



LEADING IN THE FACE OF UNCERTAINTY

Sandy Chung, MD, FAAP, FACHE
CEO, Trusted Doctors; Past President, AAP

Independent Practices – around 20% of physicians

Nearly 80% of docs employed by hospitals, corporate entities in continued shift away from independent practice



By Dave Muoio • Apr 12, 2024 7:55am

Walgreens Shuttters 160 VillageMD Clinics after \$6 Billion Loss

🏠 / Data & Insights / AHA Center for Health Innovation Market Scan

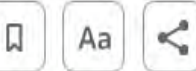


World ▾ Business ▾ Markets ▾ Sustainability ▾ Legal ▾ Breakingviews ▾ Technology ▾ Investigation ▾

Walmart to shut all health clinics in US over lack of profitability

By Siddharth Cavale and Granth Vanaik

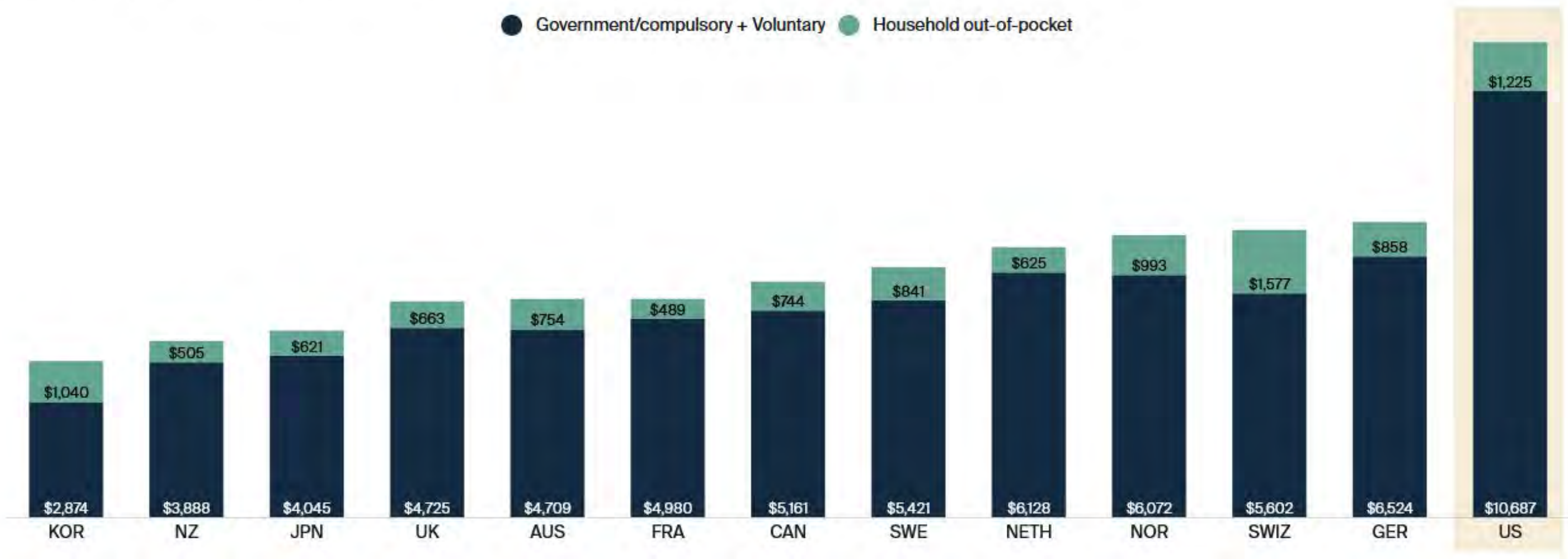
May 1, 2024 7:38 AM EDT · Updated 8 months ago



It is not easy to run a primary care practice...

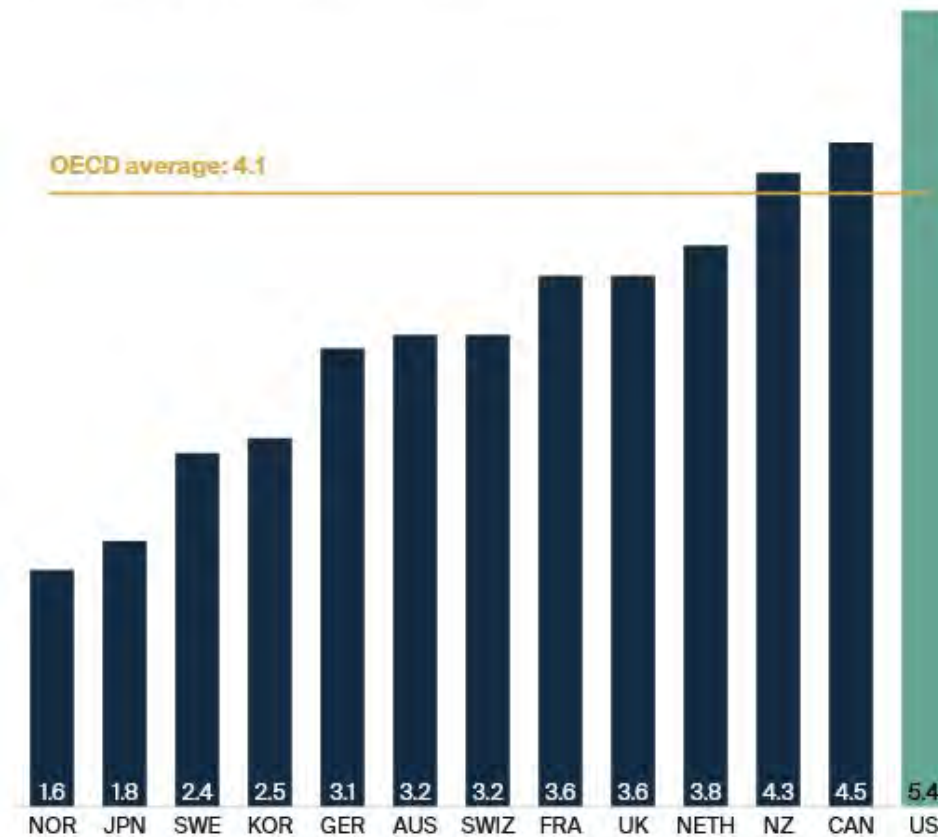
The U.S. spends three to four times more on health care than South Korea, New Zealand, and Japan.

Dollars (USD) per capita spend on health expenditures

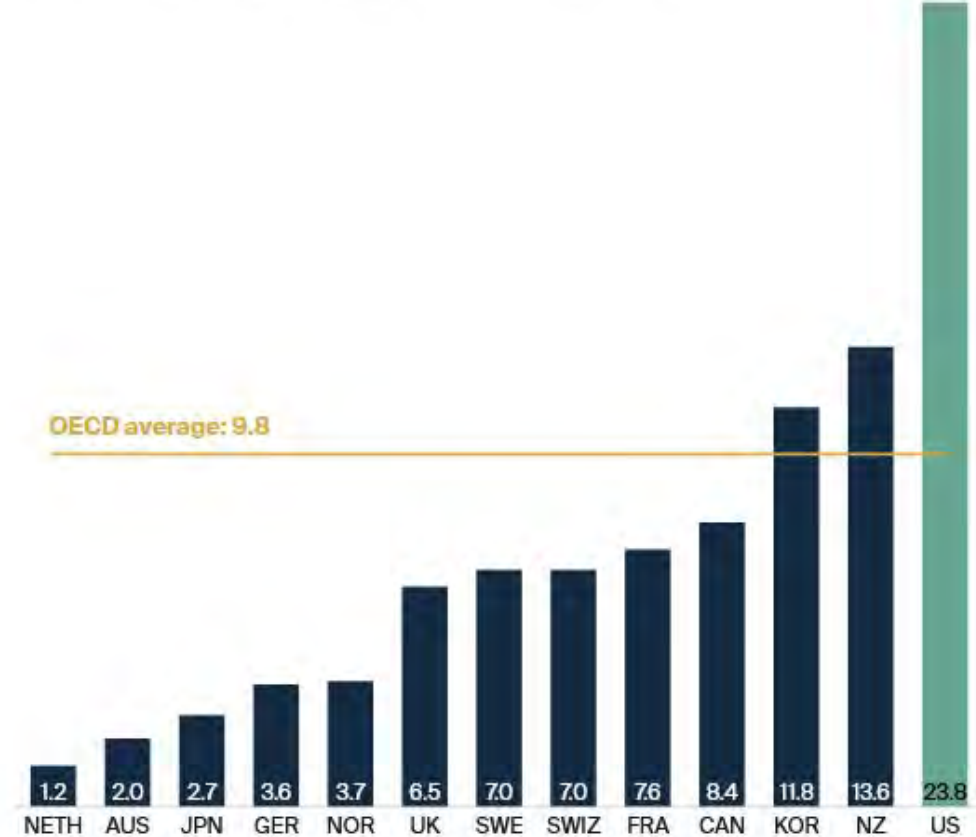


The U.S. has the highest rate of infant and maternal deaths.

Infant mortality, deaths per 1,000 live births



Maternal mortality, deaths per 100,000 live births








Notes: Infant mortality rates reflect no minimum threshold or gestation period or birthweight. Infant mortality 2021 data for FRA and SWIZ; 2020 data for AUS, CAN, GER, JPN, KOR, NETH, NOR, SWE, UK, and US; 2018 data for NZ. Maternal mortality 2020 data for AUS, CAN, GER, JPN, KOR, NETH, NOR, SWE, and US; 2019 data for SWIZ; 2018 data for NZ; 2017 data for UK; 2015 data for FRA. OECD average reflects the average of 38 OECD member countries.

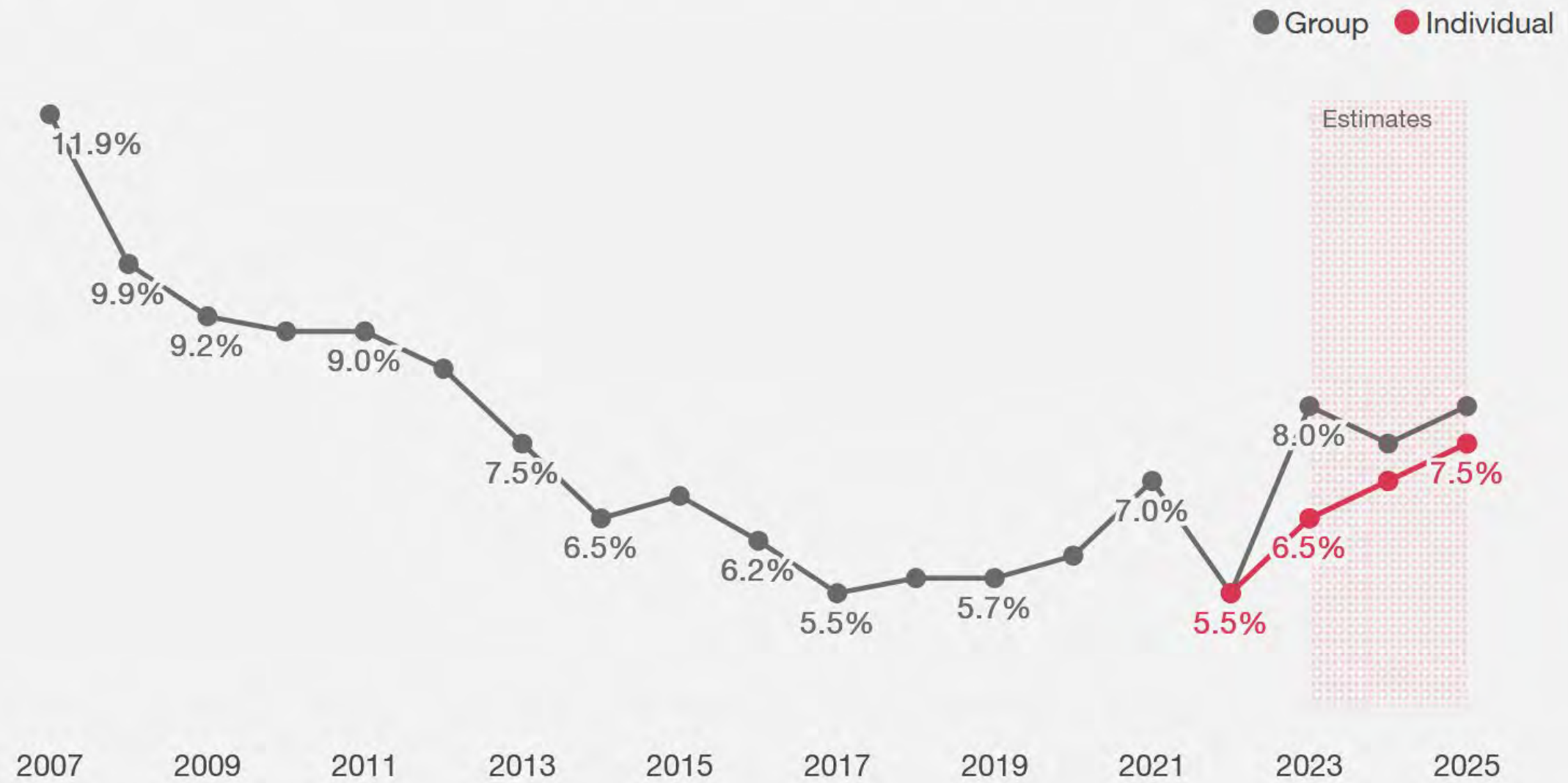
Data: OECD Health Statistics 2022.

