Alternative Practice Models for Psychologists: An Overview
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GOOD PRACTICE
Fall 2014

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* This Patient Education Resource focuses on heart disease prevention and management. To make photocopies for your clients, or for use in networking and outreach activities, remove the article along the perforated edge. To download this fact sheet and other tools, visit the Public Education and Outreach section at apapRACTICEcentral.org.

GOOD PRACTICE
Fall 2014
Alternative Practice Models for Psychologists: An Overview

This special issue of Good Practice focuses on alternative practice models for psychologists in the context of the ongoing implementation of health care reform. The content highlights opportunities to grow your practice or to develop or join larger practice organizations designed to promote efficient, high-quality integrated care.

A range of options

Psychologists can consider a range of options available for adapting to the changing health care marketplace, from strategies for increasing your referral network to cutting-edge corporate structures. Relevant factors in planning for any changes to your practice likely include stage of career, interest in learning new skills, desired level of autonomy, interest in collaborating with other professionals, technological capabilities and inclination towards change. External conditions, such as local needs and market opportunities, also are germane.

After assessing both internal and external factors, you may conclude that your practice requires no changes. Or you may decide to implement some enhancements to your current business model or to develop or become an employee of an alternative practice model. The articles that follow will help you to evaluate your options and prepare for change, as well as provide you with information on alternative practice models including referral systems, co-location, independent practice associations, management services organizations (MSOs), patient-centered medical homes (PCMHs) and accountable care organizations (ACOs).

Opportunities and challenges

Clearly psychologists have a major role to play in the future of health care. Many already work at the forefront of health care reform – for example, by developing or participating in new payment and delivery systems. However, other psychologists may want to initiate activities such as updating their business plans, learning new skills, enhancing their technological capabilities or increasing their level of collaboration with other professionals.

Developing new skills

To be successful in the evolving U.S. health care system, some psychologists may benefit from developing new skills. For example, in some emerging models of care it will be useful to be able to provide brief interventions for mental and behavioral health problems, behavior change interventions for managing chronic disease and telehealth services. In addition, utilizing evidence-based treatments, measuring quality and outcomes and providing integrated care are becoming increasingly important.

There are many excellent continuing education programs and other resources available for psychologists who want to develop or enhance relevant skills. For example, the APA Education Directorate webpage on “Education and Training for Psychologists in Primary Care” has relevant information for students and practicing psychologists who are interested in working in primary care settings (www.apa.org/ed/graduate/primary-care-psychology.aspx).

The recently published article “Competencies for Psychology Practice in Primary Care” (McDaniel et al., 2014) reports on the outcome of a presidential initiative of 2012 APA President Suzanne Bennett Johnson, PhD. The article describes six broad core competency domains: Science; Systems; Professionalism; Relationships; Application; and Education. Within each competency, essential knowledge, skills and attitudes as well as behavioral anchors are provided.
Rozensky (2014) provides detailed recommendations for building psychology’s primary care workforce and facilitating the success of professional psychology in the “ACA-driven” (Affordable Care Act) health care environment. His recommendations focus on interprofessionalism, financial and administrative accountability and autonomy, national and local advocacy, and education and training.

**Reform includes behavioral health**

The evolution of the U.S. health care system since the passage of the Patient Protection and Affordable Care Act (“ACA”) in 2010 has already affected many psychologists and their clients. All of the major aspects of health care are currently being reexamined, including how delivery systems are structured, the types of payment models that are being implemented and even the types of services covered by public and private insurance.

Several important implications of the ACA for practicing psychologists, as described in more detail in previous APA Practice Organization publications, (www.apapracticecentral.org/advocacy/reform/patient-protection.aspx), include:

- **Mandatory mental health coverage at parity.** Mental health and substance use disorder services are a part of the essential benefits package that all qualified health plans provide through state Health Benefits Exchanges. These benefits need to be at parity with medical/surgical benefits. All state benchmark and benchmark-equivalent Medicaid coverage must also comply with the essential benefits package required for plans in the state Health Benefits Exchanges.

- **Opportunities in primary and integrated care.** Funding is being provided for several types of new initiatives designed to promote integrated care, including interprofessional community health teams that support primary care providers and consortia of health providers that deliver comprehensive care for low-income populations.

- **Opportunities in innovative payment and service delivery models.** A new Center for Medicare and Medicaid Innovation (innovation.cms.gov) is testing innovative payment and service delivery models to reduce program costs while preserving or enhancing quality of care. These models include ACOs and PCMHs.

**Support for integrated care**

Among the many recent changes to the health care landscape, a particularly positive change for professional psychology is that behavioral health is now generally recognized as a critical component of overall health. Treatment for mental health and substance use disorders as well as interventions to address the behavioral aspects of many of the most prevalent physical disorders are all essential to achieving the “triple aim” goals for improving health system performance. The triple aim approach, which was originally developed by the Institute for Healthcare Improvement (bit.ly/IHITripleAim), seeks to improve the patient experience of care, improve the health of populations and reduce per capita cost. This approach has been adopted by the Centers for Medicare and Medicaid (bit.ly/Xq98R3) and is consistent with the goals of the ACA.

There is a growing body of evidence that integration of physical and behavioral health care promotes better overall health and can reduce per capita costs.

There is a growing body of evidence that integration of physical and behavioral health care promotes better overall health and can reduce per capita costs. Chronic illness accounts for more than 75 percent of the nation’s health spending, and behavioral factors are leading causes of such illness (bit.ly/ChronicDiseaseCDC). In addition, patients with comorbid medical and mental health conditions incur higher health care costs. For example, a recent study found that the monthly total health expenditures for persons with...
Choosing the Best Legal Structure for Your Professional Practice

There are a variety of legal structures you might choose for your practice. Understanding your options is important since these structures are often the building blocks for alternative practice models such as independent practice associations (IPAs) and management service organizations (MSOs). Given the evolving health care marketplace, it is important to know how traditional legal business models compare to alternative practice models. In some cases, considering the alternatives may lead you to conclude that you simply want or need to shore up your practice by creating a formal legal structure where none currently exists.

If you have a business plan (see apapracticecentral.org/business/management/tips/secure/business-plan.aspx), you should consider reviewing that document to see if you need to make any changes to your current practice model. If you are just getting started in practice, you will want to consider the following factors in deciding what kind of legal structure to adopt:

- The type(s) of services you offer
- The size of your practice, including whether you may plan to hire or jointly own the practice with other health care providers (and perhaps from other licensed health disciplines)
- The amount of control you want to have over the administrative operations
- How much organizational structure you would like
- Tax implications for various practice models
- Plans for the future of your practice (for example, do you plan to keep it small or seek to grow the size of your practice?)
- Your desire to limit or separate your personal liability from the practice’s liabilities
- The likelihood of being involved in a lawsuit reflecting the types of services you provide or plan to provide (for example, forensic work)
- The practice’s expected profits or losses
- Your need to access capital

This article discusses six types of legal structures and potential advantages and disadvantages of each model – sole proprietorship, general partnership, limited partnership, limited liability partnership, corporation and limited liability company. The accompanying chart outlines key comparative advantages and disadvantages for the models described taking into account the factors listed above.

