

perspectives
on

quality
ANNUAL REPORT

2015

LocumTenens.com



Since 1995, LocumTenens.com has been helping the nation's hospitals and clinics with their temporary physician and advanced practice staffing needs. Whether filling in for a doctor for a short time or working a long-term assignment due to vacancies or backlogs, locum tenens providers play a vital role in our nation's healthcare system by providing direct access to care for patients.

Healthcare employers who are new to contracting with temporary physicians are sometimes hesitant because they question the quality of those physicians who choose a locum tenens career. This objection is not unique to LocumTenens.com. In fact, every agency in our industry faces this question daily.

In this report, you'll be able to view our latest Your Voice Matters survey results from physicians across multiple specialties. We asked them specifically about what they think about quality measures being proposed and used in today's healthcare environment. You'll also see specific information about how we measure and focus on quality here at LocumTenens.com, helping to ensure that the physicians we send surpass expectations.

Our story, 20 years in the making, is one of a constant focus on customer satisfaction. From our credentialing process to our follow-up surveys, we are committed to ensuring that the physicians we send to treat patients are the most qualified and quality-minded physicians available. We also measure our customer service, from recruiting to credentialing to accounting, to ensure that we provide an experience that always rates above expectations. For the second year in a row, and every year we've entered, LocumTenens.com has won the Inavero® Best of Staffing Award for both talent (the physicians and advanced practice providers we represent) and clients. Less than two percent of all staffing companies nationwide win this award. Since it's based on actual feedback from our clients and physicians and benchmarked against the entire staffing industry, it's an award of which we are extremely proud.

As our nation's healthcare reimbursement system evolves from one focused on volume-based care to quality outcomes, we know that we have to work harder than ever to demonstrate our focus on quality. We hope you find the information to be educational and useful. We'd love to hear your feedback.

Sincerely,

A handwritten signature in black ink that reads "R. Shane Jackson". The signature is written in a cursive, slightly stylized font.

R. Shane Jackson
President, LocumTenens.com

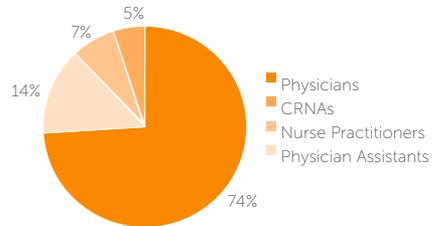
PHYSICIAN PERSPECTIVES ON QUALITY

In late 2014, LocumTenens.com surveyed its physician database to find out their perspectives on quality, focusing on new quality improvement and value-based reimbursement initiatives. The findings from the survey are detailed below.

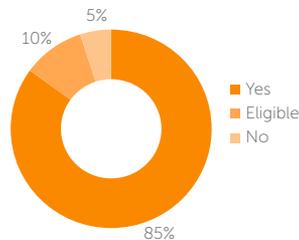
Specialties

Anesthesiology	20%
Family Practice	7%
Internal Medicine	3%
OB/GYN	4%
Emergency Medicine	5%
Hospitalist	3%
Neurology	3%
Pediatrics	5%
Psychiatry	9%
Radiology	5%
General Surgery	3%
Orthopedic Surgery	3%
All Others	30%

Respondents



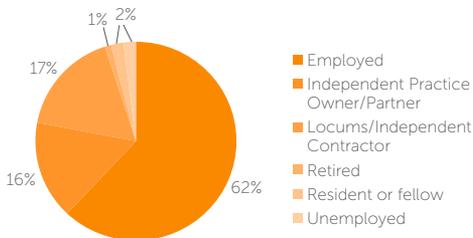
Board Certified



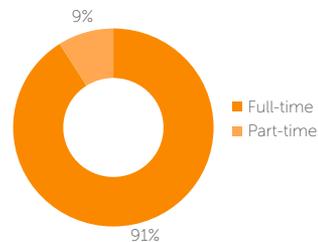
Gender



Type of Employment



Employment Status



The survey yielded 2,963 respondents. The error range for this survey was +/- 3 percent at a 95 percent confidence level.

PATIENT REVIEWS

Physicians have long complained about online reviews, with many stating that there is no way to substantiate whether an anonymous poster actually received care. That view was reflected by many of the respondents of LocumTenens.com's survey. Most physician write-in comments focused on the fact that there is no way to see who the commenter is, or that only patients with extremely negative perceptions of their care seem motivated to give ratings at all. It was also a common response that patients tend to review based more on bedside manner instead of on the quality of care they received. However, physicians who indicated they did monitor their reviews also found those reviews to be accurate.

