

**FOR IMMEDIATE RELEASE****Media Contact**

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## **Thomas Group Healthcare Survey Shows Direct Relationship Between Hospital-Physician Alignment, Revenue Growth and Cost Savings**

**IRVING, TEXAS — October 29, 2009**—Thomas Group, Inc. (NasdaqGM:TGIS), a global consulting firm, announced today the results of its Thomas Group Reports' survey, *Hospital-Physician Alignment: A Model for Success*, which demonstrates the positive financial impacts of alignment. According to the Thomas Group Healthcare Practice, which designed and fielded the survey, when close alignment exists between physicians and healthcare leaders at an institution, they share a common understanding of mission and vision, an agreement on key goals and objectives, a consensus on critical priorities, an adaptive culture, and a willingness to focus energy on these priorities.

The study concluded that a direct relationship exists between a hospital's alignment score, and its reported revenue growth and cost savings. The survey also showed that the most important alignment indicator leading to revenue growth is physician involvement in strategic decision making. The highest possible alignment score was 40 points, and scores ranged from 13 to 38 with a mean of 26 and a standard deviation of five. The survey also noted that every change of one point in the alignment score corresponds to a positive change of 0.8% revenue growth.

"While most hospitals have yet to achieve broad alignment across their physician base, the advent of healthcare reform along with significant reimbursement changes on the horizon speak to the compelling need for healthcare organizations to improve their alignment scores, said Eric Labe, Healthcare Practice Leader"

The survey was structured into the following areas:

- Alignment Assessment – An "alignment assessment" gauged how each participating hospital or health system scored in eight indicators of alignment based on size.
- Financial Impact – The "financial impact" segment showed the direct relationship between alignment, revenue growth and savings
- Focus Areas – The "focus areas" section covered the most commonly employed strategies being used by institutions in pursuing enhanced physician alignment.

Other top findings include:

- Hospitals and health networks with above average alignment claimed 13% positive impact on annual revenue growth year over year.
- Sixty percent of respondents felt their physicians were not sufficiently aligned with the institution regarding clinical quality.
- The top three priorities for hospitals and health systems as focus areas for improved alignment are: clinical quality, utilization management and service line excellence.
- The most common strategy used to enhance alignment with physicians is the use of employment arrangements (82%).
- The establishment of clinical institutes is the highest correlated strategy element to both positive alignment and revenue growth.
- The most common compensation method for alignment is establishing medical directorships (74%).

**NOTE:** For more information or to request a copy of the report summary, please email [health@thomasgroup.com](mailto:health@thomasgroup.com)

Thomas Group's Healthcare and Life Sciences practice delivers high-performance solutions for organizations across the healthcare value chain. In the face of public policy reform and a rapidly evolving competitive landscape, Thomas Group enables healthcare organizations of all types to transform their business and operating models to grow more effectively by delivering improved quality of care, more cost efficiently, with increased satisfaction to all participants in the process. Whether you are a healthcare provider, health plan, manufacturer, employer or coalition, Thomas Group's innovative solutions will help you deal more effectively with the uncertainties of today's healthcare environment. For more information on Thomas Group's Hospital-Physician Alignment Solution click [here](#).

#### **About Thomas Group**

Thomas Group, Inc. (NasdaqGM: TGIS) is an operations management consulting firm that creates value for clients by delivering results, using experienced professionals and proven methods, to produce superior operational and financial performance. Thomas Group's unique brand of process improvement and performance management services enable businesses to enhance operations, improve productivity and quality, reduce costs, generate cash and drive higher profitability. Known for Breakthrough Process Performance, Thomas Group creates and implements customized improvement strategies for sustained performance improvements in all facets of the enterprise in both industry and government. In industry it focuses on Aerospace and Defense, Automotive, Consumer and Retail Products, Distribution, Financial Services, Healthcare and Life Sciences, Manufacturing, Private Equity Owned Companies, Technology, and Transportation and Logistics. Thomas Group has offices in Dallas and Detroit. For more information, please visit [www.thomasgroup.com](http://www.thomasgroup.com).

#### **Safe Harbor Statement under the Private Securities Litigation Reform Act**

Any statements in this release that are not strictly historical statements, including statements about our beliefs and expectations, are "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements, including general economic and business conditions that may impact clients and the Company's revenues, timing and awarding of customer contracts, revenue recognition, competition and cost factors as well as other factors detailed from time to time in the Company's filings with the Securities and Exchange Commission, including the Company's Form 10-K for the year ended December 31, 2008. These forward-looking statements may be identified by words such as "anticipate," "expect," "suggests," "plan," "believe," "intend," "estimates," "targets," "projects," "could," "should," "may," "would," "continue," "forecast," and other similar expressions. These forward-looking statements speak only as of the date of this release. Except as required by law, the Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.