Importantly, the requirements for different legal structures may vary by state. And not all of the models described are available in all states. For example, the limited liability partnership is a relatively new concept and therefore is not recognized universally. In addition, some states require that business owners who provide licensed services – such as health care services (psychology or medicine, for example), accounting or law – set up either a professional limited liability company (PLLC) or professional corporation (PC), as these kinds of entities are designed to provide licensed professional services.

Yet another important consideration is that your state may have a corporate practice of medicine statute that sets limitations on what other health care disciplines may be integrated in your practice. For example, your state law may not allow psychologists to set up a PC or PLLC with physicians to provide psychological and medical services.

In light of such variability, this article provides a basic general overview of alternative practice models. Practicing psychologists are urged to consult with a local attorney and financial advisor to discuss important tax implications, relevant state corporate laws and other legal/regulatory considerations in deciding how to best structure your practice.

**Sole Proprietorship**

This is the simplest and least expensive way of structuring your professional practice. A sole proprietorship is an
unincorporated business in which you are the sole owner with the complete authority to make all business decisions. There is no legal distinction between you and your practice.

All of the practice’s assets and profits belong to you. However, you are also personally liable for all of the practice’s debts, losses and liabilities. If you have employees, you are legally liable for their actions, too. Your personal liability is unlimited, so both your business and personal assets may be at risk. Your ability to access capital for your practice will depend on your personal credit since a sole proprietorship is not an incorporated business entity.

You do not have to take any formal action to set up a sole proprietorship. If you are the owner of your practice, your practice is automatically considered a sole proprietorship simply by being in business. But like all businesses, you may need to obtain the necessary licenses and permits. Because you and your practice are one and the same for tax and legal purposes, any practice income or loss is reported on your personal income tax return. As a sole proprietorship, your practice does not need to file its own tax return.

**Partnership**

If you are interested in co-owning the practice with other colleagues, you might consider a partnership. Under a partnership, the partners contribute money, property, labor and expertise to the business. There are three types of partnerships: general partnership, limited partnership and limited liability partnership.

Although there are many similarities, the three models differ as to level of control of the business and personal liability. It is important to consult with an attorney to draft a partnership agreement in order to address how ownership and business authority will be shared, how decisions will be made, how disputes will be handled and how to deal with a buyout if a partner wants to leave the partnership.

Depending on the type of partnership, it may also need to be registered with the state, typically through the Secretary of State. Further, the partnership would need to obtain any necessary business licenses and permits. As a partnership, the practice may have greater access to capital since it has its own assets distinct from the individual partners’ personal assets.

**General Partnership (GP):** The basic form of partnership is a general partnership where the general partners own and manage the business together. All of the partners are involved in the business decisions. Like the sole proprietorship, the tax issues are fairly simple. Although the partnership must file a tax return, it does not pay taxes on the income. Rather the tax liability “passes through” to the individual partners who personally pay taxes on the partnership income.

General partners share equally in the profits and losses. In addition, each general partner has unlimited personal liability under the partnership for its debts, losses and liabilities. This also includes personal liability for the unlawful or inappropriate actions (or omissions) of another general partner and any employee(s). Unlimited personal liability often makes this particular type of partnership less attractive than the other options.

**Limited Partnership (LP):** A limited partnership is a more complex structure that includes general partners and limited partners. The general partners operate the partnership so they are responsible for the decision making, whereas limited partners have no active role in daily operations and serve as investors in the partnership. While general partners are personally liable under the partnership, limited partners have limited personal liability for the partnership’s liabilities. Limited partners’ liability is limited to their original investment in the partnership.

Like general partnerships, the partnership’s tax liability passes through to the individual partners to report their respective shares of the income or losses on their personal income tax returns.

**Limited Liability Partnership (LLP):** Unlike general partnerships, partners in an LLP enjoy limited personal liability. LLP partners are not liable for acts, omissions or negligence by another partner. However, they are still personally liable for their own malpractice or incompetence or that of any employee whom they directly supervise. Unlike a limited partnership, however, all of the partners in an LLP generally can actively manage the business.

The requirements for setting up an LLP may vary from one state to another. Even more fundamentally, in some states, the LLP is available only to certain professions – for example, accountants, lawyers, doctors and dentists.

**Corporations**

This is usually the most complicated and expensive business structure to set up. A corporation is chartered by the state and considered to be a separate legal entity from the owners (shareholders). In most cases, liability for the practice’s debts is limited to the corporation’s assets. That means a shareholder is liable only to the extent of his or her investment in the corporation.

Decision making is based on stock ownership of the
shareholders. But generally, the corporation’s management is centralized in a board of directors or elected officers. Only the corporate officers, authorized by the board of directors, may act on behalf of the corporation and commit corporate assets. The corporation continues to exist even if a shareholder sells or transfers his or her corporate stock shares.

Additional requirements exist with regard to the establishment and operation of a corporate board of directors, documentation and recordkeeping. Any practitioner considering this option is well advised to consult an attorney to prepare the articles of incorporation and other required filings. Like partnerships, the corporation would need to be registered with the state.

As a corporation, your practice would pay its own income taxes and file its own tax return. In addition, the shareholders may pay income tax on distributed profits that they receive as dividends. This means that corporate income is subject to “double taxation.”

For federal income tax purposes, you may elect to have the corporation treated as an “S Corporation” (under federal tax laws) to avoid “double taxation.” In most cases, S Corporations do not pay taxes on income and losses.

Instead, the tax liability passes through to the individual shareholders on their personal income taxes – similar to partnerships. There are other specified criteria that a corporation must meet to qualify as an S Corporation.

In many states, health care practices are considered “professional corporations” (as compared to ordinary business corporations) because the services provided by the practice require a license. The laws governing how PCs are set up, owned, managed and operated vary by state. Some states require that all of a PC’s shareholders have the same professional license. Other states also require that the officers and directors be licensed in the same profession; in other words, these states do not allow multidisciplinary practices. Unless otherwise specified in your state law, it is likely that all members of your professional corporation must be psychologists. Currently, fewer than half of states in the U.S. allow for some degree of integration among psychologists and physicians.

**Limited Liability Company (LLC)**

A limited liability company is a hybrid of a corporation and a partnership. The LLC is one of the most flexible options and probably the most popular because of the combined

<table>
<thead>
<tr>
<th>TYPE OF LEGAL STRUCTURE</th>
<th>Who controls the operations?</th>
<th>Simple to set up &amp; operate?</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOLE PROPRIETORSHIP</td>
<td>Psychologist (sole proprietor) exercises complete control</td>
<td>Yes</td>
</tr>
<tr>
<td>GENERAL PARTNERSHIP</td>
<td>Shared decision-making among partners</td>
<td>Relatively easy; minimal set-up costs</td>
</tr>
<tr>
<td>LIMITED PARTNERSHIP</td>
<td>Active management limited to general partners; lack of active control for limited partners</td>
<td>Relatively easy; minimal set-up costs</td>
</tr>
<tr>
<td>LIMITED LIABILITY PARTNERSHIP</td>
<td>Shared decision-making among partners</td>
<td>May only be available to certain professions in some states; may be more difficult to set up</td>
</tr>
<tr>
<td>(PROFESSIONAL) CORPORATION</td>
<td>Management centralized in board of directors or elected officers; decision-making based on stock ownership</td>
<td>Generally, most complicated and expensive structure to set up; state law may limit integration with other types of licensed health care providers</td>
</tr>
<tr>
<td>(PROFESSIONAL) LIMITED LIABILITY COMPANY</td>
<td>Members may be involved in the decision-making or may hire someone to run the company</td>
<td>More complicated than sole proprietorship or partnership but most popular option because of combined tax and liability advantages</td>
</tr>
</tbody>
</table>
liability and tax advantages. This structure offers limited personal liability for members (similar to a corporation’s shareholders or a partnership’s partners). LLCs are not recognized by the federal government for tax purposes, so they are taxed either as a corporation, partnership or sole proprietorship. Generally, the LLC’s income would be reported on the members’ personal income tax returns. Even so, it is important to consult with an accountant to determine how an LLC may elect to be taxed.

