

The Simple Reader's Guide to Understanding the

Affordable Care Act

~ (ACA) ~

Health Care Reform

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Second Edition

Physicians' View Point

Another option for those doctors who are concerned about the ACA reform and the major changes with the payment structure of reimbursements is membership in a physicians' association. These associations are organized to provide support networks for small-to-midsize medical practices. One of the physicians associations that I interviewed was **Private Practice Doctors** (PPD), located in Beverly Hills, California. PPD is a management association created by a group of physicians who have chosen to collaborate with other physicians to lower business expenses by merging their practices into one organization. PPD leverages the buying power of its physician members. The goal is to spend less time and money managing their administrative needs, and increase time with their patients. PPD offers their physician members the following:

- group purchasing
- electronic medical records
- billing services
- insurance for office staff

- banking services

Physicians who want to participate in these benefits are joining associations like PPD as a way to adapt to changes in the health care system.

In June of 2013, I had a chance to interview **Private Practice Doctors** (PPD) to discuss the changes that they have experienced with ACA reform. Regarding membership demographics, most of the member physicians have had their practices for 10-30 years, and most of the doctors have their practices in Beverly Hills or the surrounding areas, which are high-income communities in Los Angeles County. It was for these reasons that physicians accepted mostly Preferred Physician Organization (PPO) insurance plans. Physicians who participate in PPO plans make more money in service reimbursements than doctors who accept a fee based payment structure with an HMO plan. The PPD member demographic mostly consists of physicians who work at UCLA, Cedar Sinai, and Saint John's hospital. After the ACA was signed into law in 2010, member physicians noticed private and Medicare insurance reimbursements were being reduced while overhead costs, such as office space, banking services and credit card processing fees, increased. As a way to adapt, physicians began to share office space. When that did not reduce costs enough they eliminated their in-house medical labs and began to outsource for a fee. When that also didn't reduce costs to their satisfaction, the same group of physicians created PPD in 2011. Dr. Reed **Wilson**, a cardiologist, is the CEO of PPD. During our interview, he stated, "The challenges are not just in overhead changes and reimbursements. It's also in the way that physicians work with clients." The ACA has created more regulations for patient care, which creates a challenge to maintain patients. Alexandra, a member of the PPD team mentioned that under the current ACA physician payment schedule, even if a physician is a specialist, he or she gets paid the same reimbursement as a generalist.

When I mentioned Accountability Care Organizations (ACO) and solicited this PPD team member's thoughts about the new health care model created by the government's Department of Health and Human Services, she said, "Our physicians don't want to be a part of an ACO, be bought out by a big hospitals or be a member of Concierge Medicine group. They want to remain in private practice. They want to provide the quality of care their patients deserve." Today, PPD has over 200 members who joined in hopes of being proactive so that they can remain in business as private practitioners.