

Vertical mergers could be challenging for primary care

June 25 2018



(HealthDay)—Vertical level mergers, which incorporate not just health

care providers, but also insurers, retailers, and pharmacy benefit managers (PBMs), could pose challenges in primary care, according to an article published in *Medical Economics*.

In order to compete with other players in health care and new entrants in the industry, the biggest players are merging to increase in size and capability. These mergers could create a new model of primary care, in which much of the care could be given by mid-level providers in retail settings.

Health care mergers are not new, with recent decades witnessing independent practices being absorbed by multi-group practices, which join hospital-based health care systems in horizontal deals. The latest deals do not only involve [health care providers](#), but also insurers, retailers, and PBMs in vertical integrations. Although these mergers may lead to greater efficiencies, lower costs, and better [health care](#), the decisions are mainly being made by profit-oriented chief executive officers; many physicians have expressed skepticism. These mergers make it harder for primary care doctors to remain independent; to retain quasi-independence, they may choose to join an accountable care organization or multi-specialty practice.

Some think the mergers will be good for patients. Payal Bhandari, M.D., a primary care doctor in San Francisco, says that "the primary care model has done a poor job of meeting the needs and preferences of patients and the mergers could fill a gap in care without replacing [primary care](#) physicians."

More information: [Abstract/Full Text](#)

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Citation: Vertical mergers could be challenging for primary care (2018, June 25) retrieved 10 April 2024 from <https://medicalxpress.com/news/2018-06-vertical-mergers-primary.html>

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