“One bad comment without merit can destroy one's rating. It doesn't seem to represent reality.”

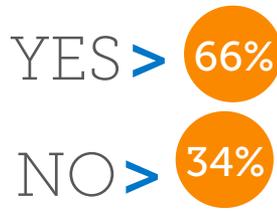
“There are always unhappy patients.”

“As an employed physician I have no control over front desk, back office, appointment scheduling or wait times of patients, but all of these things can affect my rating.”

Do you monitor your online ratings and reviews on websites such as HealthGrades and Vitals?



If you monitor your online ratings, do you feel the online ratings you've received were accurate representations of the service you provide?



QUALITY-BASED REIMBURSEMENT

LocumTenens.com asked physicians to tell us whether their compensation structure had been recently changed to be based on improved patient outcomes and patient satisfaction. For quality outcomes, nearly 15 percent stated their pay structures had been changed. For patient satisfaction, 10 percent reported changes. This is similar to *MGMA's Physician Compensation and Production Survey: 2014 Report Based on 2013 Data*, which found that primary care physicians reported that nearly 6 percent of their total compensation was based on quality measures, while specialists reported an average of 5.7 percent.

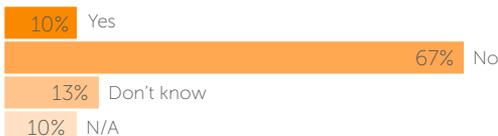
In write-in comments, most physicians who reported changes indicated that a portion of bonus pay was tied to quality metrics, with patient satisfaction scores from surveys being the most popular measure. The Healthcare Effectiveness Data and Information Set (HEDIS) measures and Press Ganey scores were also common measures to determine bonus potential.

“ I think quality is not reflected in patient satisfaction surveys. They reflect a good relationship or a good bedside manner, but not medical quality.”

Over the last three years, has your compensation been restructured to be weighted by quality patient outcomes?



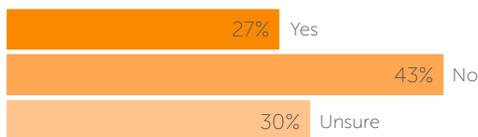
Over the last three years, has your compensation been restructured to be weighted by patient satisfaction scores?



Does Paying For Quality Equal Better Patient Care?

The LocumTenens.com survey asked physicians for their opinions on the changing focus away from fee-for-service payments to quality-based payments. More than 40 percent of physicians who responded said that they don't necessarily believe the focus on quality will improve patient care. When reading write-in comments, most physicians stated that they already do their best work with patients, regardless of pay structure. Others felt that incenting doctors to focus on patient outcomes could never be a bad thing.

Do you think payers' changing focus on paying for quality versus paying for volume will improve patient outcomes?



Quick Quality Stats

- LocumTenens.com maintains its own, objective Credentials Verification Organization (CVO) to handle physician credentialing. Our credentialing professionals work hand-in-hand with hospital clients to credential our physician candidates as quickly and thoroughly as possible, making the onsite privileging process for our clients easier.
- LocumTenens.com CVO is certified by the National Committee for Quality Assurance (NCQA), a private, non-profit organization dedicated to improving health care quality.
- Our CVO first achieved NCQA certification in 2003, with recertification audits occurring in 2005, 2007, 2009, 2011 and 2013. To earn recertification, the company undergoes a comprehensive third-party audit by NCQA surveyors.
- LocumTenens.com recredentials its providers every three years as recommended by NCQA standards.
- LocumTenens.com's malpractice claims track below the nationally-recognized benchmark from the Risk & Insurance Management Benchmark on Cost Per \$1,000 in Revenue.

Why does being NCQA certified matter?

Being NCQA certified means that each physician or advanced practice practitioner undergoes a thorough review of his/her credentials and qualifications, including primary source verification or core credentials and a review of peer references. This detailed screening helps to ensure that LocumTenens.com clients have the most up-to-date and accurate information possible when choosing a healthcare provider to work at their facility.

About NCQA

NCQA is a private, nonprofit organization dedicated to improving health care quality. NCQA accredits and certifies a wide range of health care organizations and recognizes physicians in key clinical areas. NCQA's Healthcare Effectiveness Data and Information Set (HEDIS®) is the most widely-used performance measurement tool in health care. NCQA is committed to providing health care quality information through the web, media and data licensing agreements to help consumers, employers and others make more informed health care choices.

