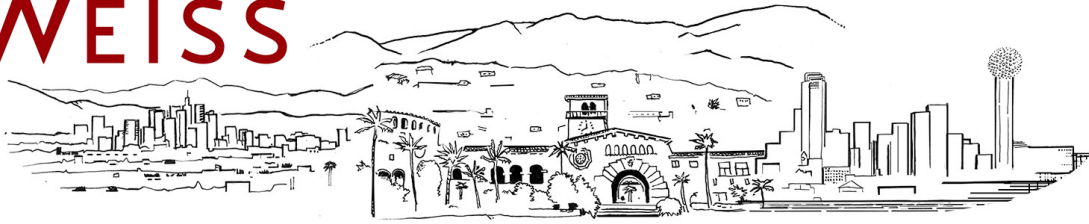


WEISS



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Sam Walton's Failure Is A Lesson For Medical Groups

Sam Walton has a lesson for you. No, it is not buy low and sell low. It is something very different.

Before Walton founded the WalMart chain, he operated a variety of stores. (To anyone under 50, see [Wikipedia](#).)

His first store was wildly successful. That is, until he realized that he had signed a short-term lease with no renewal option. At the end of the few year term, the landlord not only took back the space, he took over the operation of the store.

Has your medical group made the equivalent mistake? Many have. They have put themselves in the position that the hospital or another medical group can take over their business as legally, easily, and cheaply as Walton's landlord took over his store at the end of the lease.

For example, a hospital-based group, let's call it Trusting Falls Medical Group, has a three-year exclusive contract with St. Mark's Community Memorial Hospital. Its leaders spent scores of hours recruiting physicians to the group. They have developed trust with the referring physicians, with the medical staff at large, and maybe even with the local community in general.

Then, towards the end of the contract term, the hospital announced that it is not going to renew the contract with Trusting Falls.

Instead, It is going to send out a request for proposal to four large, national groups. How will the "winning" group staff the facility? With most of Trusting Falls physicians.

You can do much to avoid this type of situation by taking to heart what Walton did next.

He made sure that he always held very long term lease rights. I am not saying that you can get a 99-year exclusive contract, but you can build protections into your current contracts with facilities and physicians alike that diminish the economic burden in the event of nonrenewal and that make your "store" less likely to be shifted to new ownership. And, you can develop a business that is broader than any one hospital or hospital system, a business that is truly independent.

Note that this issue, in slightly different dress, also impacts office based practices.

For example, you would not be the first cardiac surgery group to find that the hospital has recruited more than half of your surgeons to become the "poster docs" for the hospital's new cardiac care center. Your position in the new regime? There isn't one.



How to Deploy the Secret Sauce of *Opportunistic* Strategy - Webinar On Demand

They say that COVID-19 has changed the world, creating the "new normal." Many of your colleagues and many hospital administrators are running scared.

Others, leaders like you, know that *crisis means opportunity*.

Let me provide you with the strategic tools and insights that you need in order to seize opportunities, whether they're in the context of your current business relationships, the expansion of your business activities, or the creation of new ventures.

You will learn:

- Defense as a defective default: It's necessary, but not sufficient.
- Exploiting weakness: Drop the guilt and identify opportunity.
- Flat line negotiation is fatal: Understand its myths and limitations.
- Negotiation reality: Learn to identify and deploy on multiple planes to affect the outcome.
- Maneuver: Harness the power of maneuver, both in overall strategy and in specific negotiation strategy.

Others see a crisis and freeze in fear. Learn how to see the opportunities and obtain the tools to increase your odds of obtaining them.

The price to attend is \$479. The cost of not attending is astronomical.

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Newsflash: Business Life In the Time of Coronavirus - The Way Out

The coronavirus crisis, especially as it's become politicized, raises a number of business issues and, quite frankly, business opportunities in regard to future disruptive events.

Check out our [mini-series](#), with actionable business lessons for medical group leaders.

Sooner or later this crisis will end. You can't allow yourself to be too busy, too occupied, too concerned with current events, to devote time and effort to strategizing for your future.



Wisdom.Applied.146 - More On: What Do You Call A Hospital With Irrelevant ORs Other Than Bankrupt?

Quick quiz: If a patient or a payor has the choice of having a procedure performed (A) on a hospital inpatient basis, or (B) on an outpatient basis, then, assuming it's safe to perform that procedure on that patient in either setting, at which setting will it be performed?

All Things Personal

I knew something was up as soon as I got the phone call.

She sounded like the concierge from the Four Seasons, but the reservation was for a medical procedure, not a spa treatment.

Or, so I assumed.

Upon arrival, the facility waiting room looked like a small version of the Four Seasons lobby. OK, I didn't hear pleasant chat and soft music wafting in from the bar, but other than that, you get the picture.

Without wanting to give up too much PHI, let's just say that the rest of the service matched the initial impressions. The staff, including the physicians, were over the top respectful and polite. When I left, the nurse assigned to me for the entire experience, from being escorted from the lobby through checking out, walked me to the door and handed me a swag bag including a customer service survey card. Then, three hours later, she called just to ask how I was doing.

Compare this with the last facility that I wrote about in this column, one that had cardboard boxes stacked up in the hallways, one at which the staff at the front desk munched on pastry in front of a packed waiting room of starving patients.

What image does your practice or facility portray, even if you have no physical facility that you yourself control? Are patients welcomed guests, or merely tolerated pests? Are you seeking more referrals or running a business prevention department?

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Published Articles

- [You Have Enough Problems. Why Buy Compliance Risk?](#), Summer 2020 Issue of [MiraMed Focus](#)
- [Who Really Owns Your Anesthesia Group?](#), Summer 2020, [Communique](#)
- [The Practical Essentials of the False Claims Act](#), March 2020, on [AnesthesiologyNews.com](#) and in the May 2020 issue of [Gastroenterology & Endoscopy News](#).

Books and Publications



We all hear, and most of us say, that the pace of change in healthcare is quickening. That means that the pace of required decision-making is increasing, too. Unless, that is, you want to take the “default” route. That’s the one in which you let someone else make the decisions that impact you; you’re just along for the ride. Of course, playing a bit part in scripting your own future isn’t the smart route to stardom. But despite your own best intentions, perhaps it’s your medical group’s governance structure that’s holding you back. In fact, it’s very likely that the problem is systemic. The Medical Group Governance Matrix introduces a simple four-quadrant diagnostic tool to help you find out. It then shows you how to use that tool to build your better, more profitable future. Get your free copy [here](#).

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

- 1. Download a copy of The Success Prescription.** My book, The Success Prescription provides you with a framework for thinking about your success. Download a copy of The Success Prescription [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, healthcare organization, university-sponsored, and private events on many 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, [drop us a line](#).
- 4. If You’re Not Yet a Client, Engage Me to Represent You.** If you’re interested in increasing your profit and managing your risk of loss, [email me](#) to connect directly.