



Physical Therapy Provider Network President and CEO Michael Weinper, PT, MPH

Q Physical Therapy Provider Network (PTPN) is celebrating its 25th anniversary as the country's first network of rehab professionals in private practice. Why was PTPN created, and have its goals been met?

A PTPN was created at the advent of managed care contracting. We were on the forefront of helping physical therapists (PTs) cope with potentially disastrous challenges to their practices if nothing was done to include them in the new health care marketplace.

Now, 25 years later, we have succeeded beyond our expectations. We're still here, and with the same leadership. We helped private practitioners not only avert disaster and survive, but thrive. We've grown far beyond our original vision of a California network to a national organization comprising thousands of PTs, and our vision of getting independent PTs a seat at the managed care table has become reality. In contrast, look at what happened to independent pharmacists, who did not band together—there are very few left.

Q How has PTPN managed to survive so long, given all the ups and downs in the health care world since 1985? What are some of the important achievements of PTPN over the years?

A PTPN has never been satisfied with the status quo, because the health care environment is ever-changing. We've had to predict the future and develop systems and programs in preparation for what would happen 3, 5, or even 7 years down the road.

For example, our outcomes program has prepared our members for the demands by Medicare and private payers for quality measures and results-focused reporting. Outcomes measures also help PTs differentiate themselves in the marketplace and improve their clinical effectiveness. Our provider report card also helps our PTs stand out because it gives payers a snapshot of the quality and performance of their outpatient rehab providers. These data are critical to health insurers, who increasingly tout the quality of care delivered by their providers. Further, this information strategically positions our members to participate in future pay-for-performance initiatives that have received much press in recent years.

We created a consumer brand that includes cash-pay health and wellness services available through physical therapy

offices, because we believe strongly that PTs can no longer rely solely on insurance reimbursement. As downward pressure on reimbursement has increased, we've helped PTs expand their scope of practice to include the full spectrum of health and fitness, thereby allowing them to retain their patients as wellness clients.

As the only national network that is owned and operated by PTs, we've stayed ahead of the curve because the leadership of PTPN has remained constant. Because PTPN is led by private PTs—not corporations or venture capitalists—we share the same entrepreneurial spirit that independent PTs have, and possess the skills to adapt to changes in the health care marketplace. We recognize the needs of the independent PT because we face the same stressors that our members face.

Q What is the current status of PT networks in the marketplace? Please highlight the strengths and weaknesses of participating with networks.

A Many networks have come and gone, and there are a few independent networks still surviving. PTs have a stronger voice if they band together, and affiliating with peers helps boost the profile of a practice. A network with stringent quality assurance requirements elevates PTs' clinical skills and provides benchmarks for their performance. Networks have more clout than individual PTs when it comes to securing reasonable payment rates, so PTs gain access to more patients and more revenue through a network's contracts with payers.

However, not all networks are created equal. Some take nearly any contract that comes along, no matter how low-paying. PTs who are considering network participation should make sure that a network provides real value to their offices and that it holds them to a high clinical standard. You want a network that is value-oriented, with a broad and deep range of services beyond contracting. A network that's worth your while will save you money and boost your practice by handling credentialing functions, negotiating group discounts on supplies and services, lobbying legislators and policymakers, and providing you with tools to market your practice to payers, physicians, consumers, and other key audiences.

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Q What leverage do physical therapy practices have in negotiating contract rates with payers if they are not in a network? Is it realistic to expect that practices can negotiate better payment with current contracts? What advice would you offer to practices looking to negotiate better payment rates?

A If you're a PT who isn't in a network, you have minimal leverage in negotiating contract rates with payers, with a couple of exceptions: if you're in a remote geographic location with few competitors or if you have an extremely specialized service that is truly unique and in demand by payers and patients.

You can negotiate better payment with current contracts only if the same criteria apply, or if you can demonstrate efficiency, such as achieving better outcomes. You have to empirically demonstrate your value with hard numbers; measuring patient progress and treatment outcomes is crucial.

Another challenge to securing fair reimbursement is the willingness of many PTs to accept rates that are less than it costs to provide services. We're our own worst enemy in many cases, fearing we can't make it without being a preferred provider with a major insurance contract. Understand your cost of doing business, including your fixed and variable costs, so you don't accept less than it costs to provide the service. And don't accept

poor contracts as fill-in business, because in the long run it may end up crowding out higher-paying patients.

Q What has PTPN done in recent years to help PTs cope with shrinking reimbursement, possible Medicare cuts, and a recession? How is PTPN evolving today to meet current and future member needs?

