

## Can a Leopard Change His Spots?

### IS CLINICORP/PMA A "NEW COMPANY" OR JUST RE-PACKAGED?

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Recently, some friends of mine asked me to come over and help them steam clean their carpets in their home. They washed down the walls while I did the carpets, moving furniture as we worked. In the process of moving a bookcase in the living room, I happened to knock over a framed photograph, breaking the glass.

Realizing what I had done, I quickly apologized. Because it was obvious that it wasn't intentional, and in light of the fact that I was there to help, it was immediately dismissed. I was perfectly willing to pay for the damage, but it was not necessary.

This may appear to be a small, almost insignificant incident, but it demonstrates a very important point. This point will become abundantly clear as you read further.

A new company has appeared in the chiropractic profession -- CliniCorp. It is calling itself "the nation's leading publicly traded corporation whose only business is chiropractic." Its public strategy is "combining the professional skills of Doctors of Chiropractic with the management skills and financial resources of a strong publicly traded company..."

CliniCorp has an offer for you: "Over the next few years we plan to open 200 clinics in key locations throughout the country. We would like you to consider joining one of them. If you do, we will treat you as a 'partner,' not as an 'employee.' You could receive a sign-on bonus, pre-established base salary, help with student loans, stock options, malpractice insurance and paid vacations. Needless to say, you'll be freed from the tedious administrative details that go with an individual practice."

They end the full-page advertisement with "Let's Discuss Your Future." The ad also provides their address: 3491 Gandy Boulevard North, Pinellas Park, FL 34665. This is the address of the former PMA, now CliniCorp/PMA.

On February 24, 1992, Dr. Peter G. Fernandez, president and chief operating officer of Practice Management Associates (PMA) wrote a letter to all PMA clients stating: "On January 18, 1992, PMA Management Services Inc., became part of CliniCorp, Inc." The letter went on to say: "In addition to continuing PMA seminars, CliniCorp will own and manage chiropractic clinics throughout the United States and provide comprehensive management services and financing alternatives to doctors of chiropractic."

On February 26, 1992, on letterhead identical to the PMA letterhead on the previous letter (except for a change in the name of the company) CliniCorp announced that it was "interested in purchasing your practice." This letter was signed by Robert S. Goldsant, the chairman of the board rather than CliniCorp's president and chief operating officer (you guessed it) Peter G. Fernandez.

If you call the phone number listed identically on both letterheads, the receptionist will answer: "CliniCorp/PMA." If you receive a phone call from one of the officers (as we have) they will probably identify their company as "CliniCorp/PMA."

## SO WHY THE NAME CHANGE?

You don't have to live too long before you realize that everyone deserves a second chance. Everyone has the right to make a mistake, rectify the situation as best as possible and start anew. I firmly believe this applies to everyone.

Is this the case with CliniCorp/PMA? Is this the fresh start Dr. Fernandez is looking for after all the problems with his PMA clients?

According to the prospectus for CliniCorp(/PMA), all PMA clients not in litigation will become CliniCorp clients (please see "PMA becomes CliniCorp" in the February 28, 1992 issue). In addition, CliniCorp is to purchase "selected assets" from PMA. This will leave those PMA clients still in litigation with PMA and certain unselected assets remaining part of PMA. Is this (as some chiropractic leaders have suggest) a way for PMA to protect itself against litigation?

There are still approximately 300 PMA clients in litigation with Dr. Fernandez's first company, PMA. As this new venture unfolds, an obvious question has to be asked: Is this new company a fresh start or just a new way to get into the pockets of practicing chiropractors?

The woes of the DCs in litigation with PMA have not been rectified. For this reason, this publication will continue to closely follow the PMA issue. The potential for good and for harm to practicing chiropractors is high for CliniCorp/PMA. CliniCorp/PMA is continuing the "Practice Starter" program (which was the source of all the lawsuits in the first place) and have added the "Mentor Program." In addition, CliniCorp/PMA now wants to buy chiropractic practices for "cash and/or stock" and let you work for them. This could be a wonderful opportunity, or it could be a disaster waiting to happen.

Because of the importance of these issues, the effect they could have on you personally and the ramifications to the chiropractic profession at large, Dynamic Chiropractic is committed to keeping you as well informed as possible on CliniCorp/PMA and related issues.

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MARCH 1992