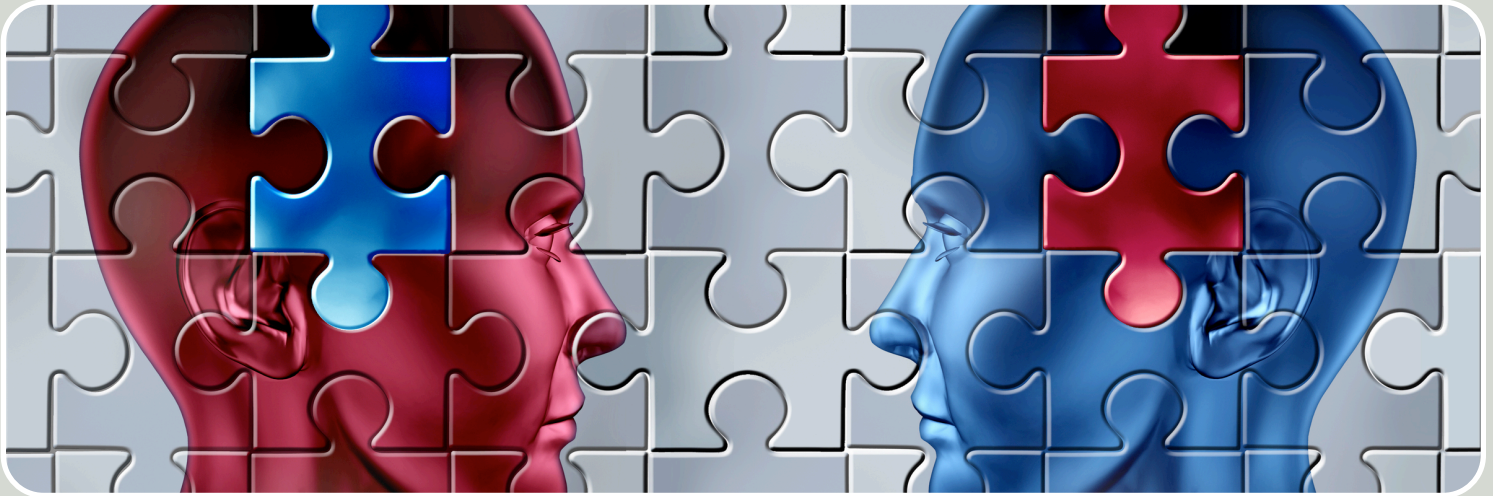# DEVELOPING DYAD LEADERSHIP MODELS:
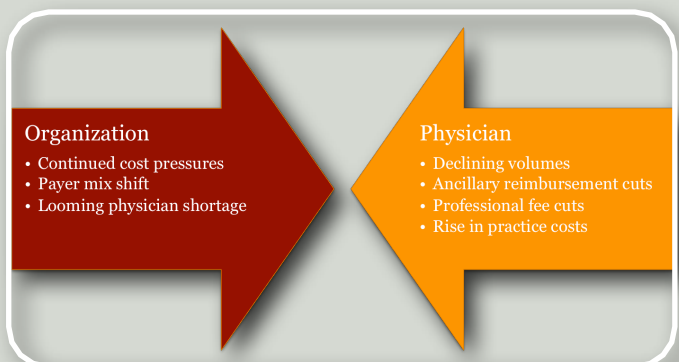
## Working Together to Achieve Success

### Overview

This lesson entails four topics. We will begin by describing the forces driving integration of physicians and organizations into dyad models.  We will then define the dyad model and move into the roles of each co-leader. Finally, we will end the lesson by describing the benefits and challenges of the model.

### Forces Driving Integration

Changes in payment amounts and methodologies have had a negative impact in the ability to practice medicine. Providers have noted that reimbursement cuts for ancillaries are starting to affect profits. Physicians are also experiencing cuts for professional fees. In addition, inflationary costs, including employee healthcare costs, continue to rise.

In evaluating the current healthcare reform, we are now seeing an increase in accountability for cost and outcomes. Healthcare is slowly shifting its focus to value and patient outcomes with penalties for preventable hospitalizations. Many providers are still uncertain about what the new payment model will bring as well as well as how they will be incentivized..

**Organization**
- Continued cost pressures
- Payer mix shift
- Looming physician shortage

**Physician**
- Declining volumes
- Ancillary reimbursement cuts
- Professional fee cuts
- Rise in practice costs

Physicians are struggling to grasp the concept of being paid for quality, patient experience and outcomes instead of the traditional model of being paid by volume. Accountable care networks are being developed everywhere and providers are afraid of being left out

## Defining the Dyad Model

Simply stated, a dyad model includes a physician leader as well as a manager that partner together to run the practice.
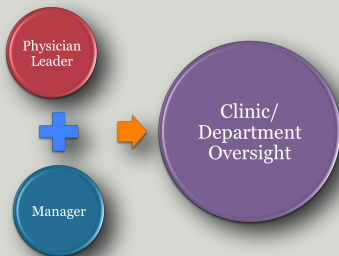


The model is also ideal for departments, medical groups and healthcare organizations.  In ideal settings, the manager will have formal business training as well as a clinical background more often than not, it's in a nursing role.

