Business Case Study: Establishing an Equine Clinician’s Emergency Cooperative

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This business case study is brought forward to purposefully demonstrate the opportunity available for equine clinicians to offer emergency care to their clients through a collaborative effort. Over 4 years ago, an emergency cooperative program was successfully launched in a highly competitive area between four equine veterinarians representing three distinct businesses. This cooperative effort has evolved into a productive and sustainable emergency coverage option through effective, consistent communication and building of trusting relationships between the participating veterinarians. Author’s address: PO Box 256, Belgrade, MT 59714; e-mail: racquel.lindroth@gmail.com. © 2012 AAEP.

1. Introduction

Recognizing discomfort can be a sign of readiness for growth and change. As equine clinicians, all of us understand the considerable demands on our lifestyle by offering emergency care to our clients and patients. Having carried a pager for over a decade, while offering to be available around the clock, I personally became aware of an increasing level of discomfort. I was ready to share the load.

At the time, I was the founder and owner of an equine ambulatory practice of 10 years’ duration and had recently hired a part-time associate. The practice was experiencing a steady growth rate annually (>25%) in the years of the mid 2000s. Within the 30-mile radius of our practice area there were approximately 12 solo equine veterinarians and an estimated population of 3,000 horses. A culture of healthy competition was recognized among the professionals within our region. Our practice provided emergency services to our routine clients and estimated 10% of our annual call volume. We expected to head out after hours at least 3 to 4 nights during the week on emergency calls.

I was also a newly married wife of 2 years with a desire to start a family. My goal was to determine how to reduce my on-call responsibilities to no more than 25% of my personal time.

With a strong desire to implement this change, as a business owner and provider of service, I weighed heavily the following considerations: (1) continued commitment to provide high-quality emergency coverage to our routine clients; (2) maintenance of the significant financial contribution that emergency services made toward the profitability of the practice; and (3) desire not to lose clients to the competition. A decision was made to approach a select group of solo practitioners locally who might share the common vision to offer emergency coverage while respecting and upholding each other’s business interests.
Undoubtedly, my approach to propose an emergency cooperative was directed to veterinarians with whom I had previously established good working relations and rapport. I did identify some essential criteria of members being recruited in order to cultivate compatibility and successful working relations within a team environment. Most important was recognition of upstanding personal ethics and integrity, coupled with a desire to be a team player. All of the veterinarians were practicing predominantly with horses and had demonstrated competent clinical skill levels with at least 3 years of experience. All of them had proven fiscal responsibility within their businesses. My part-time associate and I asked three other solo practitioners to join us at the table for discussion. Ultimately, we were all able to find common ground.

Strategy for Implementation of the Equine Clinician's Emergency Cooperative

I was personally inspired by another group of professionals within our state who had exemplified the emergency cooperative concept for over 30 years. This group of four equine veterinarians had a proven track record for supporting each other successfully through collaborative effort to offer emergency services. After meeting with a member from their group and discussing details of the idea with other colleagues, I developed a proposal for an Equine Clinicians Emergency Cooperative (ECEC) suggesting the following logistics:

Meetings and Reviews

As a group of professionals, we would aim to meet once monthly to establish consistent methods of communication and build solid working relations.

Throughout our discussions, we all agreed to uphold the following rules of engagement:

1. When a client requested service for an emergency, they would be asked upfront to identify their regular provider of service. Expectations were agreed upon to respectfully restore that client back to their regular provider of service after the emergency was handled.

2. Verbal communication between veterinarians as well as sharing of medical records within a week would be routinely expected after each emergency visit. Once an emergency was seen and stabilized, the case would be turned over to the regular provider of service during routine business hours.

3. Veterinarians would only provide services during the visit to address the emergency at hand and not solicit additional, routine services.

4. If a client seeking routine services or looking to change their provider of service were to directly contact the emergency clinician, we agreed to adhere to the following protocol: A request would be made that the client contacts their regular provider of service to discuss needs and expectations. The veterinarians would also be expected as a professional courtesy to communicate directly with each other to mutually understand each other’s position with the client.

5. We all agreed to be accountable to the team and invited any problems to be resolved through respectful communication among our participating members.

Legalities

Each practitioner participating within the ECEC would be required to document their state licensure, provision of liability insurance, worker’s compensation if necessary, and definition of their business.

