Financial Benchmarking

Passport Health Plan
Bowling Green & Louisville
December 3 and 4, 2015
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Objectives

- Describe the benchmarking process in some detail
- Identify how benchmarking can help your organization in operational improvement from patient management to and through revenue cycle management
- Describe and review formulas
- Challenge the participant by reviewing cases which will assist in a complete understanding of benchmarking and implementation of improvements based upon benchmarking results
Definitions

• Benchmark
  • A systematic, logical and common-sense approach to measurement, comparison and improvement
  • A comparison to a standard

• Benchmarking
  • Copying the best, closing gaps and differences, and achieving superiority
  • Identifying, understanding, and adapting best practices and processes that will lead to superior performance
    (www.dti.gov.uk/benchmarking)
Premise

• “...long term success is directly related to a practice’s ability to identify, predict and adjust for changes,

• …benchmarking, …, is the best tool for overcoming these challenges”
Where to get benchmarks

- Externally
  - Sources available
  - Ask
  - Research

- Internally
  - What is important today?
  - What was important yesterday?
  - What are your trends?
Comparison – leads to goal achievement

- Health care industry
  - The more information we have and share the better the outcomes

- Improved care
  - Patient care is the reason to exist, clinical comparisons, compliance to standards, use of evidence to make decisions

- Improved processes
  - Understand processes, improve processes over time when looking internally and externally
What are your goals in any benchmarking project?

• Increase
  • Patient satisfaction
  • Efficiency
  • Revenue
  • Productivity

• Decrease
  • Cost of doing business
  • Overhead
  • Overall cost of care for each patient

• Optimize
  • As opposed to maximize = seeking quality outcomes
Your data – a point of reference in measuring

Explore what to do

Start

Know How You Did It

Know the Way Forward

Know the Difference

Know Yourself

Know Others

Know Best In Class
## Types of Benchmarking

<table>
<thead>
<tr>
<th>Type</th>
<th>Description</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>Need to improve overall performance, exam long term strategies. Involves high level review of core competencies, new product or service development, improve ability to deal with change, longer term improvement expected</td>
<td>Re-alignment of strategies that have become inappropriate</td>
</tr>
<tr>
<td>Performance or competitive</td>
<td>Consider key positions in relationship to others in key products or services</td>
<td>Assessing relative level of performance, comparing to others, find ways to close gap</td>
</tr>
<tr>
<td>Process</td>
<td>Focus on improving critical processes – comparing to others or internal, develop models, and seek rapid improvement</td>
<td>Achieving performance in key processes to improve results</td>
</tr>
</tbody>
</table>
Two key principles

1. If you don’t measure it, you can’t change it
   • Description
   • Comparison
   • Context

2. If you don’t value it, you won’t change it
   • Benefit
Reasons/benefits

- Increase understanding of operations
- Gain or maintain competitive advantage and industry superiority
- Adopt best practices from any industry into organizational processes
- Uncover new concepts, ideas, and technologies
- Objectively evaluate performance strengths and weaknesses
- Observe where you have been and predict where you are going
- Convince internal audiences of the need for change
Why Benchmark?

- Your practice
- Your practice models
  - PCMH
  - Integration of new – ancillary; behavior health
- Your current/potential relationships
PCMH – 5 functions

- Comprehensive care
- Patient-centered
- Coordinated care
- Accessible services
- Quality and safety
VBC is a payment methodology that rewards quality of care through payment incentives and transparency


Steps to benchmarking

1. Determine what is critical to your organization’s success
   • Your Mission and Vision

2. Identify metrics that measure the critical factors
   • Measure performance
   • Quantify for efficiency, profitability, capacity, quality
   • Standardize
Steps to benchmarking

3. Identify a source for internal and external benchmarking data
   • Practice Financial
   • MGMA data

4. Measure your practice’s performance
Steps to benchmarking

5. Compare your practice’s performance to the benchmark

- Compute differences from internal trend or external source
- Calculate the percentage variance to the source
Steps to benchmarking

