



## Practice Management in the Era of Health Care Reform

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### Health Care Reform

**We don't know exactly what Health Care Reform will look like, but there is a very good chance that Congress will pass some kind of legislation in the very near future.**

**And the 2010 Physician Fee Schedule (PFS) is definitely here!**





## Health Care Reform: Just a Few of the Issues

- Equipment Utilization Rates
- Contiguous body part imaging
- Payment reform
- PQRI
- Clinical Effectiveness and Appropriateness Criteria

**Health Care Reform: What Does it Mean?**

**More Regulation**

**Less Money**



**2010 PFS: What Does it Mean?**

**More Regulation**

**Less Money**

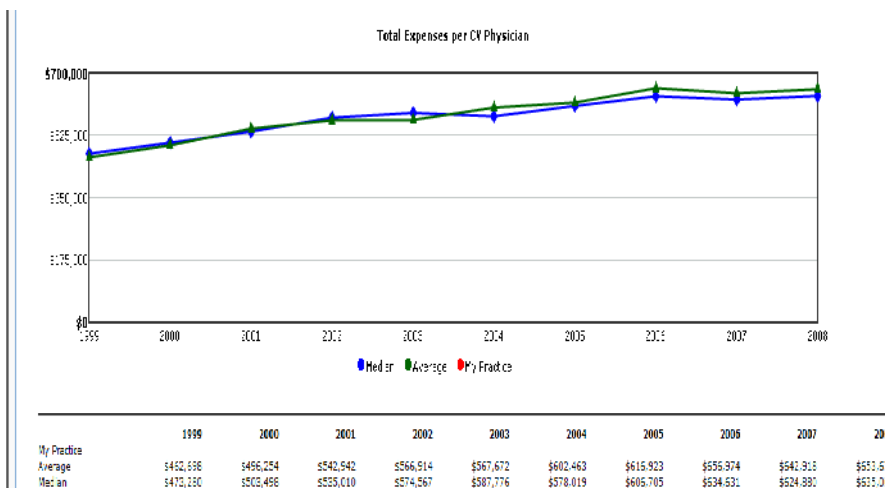


## 2010 PFS Example: PE Reductions

- **AMA's PPIS Survey**
  - 53 Cardiologists
  - 11% reported no clinical staff
  - 40% reduction in PE over past 5 years
- **MedAxiom Data**
  - 2,502 Physicians (127 groups)
  - 100% reported clinical staff
  - 15% increase in PE over past 5 years



## Practice Expense



## How Can I Deal with Health Care Reform? What Are My Options?

- Increase Revenue
- Reduce Expenses
- Integrate



## First, You Need to Know Where You Stand

**“If you don’t know where you are going, you will probably end up somewhere else!”**

Lawrence J. Peter



## How Do I Determine Where I stand?

- **Start with a good SWOT analysis**
- **Benchmarking provides great insight, especially for understanding your opportunities**



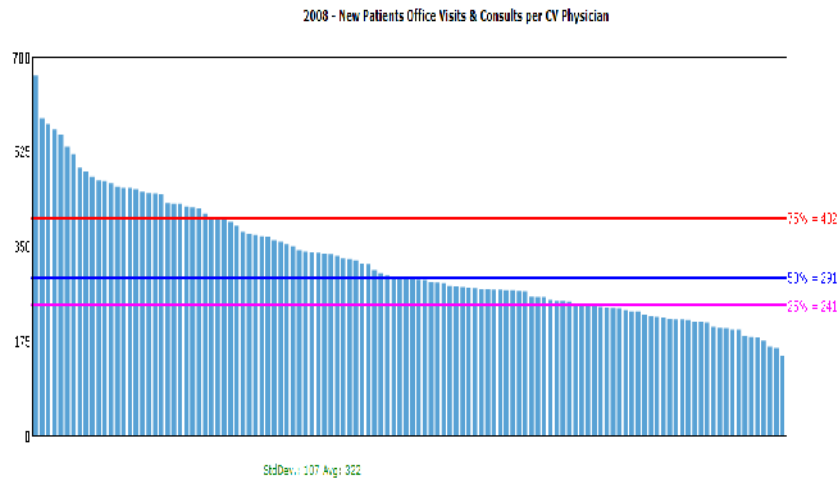
## Benchmarking

**“Managing your business without benchmarking is like flying a plane without instruments.”**

**Author Unknown**



## Benchmarking Office New Patients



 MEDAXIOM  
Synergistic Healthcare Solutions

## Increasing Revenue

- **New Clinical Services**
- **We are running out of rabbits to pull out of the hat but there are still some opportunities:**
  - Sleep
  - PET
  - Vein Therapy