Although some states require there to be at least two members of an LLC, other states are starting to allow single-member LLCs. Members of an LLC can include individuals, corporations and/or partnerships. Members of the LLC can be involved in the decision making regardless of the size of their financial investment in the company. Alternatively, the LLC could hire someone to run the company.

As with a partnership, you should have an attorney draw up the LLC’s articles of organization and a formal operating agreement for members describing how the company will be run, how profits will be shared and whether the LLC would continue to operate if a member chooses to leave the business. In general, forming an LLC is more complicated than forming a partnership but avoids some of the complex and often burdensome corporate formalities. Like partnerships or corporations, the LLC would need to be registered with the state.

Also similar to corporations, states may have provisions requiring licensed professionals seeking to set up an LLC to designate their company as a professional limited liability company (PLLC). This particular kind of LLC is required for the business owner who must be licensed in order to practice his or her profession – for example, psychology, medicine and law. But, as with professional corporations, certain states may not allow PLLCs to be established as multidisciplinary health care practices. There may be similar state law restrictions on integrating different disciplines into a single practice so it is important to check the laws in your state.

Your ultimate decision about an organizational model for your practice will have many legal and financial implications. Therefore, you should consult with your attorney and accountant/financial advisor in making the best choice for you.

NOTE: The information presented in this article is for informational purposes only and does not constitute legal or financial advice.

<table>
<thead>
<tr>
<th>Limited personal liability?</th>
<th>Basic taxation issues</th>
<th>Profits &amp; assets shared?</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO</td>
<td>Practice income &amp; losses are reported on your personal income tax return</td>
<td>No - belong to psychologist (proprietor)</td>
</tr>
<tr>
<td>NO – legally responsible for your own actions and those of any partner(s)</td>
<td>Partnership must file a tax return but practice income &amp; losses are reported on each partner’s own personal income tax return</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes - limited partners, NO for general partners</td>
<td>Partnership must file a tax return but practice income &amp; losses are reported on each partner’s own personal income tax return</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes for others’ negligence or malpractice BUT responsible for own actions or those of direct supervisees</td>
<td>Partnership must file a tax return but practice income &amp; losses are reported on each partner’s own personal income tax return</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Possible double taxation (corporation pays income tax, shareholders pay income tax on distributed profits) but depends on the type of corporation so check your state laws</td>
<td>Any profits would be distributed as dividends to shareholders</td>
</tr>
<tr>
<td>Yes</td>
<td>LLC must file a tax return but generally practice income &amp; losses are reported on members’ personal income tax returns</td>
<td>Members can decide how to share profits per LLC operating agreement</td>
</tr>
</tbody>
</table>
The impact of health care reform on psychologists will vary greatly depending on factors pertaining to each individual psychologist. For example, successful psychologists late in their careers may choose to maintain their current practice model. Similarly, a psychologist who has developed a thriving niche practice that does not involve third-party payers may not be significantly influenced by marketplace reforms. However, many psychologists, particularly those in the early or middle stages of their careers, should consider how the evolution of health care is likely to affect them as they plan for the future.

Psychologists who want to make changes to the way they practice can consider a range of options. Some may prefer to make only minor refinements, such as expanding their network of referral sources. Others may consider major changes, such as forming or joining an independent practice association or management services organization.

Even if you are not planning to make any changes at all, learning about the alternative models that are being developed will help you to better understand the marketplace context for today’s practitioners.

This article describes a range of options, starting with the easiest to implement and moving along a spectrum toward more complex, integrated models of care. The more complex models are often designed to meet the “triple aim” goals of improving patients’ experience of care, improving population health and reducing per capita costs. (See article on page 2.)

Building a referral system

The lowest-cost and lowest-risk practice option addressed here is the referral system. A referral system can be informal and based on ongoing relationships, or can be more structured and involve contracts with referral sources. For example, the contract might include details regarding the amount of time that the psychologist would devote to the referral source on a weekly or monthly basis, and payment for services such as consultation that are not covered by insurance.

To develop or enhance their referral systems, psychologists first need to determine the types of services they are able to provide. For example, can they provide outpatient assessments, psychotherapy, substance abuse treatment and/or behavioral health interventions for patients with physical health problems?

Psychologists then need to identify which local health care groups or organizations might be able to benefit from such services. For example, if there is a nearby hospital or health system, do they provide behavioral health services directly or do they refer patients in need of such services to local independent health care professionals? In addition
to individual health care professionals such as primary care physicians and psychiatrists, other potential referral sources include general practice or specialty medical groups, hospitals, rehabilitation facilities, physical, occupational and/or speech therapists, schools and university counseling centers, and senior housing establishments.

Before reaching out to possible referral sources, psychologists need to be prepared to demonstrate in a concise, clear and compelling manner the services they can provide, their qualifications and how a referral arrangement could be beneficial. To help you begin the process of reaching out to primary care providers, the APA Practice Organization (APAPO) provides general information in a fact sheet titled, "Psychologists and Primary Care Providers: How We Can Work Together," available online at apapracticecentral.org/business/collaboration/primary-care.aspx. Additional general information about practicing psychologists and psychological services is found in APAPO’s fact sheet, “Psychologists Promote Health and Wellbeing Throughout our Nation” (apapracticecentral.org/advocacy/state/leadership/slc-fact-psychologists.aspx).

Your state psychological association may also have helpful resources. Finally, publications that demonstrate the value of integrating physical and behavioral health care are identified in the “References and Resources” list found on page 13.

Creating a robust referral system may lead to further developments in your practice. You may decide to co-locate with one or more of your referral sources or you may decide to hire or partner with additional psychologists or other mental health professionals.

Co-location

Co-location refers to situations where psychologists locate their practices in close proximity to referral sources, typically by renting or sharing office space (part or full time) in buildings where other health care providers are located. Co-location is a fairly low-risk and easily implemented option that offers the potential for collaborating with other health care professionals while typically allowing the psychologist to maintain a relatively high degree of autonomy.

