

PNN PREFERRED Network News

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Connecting Payors and Providers

Tactical Conference 2006 Recap

TC 2006 was launched on Friday, May 19th with a luncheon event and network update for the members attending. Items presented included the annual provider survey results, legislative information, and the latest on numerous mergers and acquisitions in the industry. Upon the formal opening and welcome to the attendees, VIP guests, speakers and vendors, the staff was introduced.

The first of two dynamic and informative speakers was Steven Ashley, the Senior Vice- President of *Ultralink*. Mr. Ashley gave an enlightening talk on Consumer Driven Healthcare from the payor perspective and the potential affects and opportunities for private practice. Following his presentation, Bill Maloney further defined the genesis of Consumer Driven Healthcare, providing an overview of its benefits for employees and employers. Mr. Maloney is the Chief Technology officer for the Health Care and Group Benefits Practice at Mercer Human Resources. Michael Costa from Greenberg, Traurig, LLP spoke to network members regarding HIPAA and the National Provider Identifier on Saturday, May 20th prior the start of the roundtable session. Roundtable topics included: Marketing, Contracts and Payor Relations, Technology within private practice, and Wellness.

This year's Tactical Conference would not have been possible without the generosity of our **PREFERRED** Vendors. We would like to thank the following vendors for their continued support of **PREFERRED** and for providing the value-added services at discounted rates to **PREFERRED**'s network members:

- ◆ **Empi** - Title Sponsor of this year's Tactical Conference. Empi has been the market leader in non-invasive physical rehabilitation products for over 28 years. Visit their web site at www.empi.com or call 800.328.2536.
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- ◆ **MORE Software, Inc.** - MORE Software is a software company that offers networkable practice management product. Visit them on the web at www.moresoftware.com or call 888.858.6673.
- ◆ **Allied OSI Labs** - Allied OSI Labs manufactures over 40 types of custom foot orthoses. Visit them at www.aolabs.com or call 800.264.3338.

June, 2006

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If you would like to receive PNN via email, please contact **PREFERRED** at 800-664-5240 or by e-mail pnn@preferredtherapy.com.

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Tactical Conference 2006 Recap (*continued*)

- ◆ **United Seating and Mobility** - FOR PATIENTS: United Seating & Mobility provides seating and mobility solutions for people with disabilities. Visit them at www.unitedseating.com or call 314.699.9414.
- ◆ **efi sports medicine** - Makers of the Total Gym, efi sports medicine is the leading manufacturer of GRAVITY-based training, conditioning and rehabilitation equipment. Visit them at www.efisportsmedicine.com or call 800.541-4900.
- ◆ **Bodyblade** - The Bodyblade system of training and the five Bodyblade products provide a functional tri-plane training and conditioning environment. Visit them at www.bodyblade.com or call 800-77BLADE.
- ◆ **Magical Marketing** - Magical Marketing is your one-stop shopping source for promotional tools and ideas. Visit them at www.magicalmktg.com or call 877-307-7136.

... and the winners are:

- ◆ **Veronica Serna-Foothills Medicine and Rehab-Arrowhead** - Early Bird Registration winner of \$150.00 cash
- ◆ **Sean Hayes - 1st Colony Aquatic and Rehab** - Question Submission winner of \$100.00 cash
- ◆ **Linda Elders - Valley Therapy Services** –Door prize winner of the Total Gym from EFI sports
- ◆ **Jacqueline Rose - Active Rehab Physical Therapy, Ltd.** - Door prize winner of the luggage set from Magical Marketing
- ◆ **Amanda Cornthwaite - Comprehensive Therapy Services** - Door prize winner of the Bodyblade from Bodyblade

What the National Provider Identifier (NPI) Will and Will Not do

Highlights from TC 2006 Speaker, Michael Costa of Greenberg, Traurig, LLP

The NPI Will:

- ◆ Replace the use of all legacy provider identifiers (e.g. UPIN, Medicaid Provider Number, Medicare Provider Number, Blue Cross and Blue Shield numbers) in standard transactions as of the compliance dates
- ◆ Simplify transactions, including claims and COB, and save money in the long term

The NPI Will Not:

- ◆ Guarantee reimbursement by health plans
- ◆ Enroll providers in health plans
- ◆ Make providers covered entities
- ◆ Require providers to conduct electronic transactions

Watch for more information regarding NPI our July issue!

PREFERRED Reminders

Adding A New Location:

For members who are adding new locations, remember that until our processes are completed and the information has been submitted to your chosen payors and confirmed accordingly, claims may be paid out of network. For each new location you will be assigned a new member number; the details will be sent to you in a letter advising you that we have processed the information and it is being submitted to the payors in our monthly report. Our Provider Relations team members will be able to confirm participation if you have questions, or are unsure of the status of your new site.