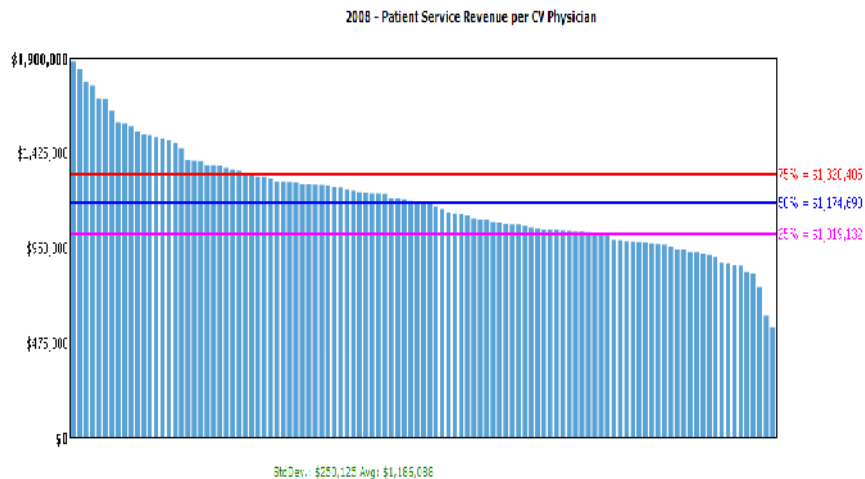
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## Increasing Revenue

- **Physician Quality Reporting Initiative (PQRI)**
  - Bonus: 2% of Medicare Receipts for successful participation
  - Reported via Claims or a Qualified Registry
  - Some measures may only be reported via a Qualified Registry beginning in 2010
  - [http://www.cms.hhs.gov/PQRI/01\\_Overview.asp](http://www.cms.hhs.gov/PQRI/01_Overview.asp)



## Patient Service Revenue



## Increasing Revenue

- **Physician Quality Reporting Initiative (PQRI)**
  - Bonus: 2% of Medicare Receipts for successful participation
  - Reported via Claims or a Qualified Registry (i.e. IC3)
  - Some measures may only be reported via a Qualified Registry beginning in 2010
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## Increasing Revenue

- **Electronic Prescribing (eRx)**
  - **Incentives** for use on at least 50% of cases in which the measure is reportable
    - 2% of Medicare Receipts in 2009-2010
    - 1% for 2011-2012
    - 0.5% for 2013
  - **Penalties** for not using eRX
    - 1% in 2012
    - 1.5% in 2013
    - 2% for 2014 and thereafter



