

Is the Grass Really Greener?

Evaluating Your Options for a Better Practice Life

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The Motivators

What motivates oncologists to make a change?

- Decline in personal income (for an oncologist, when “take home drops below \$425K)
- Decline in quality of life/professional satisfaction; feeling stuck in a rut with little hope of redemption
- Uncomfortable relationship with organization/practice itself
- Uncomfortable professional relationships with peers

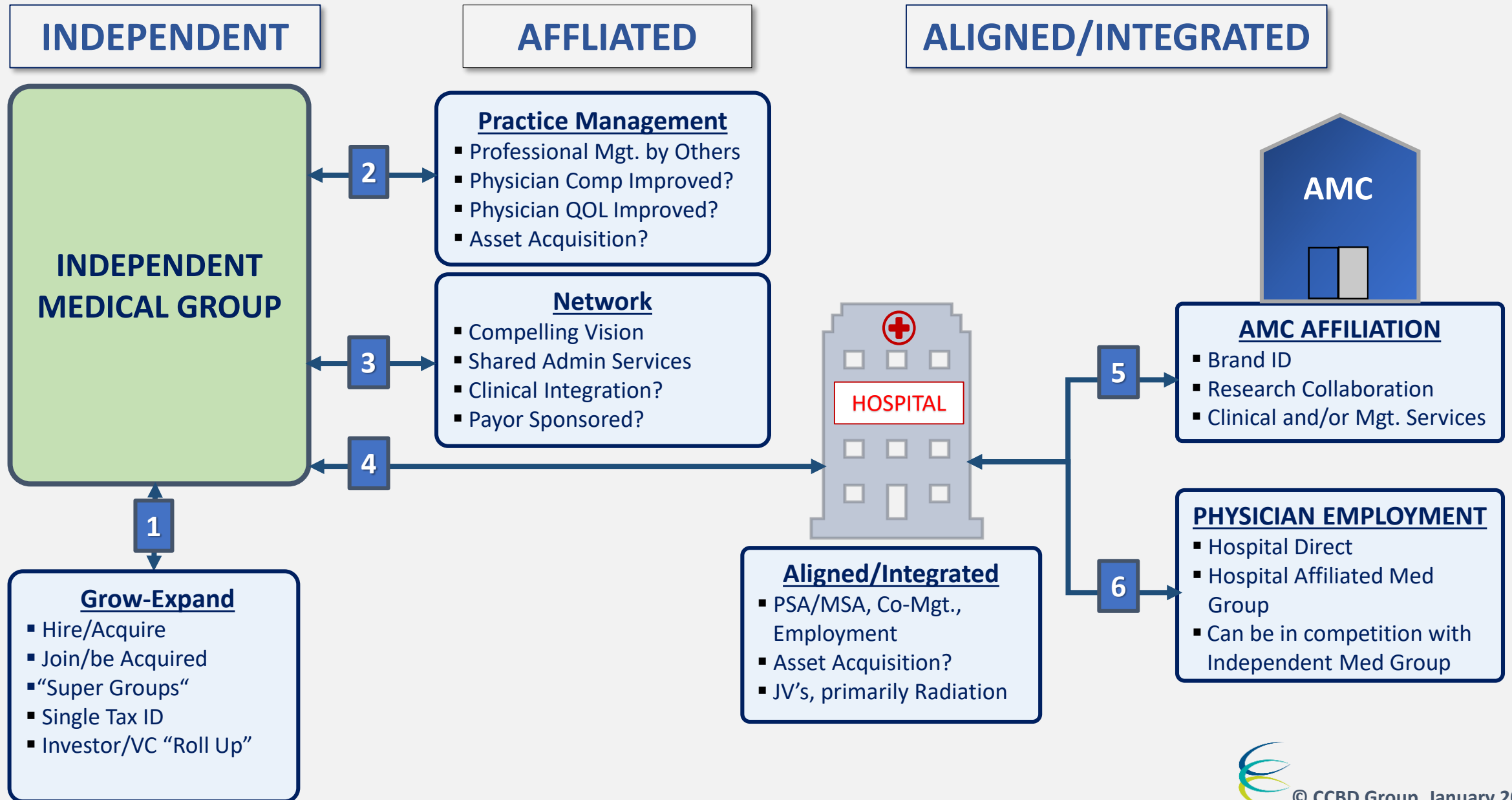
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The Options

