

The Path to Management: Physician Executives in Health Care

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Although the specialty of physician executive has not yet become part of the residency match, that day cannot be far. Much like traditional medical specialties, the physician executive profession is gaining credibility in the medical community as a career path. Well established organizations, such as the American College of Physician Executives (ACPE) (Tampa, FL) are now certifying physicians for executive opportunities in the business of health care. In today's evolving economic environment and health care system, the ascendance of physicians to upper levels of health care management is not just desirable but mandatory to ensure appropriate allocation of increasingly scarce health resources. Physicians who entered medical school planning for a lifetime of clinical practice are rethinking their career choices, often pursuing a career in the business world instead.

This article provides an overview of the physician executive profession. Some of the avenues that lead to executive positions as well as educational opportunities for physicians who want to pursue management positions are discussed. Internet resources are also provided.

WHO BECOMES A PHYSICIAN EXECUTIVE?

Primary Care Physicians

Physicians from all specialties become physician executives, and many primary care physicians enter the field of medical management. During the past decade, most primary care practices have suffered financially as a result of the growth of managed care. Physicians in primary care with incomes in the \$75,000 to \$125,000 range were unable to withstand the 20% to 30% cuts in reimbursement that occurred, unlike specialists who earn two or more times the salary of a primary care physician. Physician executive positions that pay \$120,000 to \$150,000 can be particularly appealing, especially because most of these jobs entail a 40-hour work week and a guaranteed vacation. The luxury of a full night's sleep without interruption by patients' calls also appeals to many beleaguered primary care physicians.

Specialists

Although physician executive positions tend to attract primary care physicians, specialists have a wealth of opportunities in this field as well. Specialists are becoming physician executives for companies that produce products or services for that specialty; for example, a cardiothoracic surgeon may work for a company that develops heart devices. Disease management companies often specialize in particular disease entities such as diabetes, and medical specialists are sought to help improve and validate these companies' products. In addition, manufacturers of pharmaceuticals and surgical supplies attract specialists who can assist in product development and testing. Home health agencies may concentrate their services on specific clinical conditions, requiring the expertise of clinicians who can establish optimum care plans.

The Changing Image of the Physician Executive

In the past, most physician management positions were held by older physicians who were "winding down" their careers before retirement. Many of the physicians who trained in the 1970s and 1980s fit the image of the typical hospital medical director as a kindly, older physician. The business of health care has changed enormously, however, and so has the image of the physician executive. Most senior level positions (eg, senior vice president of medical affairs) require seasoned professionals, many of whom acquire on-the-job experience in junior level positions. Jobs in medical management and medical directorships in hospitals and group practices usually provide the background experience needed for gradually increasing executive responsibilities. The multitude of entry-level positions as junior executives or medical directors usually stipulates only a few years of medical practice and board

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certification; however, nearly all physician executive positions require at least some medical practice experience.

Women as Physician Executives

Many female physicians have found satisfying careers in health care management because these positions often allow more flexible lifestyles. In addition, women generally have excellent negotiation and group leadership skills that are key to the success of any executive. Throughout the physician executive industry, women are finding positions that range from managed care to medical informatics and lead to opportunities that allow female physician executives to climb the corporate ladder. Some organizations have recognized this potential for career growth for female physicians and offer special programs to encourage women executives.¹

WHAT DOES A PHYSICIAN EXECUTIVE DO?

The traditional role of the medical director—the person who interacts with the medical community on the company's behalf—represents only one of the many tasks for physicians in the business environment. **Table 1** highlights a variety of physician executive positions listed on the ACPE Web site.² Table 1 exemplifies only a few of the many opportunities for physician executives. Positions also exist for physician executives in the pharmaceutical industry, state governments, investment banking institutions, consulting companies, and health care equipment and supply manufacturers.

General Skills and Experience

Physician executive positions have many different forms, but this career almost always requires some of the skills and experience that only a physician possesses. Most companies that hire a physician executive want to tap into a physician's ability to communicate with peers as well as the physician's specific medical training and clinical experience. Job descriptions for these positions emphasize the need for successful experience in forging relationships between organizations and groups of physicians; thus, a physician executive should anticipate duties that involve building strong relationships with clinical practitioners.³ Physician executives are also frequently called upon to write and submit publications and reports for the company, necessitating good writing skills. Many of these positions require some clinical experience because physicians in management often focus on improvement of clinical care and ensuring adequate resources for health services.

