

# Chiropractors Issue Many Complaints Against PMA

Editorial Staff

Dear Editor:

"... After doing only \$8,177 in service my first 30 days, I was quite disappointed and felt as though I failed, especially after hearing those "PMA statistics." After talking to many of my other PMA doctor friends, I found that almost none of them did much better than I did. Even after talking to my PMA representative, she said that more than two-thirds of the doctors actually do about \$15,000 or less in services their first 30 days. Quite a difference from what I was told when I joined, and at the seminars.

And as each of my friends opened their office, PMA gave each one of them an additional one or two weeks on their "first 30 day" statistics, so that their statistics showed them doing over \$10,000 in services in the first 30 days (one of the Practice Starter award levels).

The Practice Starter classes were the weakest of any PMA seminar classes we have been to, with information like "wear a suit when you go to the bank" or "put chiropractor on your sign."

When it came to obtaining financing, the business plan did not help in any way. We were unable to borrow any money from a bank even with excellent credit. We had to borrow the money from our family. We were led to believe that unless we had claimed bankruptcy, PMA would be able to help us get financing at almost any bank. Later, our PMA rep. told us that most Practice Starters have to borrow the money from family members. Again, quite different from information given to us at the seminar.

We were directed to an equipment company, which was closely related to PMA at the time, for our equipment needs. We were encouraged not to shop around for deals. We were told, "Time is money." The equipment costs were not competitive at all. A local x-ray company installed our equipment. The president of this x-ray company said that he could have saved us over \$10,000 on our x-ray equipment alone. He also said that the brand of x-ray processor recommended and sold to us by PMA was very poor quality and prone to breakdown, and break down it has.

When we asked for help, PMA seemed to abandon us. Other PMA doctors in the same area were having trouble, too. Instead of admitting their methods didn't work in our area, our reps would label doctors as "black sheep, failures, they didn't follow PMA procedures." Well, here is one doctor who did follow the PMA procedures and still hasn't had the success they represented.

Name withheld by request.

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(The following letter was written to William D. Brown, Ph.D., executive vice president of Practice Management Associates, a copy of which was submitted to "DC" for publication.)

Dear Dr. Brown:

"...After attending the seminars, which I will agree have a lot of very good ideas, it was very obvious that, in fact, I had seen this material before. As a matter of fact, your letter talked about stealing and that you do not think that people should steal. Well, Dr. Brown, the majority of the material that you have at PMA has been stolen, and stolen directly from Mike Jarvis at CMS, who by the way has the best management service program in chiropractic.

More than likely my first mistake was to leave Mike and CMS. When I attended past CMS seminars, Peter would sit on the front row with his tape-recorder. I remember Mike making the comment, "Pete, are you taping your next seminar presentation?" and of course everyone would laugh. After reviewing several of the manuals that PMA has, which are very complete, I can say that it was almost the identical material that Mike Jarvis produced several years prior. So if we are going to talk about stealing, don't talk about other people until you look at yourself.

I have referred several people into the PMA program and not one is happy. One was sued by PMA; he was a Practice Starter struggling tremendously, and unable to get a new practice off the ground. The others have been hounded by PMA to become private clients and now having large bills from PMA, have become disenchanted with the services rendered. There are not many people who I have spoken with, that have been happy with the approach used by PMA.

Name withheld by request.

P.S. By the way, since joining PMA my practice has gone from a \$77,000 per month average, to \$22,000 per month. We have also had to go from an 8,000 square foot office building, down to a 2,000 square foot office building. So, I think your company has done one hell of a good job of helping us build a very successful practice.

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Dear Editor:

"...My PMA experience was a very frustrating and difficult term of imprisonment. I had short parroting conferences with Dr. Pete in which I was pigeonholed -- categorized and given his song and dance to perform.

I attended their financial meetings and was led into temptation to participate in real estate investments, windmills, and other various schemes.

Name withheld by request.

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Dear Editor:

"...I was planning to be apathetic about your article concerning PMA published a few weeks ago when I received a letter from PMA. They were requesting me to write you on how I "built a successful practice as a result of the PMA program." I could remain apathetic no longer. The truth of the matter is my practice was built in spite of PMA.

I joined PMA after being in practice only a few months. It was the worst mistake of my profession. Dr.

Fernandez is a smooth salesman. As much as he attempts to paint the picture as a patriot to the profession; he is only a patriot to himself. A more accurate description of PMA to our profession is a leech lurking in wait on its unwary prey.

On the issue of PMA teaching unethical practices, it might be better said that the sales tactics taught by Dr. Fernandez, though they may fringe on unethical, would be better said to encourage unprofessionalism; such as N.O.P.E. ads. On a positive note, I thank PMA for enlightening me -- I will never consider a practice management consultant again."

Name withheld by request.