The nature and degree of collaboration with nearby providers can vary. Often psychologists who co-locate with other health care providers have contracts that cover referral arrangements. They may also have shared medical records that facilitate referrals and coordination of care. This model can move psychologists along the spectrum toward full integration, characterized by a multidisciplinary team approach to care.
Co-location offers several advantages for patients as well as health care professionals. One is the reduced time a psychologist presumably needs to spend cultivating referrals. In addition, co-location makes it easier and more convenient for a patient to follow up on referrals. For example, when making a referral for behavioral health services, a primary care physician may be able to provide a “warm hand-off” by walking down the hall and introducing the patient to the psychologist.

Successful co-location can reduce the stigma often associated with traditional outpatient mental health. If a patient already has a comfortable and trusting relationship with the referring provider, the patient may be more positively inclined toward seeing the co-located psychologist. Taken together, these advantages make it more likely that a patient will follow through on referrals and receive more efficient and collaborative care.

**Successful co-location can reduce the stigma often associated with traditional outpatient mental health.**

Comprehensive MedPsych Systems, founded by Dr. Geoffrey Kanter in 1998, is an example of a behavioral health practice with an extensive referral system that includes co-location. It is currently the largest private behavioral health group in Florida, with more than 45 staff members (including psychologists, neuropsychologists, postdoctoral neuropsychology residents, social workers, counselors and psychiatrists) and 15 offices, several of which are co-located with other health care professionals. Dr. Kanter’s group contracts or provides services in a variety of settings in addition to its outpatient mental health offices, including memory clinics, hospital-based rehab programs, acute care hospitals, inpatient psychiatric hospital programs, sports training facilities, university-based counseling programs, primary and secondary schools, medical schools, holistic treatment centers and substance abuse programs. More than 450 referral sources send patients to Comprehensive MedPsych services each year. Additional information about Dr. Kanter and his provider group is available at [www.medpsych.net](http://www.medpsych.net).

**Independent practice associations**

An independent practice association (IPA) is a legal entity wherein independent psychological practices can come together to work toward common goals, such as contracting with a managed care company, accountable care organization (ACO, discussed later in this article) or health system. IPAs allow professionals to maintain a high degree of autonomy while benefiting from the greater resources and bargaining power of being part of a larger group. The IPA model is common among physicians and is an emerging practice model for psychologists.

IPAs are a relatively low-risk way to join with a larger group of psychologists and to negotiate contracts with insurers. However, in order to become part of an IPA, members must sign a “participating provider” contract. Before signing, psychologists should carefully review the terms of the agreement and consult with a knowledgeable attorney regarding potential benefits and risks, including antitrust considerations (see sidebar on p. 11).

Antitrust law is complex, but the key issue is that collaborations of independent health care professionals conducting joint fee negotiations must demonstrate sufficient financial or clinical integration to satisfy antitrust law enforcement agencies. For additional information about the implications of antitrust law for psychologists seeking to implement new practice models, please see “Avoiding Antitrust Problems” ([Good Practice](https://www.apapractice.org) Spring/Summer 2014, p. 8).

Dr. Peter Oppenheimer, a founding partner of Feil & Oppenheimer Psychological Services and President of the Rhode Island Psychological Association, is working to promote integrated care in his state. Since 2010 Dr. Oppenheimer’s practice and other practices in Rhode Island have partnered with the Rhode Island Primary Care...
Physicians Corporation (RIPCP), an IPA of more than 140 primary care physicians, to create the Rhode Island Primary Care Physicians Corporation Behavioral Health Network.

The RIPCP Behavioral Health Network promotes collaboration between primary care and behavioral health practices by facilitating referrals through a network of qualified behavioral health clinicians. The network streamlines communications between the primary care physicians and the behavioral health clinicians using a secure email service. Many of the IPA’s primary care practices are too small to have an on-site behavioral health clinician.

Behavioral health clinicians who are accepted into the network become affiliate members of the IPA. They agree to participate in the network’s referral, communications, continuing education and quality improvement procedures. IPA members have access to a secure searchable database that helps them identify appropriate referrals. Secure email now serves as the primary means of communication. In the future, the network intends for behavioral health clinicians to be able to interface directly with the physicians’ electronic medical records systems.

The initial goal of the behavioral health network is to promote collaboration and to demonstrate the function and effectiveness of the network through a quality improvement program. The behavioral health network ultimately could adapt its structure to participate directly in negotiations with payers. Information about the network is available at www.ripcpc.com.

**Management services organization**

Psychologists may also want to consider forming or joining a management services organization (MSO). Like the IPA model, the MSO model has typically been used by physicians but may offer a viable option for some psychologists as well. The MSO model is similar to the IPA, but is typically larger and offers a broader spectrum of management services than an IPA.

The key distinction is that MSOs are better suited than IPAs for contracting with multiple insurers, ACOs or other health care entities. Because MSOs typically market themselves to multiple health care entities, they often develop common branding for their services just as ACE hardware stores all market under the same “Ace” brand despite being independent stores.

MSOs provide management and administrative services to independent providers, such as negotiating contracts with payers for behavioral health services. The MSO does not provide behavioral health services directly.

MSOs usually involve more capital investment, as well as more legal and financial risk, than referral systems or IPAs. However, the potential benefits of an MSO are substantial. After considering the options, Dr. Keith Baird, a founding partner of a large and well-established group practice based in Hinsdale, Illinois, decided that the MSO model was a promising way to promote integrated care and to negotiate with ACOs and insurance companies. As a result, Dr. Baird is spearheading the development of a new organization, Behavioral Care Management, LLC (BCM), using the MSO model.

BCM will be a multidisciplinary consortium of providers designed to provide the highest-quality care while reducing costs. BCM’s plans include: utilizing the latest technology to facilitate communication between medical and behavioral health care professionals; lowering inpatient psychiatric admissions by providing access to urgent care appointments; offering wellness and health promotion services; co-locating with physicians and other medical professionals; and providing behavioral services for patients with chronic medical conditions.

**Accountable care organizations**

An accountable care organization (ACO) is a network of physicians and other health care providers (usually including hospitals) who come together voluntarily to share financial and clinical responsibility for providing coordinated care to patients with the goal of limiting unnecessary spending and improving quality of care. When an ACO succeeds in delivering quality care and reducing overall health care costs, providers in the ACO can share in the savings that are achieved.
The ACO model requires substantial capital resources, clinical and financial integration and a large number of patients. To qualify as an ACO under the Medicare Shared Savings Program, the ACO must include at least 5,000 beneficiaries. The types of organizations that can support the functions required of ACOs include: IPAs, MSOs, physician-hospital organizations and multispecialty group practices. Psychologists are allowed to participate directly in ACOs and in shared savings payment under the Medicare Shared Savings Program, but generally would not be able to develop Medicare ACOs on their own.

Psychologists can also participate in ACOs as employees of larger organizations that provide integrated care. For example, Dr. W. Thomas Thompson is a psychologist who works at Cornerstone Health Care, a group of more than 375 physicians and advanced practice providers in North Carolina (www.cornerstonehealth.com). Dr. Thompson joined Cornerstone in 2002 as its first behavioral health professional and has helped the behavioral medicine staff to grow to a group of 14 professionals, mostly psychologists. All of the behavioral medicine staff members participate in a computerized referral system, and some are embedded directly in medical clinics.