Source: Munira Z. Gunja, Evan D. Gumas, and Reginald D. Williams II, *U.S. Health Care from a Global Perspective, 2022: Accelerating Spending, Worsening Outcomes* (Commonwealth Fund, Jan. 2023). <https://doi.org/10.26099/8ejy-yc74>

List of largest health insurance companies by revenue

Company		Market share	Revenue (billions)
 UnitedHealthcare	<u>UnitedHealth Group</u>	15.7%	\$215B
 Anthem	<u>Elevance Health (Anthem)</u>	9.7%	\$133B
 KAISER PERMANENTE	<u>Kaiser Permanente</u>	9.2%	\$126B
 ambetter	<u>Centene (Ambetter)</u>	8.6%	\$116B
 Humana	<u>Humana</u>	7.3%	\$100B

HRI projects medical cost trend to be 8.0% for Group and 7.5% for Individual in 2025





Value is shifting in health services



Preventive

Focus more on addressing risk factors of health decline



Personalized

Data-driven, customized treatments based on factors like genetics and behavior



Predictive and proactive

Active analysis of well-being and early intervention to improve health outcomes



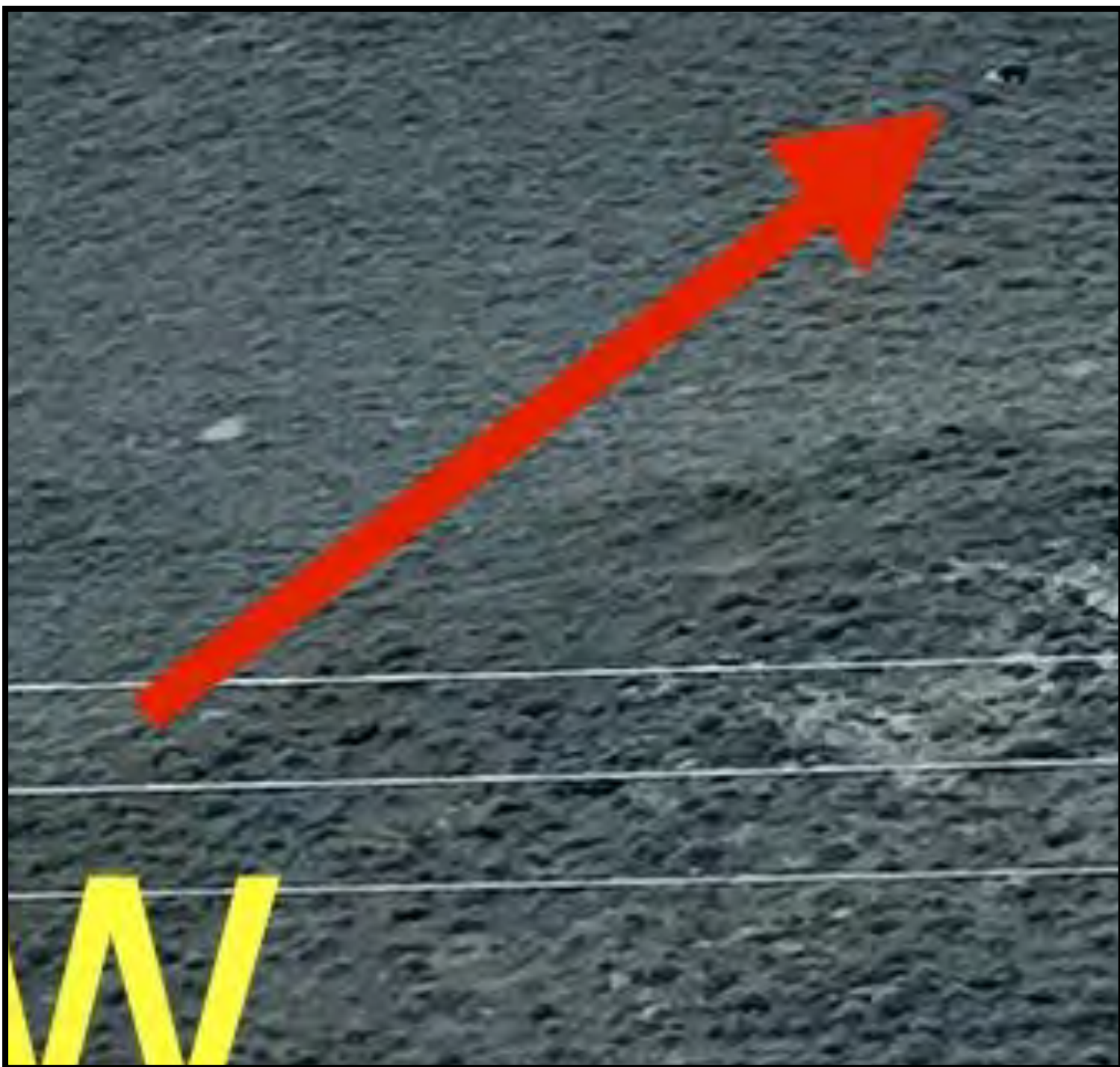
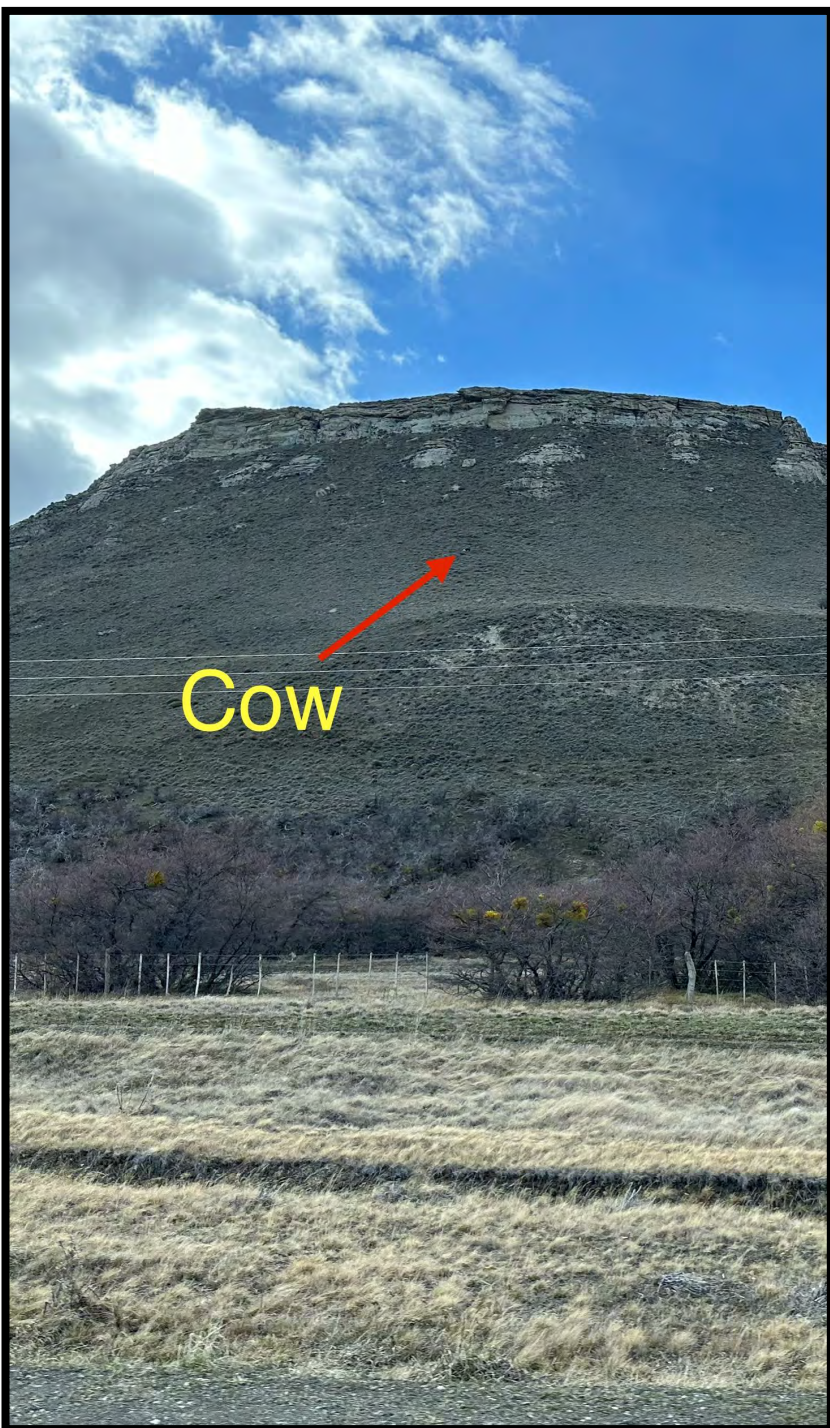
Point of care

More accessible and convenient settings for delivery of care

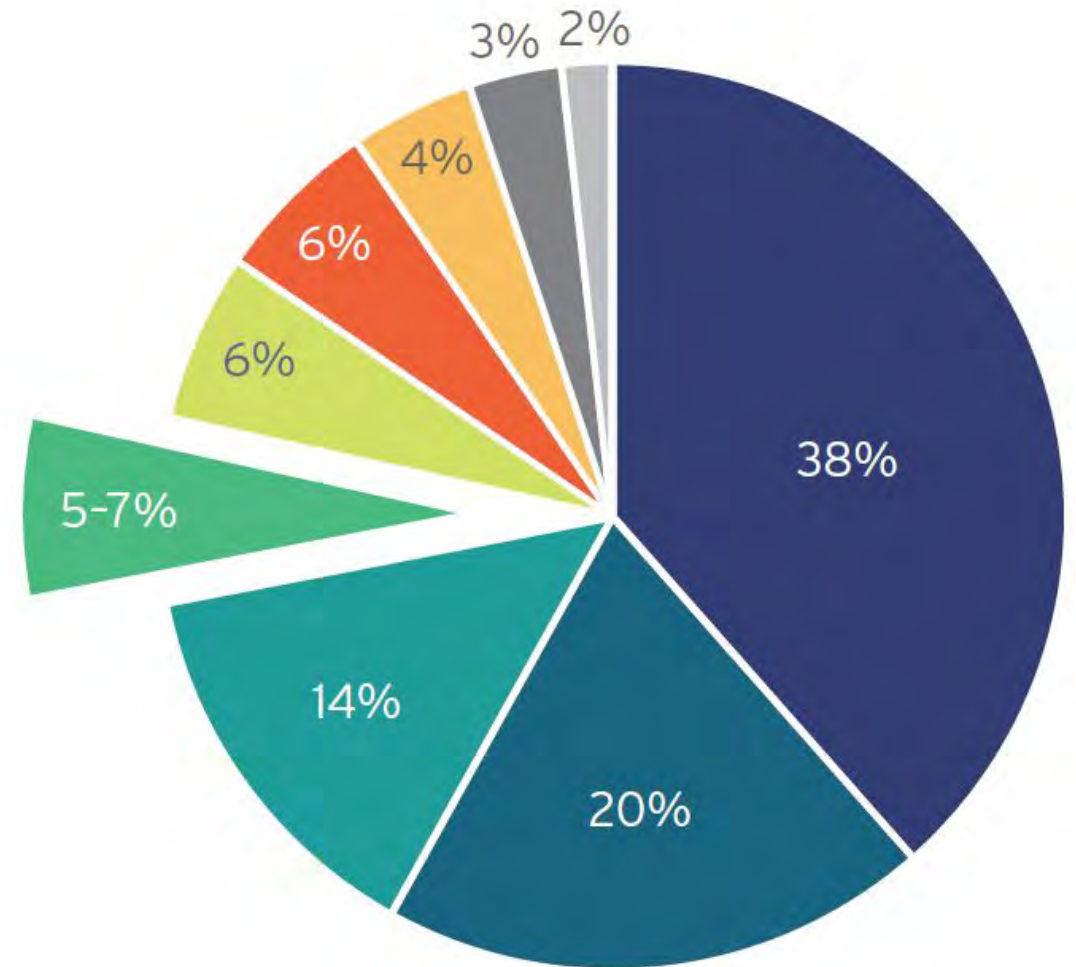
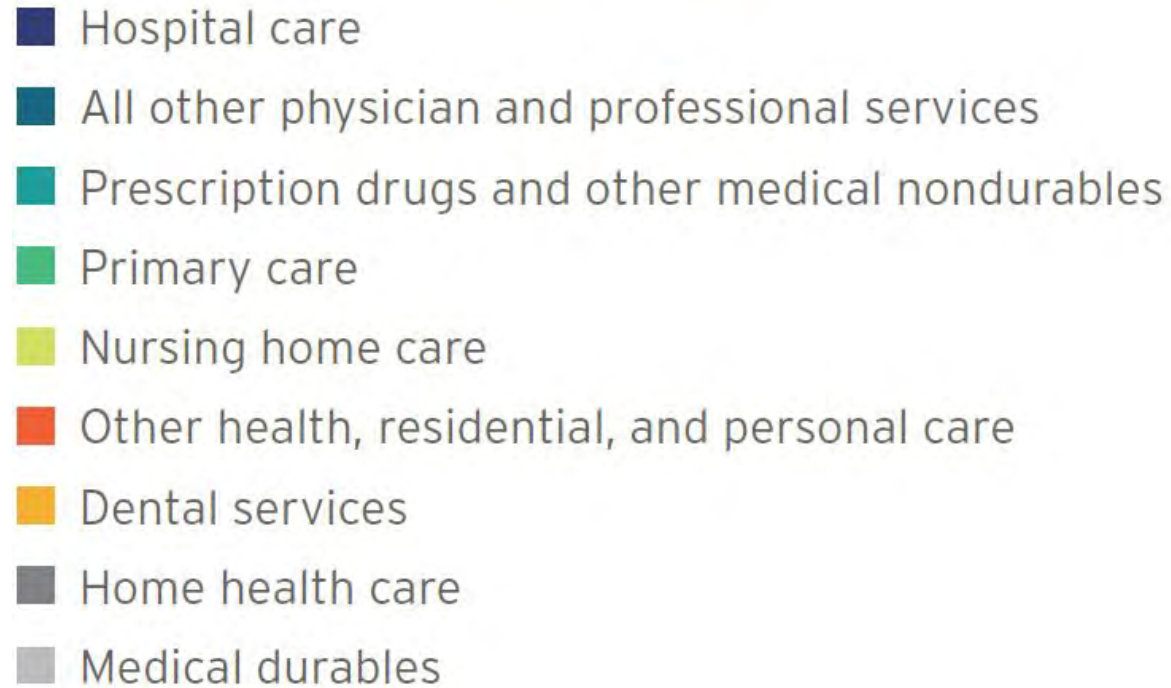
Consider that 90% of US annual healthcare expenditures are for people who have chronic diseases and mental health conditions