## Increasing Revenue

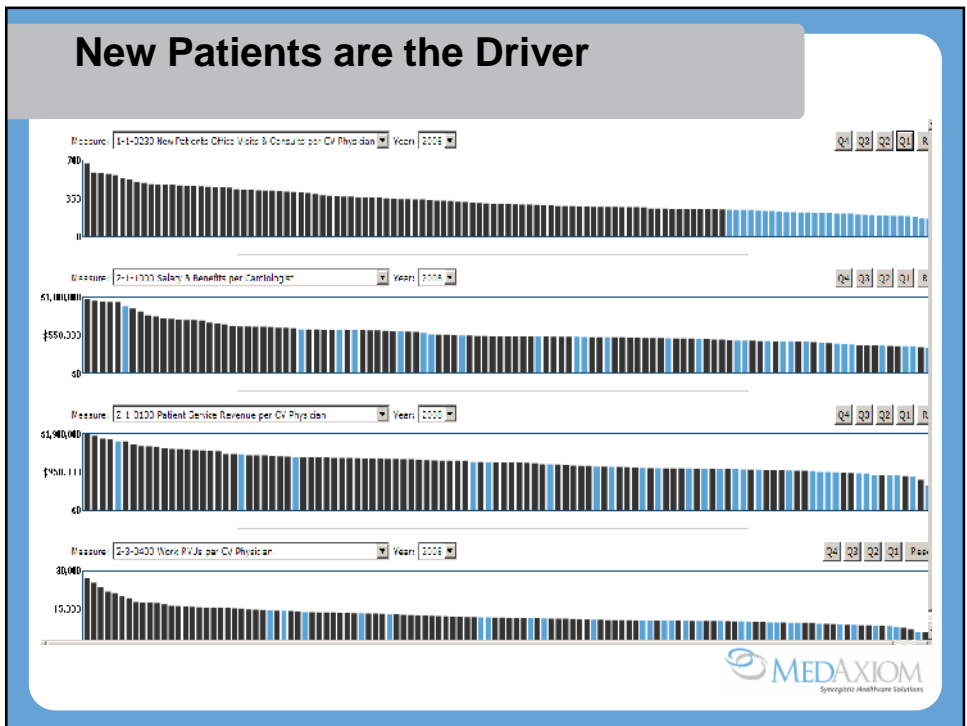
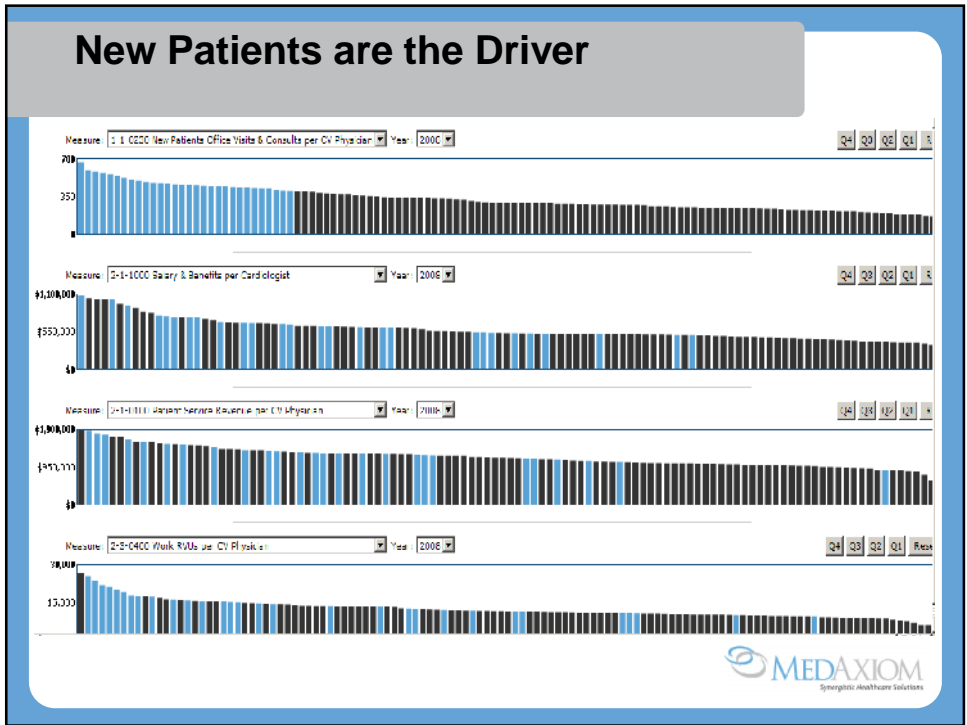
- eRx
  - Must use a qualified eRx system
  - Too many details to discuss here
  - [http://www.cms.hhs.gov/ERxIncentive/01\\_Overview.asp#](http://www.cms.hhs.gov/ERxIncentive/01_Overview.asp#)



## Increasing Revenue

- **Increase market share**
  - New Patients drive the business
  - Referring Physician Marketing
  - Remember what a Referring Physician is looking for: Ability, Affability, and **Availability**
  - And let's not forget Referring Physician Communication
  - Manage No-Shows
  - Monitor your performance