Cornerstone strives to provide value-driven care and is committed to the triple aim goals. In addition to Cornerstone’s participating in the Medicare Shared Savings Program as an ACO, each of Cornerstone’s primary care practices has been recognized by the National Committee for Quality Assurance as a Patient-Centered Medical Home (NCQA PCMH).

The PCMH is a model of primary care that is patient-centered, comprehensive, team-based, coordinated, accessible and focused on quality and safety. Additional information on medical homes is available from organizations such as NCQA (available at bit.ly/XECDsf), the Agency for Healthcare Research and Quality (pcmh.ahrq.gov) and the Patient-Centered Primary Care Collaborative (www.pcpcc.org).

As an employee of a larger group that is affiliated with an ACO or other integrated health system, psychologists can participate in a leading-edge venture without taking on the legal and financial burdens associated with creating their own organizational structure. For many psychologists, the benefits of being employed by a large, interdisciplinary health care group (for example, stability, security, low risk and more time devoted to clinical instead of business issues) may outweigh the disadvantages such as decreased autonomy and lack of ownership. The same types of advantages and disadvantages would apply to behavioral health practices that merge with or are acquired by a larger health care organization.

**What’s next?**

One recent trend in health services delivery is greater consolidation, particularly among hospitals and physician groups. The number of hospital mergers and acquisitions doubled between 2009 and 2012 (See nyti.ms/1nJFxJ2).

In addition, the percentage of physicians and other health care professionals who work as employees for hospitals and large organizations is growing. According to recent estimates, about 39 percent of physicians nationwide are in independent practice, down from 57 percent in 2000 (See nyti.ms/1qZj5kg).

This trend is affecting psychologists as well. For example, data from a 2013 APA Practice Organization member survey revealed that while 54 percent of total respondents listed their primary work setting as independent solo practice, that number is notably lower – 39 percent – among early career psychologists licensed for no more than seven years.

The Affordable Care Act (ACA) is seen widely as encouraging the creation of larger hospital and health systems. Specific factors driving hospital consolidation, along with the creation of affiliations and larger provider groups more generally, include: increasing regulatory burdens such as meeting the complex requirements for qualifying as an ACO; increasing demands for accountability; payment reform such as


A Two-Generational Approach to Integrated Care

Practitioner Profile: Rahil D. Briggs, PsyD

During her graduate school experiences in outpatient mental health clinics, Rahil Briggs, PsyD, discovered challenges with traditional approaches to working with children. First, by the time people typically bring children in, problems have already escalated. And for people living in poverty or facing other issues, the logistics of getting to a clinic can be daunting.

“Early childhood is such a critical time in brain development, and it was tragic that toddlers weren’t getting help,” remembers Briggs, explaining that clients often attributed problems to the “terrible twos” or claimed very young children wouldn’t remember traumatic incidents like domestic violence. “Getting them too late was just frustrating.”

That convinced Briggs that traditional private practice or work at a specialty mental health clinic wasn’t for her. “Why are we asking families to come to us instead of going where they are?” says Briggs, who received her doctorate from New York University in 2004. And where they are is primary care. Says Briggs, “Lots of children aren’t in preschool or early learning programs, but they all go to see the doctor.”

Briggs has built her career upon that realization. As director of pediatric behavioral health services at Montefiore Medical Group in the Bronx since 2013, she’s been busy integrating psychology into primary care at a system serving 90,000 pediatric patients a year. At the center of that effort is Healthy Steps, a national program that addresses emotional, behavioral and intellectual development within pediatric settings.

A two-generational approach
Briggs launched integrated early childhood mental health care at Montefiore in 2005, when a former supervisor received a seed grant from New York’s City Council Children’s Mental Health Under Five Initiative and invited her to put her interest in integrated care into practice. Briggs spent three days a week educating pediatricians about early brain development and screening pediatric patients for social and emotional development. In 2006, she received funding of her own – a large grant from the Altman Foundation that helped Montefiore become a formal Healthy Steps site.

Designated an evidence-based practice by the U.S. Substance Abuse and Mental Health Services Administration, Healthy Steps helps pediatric practices focus on more than just physical health. The program embeds specially trained early childhood mental health specialists directly into pediatric primary care to provide all parents of very young children with information and support about such parenting challenges as surviving toilet training, managing tantrums and encouraging learning. The goal is prevention and early intervention, says Briggs.

“It’s far easier to intervene with a two-year-old who’s having tantrums than a 14-year-old who’s been crying out for help for 14 years to a silent response,” she says.

But Healthy Steps doesn’t just focus on children, Briggs emphasizes. To break the intergenerational cycle of risk, it also focuses on parents. Parents who have had difficult childhoods themselves often have a hard time parenting their own children, she says, so all parents – whether they’re expectant mothers coming in for obstetrician appointments or new parents coming in for pediatric visits – undergo Adverse Childhood Experiences (ACES) screening.

“As long as a two-month-old is gaining weight correctly, there aren’t a lot of ways of knowing whether the child is doing OK in terms of social and emotional development,” says Briggs. “Screening parents for their own ACES may be our best bet at identifying young children at risk as early as possible.”

If a parent reports a high ACES score, they’re invited to enroll in an intensive program that lets them see a Healthy Steps specialist every time they visit the primary care practice. Parents can also take advantage of home visits, “baby and me” groups, extra visits for help with topics like sleep.
training and adult mental health services in what Briggs calls the “nonstigmatizing venue” of the pediatrics clinic. Even families not at high risk get support, with ongoing screening and intervention as needed. The Healthy Steps team is always on the lookout for what they call “pink flags,” says Briggs, explaining that they want to prevent problems before they reach “red flag” level.

Briggs and the other Healthy Steps specialists don’t just supplement the pediatricians’ efforts, she emphasizes. They’re integral parts of the team. “Our folks are Montefiore employees who use the same medical record as the primary care providers, share treatment plans and have case conferences together,” she explains. “It’s really much more integration than co-location.”

Breaking the cycle
That approach is paying off, says Briggs, who is also an associate professor of pediatrics at Albert Einstein College of Medicine.

In a paper published this year in Clinical Practice in Pediatric Psychology, Briggs and colleagues found that Healthy Steps seems to moderate the impact parents’ childhood trauma has on their own children’s development. Comparing three-year-old children of mothers reporting their own childhood trauma, the researchers found that just 34 percent of those in the Healthy Steps program were at risk for social and emotional difficulties compared to half of the children in the control group.

Healthy Steps may also reduce costs, says Briggs. Take emergency room visits, one of the biggest drivers of healthcare costs. Depressed mothers who received mental health treatment as part of the Healthy Steps program had an average of 2.44 emergency room visits in the year prior to referral to services and just .96 visits in the year after, Briggs and her colleagues have found. Healthy Steps also seems to reduce psychotropic medication use among participating children, says Briggs, noting that none of the participating children had received prescriptions based on a study conducted when they were five years old.

Now Montefiore’s Healthy Steps program is growing. With funding from the Price Family Foundation, Tiger Foundation, Stavros Niarchos Foundation and other foundations, Healthy Steps has already expanded to three more large pediatric clinics at Montefiore, including two residency training clinics. “That’s a wonderful opportunity to leverage what we’re doing – to educate tomorrow’s pediatricians to be particularly knowledgeable about early childhood brain development and the importance of getting it right in the early years,” says Briggs. The program has also received grant funding from the Marks Family Foundation, Child Welfare Foundation, and the Grinberg Family Foundation.

