Management and Dashboard Reporting for the Retina Practice

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Financial Disclosure

Andrew Maller is a consultant with BSM Consulting.

BSM Consulting provides practice management solutions to specialty care providers.

Allergan, Inc. is a client of BSM Consulting.

Objectives

- Understand the importance of management and dashboard reporting techniques.
- Determine the appropriate data to track for management and dashboard reporting.
- Use the tools provided during the course to create meaningful reports to identify productivity and efficiency opportunities in the practice.
- Educate practice owners and staff on how to analyze reports to drive practice results.
- Develop an understanding of key market trends in the retina sub-specialty that impact management reporting.
What is a Dashboard Report?

A “dashboard report” is a brief report that brings key performance indicators together in a quick and easy-to-read format.

What is a Key Performance Indicator (KPI)?

- Type of performance measurement that is essential to the practice reaching its goals.
- An objective to be targeted that will add the most value to the business.
- Should be understandable, meaningful, and measurable.
The truth is: If you are not tracking KPIs …

- You won’t know where you are or where you are going.
- You will have no sense of how performance compares to prior year or budget.
- You will find it challenging to lead or manage the practice.
- You will tend to make poor business decisions.

Why is dashboard reporting important for your practice?

Primary Objectives of Dashboard Reporting

- Provide visual snapshot of practice performance.
- Focus attention on key trends and comparisons.
- Allow for quick and effective intervention.
- Provide stimulus for discussion among stakeholders.
- Provide accountability for the management team.
Components of Tracking Provider Productivity

- **Professional Fee Revenue**
  (less drug receipts*)

- **Patient Visits**
  (new, established, and no-charge)

- **Measures of Time**
  (clinic sessions, hours worked)

- **Diagnostic Tests and Procedures**
  (injections, lasers, and surgeries)

*If drug receipts are not available, use the expense.

Productivity Dashboard Sample
Productivity Dashboard Sample

How to Use the Results

Provider Level
- Identify trends and patterns.
- Set goals to improve productivity.

Practice Level
- Identify possible coding issues.
- Determine appropriate staffing levels per provider.

Operating Efficiency Dashboard

Components
- Current, Prior, and Budget Profit and Loss Statement
- Revenues
- Key expense categories such as staffing, occupancy, and marketing
- Could also include a review of other staffing efficiencies
Operating Efficiency Dashboard Sample

Sample Practice 2

Monthly Operating Efficiency Dashboard

<table>
<thead>
<tr>
<th></th>
<th>Jan 20XX</th>
<th>Feb 20XX</th>
<th>Mar 20XX</th>
<th>Apr 20XX</th>
<th>May 20XX</th>
<th>Jun 20XX</th>
<th>Jul 20XX</th>
<th>Aug 20XX</th>
<th>Sep 20XX</th>
<th>Oct 20XX</th>
<th>Nov 20XX</th>
<th>Dec 20XX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$24,690</td>
<td>$24,690</td>
<td>$24,690</td>
<td>$24,690</td>
<td>$24,690</td>
<td>$24,690</td>
<td>$24,690</td>
<td>$24,690</td>
<td>$24,690</td>
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<td>$24,690</td>
</tr>
</tbody>
</table>

Operating Efficiency Dashboard Sample

How to Use the Results

- Financial Benchmarking
- Budget Comparison
- Presenting to Practice Owners
Billing Department

<table>
<thead>
<tr>
<th>Responsible For:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charge and payment posting, accurately completing claims, as well as working with third-party payers and patients to ensure that money is collected in a timely manner.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scorecards Should:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Track measures that deal with the amount of time it takes for money to be collected and identify potential claims error issues.</td>
</tr>
</tbody>
</table>

Billing Department Metrics

<table>
<thead>
<tr>
<th>Ratio: Net Collection Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formula: Net collections divided by adjusted charges (gross charges less contractual adjustments).</td>
</tr>
<tr>
<td>Used For: Identification of a practice’s ability to collect that which it can legally collect (net charges).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accounts Receivable Aging Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formula: Monthly accounts receivable summary aging reports.</td>
</tr>
<tr>
<td>Used For: Identifying collection trends within the practice.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Days Sales Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formula: Adjusted accounts receivable divided by the average daily collections.</td>
</tr>
<tr>
<td>Used For: Measure of how quickly receivables turn over in the practice.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Adjusted Accounts Receivable Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Current A/R balance \times gross collection ratio (net collections/gross charges))</td>
</tr>
<tr>
<td>Average Daily Collections</td>
</tr>
<tr>
<td>(Net collections/number of days in the time period)</td>
</tr>
</tbody>
</table>
Successful Dashboard Reports

- **Timely**: Statements and management ratios should be completed and received within 15-20 working days of the end of each month.
- **Accurate**: Consistent – no question about the data.
- **Brief**: Single page – more is not better!
- **Comparative**: Previous operating results or anticipated budgets.
- **Trend Analysis**: Examined in comparison to 3, 6, or 12 month moving averages.

Summary – Getting Started

- Identify 3-5 KPIs per Dashboard (keep it simple).
- Dashboards and KPIs should always be linked to the strategic goals of the practice.
- Commit to tracking results on a monthly basis.
- Once baselines have been established after a period of time, set goals, and identify opportunities for continuous improvement.

Thank You for Attending!

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