



Newsletter — Winter Edition-

MSO Provides PT Practices with a Method to Measure Value and Increase Market Strength

Management service organization (MSO) is now providing independent-based physical therapy practices with a sound method to measure value and increase market strength. Over the past several years, we have all seen consolidations occurring in a vast array of industries. Now, it is affecting the healthcare industry. We have all witnessed hospital mergers, care systems transforming into integrated systems, clinic integrations with multiple specialties, and the rise of accountable care organizations (ACOs). It is important to avoid being in a position where your physical therapy practice is left behind because it is not becoming part of the larger types of delivery care systems.

Most of us do not want to relinquish the control that we have over our practices; however, we have the ability to now create a very large organization that has the ability to deliver largely in size in terms of service and maintain that control through management service organization. By utilizing a MSO, your practice will be merging with other practices in order to work under one main administrative-based service. Management service organizations offer many advantages to independent physical therapy services. These include, but, are not at all limited to, the following:

- *The MSO organizes all physical therapy practices under one main tax identification number or "TIN".*
- *The economic-based costs of all of the combined practices are drastically reduced.*
- *The tactical-based services such as billing technology and electronic-based medical records are outsourced to reduce expense and time consumption.*
- *All administrative costs are significantly reduced, along with the time it takes to complete each of the tasks.*
- *Physical therapy practices may focus on the activities that will optimize patient care.*

Steps may be taken by the practices to develop their brand and grow their practice, overall There are many methods that may be utilized by independent physical therapists in order to enhance the success of a MSO. These methods are as follows:

1. *The leaders of such practices must easily adapt to and welcome change. They should ensure that they are prepared to deliver value in a transitioning healthcare field.*
2. *All of the owners should be willing to view the other practices as their partners.*

Issue #3

WHAT'S IN THE NEWS

Our News:

- Value and Strength (page 1)
- Show Me the Data! (page 2)
- 10 Health Care trends (page 3&4)
- Keep an Eye out for (page 4)
- ACH Form Attached

Happy New Year 2016

Have you heard?

Our website has a members only section where you are able to sign in and catch up on what you might have missed.

Coming soon: video answering questions about the MSO.

Town hall meetings about MSO.



TRIVIA& FUN FACTS

Trivia:

For every pound of fat gained how many miles of blood vessels does your body make?



Winter Fun Facts:

Denver's record high for snow in January happened in 1883 when 19.1 inches of snow fell.

Trivia answer: 7

3. *All physical therapy practices should be willing to share the direction of the MSO that is being established.*
4. *It is important that all physical therapy practices are willing to collaborate with others underneath the same MSO.*
5. *All must understand that approximately 75% of the decisions will be made by their own practice, and 25% of the decisions will be based on the needs and the various opportunities associated with the MSO in which they are a part*



Show Me the Data!

What is the effectiveness of measuring outcomes?

"A fairly hot debate on the effectiveness of using outcomes to drive evidence-based practice exists. I have heard arguments from opponents and proponents, and they both have some valid points. I have even had the opportunity to participate in case reviews with a national health insurance provider to see what happens on the "dark side" when reviewing a

therapist did not provide enough information to the person paying the bill to warrant payment. This leaves you scratching your head because you thought you documented everything and you clearly identified that the patient made great functional progress and was close to reaching recovery.

We are all good therapists, and we all get patients better, right? Our patients tell us that we are good, they like us, and they keep coming back. Is that not enough? This sort of thinking is not understood by nonphysical therapists. They want and need a simple number backed by evidence that has been validated by research and shows functional improvement. Almost every contract negotiation, payment, or care discussion that I have been involved in over the past 5 years, I am met with the same response: *Show me the data!* Having the data to back up our claims of being great clinicians has proven invaluable. Here is an example of one success that I have had using outcomes in progressing my practice." [-Read full article here-](#)

case for decisions related to payment and continued care. That experience working with the health plan was extremely valuable in helping me understand why physical therapy continues to be a target of continued regulation, documentation burdens, and decreased payment. Their smoking gun: They were able to extrapolate your outcomes data. That is right, they are looking at each and every one of your charges and visits per patient. It really was an "ah-ha" moment.

Most incidences of denial of payment or denial for continued visits are due to "insufficient documentation." Your patient gets a letter in the mail stating that the

By Dan Fleury

10 Emerging Health Care trends from 2016

Bedless hospitals. Mega hospital and insurer mergers. A growing consumer appetite for virtual health interactions.

Those are among PwC's predictions for top healthcare industry trends for the New Year in a report released today.

