

a VITAL WorkLife article

# The High Cost of Physician Burnout in Healthcare Organizations

*Strategies for investing in physician health and well being*



*This is the third in a series of articles from VITAL WorkLife addressing physician well being solutions at multiple levels, from individual self-care to organizational support for physician well being.*

## The Impact of Physician Burnout

**In the United States, physician burnout has become prevalent, with many surveys showing rates above 50%.** Often leading to higher physician turnover, lower productivity and quality of care, with a ripple effect to the support staff and associated costs due to recruitment and retention, costing healthcare organizations millions of dollars each year.

### Coming up in the article:

- The impact of physician burnout
- Forces contributing to physician burnout
- Accuracy of care and workflow efficiency
- Recruiting and training costs
- Benefits of investing in tools to aid physician well being

It may seem like an insurmountable problem, but it also represents a chance for healthcare organizations to thrive. According to the AMA's STEPS Forward anti-burnout initiative, "Executive leadership teams have an opportunity to improve the health and well-being of patients, and their organization's financial bottom line, by improving the health and well-being of physicians and their practices."<sup>1</sup>

The first step for healthcare organizations is to examine the forces contributing to physician stress and burnout.

1. "Creating the Organizational Foundation for Joy in Medicine™," AMA STEPS Forward, October 2017.  
<https://www.stepsforward.org/modules/joy-in-medicine>



## The Forces Contributing to Physician Burnout

Dan Allen, MD, has seen the problem up close. Dr. Allen has been practicing medicine in Des Moines, Iowa for over 30 years as a primary care internist. He now serves as Chief Medical Officer at UnityPoint Clinic, part of UnityPoint Health. The practice includes multi-specialty physician and advanced practitioner groups and regional affiliate hospitals. UnityPoint serves Iowa, Wisconsin and Illinois and employs 1,100 providers and 30,000 support staff in its hospitals and clinics.

*“The electronic health record has completely changed our workflows with the office, it’s required clinicians who potentially didn’t have the skill set to gain some increased skill sets on the electronic platform.”*

*—Dan Allen, MD*



UnityPoint Clinic deals with the problem of physician burnout on two fronts: external and internal. External forces include the [changing healthcare climate](#), reports Dr. Allen, “Such as value-based healthcare and regulations associated with it, insurance changes related to Medicaid, as well as the move toward value-based insurance products with decreasing rates offered for episodic care. This translates to changing compensation models, which balance both performance and productivity in our clinicians.”

The internal forces include changes in healthcare workflow and the increased impact of the electronic health record. **“The electronic health record has completely changed our workflows with the office,”** says Dr. Allen. “It’s required clinicians who potentially didn’t have the skill set to gain some increased skill sets on the electronic platform.”

**Both external and internal forces are impacting accuracy of care and office efficiency, adding to physician stress and burnout.**



## Accuracy of Care and Workflow Efficiency

**Physician burnout can lead to disruptive behavior, increased medical errors, lower patient satisfaction scores and increased malpractice risk.** Research has shown “Medical errors and patient lack of satisfaction with medical care provided by burned-out physicians also increase the threat of malpractice litigation; hence, physician burnout also poses substantial risk to the economic well being of healthcare organizations.”<sup>2</sup>

Dr. Allen explains UnityPoint has examined ways to minimize workflow disruptions through other efficiencies. “We’re pulling things like referrals, prescription refills out of the office so we decrease the noise and we’re trying to do that from a cost-neutral standpoint. For the most part it’s been successful, but it’s the little pieces of all those things, aside from the physician-centric cost, or the cost of decreased productivity.”

*“Why are people in the healthcare profession in the first place? Once you identify that, you build your investment around that. We tend to believe it’s based on managing workflow, improving trust and communication in the organization and providing opportunities for the people who do the work to be part of the decision and build those relationships and trust.”*

—Dan Allen, MD

Regarding increased medical errors and malpractice claims, Dr. Allen states the situation sometimes falls between malpractice risk and a well-documented quality workflow. “As a system, we are often caught with what is the value of trying [a malpractice case] versus settling it. It’s certainly a time commitment as well as money drain.”

**A further fiscal consideration for healthcare organizations is the cost of physician stress and burnout on support staff, resulting in higher turnover rates and added expenses for recruitment, training and retention.**

2. “Stress and burnout among surgeons: Understanding and managing the syndrom and avoiding the adverse consequences” JAMA Surgery. (2009). Retrieved from <https://jamanetwork.com/journals/jamasurgery/fullarticle/404847>





## Recruiting and Training Costs

Maryam S. Hamidi, PhD, associate director of scholarship and health promotion at Stanford Medicine WellMD Center in Palo Alto, CA, conducted a longitudinal study of physicians at Stanford Health Care and Stanford Children's Health.