50%

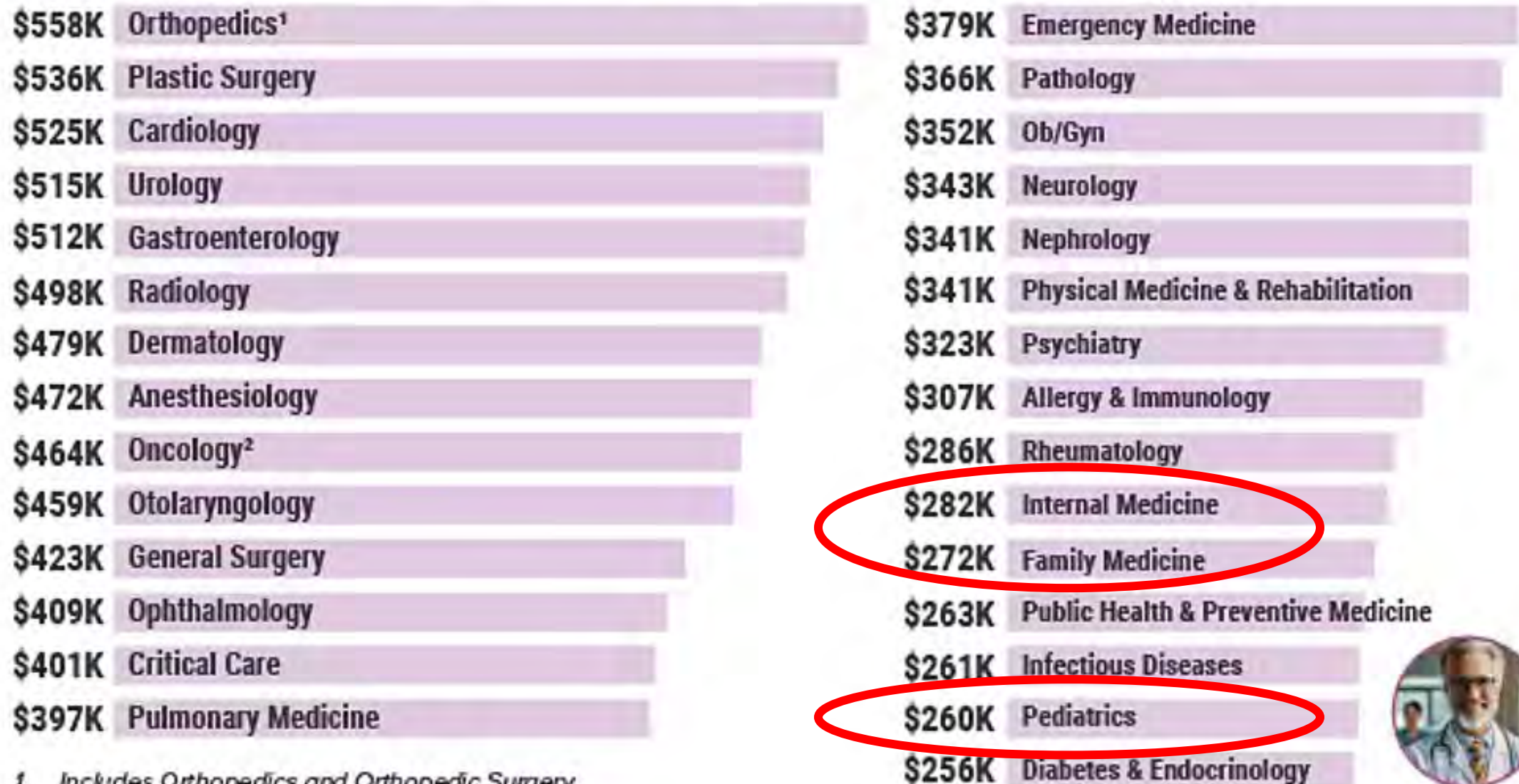
of consumers ages 55-64 prefer a doctor visit over virtual visits compared to 34% of those 25-34.



Payment for Primary Care



Average Annual Earnings, by Specialty

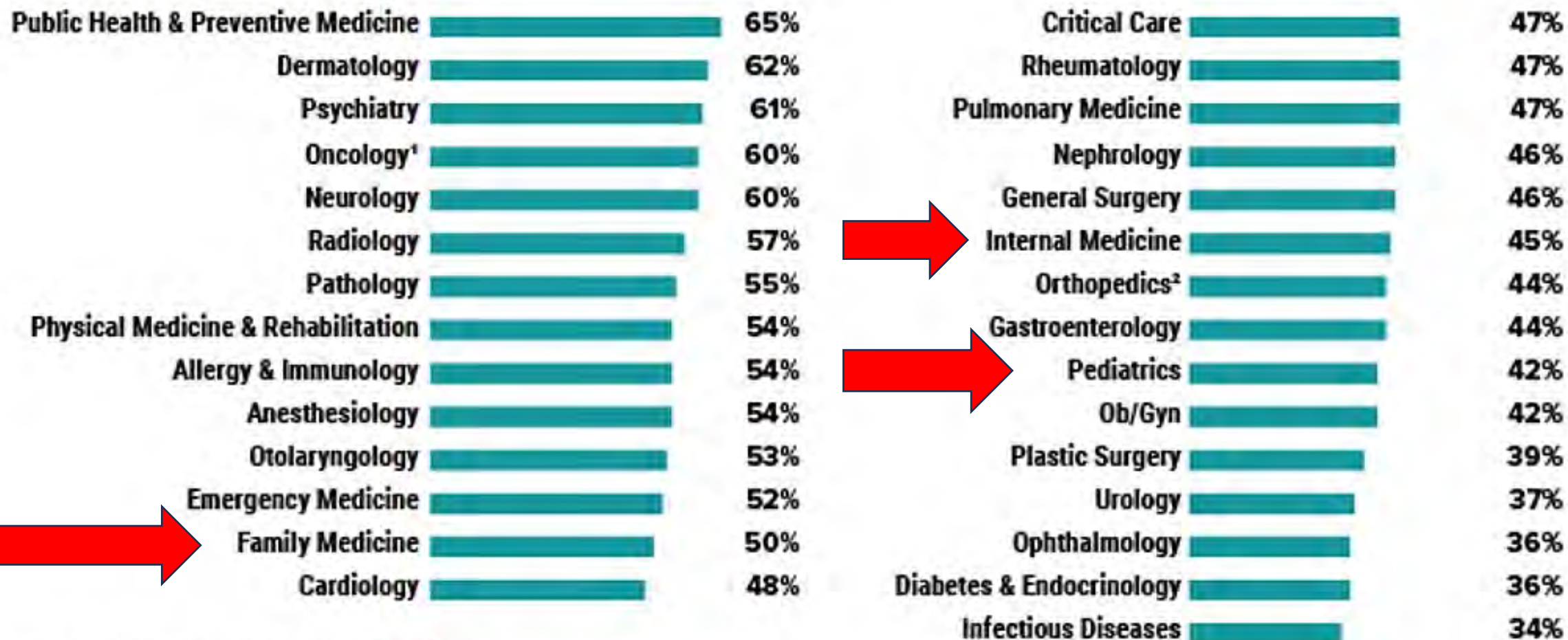


1. Includes Orthopedics and Orthopedic Surgery

2. Includes Hematology and Oncology



Which Specialists Feel Happiest About Their Compensation?



1. Includes Hematology and Oncology

2. Includes Orthopedics and Orthopedic Surgery

Percentages show how many physicians said they are fairly paid.





2025 Federal Budget Reconciliation Bill – Medicaid

- No increased FMAP for expansion for states that haven't expanded
- Add work requirements for adults 19-64 yrs, also allows for other qualifying activities
- Work requirements exempted for parents of dependent children under 13 years old
- Eligibility redetermination every 6 months for expansion adults
- Reduces state directed payments to inpatient hosp by 10% each year until Medicaid rates= Medicare rates
- Reduces retroactive coverage to two months prior to application
- Limits federal match for Emergency Medicaid for immigrants
- Rural health transformation program

2025 Federal Budget Reconciliation Bill – Medicaid

- Increased patient cost sharing up to \$35 for some expansion adults (excludes FQHCs, BH Clinics, rural health clinics)
- No payments to Planned Parenthood and similar organizations
- No new provider taxes except nursing and intermediate care facilities

Provider tax example:

- Hospital pays \$10M in provider taxes
- State gives hospitals a Medicaid raise of \$20M in rates
- Assume federal government match (FMAP) of 60%, then federal government gives state 60% of \$20M = \$12M
- Hospital nets \$10M (\$20M - \$10M)
- State nets \$2M (\$10M from hospital+\$12M from FMAP = \$22M, then \$22M-\$20M to hospital = \$2M)





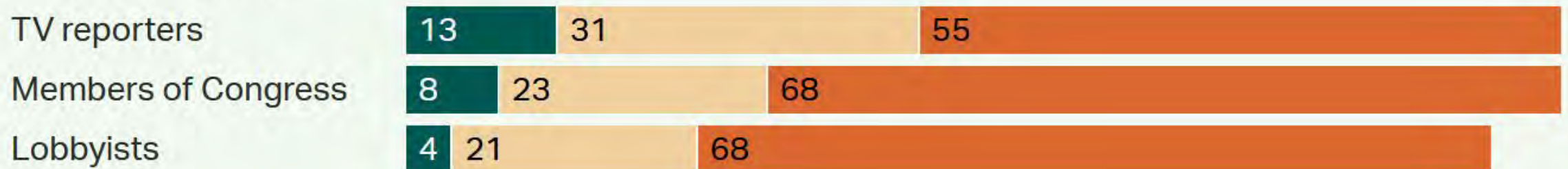
2025 Gallup Poll Honesty and Ethics of Profession