6. Determine if action is necessary based on the comparison

7. If action is needed, identify the best practice and process used to implement it

8. Adapt the process used by others in the context of your practice
Steps to benchmarking

9. Implement new process, reassess objectives, evaluate benchmarking standards and recalibrate measures

10. Do it again – benchmarking is an ongoing process, and tracking over time allows for continuous improvement!!!

• Continuous Process Improvement - CPI
Definition of Terms

- **FTE** = full time equivalent, 40 hours per work week
- **Measures of central tendency**
  - **Mean** = average (total value/count)
  - **Median** = data point, true center of count
- **Standard deviation** = measure of variation, cluster around the mean
- **Percentile (%tile)** = relative position of other data point: (number of values above/below a specific value) +/− 0.5 / total number of values * 100%
- **Count** – N/n
Standardize

- Convert to
  - Percentages
  - Per unit of input
  - Per unit of output

- For example
  - Full time equivalent, FTE
  - Relative value unit, RVU
  - Square footage
Metrics

• Informational
  • Average number of patients seen per month

• Actionable
  • Average number of patients seen per month per provider
Best Practice

• “Proven services, functions or processes that have been shown to produce outcomes or results in benchmarks that meet or set new standard”

• Optimal for your organization

• You set a goal in relationship to this concept
  • Exceed
  • Meet
Patient Satisfaction
Patient Satisfaction

- Do you measure?
- What do you measure
  - Informational
  - Actionable
- Are you satisfied with 95%
- NO
Source of data

- Internal
  - Your own patient survey
  - Do it regularly
  - Increase your data
  - Do something with it

- External
  - CHAPS = GCHAPS
  - Payers
  - Internet
Goal
Increase/improve
Decrease/lower

Operations
Defined terms

- **FTE** = position hours equal to 40 per work week, may be more than one employee
- **RVU** = relative value unit
  - **wRVU** = the work required to produce a relative value unit
- **Revenue** = top line of receipts for services rendered
- **Expense** = cost of doing business
- **Provider** = physician, nurse practitioner, physician assistant
Operations

- Payer Mix
- % Medicare
- % Medicaid
- % Managed Care #1
- % Managed Care #2
- % Worker’s Compensation
- % Self pay

Gross (Net) charges per payer
Total Gross (Net) charges
Operations

- Staffing Ratio
  \[
  \frac{\text{Total number of FTE employees}}{\text{Total number of FTE providers or physicians}}
  \]

- Total FTE Clerical support per FTE physician
  \[
  \frac{\text{Total FTE clinical support staff}}{\text{Total FTE physicians}}
  \]

- Total staff expense per FTE physician

- Total FTE support (clinical) staff expense as percent of total medical revenue

- Total FTE support staff expense per wRVU
Operations

- Clinic encounters (visits/appointments)
  Clinic encounters per FTE physician
  Total FTE Physicians

- Hospital admissions
  Hospital Admissions per FTE Physician
  Total FTE Physicians

- New Patients
  New Patient visits per FTE Physician
  Total FTE Physicians

- Appointment Duration in Minutes
  Total number of clinic service hours worked per week per physician * 60
  Number of total scheduled appointments per physician
Operations

- **No show rate**
  \[
  \text{No show rate} = \frac{\text{Number of appointment No shows}}{\text{Number of total scheduled appointments}}
  \]

- **Cancellation Conversion rate**
  \[
  \text{Cancellation Conversion rate} = \frac{\text{Number of cancellations converted to appointments}}{\text{Total cancellations}}
  \]

- **New Patient Appointments**
  \[
  \text{New Patient Appointments} = \frac{\text{Number of new patient appointments}}{\text{Number of total scheduled appointments}}
  \]
Finances
Finances

• **Gross Collection Ratio**
  \[
  \text{Total Collections (FFS/Capitation?)} / \text{Gross charges (FFS/Capitation)}
  \]

• **Net (adjusted) Collection Ratio**
  \[
  \frac{\text{Net Collections}}{\text{Net Charges}}
  \]

• **Days in Accounts Receivable (A/R)**
  \[
  \frac{\text{Outstanding Accounts Receivable}}{\text{Average monthly charges} \times 30}
  \]
Finances

- Average revenue per patient
  - Total collections (month/quarter/year)
    - Total patient visits

- Average cost per patient
  - Total operating expenses (month/quarter/year)
    - Total patient visits
Finances

• Collection rate by payer
  - Net collections by payer
  - Total gross charges by payer

• Volume and reimbursement by service line
  - Volume (encounters/RVU/visits) by line of service
  - Volume (measurement for total practice)

