Services for Independent Physician Practices

Summary of our Approach

Our Lean Management System
Is comprised of five primary sub-systems: Strategy Deployment, Process Improvement, Daily Management, Visual Management, and a Staff Engagement System. Each system encapsulates our intent to develop and establish a comprehensive, system-wide, strategic and tactical-level Continuous Process Improvement (CPI) approach. We capitalize on using knowledge from each other as well from other organizations and disciplines to improve every business process within a physician practice. We challenge all staff to examine processes and eliminate steps in primary care and business processes that add little to no value. In other words, the aim is to take your practice to the next level, by reviewing how you maximize value and eliminate waste in all environments – operational, support, and otherwise; and fully integrate Continuous Process Improvement across your practice that engages and motivates your staff.
Medical Practice Assessment

There’s always opportunity to improve and the first step is to identify the need for improvement.

Need to improve the bottom line

Need to improve physician compensation

Need to improve practice efficiencies and processes

Always time for a “tune up”

The following is a partial list of the revenue building services we offer to physician medical practices. Please feel free to us to inquire about any of them.

Complete medical practice assessments/reviews. At periodic intervals, a medical practice needs a complete review and assessment. The goal of this service is to evaluate the overall efficiency of the practice and to determine if it is losing revenue in some form or fashion. A review attempts to improve the bottom line. For example, if a practice has a decrease in cash flow, it may want to hire a consultant to conduct a complete assessment of its practice operations to determine the cause of the decrease.

Coding analysis. A coding analysis determines if the practice is coding all of its services correctly. If the office members do not code the services correctly, the practice may lose revenue. The analysis covers both procedural coding and diagnosis coding.

Managed care contract analysis. A review starts with an analysis of the key aspects of each managed care contract. A review identifies key contract terms, including effective dates, termination dates, claim filing and payment guidelines. It also identifies contract terms that would be considered to be a
disadvantage to the medical practice. Next a fee schedule analysis identifies the code specific reimbursement rates for each managed care contract and outlines a plan-by-plan comparison.

**Negotiation with managed-care plans.** Integrated delivery systems, group medical practices, and even solo practices need to increase their own reimbursement from managed-care plans. The way to do this is to negotiate an increase in price from these plans.

**Review of Medicare/Medicaid billing practices.** Many medical specialties, such as orthopedics and spine, are provided for a large number of Medicare and even Medicaid patients. Specific rules apply to Medicare/Medicaid billing. An office that is not aware of certain billing rules will lose revenue. Therefore, Medicare/Medicaid billing must be reviewed on an ongoing or periodic basis.

**Review of the practice’s receivables.** To optimize cash flow, a medical practice must manage its accounts receivable. All systems and procedures related to accounts-receivable management must be monitored and reviewed, either on an ongoing or periodic basis. The aging of receivables also must be monitored.

**Financial benchmarking.** Benchmarking is the process of analyzing the indicators of business success and applying that information to achieve business growth and improvement. For medical practices, it is a way of taking a critical look or “snapshot” of your practice’s health. It provides you with an objective way to measure your practice’s performance. Throughout most of the business world, benchmarking is a key element to strategic planning, a vital necessity to all medical practices. Benchmarking of medical practices helps determine
which of your practices and processes are the best and which ones need attention.

**Revenue cycle management review.** Revenue cycle management means taking steps to assure that you get paid for what you do and that you get paid in a timely fashion. The revenue cycle starts when the patient calls your office for an appointment and your staff captures the patient’s name, phone number, and maybe the name of their insurance company. The cycle ends when the balance on their account is zero. A review of revenue cycle processes can lead to an increase is both revenue and cash flow.

**Physician productivity analysis.** To maintain or increase revenue, it’s important to analyze physician productivity. Productivity should be compared to market benchmarks to create reasonable productivity ranges for physicians.

**Process improvement.** It’s important that improvement events take waste out of the physician office and not just move the waste to the doctor’s corner. Efficiently designed and monitored processes can increase revenues.

**Education.** To operate a successful medical practice, a physician and his or her office staff must be kept up to date on all the changes that occur annually in the healthcare industry; for example, changes in Medicare billing policies and procedures. We can assist with this education process either through meetings with the physician and staff or by presenting seminars on timely topics.

**Billing service review.** Many physicians use outside billing services to bill and collect their services. Often, these agencies are left unaccountable. The physician’s agency should be reviewed periodically to make sure services are being billed out
correctly and that the agency is putting in the time and effort it takes to collect these services.