Coverage

We would choose to provide emergency services for established clientele only. If a new client called seeking emergency coverage, it would be left to the discretion of the emergency clinician on duty to determine if service would be provided. Priority should always be given to established clientele collectively among the practices. We also agreed to support clients within an approximate 30-mile practice radius, which accommodated most of the clientele. If a regular client was outside the practice area, they would be encouraged to transport their horse to a local facility. If the emergency clinician needed to travel outside of the designated area, then a back-up clinician should be notified.

Scheduling

Our cooperative program was established to provide scheduled emergency coverage on the weekends beginning at 4:00 PM on Fridays through 8:00 AM on Mondays. Often we would make additional arrangements for coverage on weekday nights. With advance notice, we would schedule emergency coverage for at least 3 months at a time. Once the schedule was determined, if a change needed to occur, the participating veterinarians could make arrangements between themselves. Each business would then be notified about any scheduling changes. An on-line schedule was kept up to date and could be accessed by each participating member.

Communication Systems

Each business would choose how to design their phone system and answering service to direct their clients with an emergency to the appropriate contact number. This emergency contact number alerted a pager shared and utilized by the clinicians covering call through the ECEC.

Invoicing

For emergency provision, payment would be expected at the time of service. Pricing and invoicing would be handled through each individual business. We were aware of the pricing strategies for each business and held discussions for the purpose of keeping our pricing aligned with one another. We were careful not enter into price-fixing discussions.
Referrals
If during the course of emergency treatment a referral was deemed necessary, the on-duty clinician and client would work together to decide when and where to refer the case. The on-duty clinician would then notify the regular provider of service for that client regarding the referral. Additionally, the on-duty clinician would clarify the identity of the primary care provider for that client with the referral center. This was to make certain that communications, medical records, discharge instructions, and follow-up care would be directed back to the primary care provider for the referred client.

Marketing
Each business was encouraged to inform and prepare their clients about the implementation of the ECEC while introducing the participating members. The method of marketing, for example, by newsletter, website, and/or client seminars, and so forth, was to be decided by the individual business owners.

2. Results
An equine clinician’s emergency cooperative was initially discussed and began to take form in 2007. Within 1 year, a more formal arrangement was established among four regularly participating veterinarians and an occasional fifth member. Over the next few years, the structure of the emergency cooperative continued to be fine-tuned, and a few of the participating veterinarians changed. However, a collaborative effort between at least four veterinarians has consistently and effectively remained in place over the past 4 years.

The following history of chronological events outlines the evolution of the cooperative program and the businesses involved:

Review of Participating Businesses

Business A
Business A is a primary business of interest offering the visionary leadership toward the establishment of an emergency cooperative; owned and founded by author of this study in 1998; represents a 100% equine ambulatory practice; and a part-time associate was hired in 2007, creating a shared two-doctor practice.

Business B
Business B is a solo equine practitioner providing ambulatory services within the region since 2000.

Business C
Business C is a solo practitioner providing general equine practice along with specialty reproductive veterinary services to horses and companion animals since 2001.

Business D
Business D is a solo equine practitioner offering a specialty equine medical consulting practice beginning in 2005.

Business E
Business E is a solo equine practitioner providing ambulatory services within the region since 2008.

History of the Equine Clinician’s Emergency Cooperative

First Year (2007)
A round-table discussion was initiated with a proposal put forth in favor of the Equine Clinician’s Emergency Cooperative (ECEC) as previously outlined; informal arrangements began; Businesses A, C, and D entered into negotiations and would cover calls for each other only on as-needed basis; our goal was to build good working relations and then aim to formalize the ECEC within 1 year; during the first year Business C opted out and Business B was approached to enter into discussions; additionally, Business A and Business D made arrangements so that the veterinarian of Business D was hired as an independent contractor through Business A; Business A provided the vehicle and performed the invoicing when hiring the veterinarian from Business D.

Second Year (2008)
The ECEC developed into a more formal arrangement; Businesses A, B, and D chose to enter into an agreement and created a rotating on-call schedule; Business A covered 2 weekends per month and Businesses B and D each covered 2 weekends per month; Business A continued to hire Business D as an independent contractor; Business B operated as a distinct business. Although Business C was not routinely scheduled within the ECEC, upon request the ECEC would offer to provide emergency coverage when Business C needed support.

