



Jay A. Shorr, BA, CMBM, CAC I, II, MAACS-AH
 Founder and Managing Partner,
 The Best Medical Business Solutions

Preparing for the Unexpected in Your Medical Practice

Part 3 of 4

As you may recall, our last segment of this medical journey left off as my wife, Dr. Janee Steinberg, and I returned home from an extremely somber flight, only to have to face our family, friends and staff of 19. We didn't know what to say without showing the fear in our own faces, and we just had to present the information in the best and most positive manner possible, regardless of the potential outcome. We could not upset the apple cart, because we still had to move full steam ahead.

As we came into work that Monday morning, our staff was eager to know how their fearless leader was doing and how we planned to handle the unknown future. We immediately called a staff meeting to explain what we had learned, and that we were counting on everyone to help us transition to a new practice format; the diagnosis was stage four cancer and definitively terminal. My only problem was that I didn't even know what that format was going to be. But I needed to learn... and learn fast.

Since Dr. Steinberg was becoming physically unable to keep her usual pace, we needed to bring on a new associate who could immediately generate revenue (insured and non-insured) to at least cover expenses. We were able to secure a temporary solution, as a friend recommended a colleague able to work several days a week, and our other doctor and mid-level practitioner could pick up the remaining slack. Then came the dilemma I wasn't aware of: could the temporary associate bill for her services under Dr. Steinberg's name? The answer is yes, but under the Medicare guidelines (which all insurance companies follow), you can only bill under the disabled physician's name for a period of 60 days with a Q6 Modifier. However, it takes longer than 60 days for Medicare to credential a new physician in the practice, leading to additional administrative headaches.

Patients began seeking other physicians to treat them, as they had wanted to see Dr. Steinberg herself, and revenue continued to diminish rapidly while we searched for physicians to possibly purchase the practice. My suggestion: never fall in love with what you perceive the value of your practice to be. Hire someone to properly evaluate that actual value so that you can make educated decisions vs. emotional decisions that end up being less than productive.

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We were entertaining numerous offers, including merging with one of the most respected practices in the region. However, there were too many people involved in making the decision, and all parties were unable to agree on the future direction. Every offer fell apart due to professionally uneducated business acumen, later attributing to the eventual demise of the practice.



During this several-month transition from the initial terminal diagnosis, our amazing leader, mentor and owner returned to the hospital several times, soon entered hospice and quickly lost her battle to cancer. What I didn't know is that while she was in her final 10 days of hospice and under the influence of mind-altering narcotics, people I had entrusted for many years to help us with our personal and corporate finances assisted in the changing of the Last Will and Testament. I discovered this approximately two weeks after the funeral.

We had to close the practice weeks after her passing due to legal, estate and probate issues. As the spouse (and non-physician) I was prohibited from owning the practice because it was set up as a professional association, and law in the state of Florida and many other states prohibits a non-physician from owning the corporation. The medical practice became part of the estate, under the guidance of a personal representative and attorney.

A note: there are many regulations that can get violated during this transition, as the personal representative and attorney may only have limited knowledge about the rules and regulations of HIPPA, protected health information, business associate agreements, protection of narcotic drugs, patient notification of medical records, etc.

The nightmare that follows will be reviewed in my next article. I will describe the many steps you need to take to protect yourself and your spouse/partner from possible financial, professional and legal devastation. I've learned through all this that you can never be too protected or too prepared when it comes to the following:

- Unscrupulous accountants and attorneys;
- Financial and real estate asset protection;
- Irrevocable life insurance trusts;
- Personal guarantees on lines of credit;
- Tangible and intangible assets and taxation responsibilities;
- Second marriages/children;
- Unexpected personal legal fees; and
- The final solution.

Outside of your health, safety and protection of assets, proper non-conflicting legal and accounting representation are the most important things to consider. [S](#)

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