

## **PRESS RELEASE**

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# **Specialist Physician Groups Form Maine's First Independent Practice Association (IPA)**

## **Association Group Counters Regional Trend away from Independent Practice and towards Hospital Employment**

(Portland, ME) Four of the area's most prestigious specialty medical groups today announced the formation of an Independent Practice Association (IPA). Chest Medicine Associates (CMA), Portland Gastroenterology Associates (PGA), OA Centers for Orthopaedics (OA), and Spectrum Medical Group (SMG) are the founding members of the newly formed Maine Specialty IPA, which represents over 250 physicians and other medical providers caring for patients in Southern Maine and across the entire state.

Popular in other parts of the country, an IPA consists of a network of physicians who agree to participate in an association to work with health insurance companies, other healthcare providers, employers and other organizations. In addition, members of the Maine Specialty IPA will maintain their independent physician ownership structures and will seek to achieve cost efficiencies by sharing administrative services.

"This collaboration will enable our physicians to work more closely together to improve the coordination of patient care, address cost issues in healthcare, and promote strong, independent physician practices," said Dr. Daniel Landry, President of Spectrum Medical Group.

In forming this IPA, the physician association is countering a trend away from independent practice and towards hospital-based employment. Economic pressures in the form of rising costs and lower payments for procedures have forced many private practice medical groups in Maine to give up their independence and to become employed by ever larger regional health organizations.

In the primary care area alone, approximately 2,000 Maine physicians are now employed in practices that are owned by hospitals or federally qualified health centers (FQHC), according to Gordon Smith, Executive Vice President of the Maine Medical Association. This means that approximately 70% of all medical doctors in Maine are in an employment relationship with a hospital, health center or FQHCs, whereas 10 years ago that number was less than 15%. On the specialty side, about half of the specialists now have such an employment arrangement, whereas only a small number of specialty physicians were employed by hospitals ten years ago.

Members of the newly formed IPA believe that by combining their resources, they can be effective in providing physician-led solutions to the challenges facing Maine and the nation as it relates to the delivery and financing of healthcare services. “Collectively, we believe that by aligning and integrating, our groups will be able to improve clinical care coordination and delivery of specialty medical services for the benefit of our patients,” said Dr. Robert McArdle, President of Chest Medicine Associates (CMA). “Simultaneously, we expect to improve efficiency and address the overall costs of healthcare services in a positive manner.”

Other medical practices have approached the association, which is limited initially to the founding members. Eventually, the IPA intends to extend association membership to other area practices seeking to maintain their independence while lowering their costs and improving operating efficiencies.

“This association will be a source of improved performance for our practices,” said John Wipfler, CEO of OA Centers for Orthopaedics (OA). “Additionally, the IPA becomes a potential vehicle for other independent medical groups wishing to collaborate and gain the benefits associated with further alignment of clinical and business best practices.”

The IPA intends to collaborate with primary care groups, hospitals, health plans and the employer community to help coordinate care, reduce waste, inefficiency, and duplication. “We welcome the opportunity to partner with other medical practices, hospitals, health plans and purchasers,” said Dr. Andres Stefan, President of Portland Gastroenterology Associates (PGA). “We believe that these four groups provide a solid foundation for a viable independent practice association that can combine the clinical and business resources and create better patient experiences at a lower overall cost.”

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#### **About Chest Medicine Associates:**

Chest Medicine Associates (<http://www.cmamaine.com>) based in South Portland, is the area’s largest provider of pulmonary medicine services providing inpatient and outpatient services at Maine Medical Center and its office on Foden Road. CMA is involved in providing the full range of respiratory therapy services including sleep medicine, pulmonary rehabilitation, treatment of lung disease and cystic fibrosis as well as critical care medicine and medical education.

#### **About Portland Gastroenterology Associates:**

Portland Gastroenterology Associates (<http://www.portlandgastro.com>) based in Portland, is the largest provider of gastroenterology services at its Endoscopy Center and at area hospitals. PGA provides the full range of digestive health services including colonoscopy, treatment of liver and pancreatic diseases, treatment of reflux, and upper endoscopy procedures.

#### **About OA Centers for Orthopaedics :**

OA –Centers for Orthopaedics (<http://www.orthoassociates.com>) is the premier orthopedic practice in Southern Maine with 24 physicians, including 14 surgeons, providing a full range of both outpatient and hospital-based services. OA’s specialty centers include Hand, Spine, Joint

Replacement, Foot and Ankle and Sports Medicine. OA offers the best patient experience and comprehensive care serving over 70,000 patients a year in its Portland center and supporting satellite centers in Saco and Windham. OA performs more orthopedic procedures than any other practice in Maine, including some of the most advanced procedures in the nation

**About Spectrum Medical Group:**

Spectrum Medical Group (<http://www.spectrummedicalgroup.com>) is Maine's largest independent physician practice with over 150 physicians specializing in anesthesiology, radiology, pathology and radiation oncology. Spectrum provides services to patients in all 16 counties and works with over half of the hospitals in Maine as well as other medical providers throughout the state.

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