



11 Secrets to Doubling Doctor Referrals to Your Hospital or Practice

Prepared by
Healthcare Success Strategies



While some doctors and healthcare executives may hold the term “marketing” in very low esteem, most will recognize the need to grow and protect doctor referrals.

The confusion stems from the fact that doctor referral building is actually one of the six key marketing strategies to growing any healthcare organization:

1. **Doctor referral building**
2. **Internal (patient referral) marketing**
3. **External advertising**
4. **Public relations (including free press and events)**
5. **Branding**
6. **Internet marketing**

In fact, every provider markets to some extent, whether they know it or not, and whether they are good at it or not.

But for the vast majority of specialty practices and hospitals, doctor referral building is THE fundamental marketing strategy.

The question is, how do you build doctor referrals naturally and professionally without appearing needy or greedy?

It's got to be a system. Assuring a regular flow of referrals from practices, hospitals and other healthcare businesses requires a regular, systematic—even scheduled—amount of time and attention. Success and continuing results come from a habitual process, not a loose collection of occasional and independent tactics.

Few medical professionals want to be seen as a “salesman.” Even those who are comfortable in the role rarely feel they have the time.

Our list of eleven secrets to doubling your doctor referrals is based on best practices we have developed from working with thousands of providers over the years. We hope these ideas help you create a referral network that becomes the lifeblood of your organization.

Before we get started, keep in mind that while some of these concepts may seem “straight forward,” *knowing* what to do is a world apart from actually *doing* it. Someone specific must be responsible for creating and maintaining these referral systems. More on that later.

Secret 1: The Process of Building Doctor Referrals Is All About Relationships, Relationships and Relationships

It may surprise you that clinical competence, while essential, is not enough to differentiate you and earn you an ongoing source of referrals. Just like you, other professionals refer to people they like, trust, feel are competent and believe are successful.

“Like” is important, but “trust” is paramount. They want to be confident that the referral they make will be beneficial to their patients’ care, and reflect well on themselves.

So, the prime secret of doubling your referrals is to focus on relationship building. Professionals will refer with confidence when there is a strong and reliable relationship in place.

As we all know, personal relationships require time and attention to maintain and grow. If the notion of relationship building feels uncomfortable or a waste of time, you may be confusing serving with selling.

Selling involves a financial transaction where you convince someone to buy what you have to sell. Building relationships involves give and take. You're taking care of the people who are taking care of you.

Relationship building begins by reaching out to your potential referral sources to learn how and if you can serve their needs. After you've listened, you can begin to educate them about your practice and how you can deliver the kind of patient care they value most. Through your experiences working together and regular communication you will naturally build the kind of relationships that makes you a valuable extension of their own work.

Read on to learn how to create relationships in a way that promotes you as the likeable, competent and successful provider you want others to know and do business with.

“Some of the biggest challenges in relationships come from the fact that most people enter a relationship in order to get something. They're trying to find someone who's going to make them feel good. In reality, the only way a relationship will last is if you see your relationship as a place that you go to give, and not a place that you go to take.” - Anthony Robbins

Secret 2: Prioritize Your Referral Base

As a hospital or specialty practice you already have a base of doctors who refer patients. Not every doctor on that list will be equally valuable to you.

The second secret to doubling your doctor referrals is to prioritize your referral base. This will help you maximize the value of the time and effort you spend building the relationships.

Sort your referral list into four categories (A, B, C and D) according to how many patients they currently refer, how many more they could refer and the quality of their referrals.

- **A:** The As are doctors who consistently refer the kind of patients you want to treat. You have already worked with them and established your credibility. Sometimes these doctors are called “loyalists.”
- **B:** Bs are good referrers who could refer more if encouraged. These “splitters” already like and trust you, but may need to be educated about other services and procedures you offer.
- **C:** Cs send you referrals from time to time but they aren't consistent and don't yet understand your full capabilities. With some effort they can be nurtured to do more.
- **D:** Ds have the potential to refer patients periodically but probably never will send many because of their location, contractual obligations or specialty.

It's not uncommon to want to spend too much time on the Cs and Ds, believing that you will build referrals if you simply let more people know you exist. But remember, referral building is about relationships. When you focus on the ones you already have, you will need to spend less time, money and resources maintaining them. You can then invest in the lower priority referral prospects as time and money allows.

