

How a Management Services Organization Can Help Your Practice to Thrive



Dr. Don Reno
Executive Director, MichiCare



The Idea Behind MichiCare

- The idea for the development of MichiCare was created due to many years of road blocks in the realm of reimbursement for our services. The original board of MichiCare was comprised of former MAC board members.
- The initial goal was to create a Physician's Organization and create a relationship with Michigan insurers.
- The main emphasis of the PO was to improve patient outcomes, and essentially gain access to PGIP funds
- Ultimately the PO was not established because Physician groups across the state began to accept Chiropractors into their organizations.

- MichiCare established the AmeriProtect Insurance Program designed to provide Workers Compensation Insurance coverage for chiropractic offices
- Due to the low injury rates and the exceptional health of our chiropractors and their employees, AmeriProtect has grown into a strong program that will develop into a Chiropractic owned insurer
- MichiCare under the AmeriProtect brand is now offering coverage for other forms of risks. This includes Group Health, Individual Health and Business Owners Protection in Michigan

The Leaders Of  **MichiCare**
Adjusting the Future of Healthcare

- Dr. Daniel Spencer, Chairman
 - Dr. Randy Wilcox
 - Dr. Sara Whedon
 - Dr. Damian Palmer
 - Dr. Eric Hartman
- Dr. Christopher Dolecki
 - Dr. R. James Gregg
 - Dr. Dennis Whitford
 - Dr. Thomas Klapp

The Evolution

- The evolution of MichiCare into a Management Service Organization came about due to the rise in problems that practices encounter.
- An increase in requests for support by the MAC became a driving force
- Doctors often inquire about challenges that can be solved over the telephone by the MAC staff.
- Due to the expanding scope of rules, laws and compliance the complexity of the challenges are increasing beyond what can be solved on a phone call.
- Other professions have created MSO's and created improved profitability and assurances for their doctors.

Workers Compensation
Individual and Group Health
Business Owners Protection

ameriprotect.us



What We Are Faced With

Problems Faced By Chiropractors

- Increased financial pressures to manage challenging health care conditions
- Exponential growth of RAC firms
- Greater complexity of coding
- Lower reimbursement rates
- Healthcare reform legislation

Solutions Desired By Chiropractors

- Preserve clinical autonomy, help create an efficient practice, high quality, and patient-focused
- Improved relationships with businesses in the wellness arena
- Vendor consolidation
- Solutions to the complex challenges and practice coordination

ANALYSIS OF CHIROPRACTIC 2015

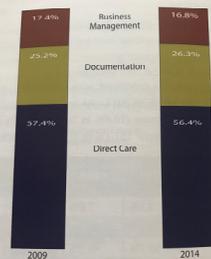


Figure 7.6 Components of Chiropractic Practice

Context

- Many vendor or privately operated insurance groups return very little of their profits to the Chiropractic Profession.
- With its structure as a for profit corporation and as a wholly owned subsidiary of the Michigan Association of Chiropractors, MichiCare operates with a membership organization mindset.
- Historically Chiropractors have been entrepreneurs at heart. The entire Palmer family has created a legacy of businesses that exist to this day.
- The MAC and its subsidiary are trusted organizations due to the mindset of its leaders.

Content

A healthcare MSO is an organization that provides non-clinical services to providers to enhance revenues, contain costs and improve quality.

- Practices - receive significant administrative assistance.
- Physicians - maintain increased level of autonomy.
- Patients - experience improved service engagements, economies of scale / cost savings

Services

- Accounting including financial statements and taxes
- Payroll services
- Outsourced paying of practice expenses and cash management
- Banking and Credit Union Services
- Credit card processing of patient payments
- Software for scheduling, credentialing and human resource services
- Compliance services
- Practice consulting (administrative and corporate wellness)
- Quality management software and systems
- Office supplies
- IT hardware, software and service (HIPPA compliant systems)
- Independent retirement plans



The goal of MichiCare is to provide a comprehensive line of superior insurance and specialty products tailored to the unique needs of the chiropractic profession, delivered at the lowest possible cost.

