

# COMMUNIQUE

August/September 2021



Happy Summer everyone. I hope you all have had a chance to relax and spend some time with family and loved ones during this crazy year. Sometimes, you need to make the time to rejuvenate and get your mind and body clear.

I know for most of us, this has been a very trying year. There seems to be staff shortages everywhere and healthcare is no exception. We are all doing more with less all while continuing to give our patients great care. Then there is the thing called COVID. We thought we were getting ahead of it and now it is back, stronger than ever. Some are dealing with the decision to force vaccinations and risk losing good employees or maybe lose them to this horrible pandemic. The one thing for certain is that healthcare will go on. We will take care of our patients and each other because that is what we do.

Anyone can start in healthcare; it takes a very special person to stay in healthcare. As I think back to when I started my career it was a much different time. Hospitals and clinics did not work together, and most providers were “owned”. They did not have a lot of decisions in their own practices, nor did their managers. Times have changed. Providers, even when owned have a lot of say in what goes on in their clinics. Managers are responsible for staff, patients and the ever-changing insurance regulations to keep their clinics running. I was lucky enough to have some managers I really respected talk to me about joining MO MGMA. It was one of the best career moves I made. We have access to seminars, speakers and conferences not to mention the best part, our peers. Travis is working on a great conference for 2022 in Branson. “Excellence in Healthcare, Transforming Your Practice Through Education, Networking and Passion.” That topic is perfect, it is what you get from MO MGMA.

Please remember we are all in this together. Do not struggle alone. Reach out to me or anyone on the Board, we are here if you need us. If we don’t have the answer, we will find it. Reach out to your peers, if you are having the issue, it is likely someone else is as well.

This rough patch will pass and we will all be better for it.

I look forward to seeing you all in Branson in 2022.

Daun Hills  
President, MO MGMA  
[daun.hills@coxhealth.com](mailto:daun.hills@coxhealth.com)



# more control

*protecting* **doctors**  
*nurses* **cardiologists**  
*practice managers* **family physicians**  
*infectious disease specialists*  
*internists* **anesthesiologists**  
*podiatrists* **nurse practitioners**  
**long term care specialists**  
*neurosurgeons* **pulmonologists**  
*epidemiologists* **oncologists**  
*pediatricians* **general surgeons**  
*obstetricians & gynecologists*  
**allergists** *hospital administrators*  
**emergency physicians**  
*urologists* **geriatricians** *chiropractors*  
**pathologists** *immunologists*  
*orthopaedists* **radiologists** *and more*

At ProAssurance, we work to protect medical professionals and support their patient safety efforts with custom healthcare professional liability insurance solutions.

If a malpractice claim is made, we listen and provide experienced counsel, bringing clarity and fair treatment to the claims process.



**PROASSURANCE**  
Treated Fairly

**Healthcare Professional Liability Insurance**

**ProAssurance.com**

# EXCELLENCE in Healthcare

*Transforming your practice through  
education, networking and passion*

May 4-6, 2022

Branson  
Convention Center  
Branson, Missouri

MO MGMA<sup>22</sup>

**MGMA**  
MISSOURI

Now more than ever it is imperative for leaders in healthcare to stay well informed with ongoing changes in our industry. The 2022 MO MGMA conference will give us the tools to *transform our practice through education, networking and passion*. The conference will have an excellent selection of topics and exciting lineup of informative speakers that will allow us to take our performance as leaders and our practices to the next level.

I hope you plan to join us and bring a few colleagues or mentee with you as well. If there are any barriers to you attending the 2022 conference please reach out to me directly and I will do my best to assist in you being able to attend. My email address is [tmesser@lakeregional.com](mailto:tmesser@lakeregional.com)

The conference planning committee will be meeting over the next year to finalize all the details of the 2022 conference. We are very excited about the topics, speakers and vendors we are going to be able to offer our membership. I am pleased to introduce our 2022 Conference Planning Committee:

Daun Hills  
President, MO MGMA  
Ferrell Duncan Clinic, Branson

Kyle Adkins, CMPE  
Immediate Past President, MO MGMA  
Golden Valley Memorial Healthcare, Clinton

Gregory Thompson, MBA  
Treasurer, MO MGMA  
Saint Louis Rheumatology

Laurie Atwood  
Secretary, MO MGMA  
Barry Pointe Family Care, Kansas City

Veronica Cook  
Active Member  
SSM Health Medical Group, Jefferson City

Stefanie Hohensee, MHA, CMPE  
Active Member & Chair, Membership Committee  
Mercy, Springfield

Michael Pence  
Active Member & Legislative Liaison  
Nephrology Associates, North Kansas City

Kristina Coons  
Business Partner Member  
JMARK Business Solutions, Springfield

I can't wait to see you in May!