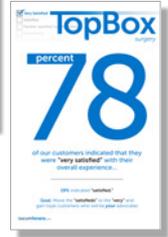


Quality Reporting at LocumTenens.com

LocumTenens.com surveys client contacts, physicians and advanced practice providers after our engagements. This feedback is shared monthly with our specialty-focused teams, promoting a little internal competition and a sense of pride. Every quarter, the company promotes its Top Box score—the percentage of clients and physicians who indicated they were very satisfied with their overall experience with LocumTenens.com in their post-engagement survey. The company's overall Top Box score was 68 percent. The company's top performing team was Surgery, with a 78 percent Top Box score. These scores represent a 12-month rolling average.

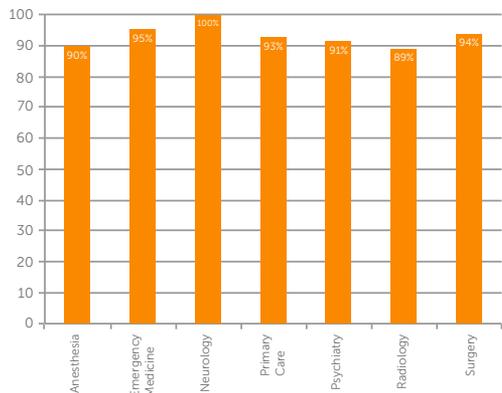


Surgery was the top-performing team of 2014



Overall Client Satisfaction with Physicians and CNRAs

In addition to post-engagement surveys, LocumTenens.com also conducts an annual client feedback survey, where we ask our healthcare clients to rate the quality of the physicians and CRNAs we send to work at their facilities. For 2014, 69 percent of clients indicated they were satisfied with the physicians or CRNAs they had worked with from LocumTenens.com. Here are the 2014 overall satisfaction scores, combining satisfied and very satisfied responses, by specialty.

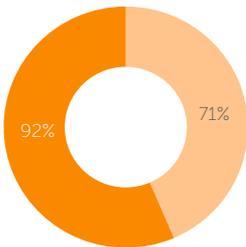


Annual Client Feedback Survey

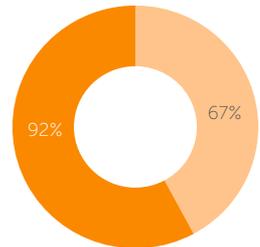
CLINICAL FIT

As part of the post-engagement survey process, LocumTenens.com asks its clients to rate the physicians and advanced practice professionals we placed as far as the quality of their clinical work, bedside manner and staff interaction. Below are the 2014 results of all specialties combined.

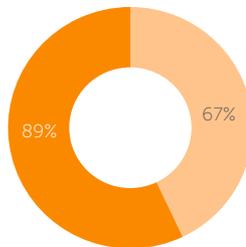
- Total Satisfaction
- Very Satisfied



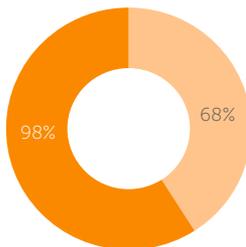
This provider met my expectations



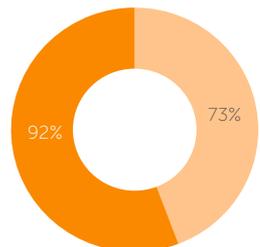
This provider was a good clinical fit



This provider managed patients well



This provider interacted well with patients



This provider interacted well with staff

Obsessively Dedicated™

to you isn't just our slogan. It's our culture.

Almost daily, we receive glowing testimonials from our clients and physicians on the exemplary service our associates provide before, during or after a placement. Associates are empowered to go above and beyond to help solve our client's staffing challenges, and make sure our physicians are ready to hit the ground running, wherever they may go. Below is a selection of the recent testimonials we've received:

“When we have a need I always call LocumTenens.com. Both of the vascular surgeons from LocumTenens.com are very well-liked and respected by the patients, hospital staff and surgical colleagues. What I like best about working with LocumTenens.com is the relationship I have with my account executive. Her knowledge of the market is extensive. I can honestly say, with 100% accuracy and truthfulness, that I do not have this type of relationship or customer service with ANY OTHER vendor I work with.”

