



# Medical Services Organizations

Here's what you need to know about these entities.

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**A** Medical Services Organization (MSO) model is becoming increasingly popular in medicine and is now embracing podiatric medicine for all it can offer. We all know the incredible hassle, grief, and even mental anguish that comes from running a podiatric medical practice. Independent medical practices, which include physician-run groups of one doctor or twenty, are all in great need of support, resources, and business expertise in our ever-changing healthcare field. Face it, DPMs, we are trained to be the experts in foot and ankle care, not in running a business. We need administrative relief and someone to help us with the regulatory burdens of practice. Essentially, an MSO is an organization that contracts with practices, big and small, to provide a menu of services needed for a physician to function optimally.

Medical service organizations have been around for years but are becoming increasingly popular across many specialties. As healthcare gets more complex, the options for physicians to thrive and focus on practicing medicine as opposed to business tends to fall into two buckets. The first is a merger or sale to a larger group with the scale and resources to succeed in today's healthcare ecosystem. The second option that is less known in the podiatry space is the MSO model, whereby a practice can get many of the administrative benefits of a larger group

without having to sell or merge their practice. There are unique benefits for each, but let's discuss the MSO model.

The iterations that you see today in specialties like dental or internal medicine are much more adaptable than some of the early models in the '90s (MedPartners, PhyCor, PhyMatrix). The key differences are that today's MSOs are able to accommodate different practices in different geographies and oftentimes allow doctors

built-in efficiencies and processes is something some MSOs can help with. Some of the most common options include:

### **EMR Transition and Participation**

Your practice can benefit from a larger network of podiatric physicians all using the same EMR platform; thus, improving data collection, potentially better fee schedules through metrics collections, and an industry expert developing the podiatric

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to choose from a suite of services depending on their needs. While an MSO might have a comprehensive offering that is turn-key for practice management, many are also offering a la carte models as well. For example, if your practice is strong in HR, payroll and health plan contracting but you feel your weakness is primarily in technology and revenue cycle, some models now allow for management help just on those service lines.

Benefits like group purchasing options allow larger MSO groups to purchase supplies needed daily at the price point of a larger practice. Or, specifically for those of you new to practice, even having the practice set up in an effective way with

specific templates and fixing the IT problems that occur. A large MSO can have the IT resources available so that one is not always groping to find that one right person to fix technological issues that can stifle the productivity of a practice.

### **RCM**

Strong revenue cycle management allows the practice to bill quickly, cleanly, and not have to chase down authorizations, denied claims, and fight for every dollar while trying to practice at the same time. RCM is a skillset and oftentimes one that a smaller practice cannot do as well as larger groups.

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## **HR and Benefits**

Spending time setting up benefits, payroll, and determining pricing is time-consuming. In an MSO model, one can benefit from the larger group benefits package, typical-

ly at a cheaper cost, and often with better benefits; and the practice does not need to go through the hassle of all the set-up and negotiating. Professional HR teams can also handle the regular issues that occur with staffing, hiring, firing, etc.

Simply put, more volume typically leads to lower costs. An MSO typically has group purchasing of medical supplies, equipment, and all the necessary things needed to make one's practice hum along smoothly.

In exploring an MSO, it is key to find a partner that generates value

also now large national groups such as Extremity Health Inc. and Extremity Health Services (<https://www.extremityhealthservices.com/>) which have a national presence focused only on podiatric medicine. In choosing a partner, make sure you have one that is flexible, gives customized service for your practice and, most importantly, is better at each function than your practice is...otherwise what are you paying them for? Expect these options to grow in our field as we continue to see practices adapt to the complexities of 21st century healthcare. **PM**

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## **Group Purchasing**

Our medical and office supply prices vary widely based on volume.

and has a track record of doing so. MSOs are successful because of division of labor and the ensuing expertise that can occur. There are national groups that are available for many specialties such as LBMC, (<https://www.lbmc.com/physician-business-solutions/>); Affinity Healthcare (<https://www.affinityhealthcaresolutions.com/>), or others with broad knowledge of healthcare. There are



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