■ % High/Very high ■ % Average ■ % Low/Very low

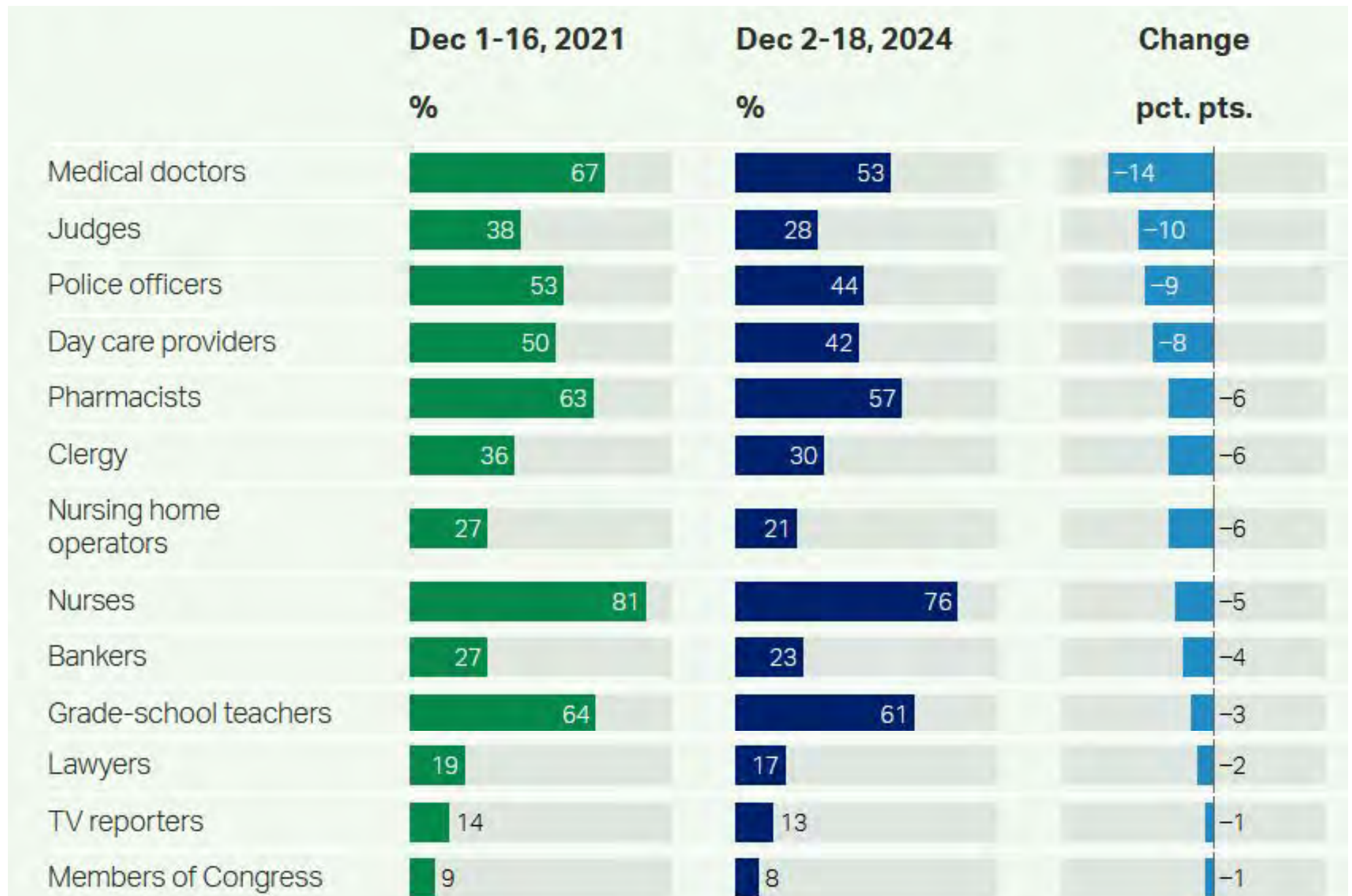
Majority positive



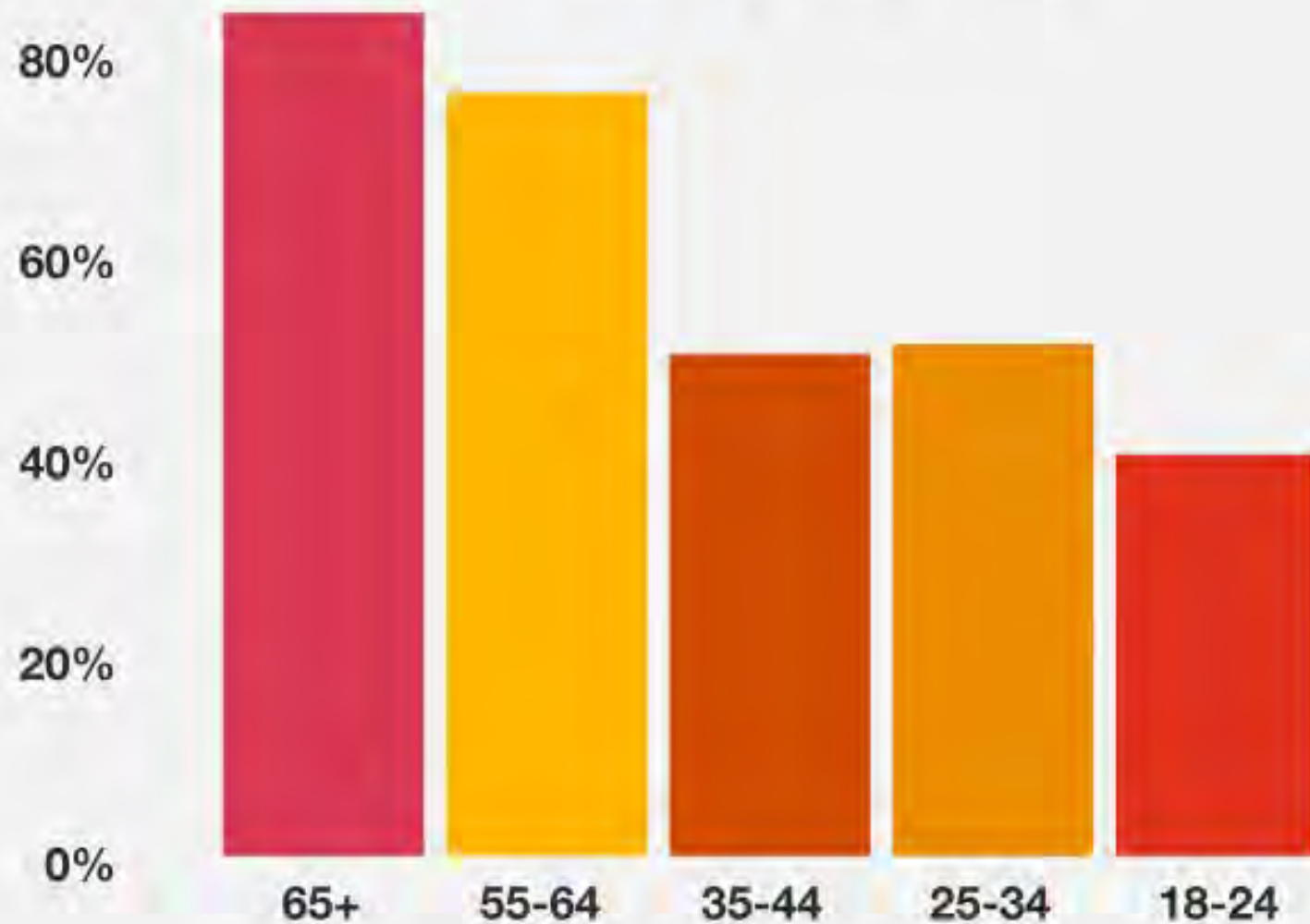
Majority negative



Excerpt
from
Gallup Poll
% Rating
Honesty
and Ethics
As Very
High or
High



Trust in doctors varies by age group



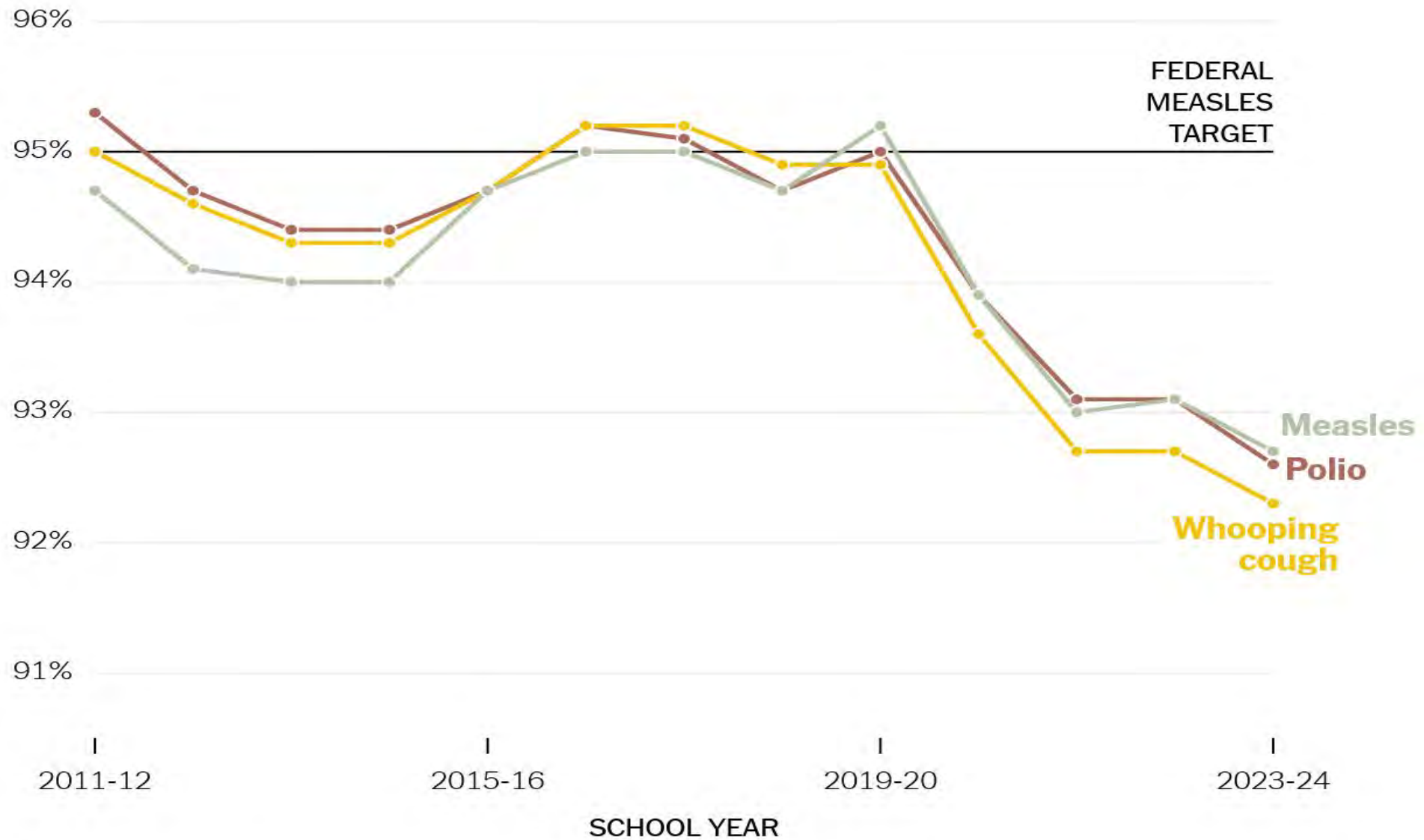
Q: And of these sources of information, which do you trust the most for healthcare information and guidance? Base: Those who seek information on their health and wellbeing = 1,910

Source: PwC's 2024 US Healthcare Consumer Insights Survey

The Vaccination Gap

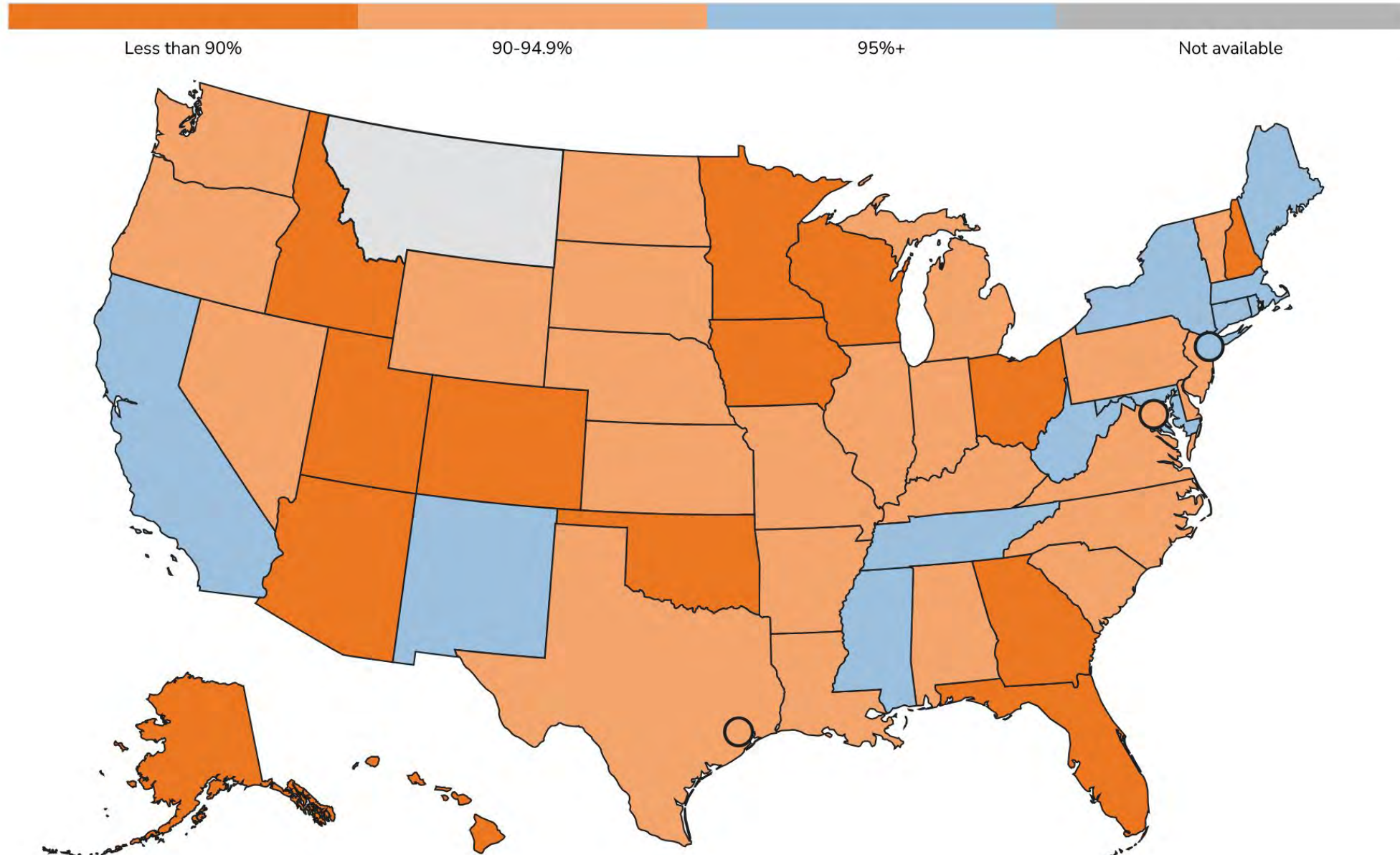


Share of U.S. kindergartners vaccinated against ...



