

# CONSIDERING A PARTNERSHIP?

***A partnership with another organization—hospital or clinic—or with a primary care or family planning provider may facilitate billing for third-party payers (TPPs), increase patient volume, or provide more efficient service delivery for your clinic. This tool will help you determine which partnership will best meet your needs.***

## **PART I: READ ABOUT THE SIX TYPES OF PARTNERSHIPS**

### **1. Co-location**

Co-location may involve two separate entities sharing only clinic space and nothing more, or it can be as expansive as sharing equipment and clerical, billing, and management staff. For example, a STD clinic operating with limited service hours relocates to the same facility as a thriving primary care clinic to increase cross referrals and reduce costs.

#### **Advantages:**

- *STD clinic or partner able to expand service hours/days by leveraging the other's existing location*
- *STD clinic or partner able to expand clinic reach to a new neighborhood/town/county*
- *Shared costs associated with current facilities operated by STD clinic and the partner clinic*
- *Increased client base and revenue through cross referrals with partner*
- *Availability of diverse clinical expertise between partners*
- *Improved financial results for an underutilized location—clinic has limited hours or is only open a few days/week*

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### **2. Shared provider**

Two partners share a provider, where one partner is the employer and the other “rents” time or services from the other. One partner contracts with the other to use its provider for an agreed-upon flat rate for a specific number of hours per month. This contractual agreement is fitting when the partner has an underutilized provider and another clinic needs clinical expertise or coverage.

#### **Advantages:**

- *Recover costs associated with an underutilized provider by charging a flat rate*
- *Acquire provider's services to support the clinic in a cost effective manner*
- *Requires minimal time and expense to implement*
- *Can often lead to further partnership opportunities, such as colocation or referral agreements*
- *May increase TPP revenue opportunities*

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### **3. Referral agreement**

A referral agreement is one in which both parties agree to refer patients back and forth in a coordinated way for various services, while flexibility and independence is maintained by both parties. A STD clinic could form a MOU with a primary care clinic or hospital (e.g., emergency department) for cross referrals. STD clinics make referrals to other primary and specialized care; conversely, primary care clinics can take advantage of the specialty care that STD clinics provide.

#### **Advantages:**

- *Take advantage of STD clinics' expertise providing confidential sexual health services*
- *Improve patient access to appropriate providers based on clinical need*
- *Agreements for cross-referral protocols assure a clear path for patients to move between clinics*
- *Improved access to target populations resulting in increased patient volume and revenue*

## 4. Subcontracted services

Subcontracted services are when patients and funding are transferred to the STD clinic to provide specialty services, while the partner (subcontracting agency) maintains administrative and/or grant oversight. Example: A potential partner may subcontract STD services of its adolescent patients to the STD clinic. The organization providing the services submits claims for the services provided.

### Advantages:

- *Increased revenue from increased client volume*
- *May establish referral relationship/increase referrals between the STD clinic and the partner*
- *By subcontracting services from a STD clinic, the partner agency's patients' receive quality comprehensive sexual health services*
- *The partner can ensure services for their uninsured patients because with grant funding the STD clinic provides low-cost or free services*
- *A partner may gain referrals from the STD clinic for their core services*

## 5. Purchase or share an EHR and PMS license from a hospital or primary care clinic

If your STD clinic is not yet billing TPPs for services or it is billing using paper claims or only Medicaid, your clinic may benefit from a partnership with a primary care clinic or hospital that has implemented electronic billing. There are at least two different ways to set up such a partnership: 1) the STD clinic contracts with another clinic or provider that has successfully implemented electronic health records (EHR) and/or practice management software (PMS) system. For a fee, the partner organization does the billing for the STD clinic's services. 2) Hospital or primary care clinic sells use of a license to its EHR/PMS; the clinic utilizes the software to bill TPPs. Note: EHR/PMS license agreements vary widely. It is important for the primary license holder to follow the terms of license agreement.

### Advantages:

- *Access to EHR/PMS at lower cost*
- *STD clinic likely to implement TPP billing more quickly than if doing it independently, as partnering organization may train (and coach) throughout implementation*
- *Increased revenue from TPPs*
- *Partner can process more claims with existing billing personnel and gain financially from the fee per paid claim it charges the STD clinic*
- *A partner can gain financially from selling underutilized software license(s)*

## 6. Shared billing system for a group of STD clinics

A group of STD clinics sign a [memorandum of understanding](#) (MOU) to pool claims from all clinics and shares a contract with an outsourced billing agency to process claims.

