PRACTICE

Notes

Spring 2008

A MANAGEMENT PUBLICATION FROM

DOCTORS MANAGEMENT

"Leave the business of medicine to us"

From the President

Paul L. King

"Leave the business of medicine to us" is more than just a marketing catchphrase for DoctorsManagement (DM) as it reaches the heart of distressed doctors who call us on a daily basis. We treat each call as your practice treats each patient – on a case-by-case basis, with care and concern, to listen to the doctor's needs and to tailor a treatment plan specific to those needs. Our goals for every practice are to increase patient satisfaction, improve practice profits, enhance employee morale and reduce the stress level of everyone in the practice. In many cases, it is the combination of our expert consultants (as compared to the more exclusive knowledge of the doctor) and the teamwork of our specialists and departments (as compared to the practice staff) that allows us to successfully attain these goals.

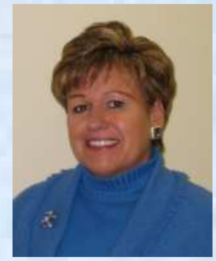
An important facet of the services we provide is expanding the knowledge of not only the doctor, but also of the staff in the principals we use so they can be implemented on a daily basis. We don't just come in, do our magic and then leave you wondering how and why we did it. Most DM departments offer some form of education to doctors and/or practice staff. Examples of these educational opportunities include, but are not limited to, training for certification as professional coders and auditing specialists, coding and documentation sessions for doctors following coding audits, the Medical Practice Manager's Certification Program, practice marketing training, and annual employee OSHA training. Our accounting department provides assistance to doctors and staff in understanding accounting reports and implementing the software used to generate reports and process payroll. Other ways we share the knowledge is through articles published in our Practice Notes, e-mail updates, and department bulletins.

Speaking of our accounting department…we all know it's **TAX TIME**! Our accounting department prepares many corporate and personal returns. One new accounting client has reason to celebrate. As a result of our review of their past three years' tax returns, we amended one year and the client will be receiving approximately $37,000 of overpaid taxes!

You can find information about all of DM's departments and services on our website www.drsmgmt.com—and we are always just a phone call away when you have a question about how we can be of service to you and your practice.

ON THE INSIDE

Rate Your Customer Service Program



by Debbe Childress-Garrett
Director of Business Development

As I travel all over the country working with practices in the areas of customer service and marketing, I am often surprised at how few practices have a formal customer service program. Not as surprising, however, is that the practices that do have a customer service training program are usually quite successful.

I have developed a short questionnaire for physicians and practice managers to complete in order to rate their own customer service program and to identify areas in which they need to improve. Take a few minutes to fill this out and see how your practice rates!

Circle The Score That Applies To Your Response:

1. Every practice should have a formal Customer Service Program and each staff member should be trained in this area.
   Score:
   3 Yes, our Customer Service Program is part of our training.
   2 We discuss Customer Service in our meetings, but do not have a program.
   1 Our Customer Service approach is just "try to be nice to patients."
   0 We do not have an identifiable Customer Service Program.
2. A survey or a "mystery shopper" is a good way to gauge how our Customer Service stacks up.
   Score:
   3 We survey our patients regularly, or hire a "mystery shopper" to perform an evaluation.
   2 Our practice has done a survey before, but we haven't conducted one in the last two years.
   1 We have a comment/complaint box in our lobby.
   0 Our practice has never conducted a patient satisfaction survey of any type.
3. All practice staff, physicians, and extenders should know how to handle difficult situations.
   Score:
   3 Our staff has been formally trained in handling difficult situations.
   2 We pass all difficult situations on to the office manager.
   1 We try to ignore difficult situations unless they get out of hand. Then the physicians step in.
   0 We have no training in the area of handling difficult situations.
4. A referral generation and tracking program is vital to building and maintaining a good, healthy practice.
   Score:
   3 We have set up a tracking system and reward our patients at certain threshold levels.
   2 We try to remember to thank our referral sources, but have no formal system.
   1 We keep up with professional referrals, but not patient referrals.
   0 We have no idea which patients are sending us business.
5. The best measure of your customer service skills is the retention rate of your practice.
   Score:
   3 Our retention rate is above 85%.
   2 Our retention rate is around 75%.
   1 Our retention rate is below 75%.
   0 We do not know our office retention rate percentage.

SCORING:

14-15 Congratulations! Your Customer Service Program is well developed.

11-13 Well, you are trying. Your program is probably not hurting you, but you could be using it more to develop your practice.

6-10 Okay, you are on the fence. You are making a half-effort, but probably are not reaping much benefit.

0-5 Don't waste time! Your practice needs help. Begin developing a Customer Service Program ASAP!

Uncomplicating the Process of Provider Enrollment

by Abigail Rockwell
Director, Provider Enrollment

Provider enrollment has become one of the most cumbersome, complicated procedures a doctor's office can undertake. The first step to uncomplicating the process is to understand the differences between enrollment and credentialing.

