Anesthesia Groups Look for Alternatives to Buy-Out

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As far as mergers and acquisitions go, Anesthesia has been a hot commodity. For the past several years M&A activity has been on the rise in Anesthesia; however, some groups worry that once the M&A has occurred, the "control" over their own group is gone. Also, it is Parish's experience that often the owners of the group get financially rewarded through an M&A while the non-owners basically have new management and a new owner. Of course, this may or may not be the reality in all situations; however, the question remains, "Is there an alternative?"

Parish Management Consultants, LLC was created to minimize practice overhead cost and assure anesthesiologists and Certified Registered Nurse Anesthetists competitive salaries and benefits, while leaving the anesthesia group as much autonomy as possible to clinically run their respective Group. Parish Management Consultants, in one respect, was created to act as an "anesthesia cooperative," much like a farmer's cooperative. To continue with the analogy, Parish's "cooperative" was designed primarily on the cost side associated with practice management. Parish provides the anesthesia group with the ability to receive overhead management support such as malpractice, billing, collections, payroll and realize savings through economies of scale. However, most importantly as Parish has grown, Parish Groups now have the necessary management resources to successfully accommodate all aspects of practice support including but not limited to; CMS initiatives such as PQRS, QPP-MIPS, ICD-10 conversion, compliance initiatives, as well as facility required reporting on practitioner productivity, business cost metrics, and so forth. This "cooperative" approach now provides our anesthesia groups the management expertise to deal with today's challenges while preserving their clinical autonomy.

Parish's president, a former hospital administrator and clinician, relates that "physicians do not mind paying a fee for management services; however, it is a very short term strategy if a percentage of one group's clinical revenues go to another set of doctors who have no clinical duties." This statement is not meant to be disparaging to anyone or any business. However, if a clinician is taking call, working weekends, and dealing with the fast-paced life of an OR, then sooner or later the concept of paying a "company" a significant portion of your salary for non-clinical support will fall out of favor. This is not the solution most physicians are particularly looking for if some autonomy has been lost.

Parish does offer a viable alternative to a merger or acquisition. Besides the ability to respond to the latest rules and regulations, Parish provides a management staff that understands the perspectives of both Hospitals and clinicians. Parish's staff, includes former hospital administrators, OR directors, financial officers, CRNA managers, and anesthesiologists – a team that works 24/7 to meet the business obligations of a clinical group.