Source: Centers for Disease Control and Prevention

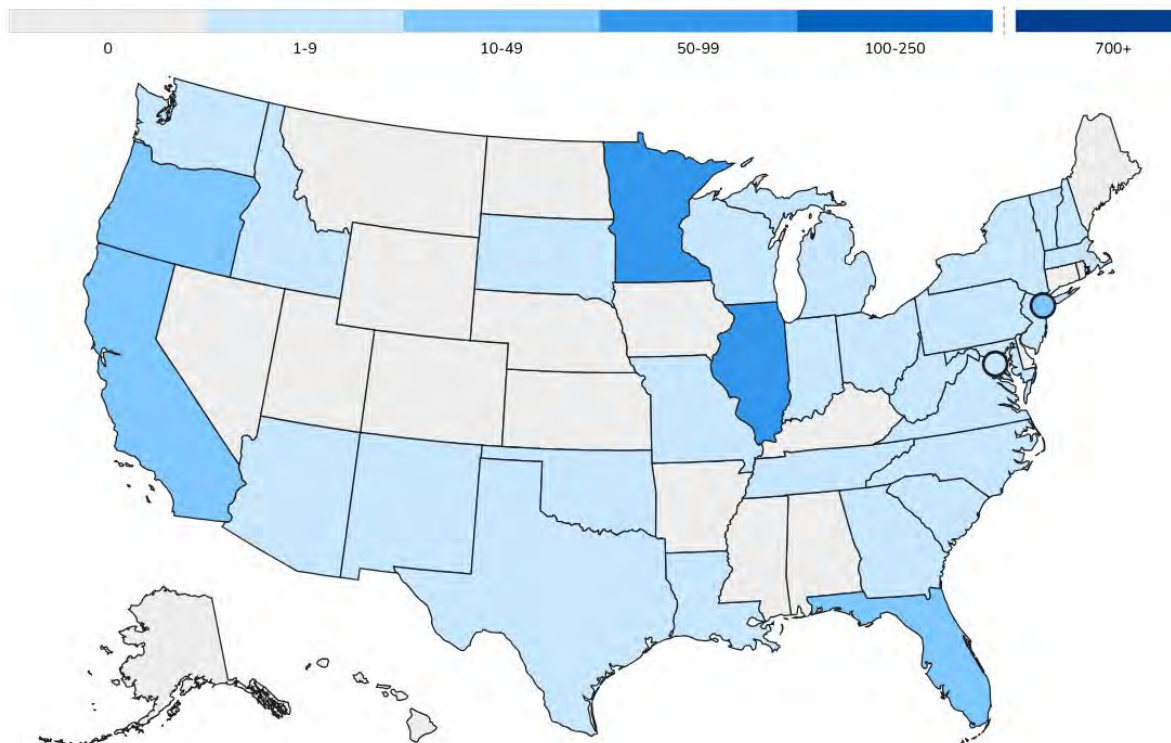
% Vaccinated for Measles in 2023-2024



Measles Outbreaks

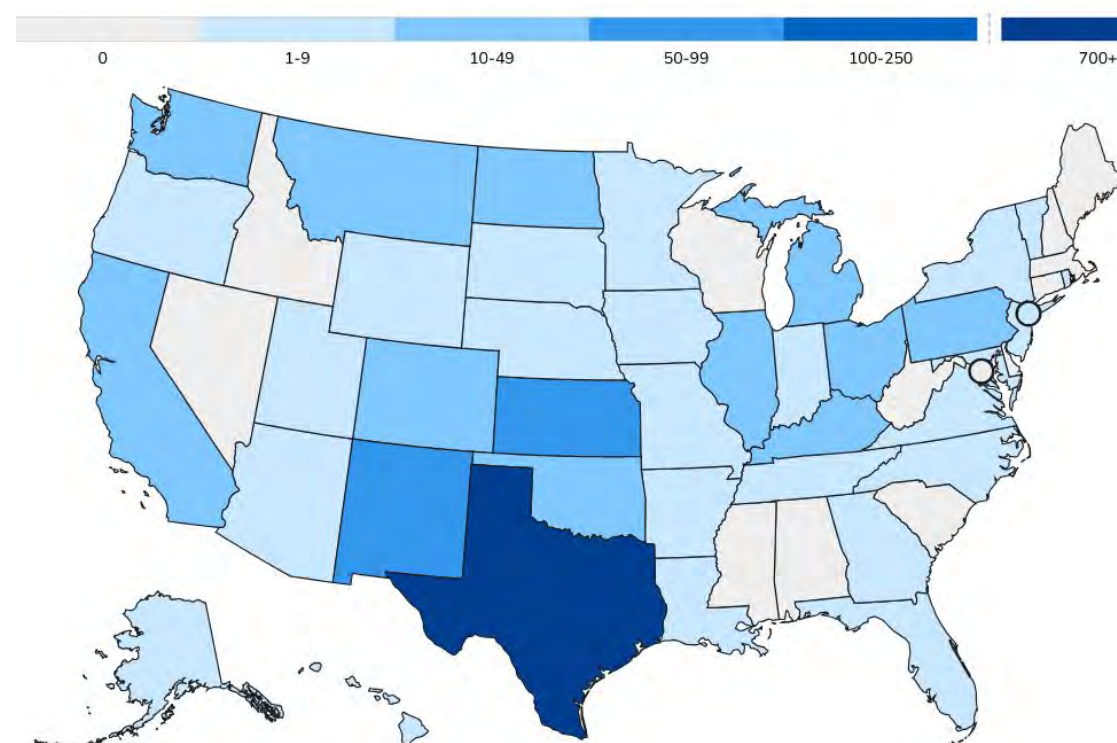
All of 2024 (285

~~~~~\



As of July 8, 2025 (1,288

confirmed\





# Economic Impact of Low Vaccination Rates

- Study shows that payers will spend \$3 to provide care for every \$1 not spent on vaccination
- 2018-2019 NY Measles outbreak response cost was \$8.4 million (taxpayer funds)
- Extra workflow needed to contain the spread of disease
- Impact on value-based care programs
- Missed work and school days
- Long term impact of preventable diseases



A young man with dark hair, wearing a grey hoodie, is sitting down with his head buried in his hands. He has a somber and distressed expression, looking down and to the side. The background is a soft, out-of-focus grey. The text "Addressing Mental Health" is overlaid in white, sans-serif font across the middle of the image.

# Addressing Mental Health

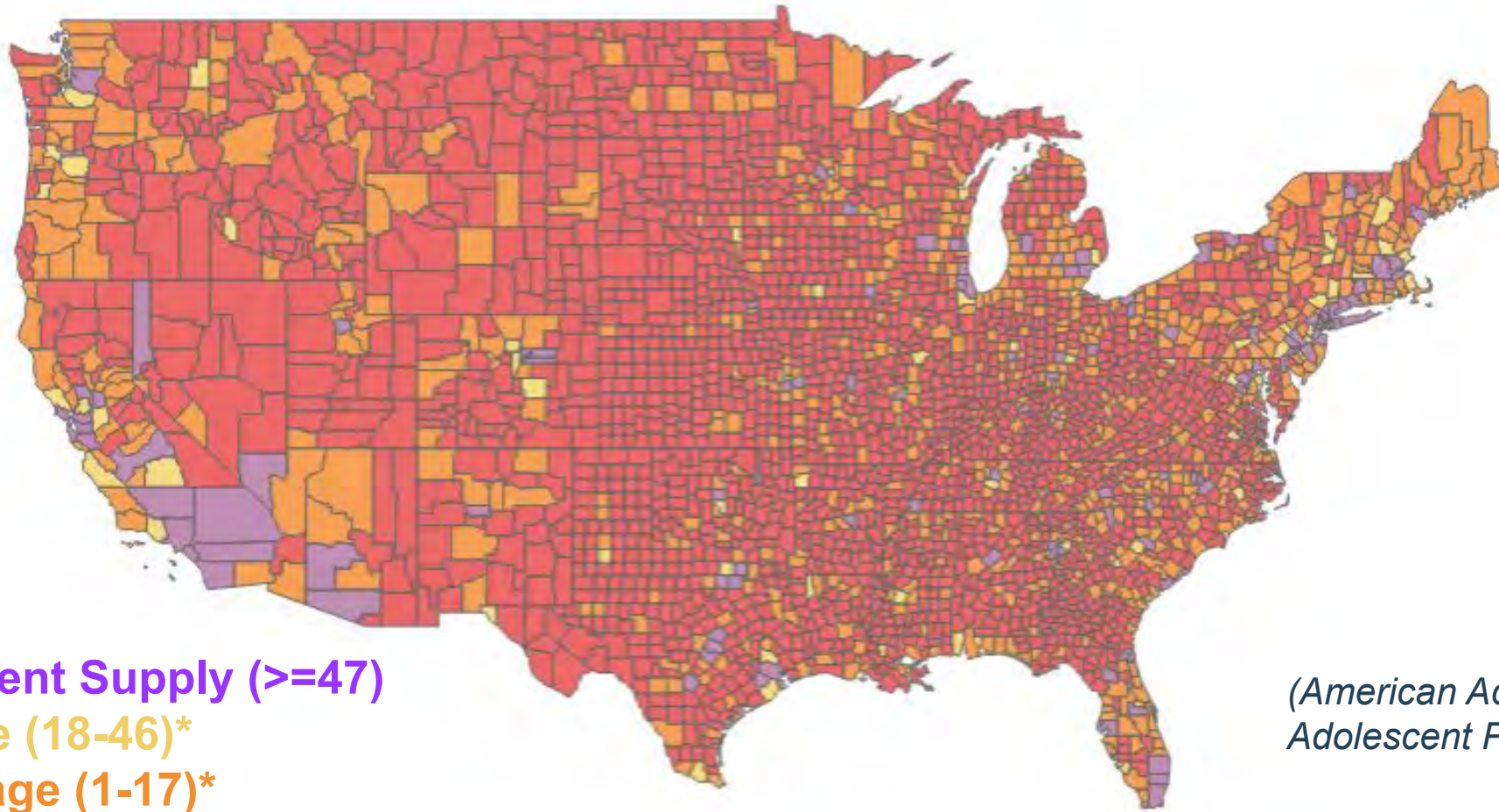


# Mental Health Demand

- Rising behavioral health needs
- Pediatricians are needing to address mental health every day like never before
- Systemic duct tape fixes are not enough to make a sustainable change for our patients and our practices



# Child & Adolescent Psychiatrist Workforce Across the United States



*(American Academy of Child and Adolescent Psychiatry, 2024)*

**Mostly Sufficient Supply ( $\geq 47$ )**

**High Shortage (18-46)\***

**Severe Shortage (1-17)\***

**No CAPs**





**Up to 95% of youth ages  
13–17 report using a  
social media platform,  
with more than a third  
saying they use social  
media “almost constantly.”**



# Algorithms and Designs - Keeping Our Attention

- **Fear of missing out (FOMO)** – Endless Scroll, showing you what others are doing, notifications of new posts
- **Social proof** – Showing you which friends are using app, number of Likes by others, reviews, celebrity endorsements, trending
- **Reciprocity** – Likes by you, following other users, retweeting, reviewing products
- **Urgency** – “Only 24 hrs to left to enter this discount on stickers!”
- **Gamification** – Rewards for completing tasks or reaching certain milestones







## Children under 8 yrs old spend about 2 ½ hrs a day on screens

- Nearly 1 in 3 kids use AI for learning
- 40% of children have their own tablet by age 2
- Nearly 1 in 4 kids have their own cell phone by age 8
- 48% of under 8 year olds watch TikTok, YouTube Shorts, or Instagram Reel

FIGURE J. Reading, by age, 2017 to 2024

Percentage of children who read or are read to daily





## Parents are concerned but also see benefit

~80% of parents of 0-8 yr olds are somewhat concerned that their child is **spending too much time** with screen media and impact on attention spans

75% concerned about screen media's **impact on mental health**

75% somewhat enthusiastic about how their children can **learn new things** from screen media

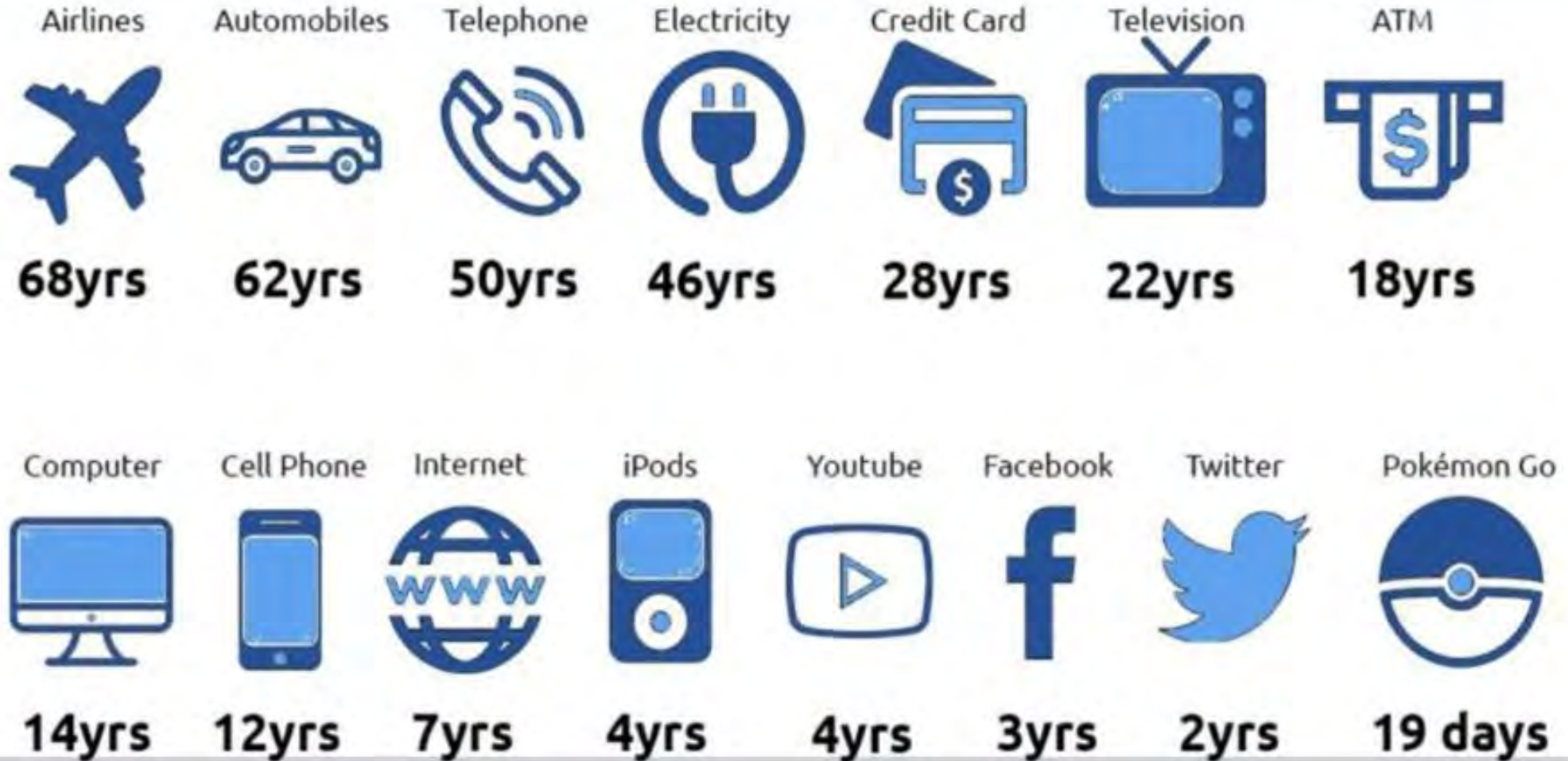
72% somewhat enthusiastic about **witness positive depictions** in media







# NUMBER OF YEARS IT TOOK FOR EACH PRODUCT TO GAIN 50 MILLION USERS:



# 73%

of executives say they'll use GenAI to make changes to their company's business model