Enrollment is the process of completing the proper enrollment applications and submitting them, with supporting data, to insurance carriers. Credentialing is the process of investigation and verification of, at a minimum, a doctor's education, license status, clinical affiliations and practice history. Simply put, enrollment is filling out and submitting applications; credentialing is verifying the information submitted is true and correct.

Because enrollment is one of the most time-consuming chores a doctor faces, it is often ignored, delayed, or passed off to office personnel less familiar with the process. Procrastination is no longer a choice, however, since legislation dealing with enrollment is continuously being passed.

For example, the Centers for Medicare and Medicaid Services (CMS) has mandated that Medicare physicians or practitioners complete an enrollment form and submit specific information to CMS. This new ruling also requires periodic updating and certification of the accuracy of enrollment information *to receive and/or maintain billing privileges*. In fact, most insurance carriers require occasional re-credentialing of all providers, ranging from every 120 days to every three years, and the issue is most likely addressed in managed care contracts.

MAINTAINING MASTER FILES

Enrollment is easier if the proper documentation needed to complete applications is up to date and easily attained in a master file. Properly maintained, these files can reduce the headaches associated with the process. Below is a list of basic information that should be included in a master file for each professional:

- Copy of all original state licenses
- Copy of all current state licenses
- Current Curriculum Vitae/Resume (CV), including compete work history, explanation of any employment gaps lasting more than three months, date and place of birth, former names, hospital privileges, references
- Copy of current DEA certificate
- Social security number
- Copy of each TIN professional is working under
- Previous provider numbers
- W-9 for each TIN professional is working under
- Copy of NPI confirmation notice
- UPIN
- Details of any past and present litigation
- Copy of current professional liability insurance fact sheet
- Copy of current CLIA Certificate and number
- Copy of State Standard Credentialing Form. Master list of Insurance Carriers
    - Name of company or plan
    - Telephone and fax numbers
    - Effective date of contract
    - Contact

Who should maintain the master files? In most operations, the office administrator or manager is usually the one to whom this task falls; however, in larger operations, this task can require a full-time staffer. Whoever maintains these files, must realize the information in these files is sensitive and should be kept with the highest of confidentiality. Circulation of this information should be on a need-to-know basis only.

Who should have a master file? Doctors, certified registered nurse anesthetists, nurse practitioners, physician assistants, and any other healthcare professionals requiring a license in your state should all maintain a master file. While these individuals may or may not require enrollment, it might be helpful to maintain a file on each certified staff member, if for no other reason than to help in updating the CV and continuing education credits.

Uncomplicating the Process of Provider Enrollment (cont.)

by Abigail Rockwell
Director, Provider Enrollment

TIMELY ENROLLMENT

Another pitfall physician's offices tend to fall into is that of late enrollment – not giving a new doctor enough time to enroll with the group's insurance carriers *before* they start seeing patients. If the doctor has already started with your practice, it is imperative the start date on all enrollment applications reflects the true start date, not the date you think they might be enrolled.

Never use the PIN of another enrolled physician to bill for services rendered by a new physician. This is considered fraudulent billing. The consequences of using another physician's PIN are rarely lenient, often leading to fines and possible suspension from the carrier's programs.

COST

Because the biggest cost of the credentialing process is not doing it correctly the first time, many offices are turning to outside sources for help. The demand for proper enrollment of physicians is not expected to decrease in the future; in fact, quite the reverse. As a result, providers must start employing more cost-effective ways of managing this process. They are realizing the cost of outsourcing the enrollment process far outweighs the cost of delayed billing.

DoctorsManagement
School of Medical Practice Management
The Practice Manager Certificate Program

The DoctorsManagement School of Medical Practice Management closed out 2007 with a very good year. The Practice Manager Certificate Program consists of educational sessions divided into quarterly meetings. There are four Modules that must be completed to receive the Certificate of Medical Practice Management. Modules may be taken in any sequence, allowing a manager to start the program at just about any time. Continuing education is offered by invitation to our graduates through our ACE Program (Alumni Continuing Education) twice each year in May and October.

We had 22 graduates in 2007.

- Tina Bailey (Pineville Family Physicians)
- Kathy McCann (Partners in Pediatrics)
- Lisa Smith (Partners in Pediatrics)
- Tammy Andreoni (Hamzavi Dermatology)
- Carolyn Schuster (Orthopedic Associates)
- Denise Volz (Joint Replacement Specialists, PC)
- MaLinda Batiste (Primary Care Specialists, LLC)
- Diana Selvage (Knoxville Heart Center, PLLC)
- Mary Lou Fox (Mabry, Rehder & Akhrass, DDS, LLP)
- Brenda Garritson (Tri-Cities Skin & Cancer Center)
- Tracy Black (Carolina Urology Center, PA)
- Walter Cook (DoctorsManagement)
- Mike Morton (Partners in Pediatrics)
- Lori Gross (Herbert K. Plauche, MD)
- Richard Farr (East GA Orthopedic Center, PC)
- Dawn Davis (OB/GYN Associates)
- Brenda Sugg (Hilcrest Clinic, PC)
- Judi Muncy (OB-GYN Associates of Oak Ridge)
- George Lane (DoctorsManagement)
- Tammy Payne (Dermatology Associates)
- Larry Reed (Dermatology Associates)
- Tracy Ramsey (Dermatology Associates)

Congratulations to all of our graduates!