Third Year (2009)
The ECEC continued to be sustained by Businesses A, B, and E and infrequently by Business D; Business A was going through a practice sale transaction and continued coverage 2 weekends per
month; Businesses B and E desired to support the ECEC through the transition experienced by Business A. Businesses B and E both continued to operate as separate entities and each covered 1 weekend per month.

Interestingly, when reviewing the business profile of Business A, the percent of calls represented by emergencies remained the same throughout the implementation of the ECEC. Looking from 2006 through 2010, the emergency call volume remained steadily between 9% and 10% of the number of total calls per year. Additionally, Business A did not experience any attrition of clients while executing support for the ECEC. In fact, anecdotally, clients shared that they were attracted to the idea of the local veterinarians supporting each other and the community through a collaborative effort to offer emergency services.

A follow-up phone interview was recently made to the new business owner of Business A.¹ At present, the ECEC continues to successfully operate and the participating veterinarians appear to be satisfied with the continued support provided by the ECEC.

3. Discussion

The operations of the ECEC took time to develop and continued through many evolutionary changes. Maintaining flexibility was vital as the needs and concerns for individuals participating within the ECEC changed over the years.

As a group of professionals, we were highly committed to work together through the growing pains as ECEC became established. We intentionally sought to resolve issues that would arise through respectful and transparent discussions at our monthly meetings. For example, we had to decide how to respond to requests by the clients when they wanted their regular veterinarian to provide emergency service instead of the on-duty clinician. Although we would acknowledge the client’s request, we chose not to offer preferential treatment. In our message, we expressed firmly that the on-duty clinician was very capable of helping them through their emergency and that their regular veterinarian would be well informed of their situation. Collectively, we determined our response and upheld one another as we shaped the client’s expectations.

Over time, we also developed essential trust within our group. Not only did we state that we would restore clients back to their regular veterinarian, we ensured that it occurred. If a problem surfaced within our group, being able to mutually resolve the conflict allowed for even greater levels of trust to develop.

Personally, the formation and implementation of the ECEC provided me with a valuable opportunity to accomplish goals of establishing life balance while simultaneously achieving goals for my equine veterinary practice.

I was able to continue a professional commitment to clients by offering comprehensive veterinary service with emergency coverage around the clock. Although I was no longer the sole provider of emergency service to these clients, they quickly recognized that they were in good care by the individuals selected to support the ECEC. Client stability was maintained throughout the transition and feedback from clients confirmed that they were very satisfied with the performance of the ECEC.

From an economic viewpoint, the revenue generated within the business by providing emergency services remained steady throughout the development of the ECEC. While electively choosing to reduce the amount of time my business was responsible for covering emergencies by at least 35%, the volume of emergency calls consistently reflected 9% to 10% of the total calls throughout each year. My initial concern regarding loss of financial revenue through provision of full-time emergency coverage was diminished. This also allowed me more time and energy to focus on building the routine and scheduled services within my practice.

Professionally I recognized and appreciated the collegiality that developed within our veterinary group through the formation of the ECEC. None of us sought to exist as a “Lone Ranger” in practice. Not only is it lonely, it becomes exhausting. As the ECEC gained momentum and favor, we begin to share case discussions and journal rounds and to help each other problem-solve business decisions. We actually started to meet and communicate more frequently than our initial planned meetings. Personally, I was grateful for the tremendous sense of support upheld by the ECEC and additionally felt encouraged and motivated by my professional peers.

Most importantly, I was able to be present for my family. Within a year of establishing the ECEC, I was able to reduce the amount of time I was on call from a 100% commitment to 25% of my personal time. Accomplishing this goal had a tremendously positive impact for the well-being of my family life. My husband and I were blessed to become parents, and I enjoyed having more time to raise our lovely daughter. In fact, throughout the development of the ECEC over 4 years, we witnessed the birth of four new arrivals within our group. This was not a prerequisite for membership, by the way.

The initiation and development of the ECEC truly helped me to better understand the concept of TEAM — Together Everyone Achieves More!

Footnotes

¹Fitch MR. Personal communication, 2012.
²Brault SA. Personal communication, 2012.