Source: PwC's Pulse Survey, June 11, 2024



# 1 in 5

consumers is ready to use GenAI as a doctor's assistant



# 80%

of 18-34 year olds are willing to use GenAI for routine healthcare activities

# 60%

of consumers 55+ are willing to use GenAI for routine healthcare activities



# What Is Resilience?

1. Adaptability
2. Sustainability
3. Mission

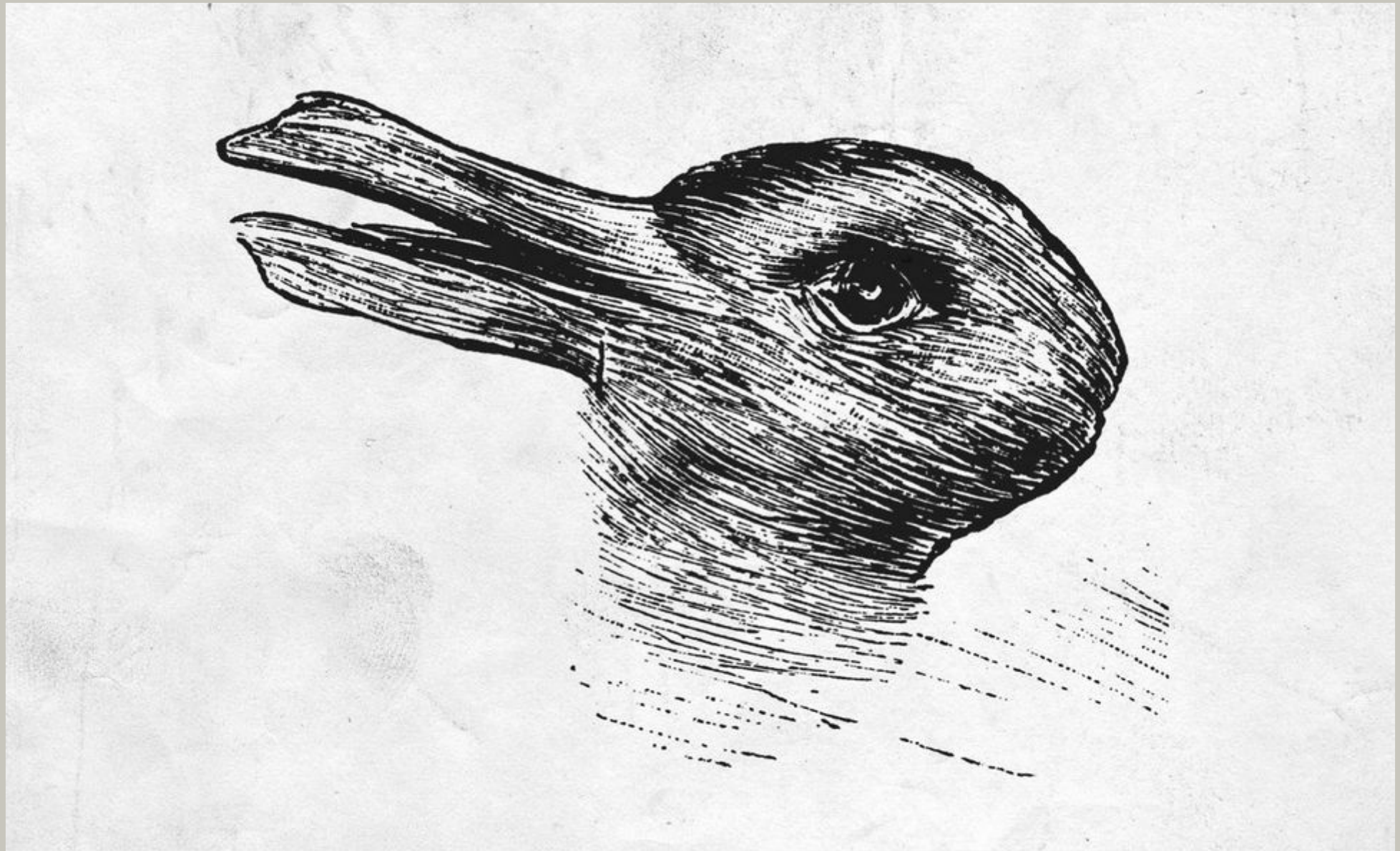




**What Can You Do  
As A Leader To  
Build Resilience?**







**Strategy #1:  
Build a Strong  
Culture**









# Chaos As A Symptom

- Growth outpacing structure
- Wearing multiple hats
- Overlapping roles
- Fire-fighting

## Upsides

- **Passion for the mission**
- **Flexibility**
- **Innovation**

## Downsides

- **Burnout, resentment,**
- **Turnover**





# Cohesion As A Goal

- Shared purpose
- Clarity in roles and communication
- Mutual trust and respect
- Does not mean control or micromanagement

**Cohesion = Connection!**







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**“Culture eats  
strategy for  
breakfast.”**

**- Peter Drucker**

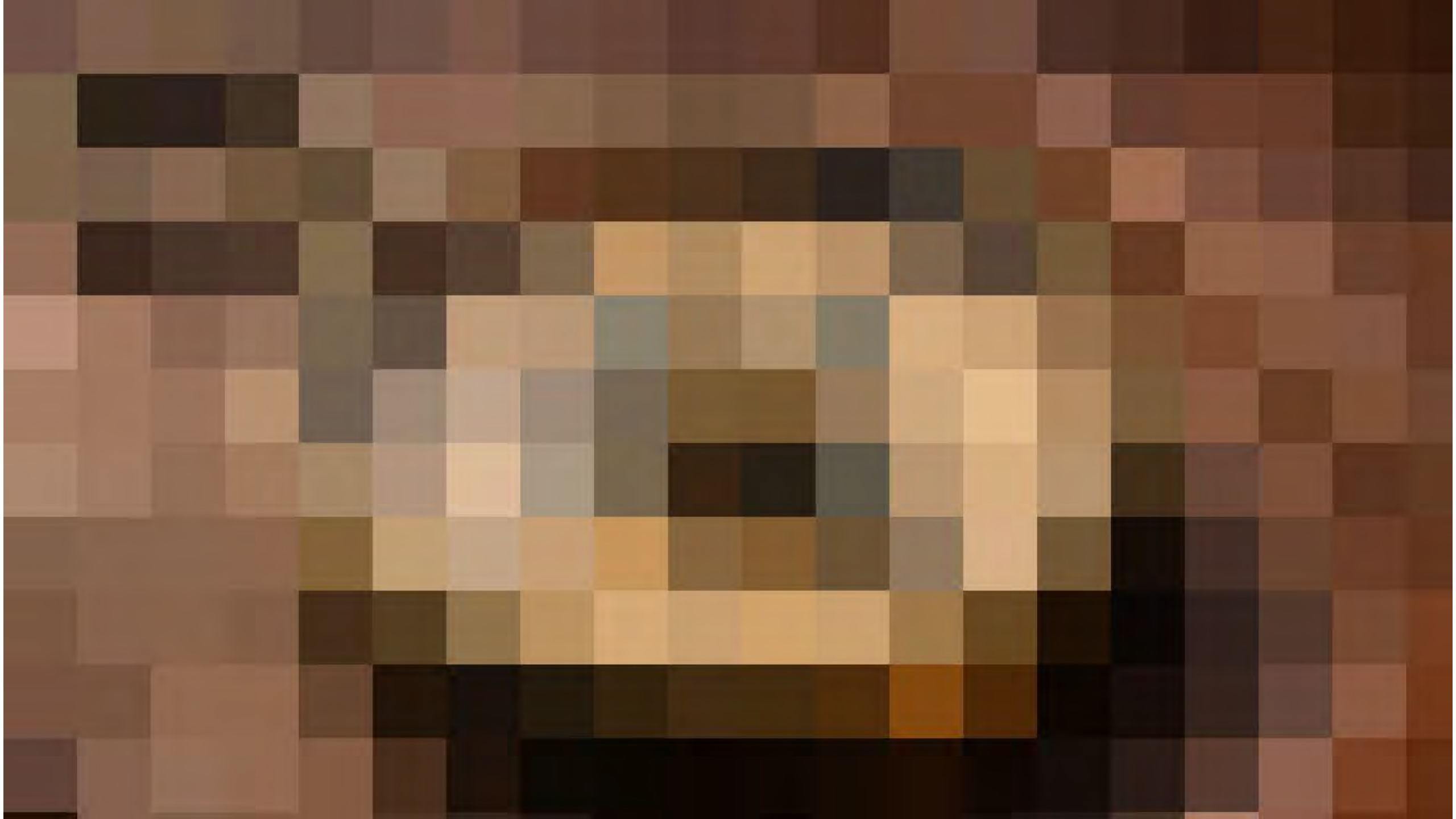


# What is Culture?

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- Shared set of beliefs, values, customs, and ways of life for a group of individuals
- Impacted by external, internal, historical forces
- Filtered through leadership
- Manifests in:  
Policies/Procedures, Trust, Performance, Productivity, Outcomes







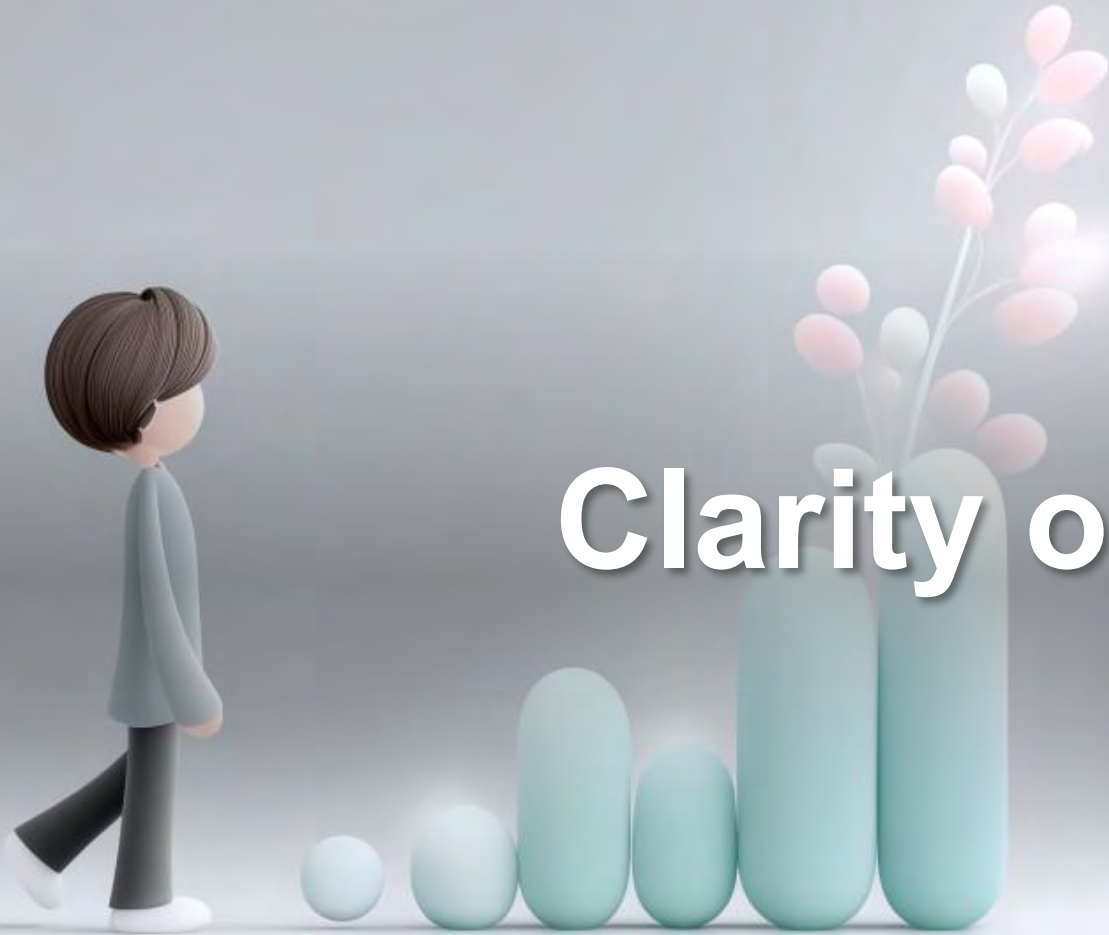


# Why Do We Behave the Way We Do?

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- Perception based on the available information
  - Informed by our experience and our lives
  - All behavior has a basis
  - In the absence of understanding the reason behind a decision, we will make one up
  - Worse source of insight is leadership
- 
- Changing **behavior** means changing **process** which then leads to changing **culture**

# Clarity of Purpose



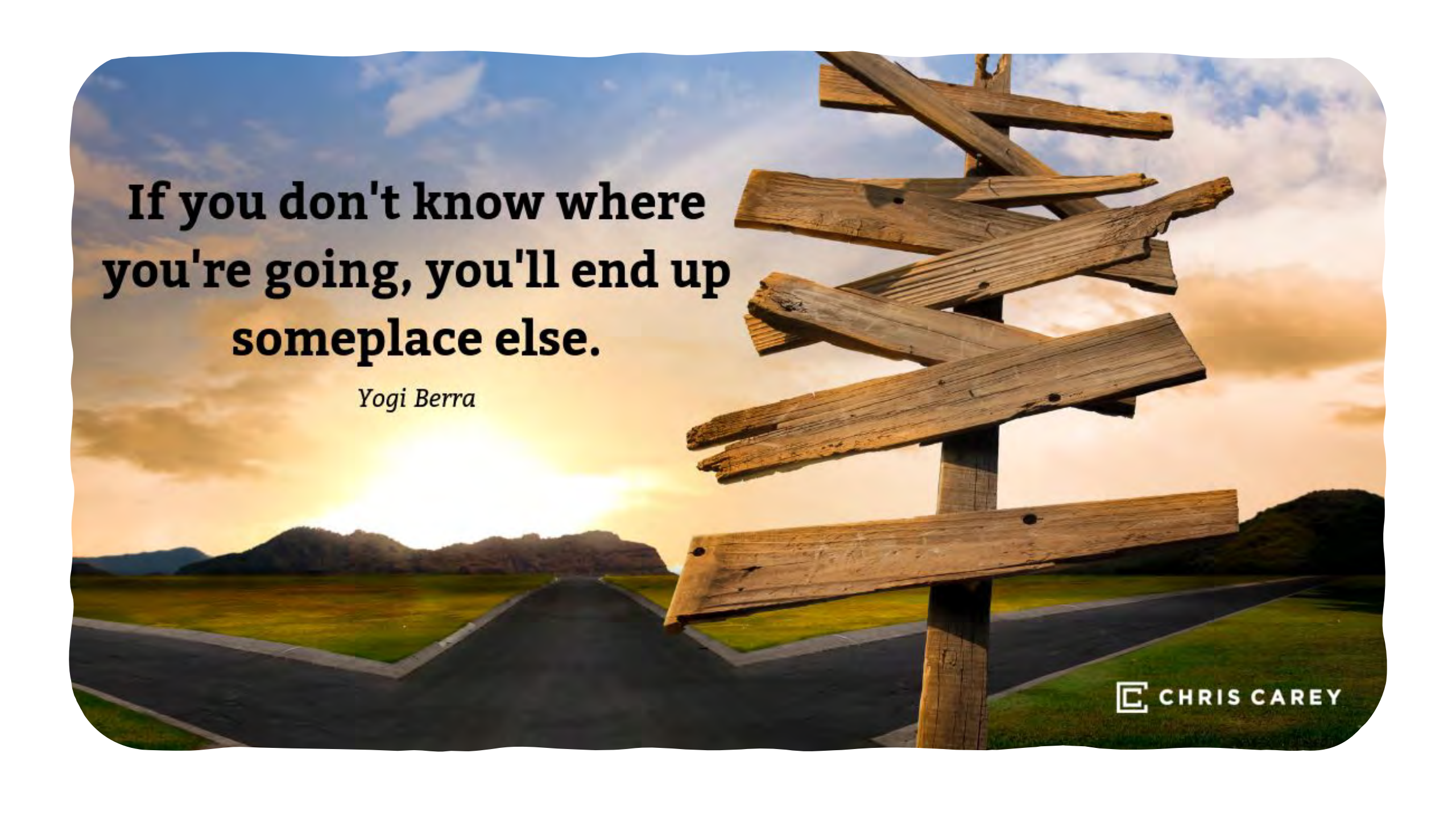






**Where is this going?  
Confusion...**





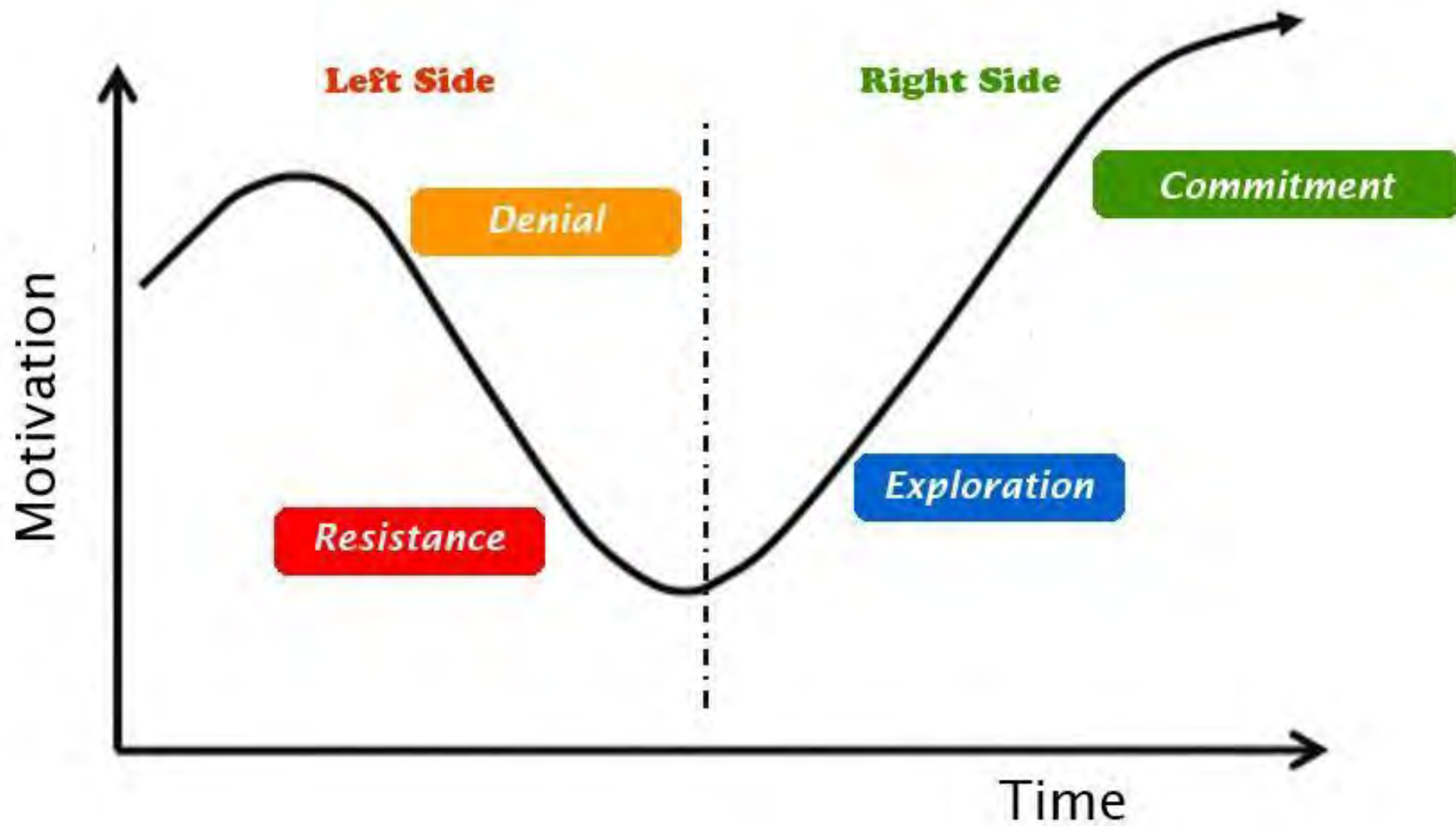
**If you don't know where  
you're going, you'll end up  
someplace else.**

*Yogi Berra*

# Cross Your Arms the “Other” Way











# Strategy #2: Prioritize What Matters Most



- Not all inbox messages deserve your attention
- Focus energy on care, people, and long-term impact
- No. (It's a complete sentence.)



***“You can do anything, but not everything.”***

***– David Allen***

- **Overwhelm is common** when everything feels urgent.
- **Prioritization creates clarity** and focus.
- Helps you spend time on **what truly moves the needle**.



# Focus on What Matters Most

## The Eisenhower Decision Matrix

- **Start with your goals** – What outcome are you aiming for?
- Use tools:
- **Eisenhower Matrix** (Urgent vs. Important)
- **Pareto Principle** (80/20 rule)
- **Must-Should-Could** triage
- Say “no” more often to protect your “yes.”

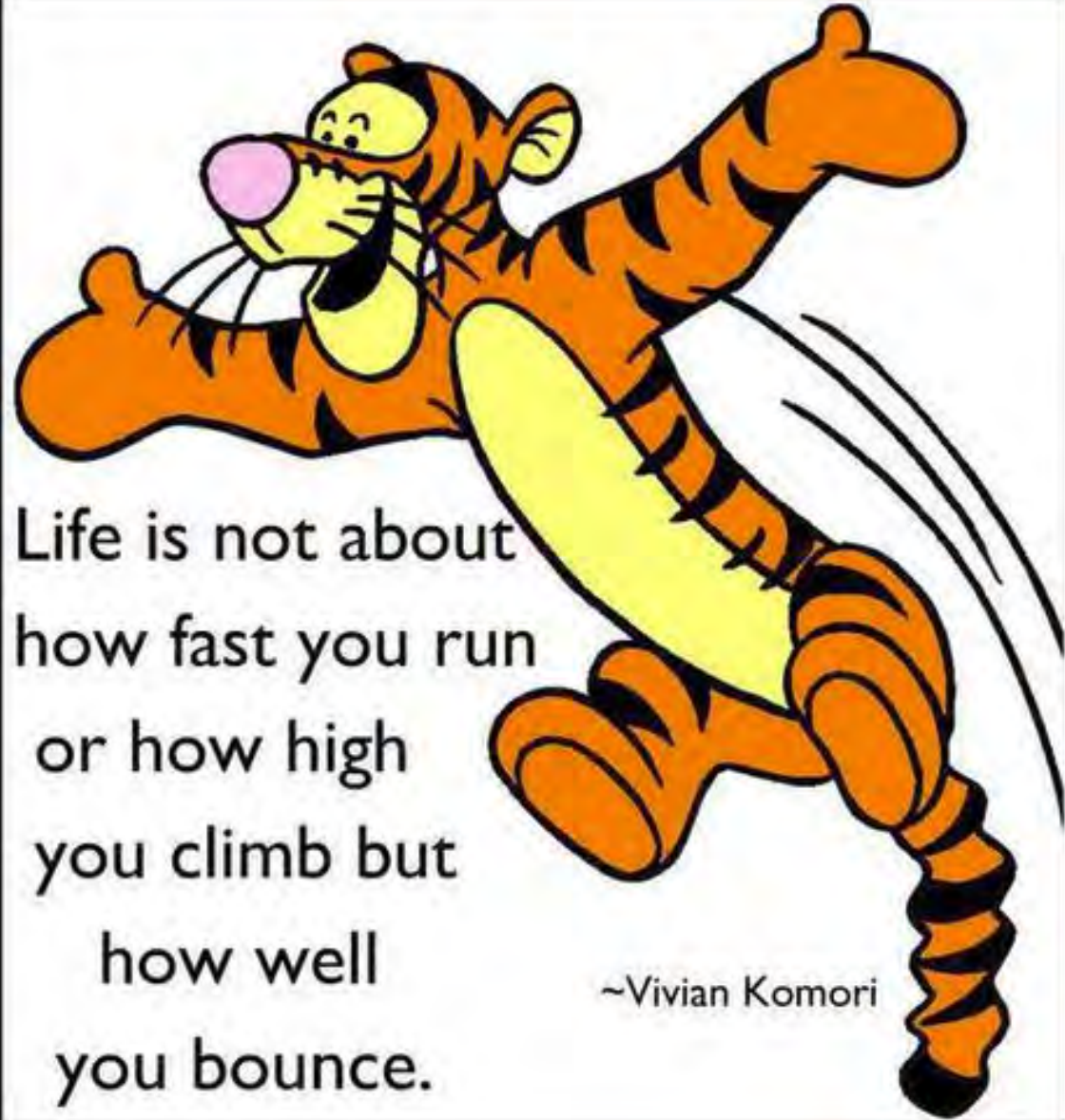


# Strategy #3: Build System Flexibility

- **Cross-training** = less chaos when people are out
- **Implement Flexible Scheduling** – staggered shifts, part-time, extended hours