Turning Up Your Practice Profitability

- A Chiropractor's greatest potential for income involves being in the patient care areas of their office serving their clients and patients
- Support staff that provide services and client guidance need to be trained with a high degree of accuracy
- Do you have the availability of time to provide the training for your staff to be the exceptional?
- An increase in profitability will require that you make strategic changes in operations.



6 Steps To Creating Change

I Am Not Ready To Change

- If you are in this phase you are probably saying “I won’t” or “Can’t” because you do not think there is a problem.
- You may have tried certain business strategies and believe you cannot try them again
- No body can or should convince you to change!
- Reminder: You are here today because you are considering a change in your business

I Am Thinking About Making A Change?

- This stage means you are thinking about making a change in your practice. You may have a lingering idea that change is necessary.
- In this mindset you are weighing the benefits of change versus the effort it will take to make the change.
- When the pros out weigh the cons, you will be ready.
- Once you see (to a limited degree) the benefits of making a change, you can move onto making a plan for action.
- You are building your case of why you want to change. (possible gains: more free time, staff empowerment, greater profits and better patient outcomes.

I Am Preparing To Make A Change

- Most chiropractors/practices are in this stage.
- During this stage you examine your motivations.
- You explore what the change in process looks like.
- You will identify where you are in your practice lifetime. (Early, mid phase or late)
- Envision the desired outcome for success

Action, Changing and Creating

- You are working on building the new processes or installing behaviors incrementally
- You are refining the balance of making the change and the motivation.
- The key is to being on course as often as possible both personally and with your staff.
- The greater the mode of support you can enlist the easier the change will be. We must move along the path of change.
- Internal and external support

I Am Sustaining My New Process?

- At this stage your staff and doctors have created a new process or habit.
- There is a high degree of automaticity.
- Sustainable processes will improve with time
- You are over the hump.
- Distractions have less of an impact on staff, doctors and ultimately your patients.

Ahead, Backward, Slipping And Checking

- There will be changes and relapses that will occur.
- Someone on the team will say "The old way was better."
- Life in general will dish out challenges.
- The key is to quickly recognize the slipping and recheck your process or motivation.
- Keep in mind that motivation comes in 2 forms. (intrinsic and extrinsic).
- Course corrections are just a part of normal operations.
- No judgement, no blame, no finger pointing will change your course.

Creating Changes That Matter

The key to sustaining the results from the change in process, systems, office lay out, verbiage, scripts and anything in life starts by really understanding why you want to change.

Sometimes the thing that is holding you back...



...is all in your head.

Why Should I Consider Being In An MSO?

- A primary consideration for being in an MSO is to consolidate business and financial management services in an efficient and practical manner with the goals of functional improvement and lower costs. It will be necessary to consolidate billing and collection, accounting, payroll, financial reporting, employee benefit administration, and credentialing. There will be a significant savings achieved by this centralization and standardization.
- QuickBooks cannot solve this.

Profitability and Income

- Is income something that you want to increase?
- If yes. Why?
- Is an increase in income a cause or effect?
- Will your income increase because your client outcomes improve?
- Are you seeking an increase in patient volume?
- Will you look at services that are reimbursed by cash or HAS/Flex Spending Accounts

Return On Investment

A Chiropractor's best return on investment continues to be the adjustment.

Services

- Accounting including financial statements and taxes
- Payroll services
- Outsourced paying of practice expenses and cash management
- Banking and Credit Union Services
- Credit card processing of patient payments
- Software for scheduling, credentialing and human resource services
- Compliance services
- Patient satisfaction surveys (online and on paper)
- Quality management software and systems
- Office supplies
- IT hardware, software and service
- Independent retirement plans

Payroll Services

- setting up and making adjustments to direct deposit accounts
- calculating payroll taxes and ensuring the correct deductions
- proactively monitoring the relationship between workers' comp premiums and actual payroll
- integrating third-party 401(k) and benefits plans
- providing electronic payroll records to employees and employers
- ensuring compliance with all state and federal laws governing payroll.