• Reimbursement per procedure code
  - Net collections
  - Total number of procedures
Finances

• Total Operating Cost as a Percent of Total Medical Revenue

\[
\frac{\text{Total operating costs} \times 100}{\text{Total medical revenue}}
\]

• Net Capitation Revenue

\[
\frac{\text{Net capitation revenue}}{\text{Total net medical revenue}}
\]
Finances

• Accounts Receivable over 120 days

<table>
<thead>
<tr>
<th>Days</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 30</td>
<td>60%</td>
</tr>
<tr>
<td>31 – 60</td>
<td>20%</td>
</tr>
<tr>
<td>61 – 90</td>
<td>5%</td>
</tr>
<tr>
<td>91 – 120</td>
<td>5%</td>
</tr>
<tr>
<td>121 +</td>
<td>10%</td>
</tr>
</tbody>
</table>

• Accounts Receivable per FTE physician

\[
\text{Total accounts receivable} \\
\text{Total FTE physicians}
\]
# Financial Statement

<table>
<thead>
<tr>
<th>Overall Practice Activity</th>
<th>Annual</th>
<th>% Income</th>
<th>Per Visit</th>
<th>Cost Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Sources Income</td>
<td>$579,794</td>
<td>100.0%</td>
<td>$ 92.77</td>
<td></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank charge</td>
<td>$ 1,011</td>
<td>0.2%</td>
<td>$ 0.16</td>
<td>V/I</td>
</tr>
<tr>
<td>Billing service</td>
<td>$16,368</td>
<td>2.8%</td>
<td>$ 2.62</td>
<td>V/I</td>
</tr>
<tr>
<td>Contributions</td>
<td>$  183</td>
<td>0.0%</td>
<td>$ 0.03</td>
<td>V/I</td>
</tr>
<tr>
<td>Depreciation</td>
<td>$  8,410</td>
<td>1.5%</td>
<td>$ 1.35</td>
<td>F</td>
</tr>
<tr>
<td>Dues &amp; Sub</td>
<td>$ 2,893</td>
<td>0.5%</td>
<td>$ 0.46</td>
<td>V/I</td>
</tr>
<tr>
<td>Ins - Bus &amp; Mal</td>
<td>$ 12,400</td>
<td>2.1%</td>
<td>$ 1.98</td>
<td>F</td>
</tr>
<tr>
<td>Ins - Employee</td>
<td>$ 16,255</td>
<td>2.8%</td>
<td>$ 2.60</td>
<td>V/D</td>
</tr>
<tr>
<td>Lab/outside dx</td>
<td>$ 30,548</td>
<td>5.3%</td>
<td>$ 4.89</td>
<td>V/D</td>
</tr>
<tr>
<td>Legal &amp; Acct</td>
<td>$  6,131</td>
<td>1.1%</td>
<td>$ 0.98</td>
<td>V/I</td>
</tr>
<tr>
<td>Marketing</td>
<td>$  9,055</td>
<td>1.6%</td>
<td>$ 1.45</td>
<td>V/I</td>
</tr>
<tr>
<td>Med supplies</td>
<td>$ 33,618</td>
<td>5.8%</td>
<td>$ 5.38</td>
<td>V/D</td>
</tr>
<tr>
<td>Ofc exp</td>
<td>$ 17,912</td>
<td>3.1%</td>
<td>$ 2.87</td>
<td>V/I</td>
</tr>
<tr>
<td>Payroll</td>
<td>$136,094</td>
<td>23.5%</td>
<td>$21.78</td>
<td>V/D</td>
</tr>
<tr>
<td>Payroll tax</td>
<td>$ 10,581</td>
<td>1.8%</td>
<td>$ 1.69</td>
<td>V/D</td>
</tr>
<tr>
<td>Rent</td>
<td>$ 55,491</td>
<td>9.6%</td>
<td>$ 8.88</td>
<td>F</td>
</tr>
<tr>
<td>Rep &amp; Maint</td>
<td>$  1,123</td>
<td>0.2%</td>
<td>$ 0.18</td>
<td>V/I</td>
</tr>
<tr>
<td>Taxes</td>
<td>$  1,337</td>
<td>0.2%</td>
<td>$ 0.21</td>
<td>V/I</td>
</tr>
<tr>
<td>Telephone</td>
<td>$  6,299</td>
<td>1.1%</td>
<td>$ 1.01</td>
<td>F</td>
</tr>
<tr>
<td>Training</td>
<td>$    53</td>
<td>0.0%</td>
<td>$ 0.01</td>
<td>V/D</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$365,761</td>
<td>63.1%</td>
<td>$ 58.52</td>
<td></td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>$214,033</td>
<td>36.9%</td>
<td>$ 34.25</td>
<td></td>
</tr>
</tbody>
</table>
Production/Compensation
### Performance Indicators

