

# THE CASE FOR PHYSICIAN INTEGRATION

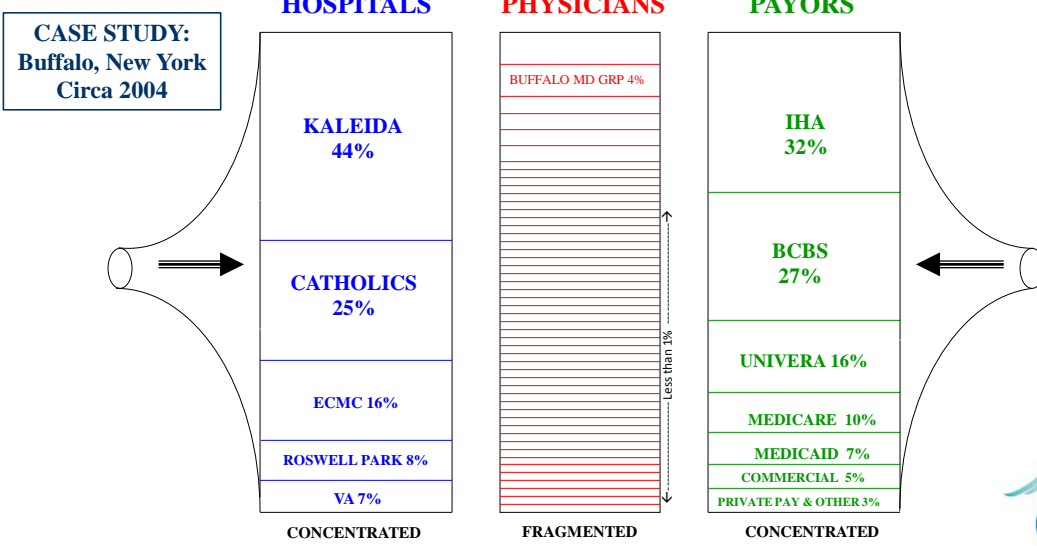
CREATED BY:

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*“Advocates & Consultants for Physician Directed Healthcare”*



## CONCENTRATION OF MARKET POWER



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## WHY TAKE ACTION?

**If you accept as “inevitable” a future of being directed, controlled, or employed by hospital systems and managed care organizations...**

*Relax and do nothing !*



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## CALL TO ACTION

*Answer this call if you wish to:*

- ✓ Continue in the successful & independent practice of medicine;
- ✓ Avoid having your professional services relegated to the status of a commodity;
- ✓ Uphold the sacred trust of the physician-patient relationship; and,
- ✓ Promote the principle that the patient comes first.



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## THE BOTTOM LINE

It's all about *money, control...*  
—and—  
**WHO GETS TO DECIDE.**

*Without organized support by physicians,  
the successful private practice of medicine will not be  
sustainable. It will be eroded, diminished, and  
marginalized until survival replaces success as your goal.*



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## WHY PHYSICIAN INTEGRATION?

*“The Keys to a more Stable Future”*

**1. Equal Seat at the Table—**

- *Meaningful physician input and decision-making authority on the big questions.  
One again, “Who gets to decide?”*

**2. The Player with the Most Information Wins—**

- *Information management is the future of healthcare. Winning decisions are based on measurements of quality, outcomes, utilization, and cost data.*

**3. Sharing in Diverse Healthcare Delivery System Revenue Sources—**

- *To maintain the successful practice of medicine in an environment of increasing costs and decreasing reimbursements, physicians must be able to access alternative sources of revenue.*

**4. Guarantee Access to the Market—**

- *Physicians need to be accessible to patients through establishing relationships with market access mechanisms and participation on managed care panels. If this access is impeded, they must be ready and able to build their own “cart” to bring their services to the market.*



