



Too Big to Fail—Urgent Care Lessons from Toyota

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In his book *How the Mighty Fall: And Why Some Companies Never Give In*, Jim Collins discusses the five markers or stages of decline and how a company can identify these stages and reverse itself even after large-scale defeats along the way. (Or, as Bluto (John Belushi) said in *Animal House*, “Was it over when the Germans bombed Pearl Harbor?”)

Applying those stages to the rough patch of road Toyota has been riding brings into focus a cautionary tale with applications to many other industries—including urgent care.

Stage 1: Hubris Born of Success

Arrogance or hubris kicks in when leaders believe that they are entitled to their success because they are so (fill in the adjective) smart/hardworking/innovative/disciplined, etc.

Toyota had enjoyed a 20-plus year history as *the* quality automotive leader. Essentially, they were wedded to their own success story. The company realized too late that its vehicles had serious safety issues because their collective ego, built upon 20 years of success, could not accept that they, too, suffered from engineering missteps.

The most successful businesspeople I know remain both humble and irrationally afraid that their success is only due to luck or some other fortuitous circumstances that were somehow out of their control. They continue to devote their energies towards constant improvement and always believe their competitors are on their heels.

Take-home point: As Frank Leahy, the venerable Notre Dame football coach once said, “Egotism is the anesthetic that dulls the pain of stupidity.”

Stage 2: Undisciplined Pursuit of ‘More’

Undisciplined means that business leaders are delving into

new unexplored areas or are pursuing areas outside of their core values without adequately assessing their risks.

If you believe that you can accomplish anything given your past success, this headlong race to the unknown is the logical next step. This has also been called growth for growth’s sake, or overreaching.

Until about five years ago, Toyota spread its best engineers out all over the world in its new plants or design studios to mentor young engineers. That stopped when they dramatically increased their production capacity and did not have enough of their seasoned engineers to go around. Despite the fact they had large cash reserves, they did not have the necessary fuel (human capital) to grow their infrastructure.

Take-home point: Your growth cannot outpace your talent.

Stage 3: Denial of Risk and Peril

Discounting data which portend bad results is the hallmark of stage 3. Leaders fall back on their egos and explain away bad results as temporary or cyclical, never looking at the root-cause of the issue. At the same time, leaders put a positive spin on neutral data and over emphasize good data.

In the case of Toyota, executives admitted that they had purposely underplayed the disparate reports of unexplained acceleration.

Think of it this way: If you are a fighter pilot flying an airplane, you consciously make some decisions and take some risks which will subject your plane to some hits. However, if you take a risk that can, if it fails, blow your wing off, you will want to take a hard look at whether the risk outweighs the benefit.

As Pappy Boyington, leader of the Black Sheep Squadron said, “The air battle is not necessarily won at the time of the battle. The winner may have been determined by the amount of time, energy, thought and training an individual has previously accomplished in an effort to increase his ability as a fighter pilot.”

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this arrangement, you would code the CPT code with modifier –TC (technical component) to be reimbursed for the actual shooting of the film. ■

Q. Is it appropriate to use special after-hours coding (99051), if the appointment was scheduled prior to the date of service?

– Question submitted by Annette Richardson, Mayo Hospital, ME

A. This coding method may fit into the strict definition of the code, but it does not seem to fit the intent of the rules. Payors that reimburse this for this code typically intend to reimburse urgent care centers for the additional expense of offering an alternative to the ED on evenings, weekends, and holidays. Payors are not generally intending to reimburse a practice simply for scheduling convenient hours for simple physician office visits.

You could check with each payor, but as a general rule I would discourage this practice, as abuses such as these tend to result in blanket changes of payor policies that end up being applied to practices that do code as intended by the payor for these codes. ■

Q. We offer pain management services, and we have started drug testing all patients upon their visit to our clinic. We are trying to bill Medicare for an E/M and a drug screen, using code G0431. The explanation for the denial is that the provider is not certified or eligible to be paid from this service. We have a CLIA number attached to the claim.

– Question submitted by Tammy Scott

A. This question illustrates how complicated coding can be and how cryptic explanations of denial can be. The code G0431 became effective on January 1, 2010. Until April 1, 2010, however, CMS has instructed providers with a CLIA certificate of waiver to report CPT 80101QW. All other laboratory providers must report G0431. You may need to re-bill any claims for service dates between January 1 and March 31, 2010. ■

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Or as Warren Buffet says, “It is only when the tide goes out that you learn who has been swimming naked.” Around now, Toyota President Akio Toyoda is looking for his suit.

Stage 4: Grasping for Salvation

By the time the decline is finally recognized, leaders typically respond one of two ways. When a leader ties their hopes and the company’s fortune on a radical transformation, a new product, an untested strategy, or some other sweeping game-changer, they have stepped into Stage 4.

Conversely, when they return to their core values and culture, when they make deliberate, thoughtful choices only then can they start back on the road to recovery.

To Toyota’s credit, much of their public statements have focused on repairing their brand and returning to their quality roots. Toyota, like many other companies facing huge challenges (Xerox, HP, etc.), has experienced many months of a downward spiral. Making a rapid course reversal will not happen overnight, and will only come about with a deliberate, focused strategy.

Stage 5: Rolling Over and Dying

Everyone knows someone who, when the going gets tough, simply “folds up the tent.” In stage 5, after repeated “silver-bullet” failures and false starts, the company’s finances and *esprit de corps* are so marginalized that the management team gives up hope and simply settles for surviving or dying.

The point of their struggle should not be to simply survive, but to persevere and regain their leadership position. This requires leaders who keep the faith and never, despite every setback, give up.

One of my favorite quotes on this subject is from Calvin Coolidge, who said, “Nothing in this world can take the place of persistence. Talent will not; nothing is more common than unsuccessful people with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent. The slogan ‘press on’ has solved and always will solve the problems of the human race.”

I suspect that Toyota will not be grasping for salvation; nor will they roll over and die. It is more likely that they will return to their roots, redesign their production system, take their lumps from the various members of Congress, and regain their dominance.

Great companies are not made or lost overnight. Thankfully, the warning signs which portend collapse are, according to Jim Collins, fairly consistent and are reversible if the business’s leaders remain focused on their core values and dedicated to persevering. ■