

Why keeping private practices independent is vital

April 8, 2024 Jacqueline LaPointe

What happens when one of the market's most prominent players comes knocking at your practice's door? For many physicians in private practices, it means merging with the hospital or health system, whether to stay competitive in the market, access resources from a larger organization, or keep the lights on in the face of persistent financial troubles. For others, though, remaining independent amid the consolidation trend in healthcare is more important.

"If you lose out on independent practices, you lose that special touch in medicine," says Moshe Chasky, MD, FACP, of Alliance Cancer Specialists, a community oncology and hematology practice in Southeastern Pennsylvania.

Treating care of patients and the community is Chasky's life mission, the board-certified oncologist explains in our latest episode of *Healthcare Strategies*. But when Jefferson Health, a multi-state health system with a significant presence in neighboring counties, wanted to partner with Alliance Cancer Specialists, the answer wasn't a simple yes or no.

Alliance Cancer Specialists went back and forth with the large health system to determine whether merging was the right fit for the practice and its patients. Ultimately, the community practice remained independent to maintain autonomy and keep the quality of care high for its patients.

"We wanted to remain independent," Chasky states. "We felt that when we had skin in the game, meaning it was our practice and we were working for ourselves and really working for the community, we could deliver a higher level of care and we could deliver care that went above and beyond. Also, it's actually a better value [in terms of] cost of care; we don't have facility fees, so the cost of care is much less in independent practices."

Despite widespread consolidation — <u>merger and acquisition activity has rebounded from the pandemic, only to accelerate in 2023</u> — there is a place for independent practices and larger, integrated health systems, Chasky insists. Healthcare needs to protect both types of providers to maintain a healthy ecosystem.

"If you took away independent practices completely, it will hurt doctors in general because if all physicians are working for hospitals, then I think we've lost our profession, we've lost our lobbying power," Chasky says. "[We would] completely depend on hospitals, which have become large businesses, to take care of us and our patients...It's extremely important that independent physicians continue to

exist, survive, thrive because it's important, not just for independent physicians, but for our hospital-based physicians as well, for the sake of the profession."

Supporting independent practices will involve a lot of policy work as the industry zeroes in on the <u>340B Drug Pricing Program and its impact on consolidation</u>, for example. Physicians will need to advocate for themselves while continuing to show their value in private practice, Chasky stresses. After all, his practice's antitrust lawsuit against Jefferson Health wasn't successful initially and cost the practice, signifying the challenges the legal route faces.

"Continue to focus on the patient, and if you do that and you take your care to the next level, I think that independent practices will continue to survive," Chasky says. "Hopefully, others will see the value in it also. For sure, society as a whole should see value in it. Employers should see value in it because of the rising costs out there. And if independent practices are lost, the cost of care will go up."