

The Physician MBA

Should You Consider It ?

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Objectives

- *Upon completion of this lecture participants should be able to:*
- Evaluate the benefits of a business education for a practicing physician
- Have a better understanding of time and financial commitments required to obtain the MBA degree
- Consider alternatives to the MBA degree

Disclosures

- No Disclosures

Introduction

- Practiced Dentistry in Ohio prior to pursuing joint degree program
- First Joint degree MD/ MBA graduate from the Wake Forest School of Medicine in 1997
- Served as Director of Otolaryngology at the Arrowhead Regional Medical Center in Colton California 2003 to 2005
- Joined ENT of Georgia in January 2006
- Current Treasurer of the Metro Atlanta Educational Society for Otolaryngology

History

- 1995 Tufts University School of Medicine was the first to introduce the combined MD/MBA track
- Now at least 65 schools offer the combined program
- Approximately 500 students total are currently enrolled in these joint programs
- At least 2000 physicians are enrolled in Master's degree level programs to improve their business and management skills
- Desire to use the MD degree to do something other than direct patient care

History

- Programs tailored towards physicians emerged during the 1990s
- Health plan mergers, reduced reimbursement, hospital and practice mergers
- Survey of 161 MBA physicians reported in the 2007 Journal of Bone and Joint Surgery found that:
- “Learning about business aspects of the health care system” primary reason
- “Finding a more interesting job” second most common response
- Time on patient care fell from 58.3% to 31.8%
- Administrative duties rose from 11.8% to 33.5%

ORGANIZATIONS

- Association of MD/ MBA Programs
- Marie Young Chandler MD, MBA founder and president
- www.mdmbaprograms.com

- Americal College of Physician Executives
- Dr. Barry R. Silbaugh CEO
- www.acpe.org

Types of programs

- Physician Executive MBA
- Estimated cost \$50,000 - \$60,000
- Intensive one to three year program geared towards Physician entrepreneurs and looking towards administrative and leadership roles in health care
- University of Tennessee
- University of South Florida
- UC Irvine
- University of Massachusetts offers an MBA through the American College of Physician Executives

Types of programs

- Traditional MBA
- Estimated costs \$20,000 to \$80, 000 for a two year program
- Traditional master's of business administration course of study, and not geared toward physicians specifically
- For physicians who want to compete against non physicians in the marketplace, and for those who want to work outside traditional health care ventures

Types of programs

- Management Training
- Estimated cost \$2000 - \$3000
- Offered by community colleges
- Low cost alternatives and only take about six months to complete
- Physicians who want training for managing their current practices

Types of programs

- Management certificates
- Estimated cost \$7500
- Nine month university programs
- Physicians who want training for managing their current practice

Types of programs

- Seminars
- Costs \$90 - \$2000
- A variety of low cost live and online seminars, many offered by physician and practice management associations
- MBA Books
- The Ten Day MBA by Steven Silberger
- The Physician Essential MBA by Stahl and Dean

Local Programs

- Emory University Goizueta Business School MD/MBA joint program
- Emory Goizueta Business School Executive MBA programs
- UGA Terry College of Business Executive MBA Program
- Kennesaw State University Coles School of Business Executive MBA Program
- GA Tech Scheller College of Business Executive MBA Program
- Mercer Stetson School of Business and Economics executive MBA Program

Program integration

- Survey of 92 MD/MBA students found desire for better integration of the business and medical curriculum
- Survey of 16 MD/MBA program directors also pointed towards better integration, collaboration and coordination between programs as a top need
- Medical education is more standardized
- MBA programs can vary from entrepreneurial to traditional corporate training programs
- No standardized exit exams for business programs training
- Newer more integrated programs emphasize more the healthcare and medicine oriented business

Program integration

- Medical school self reliance leads to self determination
- MBA no success without collaboration and teamwork
- Didactic instructional approach typical in Medical school is rarely used in business schools
- Unilateral decision making and top down orders are less valued
- Successful leadership also requires team building, the ability to listen, and the willingness to share power

MBA Curriculum

- Accounting
- Financial Management
- Information Technology Management
- International Business Management
- Macroeconomics
- Management Communication
- Managerial Economics
- Marketing Management
- Operations Management
- Organizational Behavior
- Quantitative Methods

Physician Executive Program

- University of Tennessee's Curriculum for Physician only program started in 1998
- Change and strategy in the Healthcare industry
- Economics and Healthcare Policy
- Health Policy for the Physician Leader
- Managing organizational Design
- The Practice of Marketing
- Measuring Business Performance
- Cash Flows, Expansion and Access to Capital

Physician Executive Program

- Designing, Managing and Improving Health Care Operations
- Disease Management
- Strategic Leadership in the Healthcare Industry
- Business Law and Business Ethics for Physician Leaders
- Statistics and Decision Making
- Continuous Quality Improvement
- Information Technology

Physician surveys

- Develop skills as executive leaders
- Develop basic business skills
- Executive positions with hospitals or health systems
- Opt out of clinical practice
- Consulting or Entrepreneurial ventures
- Adapting technology to healthcare
- Use of social media in marketing
- Healthcare Analytics
- Improve overall effectiveness and efficiency
- Non medical related business ventures

MBA Benefits

- Big picture view of business, operations, leadership skills, language, theory and principles
- Equivalent to first two years of medical school
- May be overkill for some physicians
- Difficulty applying the principles to the individual practice situation

Non-Physician VS Physician MBAs

- Vast majority of MBA students have been in the business setting for 3 to 6 years and have been working in a business context
- Physicians usually have 5 to 10 years of clinical practice, after 3 to 7 years of post doctoral training
- General business view:
- Physicians don't have experience in business (not including running a practice)
- Not willing to join a company as a junior member
- Unrealistic expectations about base salaries

Reasons to obtain an MBA

- Business skills education
- Business world language
- Broaden business connections through interactions and networking with other participants
- The degree may be an expectation for physicians in medical management careers

Do you need an MBA?

- *Healing is an Art*
- *Medicine is a Profession*
- *Healthcare is a Business*
- The ability to enter the business world in fields such as pharmaceuticals, biotechnology, information technology is more dependent on specific accomplishments that demonstrate business acumen and problem solving skills
- It is necessary to understand your motivations and expected outcomes before investing time and financial resources to the pursuit of the MBA degree

Thank You

- Questions ?

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