Travis Messer, MHA  
President Elect and Conference Chair, Missouri MGMA  
[tmesser@lakeregional.com](mailto:tmesser@lakeregional.com)

# PURCHASING OR LEASING HEALTHCARE REAL ESTATE

## KEY DETERMINING FACTORS

By: Code Williams

One of the most common questions healthcare providers ask regarding their practice's real estate is *"Should I purchase or lease my office space?"* Many providers are quick to assume that since they own their home, they should also own their office space. While that logic is sound and often times owning is the top option by far, there are scenarios where owning your office space may not be in your best interest. The simple answer to the question, *"Is it better to own or lease?"* is – *It depends*. Unfortunately, there is no easy, one-size-fits-all answer on ownership vs leasing. Instead, there are many factors that come into play and need to be fully vetted when contemplating this decision.



Analyzing considerations like the season of your practice and future growth needs, available financing, cash flow and your practice's financial position, tax implications, and market availability, all play roles in determining whether to lease or purchase. The following considerations are important to evaluate and will help guide your decision on this topic.

### Leasing Your Office Space

**Flexibility:** When you lease a property, you typically have more flexibility to relocate your office space as you will likely be signing a 5, 7 or 10-year term. At the end of that initial term, you can easily walk away from the space, relocate to another property, or decide to sign on for another term. You don't need to prepare the property to sell, list and show the property, or walk through a sale transaction to get out. You simply walk away at the end of the term or you renew the lease.

**Concessions:** Another great benefit of leasing comes in the way of the concessions that landlords will offer blue chip tenants, like healthcare practices. When you are properly represented and have the appropriate posture and negotiation strategy, many landlords will become more aggressive and stretch further to make a deal with a healthcare provider than with other traditional tenants.

Some examples of these concessions are tenant improvement allowances where the landlord will provide money to help build out the space in the property, or a free build out period to complete the construction so the tenant is not paying rent before they occupy the space. It's also possible to achieve free rent once the practice opens.

With expert representation, a healthcare tenant can often times create leverage to demand concessions that reach into the six-figure range, totaling \$100,000, \$150,000, even \$200,000 and more in build out allowances from the landlord, along with 6-12 months of free build out time and additional free rent upon opening. These concessions are huge benefitting factors to leasing versus owning, as it means less money from the tenant on the frontend to get the office up and running, and less money and interest paid to a lender.

**Availability:** An important factor to consider when determining whether to lease or purchase is market availability. If you are in a high-growth, dense urban or downtown area, there may be very few options to purchase. In most markets, lease options outweigh purchase options by 10 to 1, and in more populated markets, the

disparity is even greater. It's important for healthcare providers to not get 'set' on only one scenario. The best strategy is to look at the entire market or area, both purchasing and leasing, to find out what property options are available. In these decisions, it is best to keep the needs of the practice as the main priority, as the practice is what drives revenue.

It's also imperative to look at an all-encompassing apples-to-apples comparison that takes into account the principle paydown, monthly figures, concessions and costs, tax implications and the equity position after 10 years, 15 years and 20 years. Those are the figures that will ensure the decision is informed and factual.

### **Purchasing Your Office Space**

**Additional Asset:** If you have enough money for a down payment along with the ability to secure financing, and there are good purchase opportunities available in the area you are looking, then ownership may be the best option for your practice. It's very common at the end of a doctor's career that the value of the building and property are worth as much or even more than the practice itself.

**Additional Annuity:** Healthcare providers also have the option of selling their practice but retaining their property and leasing it back to the buying party. This creates an annuity and becomes retirement cash-flow, often with a building that is fully paid off.

**Healthcare-Specific Financing:** If you are considering a purchase, it is wise to speak with a healthcare-specific lender who has loan products geared towards healthcare real estate. These lenders typically understand the cycle of build outs, the unique nature of healthcare offices, the strength and cashflow of healthcare practices, and they in turn package their loans in a more beneficial way than a general lender might.

**Principle Paydown:** Another distinct benefit of ownership is principle paydown and equity that is built up. If you are leasing, you get nothing at the end of the lease term except another renewal document. At the end of 10-15 years of ownership, you will likely see a balance sheet on the property that can be in the hundreds of thousands and even millions of dollars to your benefit. If you pay off the building after 15 or 20 years, then your property costs are limited to upkeep, taxes and your operating expenses. That is a huge benefit of ownership.

**Tax Benefits:** Both purchasing and leasing have tax benefits and considerations that you will want to fully understand through the advice and counsel of a good CPA and Agent. Two of the most impactful tax benefits that result from commercial real estate ownership are depreciation and mortgage interest deduction, both of which are motivating factors of purchasing.

