Guest Consultant Cindy Dunn: Medical Practices Need to Start Now to Plan for a Happy New Year in 2013

Changes in health-care policy, new regulations, financial incentives **and penalties** have a direct effect on all healthcare organizations. As we round the corner towards 2013, take a few minutes to create an agenda of Medicare Incentive Programs and a few management initiatives to review with your physicians and leadership team.

Electronic Health Record (EHR)

Most practices have an EHR but often times it is not fully implemented:

- Are all of your physicians using the EHR?
- Do you have the latest version?
- Are all of your employees and providers trained properly?
- Are you utilizing all of the available functionality?

Meaningful Use (MU)

Strive to meet the Meaningful Use criteria. Even if you are unable to implement and attest to Medicare by the end of 2012 to receive the maximum $44,000 over 5 years, by beginning the process and attesting in 2013, you will be eligible for Medicare incentive payments over 5 years totaling $39,000.

If you have physicians receiving 30% of their revenue from Medicaid, they can attest beginning at any time through 2016

and receive $63,750 over the subsequent 6 years.

e-Prescribing (eRX)

If you did not successfully report your eRX efforts in 2011 you are already subject to a Medicare penalty in 2012. In order to prevent the 2013 penalty, each physician needs to report their eRX work on 25 individual patient claims (not 25 e-prescriptions) by December 31, 2012.

If you are unable to eRX because you are in an area with few participating pharmacies, or in a rural area with limited high-speed Internet access, apply for an exemption by January 31, 2013, to avert penalties that begin in 2013.

Physician Quality Reporting System (PQRS)

PQRS is currently a voluntary program. In the claim based reporting option, in order to receive your 2012 financial incentive, each provider should select and report on at least three applicable quality measures. Reporting is for the entire 2012 year and each provider must report on a minimum of 50% of applicable Medicare Part B patients. Many physicians select their measures but they are not always submitted or properly documented.

The final 2012 Medicare Physician Fee Schedule contained a provision that 2015 program penalties will be based on 2013 performance. Physicians who elect not to participate or are found unsuccessful during the 2013 program year, will receive a 1.5% payment penalty in 2015 and 2% annually in the following years.

Medicare Fee Schedule

What is the impact of the 2013 proposed Medicare Fee Schedule on your patients, staff, and practice? We are all accustomed to Congress "coming to the rescue" but what if the unthinkable occurs? The proposed conversion factor reflects a 27.4% cut that will take effect on January 1, 2013 and CMS estimates the 2013 MPFS conversion factor will be set at approximately $24.7124 (currently $34.04). Have you reviewed your payer mix, analyzed the receipts and determined the financial impact on your practice? What changes could you make if necessary?

Physician Compare (Website here)

Mandated by the Affordable Care Act, the Physician Compare website was created to allow consumers to compare physicians based on quality of care. Currently it is a directory of ~ 932,000 doctors and other health care providers who accept Medicare patients. It's searchable by zip code, city, state, and medical specialty.

Patients will eventually be able to see and compare how other patients rate their experience with physicians as well as how physicians perform on a dashboard of clinical and outcome measures. The Affordable Care Act states that beginning no later than January 2013, CMS is to "implement a plan for making publicly available, through Physician Compare … information on physician performance that provides comparable information for the public on quality and patient experience measures."

Have you gone to the website – is your practice and physician information correct? If there are errors you should contact the CMS QualityNet Help Desk at (866) 288-8912 and ask for assistance.

Optimize Operational Management Strategies

You find several things in common in the better performing groups: flexible staffing for support staff; cross-training staff for increased utilization; a patient focused schedule that includes open access for same-day appointments; meticulous tracking of accounts receivable (including aggressive day-of-service collections of estimated co-pays, deductibles & co-insurance); and prompt follow-up with payers and patients owing balances on their bills. Does this sound like your practice? If not what are you doing to make changes?

Measure, measure, measure and share, share, share!

Develop a plan, set goals and share the results with your staff. Staffing ratios, productivity, denials, wait times, patient (customer) satisfaction, quality outcomes and market share are just a few metrics you should monitor.

Resources:

EHR and Meaningful Use Incentive Programs

e-Prescribing

PQRS

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Trellis Healthcare introduces InfoDive®, a web-based business intelligence solution which allows medical practices to quickly and easily analyze internal data and benchmark their practice to others. This enhanced understanding improves the quality and efficiency of business processes and physician performance and answer questions such as: Are your providers as productive as they should be? Are your payers reimbursing you at the negotiated contract rate? Who’s your best payer? Are you at risk for a RAC audit? What services are being denied? Where are your referrals coming from? Should you open or close an office?