Montefiore has been so impressed with the program that it is now providing significant support, says Briggs, noting that Healthy Steps was once entirely foundation-funded. Based on the success of Healthy Steps, Montefiore is funding the program’s expansion to all pediatric sites within the system plus behavioral health’s integration into primary care for school-aged children, adolescents and adults.

That means job opportunities for psychologists. Healthy Steps at Montefiore already emphasizes the use of psychologists as Healthy Steps specialists, says Briggs. “In other health systems, it’s more often social workers, early childhood specialists and nurses,” she says. The Healthy Steps program already has six psychologists and plans to hire at least six more in the next year.

“Any primary care provider will tell you that by and large they’re not very well trained to manage questions about emotional health, behavioral health, social and emotional development and parent/child interaction, yet that’s where parents go,” says Briggs, adding that she’s now creating short videos to educate pediatricians on such topics as picky eaters, weaning and limit-setting. “It’s helpful for them to be able to just walk a family down the hall to a known entity, someone who’s part of their patient care team.”
Putting Your Business Plan to Work

Creating or refining a plan is a necessary step in charting a path to successful practice.

In today’s competitive and evolving health care marketplace, psychologists must clearly address the business side of practice. In order to survive and thrive, independent psychology practices and behavioral health organizations of all sizes should have a business plan. Your roadmap for the future, a business plan is equally important for solo and small group practices as it is for larger organizations.

Just as a good treatment plan keeps the patient on track to reach goals and maintain health, a business plan will help psychologists set business goals and maintain a successful practice. Going through the exercise of developing a business plan— including stating your mission, describing your marketing plan and anticipating finances for the next few years—helps you focus on important aspects of growth.

If you are considering participating in or implementing an alternative practice model such as an independent practice association (IPA) or medical services organization (MSO), a more comprehensive business plan must be fully developed, especially if you need outside funding.

Many resources, including those listed in the sidebar on page 13, may help you create your business plan. For example, the Small Business Administration provides templates at no cost which can be found online at www.sba.gov/writing-business-plan. The APA Practice Organization provides further information on the Practice Central website for practitioners on elements to include in your plan.

This article will briefly outline steps in developing a business plan for your practice and how to begin putting your plan to good use.

Look at the present and envision the future

To build a business plan, you need to assess your current practice and articulate goals related to future directions.

For example, do you have a specialty practice? Are you primarily a consultant, child psychologist, group psychologist, an expert in a particular treatment area such as dialectical behavioral therapy or hypnotherapy, or perhaps all of the above? What portion of your practice is private pay? Considering such questions helps you identify your starting point. As you begin the business plan exercise, you may find that you wish to modify certain aspects of your practice or head in a different future direction.

If you have already formed or are participating in a mental health provider group, the personal and professional characteristics of all group members who would potentially be part of any new venture should be considered. In addition to determining individuals’ professional areas of competence and expertise, you should consider factors relating to the structure and characteristics of the group as a whole. For example: Who are the group leaders and
what is the quality of their leadership? How cohesive is the group? Who owns the group and what are the contractual relationships between members of the group?

Assess your readiness for change

Are you satisfied with your practice and your business model? If the answer is “yes,” the rest of the process will be fairly simple to complete. If the answer, however, is “no,” you will need to take a hard look at your practice, beginning with considering your readiness for change. This exercise involves assessing personal as well as professional characteristics. Relevant personal characteristics include your career stage (early, middle or late), your inclination toward change and your level of entrepreneurship and risk tolerance. Relevant professional characteristics include the services you can provide, your areas of expertise, your experience working in multidisciplinary teams and/or in primary care settings, your current professional network and your technological capabilities.

Evaluate the market

Once you assess your practice and readiness for change, the next step is to carefully assess marketplace opportunities in your area. This stage is very important for establishing a solid business plan.

Many psychologists can assess the market on their own, using tools such as online research, informal surveys or focus groups. Another option is to hire an expert to conduct a market analysis for you, which may be a good option if you are planning to invest a substantial amount of money in launching a new venture.

Marketplace assessment often includes considering the following questions:

• What is the potential pool of clients/patients? Consider factors such as population density, demographic characteristics (for example, age, diversity and education levels), local industry and the economic climate.

• What income sources are available? In considering options within the third-party payment system, determine the number of private health insurers, whether you are able to join their networks and psychologists’ experience in participating with various insurers. Find out the percentage of Medicare and Medicaid (if the program in your state allows psychologists to provide services) recipients in your area, along with applicable reimbursement rates from these programs. You may also wish to consider opportunities outside the insurance system, such as the availability of court evaluations and other forensic work and teaching opportunities.

• What is your competition? Identify other mental health providers and groups (including master’s level) and the number of providers who claim to offer the same specialty areas of practice as you do.

• What benefits do you offer clients/patients that your competitors do not? Your business plan can help you pinpoint unique aspects of your practice to use to your competitive advantage.

The results from this research will help you decide your next steps. If you specialize in aging populations but live in an area where the mean age is considerably younger, you will likely want to diversify your practice. If you speak a foreign language, you will want to identify potential clients and other providers who do as well. If you identify an unmet need, you may decide to develop a new area of expertise or to add staff members. Conversely, if the market is saturated with providers in a certain area of practice, you

GETTING THE PROFESSIONAL ASSISTANCE YOU NEED

Psychologists with little to no background or interest in business will need the assistance of other types of professionals to make significant changes to their practices or set up new ventures. For example, attorneys, accountants and business consultants with relevant expertise can help psychology practices and multidisciplinary group practices grow and thrive. Large group practices and alternative models such as iPAs and MSOs clearly require the services of an experienced attorney in setting up legal structures and providing general legal advice as needed. Solo practitioners and small group practices may want to hire an attorney as well, particularly if they decide to create formal business structures beyond sole proprietorships – for example, a corporation or partnership (See the article on page 4).

Accountants can be helpful to all types of practices, from solo practitioners to large organizations. Larger groups that participate in payment models other than fee-for-service – for example, capitated payments and accountable care organizations) in particular may need the services of an accountant, financial consultant or other qualified professional to help them predict the bottom-line impact of these forms of payment.
may wish to highlight other areas of treatment you can provide.

Drawing on an example from the field, Dr. Keith Baird from Illinois is in the process of launching a management services organization (MSO). Before taking steps to put his plans in action, however, he researched the local market conditions by networking with leading health professionals and researching provider groups and organizations. Dr. Baird determined that there were no local behavioral health organizations poised to provide services to the large health systems and ACOs being formed in his geographic area. Although he already ran a successful and relatively large group mental health practice, Baird decided to launch an MSO. The business goals of this MSO include becoming the provider network of choice for local ACOs and health systems, as well as being able to negotiate directly with health insurers on behalf of the MSO’s providers. These goals complement the MSO’s broader goals of promoting integrated, cost-effective, high quality care.