- **Total Gross Charges per FTE Physician**
  
  \[
  \text{Gross FFS/Capitation charges} \quad \frac{\text{Total FTE physicians}}{} \uparrow
  \]

- **Total Net Revenue per FTE Physician**
  
  \[
  \text{Total net revenue} \quad \frac{\text{Total FTE physicians}}{} \uparrow
  \]

- **Total Operating Cost per FTE Physician**
  
  \[
  \text{Total operating costs} \quad \frac{\text{Total FTE physicians}}{} \downarrow
  \]
More performance indicators

• Total Gross Charges / Work RVUs per Encounter

\[
\text{Total Gross Charges} \\
\text{Per provider wRVU}
\]

• Physician Weeks Worked per Year

• Physician Clinical Service Hours Worked per Week
Clinical - Quality
Clinical Measures - HEDIS

• **Cancer Screening: Colorectal Cancer**
  - Process: % of men and women (50 and older) who report they ever had a flexible sigmoidoscopy/colonoscopy
  - Process: % of men and women (50 and over) who report they had a fecal occult blood test (FOBT) within the past 2 years
  - Outcome: % of colorectal cancers diagnoses at late stages
HEDIS - timelines

- Basic Access
  - % of families that experience difficulties in obtaining care, by reason

- Getting Appointments
  - % of persons who report they can get an appointment for routine care as soon as they wanted (always, usually, sometimes/never)

- Waiting time
  - OP/clinic visits: average time spent waiting before being seen by doctor
  - Office visits: average time spent waiting before being seen by a doctor
BENCHMARKING ILLUSTRATION

