VITALS

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Message from the Chief

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CCO, Glenwood Systems LLC

Independent Medical Practice – Tough but Rewarding – Only Works with the Proper Tools and Processes

It is tough to remain an Independent Physician today. There always seems to be a pressure added to the medical practice that has nothing to do with caring for your patient. The good news is that there is software to improve office efficiency, improve claim submission and increase revenue. There are also out-sourced third party companies whose core competency is related to their work e.g. billing, collections, payroll, credentialing, HIPAA compliance, etc. and quite often they can perform the service for a lower cost than you can do in the office.

I recently read an article that stated about 60 percent of family doctors, 50 percent of surgeons and 25 percent of surgical sub-specialists are employees rather than independent. Reduced reimbursement, the cost of malpractice insurance, employee healthcare insurance costs and a shift from fee-for service combined with the demands of HIPAA compliance and the impending ICD-10 coding changes have made an impact on the desire to practice privately.

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"Using GlaceComplete we have greater focus on the billing process. Glenwood's product has reduced the number of billing input errors, missed bills & helped us improve our front desk collections. Because we've been able to standardize the best practice patient encounter, the software double checks to ensure all tasks are covered helping to eliminate missed charges," said Dr. Shah. *"GlaceComplete is an excellent product for a practice that is organized and dedicated to billing efficiencies."*
Paul Shah, M.D. - Pediatrics

Biller's Tips

Nat Loganathan
Founder, Glenwood Systems LLC

Patient Responsibility and ICD-10

ICD-10 and an increase in a patient's financial contribution to their medical care are two of the largest financial issues physicians are faced with in 2015.

The Affordable Care Act's requirement that citizens be insured has increased days in A/R and created higher A/R balances in most medical practices across the United States. Health Insurance Exchanges with high-deductible plans, employer plans requiring higher employee deductibles, and the number of self-pay patients have all increased. The key theme is patients are responsible to pay more of their medical costs out of pocket.

It is evident that U.S. medical care consumers have been conditioned that a third-party will cover medical costs. The shock of personal deductibles as high as $6K annually and family deductibles running $10K - $12K annually has had a two-fold effect. Patients are going to the physician less and the percentage of slow or non-payment from the patient is increasing.

What can you as a physician do to ensure that your revenue isn't impacted negatively?

- First you must use software to verify insurance eligibility, verify and collect co-pay in the office, verify deductible amounts, and take a payment against that deductible.
- Your EHR and PMS should be integrated so that when a patient is scheduled or checked in your employee will know if there is a patient balance on the account. This is the perfect opportunity for your employee to ask for a patient payment.
- If a patient's balance is beyond 30 days, have one of your team call the patients to remind them there is a balance due and ask for a payment over the phone.

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Independence is tough but rewarding. Independence allows you to deliver medical care as you believe best benefits your patient and allows you the autonomy to make your own decisions. It provides tremendous financial and professional satisfaction.

Many industries have experienced pressure to deliver more for less while delivering better results. An unlikely example is the auto industry. A shift to automation, standardized processes and software combined with merging resources and outsourcing has improved vehicle quality and delivered to consumers more driving benefits than ever before. Entities that changed, survived and prospered.

Independent Medical Practices must look to solutions to overcome the non-medical burdens of their practices in order to grow and prosper.

- Software to standardize patient healthcare and financial data capture, make the data readily and easily accessible as well as create cleaner claims for submission reducing errors and denials.
- Outsourcing non-core medical elements e.g. revenue cycle management, HIPAA compliance manual development, credentialing and credentialing maintenance.
- Shared resources via a group or affiliation e.g. front desk activities, payroll, purchasing power, etc.

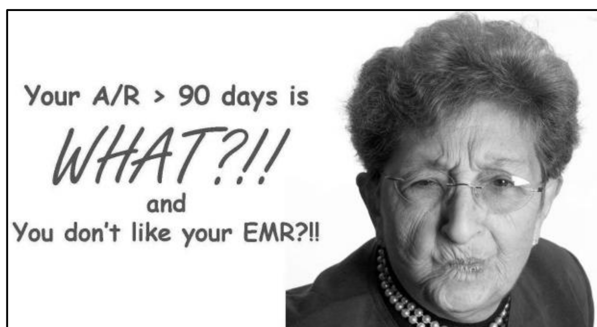
To evolve is to survive and prosper.

