



**TEETIME**  
ANSWERS FOR YOUR PRACTICE

## Issue #8: Cash is King (and Points are Pointless)

Many of us are enthralled with affinity cards and earning points. We use specific loyalty program credit cards in exchange for points and eventual redemption for free flights, hotel stays, and just about anything else you want to buy. Personally, I like the Southwest VISA and the Starwood AMEX and use the points for family travel.



In many practices, doctors often use their AMEX gold or platinum card to pay for practice supplies and simultaneously rack up points, with the goal of using them for future travel.

Industry data suggests most of us don't use the points as we intended or hoped; points accumulate for years or get converted to cash, which is a bad deal for the credit card holder as the redemption rate ends up being just 1%. In a medical practice, using an affinity card to earn points seems fun but comes at a higher cost...which is lack of control over practice spending.

Fortunately, there's a new program designed for medical practices which pays back in cash rather than points and systematically offers the practice better control over corporate spending. United Purchasing Card Group (UPCG), run by Steven Pishko, has developed a purchasing card program with a major national bank and the VISA network.

The program aggregates the spending volume of individual programs to access cash rebates normally given to large hospital systems. UPGC analyzes a practice's spending patterns and delivers a customized solution that can integrate with current accounting software and workflow processes. One of the features of the analysis done by UPGC is they identify all your current vendors that accept VISA.

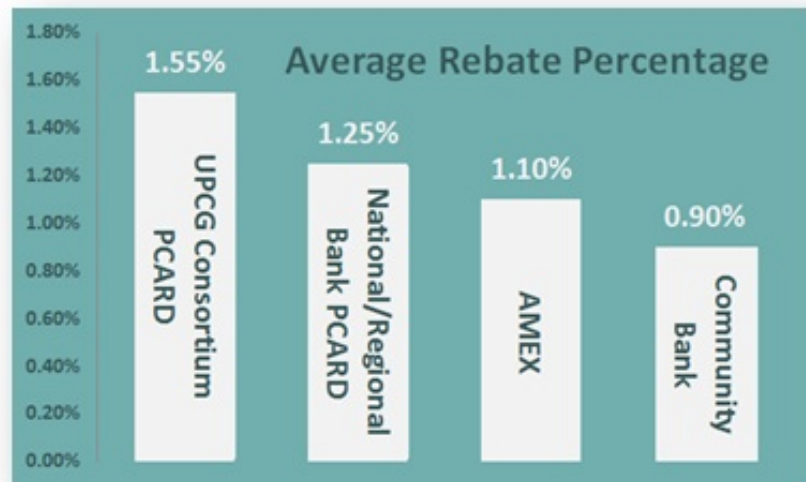
There's no need to switch banks or open new accounts; what the practice receives is a corporate VISA card with a credit line to match spending needs (which are typically \$100K per month or more). Why VISA? As we know from years of TV commercials, it's accepted at far more locations, including the vendors you use, in part because the fees are lower.

Those of you who  
use currently use



AMEX will likely discover that using VISA will double the amount of spend capture on the corporate card can earn the cash rebate.

Along with a higher rebate of 1.5%, the compounding effect can mean a lot more cash coming back to the practice. UPGC’s program provides greater visibility to your spending and helps you process it to your advantage. As their customer base grows, UPGC plans to use the spending data to negotiate better deals for its customers, a good example of big data helping your practice be more profitable.



“Most doctors would rather have cash,” explained a doctor friend of mine who owns a group practice. I think he’s right. And given the increasing value being given to a practice’s net income (EBITDA), every additional dollar that drops to the bottom line is worth far more than whatever travel can be earned with points. In this context, cash is definitely king and points are not worth the time or trouble.

Early clients using this program include Cincinnati Eye Institute and North Carolina Eye, Ear, Nose and Throat. Sinead Ingersol, Executive Director for NC EENT, explains that "having used a purchasing card for many years, our practice had essentially maxed out the benefits generated either points or cash rebates. However, this UPGC program generates higher cash rebates as a result of the combined power of the members consortium."

For your very own quote and to learn more about the card, [click here](#) and we will put you in touch with Steve and his team.

[Click here if you would like more information on UPGC](#)

## Everything Communicates:



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### About "Tee Time"

*Shareef Mahdavi has been helping doctors enhance their practices for years through technology, patient experience, and better economics.*

***Tee Time** provides answers to specific pain points within medical practices, offering advice and solutions from companies that have been reviewed and evaluated by SM2 Strategic.*



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