

How to Lead Physicians

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In their article "Vertical Integration: Is the Bloom Off the Rose?" [September/October 1996] defending the integration hypothesis, Dean Coddington, Keith Moore, and Elizabeth Fischer mischaracterized my position on leading physicians. My point was that hospital executives were going to have predictable difficulties leading physicians, particularly after cashing them out and hiring them as employees.

My article "Driving the Nitroglycerin Truck" argued that incorporating medical practice into the hospital would prove to be a spectacularly counterproductive and expensive strategy. It was written in late 1992 as a reaction to what I saw as a disastrous, lemming-like surge of physician practice acquisitions. Anticipating a closed-panel world that has not materialized. By the time this unfortunate trend has run its course. Hospitals will have squandered billions of dollars they will never see again, and set the stage for the unionization of physician practice inside their institutions.

For all the blather about "aligning incentives," healthcare executives are only now discovering that aligning values is the key to leading physicians, and that in a climate of collegiality and trust, many things are possible. Physicians absolutely can be led, but only by people they trust and whose values they share.

Jeff Goldsmith, PhD

President, Health Futures, Inc.

Charlottesville, Virginia