### Advantages:

- *The outsourced billing agency will conduct electronic billing functions*
- *STD clinics that previously had too few claims to utilize outside billing agency can now take advantage of this service. See [In-House or Outsourced Billing](#).*
- *Additional revenue from TPPs*
- *As a result of improved billing capacity, may negotiate better contract terms with TPPs*

### IS A PARTNERSHIP FOR YOU?

After reading Part I, do you think there is a strategic partnership from which your clinic could benefit?

Yes    No    Don't know

If yes, which one(s): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

If you answered Yes or Don't know, go on to Part II.  
Print this document to fill it out.

## PART II: ASSESS WHAT YOU CAN OFFER AND WHAT HELP YOU NEED FROM A PARTNER

You know that your clinic operates with sexual health experts on board. If you have grants to provide free or reduced cost care, your clinic may be able to take on clients from somebody else. What other strengths could your clinic bring to a partnership? What does your clinic need? Check all that apply in the table.

	My clinic can offer this	My clinic needs help with this
<b>Infrastructure</b>		
Clinical space—intake area and exam rooms		
Physical location (near to public transportation, parking available, close to other services)		
EHR and PMS to document care and process claims		
<i>Other:</i>		
<b>Provider Expertise</b>		
Clinical expertise for comprehensive sexual health services		
Physician, physician's assistant, or nurse practitioner time		
<i>Other:</i>		
<b>Clinic Flow</b>		
Access to specific patient populations (adolescents, intravenous drug users, etc.)		
Patient volume		
Walk-in or same-day services		
Sliding-fee scale for individuals		
Patient confidentiality ensured		
Referral relationships		
Grant-funded services/free services		
<i>Other:</i>		
<b>Quality Assurance</b>		
High performance on HEDIS measures (e.g., chlamydia screening)		
Client satisfaction		
<i>Other:</i>		
<b>Billing Infrastructure</b>		
Obtain Medicaid or Medicare contract(s)		
Contract outside billing company		
Credential providers		
Identify private insurance company contacts		
Negotiate private third-party contracts		
Process Medicaid/Medicare claims		
Process private TPP claims		
Improve revenue cycle management		
Coding expertise		
<i>Other:</i>		

### PART III: IDENTIFY POTENTIAL PARTNERS

Which types of organization could you partner with on billing in your geographical area?

- Hospital/hospital system, including a private practice (and labs)
- Health department
- Federally qualified health center (use [UDS Mapper](#) to find one near you)
- Family planning clinic (on the [webpage](#)—scroll to the bottom right-hand corner to find one near you)
- Primary care clinic (unaffiliated with hospital systems)
- HIV clinic
- Other: \_\_\_\_\_

#### WHO ARE YOUR POTENTIAL PARTNERS?

After considering your strengths, weaknesses, and the types of organizations you could partner with, name those that might be able to meet your clinic's needs.

Names of partners you will research	What your clinic needs

## PART IV: RESEARCH THE BILLING BASICS ABOUT EACH PARTNER

Before you reach out to anyone, you need to have an understanding of how the partner’s organization is structured.

Research these crucial items for **each** partner before contacting them:

- Internal billing capacity—with an EHR or PMS
- Location and hours of operation
- Providers on staff (type, skills, hours, reputation)
- Grant funding/with a sliding-fee scale

Tap into your network to help you do the research:

- **Talk** with your team of providers and administrators. They may have worked elsewhere and have information about potential partners (or their providers) that may be helpful to you.
- **Reach out** to contacts at primary care and behavioral health sites, health centers, or hospitals.
- **Ask** other colleagues what they know about these potential partners.
- **Search** hospital and health department websites

### FRAME THE PARTNERSHIP

Now that you’ve done your research, write down the partner(s) that seem to be the most promising. Write in the box what you can offer this partner in return for the clinic need your partner can meet.

Researched potential partners	What your clinic needs	What you can offer

## PART V: CONTACT THE ORGANIZATION THAT YOU WANT TO PARTNER WITH

Once you know what you want and what you can offer a potential partner, it is time to start making phone calls and setting up meetings. Keep in mind whether you want a short- or long-term partnership.

Consider preparing an “elevator pitch” where you speak to the strengths of your organization (with compelling statistics). Also be ready to describe what you would like to get out of a partnership.

If you have good discussions that lead to an informally agreed-upon partnership, it will be crucial to address the terms of your partnership contract:

- Commitment to regular assessment of the partnership to confirm it is working well for both entities

- Utilization of key metrics to evaluate the effectiveness of the partnership. Examples of metrics include: number of referrals, timetables adhered to, and productivity.
- Agreement on how to modify the partnership terms, if necessary
- Development of a plan for corrective action, if problems arise
- Assurance that both parties can legally end the agreement with appropriate notice, if necessary

Other contract considerations include, but are not limited to, privacy and reporting agreements, advertising responsibilities, licensing, cost increases over time, and contract amendments.