

Pulse Point Diagnostics and Vital Signs

Evaluating your performance

For an e-copy of slides write to
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Fees Matter

- Consistent based upon RBRVS or Medicare allowable as a tool
- Range 150-225% of Medicare

Pulse Point Diagnostics and Vitals Signs

Evaluating your performance

Fees Matter

CODE	FEE	RBRVS	Medicare	Multiple
49320	1,900	9.87	396.09	4.80
57250	928	11.55	463.58	2.00
57454	160	3.39	136.22	1.17
57500	132	3.15	126.31	1.05
57505	122	3.23	129.67	0.94
58120	1,100	7.95	319.00	3.45
58150	4,100	26.70	1,071.34	3.83
58662	2,400	19.71	791.02	3.03
58670	2,100	10.92	438.37	4.79
59300	165.00	5.06	203.17	0.81

Fees Matter

- You can't easily measure growth unless the fees make sense
- One fee schedule unless non-par Medicare

Fees Matter

- What about RVUs?
 - Measures work not income
 - Important if differing specialties in the group
 - Better than using collection to evaluate work if an unequal distribution of poor paying plans

Fees Matter

- Average charges per month tell you
 - When to celebrate
 - How to compare fatigue level with production levels

What About Adjustments?

- Accuracy for Contract Discounts
- Audit trail to protect against malfeasance
- Average % of gross fees
- Bad debt identification
 - average about 2%

Collection-That's Where it Hurts!

- Gross collection % use for projecting
- Net collection % for billing performance
- Average collection per month
- What months are predictably low?
 - First quarter
 - Sometimes December

Collection-That's Where it Hurts!

	200X YTD	
	12 months	
Charges	1,500,000	
Avg. Month	125,000	
Adjustments	785,550	52.37%
Net Charges	714,450	
Collection	671,600	
Average Month	56,000	
Gross %		45.00%
Net %		94%

Accounts Receivable-Show Me the Money!

- It is all about relationships
- A/R \$175,000 or 1.4 avg. months gross charges in the pipeline
- \$35,000 is 20% of the A/R over 90 days

Accounts Receivable-Show Me the Money!

- How can you estimate collection possible out of the A/R?

\$175,000 in A/R is funny money

at 45% gross collection

\$79,000 is real money

Vital Signs for General Surgery

12 months

Charges	1,500,000	
Avg. Month	125,000	
Adjustments	785,550	52.37%
Net Charges	714,450	
Collection	671,600	94.00% net 45% gross
Avg. Month	56,000	
A/R	175,000	1.4
Over 90	35,000	20.00%

Vital Signs for General Surgery

	200x		MGMA
	12 months		
Charges	1,500,000		
Avg. Mo.		125,000	
Adjust.	785,450	52%	52%
Net Charges	714,550		
Collection	671,600		
Net% Gross %		94%-45%	94%-42%
Avg. Month		55,967	52,600
A/R ratio	175,000	1.4	1.39
Over 90 days	35,000	20%	19.90%
FTE per MD	3.02		

Using the Data

- Chgs. or Coll./Days worked
- New Patient Referrals by Source
- Collection per satellite office day
- Collection per FTE employee

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