Glenwood Systems has been providing our clients software and billing services since 1998. Your core competency is medicine, ours is the software and service to make your practice more efficient, reduce your costs, improve patient and staff satisfaction, and help you improve outcomes.

Whether it is ICD-10, high A/R, high denial rates, EHR or Meaningful Use, give us a call, we can help!

Glenwood Systems software is ICD-10 ready, offers apps for your tablet and mobile phone, and delivers strong Customer Service!

Regards,



How Will Your Practice Benefit from ICD-10?

The benefits of ICD-10 begin with enhanced clinical documentation enabling physicians to better capture patient visit details and lead to better care coordination and health outcomes.

Ultimately, better data paves the way for enhanced quality and greater effectiveness of patient care and safety. The benefits of ICD-10 will impact everything from patient care to each practice's bottom line.

Reasons to prepare for ICD-10 can be broken down into four categories:

Clinical

- Informs better clinical decisions as better data is documented, collected and evaluated
- Provides new insights into patients and clinical care due to greater specificity, laterality and more detailed documentation of patient diseases
- Enables patient segmentation to improve care for higher acuity patients
- Improves design of protocols and clinical pathways for various health conditions
- Improves tracking of illnesses and severity over time
- Improves public health reporting and helps to track and evaluate the risk of adverse public health events
- Drives greater opportunity for research, clinical trials and epidemiological studies

Operational

- Enhances the definition of patient conditions, providing improved matching of professional resources and care teams and increasing communications between providers
- Affords more targeted capital investment to meet practice needs through better specificity of patient conditions
- Supports practice transition to risk-sharing models with more precise data for patients and populations

Professional

- Provides clear objective data for credentialing and privileges
- Captures more specific and objective data to support professional Maintenance of Certification reporting across specialties
- Improves specificity of measures for quality and efficiency reporting
- Aids in the prevention and detection of healthcare fraud and abuse
- Provides more specific data to support physician advocacy of health and public health policy

Financial

- Allows better documentation of patient complexity and level of care, supporting reimbursement for care provided
- Provides objective data for peer comparison and utilization benchmarking
- May reduce audit risk exposure by encouraging the use of diagnosis codes with a greater degree of specificity as supported by the clinical documentation

For more information visit "Road to 10: The Small Physician Practice's Route to ICD-10" at www.roadto10.org

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What Is Different With ICD-10?

More than an update, a leap in how we define care.

ICD-10 will enhance current medical documentation standards to capture a greater level of detail in patient care. Accurate analysis of health data will help improve the quality and efficiency of delivering patient care, particularly as electronic sharing and exchange of health records grows.

ICD-9 Diagnosis Codes	ICD-10 Diagnosis Codes
No Laterality	Laterality – Right or Left account for >40% of codes
3-5 digits • First digit is alpha (E or V) or numeric • Digits 2-5 are numeric • Decimal is placed after the third character	7 digits • Digit 1 is alpha; Digit 2 is numeric • Digits 3-7 are alpha or numeric • Decimal is placed after the third character
No placeholder characters	"X" placeholders
14,000 codes	69,000 codes to better capture specificity
Limited Severity Parameters	Extensive Severity Parameters
Limited Combination Codes	Extensive Combination Codes to better capture complexity
1 type of Exclude Notes	2 types of Exclude Notes

Other important changes to note with ICD-10:

- Importance of Anatomy: Injuries are grouped by anatomical site rather than by type of injury.
- Incorporation of E and V Codes: The codes corresponding to ICD-9 V codes (*Factors Influencing Health Status and Contact with Health Services*) and E codes (*External Causes of Injury and Poisoning*) are incorporated into the main classification rather than separated into supplementary classifications as they were in ICD-9.
- New Definitions: In some instances, new code definitions are provided reflecting modern medical practice (e.g. definition of acute myocardial infarction is now 4 weeks rather than 8 weeks).
- Restructuring and Reorganization: Category restructuring and code reorganization have occurred in a number of ICD-10 chapters, resulting in the classification of certain diseases and disorders that are different from ICD-9.
- Reclassification: Certain diseases have been reclassified to different chapters or sections in order to reflect current medical knowledge.