Integrated Health Plan Inc. (IHP):

If you receive a memo from IHP asking you for credentialing documents and fees, please check your Payor Grid provided by **PREFERRED** to determine your status or if it is more convenient for you, contact our Provider Relations Team to verify. If you are contracted through **PREFERRED**, there is no need to submit the requested items and payment.

PREFERRED welcomes the following new employees to the team:

- ◆ Dawn Wilson - Receptionist, extension 300
- ◆ Shawna Lawrence - Provider Relations Specialist, extension 315
- ◆ Yolanda Ford - Provider Relations Representative, extension 305
- ◆ Pam Carlton - Credentialing Associate, extension 302
- ◆ Wendy Woodward - Business Services Representative, extension 311
- ◆ Dan Sarria - Contract Specialist, extension 303
- ◆ Christine Hemmele - Administrative Assistant, extension 307
- ◆ Paul Dwinell - Operations and Data Assistant, extension 316

Contracting Corner

PACIFICARE/UHC MERGER:

Watch for memos from **PREFERRED** which will provide additional details, but here's the 30 second elevator version:

- ◆ California: UHC will be using the PacifiCare of California network. If you are a PacifiCare of CA provider, you can treat UHC patients after 6/23/06. If you are not a PacifiCare of CA provider, you will need to contract with ACN Group.
- ◆ All other states: UHC and PacifiCare will continue to function separately... for now. No word on if or when they will combine their business, and it will vary from market to market.

MULTIPLAN:

ValuePoint Discount Card - Last month, **PREFERRED** added the ValuePoint Discount Card product to our agreement with Multiplan. Patients with the discount card (which clearly indicates it is not insurance) pay you the full amount at the time of service, at your Multiplan discount rate of 20% off of billed charges. Providers have the option to accept or decline participation of this product. If you have questions or need an updated copy of the memo, contact **PREFERRED** via email at preferred@preferredtherapy.com.

Exclusion letters - Many of you have received letters directly from Multiplan, asking you to remove certain exclusions from your agreement: 1) confirm how you are participating with Multiplan. If you are participating through **PREFERRED**, you may disregard the letter(s); 2) if you have questions about the exclusions, contact **PREFERRED** via email at preferred@preferredtherapy.com.

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Payor Tidbits - Merger Mania

By Christy Beauchamp, VP, **PREFERRED**

The story isn't new, and the players are still pretty much the same, but the difference is in how many players are actually left. Mergers and acquisitions in the healthcare industry show no signs of slowing, and the affects of any given merger can swing either way for providers. Here are some of the more recent heavy-hitting purchases:

Multiplan: acquired by the Carlyle Group

Beech Street: acquired by Concentra, who also owns Focus

First Health/CCN: acquired by Coventry

PacifiCare: acquired by United Healthcare (watch for memos from **PREFERRED** with more details in the next couple of weeks!)

PREFERRED is contracted with each of the PPO/Health plans mentioned above, and for the most part our agreements have not been significantly affected by the acquisitions - at this time. The majority of them continue to operate as independent networks or wholly owned subsidiaries of their new "parent" corporations, but are working behind the scenes to streamline operations by co-mingling their various departments and systems. In many cases, this means mass restructuring (layoffs) and an attempt to incorporate what are often very different business philosophies. Needless to say, integrations (especially on a massive level) don't always run smoothly, so expect a few glitches in provider relations support and claim payments before it's all over*.

While the immediate aftermath of the mergers and the general approach of "business as usual" looks fairly stable, it is eminent that some of these health plans and PPOs will be completely absorbed by their significant other, and providers will either be grandfathered in to all of the merged business, or be left out of all of the merged business.

Prediction Number One: Some of these couplings of mega-players will mean more business for providers ... and possibly less reimbursement. The 8,000 pound gorillas will continue to throw their weight around to try and leverage deeper discounts now that they own even bigger chunks of the market.

Prediction Number Two: This may work short term, but providers will tire quickly of being strong-armed into more patients at lower rates. Providers need to cover their overhead costs without compromising time with patients (a practice is a business, after all)! Plans should be cautious of alienating providers, and providers need to know when to hold 'em and when to fold 'em.

Prediction Number Three: To some extent, the ongoing merger mania and heavy-hitter tactics will force providers to think outside the managed care box and diversify their service offerings to capture more of the consumer driven market and cash business as the dynamics of our healthcare system continue to morph.

***Noteworthy:** Mergers are a very stressful undertaking particularly for the front line "folks" who are trying to blend different systems and often different business philosophies of the "top dogs", so please try to be patient with the health plan reps on the other end of the phone (don't kill the messenger)! With the exception of a few individuals here and there, they really are doing their best to help under some rather stressful conditions.