

Survey: Understanding and Mitigating Risk in Compensating Physicians

Key Results and Findings



Paying medical professionals might seem like a straightforward process, but for many provider organizations, it remains a challenging initiative. Not only do hospitals pay a large number of physicians, compensation arrangements are increasingly complex. All of this can result in doctors not getting paid properly and the hospital organization not having a full understanding of their physician expenditures.

Ludi conducted an online survey with the Healthcare Financial Management Association (HFMA) in 2020, asking their members how they approach paying their medical teams. Below are key findings from the survey.

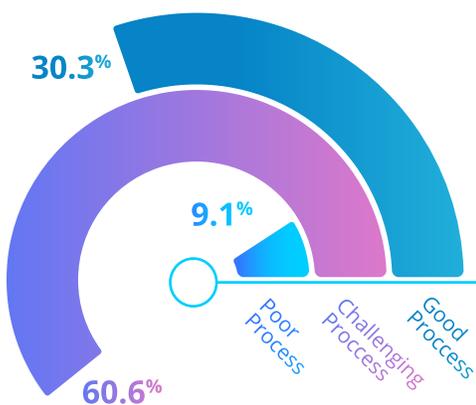
Current Payment Processes Can Result in Inaccurate Payments to Physicians



Ludi Insight: A lack of confidence in physician compensation processes is concerning because if an organization's processes are not reliable and consistent, it can lead to compliance issues stemming from incorrect payment amounts (i.e., not staying within the scope of the physician contract).

45%

of respondents indicated a lack of confidence in the way they pay their doctors



Finance Leaders Find Their Payment Processes to be Cumbersome

Most respondents expressed difficulty with their current process for paying physicians. Almost 10% of respondents characterize their processes as "poor," with an additional 60% saying they are "challenging."



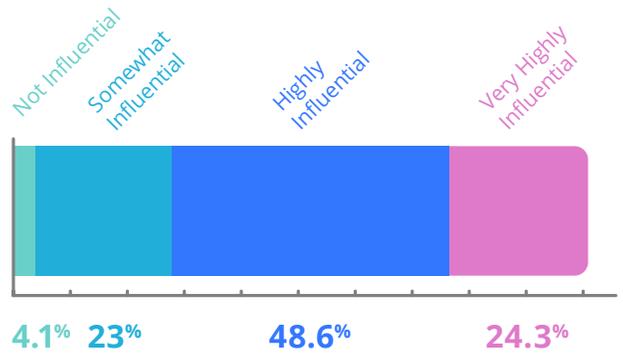
Ludi Insight: The fact that so many health care leaders view their processes as cumbersome should be a red flag to provider organizations, prompting them to look "under the hood" and pinpoint risks and opportunities for improvement.

'Physician Spend' Influences the Budgeting Process at Hospitals, But Hospitals Don't Have All the Info

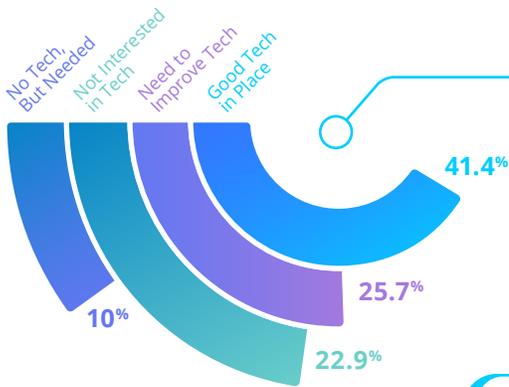
96% of organizations indicate physician spend has some level of influence on budget discussions.



Ludi Insight: Since nearly half of respondents have expressed dissatisfaction with physician compensation processes in their organizations, hospitals, health systems and physician practices may not have a complete picture of their entire physician spend*, and could be making budgeting decisions based on incorrect information.



* Physician spend refers to the total amount of money a hospital spends on all of their physician contracts, enterprise-wide.