A "Day in the Life"

A day in the life of a physician executive varies

Table 1. Types of Physician Executive Positions

Chief medical officer/medical director of a health plan
Physician leader for a cancer treatment center
Physician executive for a community hospital
Medical director for a community health center
Chief executive officer/chief medical officer of a large medical group
Medical director of clinical products for a software development company
Senior vice president of medical affairs for an integrated delivery system
Vice president of medical affairs for a children's hospital
Medical executive for a national health maintenance organization
Vice president for integrated health management for a physician-hospital organization
Medical director for quality services for an academic medical center
Vice chair of operations for a family practice residency at an academic medical center
Chief officer, Office of Quality and Performance, Department of Veterans Affairs

Data from Career listings page. American College of Physician Executives Web site. Available at <http://www.acpe.org/career/career.html>. Accessed April 2000.

tremendously. In most physician executive positions, physicians serve as important resources for any number of issues, including patient care, utilization issues, and improvement of relationships with physicians in the company's market. Many organizations fill the executive's day with meetings, a strange departure from the routine of practicing clinicians who rarely enjoy meetings that take them away from patient care. Working as a team member can be a challenge for physicians who traditionally have served as team leaders. Reporting relationships often confound new physician executives, who are accustomed to exercising authority at the hospital or office. None of these changes are overwhelming, but together such differences can complicate the transition from a clinical practitioner's typical day to that of a physician executive.

QUALIFICATIONS AND TRAINING

The responsibilities of physician executives require a much greater understanding of business affairs than most physicians have after medical training or even years of medical practice. Despite the comprehensive

education that physicians must complete to practice medicine, most physician executives still find themselves unprepared for the business world. In addition to their areas of clinical expertise, physician executives must have a working knowledge of a number of other subjects, including:⁴

- Accounting
- Quality improvement and total quality management
- Finance
- Operations management
- Economics
- Ethics
- Marketing
- Organizational behavior and development
- Information systems (business and medical)
- Quantitative analysis
- Strategy and policy
- Legal environment of the health care industry
- Leadership

Most physicians find these disciplines outside the scope of their expertise, and many seek advanced master-level degrees to learn the important concepts and language of business. Given the complexity of these topics, most master programs require 18 to 24 months to complete. A variety of master programs is available to physicians.

Master of Public Health

The Master of Public Health (MPH) degree concentrates on epidemiology and population manifestations of diseases. The MPH is particularly beneficial for physicians who want to maintain a clinical focus in their work (eg, working for a government health agency or a pharmaceutical company). A number of medical centers and universities throughout the United States have MPH programs, and the focus on disease in populations suits the intellectual interests of many practitioners.

Master of Medical Management

The Master of Medical Management (MMM) degree is available to physicians and is conferred by Tulane University (New Orleans, LA) and Carnegie Mellon University (Pittsburgh, PA) in conjunction with the ACPE. The MMM degree combines the strengths of the ACPE in practical executive education with the academic proficiency of either of the two universities. The

MMM program is very similar to the Master of Business Administration (MBA) degree, but with fewer contact hours (ie, hours that the student spends with faculty) than a traditional MBA program. Many physicians find this type of degree achievable because of the reduced time commitment compared with other graduate degrees. More information about the MMM program can be found on the ACPE Web site at www.acpe.org.

Master of Hospital Administration

Although physicians usually do not pursue a Master of Hospital Administration (MHA) degree, physicians who seek a career in hospital management find the MHA a useful step in that direction. Similarly, physicians who expect to remain in a public policy arena may find either the MPH or a Master of Public Administration degree valuable. A number of MHA programs also provide physicians with an alternative to a traditional MBA; some MHA degrees can be obtained using newer distance learning methods, such as learning on the Internet.⁵ Pennsylvania State University (University Park, PA) offers a combined MBA/MHA program for students interested in a broad exposure to business principles, as well as a health care-specific educational experience.⁶

Master of Business Administration

For physicians seeking more diverse executive positions in business, the MBA degree remains the gold standard.^{7,8} MBA programs abound in the United States, and for the past 20 years, executive MBA (EMBA) programs have graced the academic landscape with curricula that usually require 2 years to complete. Despite the conveniences in terms of class time and more collegial relationships with academicians, EMBA programs maintain academic rigor, and graduates from these programs are as well trained as their full-time MBA colleagues.

