

# The Independent Practice Is Far from Dead

And it can thrive through MACRA.

BY SETH FLAM, MD

**A**s healthcare transitions to value-based care, and presents an increasingly challenging environment for independent practitioners, the notion that physicians are selling their practices and taking jobs as employees of hospitals and health systems permeates the healthcare community.

In a recent survey, twenty percent of residents asked would be open to a partnership with another physician, implying they'd be willing to co-own a practice. This suggests that the entrepreneurial spirit isn't entirely dormant among newly trained doctors.

The independent practice is hardly dying out among established physicians, either. A new American Medical Association (AMA) report actually found that growth in hospital ownership has been slow while most physicians still provide care for patients in small practices. The decrease in the percentage of physicians in 2015 who work in practices wholly owned by physicians since 2012 has actually been slight, at 3.3 percent. The same study saw that the number of physicians in small practices with 10 or fewer physicians remained the majority, at 60.7 percent.

The role that independent and small practices play is still integral to the healthcare delivery system. Another recent study found that patients of physicians

practicing in solo and small practices have lower rates of preventable re-admissions than those in larger practices. Both patients and physicians deeply value personal relationships cultivated in smaller settings.

In his article "The Paradox of Size:

icians (and recent graduates) are still providing patient care in practices with five or fewer providers. Mostashari argues that small practices are actually "uniquely situated to thrive in delivering value-based care." He also notes that hospital ownership has not neces-

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How Small, Independent Practices Can Thrive in Value-Based Care," Dr. Farzad Mostashari, MD (former National Coordinator for Health IT at the Department of Health and Human Services) points out that although some small practices are under pressure from market forces to consolidate or sell to larger groups or hospitals, more than one-half of all family medicine physi-

sarily resulted in lower prices, higher quality, or better care experiences.

**What Are the Ways Small and Solo Medical Practice Can Survive and Thrive Through the Shift to Value-Based Care?**

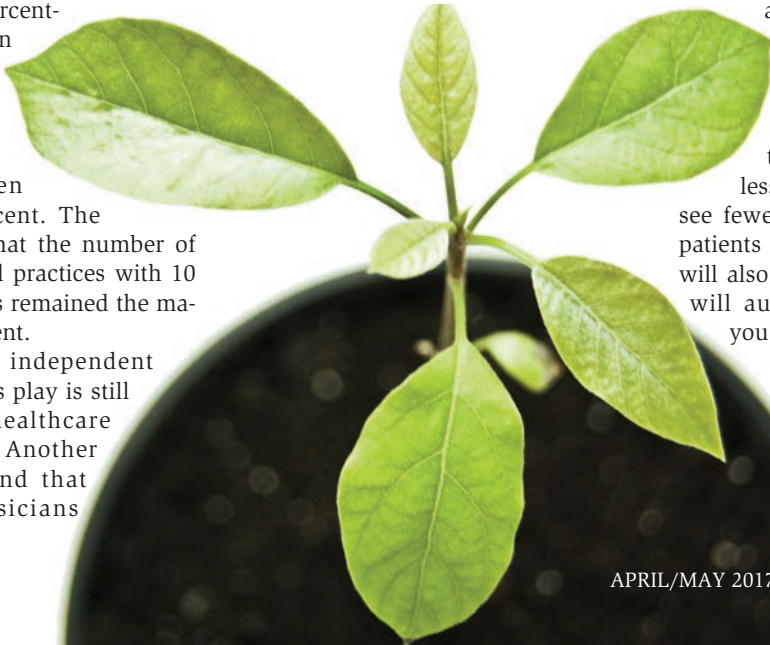
**Exclusion**

Originally CMS had proposed an exclusion threshold of \$10,000 or less in Medicare Part B allowed charges. In the final rule, however, CMS increased that threshold to \$30,000 or less in billings. Physicians who see fewer than 100 Medicare Part B patients over the 2017 calendar year will also be exempt from MIPS. CMS will automatically exclude you if you meet this criteria.

**Flexibility**

Take advantage of the "Pick Your Pace" options that CMS is

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offering for the 2017 reporting year. Choosing one of the three options provided will ensure that you don't receive a negative payment adjustment in 2019. If you don't feel

grams and choose your flexibility pace accordingly.

**Choose an EHR System That Will Help Your MIPS Score Exceed That of Your Peers**

Using a 2014 Certified EHR that

tasks and programs possible for you, but one that is nimble enough to make them easy.

You should also make sure that your software vendor will have MACRA-ready dashboards ready, where you can view your score in real time and easily see how and where you can take action to improve your score, per patient. Your system should have an easy-to-digest method of providing you with your practice's analytics—and it should make reporting electronically for your performance categories easy. **PM**

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ready to report for the full calendar year (which is one of the three options), opt to test the Quality Payment Program to make sure your system is working and to give yourself time to prepare for full reporting in 2018. You can also participate for part of the year. Plan your approach based on your experience and success with existing CMS pro-

is integrated with a sophisticated patient portal and practice management system, ensuring secure exchange of patient records, participating in a patient-centered Medical Home, and billing for Chronic Care Management are among some of the ways to improve your MIPS total composite score. You'll need to invest in an EHR that will not only make these



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