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ICD-10 is scheduled to go into effect October 1, 2015. This change has been pending for over two years and most medical practices are aware of the change and making preparations. The good news, according to American Health Information Management Association (AHIMA), is that 78% of the ICD-9 codes "map one-to-one with an ICD-10 code. Of the ICD-10 codes that do not have ICD-9 counterparts, about half are related to laterality (left, right and bilateral indications)," AHIMA says.

It is vital that your practice ensure that your software has been updated to include the ICD-10 codes and has a built in crosswalk to assist with ICD-9 to ICD-10 conversion. ***Note Glenwood Clients already have everything they need built into their software to meet the ICD-10 conversion challenge.***

The largest financial impact feared is a significant increase in denials by the payers for incorrectly coded encounters. This may have a dramatic impact on a physician's cash flow. Some industry experts are recommending that medical practices have 6 months operating capital in reserve to meet this possible threat to your financial security.

In either of the scenarios outlined in this column, Glenwood Systems has solutions in place to mitigate revenue loss to our clients. If you would like more information please contact Glenwood at (888) 452-2363 or visit our website at www.GlenwoodSystems.com.

When Does Outsourced Billing Make Sense?

You have a CPA, a financial planner, an insurance agent and an attorney. Why don't you have a professional billing organization?

Revenue Cycle Management is the lifeblood of every medical practice. Reimbursement has to flow smoothly and consistently to support the delivery of patient care and the infrastructure of your practice – payroll, training, rent, equipment, insurance, compliance, etc.

Your billing, or revenue cycle management, must be delivered cost effectively, efficiently and without disruption. To meet industry best practices, your medical practice should be generating revenue collections at better than 95%.

Why Outsource Your Billing with Glenwood?

- **Flexible Cost Model**
- **Redundancy Ensures Consistent Cash Flow**
- **Technology Expertise and Advantages**
- **Billing Expertise and Advantages**
- **Professional Monitoring and Oversight of the Process**
- **Mitigate the Risk of Embezzlement**
- **Shared Best Practices**

For more information on the benefits of outsourcing your billing please visit www.GlenwoodSystems.com

Glenwood Systems
Medical Billing & EMR Made Easy

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ICD-10 Is Coming

Are You Ready?

Four Ways To Improve Patient Collections

Give patients more payment options

Your practice benefits when patients pay their outstanding balance. If a patient wants to pay using a reasonable method, there shouldn't be any restrictions – this means allowing patients to pay by cash, check, debit/credit card and through an online payment portal. Online payment portals are especially important as many patients move toward online bill paying because of convenience. Patients don't have to travel anywhere or write anything by hand in order to pay their bills online.

Set a standard payment policy

Your practice should have a clear, standardized payment policy that patients are aware of. This provides backing during difficult payment discussions and also gives patients a set of consequences for not paying. When your collections staff is trying to collect payment from a patient having a standard policy reduces the patient's wiggle room. If your patients face consequences for not paying in a timely manner (the consequences are up to you), paying their medical bills becomes more important.

Dangle a carrot for your staff

Using an employee incentive program can boost your collection rate. The key is in planning the program carefully. Analyze your numbers so you can find the point at which your practice can offer a motivating incentive to employees while increasing overall revenue.

For instance, say each collector at your practice brings in an average of $2,000 in unpaid expenses each month. If you offer staff members a $100 gift card if they increase that number to $2,500, you'd bring in an extra $400 per month in revenue from motivated employees who meet the goal. If some employees don't, there's no harm done.

Be persistent, not annoying

There is a fine line in collections between reminding your patients that they need to pay their bills and harassing them. The FTC's Fair Debt Collections Practices Act (FDCPA) draws the line. You should call patients to remind them of their debts and try to work out payment but, per the FDCPA, you must call during the "reasonable" hours of 8:00am to 9:00pm. Calling by phone too frequently is also in violation of the FDCPA, although what constitutes as too much is not defined. Violating the FDCPA can leave you open to a lawsuit.

Remind any collections staff to remain cordial in all interactions with patients. Patients are more likely to work toward payment with someone friendly, rather than with someone they find threatening.

Source: www.poweryourpractice.com/