Top 10 Areas to Help Your Bottom Line

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Speaker Background
- Medical School at Baylor College of Medicine in 1994
- Pediatric Residency at Baylor College of Medicine from 1994-1997
- Private practice since 1997
- Opened own practice in 2004 to present
- Masters of Business at University of Texas at San Antonio in 2008
- Certified Medical Office Manager in 2010
- Certified Medical Coder in 2012
- President of the San Antonio Pediatric Society 2011 to present

Disclosures
- Previous Employee of 80/20 Medical Billing Group
- Owner The P.E.D.S. MD Company launching January 2014

Introduction
- How does this affect me?
- Few resources for physicians
- Every physician is evaluated on their bottom line (owner or employed)
  - Academics
  - Military
  - Hospitalists
  - Specialists
  - Primary care
- Tremendous amount of changes in the healthcare system

Feeling Stressed?
- AMA: “nearly half of physicians struggle with serious burnout”
- Causes:
  - Constant new information and regulations
  - Worried about lawsuits and citations
  - Held to standard of perfection, knowing all answers, not asking for help
  - Increase costs for new reporting standards and EHR

Feeling Stressed?
- Loss of autonomy and sense of powerlessness
  - Working harder, longer and faster
  - Justifying medical recommendations to third party payers
  - Not able to provide enough attention to patients
  - Highest rates of burnout especially in primary care: “System chews you up”
Feel like this?

Any Relief Coming Soon????
- Most agree that the healthcare system needs to change (AMA)
- Reaching a consensus on how to change remains a challenge
- My story
- What can we do now?
- Help one another!

Objectives
- Identify: perform SWOT Analysis
  - Strengths
  - Weaknesses
  - Opportunities
  - Threats
- Evaluate: Take steps to improve
  - Education
  - Gain knowledge of areas
- Manage: empowered to manage and gain confidence
  - Implement
  - Sustain
- Refer: outside help and resources

Be comfortable with the business side of medicine: basic tools
- Don’t be intimidated by business (YOU are extremely smart!! Ask questions!!)
- Educating yourself
- Work with your team will enhance efficiency, productivity and patient care

Areas to Identify
- Scheduling
- Collections
- Coding
- SuperBill
- Billing Processes
- Provider Productivity
- Inventory
- Equipment Purchases
- Staffing
- Budget Preparation
**Scheduling**

- How many do you need to see per day?
  - Expenses
  - Collections
  - Mix of Visit Types
- Update patient demographics
- Open appointments
- Reminder calls
- No-show follow-up calls
- Report for physicals due (slower months)
- Communication

**Collections**

- Patient copays and balances
  - 10 to 20% of total revenue comes from patients!!
- Payment plans:
  - TMA recommendations

**Coding**

- Documenting/Understanding
  - ICD-9, ICD-10 (International Classification of Diseases)
  - CPT (Current Procedural Terminology)
  - HCPCS Level II (Healthcare Common Procedure Coding System)
- Overcoding and Undercoding: FRAUD
- Start Learning ICD-10 updates: Oct 2014

**SuperBill**

- Update q year with all codes
- New ICD-10 codes
- New CPT & HCPCS codes
  - Medications
  - Supplies
  - Vaccines
  - Admin

**Billing Process**

- Update fee schedule q year
- Scrub superbills
- Watch EOB/ERA (payments) for denials
- Autoposting vs Manual posting
- Reporting
Different duties for different staff (TMA): “Keep Honest People Honest” MGMA’s key research results

- Medical practices lose $25 billion annually (Association of Certified Fraud Examiners)
- Median loss: $5,000
- Median duration: 8 months; 17% of thefts went undetected for more than 2 years
- High-dollar thefts of $100,000 or more accounted for 93% of the total losses reported; went undetected for 3 years and 81% involved only one perpetrator
- 2 of 3 thefts of $50,000 or more involved medical groups of 10 or fewer physicians
- Top management perpetrated the theft in over half the cases where the loss was $50,000 or more
- Groups of 10 or fewer physicians accounted for 70% of the cases reported and 63% of the amount stolen; more than half the cases involved groups of five or fewer physicians

Provider Productivity

- Performance measures
  - Patients seen
  - Collections
  - Days worked

- Areas to improve

Inventory

- Compare order sheets to delivery
- Research buying groups
- Bargaining
  - Review costs and reimbursements

Equipment Purchases

- Reimbursement rates
- Breakeven
- When making profit
- Ongoing supplies/maintenance
  - Don’t make belly decisions or what your gut tells you without analyzing it!

Staffing

- Meetings/Regroups: at least q month
- Staff Productivity
- Incentivizing

Budget Preparation

- Analyze accounting reports (Profit and Loss statements)
- Break down costs by categories (medical and office supplies, vaccines, employees, overhead etc)
- Improvement plan: evaluate if can cut down costs
Conclusion

- We have dedicated our lives to children to keep them healthy, safe and cared for
- Remember we can help our patients best if we balance our own lives and work as a team together!

Questions???

Thank you very much for the privilege to speak to you today and I hope this information will be helpful.

Any questions you can email at linda@drparsi.com

The End