**Anticipate financial resources and needs**

The next step is to plan your income and expenses for the next several years. This section of your business plan should include: three-year projections of your income statement and balance sheet; a cash flow analysis that documents the movement of money in and out of your practice, such as reimbursement from health insurance payers and monthly rent for your office space and the timing of these transactions; and short- and long-term capital requirements.

Project how many clients you need to see or other work you need to undertake in a typical work week to meet expenses. Based on reimbursement amounts from any third-party payers, consider whether you also need to see private pay patients or do some higher paying work that does not involve insurance reimbursement. Likewise, you must project expenses for the next several years such as staffing, professional development, overhead and insurance.

**Develop an action plan**

You may find that you need to access outside capital or obtain further training to develop and implement your plans. If you are envisioning a larger venture that involves a substantial capital investment, you may need to analyze in some detail the factors that may impact financial feasibility. For example: Will the planned investments in infrastructure and/or staff result in substantial efficiencies and/or economies of scale? Will the structure of the new venture position your group for success under newer reimbursement models beyond fee-for-service (for example, capitated or bundled payments)? What is your bargaining power in the community?

You may decide that you and/or other professionals in your group need to develop new skills before launching a new venture. For example, more than 40 of the mental health professionals affiliated with Behavioral Care Management (BCM), the MSO being developed by Dr. Keith Baird, have obtained post-graduate training and certification in Primary Care Behavioral Health.

You may also find that your staffing, office procedures, or health information technology (HIT) capabilities need to be enhanced in order to pursue your business plans. For example, electronic health records, secure scheduling software and performance measurement procedures may be needed to promote efficiency and to demonstrate accountability. APA Practice Organization (APAPO) and APA resources and information that may helpful regarding HIT and accountability include the outcome measures database “PracticeOUTCOMES” (apapracticecentral.org/update/2011/08-29/measurement-database.aspx) and
HELPFUL RESOURCES

Visit the apapracticecentral.org “Business of Practice” page (apapracticecentral.org/business/index.aspx) for information on practice management, practice marketing and financial management. In particular, the APAPO article “Your Business Plan: Steps to Success” (apapracticecentral.org/business/management/tips/secure/business-plan.aspx) describes the following basic elements of a business plan for psychologists: overview (including mission and vision); environment (including external factors such as economic trends and demographics as well as internal factors such staffing and facilities); marketing and finance. Much of the material in this section of the Practice Central website is available only to APA Practice Organization members.

The Small Business Administration provides business plan templates at no cost, which can be found online at www.sba.gov/writing-business-plan.

Another resource that may be helpful in developing your business plan is the detailed “Decision Model for Practices” developed by Dr. Charles Cooper of North Carolina. Dr. Cooper’s model is designed for psychologist practices that are considering becoming more involved in integrated care. See the References and Resources list on page 13.

Continuing Education (CE) courses may also serve as good resources for planning and implementing changes to your practice. For example, APA offers many useful CE courses (online at www.apa.org/education/ce/index.aspx), including the following: “Moving Your Psychology Practice to Primary Care and Specialty Medical Settings: Competencies, Collaborations and Contracts;” “Building Your Practice Through Interprofessional Collaboration With Health Care Providers” and “Using Science and Entrepreneurship to Identify Practice Markets and Opportunities.” Your state psychological association or other approved CE providers may also have helpful resources.

Since most psychologists do not have business expertise, many practitioners are assisted by other professionals such as an attorney, an accountant and/or a business consultant. See sidebar on page 17.

NOTE: The information presented in this article is for informational purposes only and does not constitute legal or financial advice.
chronic medical conditions and co-morbid depression were on average more than $500 higher than for persons with chronic medical conditions who were not depressed (Melek & Norris, 2008). Most of this difference was attributable to higher medical (not mental health) expenditures. The authors of this study concluded that the costs of implementing effective integrated health programs may be easily offset by the ultimate savings from reduced total health care costs. A recent publication from the American Hospital Association (2012) reviewed the evidence and reached a similar conclusion: Better integration of behavioral health care services into the broader health care continuum can have a positive impact on quality, costs and outcomes.

The growing appreciation of the importance of behavioral health creates new opportunities for psychologists to develop and/or participate in innovative practice models that promote coordinated care. Psychologists can participate in integrated care in a variety of ways: conducting thorough psychological assessments, treating complex patients, applying behavioral principles to modify health-related risk factors, promoting patient responsibility and resilience, addressing interpersonal barriers to behavior change and understanding environmental determinants of behavior. In addition, psychologists can supervise other therapists and case managers, develop and administer integrated care programs and design and evaluate interventions.

**Coordination of behavioral and physical health**

Innovative care delivery and payment models typically require larger, interdisciplinary groups of professionals to work together in order meet the triple aim goals of improved health, improved care and lower costs. Large interprofessional groups and systems are well positioned to take the steps needed to achieve these goals because they have the capacity to provide coordinated or integrated care, adopt health information technology and collect data to demonstrate quality and value. In addition, larger groups and systems have the financial capital to build infrastructure and to handle the potential risks and rewards of participating in payment models such as bundled payments (for episodes of care), capitated payments and shared savings programs.

Coordination of behavioral and physical health services can be accomplished in a variety of ways ranging from

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**States are playing a key role in the implementation of health care reform and the development of new service delivery and payment models.**

Basic referral arrangements between physicians and psychologists to employment within the same integrated health organizations (See “Considering Options for Alternative Practice Models” on page 8).

**State implementation of health reform**

States are playing a key role in the implementation of health care reform and the development of new service delivery and payment models. For example, Washington recently released an extensive and detailed report on the “Washington State Health Care Innovation Plan” (bit.ly/Waplan). This transformational plan is an ambitious effort to improve health, improve care and lower costs. One of its major goals is to fully integrate mental health, chemical dependency and physical health care. Its strategies include: moving away from fee-for-service reimbursement to outcomes-based payments; enhancing prevention and early-disease mitigation efforts; and improving services for chronic illness (including physical and behavioral co-morbidities) through better integration of care.

Massachusetts is another state at the forefront of reform. Its Patient-Centered Medical Home Initiative has set the goal for all primary care practices in the state to become PCMHs by 2015 (bit.ly/PCMH). The “core competencies” for PCMHs under this initiative include: patient/family-centeredness; multidisciplinary team-based care; population-based tracking and analysis with patient-specific reminders; care coordination across settings, including referral and transition management with other providers including behavioral health; evidence-based care delivery; quality improvement strategies; and enhanced access (bit.ly/MACoreCompetencies).

Along with the APA Practice Organization, state psychological associations are a source of information for members about health care reform and related issues and considerations for practicing psychologists.
bundled or capitated payments in lieu of fee-for-service; the emergence of risk-sharing models such as ACOs; adoption of electronic health records and other information technologies; and incentives for providing more integrated care such as through PCMHs.

Although there is general agreement about the major trends in health care reform, the overall impact of consolidation and the ultimate effect of newer payment and care delivery models on quality and costs is uncertain. For example, a 2012 report by the Robert Wood Johnson Foundation (available at bit.ly/1rb3Zsn) found that a review of the research on physician-hospital consolidation did not suggest that such consolidation, absent true integration, will lead to cost reductions or clinical improvement.