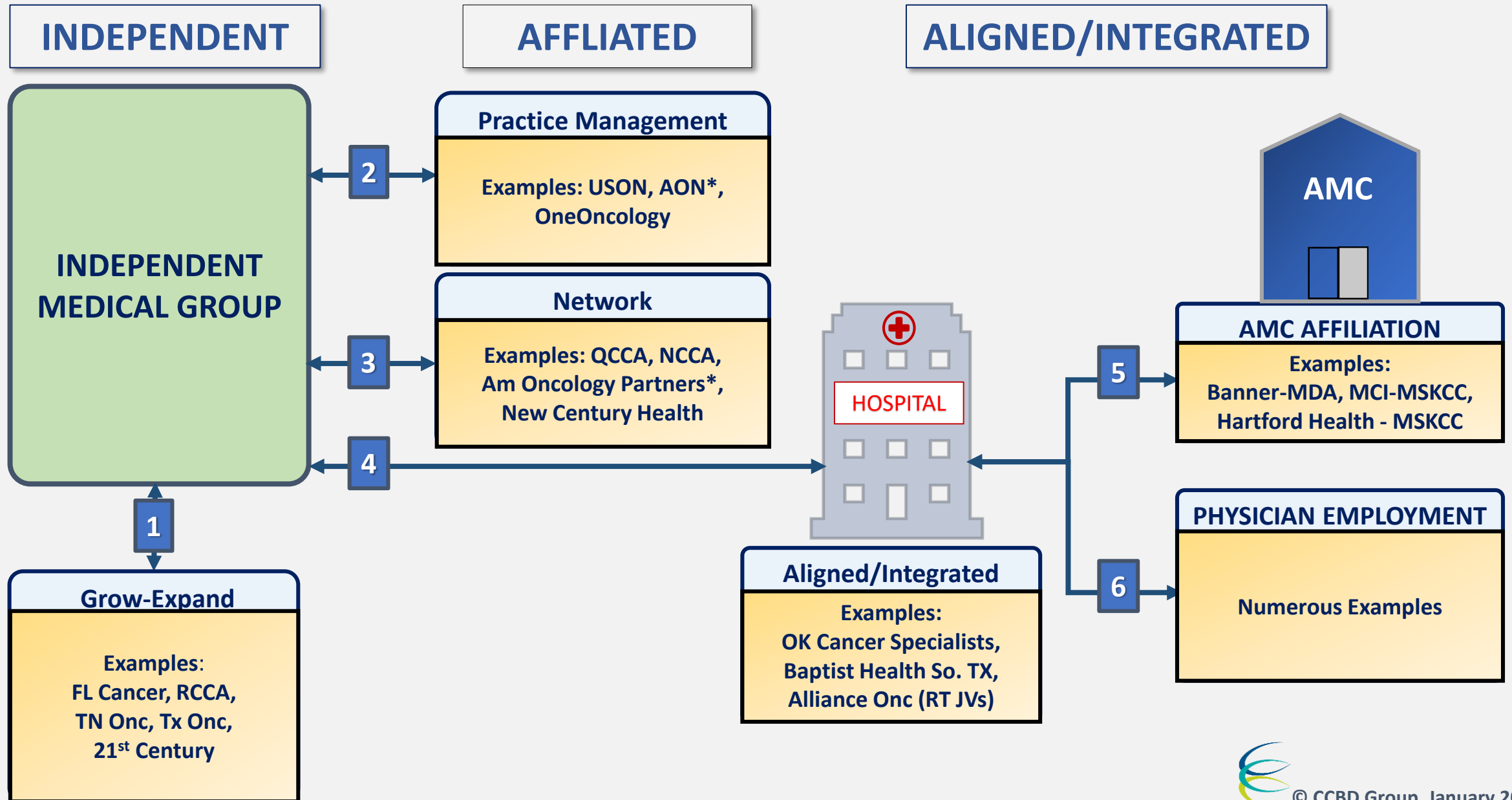
What are the options? Where might there be greener pastures?

- Expand/improve current practice situation through practice acquisition/merger with other practice(s)
- Through affiliation with a practice network
- Through affiliation with a practice management company
- Through affiliation with a hospital
- Through re-negotiation of terms of an existing affiliation with a hospital
- Through disaffiliation from an existing affiliation with a hospital

STRATEGIC PARTNERING OPTIONS



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Choosing an Option

How to sort out the options that are viable for you

- Deliberation process. Physicians participate in moderated deliberation process, such as a planning retreat. Is there a consensus among physician members: are all on same page or are there some members with different perspective/agenda?
- Select one or more options that are viable for the practice
- Practice GO/NO GO decision to pursue option(s)

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Pursuing an Option(s):The dating process

- Has an exclusive affiliation candidate been identified (for example, practice elects to pursue affiliation only with a certain hospital)? If so, move to Letter of intent (LOI) phase with the selected candidate
- Assuming that an exclusive affiliation candidate has not been selected, send out a broader net: develop and circulate a Request for Proposal (RFP) to organizations that represent a viable option(s).
- RFP evaluation process. Select from RFPs the desired candidate(s) for affiliation. What are the pros/cons of affiliation with the selected candidate(s)? What are the threshold requirements of an affiliation – what are the deal breakers?

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Formalizing the Relationship: Getting Married

- Enter into Letter of Intent (LOI) with selected affiliation candidate(s)
- Due diligence, negotiation deal points and definitive transaction documentation per terms of the LOI
- Organizational, operational, financial planning under terms of the definitive transaction documents
- Operational conversion: implement/" Go Live" with the affiliation

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Questions from the Floor?

Thank you for your attention today!

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