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## Scott & White wants to expand up north

Two more clinics pegged for WilCo

Austin Business Journal - by [Sandra Zaragoza](#) ABJ Staff

Since opening its doors to major health plans, Scott & White Healthcare has blossomed north of Austin, and now it's preparing to expand further in Williamson County.

The Temple-based nonprofit health care provider plans to add two to three clinics in the next eight to 10 months, including a second specialty clinic next to its Scott & White Round Rock University Medical Campus hospital, said Jim Thompson, Scott & White administrator for clinics in Williamson, Travis and Burnet counties. The hospital network, which has nine clinics in Williamson County, is considering the city of Leander for a clinic and should make that decision in the next few months.

John Cook, Scott & White's executive director of financial operations, said one factor driving Scott and White's growth in Central Texas is that the health care system began accepting commercial health care plans, such as **Blue Cross Blue Shield** and **Aetna**, in 2005.

Before that, the hospital system primarily served patients who were members of the **Scott & White Health Plan**, Medicare or Medicaid.

"We opened ourselves up to all commercial payers, and I think that is where a lot of our growth has come from — opening ourselves up to other payers like Blue Cross, Tricare and Humana," Cook said.

To meet that growing demand, Scott & White is adding staff and new clinics, Thompson said.

Scott & White's primary care clinics offer core services, such as internal medicine and pediatrics. The primary care clinics range in size from 3,000 to 35,000 square feet.

"We've grown very rapidly in primary care and with our specialists as well," Thompson said, adding that about 20 physicians have joined Scott & White's practice since July.

In Williamson County, Scott & White clinics compete against **Austin Regional Clinic**, which has clinics in Round Rock and Cedar Park. Austin Regional Clinic's Leander clinic, opened in late 2008, became a victim of the recession, spokeswoman Lynda Shanblum said, adding that Austin Regional intends to reopen that clinic in 2010.

Shanblum said that while Austin Regional is keeping an eye on the competition, its Williamson county clinics are meeting expectations.

"We are doing well in that northern quadrant and anticipating that to continue," Shanblum said. "We offer a lot of the same core services [as Scott & White], but we are an established presence ... offering family medicine and a wide range of specialty services."

What separates Scott & White from ARC and others is that it is a regional health care delivery system, Thompson said.

"Our specialists can treat the condition rapidly because, perhaps, they don't have to wait for diagnostic tests that have already been done, and [patient records] are fully accessible to that specialist," he said.

Meanwhile, the Scott & White hospital system, which is based in Temple near Fort Hood, is continuing to build its presence in the Austin area through relationships with health care plans, such as Tricare Prime, a health care program for active military service members and their families.

Austin Diagnostic Clinic canceled its contract with Tricare in October because of bill processing problems. A few thousand Central Texans rely on Tricare for coverage.

Scott & White concedes that it initially had problems with Tricare, but said those billing issues have been resolved. Tricare is comparable to Medicare, in terms of compensation for the hospital, so it is not a big revenue generator.

Still, Scott & White welcomes the increase.

"We are positioned to serve them with our new physicians and locations," Thompson said.

[szaragoza@bizjournals.com](mailto:szaragoza@bizjournals.com) | (512) 494-2522

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