Your Practice = ________

Indicate position of your practice value on vertical line using an X

Excellent

___th Percentile

___th Percentile

___th Percentile

Median = _________

Mean = ___________

___th Percentile

___th Percentile

Poor

### MGMA – Ortho 6 or fewer

<table>
<thead>
<tr>
<th>Department</th>
<th>Count</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>10th %tile</th>
<th>25th %tile</th>
<th>Median</th>
<th>75th %tile</th>
<th>90th %tile</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total support staff</strong></td>
<td>29</td>
<td>$239,533</td>
<td>$73,116</td>
<td>$148,076</td>
<td>$189,100</td>
<td>$234,236</td>
<td>$298,795</td>
<td>$349,761</td>
</tr>
<tr>
<td><strong>Total employee staff</strong></td>
<td>29</td>
<td>$188,740</td>
<td>$65,726</td>
<td>$87,875</td>
<td>$136,768</td>
<td>$188,097</td>
<td>$235,422</td>
<td>$293,290</td>
</tr>
<tr>
<td><strong>General Admin</strong></td>
<td>28</td>
<td>$23,763</td>
<td>$8,733</td>
<td>$12,522</td>
<td>$17,510</td>
<td>$21,761</td>
<td>$30,613</td>
<td>$37,912</td>
</tr>
<tr>
<td><strong>Pt. Accounting</strong></td>
<td>23</td>
<td>$26,716</td>
<td>$12,376</td>
<td>$7,626</td>
<td>$16,965</td>
<td>$29,481</td>
<td>$38,508</td>
<td>$41,630</td>
</tr>
<tr>
<td><strong>General Accounting</strong></td>
<td>13</td>
<td>$8,179</td>
<td>$3,163</td>
<td>$3,257</td>
<td>$6,263</td>
<td>$7,427</td>
<td>$10,451</td>
<td>$13,270</td>
</tr>
<tr>
<td><strong>Total bus oper. Staff</strong></td>
<td>28</td>
<td>$53,168</td>
<td>$23,464</td>
<td>$22,057</td>
<td>$26,582</td>
<td>$47,347</td>
<td>$66,541</td>
<td>$92,933</td>
</tr>
<tr>
<td><strong>Med receptionists</strong></td>
<td>26</td>
<td>$27,787</td>
<td>$11,588</td>
<td>$13,782</td>
<td>$18,503</td>
<td>$25,252</td>
<td>$34,950</td>
<td>$45,458</td>
</tr>
<tr>
<td><strong>Med sec/trans</strong></td>
<td>18</td>
<td>$17,569</td>
<td>$14,057</td>
<td>$4,330</td>
<td>$6,636</td>
<td>$9,543</td>
<td>$31,097</td>
<td>$38,759</td>
</tr>
<tr>
<td><strong>Med records</strong></td>
<td>18</td>
<td>$8,912</td>
<td>$3,794</td>
<td>$4,735</td>
<td>$6,389</td>
<td>$8,068</td>
<td>$10,955</td>
<td>$16,726</td>
</tr>
<tr>
<td><strong>Med Assistants</strong></td>
<td>245</td>
<td>$30,635</td>
<td>$16,140</td>
<td>$10,020</td>
<td>$15,294</td>
<td>$32,353</td>
<td>$42,957</td>
<td>$53,482</td>
</tr>
<tr>
<td><strong>Total clinical staff</strong></td>
<td>28</td>
<td>$41,690</td>
<td>$19,697</td>
<td>$22,159</td>
<td>$25,498</td>
<td>$38,107</td>
<td>$48,858</td>
<td>$82,623</td>
</tr>
<tr>
<td><strong>Rad. Imaging</strong></td>
<td>26</td>
<td>$20,117</td>
<td>$7,574</td>
<td>$10,415</td>
<td>$13,692</td>
<td>$19,591</td>
<td>$26,505</td>
<td>$30,811</td>
</tr>
</tbody>
</table>
### MGMA – Ortho 6 or fewer

<table>
<thead>
<tr>
<th></th>
<th>Count</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>10th %tile</th>
<th>25th %tile</th>
<th>Median</th>
<th>75th %tile</th>
<th>90th %tile</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total A/R physician</strong></td>
<td>24</td>
<td>$291,281</td>
<td>$136,674</td>
<td>$149,930</td>
<td>$15,913</td>
<td>$260,761</td>
<td>$410,557</td>
<td>$508,828</td>
</tr>
<tr>
<td><strong>Total A/R provider</strong></td>
<td>19</td>
<td>$191,622</td>
<td>$103,426</td>
<td>$112,239</td>
<td>$116,014</td>
<td>$134,418</td>
<td>$255,379</td>
<td>$368,396</td>
</tr>
<tr>
<td><strong>0 - 30 days</strong></td>
<td>27</td>
<td>61.25%</td>
<td>12.03%</td>
<td>44.82%</td>
<td>52.85%</td>
<td>60.47%</td>
<td>70.68%</td>
<td>76.11%</td>
</tr>
<tr>
<td><strong>31 - 60 days</strong></td>
<td>27</td>
<td>15.08%</td>
<td>6.21%</td>
<td>5.94%</td>
<td>8.84%</td>
<td>16.03%</td>
<td>20.21%</td>
<td>22.08%</td>
</tr>
<tr>
<td><strong>61 - 90 days</strong></td>
<td>27</td>
<td>6.58%</td>
<td>2.72%</td>
<td>2.21%</td>
<td>3.88%</td>
<td>6.42%</td>
<td>9.00%</td>
<td>9.56%</td>
</tr>
<tr>
<td><strong>91 - 120 days</strong></td>
<td>27</td>
<td>4.16%</td>
<td>2.21%</td>
<td>1.30%</td>
<td>2.45%</td>
<td>3.64%</td>
<td>5.51%</td>
<td>7.92%</td>
</tr>
<tr>
<td><strong>121+ days</strong></td>
<td>27</td>
<td>12.94%</td>
<td>8.72%</td>
<td>1.92%</td>
<td>6.78%</td>
<td>11.70%</td>
<td>15.64%</td>
<td>27.30%</td>
</tr>
<tr>
<td><strong>Days in AR</strong></td>
<td>27</td>
<td>39.37</td>
<td>16.80</td>
<td>25.63</td>
<td>28.54</td>
<td>33.97</td>
<td>42.21</td>
<td>68.88</td>
</tr>
<tr>
<td><strong>Gross Collection %</strong></td>
<td>30</td>
<td>42.28%</td>
<td>14.10%</td>
<td>24.86%</td>
<td>36.03%</td>
<td>42.00%</td>
<td>46.55%</td>
<td>53.82%</td>
</tr>
<tr>
<td><strong>Adjusted Collection %</strong></td>
<td>29</td>
<td>94.25%</td>
<td>13.19%</td>
<td>73.98%</td>
<td>94.41%</td>
<td>98.60%</td>
<td>100.00%</td>
<td>106.20%</td>
</tr>
</tbody>
</table>
Data base vs. visiting a practice