Secret 3: Protect What You Have Worked So Hard to Build

Never take your best relationships for granted. When you look at your referring records, you will probably discover that small percentage of practices account for more than 2/3 of your business. You'd really miss these relationships if they ended.

At the same time, competitors are probably eagerly whispering into the ears of your best referrers— after all that's where they can gain the most. What's more, most hospitals and practices vastly overestimate the strength of their referral relationships...until it is too late.

In our seminars we constantly remind doctors and executives to build a strong defense, not just an offense. Shore up your best and most loyal doctors, before they can even think about defecting.

Focus the majority of your Professional Referral Program resources on keeping your “As” happy and informed about any new developments in your organization. Let them know how much they are valued and reward them appropriately.

Existing relationships are your best asset. We can’t tell you how many people come to us after a competitor has done irrevocable damage to their best referral sources. At that point, it is hard to come back to your former referring doctors because anything you do will look insincere.

“Oh, now you want to pay attention to us...”

Secret #4: Staffs Often Drive Referrals in the Real World

Almost everyone underestimates the incredible influence staffs have over the referral process. While the referring doctors may provide a list of “approved providers” to patients, their staffs will point patients to the doctors on that list they think are “really nice.”

Don’t forget to woo the staff. Food, flowers and small gifts are great, especially during the holidays, but treat the staff well at every turn (and train your own staff to do the same).

Take a few moments to talk to the office staff and medical assistants when you call their bosses. Ask how their day is going. If they mention children, note that down and mention it the next time you speak with them. Or ask if they have any vacations planned. Any small talk is appreciated. This is an opportunity to give them a snapshot of your bedside manner and a reason to recommend you over another name on the list.

IMPORTANT: Make sure you and everyone in your practice treats referring staffs with dignity and respect. If you do not, rest assured they will get even.

They’ll either complain to their boss about you, or worse, simply stop referring to you all together. While referral coordinators may have zero “official” power, they oftentimes yield incredible “unofficial power” to steer referrals wherever they like.

(When we teach these concepts at our live seminars, the staffs in attendance typically either share anecdotes about exactly how they get even with rude doctors, or else simply utter nervous giggles.)

By the way, you’ll never hear complaints back from referring offices. They simply quietly disappear...

Secret #5: Give Referring Offices Exactly What They Want

Promises are cheap. To develop long-lasting relationships with referring practices, **you need to be the provider other doctors want to refer to.** This requires establishing goals, communicating them to your staff and doctors, and monitoring achievement regularly.

Consider the kind of organization you’d like to refer your patients to and take your cues from there. Here are the benefits that providers with the most successful referral programs offer their referring doctors and patients:

- **High quality care:** Being competent at what you do is just one aspect of high quality care. Treating your patients with respect, taking time to answer their questions, and checking up on them after treatment builds your reputation as a provider that cares.

- **Timely appointments:** Referring physicians hate to have their patients' care delayed because the patient can't get in to see you in a timely way. Make a special effort to accommodate the referred patient as soon as possible (and see them quickly once they arrive at your office). And be sure to let the referring practice know that the appointment has been made.
- **Prompt understandable reports:** Let the referring practice know when the patient has been scheduled, that you appreciate the referral and that you will continue to communicate about what follows. If you need to refer the patient to another specialist, consult with the referring office first. Always keep them in control of their patient, and keep them informed with regular progress reports.
- **Hassle-free interactions with office staff:** Your staff needs to be responsive and courteous to the doctors and staff members who refer patients to you.
- **Willingness to take their fair share of tough cases:** Referring doctors hate when you refuse to take a "lesser" case after they've sent you many good-paying cases.
- **Acceptance of the patients' insurance:** Many doctors will only refer patients to specialists who accept their patients' insurance.
- **The assurance that they will send the patient back:** One reason doctors are reluctant to send patients to someone they don't have a strong relationship with is that they are afraid their patient will be stolen from them. So always send the patient back to the referring doctor, with some deliberate process steps and a bit of ceremony, if necessary, to make sure they notice.