### **Additional Considerations**

It's also helpful to look at the season your practice is in. Are you an associate right now, looking at a start-up? If so, it might make more sense to lease for the first 7-10 years to really determine where your target market is located, how much space you'll need in the short and long term, what your parking needs look like and more.

Do you own a practice that's been leasing for 10 years or more and you are now trying to determine whether purchasing is right for you? If so, running a detailed lease vs purchase analysis and then discussing it with your Agent and CPA would provide you meaningful insight.

Should a healthcare provider who is looking to retire in the next three to five years consider purchasing a building or should they simply remain in a leased space? Again, it depends... On the surface, it might not make sense to invest \$150 to \$200 per square foot into finishing out a new space, plus the cost of the building and land, if a practice sale is likely within a few years. However, if the new lease to the buyer of the practice creates cashflow, it could be an excellent investment and one that substantially increases the value of the practice. Again, every scenario and market are different and unique. That is why you need to have a good team of advisors around you and be confident you are evaluating all of your options.

### In Conclusion

It's easy to see how this may be the most common question regarding healthcare office space; however, it's not a question that has a definitive answer for everyone. You need to dive into your situation and scenario deeper with the help of a good healthcare tenant Agent or Broker. There are many considerations and implications to consider and having all the information in a comparative analysis puts you in the driver's seat to make the most beneficial decision for your practice.



*Code Williams is a MO MGMA Business Partner member. CARR is the nation's leading provider of commercial real estate services for healthcare tenants and buyers. Visit [CARR.US](http://CARR.US) to learn more.*



## Is your Health Information Management an administrative burden?

### Our industry-leading quality can lift that burden.

Sharecare delivers the full picture with the critical data and processes required to manage your population, improve outcomes and help your practice remain competitive and achieve financial success.

- Value-based Care Solutions
- Health Information Management
- Payment Integrity
- Clinical Solutions
- Digital Patient Engagement



For more information visit [sharecare.com/solutions/provider](http://sharecare.com/solutions/provider)



# ACMPE Corner

## **CONGRATULATIONS TO BARBARA FAUPEL FROM SAINT LOUIS, FOR ACHIEVING HER FACMPE IN JULY!**



*Stacey Reitzel, FACMPE  
ACMPE Forum Rep  
sreitzel@pchmo.org*

### **NEW! DIGITAL BADGING**

We are so excited to announce our partnership with Credly on Digital badging! On July 7<sup>th</sup>, MGMA sent out digital badges to all members who are Certified, a Fellow, and Certificate Holders. Digital badges are a web-enabled, verifiable version of their designations. They will be able to manage their badges through Credly and share their achievements on various platforms such as:

LinkedIn  
Zip Recruiter

Facebook  
Email Signatures

Twitter  
Personal Websites



All digital badges are now available with the date they completed their Board Certification, Fellowship, or Certificate Program. If someone has not received their instructions to claim their digital badge via an email from Credly, please direct them to reach out to [acmpe@mgma.com](mailto:acmpe@mgma.com).

Helpful links to learn more about digital badges:

[MGMA Credly Home Page](#)

MGMA Digital Badges – [More Information](#)

[Credly Support](#)

### **EXAM PRICE INCREASE NOW IN EFFECT**

Examinations are now \$167 each. There are many applications set to expire on Dec. 31, 2021. For those expiring at year-end, MGMA has set up a code for you to use: LASTCHANCE15 for \$15 off an exam. Please note that the code is ONLY for those expiring at year-end. For those expiring at year-end, the code can be applied at checkout or by calling the MGMA service center. What are you waiting for? Register today to take your exam. Please reach out to me if you have any questions!

# LEGISLATIVE NEWS

Please join us in welcoming Michael Pence as our new Legislative Liaison.

Michael has been a Missouri MGMA Active member for five years and is the Medical Office Manager at Nephrology Associates, M.D., P.A. in North Kansas City. We are excited for Michael to bring his leadership and dedication to this role. If you have an interest in legislative issues and would like to serve on our Legislative Committee, please contact Michael at [michaelp@nephkc.com](mailto:michaelp@nephkc.com).



*Michael Pence*

*Legislative Liaison*

[michaelp@nephkc.com](mailto:michaelp@nephkc.com)

## **MGMA urges transparency, demonstration of ROI in healthcare standards development**

MGMA submitted [comments](#) to the National Committee on Vital and Health Statistics (NCVHS) in response to their request for public comment on healthcare standards development, adoption, and implementation. NCVHS, a federal advisory body, is seeking input from healthcare industry stakeholders on the current state of data standards, their use with current code sets, and options for future standards to improve the exchange of clinical and administrative data in preparation for their listening session on Aug. 25. In the letter, MGMA makes numerous recommendations, including:

- NCVHS should support efficiencies in place by recommitting to the standards, operating rules, and code sets that currently allow for the productive exchange of data;
- The committee should recommend the Department of Health and Human Services take stronger action against plans and vendors who violate existing mandates; and
- The development of any potential new standards should be done with full transparency, and all impacted stakeholders should have the necessary information including demonstrated use cases, implementation and compliance considerations, and stakeholder-specific return on investment (ROI).