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Dear Editor:

"... I'll end up paying PMA, because even though I was duped by what I believe was misleading advertising, I did sign a contract and I stand by that. I wish I could say I was paying PMA for services rendered, but I'm paying because I have to."

Name withheld by request.

P.S. If I bought a car that advertises 500 miles per gallon and the world's greatest service warranty, but got five miles a gallon and no help, should I pay my bills? How about if the warranty was only good if you drove recklessly and with disregard for traffic laws, and I wasn't willing to do that? Think about it. Like Dr. Jim Parker says, "Why be a damned fool?" I should know, I was one.

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Dear Editor:

"...In regards to your recent acknowledgement of the ludicrous PMA actions, I congratulate you. From the tone of this letter you realize I am one of hundreds sued by PMA. I, in turn, sued them. My case has been settled after spending 1 1/2 years and a great deal of money to stay afloat.

After I left PMA, I spoke to David Singer and Chuck Gibson, all held in high regard in the fact that they are building the DC, as well as the profession. Their consultants are not in the business of suing chiropractors or ruining them. If a chiropractic client is not satisfied with their service, they can leave because the consultant can't help them anymore. In addition, most contracts are one or two pages compared to ten or twenty of PMA's. The sheer numbers of suits filed in 1989 is a disgrace to all involved. If a friend or \$100 was at stake, Dr. Pete would choose the \$100.

At this point, I feel I cannot divulge the details of my case for fear that more legal problems would develop. Let me say, however, that he destroyed my professional life intentionally. It took thousands to start over and I realized my greater potential by leaving a man with a false face."

Name withheld by request.

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Dear Editor:

What went wrong? A lot! After joining I found out that those inflated first month statistics are gross misrepresentations. Many of these doctors that produced such high first-month totals had either: (1)

bought a practice prior to opening, thereby doing big numbers their first month. (2) Had a large associate practice and relocated, or (3) lied outright, such as the 60-day month. a strange calendar.

Well, their contract is intimidating to say the least. If you want out of the contract or decide that the program is not for you, it's no problem. Just pay Dr. Pete \$3,000 per month for two years. So I pressed on. One little detail they neglected to mention is that if I followed their advice, I would open up with \$10,000 to \$12,000 per month overhead prior to seeing my first patient. The result: first year in practice 100K collected, 120K spent. For such great advice, please render \$10,000, thank you. Are we having fun yet?

Another example of their great advice is a fellow classmate of mine. He was advised to open up a 1700 sq. ft. clinic in a "hot" town. Since the banks would not touch this endeavor, his parents took out a mortgage on their home. Net result after one year, \$90,000 in the hole, and his father comes out of retirement. Who can say if his heart attack was related?

As to PMA Leasing Company: A phrase heard often at these seminars is to not waste time shopping around. Trust PMA, they have all of the equipment right here. One problem: I leased the exact same equipment, item for item, for \$13,000 less than what they had quoted me. It does pay to shop around.

By the end of 1988, PMA was beginning to harass me (and others) with a collection agency. Their expert advice had made it difficult to survive, let alone turn a profit. After two years in practice I had yet to make \$1 net. For this they wanted me to pay them money. More money, a lot more money. Close to \$30,000. I tried to reason with them, work out a deal -- something. Pete would not return my phone calls or respond in any way, except with stiffer collection efforts.

Now here is some truly free advice. If you are thinking about joining PMA don't! Just say no! If you are in this same mess and thinking of not taking it anymore. You should know that this is a major league, hardball group of people. Try to join a group action or form one of your own in order to help spread expenses..."

Name withheld by request.

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Dear Editor:

"...To summarize, I believe I was lied to by PMA, but I don't have the resources to fight them. I think you are performing a much-needed inquiry on behalf of the chiropractic profession! Thanks."

Name withheld by request.

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Dear Editor:

"...I was pleased to see your recent article on the abuses of Practice Management Associates (PMA). I signed with them right out of school for their Practice Starter Program in 1986. While they were helpful in the early stages, the second year of my contract, they did nothing. There was a staff purge, and some of the best people were dismissed. A consultant was assigned to me who was previously a chef in a restaurant! I stopped calling him because he had nothing of value to offer. However, I had to keep paying PMA.

My overhead would have been even higher if I had taken Dr. Pete's advice not to waste time shopping for my equipment but just to buy it from his organization. "Spend your time building your practice, not shopping," he said. I shopped, and I found that the \$10,000 I saved on the identical equipment was well worth the short time it took.

It was also my experience that recommendations were made to me by PMA which were unethical, if not illegal. Such things as bait and switch free exams, for which patients would wind up paying, and the suggestion to leave my cards in public places with a message on the back that "this doctor saved my life," are an indication of the ethical deficiency of Dr. Fernandez. This is not the way I want to run my practice.

Please continue to apprise chiropractic students and the profession regarding the shady practices of some of the management consultants. By the way, I am now with Markson Management and I find that they operate with absolute integrity. Chiropractors just need to be informed so that they can separate the good from the bad."