— Staffing Coordinator,
Health Network

“I decided to work with LocumTenens.com after speaking with the recruiter. After navigating through numerous medical settings on my own, it really is enormously gratifying to know I am working with such a competent group. This allows me to focus on being a physician giving the highest quality medical care, and not having to be so engaged with the business/operational side.”

— Surgeon

“The excellent physicians are one of the reasons why we work with LocumTenens.com. Two of their neurosurgeons are now full-time employees at our organization. The other reason why we continue to work with LocumTenens.com is the excellence in customer service from the staff. My account executive is efficient and always willing to accommodate our urgent needs.”

— Physician Relations & Recruitment
Manager, University Hospital

"I work with LocumTenens.com because of the quality of its recruiters, the positive reputation of the company, the company's duration of existence and the service performance of the company and its personnel. I have not been disappointed with LocumTenens.com and have appreciated the personalized attention I receive. It has been a "win-win" for me, the company and the clients for whom I provide service. What I like about working with this company is the consistent and friendly attention, follow-through and clear communication. LocumTenens.com hires and retains good people and they provide good service. Knowing who is pitching me assignments makes my decision-making easier; consistent recruiters know my interests, my areas of specialization and my preferences. Other than grocery shopping for me, there's nothing this company has not provided to make my assignments turn-key."

”

— Psychiatrist

“We've had a long-term relationship with LocumTenens.com as the company is one of our preferred vendors. The staff is always friendly, fair and available and I've formed many great relationships. We have 12 physicians from LocumTenens.com scheduled with several of our facilities. Our system is so pleased with the level of providers they have received from LocumTenens.com.”

— Recruiter, Practice Management Company

“Over the past six years we've worked with LocumTenens.com because of the company's reliability, consistency and quality of candidates. The staff has always been extremely courteous and very prompt in securing our coverage needs. LocumTenens.com has been extremely helpful in assisting us with all of the necessary details to ensure timely arrival of the candidate. We typically receive four to five qualified candidates to choose from. All of the physicians have been extremely good.”

— Staffing Representative, Community Hospital

“What a breath of fresh air it was to work with a company that not only provided superb service and had polished and seamless processes, but also was staffed with skilled and professional providers. I could not be happier with the service that LocumTenens.com has provided to my hospital over the last two years. I have no intention of using another agency, nor will I even speak to another one as long as LocumTenens.com continues to provide superior service and skilled providers with a friendly, personal touch.”

— Chief CRNA

AWARDS & RECOGNITION

In addition to our own surveys of physicians and clients after each engagement, LocumTenens.com also uses third-party, nationally-recognized surveys to assess how our service compares to not just other locum tenens agencies, but against the entire staffing industry.

LocumTenens.com has participated in the Inavero Best of Staffing process for two years, and for both years was named Best of Staffing in the Client and Talent categories. According to Inavero, less than two percent of all staffing agencies in North America receive the Best of Staffing Award for service excellence. Inclusion on the list was determined by utilizing the Net Promoter® methodology and surveying clients and physicians who had recently worked with LocumTenens.com. Net Promoter scores are calculated by taking the percentage of respondents who, on a scale of 0 to 10, rate their likelihood to recommend LocumTenens.com with a score of 9 or 10 (promoters) and subtracting the percentage who rate us a 6 or lower (detractors).

Best of Staffing winners achieved satisfaction scores more than double the industry average, illustrating that firms like LocumTenens.com truly stand out for service quality. LocumTenens.com received top satisfaction ratings from nearly 73 percent of the physicians it places, significantly higher than the industry's average of 33 percent. 64 percent of our healthcare clients gave LocumTenens.com top ratings, compared to just eight percent for the average staffing agency.

The vision of LocumTenens.com is to be the premier provider of locum tenens services in the country as measured by associate satisfaction. The company has been recognized in numerous Best Places to Work competitions over the last several years, including as the 2014 Best Place to Work in Atlanta by the *Atlanta Business Chronicle* (as part of Jackson Healthcare) and ranks #5 on the *Atlanta Journal-Constitution* 2015 Top Workplaces list. The company was also named to the 2015 Top 150 Places to Work in Healthcare by *Becker's Hospital Review*.

The company places a lot of emphasis on training and coaching associates to their fullest potential. Our associate training programs have been recognized as a "Champion of Learning" by the Greater Atlanta Chapter of the American Society for Training and Development in 2011 and 2013 based on its commitment to continuous learning opportunities for its associates. The program also earned a 2015 Silver level Stevie Award in the Sales Training and Coaching Program of the Year category.



2014



LocumTenens.com

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