

defining neurosciences: what's the right scope for you?

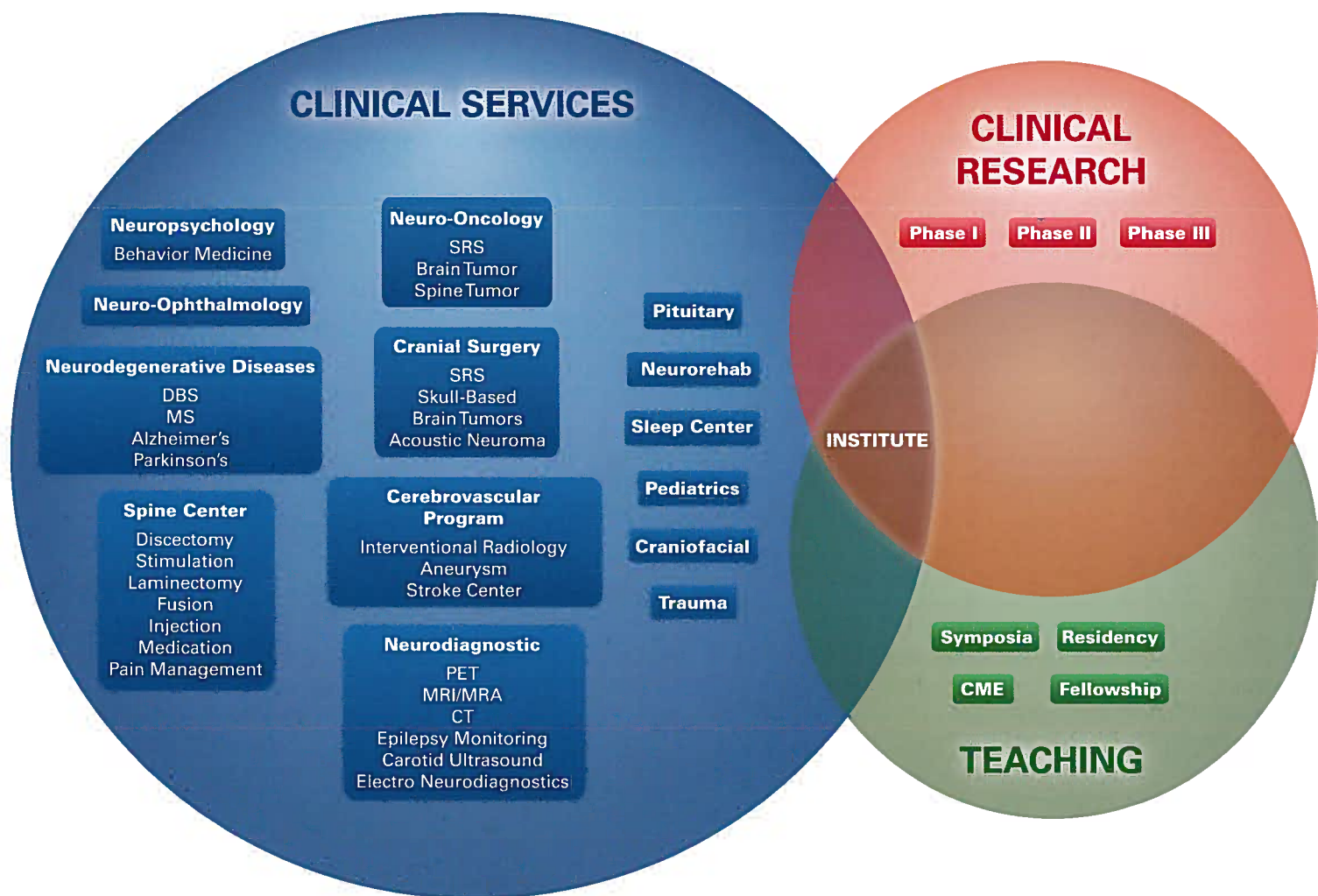
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The diffusion of clinical tools and expertise from academic medical centers to community hospitals has created new opportunities in neuroscience services. However, with evolving competition in this market, the window of opportunity is finite. Therefore, it is important for your hospital to understand the portions of the continuum it could/should pursue and expedite the analysis, decision-making, and implementation of the service line before the window closes.

Getting Your Head Around Neuroscience Services: The Potential Continuum

Getting your head around neuroscience services can be challenging as there are many different subspecialties. The major components within neuroscience are shown below in Figure 1.

Figure 1
Neuroscience Institute Concept



When deciding where to focus, some organizations look primarily at discrete clinical care components. Others are oriented to creating integrated service lines (neuroscience only, neuro-oncology, neuro-ortho, neuro-ortho-rehab). Some organizations form an institute by adding research and/or teaching to the clinical components. Often, the institutes have strong fundraising foundations to assist in funding lower margin services, research or education.