This year we are taking the school on the road to Cookeville, TN, in addition to our regular sessions in Knoxville, TN. Classes in Cookeville are being held in cooperation with the Upper Cumberland MGMA Group. We are off to a great start with 13 attending the session in Cookeville, January 24-25, and 11 attending in Knoxville February, 21-22.

For more information regarding the school, please contact our Program Director, Philip Dickey, at 800-635-4040.

What to Consider When Changing Clinical Suppliers

by Michael Lawson
National Account Manager
Power Buying Program

Beyond the temptation of lowering medical supply cost, little thought is given to how such a change potentially affects the practice staff. Regardless of his or her role, the mission of every employee in a physician's practice is to provide the very best clinical experience for his or her customer – the patient. However, not all employees within the practice directly touch the patient. In such situations, their customer then becomes whomever it is that they support with information or a tangible output such as a patient record or well-stocked medical supply cabinet. When thinking about providing a great experience for the customer, we most often think about the personal skills such as listening with an empathetic ear, appropriate attention, efficiency of purpose, and uncovering latent expectations that when unmet might leave the customer or patient dissatisfied when the output is delivered or when the visit is over. Understanding latent or unexpressed customer requirements equally applies to both the internal customer (the physician, nurse, or an administrative person) as well as the external customer (the patient). One might ask what this has to do with reducing the cost of providing medical care to his or her patients. Perhaps nothing, if change is not required, but if change is required, it could easily disrupt customer satisfaction, increase cost, and impact revenue. When change is contemplated, it is important to ask and answer three important questions:

- Why is change required?
- What will be different because of the change?
- Who is giving up what?

Why is change required?
Look no further than the 2008 reimbursement schedules and the answer is easy. Congress made last minute changes to keep the status quo. However, the reimbursement trend is obvious. There will be future cuts. To counter this situation, a practice must increase revenue per patient, see more patients, reduce overhead, or all of these. Every aspect of the practice that either produces revenue or is an overhead cost of doing business requires a closer look.

I am always amazed that many practices continue to do business as they always have, using the same suppliers and often without verifying or questioning the cost of the service or product delivered. With the cost of practicing medicine challenging the operating budget, traditional delivery methods and suppliers require a closer look. It is not enough to do business as usual or to trust that your long-time supplier is doing a great job; they may be doing a great job, but at what cost to the practice?

What will be different because of the change?
This is where doing something different becomes more difficult. It isn't that people do not like change; it is that change requires energy and discipline to move away from what has become the norm. What needs to change? If vendors are changed, will job descriptions or duties change as a result? Will the supply ordering processes change? Will new relationships be developed? And most difficult, will familiar faces be asked to say goodbye?

Before changes are made, make it a goal to understand the differences and be able to articulate them to the staff. It is important to have their understanding and buy-in.

Who is giving up what?
This is the question that is never asked. Who is giving up what? When change occurs, not everyone gains. One of the leading causes of failure when a new medical supplier is introduced or technology changes may be as simple as someone was unwilling to give up something. What is it that is received from the existing relationship? What benefit is personally received from the current process? If this question is asked of the medical supply vendor, he may say that he is giving up some profit margin or, in the worst case, he may be

What to Consider When Changing Clinical Suppliers (cont.)

by Michael Lawson
National Account Manager
Power Buying Program

losing a customer. If this question is asked of the supply ordering person, she may reply, "He made my job easy and I don't know what the new process will be."

One of the best ways to get people through the loss of something familiar is to acknowledge the loss and articulate a clear path to the new beginning. This is especially true when change is emotional. Helping employees deal with process change or doing things differently is best supported by a clear explanation of why the change is necessary and what role the employee is to play in the future. And don't forget to always provide the employee with educational resources.

Supply purchasing options are most often just that – options involving transactions between a supplier and a buyer, but sometimes they involve long-standing relationships. If your mission is to provide a well-stocked supply cabinet that meets your customer's expectations, don't be afraid to ask the supplier to stock items that are backordered or to question if a better price is available. If a change of relationship is required, be sure to ask:

- Why is change required?
- What will be different because of the change?
- Who is giving up what?

Thank You!

"We appreciate our clients referring our services to their colleagues. We continue to be honored with this manner of obtaining new business and are grateful to each of you."

Paul King, President

New Business

Hematology/Oncology	Miami, FL
Orthopedic	Spartanburg, SC
Dental	Knoxville , TN
Pathology	Columbia, SC
Sports Club	Seattle, WA
Neurology	Hickory, NC
Primary Care	Knoxville, TN
Dermatology	Seymour, TN
Family Practice	Newport, TN
Internal Medicine	Jacksonville, NC
Asthma & Allergy	Spring Hill, TN
Dermatology	Newport, TN
OB-GYN	Miami, FL
Infertility/Reproduction	Knoxville, TN
Surgery	St. Marys, GA

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We welcome questions, comments, and suggestions.

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