Name withheld by request.

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Dear Editor:

"I am a former PMA client. I am writing this letter not in response to your article concerning PMA in the February 14th edition, but in response to the letter that PMA sent to me assuming that I was still a client, concerning the article to be published in Dynamic Chiropractic.

Well, I am tired of forgetting about the situation. I think that people should know what they are in for when they join PMA. The stress from the overhead is enough to make a doctor wish that he had never heard of PMA. Then add the stress of PMA's collection department and you've got a doctor ready to close up his office. I predict that PMA is going to have some big problems in the future, not because they don't have quality information, because they are the ones that have gotten "a little too greedy."

Name withheld by request.

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Dear Editor:

Enclosed you will find a copy of a letter I received recently from my practice consultants, PMA and William Brown, PhD. I thought you might find it of interest as did I, in light of the coverage your fine publication has given PMA in the past few issues.

My personal opinion is that a new doctor can generate that kind of income the first few months in practice, but he must also pay more attention to how many modalities you can place on a patient each visit, and how well you can sell them on numerous treatments. Last concern would be the well-being of the patient. To recapitulate; you would be a tremendous success under PMA guidelines if you are a salesman by nature and you are insensitive to others.

My short time in practice has taught me one thing. Devote your time to perfecting your skills as a diagnostician, as a manipulator of spine and extremities and pursue quality continuing-education in our profession. Being an outstanding chiropractor is the key to success, not being a salesman.

Presently, I am building a successful practice, not because of PMA, but rather in spite of PMA.

Name withheld by request

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Dear Editor:

"...This all sounded good to me until I realized that PMA was simply out to get money out of clients and had very little interest in the clients practices. For example, when I would call my service rep (who incidently was not a chiropractor, and knew very little about chiropractic), she would spend the majority of the time, at my expense in calling, trying to get referrals out of me for new prospective PMA clients, or trying to sell me a new computer, or new therapy equipment from their PMA equipment company. The answer to any of the problems I ever has was simply to spend more money -- "you need a computer," "you don't have enough therapy equipment," etc.

I stopped having any further contact with PMA after approximately one year, I continued to send my reports and my money but discontinued going to any seminars or wasting my time and money on the phone with them.

I hope that new doctors and students can learn from mistakes of those who have gone on before them and avoid making the mistake of their lives by signing up with PMA."

Name withheld by request

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Dear Editor:

First of all I congratulate you for responding to this issue. It's about time PMA was exposed for what it really is; which is a money hungry organization getting rich from the labors of young, ignorant chiropractors.

A word to the wise is you can't just quit PMA and your best defense is to never join. I went to a total of three seminars. Peter Fernandez would have you believe that all this fuss is being stirred up by a group of deadbeat chiropractors who just want to take advantage of his seminar without paying. I assure you that it's quite the contrary . We're a group of chiropractors that got sucked in and are mad as hell!

I'm closing, I hope that potential PMA clients will talk to disgruntled "ex" PMA chiropractors before signing on the dotted line. There are plenty of us out here. I also hope, for chiropractic's sake, that Pete Fernandez never has any connection with a chiropractic college.

Name withheld by request.

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Oregon says, "Then let's have a Practice Management Peer Review Committee."

"...Most doctors of chiropractic need practice management input to meet the challenges of an unfair marketplace. The problem is not that PMA may have burdensome contracts, or that PMA doesn't have some very good points to recommend. The problem is that the practice management industry, en toto, is dictating clinical standards of practice based on entrepreneurial parameters of income as opposed to

diagnostic parameters of clinical necessity. This problem is compounded by a lack of differentiation of insurance compensable care.

Currently in Oregon we are paying the price of practice management's no insurance differentiation, routine, long-term care imperatives, this time within the workers' compensation arena. (Although I do not ever recall a practice manager supporting \$134 office visits.) We have lost the traditional 2:1 workers' compensation, cost-benefit ration that has provided us a modicum of insulation from an institutionalized, anti-chiropractic mind-set. We are now being attacked by industry, insurance and the state in a politically motivated environment of RICO statute overkill, complete with wire-tap. Chiropractic in Oregon, at one time producing unequivocal cost-effective superiority within workers' compensation, is now associated, in much of the public consciousness, with racketeering. Overutilization by a (too large) minority has effectively poured gasoline on the always smoldering embers of bias and we are fighting a big-time blaze with expensive PAC fire extinguishers.

Is there any solution to the continued assault on national chiropractic utilization statistics by the practice building impact? Professional standards are in the works but in the interim the ACA/ICA should establish a Practice Management Peer Review Committee. If we can't regulate these organizations we can at least monitor and report questionable strategies and methodologies.

It is unfortunate that the knowledge of running an efficient practice must be purchased at such great expense, both to the doctor and to the profession."

*James Herriott, DC*  
*Eugene, Oregon*

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