



Maximize Your ROI with Locum Tenens Physicians

Advanced Planning with a Partnered Locum Tenens Firm improves patient care, assists with retention and recruitment, and enables you to recognize a profit.

Andrea Boehme-Hernandez, CEO of Medstaff National Medical Staffing explains how planning ahead for physician staffing needs can maximize your return on investment.

While at first glance the cost of using locum tenens physicians may seem high, yet when compared with leaving key revenue-producing clinical positions vacant, it is well worth considering.

When should a Locum Tenens Physician be utilized?

When healthcare executives think of locum tenens, what usually comes to mind is the need to get a doctor in place on an urgent or last minute basis. Certainly, when unforeseen staffing problems arise locum tenens physicians provide an excellent solution. The best way to maximize your return on investment when it comes to using temporary physicians, however, is to plan ahead whenever possible.

By working closely with a locum tenens company, you develop a relationship that allows the agency recruiters to understand and respond to your physician staffing needs, both current and future. We recommend a quarterly review with all of our clients to help them project and plan to cover vacancies due to vacations or sabbaticals, maternity leaves, physicians retiring or leaving the community, seasonal changes in patient volume, or when a new program or service is being developed.

Why not leave open positions unfilled during interim periods?

There are many value added gains to having a locum tenens physician fill-in.

- Improve continuity of patient care
- Retain the full patient volumes
- Limit overwhelming your present medical staff
- Preserve physician & nurse retention
- Produce revenue and profits
- Lower liability risks
- Experience higher patient satisfactions

Locum Tenens physicians are highly qualified, experienced, and fully credentialed medical doctors who enjoy working as independent contractors for many reasons but mainly it allows them the flexibility to choose their own schedules, to travel, to moonlight, to practice medicine without the commitments and constraints of running a practice, and to experience the variety of different medical settings. We also carefully screen these physicians to ensure they have the proper personality or demeanor to enable them to seamlessly fit into you unique setting or group. Here too there is an advantage with advanced planning as you will receive a wider selection of locum tenens candidate from which you may choose.

What is the cost?

That may be the question you have in your mind, but in truth you should be looking at the cost of leaving the position open or unfilled. Often, the use of a locum tenens physician is equal to or less than a permanent staff physician who's package includes base pay, benefits, incentives, vacation, CME allowance, liability insurance and taxes. Once totaled, the full cost of a family practitioner, as an example, would average \$220,000. But a locum tenens physician is simply a daily rate in which the agency pays the physician remuneration, professional liability insurance and administrative fees. There may also be some travel expenses included as well. On average that same position filled by a locum tenens would be \$197,000 annually comparatively. That is about \$780 per day cost and then you must remember the professional fees alone would be producing a revenue of \$1,600 per day. So actually there is a net gain. Next, take into account the soft revenue produced by physician referrals, admissions, orders to the labs and radiology, etc...now the estimated revenue is closer to \$4,000 per day.

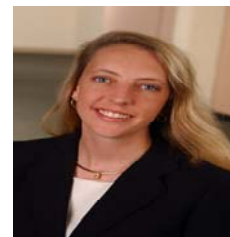
This same calculation can be done for any specialty. Imagine the cost of an empty OR or transferring patients from the ED. It is important to plan ahead for these openings with a reliable and experienced locum tenens agency to ensure the best coverage.

Getting a locum tenens physician in place with as much advance notice as possible is also good for the bottom line since privileging and payer-related paperwork takes time. By tending to these details early, you can experience smoother billing and collections and reduce any interruptions in cash flow.

Locum Tenens improve overall Permanent Recruitment

Finally, a major ROI issue is related directly to physician recruiting, which can take several months to a year. If you are in the process of replacing a physician who has retired or left the organization or if you are expanding your staff because of increasing patient volumes or new programs, using a locum tenens physician while you search for and interview candidates makes good business sense. Planning ahead to have a locum tenens physician in place while you recruit works to your advantage in two ways: First, your existing physicians will be less likely to become overworked, overwhelmed, and burned out while waiting for their new associate to arrive. Second, you buy yourself time to find the very best candidate you possibly can.

So, improve your bottom line with Locum Tenens physicians and increase your ROI with advanced planning by developing a relationship with an experienced professional agency. For best results, we encourage our clients to include physician staffing needs into their strategic plans and annual budgets.



Andrea Boehme-Hernandez is CEO of Medstaff National Medical Staffing. Andrea has over 12 years experience in healthcare staffing. Since 1985, Medstaff has been a national leader in the both locum tenens and permanent placement of physicians. The company also provides long-term guaranteed coverage in all specialty areas called MedstaffONE. www.MedstaffLT.com