their specialty services within the area, the overall combination of the way that the group delivers those services and the *experience* that they provide to the facilities, to the other members of the medical staff, to their patients and to the community at large, has created an experience monopoly that competitors, even if they understood what was being provided, would not be able to duplicate it.

Where does your group fall on the continuum? Are you happy with its level? If not, let's talk about how to move up.



Wisdom. Applied. 104 - Is Your Medical Group Stealing From It's Future?

You get what you pay for. If you try to get it without paying for it, you won't get much of it, or any quality. What are you incentivizing?

All Things Personal

Recently, I traveled to a certain city on business and stayed in a hotel that I had not previously visited.

The grounds were attractive and extremely well-kept, as were the architecture and the public areas. But, the room stunk, and I don't mean metaphorically. It actually smelled like sweat, as if the carpets had last been cleaned in 1972.

A few days after my stay, I received a very nice email from the hotel manager asking me to complete a survey. I did, and I responded honestly and in detail.

In the survey's box asking for an explanation as to why I scored them as I had, I added something like this: "If you're really as interested in an excellent customer experience as your cover email indicates, you'll contact me to discuss this -- let's see if you read this and then follow up."

I'm still waiting for that follow up. And waiting. And waiting.

Actually, I'm wondering if the survey responses were read by anyone at all, even if by a computer. Perhaps instead, the survey was simply part of a ridiculously ineffective post-stay marketing campaign.

Physicians and healthcare facility executives are intimately familiar with surveys, such as the (in)famous ones conducted by Press-Ganey.

Over the years, I've ripped surveys apart for my clients and I've worked with clients to create their own highly effective surveys-as-tactics for use in a multitude of strategies to advance their business interests.

But, in any event, no matter what you use your surveys for, it helps if you actually read the responses. That includes the comments. Gee, who'd have thought!

And, it would be beneficial both in respect of your relationship with the individual responders and the value of the responses to your business, if you followed up on the comments left by those who obviously took significant time to do just as you asked by providing an explanation of why they scored your product or service as they had.

After all, a survey is a terrible thing to waste, whether you're using it defensively or offensively.

Recently Published Blog Posts

Thursday, August 31

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Wednesday, August 30

[Psst. Wanna Buy A Watch? The Myth of Security in Hospital Employment](#)

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Monday, August 28

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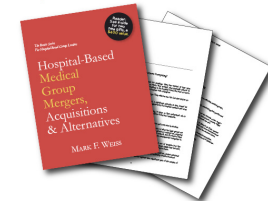
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disruptive ventures. Yet at the same time, the future of healthcare offers medical groups tremendous opportunity.

This small book is a collection of essays, of thoughts as tools for your success. Read. Think. Succeed. Repeat.

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Hospital-Based Medical Group Mergers, Acquisitions & Alternatives



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Some days, it seems as if everyone, from anesthesia or vascular surgery practices, is talking about selling their larger group, to private equity investors, or to a hospital.

The reality is that some practices can be sold, some can't, and some have nothing to sell.

The reality also is that there are a number of strategic a practice sale.

A perfect storm of factors is accelerating the market for based medical group mergers and acquisitions.

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Directions: Clarity For Medical Group Leaders



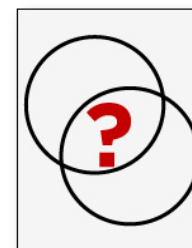
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The healthcare market is changing rapidly, bringing new problems.

How can you find a solution, how can you engage in the development of strategy, and how can you to plan your group's, future without tools to help clarify your think

Directions is a collection of thoughts as thinking tools, to instruct, inform, and even more so, cause you to give instruct and inform yourself.

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Recent Interviews and Published Articles

Mark's article, **How to Prevent Your Medical Group From Getting Robbed of its Staff**, was published in the Summer 2017 issue of Sentinel. Read [here](#).

Read some strategies for the inevitable Hospital CEO turnover in Mark's article **Hospital CEO Turnover: What You Must Know and Do to Protect Your Anesthesia Group** featured in the summer edition of Communique. Read [here](#).

Mark covers the trend of hospital based care an article entitled **The Impeding Death of Hospitals: How to Help Your Clients Survive** featured in Today's CPA. Read [here](#).

Whenever you're ready, here are 4 ways I can help you and your business:

1. Download a copy of *The Success Prescription* Book.

My book *The Success Prescription* provides you with a framework for thinking about your success. Download a copy of the e-book [here](#).

2. Be a guest on “Wisdom. Applied. Podcast.”

Although most of my podcasts involve me addressing an important point for your success, I'm always looking for guests who'd like to be interviewed about their personal and professional achievements and the lessons learned. [Email](#) me if you're interested in participating.

3. Book me to speak to your group or organization.

I've spoken at dozens of medical group events, healthcare organization events, large corporate events, university-sponsored events, and private, invitation-only events on topics such as The Impending Death of Hospitals, the strategic use of OIG Advisory Opinions, medical group governance, and succeeding at negotiations. For more information about a custom presentation for you, [email](#) my Santa Barbara office staff.

4. If You're Not Yet a Client, Engage Me to Represent You.

If You're Not Yet a Client, Engage Me to Represent You. If you're not yet a client, and you're interested in increasing your profit and managing your risk of loss, [email](#) me directly. I'll contact you to set up a call or meeting.

Mark's article **Why Your Compliance Efforts May Be Worthless** was published in the Spring 2017 volume of *Communique*. Read [here](#).

Mark was quoted in the article **ASC Regulatory Areas That Developers Need To Pay Attention To** published on The Ambulatory M&A Advisor. Read [here](#).

Mark's article **OIG Advisory Opinion Secrets and Strategy** published in the Summer 2016 volume of *Communique*. Read [here](#).

Finders keepers, losers weepers. Except in connection with overpayments from Medicare, then it's a violation of False Claims Act leading to significant liability, that is, to repay the overpaid sum within 60 days. **CMS Resets the Clock for Return Of Medicare Overpayments**, was published on AnesthesiologyNews.com on May 2016. Read [here](#).