"2016 will be a year of firsts for players within healthcare as the industry adapts to the main forces driving the new health economy: The rise of consumerism, the focus on value, downward pressure on costs, technological innovation and the impact of new entrants," PwC said in an announcement.

The upcoming year will also be marked by how well the healthcare industry handles greater demand with rising costs and trends like industry consolidation, according to Kelly Barnes, PwC's US health industries leader. "It will be businesses that prioritize addressing consumer needs and increasing value that should succeed," Barnes said.

The report identifies the following 10 forces that will have the most impact in 2016:

Merger mania: PwC said the industry will see more high-profile mergers and acquisitions in 2016 as regulators debate how consolidation impacts consumers. Consolidation creates larger health systems and insurers, so branding is critical. The report notes that well-known healthcare systems may have a market advantage; Americans are willing to drive further for care from a well-known system. However, consumers are not willing to pay more for care from top-ranked hospitals.

Escalating drug prices: The industry will search for a fair drug pricing formula in the upcoming year, according to the report. Prices have reached a "boiling point," and the way to reach some sort of agreement will require collaboration among

insurers, patients and new value-assessment groups.

Biosimilar drugs: One way to combat skyrocketing prices will be biosimilar drugs, according to the report. These drugs are near substitutes for original brand drugs and could bring significant price discounts.

Cybersecurity concerns: Even "best in field" hospitals will struggle to attract patients if they are hacked, PwC said, citing research from its Health Research Institute's 2015 consumer survey. Consumers are especially concerned about the vulnerability of connected medical devices to security breaches and cyberattacks. And recent hacks of organizations, including insurance companies like Anthem, show that organizations that are unprepared to deal with breaches can face lawsuits, lost revenue and harm to their reputations, the report states.

Technology gives more power to consumers: Adoption of health-related smartphone apps has doubled in the last two years, from 16 percent of consumers in 2013 to 32 percent this year, according to the report. Both technology and shifts in financial incentives mean "care will begin to move into the palms of consumers' hands," PwC said.

Behavioral healthcare moves to the forefront: After years of being on the backburner, the industry will start to recognize that mental health is important to the well-being of employees and consumers, according to the report. Indeed, PwC notes that one out of five American adults experiences a mental illness every year. These conditions cost businesses more than \$440 billion each year. Healthcare organizations and employers will look at behavioral care as "key to keeping costs



down, productivity up and consumers healthy," the report said.

Care moves to community settings: Value-based payment models will prompt healthcare systems to "pursue

lower-cost settings more aggressively than before while employing creative approaches to distributing care." This may mean eliminating inpatient care and creating more bedless hospitals and virtual care centers where clinicians oversee patients from a variety of locations. Such changes in care delivery will be "fueled by alternative payment models, technological advances and powerful new database tools," according to the report.

Consumers become "money managers." Higher deductibles and co-insurance mean consumers will

need help managing health spending. And this will require the industry to create new tools and

services, such as payment plans and pricing information, to help consumers pay for services.

"The upcoming year will also be marked by how well the healthcare industry handles greater demand with rising costs and trends "

High-tech databases: New database tools and the

resulting deep data analysis of information on health consumers will provide valuable insights necessary to improve patient care and consumer health, according to the report.

Cost of care: Healthcare systems seeking value-based care will "dig in to calculate the true cost of services," in the process finding ways to improve efficiency as well as care.

-By Julie Bird

Heads Up



UPDATED CLINIC ROSTERS

Welcoming in the New Year with new people? We would love to hear from you. Send us a roster with all the people currently at your clinic, and dates of those who may have recently left. Or even ask to see what we have for your roster and we will send you what we have.

Keep an eye out for: Town Hall meetings regarding MSO, (time and dates pending).

Emails regarding updated liability insurance as well as current W-9's.





I hereby authorize CPTN to automatically withdraw \$115.00 monthly for my annual membership dues per clinic. Withdrawals will commence on the thirteenth of each month starting January 2016 from the account noted below.

Clinic Name: _____

Clinic Owner Name: _____

Account number: _____

Routing number: _____

Type of Account: CHECKING SAVINGS:

I would like to sign up for the ACH withdrawal using the account above, I have attached a VOIDED check for this account
Please fill out this form on line, print the form and attach a voided check so we can confirm that we have the correct information

Signature of bank account owner/date

OR

I would like to sign up for Quarterly payments in the amount \$460.00
This amount is due in the month of Jan, April, July.

Clinic Name: _____

Clinic Owner Name: _____

I would like my invoices emailed to me.
Please type the email below to so we can confirm we have the correct information _____

I would like my invoices mailed to the Clinic.
Please type the mailing address below so we can confirm we have the correct information. _____

PLEASE RETURN THIS FORM TO CPTN
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