A 24/7 Obstetric Hospitalist Program is rapidly becoming the standard of care in the US. No longer a luxury, but a necessity. Recognized by ACOG as the future of OB/GYN medicine; selecting the right OB Hospitalist Model is vital for improving patient safety, reducing liability and increasing physician satisfaction.
A woman more than twenty (20) weeks pregnant is the ONLY patient, not guaranteed to be evaluated by a physician when presenting to the hospital. This is an unacceptable disparity of care in the U.S.

If a man falls off a ladder and presents to the Emergency Department (ED) of a hospital, he is assured of being evaluated and treated by a physician.

A child with a cough and a fever will be evaluated and treated by a physician.

A senior citizen with heart palpitations will be evaluated and treated by a physician.

If a woman more than 20 weeks pregnant presents to the same ED with an OB complaint or emergent complication, she will not be treated in the ED but rather transferred to the Labor and Delivery Department (L&D) where she is likely to be evaluated by a nurse and possibly admitted or discharged without ever having seen a physician.

This is a disparity of care that puts patients, physicians and hospitals at a much greater risk than is acceptable as a best practice in women’s healthcare.

In a 2003 editorial for the American Journal of Obstetrics & Gynecology (AJOG), Dr. Louis Weinstein proposed a new practice model for intrapartum obstetrical care to address this disparity. He suggested obstetricians emulate the “hospitalist model” of patient care. Initial acceptance of this concept was slow; but once the efficacies of such programs came to light, the model began to flourish. In fact, at a recent meeting of the American College of Obstetricians and Gynecologists (ACOG), former Chair of ACOG District VIII, Dr. J. Joshua Kopelman, stated, “OB/GYN Hospitalists in this country are the wave of the future. There’s no question about it.” ACOG’s support of the OB/GYN hospitalist movement has greatly enhanced its acceptance and healthcare industry research confirms the positive impact OB hospitalist programs have on hospital systems. In fact, to date, every major study has shown that these programs retain and may even improve quality measures.
To date, not one study has demonstrated a decrease in any quality measures as a result of an OB hospitalist program.

At a recent annual meeting of the Society for Maternal-Fetal Medicine (SMFM), the latest studies and statistics were presented to industry stakeholders. The first study compared sixteen hospitals that employed hospitalists with eight that did not. Hospitals were matched for delivery volume, geographic area, teaching hospital status and level of neonatal ICU care. The findings are below:\(^1\)

- Hospitals with a hospitalist program saw a 15% decline in induction of labor and preterm deliveries.
- Preterm labor fell in the hospitalist group but rose in the non-hospitalist group. The impact was similar for spontaneous preterm birth and medically-indicated preterm birth.
- Hospitals with a hospitalist program had a 11.5% lower total cesarean rate compared to hospitals without a hospitalist program.

In another SMFM study, hospitals saw a similar reduction in cesarean delivery rates and a more than a 200% increase in attempted vaginal births after a prior cesarean (VBAC).\(^2\)

In a theoretical cohort of 100,000 pregnant women presenting with two complications requiring urgent delivery (umbilical cord prolapse and major placental abruption), employment of hospitalists at hospitals with a volume of 1,000 deliveries a year would be expected to result in 83% fewer stillbirths, 17% fewer cases of major neurologic injury, and 13% fewer neonatal deaths.\(^3\)

It is evident that applying the hospitalist model to the obstetrics service line of a hospital can provide significant improvement to patient safety and measurable outcomes.
OB hospitalist medicine is the new standard of care and one of the fastest growing specialties in women’s healthcare.

The rapid expansion of the OB/GYN hospitalist movement has resulted in three primary models:

- **In-house Model**: The hospital utilizes existing staff OBs to perform limited OB/GYN hospitalist duties.
- **Physician Employment Model**: The hospital directly hires physicians to perform a contractual list of OB/GYN hospitalist duties.
- **Management Company Model**: The hospital engages a professional management firm to implement a program and oversee its operation, providing a broader scope of services.

These 3 models have varying levels of appeal, depending on hospital needs and resources.
The In-house Model

The In-house Model uses local providers to provide after-hours call coverage. It utilizes local providers privileged with that hospital to provide after-hours call coverage either on-site or within 30 minutes of the hospital. Generally, these providers have private practices and are keeping regular office hours in addition to providing call coverage.

ADVANTAGES:
- Increased patient safety by providing after-hours coverage
- Increased patient satisfaction
- Does not require physician recruitment
- Requires minimal up-front financial investment
- Affords community OB/GYNs an opportunity to earn additional income

DISADVANTAGES:
- Physicians may not be on-site 24 hours per day, leading to delays in patient care
- Physicians are simultaneously caring for their private patients while performing OB/GYN hospitalist duties, a STARK conflict-of-interest
- Physicians are susceptible to being over-extended by longer work hours
- Physicians rarely manage laboring patients of other OBs, and respond only to emergencies
- Patients commonly transfer their care to the OB who treated them in a time of crisis
- Professional fees are typically billed and collected by the physicians; the hospital is limited to collecting only facility charges
- There is rarely emphasis on business development
The Physician Employment Model requires hospitals to recruit, vet and hire their own OB hospitalists.