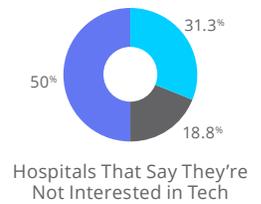
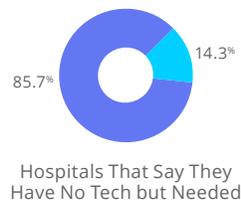
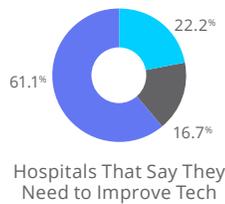
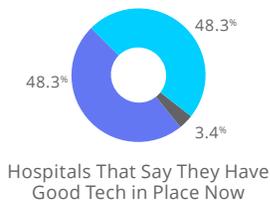
Many Hospitals Are Looking for New Physician Payment Technology

About 36% of organizations indicate they are in the market for technology that automates the processes for compensating physicians.

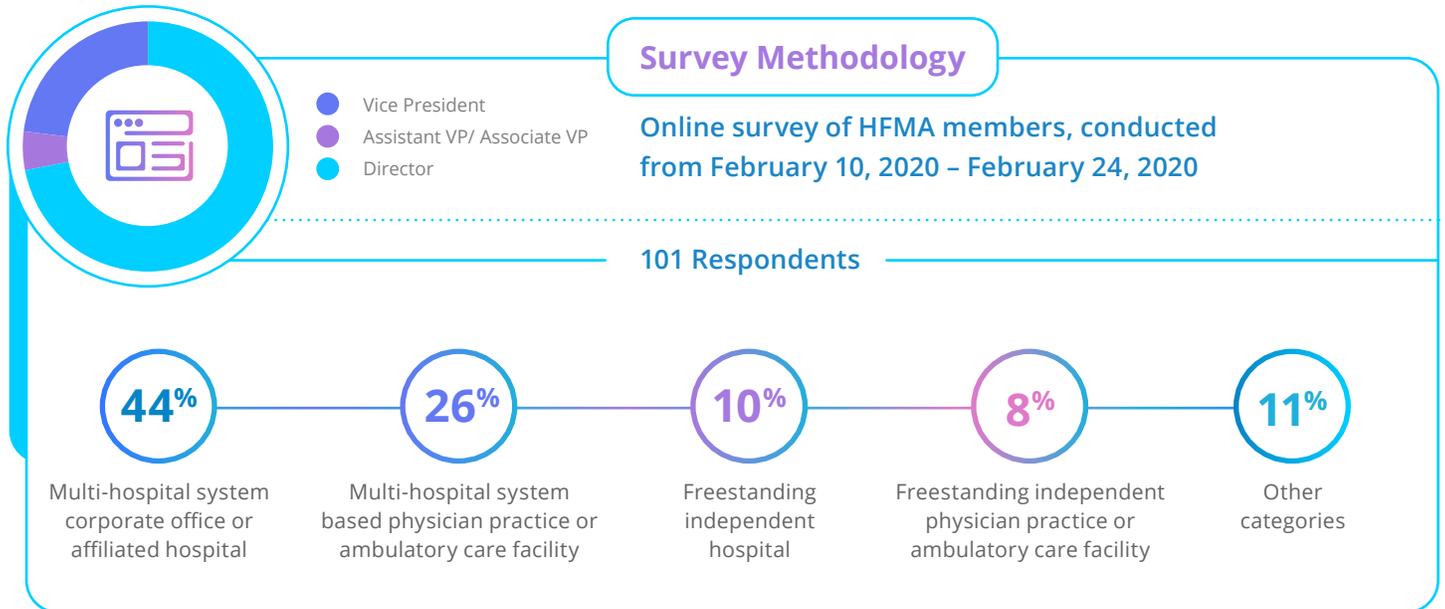
Investment in Payment Technology Has a Big Impact on an Organization's Perception of How They Pay Doctors

Perception of Current Payment Processes

- Good
- Challenging
- Poor



Ludi Insight: Although two-thirds of organizations have invested in some sort of technology to improve their physician compensation processes, there appears to be an under-investment in the right solutions. *The majority (51.7%) of respondents who are satisfied with their solutions still report challenging or poor processes, revealing a potential performance gap that could be closed with an updated or upgraded system.*



About Ludi

Ludi, Inc. is a health care technology and physician-advocacy firm that simplifies the way hospitals and health systems track, manage and audit payments to their physicians. Ludi's award-winning, flagship product DocTime Log® is the original physician time-keeping and financial management system designed to help hospitals automate their physician contracts and take control of their physician contract spend.