- **Leverage Tech For Asynchronous Work** – patient portals, secure messaging, telehealth
- **Standardize Core Processes with Room for Customizing** – templates for common tasks with build-in options for clinical judgment







Life is not about  
how fast you run  
or how high  
you climb but  
how well  
you bounce.

~Vivian Komori

# Goals of An Organization





**JUST TOLD MY KIDS**

**I'M OLDER THAN**

**GOOGLE. THEY THINK**

**I'M JOKING**

# Succession Planning and Workforce Shortages

Ensure long-term practice stability with a clear leadership transition plan and staffing pipeline





## Strategy #4: Use Tech to Save Time (Not Waste It)

- Automate routine tasks (labs, reminders, forms)
- Train staff to handle portal triage
- Use EHR hacks like templates, macros, AI where it helps

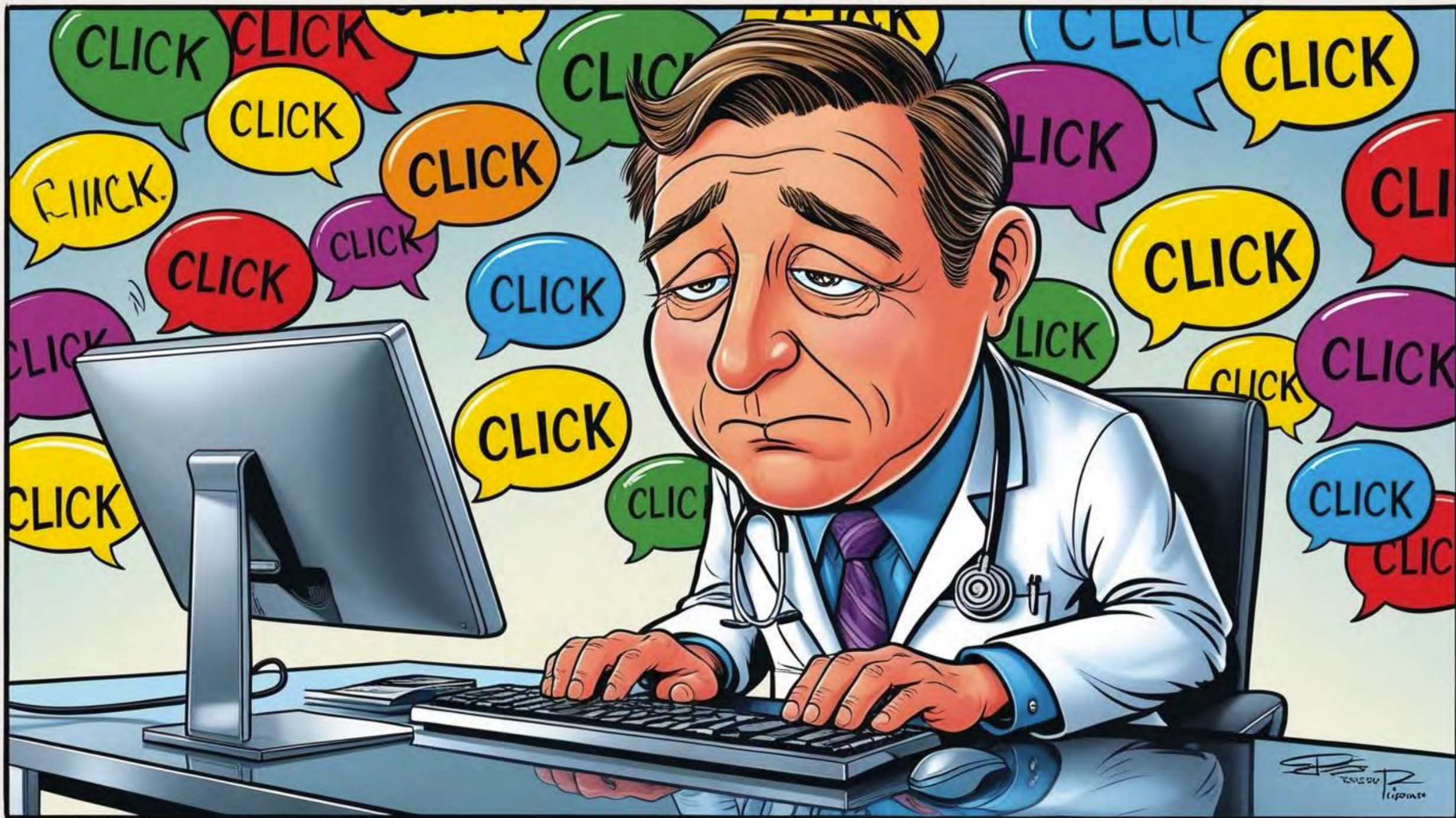


Copyright 2004 by Randy Glasbergen.  
[www.glasbergen.com](http://www.glasbergen.com)



**“I want you to find a bold and innovative way to do everything exactly the same way it’s been done for 25 years.”**







# Technology Continues to Advance

- AI Scribes
- Virtual Receptionists
- Texting Reminders
- Patient Intake Software
- Automated Reminders
- Electronic Payments/Statements

## Return on Investment

- ✓ Staff Time
- ✓ Staff Salary
- ✓ Reduced Rework
- ✓ Less Burnout





**WHAT I IF TOLD  
YOU**

**YOU READ THE TOP  
LINE WRONG**

# Understanding AI Insights for Your Practice

- AI provides valuable feedback on patient perceptions.
- Monitor online reputation to identify strengths and weaknesses.
- Utilize patient feedback to enhance your service offerings.
- Respond proactively to reviews to build trust.
- Leverage AI suggestions for better patient engagement.





# What Does AI Say About Your Practice?

Take a moment and ask your AI what patients are saying about your practice

Try prompt that a parent might put in a search.

“Who is the best pediatrician in \_\_\_\_\_?”

“Tell me if \_\_\_\_\_practice is any good?”

“I want to find the best doctor for my newborn who takes \_\_\_\_insurance.”

Take note of who is listed and see if you can figure out why? Chances are there is something on their website or their reviews that elevate them to the AI.

We are still learning how to train the AI to answer the way that works.

**Individual pediatrician** reviews seem to be important.



# Strategy #5: Financial Diversification and Partnerships

- Add services that align with mission
  - - Behavioral health
  - - Care management
- Real estate ownership
- Capitation
- Grants or partnerships
- Shared staffing models
- Reduce expenses with aggregated purchasing groups
- New locations





# Adopt Population Health Based Care

Shifting part of your  
revenue to models  
that do not rely on  
visit volumes





# Pediatrics and VBC

- Fee-for-service is slowly giving way to value-based care
- It often feels like a scavenger hunt with vague rules
- Pediatricians must advocate for models that reflect our reality





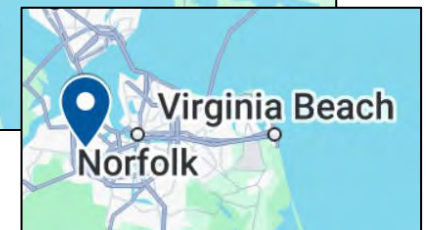
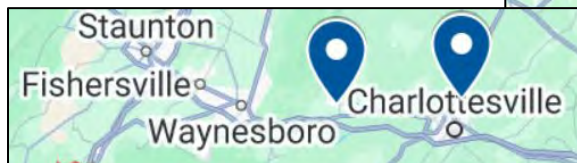
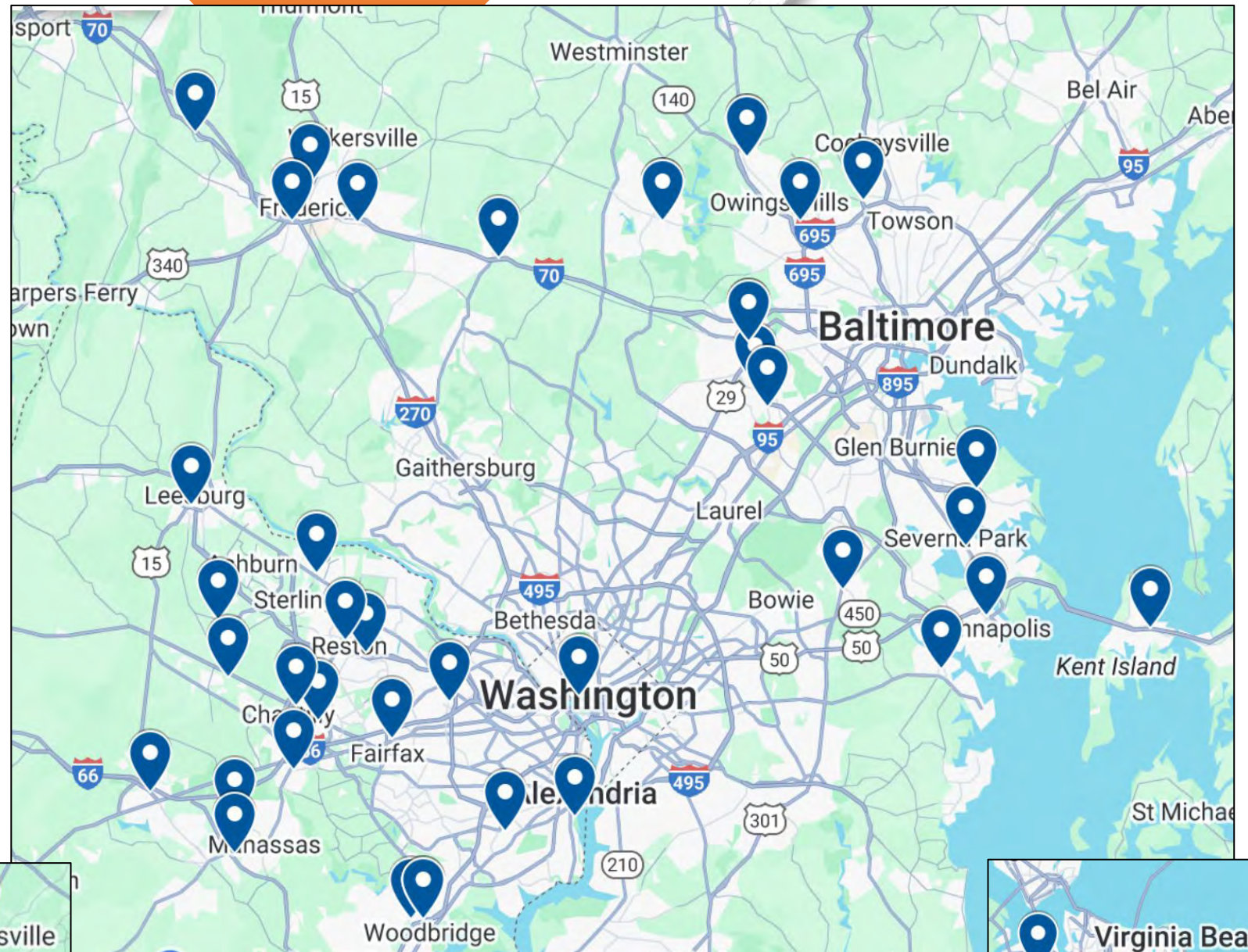


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**When the  
winds of  
change blow,  
some people  
build walls and  
others build  
windmills.**