**Capitation rate analysis.** Capitation is a common way doctors are paid by HMOs and other delivery systems. When presented with a capitation rate, most doctors are unaware whether or not such rate should be accepted and even more important, whether or not such rate will be profitable.

**Implementation of QA/UM programs.** As managed care grows, doctors and their practices must become “cost effective.” This also applies to integrated delivery systems. Doctors who deliver cost effective care will be the ones who will have the ability to negotiate managed care rates and be in a position to compete for exclusive contracting arrangements. To become and remain cost effective, practices must implement quality assurance and utilization management programs.

**Physician practice marketing.** Building a practice through marketing must first start with a plan. Your plan should include market analysis, market strategy, implementation, and follow-up. Developing this plan and making it effective must begin with plenty of background information.

**Medical Strategic Planning**

As you are well aware, physicians and their practices face new and complex challenges. Among these are the repercussions from: the emphasis on reducing the cost of health care while increasing access to care, the downward pressure on fees by third party payors, the increased competition among physicians, and the movement toward strategic alliances. And those are but a few. Where practicing quality medicine once assured a practice’s success, it no longer does. Building, or even just
maintaining, a medical practice has become more a function of the practice’s business acumen then its resident medical skills. This trend can only be seen as likely to continue, and, in that they must now more than ever view themselves as a business. A practice and its managers can only be seen as wise to look to the techniques, processes, and systems that have been developed and refined by the business community at large for some time.

Formal strategic planning, by its very definition, has been one of the critical processes employed by physician practices both large and small to deal with the issues of tomorrow. Changes typically occur much too quickly to allow long-term survival if you are only being reactive. By contrast, strategic planning provides a proactive, orderly, systematic review of the organization and the environment within which it is – and anticipates – operating. It involves the development of best projections of how that environment is likely to change, the identification of what external factors are most likely to drive the change, and an assessment of the conditions within the organization that may impact its ability to adapt to the change.

Once physician management understands that it is in its best interest to conduct a formal strategic planning session, the next critical step in the process is to hire an outside facilitator. Without question, a qualified facilitator will bring both independent information and perspectives to the planning process and related discussions. If properly experienced, the facilitator will concentrate on seeing that the right questions are asked, that everyone’s best ideas are drawn to the forefront, that the process remains focused, and that the ideas that emerge get articulated in a way that will be most likely to make a difference for the practice. A facilitator can help overcome all of the reasons mentioned above as to why strategic planning
does not occur often enough. This is one of those times when a doctor should not try to “heal thy self.”

The Strategic Planning Process
As a Facilitator, we aid and assist in the following steps to the physician strategic planning process:
1. Create Focus and Alignment to achieve the goals and objectives impacting the entire practice.
2. Provide a common/standard methodology to cascade metrics and action plans throughout the practice.
3. Communicate leaderships intent relative to goals, objectives, metrics and action plans.
4. Assign accountability and responsibility at all levels.
5. Ensure alignment throughout the practice.
6. Concentrate the organization on high-leverage outputs.

Continuous Process Improvement
As prescribed by the strategic planning process, we utilize the appropriate continuous improvement methods such as Lean and Six Sigma and leverage them to drive staff engagement and process improvement. Our goal is to teach and coach improvement competencies and tools so your staff gains the knowledge and skills to be self-sustaining within months, enabling them to create a culture of continuous improvement. We will craft a specialized improvement system designed specifically for your practice that ensure you meet your strategic objectives along with creating a culture that is patient centered.
OPERATIONAL EXCELLENCE

• Assure a Safe Environment
• Involve Everyone
• Develop People
• Lead with Humility

Respect for People

Clear Purpose & Consistent Message

• Enterprise Alignment
• Align Strategies
• Align Systems
• Focus on One Thing at a Time
• Standardize Daily Work
• Focus on the Long Term

Focus on Process to Seek Perfection

Every PATIENT receiving the RIGHT CARE at the RIGHT TIME to achieve the best DESIRED OUTCOME at the BEST COST (not necessarily the lowest)

Studied, POCA, LeadQuest, Shingo, Six Sigma, LEAN, TQM, HRO, NCAT

Results that Create Value for the Patient

• True North Metrics/Measure What Matters
• Align Behaviors with Principle-Based Actions
• Identify Cause and Effect Relationships
• Strive for Optimal Outcomes

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