

SPECIAL REPORT

Small Business Entrepreneurs

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Michael Weinper

"If you can call doing something for 20 years innovation, I guess I'm an innovator," says Michael Weinper, founder of PTPN, the first and largest network of physical therapists and rehabilitation providers in the nation. "I've been refining this innovation since 1985."

Weinper was among the first graduating class of physical therapists at Cal State Northridge, and got a master's degree in health services administration at UCLA. Early on, as a board member at the California Physical Therapy Association (CPTA), he became interested in what were then called selective service contract plans, now known as preferred provider organizations, or PPOs.

"When I went into private practice, I realized that there didn't appear to be a vehicle for the independent physical therapist to contract with insurance companies," says Weinper. "I knew if we didn't do something, we'd be left on the outside looking in."

That was during the late 1970s and early 1980s. At the time, there were laws in California that disallowed associations from creating bargaining groups, laws that were meant to prevent defacto-monopolies that dictated high fees. However, according to Weinper, amid a fast-changing public healthcare environment, the effect was an independent physical therapy community with no chance of competing with large corporate hospital and medical networks.

"The first thing that had to be done was to have the rules changed," Weinper said. "Faced with this, I teamed up with Fred Rothenberg who was V.P. of Blue Cross and others to create the selective contracting laws."

By 1982, the groundwork for a network of independent physical therapists and rehabilitative medicine providers had been laid. In the 1980s, the Health Maintenance Organization, or HMO entered the American lexicon. It would be years before PPOs would occupy that same level of awareness. Yet, by the end of 1984, Weinper was ironing out the final details of how his PPO network would operate.

"We had to limit our selected providers," Weinper recalls the early days when he was setting up the world's first specialty provider network. "We were so new, that people weren't sure what it was that we were doing. I had to educate my colleagues first."

Weinper says that he wasn't surprised to find that of the two groups he had to sell the idea of a network of independent providers to – insurance companies v. private practices – it was the providers that were more challenging to convince of the network's value and the insurers who were an easy sell.

“The insurance companies already knew about managed care contracts,” he says. “We simply had to demonstrate to them that we had high standards for admission...standards on services, hours, continuing education. We created documentation requirements. We even impacted state law to be modified to require better staff-to-patient ratios in our industry.”

Once he got contracts with insurance companies, the memberships followed. Now, membership in PTPN is made affordable with seven tiers of membership dues that are based on a practice’s ability to pay.

“Right now, we have to reject more providers than we can except,” says Weinper. “We have to be selective; we don’t want to create a monopoly in any one area.”

Weinper points out that only by virtue of membership in PTPN are member therapists required to meet continuing education requirements. He says that most states still have no laws mandating continuing education.

The acronym “PTPN” originally abbreviated “Physical Therapy Providers Network,” but is now a stand-alone brand name.

“Now, with more than 450 members in California and 1,200 members in 23 states,” says Weinper. “Our members include physical, occupational and speech therapists.”

PTPN has virtually transformed the industry, a fact that is evidenced by numerous awards, recognitions, and acknowledgements from media, medical professionals, and medical organizations, including an “ACE” Award from a physical therapy association, recognizing PTPN providers for achievement in clinical excellence for “developing new and effective protocols or techniques that impact clinical practice.”

Weinper and his organization are also cutting a swath of change in the worker’s compensation wilderness, with their CompDirect program, which is billed as a program to control costs through more efficient use of services.

That, combined with overall cost-management strategies, ergonomic assessment and work conditioning programs, as well as numerous injury prevention initiatives, Weinper’s PTPN hopes to be a contributing factor in driving down healthcare costs. In fact, he believes that in spite of the perception that healthcare costs have been rising at an unreasonable rate, networks like his and those modeled after PTPN have actually muted some healthcare inflation.

“Since the late 70s, people have been talking about the rise of healthcare costs, but without PPOs, we would have been left with only HMOs and old indemnity plans and those costs would be even higher than they are now,” says Weinper.

Weinper says PTPN will continue to take its cost-cutting, standard-raising and injury reduction business model to the marketplace as they have done successfully for 20 years. But, as the organization continues to grow, and influence the broader worlds of medicine and healthcare, Weinper remains a physical therapist at heart.

“I can’t help but help show kids how to properly carry their backpacks,” says Weinper. “And, if I see someone with a broken leg using their crutches incorrectly, or an elderly person with a walker not adjusted correctly, I have to help them avoid creating a chronic injury. I like to show people how to avoid hurting themselves.”