**– *Chinese proverb***







# learning to walk







# Where to Start?



- A few individuals need to champion the project and be willing to commit to the time needed to form the entity
- Practice champions need to agree on common functions across the supergroup and the legal structure desired.
- Significant attorney time to get the agreements completed and then fully executed. Lawyers for the entity to start it up, for each practice, and potentially each owner. Accountants need to be involved as corporate structures with tax implications are decided.

# What Services Could Be Shared?



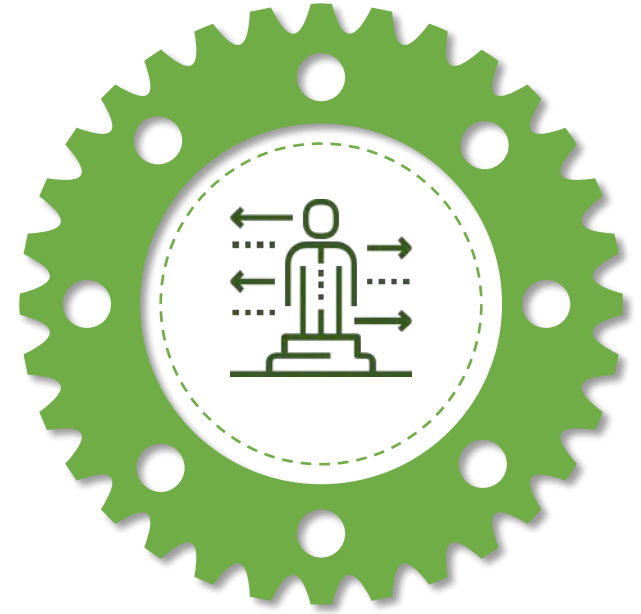
## FINANCE

Central banking, accounting, and financial reporting for the revenues and shared expenses



## BILLING

A single Tax ID means that insurance companies process your claims as a single entity



## HUMAN RESOURCES

All staff and clinicians are employed by a single entity in order to be fully integrated. Other models have physicians as independent contractors.



**Everything  
does not  
need to  
look like a  
nail**

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A photograph showing a dark-colored car partially submerged in a body of water. The car is tilted, with its front end lower than the back. A small, light-colored motorboat with a person on board is positioned in the upper left background. The water is dark blue with some ripples. The text "Expect the unexpected" is overlaid in white, bold font across the lower half of the image.

**Expect the unexpected**



# The Value of Time

- ONE YEAR. ask a student who failed a grade
- ONE MONTH, ask a mother who has given birth to a premature baby
- ONE WEEK, ask the editor of a weekly newspaper
- ONE HOUR, ask the loved ones who are waiting to meet
- ONE MINUTE, ask a person who just missed a train
- ONE SECOND, ask someone who narrowly avoided an accident





# With 6.8 years of life...

## How would you spend it?

Average lifespan = 76 years (100 years – 24 years = **76 years**

**remaining)**

Average age in this room = 38 years (76 years – 38 years = **38 years**

**remaining)**

Sundays and Saturdays is 104 days every year =  $(52+52)*38 = 3,952$  days = 10.8 years (**27.2 years**

**remaining)**

Seven holidays is 7 days every year =  $7*38 = 266$  days = 0.7 years ( **26.5 years**

**remaining)**

Three weeks of PTO every year =  $3*38 = 114$  days = 2.2 years ( **24.3 years**

**remaining)**

Sleeping is a third of our day =  $24/3 = 8$  hours = 12.7 years ( **11.6 years**

**remaining)**

Eating and commuting is around 3 hours per day = 4.8 yrs ( **6.8 years**

**remaining)**

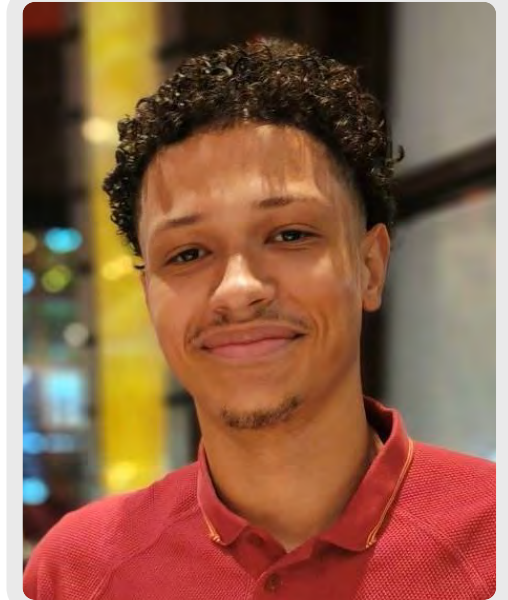




“I had no idea how much impact you could have in pediatrics. I was impressed by the work! It’s amazing to meet people working in healthcare leadership.”

Building the future healthcare workforce by giving college students opportunities to volunteer in meaningful activities helping children and families.

**[www.trustedcarefoundation.org](http://www.trustedcarefoundation.org)**



“Thanks to Trusted Care Foundation for letting me experience how rewarding it is to work with kids in pediatric practice.”



# Thank You!

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