

Business is healthy

By: Kyle Barr February 24, 2016

“They don’t teach business in medical school.”

Marc Lion, a partner at Woodbury accounting firm WeiserMazars, said this and laughed. As a certified public accountant with more than 20 years of experience servicing healthcare clients, he understands that the ever-increasing complexity of the business side of the field leaves many healthcare providers struggling to make the correct decisions for their practices or facilities. He laughed again. “They come out [of medical school] like babes in the woods when it comes to business,” Lion said of doctors. “It’s understandable. They start their careers much later with a lot more debt than other contemporaries.”

As medical professionals attempt to deal with the fluctuating business of healthcare, including the Affordable Care Act, the increased dependence on Medicaid and the consolidation of healthcare practices, there is a growing desire for accountants with backgrounds and expertise in healthcare consulting. Several accounting firms on Long Island and elsewhere have been either acquiring firms with healthcare expertise or growing their consulting teams organically.

On Jan. 1, Lion and five other professionals came over to WeiserMazars with its acquisition of Lion & Co. CPAs, which allowed the firm to bolster its healthcare consulting practice.

Healthcare consulting is ever-expanding, with accountants providing expertise to clients ranging from hospitals and physician practices to home healthcare agencies and pharmacies. Many accounting firms are looking for professionals who have a deep background in healthcare as well as accounting.

“We’re looking for people who have backgrounds in clinical consulting and operational consulting,” said Rick Sgarlata, partner-in-charge of the Chicago region for Marcum, which has offices in Melville. “We even have three nurses on our staff.” Sgarlata joined Marcum last November when a merger with his firm, Frost, Ruttenberg, & Rothblatt, gave Marcum a foothold in the Chicago area. Sgarlata saw the merger as a two-way street in which Marcum gained Frost Ruttenberg’s healthcare expertise and Sgarlata and his team gained access to Marcum’s national resources.

“Healthcare itself is changing; in the current marketplace, it’s a little in flux,” said Kenneth Cerini, managing partner of Cerini & Associates, a Bohemia-based accounting firm, noting that New York State is revamping its Medicaid policies and placing a greater emphasis on treating chronic conditions and disabilities. The Pew Charitable Trust reported that from 2000 to 2014 New York increased spending on Medicaid from \$40 billion to \$50.3 billion.

There has also been a trend toward consolidation of individual healthcare practices and hospitals, along with an increase in the popularity of urgent care centers, which are drawing patient visits away from physicians’ offices and emergency rooms.

“The demand is definitely there for healthcare consultants,” said Joseph Tomaino, principal of healthcare strategy and business transformation at Jericho accounting firm Grassi & Co. “[Healthcare providers] are building more internal resources, and they need experts in the revenue cycle.”

“Healthcare is the most important growing industry on Long Island,” said Gary Carpenter, who until recently was a healthcare specialist with Hauppauge accounting firm AVZ. “Accounting firms need to specialize.”

Carpenter focuses his practice on home healthcare, with 25 years of experience in the field. He said that anyone looking to get into the healthcare field should decide what niche they should fill and stick to it.

“There’s enough business,” he said. “You should stay in your own backyard.”

“It’s gotten a lot hotter over the past two to three years,” Cerini said of healthcare consulting. “Physicians are having a harder time standing on their own.”

In these trying times for healthcare providers, Tomaino said accounting firms are looking for people to assist clients with their various challenges. While “a lot of people would like to do healthcare consulting,” he said, there is a need in the marketplace for professionals with specific skills, such as analytical and technical expertise in the areas of acquisitions and consolidations.

“It’s going to require a different type of professional,” said Christopher Orella, the assurance managing partner for the New York City office of BDO and co-leader of the accounting firm’s healthcare practice and its Center for Healthcare Excellence and Innovation. “We’ve grown the center over the past 2½ years. We’ve been hiring different professionals, even doctors and nurses, full-time so we can match up clinical data with the financial data.”

Lion said that to provide service to medical care professionals, he had to be available to doctors whose schedules can be erratic. He has received calls at 11:30 p.m. and has had to do conferences on Sunday mornings. He had to both open his schedule and his mind to medical professionals and learn the jargon and technical nature of the medical industry – he had to learn to “speak doctor.”

“If you want to be effective in this, you go with the flow,” Lion said.