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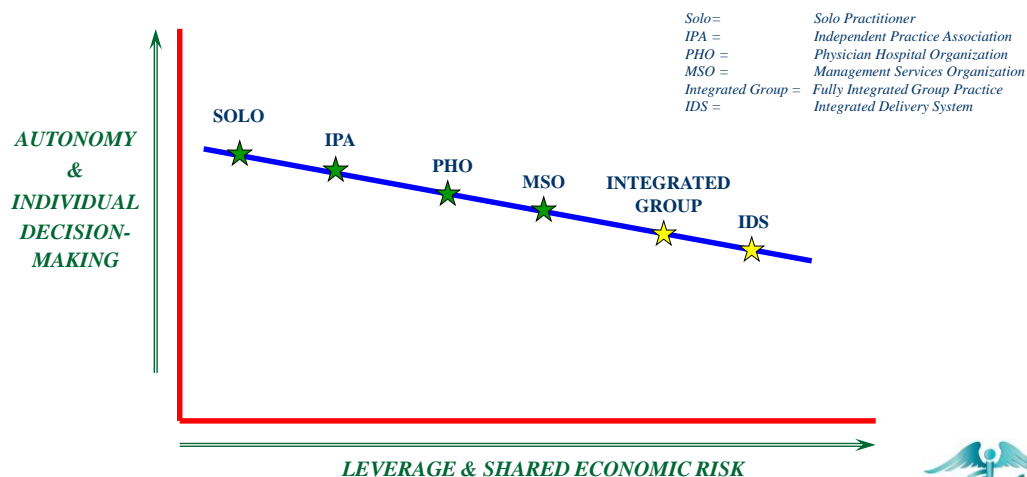
## FINANCIAL GOALS

- ✓ Improve Reimbursement Rates
- ✓ Access Other Sources of Revenue
  - *ASC's, Urgent Care, Diagnostics, Managed Care Plans, Sub-Acute Care, Research Grants, Federal & Contractual Incentive Programs, etc.*
- ✓ Accomplish Cost Reductions
  - *Efficiencies to Scale (IS, Staffing, Pension)*
  - *Group Purchasing (Insurance, Benefits, Legal / Professional Fees)*
- ✓ Build Equity Value for Physicians



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## CONTINUUM OF PHYSICIAN INTEGRATION MODELS



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## PHYSICIAN INTEGRATION: CHARACTERISTICS

*“Integration is a process, not an event.”*

Interested physicians must realize that this type of project is:

- ✓ A marathon not a sprint;
- ✓ A “*Contact Sport*”;
- ✓ Requires commitment & the “*Will to Win*”;
- ✓ Requires vision, discipline, work, and capital; and,
- ✓ If successful, the return on investment will be extremely rewarding both financially and professionally.



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## TO SUCCEED WHERE OTHERS HAVE FAILED...

- ✓ Articulate a *clear vision* and *strategic plan*;
- ✓ Find dedicated, clinically respected physician leaders with the “*Will to Win*”;
- ✓ Have physician members that understand the cost of inactivity and are *committed to participate* in the process;
- ✓ Have *experienced & knowledgeable* legal counsel & consultants;
- ✓ Obtain *adequate capital*;
- ✓ Develop the *organizational discipline* to permit effective negotiations and quick reaction to a rapidly changing market; and,
- ✓ Develop *positive relationships* with primary care physicians, hospitals, employers, and third-party payors.



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## DO NOT CONFUSE THE ISSUES...

- ✓ *This is Not Anti-Managed Care:*  
Embrace managed care...physicians have traditionally been the managers of patient care.
- ✓ *This is Not Anti-Hospital or Hospital System:*  
Physicians have historically built, supported, and contributed to the hospitals. Physicians need state of the art hospitals to provide excellent patient care.
- ✓ *This Harbors No Malice:*  
It offers cooperation and support to all other segments of the healthcare delivery system.



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## AGAIN, WHO GETS TO DECIDE?

- ✓ *Don't trust your future to the kindness of strangers.*
- ✓ *Take an equal seat at the table.*

***AUDENTIS FORTUNA IUVAT MEDICUS!***  
*(Fortune favors the bold Doctor!)*



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## CYNERGY CONSULTING: BRIEF FIRM PROFILE

Cynergy is a nationally recognized health care consultancy specializing in providing cost effective, expert solutions for the strategic and operational challenges in health care management.

For over thirty-five years, our senior consultants have functioned as a resource to hospital and medical practice CEOs. We routinely handle those strategic and political challenges that CEOs choose to outsource.

We focus our efforts in the areas of medical practice management, medical practice transitions and integrations, medical staff relations, physician manpower consulting, dispute resolutions, clinical laboratory management, hospital management, and long-term care management.

Our senior consultants are seasoned professionals, each having over twenty-five years of experience in health care management and consulting. Collectively, we have completed assignments in all fifty states and internationally.



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## FURTHER INFORMATION

### *—Contact the Author—*



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### *—Brief Bio—*

Mr. Cimasi is a management consultant with over 38+ years of experience in healthcare administration and finance. In total, he and his companies have worked with over 5,000 physician practices and scores of hospital systems. Still actively engaged in national dialogues in healthcare management, Mr. Cimasi is very happy to apply his experience and expertise for the benefit of your medical practice, hospital, nursing home, or managed care organization.



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**THANK YOU.**

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