IT

- Advanced Security Software
- Technology Help Desk
- HIPPA Compliance Review
- HIPPA Compliance Monitoring
- Enterprise Grade Managed Firewall
- Secure Managed WiFi
- Encrypted Computer Back Up
- Business Email
- Private Hosted Phone System

Billing Services

- Faster Payments & Increased ROI
- A typical client sees a 10% increase in receipts during the first year of working with our billing team, which more than offsets the fee that we charge.
- When an office only gets paid on 7 out of 10 claims, the result is a weak bottom line.
- Getting paid on those extra 3 claims is the difference between breaking even and achieving your desired owner equity of 30%+.

Accurate + Efficient = Profitability

- Team of experts with years of experience
- We scrub your charges for accuracy so that your claims get paid on the first pass.
- We post your insurance payments and coordinate claims as needed.
- Most importantly, we work all of your unpaid insurance claims on a daily basis so that you get paid for every service you provide.

Reduce Stress & Take Control

- MSO billing services allow you to gain a better understanding of your numbers and feel more in control of your process.
- Clients enjoy the ability to get in-depth analysis of their practice by seeing their Key Metrics and how they change over time, and being able to then ask questions and trade ideas over how to improve their practice efficiency and profitability.

Stay on Top of Changes

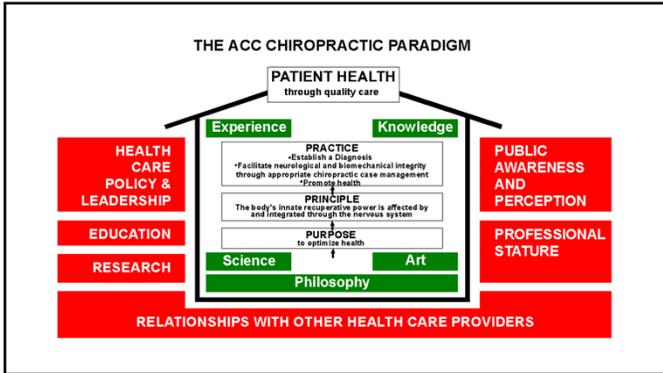
- The service provider conducts weekly continuing education events so that our teams stay on top of the ever changing world of insurance billing. Our billers then share that knowledge with your practice so that you know what is changing and how to best adapt to that change

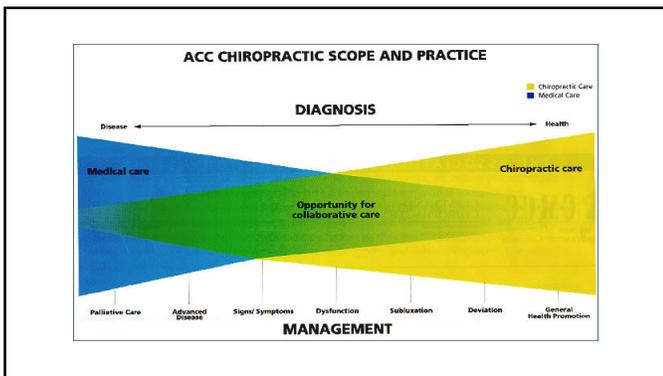
Freedom

- Focus on What You Do Best
- Partnering with us means that you no longer have to worry about managing the billing process
- Spend more time doing what you love: caring for patients.
- Billers work in teams so that there are so down days due to vacations or sick time, and that means less headaches for you.

Integrated Practice

- There are many firms that educate chiropractors on creating integrated practices
- Most practices are well intentioned and have a valid basis for integration
- Some practices have come under scrutiny of LARA, state regulators and OIG
- MichiCare is being developed to provide specific services in the with the compliance of Michigan laws in mind





Challenges We Face

- Current Michigan contract laws
- Chiropractors are not included in the Learned Professions
- Establishing Integrated Practices requires superior legal support and structure
- Public perception

Concerns

- Pain management causes you to abandon the chiropractic philosophy
- Starting new services just to make more money
- Choosing a consultant that does not give back to the profession or have an awareness of state laws
- Chose a consultant that ignores state laws
- Maintaining the DIY mindset
- The snare trap. A consultant captures a percentage of your collections vs. offering services for a set fee