A Our consumer brand was developed following our independent market research 4 years ago and helps our members generate revenue opportunities from the billions of dollars Americans spend per year on health and fitness, which is a hot growth area for PTs. We do extensive research on various programs and products to provide members with an ever-widening range of choices to deliver options that work for all types of practices at rates unattainable on their own.

We're also directing business to PTs via our referral and appointment-setting program for workers' comp companies and employers to get injured workers rapid appointments with qualified PTPN PTs near them.

To ensure that the voices of PTPN practitioners are heard on Capitol Hill, we employ a lobbyist to advocate with legislators

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and federal regulators such as the Centers for Medicare and Medicaid Services (CMS). We created an online Political Action Center to update and alert members on critical issues and enable them to easily contact their elected officials when necessary. These efforts, combined with the advocacy efforts of organizations like APTA, have helped roll back many threatened Medicare cuts, and they'll be increasingly important given the new reimbursement options Medicare is considering.

Q Health care reform is on everyone's mind. Proponents say we'll have an influx of new patients. Others say we can only see so many patients in a day anyway and that copays are so high it won't matter, and any upside will be offset by the higher insurance premiums and taxes. Where do you stand on this? Are you bullish or bearish on outpatient rehab?

A We see many physical therapy practices that have a lot of excess capacity that would welcome more patients, and I believe that we will see an influx of newly insured patients when reform takes full effect in a few years. I'm bullish on outpatient rehab for that reason, and a variety of others:

- Baby Boomeritis. The first wave of boomers (ages 46–64) will start receiving Medicare benefits in January 2011. Some of them have been underinsured or uninsured, but boomers—unlike previous generations—haven't accepted their chronological age. They continue to do everything they can to stay in good condition, which can and does cause injuries. They are also staying on the job longer, so there's a greater chance for job injury. They want to maintain the highest level of health that they can, which is why fitness and prevention programs are in big demand.
- The 33+ million people who are underinsured or uninsured have been underserved and have neglected their health, which can result in complex conditions needing physical therapy.
- Physical therapy is in vogue now. When you tell people you're a PT, they don't just ask if you do massage. Instead, they talk about their injuries, their weekend warrior activities, or what they can do to be better athletes.

All of these things and more bode very well for the future of physical therapy. This is supported by Bureau of Labor Statistics research predicting that physical therapy will continue to be one of the top professions in growth in the next 10 to 20 years. I think more therapists will come into the field, and more will move from the hospital sector to outpatient systems.

Q You and lobbyist Jerry Connolly, PT, have been advocating on behalf of private practitioners on Capitol Hill. Can you

tell us about your experience? What emerging legislation and regulations should PTs keep an eye on now?

A No one entity or organization is going to make a difference on Capitol Hill. It's a cumulative effect of different voices saying the same thing. PTPN has discussions with regulators and members of Congress in an effort to advocate for PTs in independent practice. And we're meeting not just with decision makers in health care, but with those who have an impact on private practitioners' businesses, such as the House Committee on Small Business.

We've done this for more than 5 years, and we have met with hundreds of legislators on various issues from reimbursement and the therapy cap to the sustainable growth rate and demonstration projects to illustrate the value of the independent PT. We've had communications not only with Congress but also with CMS, where we've had success in influencing Medicare policies and practice. For example, when CMS launched the Physician Quality Reporting Initiative in 2007, we worked with CMS to make the measures applicable to PTs and occupational therapists, enabling them to participate in the voluntary quality bonus program. We're now commenting on proposed rules by CMS for the 2011 Medicare Physician Fee Schedule, which could impact payments to therapists.

Q Based on your involvement with PTPN and your experience with your own practice, what advice would you give to PTs today?

A Diversify your practice. Invest in programs that are not dependent on insurance companies, such as a "retail" health and wellness component. Measure your clinical effectiveness, treatment outcomes, and patient satisfaction. Pursue continuing education and training in new specialties, become politically involved through PT organizations, and network with your colleagues to share ideas.

Even though you're very busy doing day-to-day care, keep an eye on the business aspect of the practice. Be accountable to yourself for your actual costs of doing business. Consider streamlining operations where possible to reduce costs, such as using electronic medical records, which will be here sooner or later whether we like it or not. And don't leave money on the table—as PTPN's vice president likes to say, hire a good biller.

And last but not least, consider joining a network. And if you're already in a network, make sure it has your best interests in mind, and a good track record of representing you and being accountable to you. ■

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