

THE INDEPENDENT PHYSICIAN COLLABORATION MODEL:

Charting an Alternative Course to Meet the Demands of Value-based Healthcare





For independent physician groups, the pressure to consolidate continues to intensify as payment models evolve and increasing levels of financial and operational risk shift to the practice level.

Merging with larger organizations, seeking hospital employment or being absorbed by a national specialty firm are seen by many as the only means of accessing the critical technological and strategic capabilities needed to survive and prosper in today's turbulent environment.

Yet these options overlook an alternative path, one that combines the freedom and flexibility of independent practice with the depth of resources a large organization can provide. Known as the Collaboration model, this approach allows practices to continue reaping the benefits of autonomy while meeting essential integration and technological objectives.

Integrated Medical Partners (IMP) has pioneered the Collaboration model and demonstrated its viability with independent and hospital-based physician groups nationwide. At its core, the

approach couples cognitive computing and advanced analytics with ongoing expertise and support to optimize financial, operational and clinical performance.

At the same time, Collaboration creates regional alliances within and between specialties that allow practices to respond more effectively to the needs of local hospital partners and the patient populations they serve. Finally, the approach gives groups the ability to select outsourced backend services – from revenue cycle management and medical malpractice coverage to payroll and human resources management – to better optimize revenues and reduce costs.

Taken together, these capabilities generate the power and flexibility groups need to remain relevant as independent organizations. And because the Collaboration model preserves physician autonomy and earning potential, it represents an inherently superior alternative to the range of merger and consolidation options currently in vogue.

CREATING A FRAMEWORK

The Collaboration approach begins with the creation of a new management services organization (MSO). Along with fulfilling the primary objective of providing a vehicle to deliver advanced analytics, the MSO also serves as a framework for unifying the strategic interests of related practices in a specific service area.

Aligning allied groups accomplishes two foundational goals: It allows the costs of the analytics to be spread across multiple organizations, and it creates a single mechanism for delivering the benefits the analytics and enhanced cooperation can produce. Collaborations function best when the participating practices share mutual strategic interests and offer complementary capabilities and service offerings. Guided by IMP, the alliance can then work to coordinate services in a manner that responds to, and anticipates, both health system expectations and patient population needs.

The MSO framework, for example, allows independent practices to communicate with

the health system in a single voice when addressing issues like common protocols across treatments or modalities, systematic access to strategic subspecialties, patient safety initiatives and physician ordering and patient communication systems.

As IMP works to illuminate and implement shared strategic initiatives, it also partners with individual organizations to identify opportunities for expense rationalization, better care coordination and financial improvement at the practice level.

THE POWER OF ANALYTICS

A successful transition to value-based care is predicated on the ability to understand clinical, financial and operational data in ways that support quality outcomes and efficient, coordinated operations. From determining appropriate payment bundling to measuring the quality of care, the ability to convert data into actionable insight has become indispensable.

IMP's model is constructed to deliver these competencies to small and medium-sized groups that otherwise could not afford this level of



advanced processing power. To that end, IMP has assembled a portfolio of big-data, cognitive computing programs that can generate information from both structured data, like billing information, and unstructured data, like clinical notes. These programs include specialty-specific applications targeting issues unique to an explicit discipline, as well as universal systems that zero in on broad operational, clinical and financial issues.

This ability to harness data is fundamental to achieving sustained practice improvements across a variety of areas, including:

- **Revenue optimization:** A range of measures can be tracked to identify financial trends. These metrics include, but are not limited to, total case count, total units billed per year, units per FTE physician, specialty specific cost per episode of care and revenues per procedure. By carefully analyzing this information, trends become observable. This visibility, in turn, creates opportunities for either course corrections or renewed clinical and operational emphasis.
- **Quality reporting:** Quality reporting is a cornerstone of value-based care. Using IMP applications, practices can readily meet myriad payer reporting requirements and better achieve compliance with quality thresholds, whether mandated by commercial payers or by the Centers for Medicare & Medicaid Services (CMS) through the Merit-based Incentive Payment System (MIPS) component of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA).
- **Care optimization:** Analytics provide multiple opportunities to strengthen the quality and continuity of care, from ensuring appropriate follow-up by clinicians and patients to illuminating treatment pathways and protocols. For instance, assimilating known disease characteristics with a specific patient's history, health status and lifestyle can help improve diagnoses, treatment plans and patient outcomes. In addition, machine learning can be used to improve the accuracy of x-ray reads and help eliminate false positive diagnoses.
- **Operational efficiency:** A detailed analysis of patient or case throughput creates the basis for optimized staffing and improved productivity. Individual provider performance can be measured to determine high performers and outliers. This information can then be utilized to develop appropriate compensation models. Similarly, identifying volume peaks and valleys helps ensure rational staffing levels. Specialty-specific analytics likewise offer new avenues for performance improvement.
- **Patient satisfaction:** Data can be tracked in real time to reveal detailed patient satisfaction trends, which are increasingly relevant for both the practice and its hospital or health system partner. As higher deductibles and co-pays shift a greater portion of medical spend and decision-making to patients, bolstering performance transparency and satisfaction have never been more important.
- **Regulatory compliance and reimbursement:** CMS' Merit-based Incentive Payment System (MIPS) and Advanced Alternative Payment Models (AAPM) will fundamentally alter the way providers are reimbursed for Medicare patient services. Going forward, clinicians will be either rewarded or penalized based on their performance in the areas of cost reduction, advancing care information, practice improvements and quality. Analytics consequently will be paramount to ensure sustained performance and optimal reimbursement.
- **Benchmarking:** Measuring a practice against peer organizations, both regionally and nationally, is highly beneficial to support continual process improvement. Comparing financial performance, operational metrics and quality outcomes helps reveal opportunities and deficiencies.

EXPERT INTERPRETATION AND GUIDANCE

The ability to collect and assess data from multiple sources is key to meeting the demands of healthcare's emerging paradigm. Yet without knowing what to look for, where it resides or what it necessarily means, the value of information is severely limited. In fact, data without understanding can quickly lead to confusion, uncertainty and even operational paralysis.

That's why IMP provides experts who work closely with both practice and collaboration leaders to help convert information into insight. Our data scientists and subject matter experts have expertise in both advanced analytics and issues specific to the specialties they serve. This knowledge and ongoing assistance helps ensure that practices continue to reap the maximum benefits from their data capabilities.

BOLSTERING THE BACKEND

In addition to assisting with the deployment and interpretation of advanced analytics, IMP is positioned to help practices in other operational

areas. Full revenue cycle management capabilities are available that allow organizations to maximize their collections. Expert coding, claims, denial management and regulatory compliance create a solid financial footing that provides peace of mind and enables physicians to concentrate on the provision of care.

Similarly, assistance with payroll services, accounting, human resources, liability insurance, medical malpractice insurance and purchasing can be accessed to further strengthen the organization financially while reducing the staff's non-clinical workload.

THE VALUE OF FREEDOM

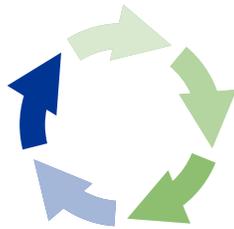
Hard-pressed by new competition, reimbursement cuts and fundamental changes in the way care is provided, many independent physicians have become convinced that consolidation represents the only viable path forward. This assumption, however, ignores the drawbacks that can accompany a loss of independence. From stagnant income and diminished call flexibility to reduced input regarding how the



practice functions and delivers care, groups too often discover that the promise of consolidation frequently isn't matched by its reality.

Fortunately, the Collaboration model offers a vibrant and sustainable alternative to consolidation. With IMP's help, practices can retain their

autonomy, maximize income and strengthen relationships with hospital and health system partners. Advanced analytics level the playing field and allow mid-sized practices to compete effectively with larger entities. What's more, the regional networks that form the foundation of the collaborative approach position groups to meet the population health and care coordination requirements at the heart of value-based care.



Amid the uncertainty and fear that often accompany periods of dramatic change, what may initially appear to represent the safest solution can overshadow a more effective, nuanced approach. That's why it is critical for independent practices seeking to remain independent and competitive to explore all options before making a long-term choice they may ultimately come to regret.

The collaboration model offers the best of both worlds: The flexibility and control of independent operations combined with the resources that aggregation can deliver. Contact IMP today to learn how your organization can thrive with the Collaboration model in the emerging, value-based world.



ABOUT INTEGRATED MEDICAL PARTNERS

Headquartered in Milwaukee, WI, Integrated Medical Partners, LLC (IMP) is an innovative technology and services organization that fuels high-performing hospital-based physician practices and related multi-specialty groups nationwide. IMP is dedicated to optimizing medical practices' efficiency, profitability and long-term success by leveraging its team of industry experts, specialty-specific solutions and best in class technology. For more information, please visit IntegratedMP.com.