The results of studies of coordinated care models are more promising. For example, there is a substantial amount of research demonstrating that the medical home model can improve quality of care, improve population health and reduce health care costs (pcpcc.org/content/results-evidence). Most important for psychologists, there is also substantial evidence that the integration of behavioral and physical health care promotes better overall health and is cost effective.

At this time, it is unclear which particular models for delivering and paying for care will ultimately prove to be most successful and become most widely adopted. In any event, given the rapid pace of change, psychologists generally need to be aware of marketplace trends and new models of care and to assess what alternative practice models may be ripe for consideration.

The APA Practice Organization will continue to support psychology’s role in innovative practice models and keep our members informed about emerging trends, challenges and opportunities.

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ALTERNATIVE PRACTICE MODELS – BRIEF GLOSSARY

The following are brief definitions of terms related to alternative practice models as they apply to psychologists. Many of these concepts are described in greater detail in the article on page 8 titled, “Considering Options for Alternative Practice Models,” noted below as “Options” article.

**Accountable Care Organization (ACO):** A group of physicians, hospitals and other providers who come together voluntarily and share financial and clinical responsibility for providing coordinated care to patients with the goals of improving care and limiting unnecessary spending. See “Options” article.

**Acquisition:** The purchase of one company by another, which can result from one company purchasing the other’s assets or by purchasing the stock of an acquired corporation.

**Bundled Payment:** A fixed, comprehensive payment made to health care providers for all services relating to a defined episode of care – for example, an inpatient hospitalization and all post-acute care within 30 days of discharge from hospital.

**Capitated Payment:** A fixed, comprehensive payment made to health care providers for all services needed by a patient or pool of patients during a defined period of time, typically per month or per year.

**Co-Location:** Psychologists renting or using space, either part-time or full-time, in a place where other health care providers such as primary care physicians practice for the purpose of facilitating collaboration among providers. See “Options” article.

**Independent practice association (IPA):** A legal entity that allows independent psychological practices to collaborate toward common goals, such as contracting with a managed care company or health system to provide behavioral health care services. See “Options” article.

**Limited Liability Company (LLC):** A hybrid of a corporation and a partnership. Like a corporation, the LLC offers limited personal liability for members; however, an LLC is typically taxed like a partnership. See “Choosing the Best Legal Structure for Your Practice” on page 4.

**Management Services Organization (MSO):** A collaboration of independent psychological practices that is designed to contract with multiple health plans or payers. It is similar to an IPA but more complex. The MSO provides management and administrative services to the independent practices. See “Options” article.

**Merger:** Two or more corporations, partnerships or LLCs sign an agreement to become a single entity.

**Patient-Centered Medical Home (PCMH):** Defined by the Substance Abuse and Mental Health Services Administration (SAMHSA) as “an approach to providing comprehensive primary care for children, youth and adults that facilitates collaboration between different health care professionals, including primary care providers, individual patients and, when appropriate, the patient’s family” (integration.samhsa.gov/glossary#p).

**Referral System:** A system of communication between psychologists and possible referral sources such as other health care professionals, hospitals and home health agencies. A referral system can be informal and based on ongoing relationships with referral sources or can be more structured and involve contracts with referral sources. See “Options” article.
Heart disease is a major chronic illness in the United States, affecting more than 26 million people. According to the Centers for Disease Control and Prevention (CDC), heart disease is the leading cause of death for both men and women. Some risk factors associated with heart disease, such as being overweight and smoking, can be controlled through lifestyle and behavior choices.

Having a heart attack or being diagnosed with heart disease can be a life-changing event. And, it can be challenging emotionally to make necessary lifestyle changes to help live a heart-healthy life.

Seeing a Psychologist About Heart Disease

Altering eating habits, managing stress and following the treatment plan your health provider prescribes all at once can be overwhelming. Psychologists can help people with heart disease find ways to make these lifestyle changes and address emotional reactions such as anxiety. Licensed psychologists also have the professional training and skills to treat individuals suffering from depression (see box at right).

Psychologists work with individuals, families and groups in private practice or as part of a health care team. Sometimes psychologists will work with heart disease patients who have been referred by a cardiologist, dietician or other health care professional.

In working with a psychologist, you can expect to discuss your overall physical and emotional health, your health beliefs and behaviors. You will also discuss how much you understand about heart disease and your specific diagnosis.

A psychologist can provide support and help you deal with any setbacks, develop new skills and change unhealthy behaviors. You and your psychologist will work together, sometimes along with your cardiologist, to decide what treatment options are best suited for you.

HEART DISEASE AND DEPRESSION

According to the American Heart Association, 33 percent of heart attack patients develop some degree of depression. Symptoms of depression like fatigue and feelings of worthlessness can cause people to ignore their treatment and engage in unhealthy behaviors such as overeating or refusing to take medications. Studies show treating depression makes it easier for people with heart disease to follow long-term treatment plans and make appropriate changes to their lifestyle.
GETTING THE SUPPORT YOU NEED

Without a strong support system, it can be difficult to make lasting behavior changes. Research shows that as many as two-thirds of heart disease patients may revert back to behaviors that contributed to their heart attack a year later. Working with a psychologist or attending a support group for people with heart disease can help keep you on track and prevent you from returning to old behaviors.

Steps to a Heart-Healthy Lifestyle

Consider the following steps to help live a heart-healthy lifestyle:

**Get active.** Exercise is an important part of a heart-healthy lifestyle. Regular exercise can help keep arteries flexible and open, reducing the chance for blockage. Talk to your cardiologist and a psychologist about an exercise plan that is right for you. To get started, try taking a short walk or using the stairs instead of the elevator.

**Eat well.** A healthy diet is essential to maintaining your new lifestyle. Focus on developing healthy eating habits that become part of your everyday life. For example, choose grilled instead of fried food.

**Manage stress.** Research shows that stress can contribute to many different health problems, including increased risk of heart disease. Regulating stress is an important part of preventing and treating heart disease. Studies have shown that if you learn to manage your stress, you can better control your heart rate and blood pressure.

**Recognize how you deal with your emotions.** After a heart attack, you may experience depression, anxiety or added stress. It is important to acknowledge and address any negative emotions and distress to help with your recovery and maintain good health.

**Accept support.** Getting help from friends and family can go a long way in aiding your recovery. Research shows that people with greater social support build their resilience and experience less depression and anxiety. Friends and family are often eager to offer support, but are not always sure how they can help. It can be a huge boost when others run a few errands for you, take you to your doctor’s appointments or just lend you their ears.

**Avoid burnout.** Keeping up with your prescriptions, exercising regularly and making healthy food choices can feel overwhelming. Research shows that people with heart disease may experience burnout at some point. Burnout can make you feel mentally and physically drained and can negatively affect your efforts to change your lifestyle. To lessen burnout, keep in mind that small steps can lead to long-term change. Remind yourself that you are moving in a healthier direction and take time to celebrate your efforts. Changing your behavior takes time and practice. Positively reinforce your efforts and recognize that occasional temporary “slips” are a normal part of the process.

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Dr. Christina Zampetella, PCCLicensed Clinical Psychologist

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