In larger groups, the physician leads directly report to the medical director and the managers directly report to the director of operations. They are matrixed together within the clinic.
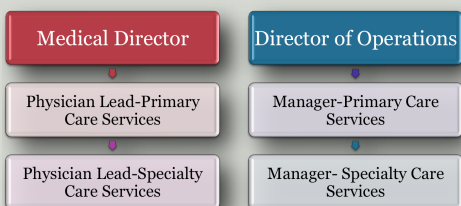


A few of the organizations that follow the dyad model include the Cleveland Clinic, Mayo, Geisinger, Virginia Mason

and Group Health. Studies, like the one published in *Social Science & Medicine* magazine in 2011, show that hospital quality scores are 20% higher when doctors run hospitals. In those settings, the physician CEO works closely with the executive administrator to run the enterprise. This is critical because many physician leaders continue to practice, so they may not be readily available to address all issues.

## Role of Co-leaders

Now let's move on to the role of the co-leaders. We'll begin by identifying the common roles. The dyad team ensures that the practice is aligned with the organization. They also implement the group's strategy and monitor the performance of the department to keep it at a high level. The dyad also works to keep staff relationships cohesive.  Most importantly, they help establish the culture of the department or the group.
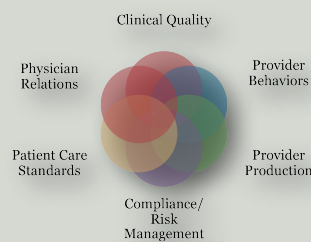


In reviewing the separate roles, the physician leader has oversight of the providers including their behavior and performance. This person also leads in establishing clinical quality and patient care standards. The physician leader represents the group within the organization and serves as the liaison in the community.  We are now seeing more and more physician leaders involved in the recruitment and

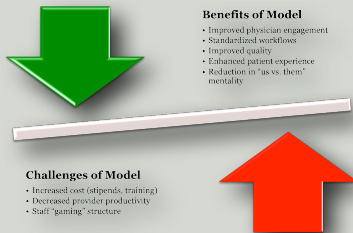mentoring of other providers as well as establishing leadership development training for the group.
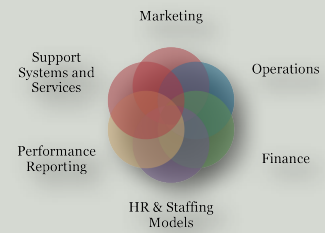


The administrator's role deals with handling much of the day-to-day tasks. This includes operations, finance, marketing, human resources and staffing, developing practice performance reports as well as providing the support systems and services to keep the group humming.

## Pros and Cons of the Dyad Model

Let's begin by describing the benefits of the model.  Obvious benefits include the fact that you increase your physician engagement.  As the saying goes, you can't have people buy in until they have the opportunity to weigh in. By partnering with the clinicians, you can standardize workflows. I have already mentioned how quality tends to be higher in physician-led organizations as noted in the publication. In addition, the model helps to enhance the patient experience with a reduction in the "us versus them" mentality. I previously worked with an organization where the administration was viewed as "the dark side" by physicians and providers. For you Trekkies out there, I've also heard the administration called the Borg because physicians fear being assimilated and losing

complete autonomy.

In reviewing the challenges of model, you will encounter increased start-up costs to invest in the training and development of the physician-manager dyad team in order to ensure their success.



**Benefits of Model**
- Improved physician engagement
- Standardized workflows
- Improved quality
- Enhanced patient experience
- Reduction in "us vs. them" mentality

**Challenges of Model**
- Increased cost (stipends, training)
- Decreased provider productivity
- Staff "gaming" structure

The physician leader also needs a stipend for their added responsibilities. Although most physician leaders try to minimize the effect of their role on patient care, it pulls them away frequently, which impacts revenue for the department. In addition, staff may try to use dyad model to their advantage. Similar to when a child asks for permission from one parent after hearing a negative response from the other. I have witnessed this phenomenon countless times in my career.  If the request has broad implications for the clinic, you should let the staff person know that you will speak to your co-leader and get back to them as soon as possible.

## Summary and Next Steps

That completes the four categories of *Developing Dyad Leadership Models*. We began by describing the forces driving integration of organizations and physicians into dyad structures. Next, we defined the dyad model and identified the roles of the co-leaders. We ended by describing the benefits and challenges of the dyad model.

As next steps, please take the post-lesson quiz to ensure your understanding of this topic. I encourage you to go to the course site to download tools and resources as well as additional reading. Finally, take every opportunity to put the learning into practice by developing a true partnership with your dyad, whether this is a physician, manager or mentor.

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