Big Practice Problems: What the experts recommend

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Major Practice Problems and/or Complaints
- I’m not making any money
- I don’t have enough patients
- I’m working 60 hours a week
- My staffing salaries are outrageous
- My waiting room is full of patients
- My 3rd party reimbursement is too low

Steps to ease the problems
- Review your FTE’s
  - How many do you have?
  - What are they being paid?
  - How does it compare to other practices?
  - Are they being utilized efficiently?

Problem Solvers
- 3rd Party carriers
  - Carriers are willing to negotiate reimbursement with 10% of the physicians because 90% won’t say anything
  - Have a Profit Margin Analysis completed to see if it is efficacious to be in the plan
Problem Solvers

Fee schedules
- How often do you update your schedule?
- How do you compare to other physicians in your area?
- How do you compare to the Medicare fee schedule for your state?

What about capitation?
- Network: structure, coverage area, providers
- Administration, Quality Assurance, Utilization Review
- Capitation Rate Proposal—Five Prong Approach
  - Vision
  - Medical
  - Surgical
  - Optical Hardware
  - Ambulatory Surgery Center

Capitation (cont.)
- Medicare
- Excluded Services
- Non-panel provider services
- Utilization Rate: define by CPT or ICD-9
- Over utilization: monitoring and renegotiations
- Under utilization: network controls, monitoring, member protection

Problem Solvers

Office protocol
- How many rings before someone answers the phone?
- Are they friendly and courteous?
- How long do your patients have to wait in the waiting room?
- How long do they have to wait to make an appointment?
Office Protocol (cont.)

- Do you offer any extra services?
  - Optical, lab, glasses cleaning
- What hours are you open?
  - Do you have early morning...evening...Saturday availability?

Critical Reports

- Though they may seem cumbersome and hard to understand...you cannot have a successful practice without reviewing the reports and statistics from your practice.

Clinic Reports

- Gross Sales
- Balance Sheets/Income Statements
- Profit and Distribution
- Accounts Receivable/ Accounts Payable
- Overhead Breakdown by Category
- Profit and Loss Statements

Accounts Receivable

- Where does the A/R process start?
  - When the patient calls for an appointment.
  - Practice policies on collections must be conveyed at this time.
  - Get all of the insurance information now and verify coverage before the patient comes in.
  - Post your policies at check-in/out area.
  - Inform patient they can pay with cash, check or credit card.
Accounts Receivable

- Have a series of collection letters.
- If you inform patient you are turning account over to collections...you MUST turn them over.

A/R Buckets
- 0-30 days  60%
- 30-60 days  25%
- 60-90 days  10%
- 90+ days    5%

Billing office: claim submission, follow-ups, superbills, posting payments, calling carriers

How to fix the problems

- Don’t be afraid to bring in outside professional help.
- Develop efficient office policies and **IMPLEMENT** them!