## **Available now: 2020 final MIPS scores, performance feedback**

The Centers for Medicare & Medicaid Services (CMS) released 2020 MIPS performance feedback, 2020 MIPS final scores, and 2022 payment adjustments, which can be viewed on the Quality Payment Program (QPP) [website](#). During the COVID-19 pandemic, CMS implemented flexibilities for the QPP, permitting eligible clinicians to reweight MIPS performance categories. The final scores published reflect the COVID-19 flexibilities and any applicable reweighting. Members are encouraged to review this information, as finalized data may be different from preliminary information released earlier this year. Clinicians or group practices may request a targeted review by Oct. 1, 2021, if they find an error with their 2022 MIPS payment adjustment. Additional resources associated with this announcement can be downloaded from the QPP [resource library](#).

*MO MGMA works closely with MGMA Government Affairs staff to provide our members with the latest legislative & regulatory information. MO MGMA members are encouraged to participate in grassroots activities, anecdotal surveys, and contacting your elected officials on issues of importance to medical practices.*



MEDICAL GROUP  
MANAGEMENT  
ASSOCIATION



## Support advocacy to remove patient cost sharing for CCM services

Join #MGMAAdvocay efforts by sending a [template letter](#) to your congressional representative urging for support of the recently introduced legislation to improve patient access to chronic care management (CCM) services. MGMA sent a [letter](#) alongside numerous other national stakeholder groups supporting the reintroduction of the Seniors' Chronic Care Management Improvement Act of 2021. This important legislation would remove the 20% patient co-insurance amount for CCM services, reducing administrative burdens and enabling group practices to utilize these services to better manage the chronic conditions of their patients. Send a

## *Caring for the Kingdom*

*A Kansas City Healthcare Education Touchdown*

September 22, 2021

Holiday Inn Airport KCI Expo

Co –Sponsored by KCMPSA - GKC MGMA - AAPC of KC



Expert Speakers



Fun Day!



Networking!



Learning!

**Already  
a half full  
exhibit hall!  
Act Now to  
Secure Booth!**

## **EXHIBITORS**

*Suggested register date –August 6  
Confirm a booth today!  
Send contract soon!*

**Attendee  
Registration  
Open Early  
Bird Rates  
until 8/22!**

**Online registration -- attendees & exhibitors**  
<https://gkcmgma.org/2021-Caring-for-the-Kingdom/>  
*Everything you need in one place*



## Tuesday, September 14th @ 12pm: MGMA Washington Update

### Learning Objectives:

- Learn about new or pending federal policy changes
- Understand how legislative and regulatory initiatives affect your daily work
- Identify resources available to assist you

### Session Description:

In a climate of significant legislative and regulatory changes reshaping the healthcare landscape in response to the COVID-19 pandemic, this timely program will present an update on the current state of federal healthcare policy impacting medical groups. Attendees will gain a deeper understanding of these changes and their impact on the day-to-day activities of medical group practices, in addition to being directed to clarifying resources. Specific topics include proposed updates to the 2022 Medicare Physician Fee Schedule, quality payment programs, the status of COVID-19 relief programs, legislative issues, and a host of other timely issues.

### Topics Include:

- Proposed 2022 implementations details for the Merit-Based Incentive Payment System and alternative payment models,
- Proposed 2022 Medicare Physician Fee Schedule payment and policy changes,
- Key federal health policy issues, including compliance and health information technology related topics, and MGMA advocacy and resources for members

To register, login and go to [Webinar Registration](#) under the Members tab.

**MO MGMA webinars are approved for 1.0 CE credit hour of LIVE learning from MGMA state for those attending the live session. Webinars are approved for 1.0 CE credit hour from MGMA state for on-demand listening. Approved for 1.0 AAPC credit.**



# NEW MEMBER WELCOME

## Active Members

Tamara Blanchard  
Excel Orthopedics  
Chesterfield

Sara Forchee  
Onyx Spine Institute  
St. Louis

## Business Partner Member

Alex Hrinya  
Allscripts  
[alex.hrinya@allscripts.com](mailto:alex.hrinya@allscripts.com)

Better performing organizations have certified team members.  
ACMPE Board Certification can help you rise to the top.



Overall, ACMPE certified members make up 85% of MGMA's Better Performing Organizations.

Of MGMA Better Performing Organizations, the data is of organizations with ACMPE Board Certified members.