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CORRECTING and REPLACING GRAPHIC New Index of 5,000 U.S. Physicians Reveals Downward Trend In Profitability For The Year Ahead, With Healthcare Reform Fueling Top Operational Challenges

48% Of Physicians Do Not Foresee Ability to Accept New Patients From Accountable Care Act, Impacting Access To Care, According to Physician Profitability Index

SAN FRANCISCO--(BUSINESS WIRE)-- Please replace the first graphic with the accompanying graphic.

The release reads:

NEW INDEX OF 5,000 U.S. PHYSICIANS REVEALS DOWNWARD TREND IN PROFITABILITY FOR THE YEAR AHEAD, WITH HEALTHCARE REFORM FUELING TOP OPERATIONAL CHALLENGES

[CareCloud](#), a leading provider of [cloud-based practice management](#), [electronic health records \(EHR\)](#), and [medical billing](#) software and services, and [QuantiaMD](#), the largest social learning and collaboration platform serving more than 170,000 validated physician members, today announced the findings of the first [Practice Profitability Index \(PPI\)](#). The announcement took place at the inaugural [HealthBeat 2013 Conference](#), sponsored by VentureBeat in San Francisco. The PPI was created and launched as part of a partnership between the two companies and was designed to provide a voice to US physician practices regarding issues impacting the financial and operational health of their practices.

The key finding of the PPI study was that the 5,012 physician participants were two-thirds more likely to foresee a downward trend in profitability for the year ahead than a positive one (**36% negative vs. 22% positive**). Three of the top four issues negatively affecting profitability for all physicians stemmed from healthcare reform, led by declining reimbursements (**65%**), rising costs (**57%**), Affordable Care Act-related requirements (**48%**) and coding and documentation changes, including ICD-10 (**44%**). The PPI also found that (**48%**) of physician practices indicated that increased operational and billing pressures will leave them unable to accept any of the influx of 30 million newly insured Americans expected to join the healthcare system, indicating a concerning access to care issue. Despite these challenges, PPI physicians are demonstrating resolve and resourcefulness in managing their practices and balancing operational demands with their desire to deliver outstanding care to patients.

The [complete 2013 PPI study results](#), which also explore physician's opinions about: the time spent on administration rather than patient care; technology adoption; staying independent amid industry consolidation; the impact of healthcare reform; and strategies for improving operational performance, including some breakouts by state – can be accessed via Power Your Practice, an online resource site for medical professionals: www.poweryourpractice.com/PPI.

Additional key findings from the 2013 PPI included:

Administrative Demands Take A Toll On Patient Care

- When asked how much of their time was spent on “coding, documentation and administration,” rather than patient care, the majority of physicians (**59%**) said they sacrificed more than (**20%**) of their time this way. This is the equivalent of one day per week for a full-time physician spent at a desk rather than in an exam room. About (**30%**) of physicians spend one-third of their time – or more – on administrative tasks. The survey also indicated some interesting state-based data:
 - *Physicians in New York and Pennsylvania spend the most time on paperwork, not patients, among professionals in high-population states (with **37%** and **34%** allocating more than one-third of their time to administration, respectively).*

Rumors Of The Death of Independent Practices May Be Exaggerated

- In contrast to some recent industry coverage, independent physician practices largely want to stay that way. Of the 2,094 respondents who own their own practice, only (**11%**) are “actively” looking to sell – joining (**10%**) who say that they already have, due to profit challenges. Nearly (**60%**) say they are not looking to sell their practices at all.
 - *Physicians in Texas are the most independent-minded, followed by peers in Massachusetts and California. The percentage of physicians who are not interested in selling out in these states stands at **71%**, **66%**, and **63%**, respectively. Independent physicians in New York, Florida and Illinois are less likely than others to say they will not sell – at **55%**, **55%**, and **51%** respectively.*

Physicians Are Turning To Each Other for Guidance to Navigate Change

- As physicians adjust to the changing landscape, they value the opinions of their peers above all other sources. The PPI found that the guidance of peers is providing the foundation for successfully charting a course through the year ahead.
 - *When asked where they get information to help improve their practices' operations, nearly half of physicians (**48%**) cited their peers. Other prominent sources include conferences (**42%**), professional societies such as the AMA (**41%**) and consultants (**34%**). Further down the list were vendors (**18%**) and industry trade groups (**17%**).*

"As a physician, I fully support any effort to provide more Americans with increasingly higher-quality healthcare," said James Franks, MD, a Family Practitioner based in Forrest City, AR and a QuantiaMD member and participant in the 2013 PPI. "But given the changing

landscape in healthcare, driven by reform, I am fearful that my patients will increasingly compete for my time with growing administrative demands – while my practice struggles to keep its head above water financially. This only creates a potentially dangerous access to care problem, which is the exact issue the reform efforts looked to address.”

“Some of the [greatest challenges highlighted from our PPI survey](#) stem from the gap between changes underway at a systemic level in healthcare and their real-world impact on the daily lives of physicians, staff and patients,” said Albert Santalo, CareCloud’s CEO. “The positive takeaway and hope for sustainable healthcare reform is the majority of physicians remain focused on sustaining their practices independently and feel technology aimed at operational improvement and guidance from their peers will be key focuses for success in the years ahead.”

“In the first phase of our partnership with CareCloud, we worked together to uncover the most critical practice performance issues physicians are facing today,” said Eric Schultz, Executive Chairman of QuantiaMD. “Utilizing the QuantiaMD platform and community, we will now work together to provide educational content about these topics and enable peer-to-peer collaboration on a mass scale to help physicians across the country make their practices more successful.”

About The Practice Profitability Index (PPI)

The [PPI](#) was created to provide a voice to physician practices across the US regarding issues that impact their financial and operational health. It reflects the belief that better health outcomes for Americans are more likely to be achieved when practices themselves are thriving and efficient.

- The PPI was conceived as part of a partnership between leading cloud-based health technology provider, CareCloud, and QuantiaMD, the largest online community and collaboration platform serving more than 170,000 physicians.
- It involved gathering insights via an interactive online questionnaire and related discussion groups. The result is intended to serve as an annual barometer for the operational wellbeing of US medical groups in the year ahead.
- 5,012 physicians contributed their insights to the PPI during April of 2013 – making it one of the largest efforts of its kind in the industry.

About QuantiaMD

QuantiaMD, the largest social learning and collaboration platform for physicians, is transforming the way healthcare is delivered. By applying the latest social technologies to medicine, QuantiaMD is modernizing how physicians work together and interact with the major participants in healthcare, including hospitals, ACOs and life sciences companies. On QuantiaMD, 170,000+ physicians share real-life experiences from clinical practices nationwide, in minutes, and engage directly with healthcare institutions to meet a variety of objectives that reduce costs and improve the quality of care. Built from the ground up for how physicians practice today, QuantiaMD’s scalable platform is fully mobile, secure and easy-to-use. To learn more, visit www.QuantiaMD.com. For client solutions, visit www.QuantiaMD.com/clientsolutions.

About CareCloud

CareCloud is a leading provider of cloud-based practice management, electronic health record (EHR) and medical billing software and services for medical groups. The company's products are connecting providers to one another – and to their patients – through a fully integrated digital healthcare ecosystem that can be accessed on any browser or device.

CareCloud is helping thousands of providers increase collections, streamline operations and improve patient care in more than 45 states. The company received over \$20 million in Series A funding from Intel Capital and Norwest Venture Partners in 2011. To learn more about CareCloud, please visit www.carecloud.com.

Photos/Multimedia Gallery Available:

<http://www.businesswire.com/multimedia/home/20130521005213/en/>

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