*“Replacing burned out physicians costs the institution between \$15,544,000 and \$55,506,000 in a two-year period.”*

—Maryam S. Hamidi, Ph.D.



Dr. Hamidi and fellow researchers extrapolated an 11% departure rate caused by burnout to all 2,023 medical faculty at Stanford Medicine, estimating the organization would lose 58 physicians in a two-year period. Stanford Medicine's CFO reported the cost to recruit a new physician ran between \$268,000 and \$957,000. Replacing burned out physicians, Hamidi explains, “costs the institution between \$15,544,000 and \$55,506,000 in a two-year period.”<sup>3</sup>

**The organization translates physician turnover as an expense and works toward bridging the gap between physician stress and dissatisfaction and resiliency and self-care.** “What drives our passion in this work,” says Dr. Allen, “is really not just saving those who leave, but actually providing joy and professional satisfaction for those who suffer in silence and stay.” In effect, **healthcare organizations must proactively create strategies to increase physician health and well being.**

3. “Burnout may be costing your institution millions each year” Medscape. (Oct. 2017). Retrieved from <https://www.medscape.com/viewarticle/887195>

Interested in learning more about how VITAL WorkLife can help reduce the costs associated with physician burnout?

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VITALWORKLIFE.COM



## Investing in Tools to Aid Physician Well Being

Within the UnityPoint network, a culture was created to invest in the development of its entire workforce. "It's a cultural values connection," says Dr. Allen, "that people need to make with why they're here and what they bring to the organization and how important they are to the organization. **Why are people in the healthcare profession in the first place? Once you identify that, you build your investment around that.** We tend to believe it's based on managing workflow, improving trust and communication in the organization and providing opportunities for the people who do the work to be part of the decision and build those relationships and trust."

Oftentimes these things cannot be reduced to dollars and cents. "It's the fabric of the organization," states Dr. Allen. "If you invest in the tools, people, programs, such as VITAL WorkLife and don't address the other piece, it won't work. There's a dimension of physician well being that involves providing services for physicians [who] support their professional development, be it coaching or infrastructure. It also includes training, engaging and elevating physician leaders, so they actually feel like they can impact the larger organization for the betterment of patient care and their own well being."

As a JAMA Internal Medicine report revealed, "Burnout is primarily a system-level problem driven by excess job demands and inadequate resources and support, not an individual problem triggered by personal limitations." **Profound and effective changes can be made even with a limited investment in resources for physicians in need.**<sup>4</sup>

#### Sources:

1. "Creating the Organizational Foundation for Joy in Medicine™," AMA STEPS Forward, October 2017. <https://www.stepsforward.org/modules/joy-in-medicine>

2. "Stress and burnout among surgeons: Understanding and managing the syndrome and avoiding the adverse consequences" JAMA Surgery. (2009). Retrieved from <https://jamanetwork.com/journals/jamasurgery/fullarticle/404847>

3. "Burnout may be costing your institution millions each year" Medscape. (Oct. 2017). Retrieved from <https://www.medscape.com/viewarticle/887195>

4. "Investing in physician well-being is just good business" AMA Wire. (Oct. 2017). Retrieved from [https://wire.ama-assn.org/practice-management/investing-physicians-well-being-just-good-business?utm\\_source=BulletinHealthCare&utm\\_medium=email&utm\\_term=103017&utm\\_content=general&utm\\_campaign=article\\_alert-morning\\_rounds\\_daily](https://wire.ama-assn.org/practice-management/investing-physicians-well-being-just-good-business?utm_source=BulletinHealthCare&utm_medium=email&utm_term=103017&utm_content=general&utm_campaign=article_alert-morning_rounds_daily)

#### ABOUT VITAL WORKLIFE

VITAL WorkLife, Inc. is a national behavioral health consulting company supporting all dimensions of well being. Our healthcare solutions are designed specifically to meet the unique needs of physicians and providers. Our team of licensed master's and doctorate level senior consultants, physician peer coaches, psychiatrists and other specialists have deep experience in issues surrounding physician performance, satisfaction and retention. Our ultimate goal is to proactively help physicians and organizations address issues before they escalate to the point of affecting performance and patient safety.