Physician's Executive Master of Business Administration. A new alternative to EMBA degrees has recently become available to physicians. Incorporating the technology of distance learning over the Internet, the University of Tennessee, Knoxville, (Knoxville, TN) initiated a Physician's Executive MBA program in 1998.⁹ The intense program takes 1 year to complete, a daunting task considering that a typical EMBA degree requires 2 years.

During the 1-year program, physician leaders attend four 1-week sessions in Knoxville, during which they attend classes for 12 hours a day. The remainder of the curriculum is taught over the Internet, using advanced communications technologies that allow real-time interaction between the professor and students in a

virtual classroom. During the program, physicians become facile with computers because they rely on their computer notebook systems for homework and classroom interactions. In addition to the MBA degree, the program includes 50 hours of continuing medical education credit during the year.

Other Credentials

Regardless of the venue for the degree, physicians who complete advanced business or management degrees definitely have a competitive advantage in the marketplace for physician executives. In addition to the advanced business degree, physician executives must usually be board certified in a specialty and licensed in the state in which they are employed. In addition to these requirements, a new type of certification, the Certified Physician Executive, has become an additional way for physician leaders to demonstrate competence.¹⁰ The ACPE conducts training courses in health care management and economics, which leads to an examination process for certification. Additionally, the ACPE and other organizations such as The Institute for Healthcare Improvement (Boston, MA), American College of Medical Quality (Bethesda, MD), and Healthcare Information and Management Systems Society (Chicago, IL) offer ongoing education for medical executives, so that these professionals can maintain crucial business skills.

FINDING A POSITION AS PHYSICIAN EXECUTIVE

In most cases, a qualified physician seeking an executive position need only make a few contacts to start the search for a new position. With the growth of managed care, numerous positions have opened not only in managed care organizations, but also in health care companies that deal with these organizations. Pharmaceutical companies are creating entire divisions to deal with the managed care environment, and hospitals, physician groups, and other provider organizations are aggressively looking for physicians who understand the current climate of health care economics.

Search Firms

Some executive search firms have established specialized practices to help physician executives optimize their job searches, and many of these firms maintain Web sites that list current opportunities. These firms include Cejka and Company (St. Louis, MO), Tyler and Company (Atlanta, GA), and Korn-Ferry, Inc. (New York, NY). These firms and others provide resources such as career counseling and assistance with writing résumés while also working to find the best

Table 2. Web Sites for Open Physician Executive Positions

American College of Physician Executives— www.acpe.org
Cejka and Company— www.cejka.com
Tyler and Company— www.tylerandco.com
EthoSolutions JobSpan— www.gotech.net/before/jobspan/doc/misc/home.htm
New England Journal of Medicine— www.nejm.org/classifieds/search.htm
Physician Executive Management Center— www.physicianexecutive.com/searches.htm

match between a candidate and a company. A number of independent search agents can also help physician executives optimize their job searches.

The Internet

A number of Web sites have information about open physician executive positions. Some popular sites are listed in **Table 2**. In addition to listings of physician executive positions, these sites also have contacts for pursuing medical management jobs.

SHAPING THE FUTURE OF HEALTH CARE

Many physicians are seeking opportunities outside the conventional career path of clinical medicine and are finding exciting and rewarding options in the business world. Highly motivated, well-trained physician leaders can provide the expertise to define the health care delivery system of the future. No other profession in the health care delivery system requires the breadth of experience that physicians have with patients, institutions, insurers, and peers. With the appropriate knowledge base, a physician's experience can be channeled in a way that leads to a brighter future for the United States health care system. **HP**

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SUGGESTED READINGS

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