The Physician Employment Model

The Physician Employment Model is currently the most common program in the US. In it, the hospital directly employs OB hospitalists, and hospital administration has a direct relationship with the physicians.

ADVANTAGES:

- On-site 24/7 OB/GYN coverage
- Increased patient safety, reducing risk
- Increased patient and physician satisfaction
- Hospital has complete oversight and responsibility over the program
- No fees for outside management companies
- Hospital and OB/GYNs can negotiate a specific list of contracted responsibilities
- Compensation is generally a flat-rate with the hospital collecting additional fees over the In-house Model
- Competition can be eliminated if the providers are not allowed to participate in a private practice

DISADVANTAGES:

- Can be costly due to salaries and employee benefits for hospitalists, including medical malpractice insurance
- Difficult for hospitals to determine how the program is performing, clinically and financially
- Typically, there are no additional business development initiatives
- Some states restrict or prohibit the direct hiring of physicians
- Many hospitals lack experience hiring physicians leading to errors, physician dissatisfaction and turnover
- Recruiting and vetting of physicians is difficult and time-intensive and can cost $25,000 - $40,000 per physician
- Terminating a physician is arduous, expensive and subject to litigation
The Management Company Model offers the greatest business development potential.

**The Management Company Model**

The Management Company Model will typically yield a program that is most comprehensive in scope. In this model, the hospital engages a professional hospitalist provider to recruit, staff, and manage OB/GYNs. There are multiple variations within this model. Some management companies provide physicians who only manage labor and provide emergent OB/GYN care; hospitalists under this variation are typically called laborists. Another variation provides physicians called OB/GYN hospitalists who offer a broader range of services. Still others provide physicians and assist the hospital in creating a dedicated, compliant Obstetric Emergency Department (OBED).

**ADVANTAGES (Vary Depending on Vendor):**

- 24/7 OB/GYN on-site coverage
- Increased patient safety and satisfaction
- Reduced delays in care
- Rapid response to emergent cases
- Continuity of care
- New business development initiatives to improve revenue generation
- Reduced insurance premiums
- No competition as hospitalists within this model typically don’t have private practices
- Increased NICU utilization
- Increased ability to accept transports

**DISADVANTAGES (Vary Depending on Vendor):**

- High initial startup costs
- Subject to local provider pushback due to losing call-coverage revenue
- May create political power struggles among local providers and OB hospitalists
- Construction of a compliant Obstetric Emergency Department adjacent to Labor and Delivery may require time and planning
A compliant OBED is a key component of creating new business development opportunities and capturing all available revenue.

Among the management companies in the OB hospitalist industry, there are two foundational origins:

1. **General Physician Staffing** – Some companies began as physician recruitment or staffing solutions for hospital-based physicians in other specialties. These companies typically provide no other services other than recruiting, staffing and managing OB hospitalists. They do not focus exclusively on OB/GYN hospitalist programs and the unique requirements for that specialty.

2. **Dedicated OB Hospitalist Management Firm** – These management companies expand their services to include the creation of an Obstetric Emergency Department, a dedicated OB emergent care facility adjacent to the hospital’s Labor and Delivery unit, as well as providing business development initiatives, tracking and reporting of financial and clinical metrics, compliance in billing and coding and a marked increase in National Quality Forum (NQF) measures due to a greater consistency of patient care and communication between the patient’s local provider and hospitalist.

**One such professional management company is Ob Hospitalist Group (OBHG).**

OBHG is the nation’s largest dedicated OB/GYN hospitalist provider with over 75 current and on-boarding hospital partners in more than 20 states nationwide. Founded by a veteran OB/GYN, Dr. Chris Swain in 2006, OBHG is much more than a staffing or simple laborist solution. A universal feature and cornerstone of every OBHG program is the Obstetric Emergency Department. As the original architect of the OBED model, OBHG leverages its experience and expertise to help each partner hospital create a customized program and facility that improves patient safety, reduces delays in care, minimizes liability and supports and attracts local providers.

“We’re so happy to have OBHG on board. The team that brought the Ob hospitalists to St. Bernardine was very professional; they knew what they were doing and stood by us each step of the way until the program was up and running. The physicians integrated very well into the department and the nurses and local providers appreciate the additional level of safety and security.”

- Senior Director of Maternal Child Health and Medical-Surgical Services
  St. Bernadine Medical Center
OBHG develops best practices and protocols from the collective knowledge and experience of 300-plus physicians in more than 75 current and on-boarding hospital partners across the country.

A compliant OBED is a considerable source of revenue for hospitals as billing for its services yields much higher levels of reimbursement than the services performed in an outpatient treatment or evaluation area, such as the traditional Labor & Delivery triage area. OBHG’s OBED model also allows for the continual monitoring and reporting of valuable financial and clinical metrics, and ensures that all potential revenue is captured. Most importantly, the OBHG model ensures all OB patients are evaluated by a Board Certified OB/GYN without a delay in care.