Limited Liability Company Act

The Limited Liability Company Act¹² similarly defines "services in a learned profession" as services rendered by a dentist, an osteopathic physician, a physician, a surgeon, a doctor of divinity or other clergy, or an attorney-at-law. The term does not include services provided to residents of a nursing home, as defined in section 20109 of the public health code, 1978 PA 368, MCL 333.20109, by a dentist, osteopathic physician, physician, or surgeon who is an employee or independent contractor of the nursing home.¹³

Business Corporation Act

By contrast, section 282(b) of the BCA defines "professional service" more broadly as a type of personal service to the public that requires that the provider obtain a license or other legal authorization as a condition precedent to providing that service. Professional service includes, but is not limited to, services provided by a certified or other public accountant, chiropractor, dentist, optometrist, veterinarian, osteopathic physician, physician, surgeon, podiatrist, chiroprapist, physician's assistant, architect, professional engineer, land surveyor, or attorney-at-law.¹⁴

Limited Liability Company Act

Defines "professional service" to include:

Therefore, each shareholder or member of a professional corporation or a professional LLC individually licensed under the Public Health Code must either be licensed to provide the same professional service or services or the licensed shareholders or members may form a professional corporation or professional LLC with other physicians, osteopaths, podiatrists, or physician's assistants licensed under the Public Health Code. And physician's assistants may only be shareholders or members if a supervising physician is also a shareholder or member of the business entity.

Research and Studies

Value Of Chiropractic Services At An On-Site Health Center

The study concludes that chiropractic services offered at onsite health centers may promote lower utilization of certain health care services, while improving musculoskeletal function. [Krause et al. \(2012\) Journal of Occupational and Environmental Medicine.](#)

Cost Of Care For Common Back Pain Conditions Initiated With Chiropractic Doctor Vs Medical Doctor/Doctor Of Osteopathy As First Physician: Experience Of One Tennessee-Based General Health Insurer

This study analyzed 85,000 Blue Cross Blue Shield beneficiaries in Tennessee over a two-year span and concluded that back pain initiated with a doctor of chiropractic saves 20 to 40 percent on health care costs when compared with care initiated through a medical doctor. [Liljedahl et al. \(2010\) Journal of Manipulative and Physiological Therapeutics.](#)

The Rise Of Collaborative Health Settings---- How Doctors Of Chiropractic Are Essential Members Of Modern Multidisciplinary Care Teams

This white paper produced by the Foundation for Chiropractic Progress outlines the crossroads of the opioid crisis and the way Chiropractic can be an answer to the serious problem that our citizens and patient face.

Relationship



MAC Relationship With The f4cp

The MAC is a Level 1 sponsor of the f4cp.
This sponsorship is has supported the program which allow the profession to have researched based information to present to businesses, industries and government agencies.

Summary

- Working together with medical professionals is an interesting model for improved patient outcomes
 - Corporate structure requires significant contract structure
- There are high costs in setting up an integrated practice structure when it comes to legal fees
- An MSO can support you in creating a legal structure and save you costs
- Due to the costs related to attorney fees, equipment purchasing, expanded office space and payroll it is likely that it will be several years before profitability is reached.

Measures To Protect Yourself

- Provide value and healthy outcomes through chiropractic adjustments
- Always remember that spinal subluxation is a defensible diagnosis due to the reimbursement by insurance companies, Medicare and the sheer volume of Chiropractic claims that have been processed
- Offer services that meet the demand of "chronic diseases" such as diabetes, arthritis, and obesity
- Provide services that are not reimbursable by insurance coverages such as rehabilitative exercise, weight loss, health coaching and wellness education

How The Chiropractic Profession Can Increase Its Influence Depends On US

The true reason for chiropractic to rise to the top...
depends on our cohesive plan to assume a role that is waiting for us.

Websites and Resources

- ameriprotect.us
- michicare.org
- chiromi.com
- nbce.org
- f4cp.org

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