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Medical practice professionals cite managing finances with the uncertainty of Medicare reimbursement as greatest challenge

ENGLEWOOD, Colo. June 26, 2012- For the fifth year, medical practice professionals sounded off to MGMA-ACMPE about their biggest daily professional challenges and their struggles to adapt their professions and practices to rapid changes, legislative pressures and fiscal uncertainty.

According to 1,252 respondents to the "[Medical Practice Today: What members have to say](#)" research, the top five most applicable and intense challenges of running a group practice are:

1. Managing finances with the uncertainty of Medicare reimbursement rates
2. Preparing for reimbursement models that place a greater share of financial risk on the practice
3. Preparing for the transition to ICD-10 diagnosis coding
4. Dealing with rising operating costs
5. Participating in the Centers for Medicare & Medicaid Services' EHR meaningful use incentive program

"The threat of a significant cut in Medicare reimbursement continues to plague physician practices and severely hinders their ability to properly plan and assess their financial situations," said Susan Turney, MD, MS, FACP, FACMPE, president and CEO of MGMA-ACMPE. "The increased regulatory burden brought on by unfunded federal mandates only exacerbates this uncertainty caused by the flawed Medicare Sustainable Growth Rate physician payment formula."

Challenges by practice ownership

Challenges for physician-owned medical groups and groups owned by hospitals or integrated delivery systems (IDSs) differed slightly. Not surprisingly, merging with another practice posed a bigger challenge for respondents in physician-owned groups than it did for those in hospital-owned or IDS-owned practices. Being acquired by another practice was also more likely to be a challenge for physician-owned medical groups.

Medical practice professionals in hospital- or IDS-owned medical groups found preparing for the ICD-10 diagnosis codes more challenging than those in physician-owned groups. Managing finances, implementing and/or optimizing a patient-centered medical home (PCMH), and dealing with the commercial-payer physician credentialing process were also cited as a greater challenge for hospital-owned groups.

"The healthcare environment is increasingly complex to navigate," Turney adds. "It's more important than ever for professional practice administrators, especially those who are board certified in medical practice management, to assist their practices in adapting to the arduous processes and regulations that govern our industry."

Challenges were also ranked by practice size, years of experience in medical practice management, and position title.

MGMA-ACMPE invited members via e-mail to participate in a web-based questionnaire about their practices. Members rated 54 issues and identified which challenges were most applicable and intense to their daily work. For each issue, respondents rated the degree of challenge on a five-point scale: 1 = no challenge, 2 = low challenge, 3 = moderate challenge, 4 = considerable challenge and 5 = extreme challenge. Intensity was measured by the percentage of respondents who indicated the challenge was considerable or extreme. The research is featured in the July 2012 [MGMA Connexion magazine](#).

[About MGMA-ACMPE](#)

MGMA-ACMPE is the premier association for professional administrators and leaders of medical group practices. In 2011, members of the Medical Group Management Association (MGMA), and its standard-setting division, the American College of Medical Practice Executives (ACMPE), voted to merge to form a new association. Since 1926, the Association has delivered networking, professional education and resources, political advocacy and certification for medical practice professionals. The Association represents 22,500 members who lead 13,200 organizations nationwide in which some 280,000 physicians provide more than 40 percent of the healthcare services delivered in the United States.

MGMA-ACMPE's mission is to continually improve the performance of medical group practice professionals and the organizations they represent, helping medical practices provide efficient, safe, patient-focused and affordable care. MGMA-ACMPE is headquartered in Englewood, Colo., and maintains a government affairs office in Washington, D.C. Please visit mgma.com.