

The Future Of Healthcare And The MSO Approach

It is not what you think it is...or should be...

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As healthcare leaders, we are continually torn between maintaining market share, improving quality, and staying solvent, while implementing population health strategies. With all of this responsibility, do you sometimes feel that the investment in the future practice model, and the infrastructure necessary to change for the future, are just not worth the time, energy and cash? We have been informed and somehow resolved that an MSO is the answer to all our challenges.

So, what is an MSO? Google it and your mind will explode. Most define it as entities that help with the non-clinical component of a practice or groups of providers. MSO's may even be investor vehicles for joint ventures of for-profit, nonprofits, providers and other entities. As defined by medical literature, it is a vehicle to save money through efficient operations. These are short-sided and misleading definitions because an **MSO needs to be so much more.**

Success in healthcare lies with a vision of the future. We have learned over the years that one vision does not fit all organizations or services in healthcare. Success, however, lies in the execution of the vision, which has two components, the first is a clinical network component, i.e., critical mass/geographic coverage. We provide clinical care to patients so the network and coverage are vital. The second is the operational component, i.e., financial sustainability. Clinical services, without operational sustainability, are doomed to fail. The two items are mutually dependent. Historically, we have served these separately.

These two critical components require different skill sets and investment. There is no one model that works for every organization, in fact, some organizations deploy multiple models to allow for flexibility. Success is defined by achieving both operational and network growth. The current models and definitions of a MSO that does the administrative work alone are old definitions and models. A successful MSO understands and helps clinical services to excel and achieve goals.

It's time we reshape conventional thinking. This is necessary if traditional agents are to come together to maximize the healthcare experience for all patients. A shift in the thinking and implementation of an MSO moves away from the basic economics of shared resources to a transformation that focuses on the patient first. This is how the MSO becomes not "Managed" but a "Maximizing Services Organization" for solutions and execution. The new MSO optimizes the physician practice and creates a bridge, which connects the agents of care together and forms the healthcare network of the future.

As there are different visions and strategies, there are also many ways to operationalize the strategy. Industries other than healthcare have found that outsourcing services, technology and implementation are sometimes less expensive and achieve better results. Sometimes centralizing and owning the distribution system are not always the most efficient model. The practice or health system has many skills. For some, it is integrating the clinical model and clinical vision. For others, it is operationalizing the ambulatory model. Still others finance the model. The entity does not have to provide all the services organically grown, it can use outsourcing to supplement its skills.

Amazon is a good example: their growth, people costs and simultaneous strategies have led them to subcontract much of the delivery of their products to smaller companies. Amazon's strength is in technology, and distribution, not delivering the 'last mile.' For that 'last mile,' they sub that out, including the use of subcontractor trucks that carry the Amazon logo. Likewise, in healthcare, it is sometimes more cost effective and efficient to use a third party to:

- Onboard physicians
- Build networks and joint ventures with social agencies
- Negotiate services
- Mine clinical data
- Measure quality
- Introduce new technology
- Provide revenue cycle services
- Manage the startup of new products and services

For example, outsourced management or revenue cycle service companies can deploy staff at lower costs, faster and with more flexibility than internal departments. If successful, the services can be moved to internal departments or continue with the outsourcing system. Using third parties can accelerate the timelines for developing networks, MSO's, or joint ventures.

A rare organization can build the new delivery model of healthcare in the speed required to be successful in the 2020s by itself. Ask yourself if a **Maximizing Services Organization**, built with organizations that can help maximize your skills, fits your vision, strategy and leads to success.

Learn how the new MSO model can transform your organization to a future forward, patient-centric experience that will leverage your organization's strength to deliver that last mile.

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