• Use of comparative data
  • Collaborative – information is shared between many organizations

• Visit a comparison practice
  • Cooperative – information is shared directly from one organization to another
### Beginning components of benchmarking

| Organizations culture | • Attitude  
<table>
<thead>
<tr>
<th></th>
<th>• Buy in and understanding from the top</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mission</td>
<td>• purpose</td>
</tr>
<tr>
<td>Leadership</td>
<td>• Doing the right thing</td>
</tr>
</tbody>
</table>
| Objectives            | • Best practice or better  
|                       | • Internal vs. external (primary vs. secondary)  
|                       | • Standards set                        |
Components of benchmarking

Management
- Do things right

Staffing
- Right people = skills, talent, education, experience, attitude

Metrics
- What will you measure
- Why will you measure
- Can you measure (degree of difficulty)
- What will you compare with (last year or outside)
Components of benchmarking

- Productivity
  - Total output per unit of total input
- Platform for success
  - Plan
  - Do
  - Study
  - Act
Visual Aids

- Fewer is better
- Emphasize what the audience should get out of presentation as opposed to what to put into it
- Bigger is better
- KISS
- Make it memorable
- Purpose, title, timeframe, and scope = easy to find and understand
Let’s get real

• Definition of what is being measured
• External vs. internal
• Do you have the resources to gather and analyze the data?
• Do you have the resources necessary to make the changes you have identified?
Benchmarking traps

• Outside – measure against competition, their priorities

• Beating last year’s numbers is good but does it measure the outcome of your decisions made recently

• Use of low quality data, most popular numbers, not necessarily the right ones

• Manipulation of the numbers OR manipulation of what goes into the numbers reported

• Sticking with the numbers too long – comparisons are last week, last month, last year

The Five Traps of Performance Measurement, Andrew Likierman, HBR, 2009
Process Benchmarking - Getting Started

Critical to find credible sources:

- Conferences
- Networking with your peers
- *Performance and Practices of Successful Medical Groups*
- Business Journals and Publications
  - *Wall Street Journal*
  - *Business Week*
Process Benchmarking - Questions

Questions to ask

What are they doing that I am not?
Will a specific activity fit within the culture of my practice?
How may I improve an activity to better suit the needs of my organization?
  • Not one size fits all
  • Do not do it just because you can, do it because it is the right thing to do for your organization
Exercise

• What key activities make or break your practice?

• What is/are the most important metrics in your practice related to your key activities?
Your continued challenge

• Improve the process of providing quality patient care
• Involve staff
• Create a culture of best practice
Best practices or NEXT practices

• Now that you have compared to the Best

• What is next! Ask these questions
  • Is the problem widely recognized?
  • Does it affect other industries?
  • Are radical innovations needed to tackle the problem?
  • Can tackling it change the industry’s economics?
  • Will addressing this issue give us a fresh source of competitive advantage?
  • Would tackling this problem create a big opportunity for us?
Takeaways

• The healthcare environment is changing
  • Increased costs – technology and staffing
  • Decreased revenue – all payers
  • Application of different models to your practice

• Practices have three options:
  • Increase productivity
  • Enhance efficiency
  • Improve business operations
Takeaways

• Successful practices are efficient
  • Provide value to each patient at each visit
  • Optimize patient flow

• Investments in staff, facilities, and equipment have a ROI

• When productivity is enhanced
  • Practice revenue usually will increase at a rate greater than the incremental increase in costs

• Insights into the processes employed by better performing medical groups
  • Enable other practices to employ similar tactics,
  • Change operations
  • Attain similar results
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