While there are no strict guidelines that equate the size of a hospital with the breadth of the continuum of neuroscience services provided, it is helpful to consider three broad roles or approaches:

Figure 2
Neuroscience Roles by Organizational Type

Limited Role (Typical of Small or Rural Community Hospitals)	Broad Continuum (Typical of Medium/Large Community Hospitals)	Comprehensive Program (Typical of Quaternary Care Entities and/or Academic Medical Centers)
<ul style="list-style-type: none"> » Stroke care » Treatment of back pain » Referral relationships/partnerships with larger hospitals » Sleep services » Limited diagnostic testing 	<ul style="list-style-type: none"> » Primary stroke center » Enhanced interventional radiology for comprehensive care » Spine surgery » Neurorehab » Potentially SRS » Some neurodiagnostics » ASC with neurosurgeons, orthopedic surgeons, pain management » Fellowships » Potential academic affiliation » Research (Phase III only) 	<ul style="list-style-type: none"> » Comprehensive stroke center » Cranial Surgery » Neurodegenerative diseases » Neurology subspecialists » SRS (often more than one modality) » Comprehensive neuro diagnostics » Neuro-ophthalmology » Neuropsychology » Trauma » Pediatric neurosciences » Research (Phase I - III) » Teaching (Fellowships and Residencies) » Foundation

Some multi-hospital systems are well positioned to assign different neuroscience roles to several members of their network, which helps capitalize on the strengths of each organization and build a reputation and continuum of care in neuroscience. Sunrise Health in Las Vegas is an example. For many years, it had a tertiary neuroscience institute where it offered trauma, pediatrics, SRS, cranial surgery, and various neurology subspecialties – all centralized at its largest hospital. As the market changed, the system implemented a smaller portion of the continuum of care in other member hospitals. Sylvia Young, CEO of Sunrise Health states, "As technology and procedures have become more common, it is important to deliver care closer to people's homes. Our specialists are rotating out to our community hospitals to provide services and do procedures that were once reserved for the larger tertiary medical center."

Where does your organization fit on the continuum of neurosciences? Have you looked at your strategy, internal competencies, and market opportunity to determine your organization's fit with neurosciences?

Expedient Analysis and Decision-making

To avoid mistiming the window of opportunity for implementing and growing these services, it is recommended that organizations apply the three-tiered analytic and decision-making process created by Mark Dubow and Ellen Goldman for their ACHE course, "Developing and Leading Successful Growth Strategies." Each tier is composed of a set of questions. Symbolically, the tiers may be equated to a funnel with a series of filters. The outer filter (most porous) has "high level" qualifications, enabling immediate passage to the next level of assessment versus termination of further analysis. The innermost filter is the most demanding (least porous). This is the level at which a feasibility assessment would be appropriate.

The questions associated with each of the three tiers of filters are provided below:

First tier:

- » Is the neuroscience service component consistent with our mission & vision? If not, go no further in the analysis of that component.

Second tier:

- » Can we get the volume required for optimum quality and service (is the potential patient pool large enough)?
- » Are the revenue influencers favorable or can we impact them?
- » Is the range of incremental income we could expect material?
- » Do we have the key competencies required for success?
- » Do we have/can we get the major investment requirements?
- » Do the key constituents (internal and external) support the initiative, given what it will take to be successful?

Third tier:

- » To what extent does this initiative contribute to our strategic direction? (High-Medium-Low)
- » To what extent does this initiative contribute to our growth target?
- » What is the probability of successful implementation?
- » What are the opportunity costs if we do not implement this initiative?

Conducting a thorough analysis of these critical components can help expedite the decision-making process and ensure the organization is investing in the right strategy.

The Make vs. Buy Decision

Once your organization has decided to focus on neurosciences, the next consideration is whether you can go it alone or if you need one or more partners. The following are a few key questions to ask when deciding whether you need a partner:

- » What is critical to success?
- » For each critical success factor, do you have what is needed to succeed?
- » How important is timing?
- » Do you have the reputation or brand recognition that you need to accomplish your vision for neurosciences?
- » Do you have the physicians with the skills and draw needed?
- » Do you need access to capital?
- » Do you need access to management expertise?
- » Do you have access to the latest research/clinical trials?

This process will make it clear why you need a partner and what you expect to accomplish by partnering. Ann Fyfe, Vice President of Business Development at El Camino Hospital, went through this process with her senior management team. "We looked at our competitive environment, our internal competencies, and what it would take to be successful and determined a strategic partner would be advantageous in order to decrease implementation time, gain physician expertise and to differentiate the hospital in neurosciences."

Should you need a partner, there are many types to consider. For example, to quickly gain the reputation as an institute or in physician expertise, partnering with an academic medical center or a hospital listed in *U.S. News and World Report's* Top Hospitals may be a good choice. However, if the reason to partner is related to capital or joint venturing with physicians, a management or operating company may be most beneficial.

Neuroscience services offer community hospitals an exciting way to achieve enhanced profitability and competitive position. However, the window of opportunity is limited so it is important to expedite the decision-making process and know when and where to find a partner if needed.