"The most important ingredient we put into any relationship is not what we say or what we do, but what we are." - Stephen R. Covey

Secret #6: Food Still Works

Everybody is busy these days, so it is easy to assume that your referring doctors and administrators won't make time for a "free lunch." While that may be true for a minority, the fact remains that everyone has to eat, and most like to be invited to a breakfast or lunch. Even if they are too busy to go, they appreciate the invitation.

If you are just getting to know someone, breakfast or coffee provides a nice way to get doctors away from the office one on one. It's easy, fast and cheap. A lunch invitation is still appropriate for someone you don't know well or don't have an easy rapport with, since the timeframe for lunch is rarely open-ended.

Because dinner is more expensive, it is a good way to thank a referring doctor for the business they've sent your way and build on your relationship.

Again, don't forget food for staffs. Pharmaceutical companies have had to cut way back on entertainment in recent years, leaving the door open for effective "lunch and learns" on your part.

Secret #7: Gifts and Entertainment Work, Too

Gifts and entertainment are still effective ways to nurture relationships and show your appreciation for the referrals your colleagues send your way. (Be sure that all gifts are appropriate to the guest's tastes, are Stark compliant and stay within the ethical and legal limits of gift-giving. Seek appropriate legal counsel if you are unsure about limits.)

The key to successful gift-giving is to stand out from the crowd, especially during the holidays. The bucket of candied popcorn or box of chocolates may be enjoyed by the staff, but too often they will forget where it came from.

When giving gifts, be original. Take the time to learn the interests of your referring doctors. You might send

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a nice book on a subject they've expressed interest in, a set of CDs with music everyone can enjoy in the office, or a bottle of wine—if appropriate. Remember to take especially good care of your A-List.

Taking a client out for entertainment, such as to a sports game or the theater, provides a great way to show your appreciation. Entertainment should be carefully considered and based on the referring doctors' personal interests. Once out, make sure they have a great experience.

The key to successful entertaining is to tailor it to the individual and the relationship you've established.

Secret # 8: Communicate Regularly and Consistently

In order to cultivate new referrals from your entire referral base, create an ongoing communications program and put someone in charge to ensure it is implemented on a continuous basis.

The objective of any communications program is to educate professional referral sources about how you can help them. You need to invest time in letting referring doctors know what's going on as well as in finding out what they want to know, in what form and how often.

Your communications should contain valuable information that is relevant to your referring doctors. Your ongoing program can take the form of a regular newsletter (either print or electronic), professional "alerts" or even personal notes or letters.

Your professional colleagues are not fully aware of all that you do, so communicate the benefits you provide, not the features. What are the ways you can make their (and their patients') lives easier or better? Case studies make excellent subject matter. Each one can present patient-anonymous (HIPAA compliant) case examples on how a referred patient was effectively tested or treated by your practice and also illustrate the speed and accuracy of the report that was sent back to the referring practice.

Always include some kind of call to action on everything you send out. Pose a question you'd like them to respond to, offer to send more detailed information on a case study or simply ask them to call you to learn more about a specific service you've highlighted.

Secret #9: Hire One Or More Physician Liaisons

Your doctors rarely have the time, ability or desire to actively build and manage relationships with other doctors. Meanwhile, competitive practices ARE whispering in your best referrers' ears.

What's more, while we've outlined some of the most important strategies in this white paper, there are hundreds of tactics that will need to be implemented to support your doctor relationship building efforts.

Therefore, if you are serious about growing your doctor referrals in today's competitive marketplace, you almost certainly need one or more physician liaisons (a.k.a. practice representatives) working on your behalf. In fact, each physician liaison can easily deliver more than ten times return on investment.

While physician liaisons were originally the domain of hospitals, they now are commonplace among even solo practices.

However, you need to be careful when hiring physician liaisons as skill levels and results vary wildly. At the low end you essentially will have couriers who drop off bagels to referring offices, while others are seasoned experts who have the knowledge and personality to engage doctors and staff effectively. One we worked with was so good that he single handedly built over 40 locations.

Secret #10: A Surprising Ingredient to Look for When Hiring a Physician Liaison is Commissioned Sales Experience.

