

Secrets of the Best-Run Practices

Here's how not to reinvent the wheel.

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Imagine a conversation with your personal physician in which he or she claims, "You know, I don't bother with continuing education anymore. I graduated with top honors from the best schools. Conferences, journals, and online courses cost a lot of money and take a lot of time—and frankly, I can't afford the expense." Of course, it's not likely you'll ever hear a doctor make such remarks because hospitals and other credentialing entities demand minimum continuing education unit requirements for staff members to maintain privileges or certification.

Those minimal requirements are more than a formality. Health systems, specialty boards, malpractice insurers, and managed care organizations know that clinical outcomes, patient safety, and medical value all depend on clinicians staying up to date with the ever-accelerating flood of knowledge pouring out of the medical-scientific community. In fact, it's impossible to stay up-to-date on everything. That's why many argue passionately for electronic health records with rich clinical decision-making support tools.

Staying up-to-date alone won't make you the best physician, but the best physicians stay up-to-date. The same is true in other disciplines beyond medicine. Most professional certification programs have periodic requirements for continuing education because specialists in every in-

dustry struggle to keep up with dynamic business environments and torrents of new information.

Nowhere is that more true than in the uncertain environment of today's medical practice management. There's more money at stake than ever, and there are more obstacles standing between the physician and the money due him or her. Doctors and their managers have spent the last two decades frequently asking, "Now what?"

Physicians and managers in the

development of HIPAA regulations since the Act became law (1996!) predicted further delays. As it turned out, the Fed pushed back the due date until 2015.

When proposed regulations become the law, however, well-networked leaders tend to be among the first to have a compliance plan in place. Rules have become increasingly complicated over the past 25 years, and governing bodies have dramatically increased their scrutiny (not to mention their potential fines and

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best-run practices recognize the tremendous value that networking provides. It broadens the understanding, knowledge, and skills they need to stay on top of daily challenges. Practice leaders who stay connected usually demonstrate better judgment and insight when it comes to developing a reasonable strategic plan. They have a better sense of trends and likely future developments.

Anticipating Compliance Challenges

No one can predict perfectly what's coming down the road or how rapidly it will develop. But by tapping the collective wisdom of other professionals, you can improve your accuracy. For example, many in the medical community panicked when they first heard that ICD-10 implementation would be required no later than October 2011. But seasoned managers who had been watching the slow de-

velopment of HIPAA regulations since the Act became law (1996!) predicted further delays. As it turned out, the Fed pushed back the due date until 2015.

- CMS regulations for Medicare and Medicaid programs;
- OSHA requirements for hazardous waste and blood-borne pathogens;
- HIPAA and Office of Civil Rights privacy requirements;
- Department of Labor and Fair Labor Standards Act employment laws (as well as ERISA, COBRA, and FMLA rules);
- Americans with Disabilities Act requirements for employees and patients; and
- Self-referral standards (Stark law) and anti-kickback regulations.

Of course, the list almost doubles when you factor in individual state regulations that may or may not reflect the federal rules. It's no wonder that large organizations form specialized

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departments and hire directors to focus exclusively on compliance issues.

Adopting Appropriate Technology

Alongside the complicated regulatory developments, market changes and new technology are also coming at you with increasing speed. A scant

General overhead expenses rise every year, of course. That's not unique to medical practices, however; that's just a part of doing business.

But unlike many other industries, the entire healthcare community struggles with a shifting environment that keeps changing the "rules of the game." Twenty-five years ago, many medical practices did not process

tions to account for the anticipated impact. And they'll already have some ideas about how to manage their practices when that "next wave" hits.

Aiming for Certification and Satisfaction

During financially challenging times, it's tempting to cut into the "employee development" budget and invoke a moratorium on attending educational events. And while it's always prudent to set a reasonable budget for a conference attendee, we strongly advise against eliminating this line item.

Plan carefully before attending a meeting. Study the program brochure, and choose breakout sessions that focus on your practice's current needs. Attend specialty-specific roundtables. Seek out vendors in the exhibit hall that offer products and services designed to address your group's pressing needs.

Participate in sessions, roundtables, informal conversations, and vendor demonstrations. Ask questions—this is no time to be shy. Make friends and cultivate new relationships. Don't be afraid to approach well-known leaders. You'll find them more generous than you might guess.

When the opportunity arises, participate in organization leadership. It will expand your network and cement your relationships. And you just might find yourself helping out a few colleagues who need your experience and expertise. To help discipline yourself and make the most of your continuing education—and to help you develop yourself professionally—pursue certification through one or more of the excellent programs found in these professional associations.

Most of these organizations offer high-quality programs that guide their members to a well-rounded curriculum in order to become proficient in their fields. **PM**

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25 years ago, many smaller group and solo practices didn't even have computerized billing systems. Fax machines were rare, and few doctors had "car phones." Instead, they carried pagers—we called them beepers because that's all they did (Beep-beep!). Only a few patients had answering machines at home, and "Internet" wasn't even part of our vocabulary.

Few practice administrators or the physicians they served could have predicted today's automated office and business processes. And it's not slowing down—if anything, the rate of innovation is accelerating.

The manager's job isn't so much one of keeping track of every new bit of hardware and software. He or she must sort through the gadgetry to determine relevance. Is the latest "hot item" really useful? Is it essential? Is it worth the cost and disruption to acquire and implement? Again, no one bats a thousand when evaluating technology investments, but your accuracy improves when you can access the wisdom and experience of colleagues.

And once you decide to adopt a new technology, the collective experience of other adopters can provide you with high-value advice regarding your implementation plans. Their successes and missteps can help smooth out your transition.

Adapting to Changing Environments

Protecting physician income seems to get harder every year. (We used to talk about what it takes to grow incomes—now it takes great effort just to prevent decline.) Some factors remain constant and predictable:

insurance claims at all. In 1984, the Health Care Finance Administration (now called CMS) began requiring all Medicare providers to submit claims on the 1500 claim form. Soon thereafter, as more and more of the payer sector adopted the 1500, accepting assignment of benefits became a way of life.

As physician billing practices shifted from the patients to the payers (after all, that's where the big money was), payers began to exert more control over the entire process. They led the industry on a sometimes wild ride that continues today. In the 1980s, practices realigned their systems to serve HMOs; in the 1990s, various PPO-style arrangements began to overwhelm American medicine. Contracts with threats of exclusion, heavy-handed rules for referrals and pre-authorizations, and crushing discounted fee schedules changed the landscape.

Today, medical practices have had to adjust to "consumer-based" plans—a euphemism for making patients pay a larger share than ever. Billing offices have had to retool their systems to optimize patient collections. Many see the "next wave" to be "value-based" plans, in which the payers will determine whether physicians' diagnoses and treatment plans are worth pursuing. If the patient insists on pursuing a "low-value" option, he or she will have an even larger copayment.

Again, well-connected physicians and their managers will hear about "best practices" that have allowed some groups to thrive in these crazy markets. They will be among the first ones alerted to new trends. They'll learn how to modify financial projec-



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