

Published in Anesthesiology News  
January 2010

## TO CONTROL THE CONTRACT, CONTROL THE CONTEXT

BY: MARK F. WEISS, J.D.

It's morning in a mall outside of a metro station in Washington, D.C. Josh, dressed in jeans, T-shirt and baseball hat, picks up his violin and begins to play. Classical music, some of the most complex and beautiful ever written for the instrument, floods the air.

Over the next three quarters of an hour, over 1,000 people pass directly by. Few notice Josh. Only a handful slow down to listen. Only 6 stop. Josh's take: \$32.

But Josh isn't one of the thousands of street musicians commonly encountered in cities across the country. As reported by Gene Weingarten of the Washington Post, he's Joshua Bell, the internationally acclaimed violin virtuoso whose performances regularly sell out at over \$100 a seat. The instrument he's playing: a \$3.5 million Stradivarius.

The performance was an experiment organized by the Post to see if the public would recognize the beauty of musical genius when displayed in an ordinary context. The experiment was based on the

philosophical argument, "What is beauty?" Is beauty a measurable absolute, is it an individual opinion, or is it a bit of both filtered through the mind of the individual?

As the Joshua Bell experiment demonstrates, beauty and genius are not fixed concepts, individual opinion is involved and context is extremely important.

This message is immediately applicable to how hospital administrators, members of the medical staff and patients regard and value anesthesia groups. The greater a group's perceived value, the greater its ability to negotiate a favorable relationship, whether contractual or not.

The Bell experiment validates the negotiation process strategy that I refer to as Framing the Issues™, a part of The Strategic Group Process™. Going one step beyond the conclusion of the Bell experiment, it's possible for anesthesiologists to proactively alter the context of the metaphorical space in which the negotiation takes place.

Proactively altering context for Bell means the difference between a \$100,000 concert fee and \$32 of change tossed into an open violin case. Proactively altering the context for your group can mean the difference between a \$50,000 "medical directorship" and adding a \$2 million stipend to your bottom line each year.

Altering the context for a musician of Bell's caliber is, on its face, a simple issue: Not the mall or the street corner but a concert hall or a recording studio.

Altering the context for an anesthesia group is far more complex. There is an element of physical context: At the extremes, this could be described as the general perception of a group practicing at a world famous medical center versus at a free clinic in a decaying neighborhood.

However, the great bulk of anesthesia groups practice somewhere in the middle, and the physical element lies more in the extent to which any particular hospital is less susceptible to contracting on more favorable terms to the group, especially in regard to providing significant income support. Nonetheless, for most anesthesia groups, altering the physical context is not the immediate issue. (But nearly all groups can do something to alter physical context – a subject that's beyond the scope of this article.)

Instead, the immediate issue is taking the correct steps to alter the conceptual context in which the group, and its goals, are perceived. The ultimate goal is for the group to be considered as unique, the only group with which the hospital will deal.

Perception of the group itself is one of two ways in which context plays a part for anesthesia group negotiations. The second is the context of the negotiation itself.

In a sense far larger than most people realize, business relationships and contract negotiations are types of "conversations" that take place back and forth between the parties. Conversations don't happen in a vacuum, they take place within a context.

Everyday examples of context abound. For example, if you and I were discussing where to have lunch and if we had only 20 minutes before our scheduled meeting with your hospital's CEO, we might decide to go to get fast food. Speed, not the quality of food or the atmosphere, was the context within which we made the decision. But if instead we had learned that the meeting with the CEO was postponed, we

might decide to take advantage of the situation and have a meal at a restaurant at which we could have a private discussion of contract issues. Atmosphere (privacy) became the context.

There's an opportunity, then, to alter the outcome by controlling the context of a conversation or negotiation. Returning, for a moment, to a restaurant example, you are controlling the context of a discussion, and attempting to alter the outcome, when you return home this evening and ask your spouse "Where shall we go to dinner tonight, Chez Marc or La Casa Bianca?" The context is *where* you will be going out for dinner, not *whether* you will be going out.

Returning to the anesthesia world, you have similar opportunities to control the context, or, as I refer to it, to "frame" the issues, of business discussions you have with hospitals and other third parties.

For example, in connection with the negotiations between a group and a hospital in respect of an exclusive contract, there are many issues at play. One of them is the amount of financial support that the hospital will pay to your group. Left alone, chances are near certain that the context of that discussion will be money. But, that context permits the hospital to play your demands off as "greedy" to other members of the medical staff, allows them to argue that a low to medium valuation range should be used to limit the amount of support, and even permits them to compare your financial demands with those of another group, real or imagined, vying for the contract.

Contrast that to the situation in which you alter the frame from money to quality. In a discussion about quality, money will remain an issue, but it becomes a secondary issue. You are no longer talking about money (that is, cost); you are talking about quality and the investment required of the hospital to assure it. It becomes significantly more difficult for the hospital to portray the dollar numbers you are seeking as relating to "greed" as you are not talking money, but quality.

Of course, it is easy for someone to believe that they can control the context, and quite another to actually establish a frame. To achieve transformational results, framing the issues takes considerable planning and time. Additionally, the frame must be consistent with your group's overall business strategy, its specific sub strategies and its implementing tactics or it will be seen as a ruse.

So, for example, if your group has always simply met the standard of care but has never been proactive in terms of dealing with complaints, and has allowed disruptive physicians to remain on the roster, no one will believe in attempt to shift the frame to quality. On the other hand, if your group has devoted a significant period of time, optimally several years prior to the actual beginning of face-to-face negotiations, to not only developing high quality initiatives but to properly publicizing those efforts to the appropriate constituencies, your chances for success in constructing a quality framework are markedly higher.

In conclusion, remember that every relationship and every negotiation has a context; the question is whether it will be set by you or by the other side or simply left to chance. The latter two alternatives leave you open to happenstance: In any and all events, you are going to face the music; the question is whether or not they're playing your song.

---

Mark F. Weiss is an attorney who specializes in the business and legal issues affecting anesthesia and other physician groups. He holds an appointment as clinical assistant professor of anesthesiology at USC's Keck School of Medicine and practices with the Advisory Law Group, a firm with offices in Los Angeles, Santa Barbara and Dallas. He can be reached by email at [markweiss@advisorylawgroup.com](mailto:markweiss@advisorylawgroup.com) and by phone at 800-488-8014.

To receive complementary copies of our articles and newsletters, opt in to our emailing list at [www.advisorylawgroup.com](http://www.advisorylawgroup.com).