While clinical experience is great, sales skills are critical. In fact, while someone with both sales and clinical experience can be a “home run,” a clinical person without sales ability often will fail. If you have to choose, it’s far easier to train a sales person the clinical knowledge they need, rather than try to turn someone without sales ability into a rep. For example, unemployed pharmaceutical reps are everywhere, but often make mediocre salespeople because while they can talk medicine, they rarely have actually sold anything.

Marketing communications people are also ill-suited for the job. We see countless failures every year with providers that try to turn graphic designers and/or other creative people into salespeople. They are completely different skill sets. (Outsource creative services to a professional marketing firm – it does not make sense to carry full time salaries for work that is better outsourced.)

When hiring, look for someone naturally good at establishing relationships, who always has a goal for every meeting, looks the part, is self starting and is not afraid of doctors. Compensation should be competitive with what other practices, hospitals and companies are paying for this service (corporate America wants true sales professionals as well), and consider including performance bonuses. Depending on your goals, you should consider whether you need someone full or part time, and whether you want to hire her as an employee or contractor.

Secret #11: Never Send Your Physician Liaison Into Battle Unarmed

Competition for the best cases can be brutal, and it always amazes us when providers send physician liaisons (or new doctors) into referring offices with nothing more than a business card and a smile.

Pharmaceutical reps, manufacturers’ reps and many of your competitors have excellent materials to promote themselves. When your materials look sub par by comparison, your organization will look sub par as well.

Never send your physician liaison into the field without an impressive brochure, doctor resumes, collateral materials that communicate your brand and the added value you bring to your specialty. Make sure your website is professional and impressive as well. (If you have not yet created any or all of these materials and need assistance, hire a professional marketing firm to help you.)

Secret #12 (Bonus): It’s Challenging to Create and Maintain a Successful Professional Referral Program – But You Don’t Have to Go It Alone

Building and maintaining a successful Professional Referral Program takes time, money and patience.

What’s more, many of the critical success factors necessary for a successful doctor referral program are typically outside of the internal skill sets – and even cultures – of providers. Here are some of the things you’ll need to consider:

1. While both doctors, executives and staffs typically find “sales” to be distasteful, sales skills and processes are the key ingredients to a successful doctor referral program.
2. Even Vice Presidents of Sales at corporations have a tough time identifying, qualifying and recruiting sales talent. Not surprisingly, administrators face an even bigger challenge hiring Physician Liaisons, since sales is so far outside of their experience. What works in sales often does not translate inside a provider environment.
3. Someone with relevant sales experience needs to train and manage your Physician Liaison.

4. Program (and individual) goals should be both achievable and a “stretch.” Important metrics include revenue growth, referral volume, new relationships, existing relationships and number of visits.
5. Compensation plans for physician liaisons are critical. Typically you will need a competitive base plus incentives that are both ethical and motivating.
6. Your doctors must support your relationship building efforts if they want your program to be successful.
7. You’ll need to build, maintain and monitor a database of referring doctors.

The Healthcare Success Strategies team of experts can help you build and maintain the relationships you need.

With over two decades experience, the Healthcare Success Strategies Marketing All-Stars can help you create a doctor referral program that fits your objectives, budget and unique situation.

Our programs range from single-day training visits to multi-year engagements. For example, we can help you:

1. Create a doctor referral building plan (and/or marketing plan) including goals, budgets, timings and responsibilities
2. Work within your culture to help you get buy-off from appropriate stakeholders
3. Help you select the right database program
4. Create marketing materials to support your efforts
5. Regarding Physician Liaisons, we can help you
 - a. Determine if any of your existing staff are right for the job
 - b. Evaluate your current physician liaisons’ efforts
 - c. Decide on the right employment model, i.e., part time versus full time, employee versus independent contractor versus complete outsource
 - d. Help you find, evaluate and recruit qualified candidates
 - e. Develop objectives and compensation plans
 - f. Train your liaisons
 - g. Even manage your liaisons on an ongoing basis

Call (800) 656-0907 to find out how we can help ensure your professional referral program is a huge success

Healthcare Success Strategies can guide your marketing as we have done for thousands of others around the nation, providing ethical, creative and results-based marketing strategies. All specialties are competitive and diverse, and we know how to provide the experienced answers you need.

We understand what works and what doesn’t work in healthcare marketing and advertising. So call us for more information at (800) 656-0907.