

Building and Maintaining a Strong Referral Network

By Jennifer Larson
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Employed physicians now outnumber self-employed physicians practicing in the United States, according to a recently updated study on physician practice patterns from the American Medical Association. In fact, employed physicians now represent 47.4 percent of physicians providing patient care, compared with 45.9 percent of self-employed physicians.

The AMA points out that, for now, most physicians do still work in small practices. The percentage has been dropping since 2012, although the decline has slowed somewhat in the last few years, according to research from the Physicians Advocacy Institute.

In this evolving climate, it's more important than ever for independent physicians to have strong referral networks. That means reaching out to other physicians, hospitals, long-term care facilities, and healthcare providers.

Independent physicians might not think they have enough time to spend on outreach to build those strong networks. Or they might assume they don't need to spend time nurturing those relationships and networks that they've already built.

But they need to make the time. And if they're creative and persistent, it might not be as onerous as they might think.

Make it personal

Nothing beats the personal touch when it comes to cultivating a referral network. Physicians who reach out to other physicians with a personal call, visit, or email will reap the benefits.

Norman Wall, DO, a general medicine physician in Temecula, California, began building his referral network by picking up the phone. He'd call a physician and ask them to lunch so they could get to know each other. He concentrated on making a good impression on them and showing how the relationship could benefit both of them.

"You have to build up that rapport with people," he says.

To continually strengthen her own referral network, Houston breast oncology surgeon Darlene Miltenburg, MD, seeks out new gynecologists who've recently finished residency. She tells them about herself, her practice, and all the specialty services that she can offer to their patients. Then, when they need to refer a patient to a breast surgeon, they think of her and she becomes part of their referral network.

PHYSICIANS PRACTICE

Debra Phairas, a member of the National Society of Healthcare Business Consultants (NSCHBC), has a whole list of strategies that she recommends to independent practices who want to make personal connections. If you're new in town or new to a practice, hold an open house and send invitations to other physicians. Join your local medical society or professional association and network at meetings or even at after-hours events with other physicians in person. Send gift baskets to other practices with a personalized note saying that you appreciate their referrals.

“And don't forget all the people who keep the practice running. If you're sending a 'thank you' gift basket to a referring physician, send a gift to the office staff too, says Phairas, president of Practice & Liability Consultants.”

Commit to good communication

Earlier this year, the Eye and Laser Center in Lancaster, SC, created a new position to streamline the back-and-forth of the referral process.

If a patient exhibits the early signs of diabetic retinopathy, the doctors typically refer the patient back to their regular primary care provider or a primary care provider in the practice's referral network for screening for diabetes. The provider relations coordinator follows up to make sure the primary care physician received the patient's records and that the patient showed up for the follow-up visit. When a primary care physician needs to refer a patient to the Eye and Laser Center, they can easily reach the provider relations coordinator.

“It's a matter of working with the primary care provider together to close those referral loops,” says practice administrator Noah England.

When you see a patient from a referring physician, be sure to follow up with them in a timely manner. It's too easy to let patient information get lost in the shuffle, but that can be a source of frustration to that referring physician.

How to achieve that: talk to your referral sources. Ask about their communication preferences. Ask how they'd like you to follow up with them. Do they prefer to receive faxes or phone calls after they've referred a patient to you? How much detail do they want you to provide? Honor those kinds of requests.

“Remember, those referring doctors are your customers, too, and you need to make them happy and feel comfortable referring patients to you,” says Phairas.

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Analyze your referral patterns

Do you know who is referring patients to you and how often? How are you keeping track? Data can be a critical asset when it comes to understanding the sources of your referrals.

“Accruing your data to understand your reference networks is really important,” says orthopedic surgeon Geoffrey Van Thiel, MD, MBA, managing partner of the orthopedic group OrthoIllinois.

His practice collects data so it can track the referral sources for incoming patients. Twice each year, they analyze the data to notice patterns. When they find that certain sources have stopped sending over patients or find others who have boosted their numbers of referrals, they can and do follow up appropriately.

The Eye and Laser Center also analyzes data from its electronic health record to gauge their referral patterns, England says. And when the practice notes a physician’s referrals have dropped off, the practice’s provider relations coordinator pays a visit in person to that provider.

Broaden your scope

If you’re only thinking about physicians as sources of referrals, it may be time to think more broadly.

“Diversify your referral sources,” says Van Thiel, who suggests including physical therapists, nutritionists, chiropractors and even alternative medicine practitioners in your network.

“Don’t rule other potential sources that might not immediately spring to mind, like nonprofit organizations and community groups,” says physician practice consultant Brandon Seigel, president of Wellness Works Management Partners. “They may need to refer members or patients to physicians for very specific need, and you may fit that need—if they know about you.”

“When developing referral networks, you want to find people who have that pain of finding the right fit,” he says.

One more important thing to consider when building and maintaining your referral network: your patients. Patients who are satisfied with the care they receive can be an excellent referral source because they’ll spread the word.

“Most referral networks are built by word of mouth,” says Clive Fields, MD, a primary care physician in Houston and chief medical officer of VillageMD.

PHYSICIANS PRACTICE

Maintain your network

If you invest time and energy into building a robust referral network, why would you leave it alone to survive by itself? You need to continue nurturing it to help it flourish in the long run.

Want your network to know more about what you do? Educate them and remind them that strong referral networks are a two-way street. For example, primary care physicians could reach out to their specialists and let them know more about the care they deliver.

“Many specialists don’t understand the scope of services that a board-certified family medicine physician or internist can provide,” says Fields.

Another suggestion from several experts: send thank-you notes to physicians when they refer a patient to you. In fact, Seigel suggested carving out even just two hours each month and make personal phone calls or send handwritten cards to your referral sources.

“That’s the personal touch that it takes to make an impact,” he says.