OBHG has developed standards of care drawn from the collective knowledge, research and experience of its 300-plus physicians and more than 200 corporate employees. These best practices greatly improve the quality of outcomes and reduce risk for its hospital partners. OBHG’s dedicated Risk Management & Patient Safety team identifies and reports any areas of potential risk and opportunities for quality improvement to our partner hospitals. Through its efforts, OBHG providers and hospitals enjoy dramatically decreased medical malpractice exposure and risk traditionally experienced by obstetrical providers and hospitals.

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"We have not had a lawsuit since implementing OBHG. We are hoping to get a $200k credit on our malpractice insurance."

- CFO at North Austin Medical Center
Austin, TX

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**NEONATAL MALPRACTICE CLAIMS**

- Delay in Care of Fetal Distress: 38%
- Improper Performance of Vaginal Delivery: 21%
- Improper Management of Pregnancy: 9%
- Improperly Managed Labor: 9%
- Improper Choice of Delivery Method: 5%
- Miscellaneous OB Allegations: 17%

Source: The Doctors Company 2007 - 2013 Malpractice Claims

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**NATIONAL OBSTETRICAL FREQUENCY OF CLAIMS**

- National OB Provider Data: 10%
- 2011 OBHG Data - Nationwide: 3%
- 2012 OBHG Data - Nationwide: 1%
- 2013 OBHG Data - Nationwide: 1%

National OB Provider Data 10%
2011 OBHG Data - Nationwide 3%
2012 OBHG Data - Nationwide 1%
2013 OBHG Data - Nationwide 1%

Source: The Doctors Company 2014 Frequency and Severity Data

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**BIRTHS RESULTING IN INDEMNITY**

- National Average: 1 in Every 4,600
- OBHG Average: 1 in Every 10,000

Source: BerkleyMed 2014
Due to its extensive network of Board Certified physicians and support staff, OBHG is able to excel in the management of its programs with special emphasis on vital functions.

- 24/7 on-site OB/GYN hospitalist coverage
- Hospitalist recruitment, placement and management services
- Hospitalist malpractice insurance coverage
- Reduction of hospital malpractice reserves
- OBED program operational management and leadership from a dedicated OBHG team
- Clinical leadership and oversight
- Development and implementation of industry best practices
- Patient safety program initiatives and collaboration
- Drills, training and simulations
- Management of transport services
- Care for unassigned and uninsured patients
- Reporting and analytics services
- Professional fee billing
- Facility billing reconciliation
- Business development support
- Elevating the standard of women’s healthcare

“The OB Hospitalist Program has enhanced our commitment to a Culture of Patient Safety. The addition of OBHG to our department has increased our patient’s perception of safety, knowing that we have 24/7 coverage by a Board Certified OB/GYN allows them to rest assured that we can readily handle any emergent situation that may arise. Our OB providers on staff tell me that we have enabled them to continue working in their career field for a few more years. The OB nursing staff is thrilled to have someone immediately available to troubleshoot, teach and handle emergencies.”

- Regional Director
  Franciscan Family Birth Centers St. Joseph’s Medical Center - Tacoma
To date, OBHG hospitalists have provided local providers, hospital partners and patients over 1,000,000 hours of genuine service, delivering excellence with each patient encounter.

Since OBHG’s inception, its hospitalists have performed the following:

- **Patient Interactions**: 661,359
- **High-Risk Encounters**: 25,756
- **Management of Life-Threatening Emergencies**: 7,587
- **Surgical Assists**: 34,392
- **Hours of Coverage**: 1,461,560
- **Deliveries**: 57,343

Inception Thru Aug 31, 2014

As you evaluate the advantages and disadvantages of each model, OBHG welcomes the opportunity to discuss any element of each in greater detail. Our mission is to **elevate the standard of women’s healthcare**. Please contact us for a customized illustration of how we can deliver specialized services that will improve patient quality and safety while reducing risk for your hospital, your physicians and your patients. We look forward to sharing our life-changing, life-saving enterprise with you.

**FOOTNOTES**

About Ob Hospitalist Group:

Ob Hospitalist Group (OBHG) began in 2006 with a vision to elevate the standard of women’s healthcare by ensuring every expectant mother had the security of consistently and unconditionally seeing a physician when presenting to the Labor and Delivery Department.

OBHG is the largest dedicated OB/GYN hospitalist provider in the nation and leads the industry in developing and managing on-site OB/GYN hospitalist programs. We staff highly-skilled, Board Certified physicians 24 hours a day, 365 days a year. Our unparalleled commitment to the quality and safety of women’s healthcare and thought leadership in deploying programs nationwide enabled the creation of a unique, comprehensive, financially viable OB/GYN hospitalist program that benefits everyone involved: local providers, nurses, hospital administrators and, most importantly, our patients.

We invite you to discover more about OBHG and the advantages that our customized programs deliver to our partner hospitals, physicians and patients by visiting www.OBHG.com or contact an OBHG representative today via Programs@OBHG.com or 800.967.2289.

Elevating the Standard of Women’s Healthcare

www.OBHG.com