## Increasing Revenue

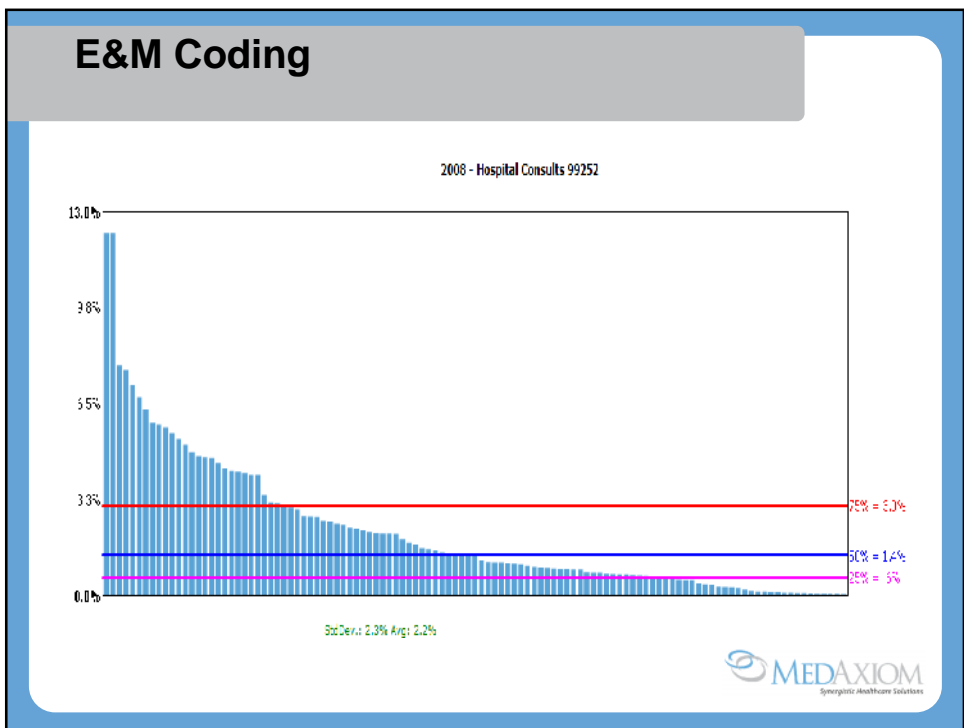
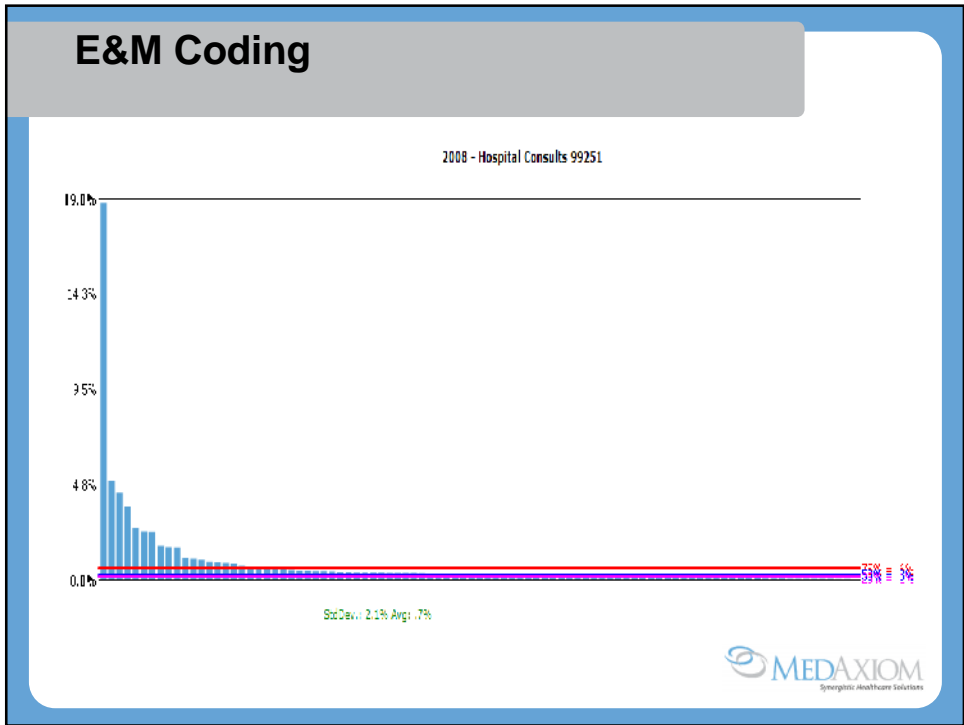
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## Increasing Revenue

- **Improve coding**
  - E&M
  - EP
  - PV





## Increasing Revenue

- **Improve revenue cycle management**
  - 95% of your revenue comes via your Billing Department
  - Accuracy of insurance information
  - Collection of Co-pays and deductibles at POS
  - Missing Charges
  - Adjustments for low payments and rejections
  - A/R aging



## Increasing Revenue

- **Get Involved in Advocacy**
  - Attend fly-ins
  - Communicate with your legislators on important issues
  - Invite your legislators to your office
  - Host a fundraiser
  - Contribute to a PAC



## Reducing Expenses

- **Staffing accounts for approximately 60% of your total expenses**
- **Efficiency is the key**
  - Utilization of staff
  - Overtime management
  - Improve workflow and eliminate unnecessary work
  - Reduce variability in office scheduling
  - Utilize IT



## Reducing Expenses

- **Other Expenses**
  - Competitive Bidding for Supplies and Services
  - Health Insurance Options
  - Competing regional offices



## Integration

- **Full hospital integration**
- **Partial Integration**
- **Co-Management Agreements**
  - Service Line Management
  - Call Coverage
  - Regional Office Coverage
- **Sale or Lease of Assets**
  - Cath Lab
  - Diagnostics



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# Questions?

