



Five Critical Benchmarks for the Efficient Medical Practice

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Running an efficient, effective and profitable medical practice has never been more challenging. As an office manager or practice administrator, you have many responsibilities including:

- Establishing office policies;
- Conducting staff meetings;
- Hiring, evaluating and possibly terminating employees;
- Payroll;
- Supervising non-clinical office employees such as front desk personnel, coding and billing personnel, medical records personnel and other back-office associates;
- Ordering supplies;
- Preparing budgets;
- Managing practice accounting functions;
- Overseeing insurance and HMO contracts;
- Managing compliance issues;

And, of course, the all-encompassing “any and all other duties as assigned.”

Here at *Efficiency in Practice*, we’ve boiled all of your practice responsibilities down to five key benchmarks as follow:

1. Do the policies and procedures of your office help your practice provide the **Best Possible Care (BPC)** to the patient?
2. Do the policies and procedures of your office help to enhance and maintain a **Positive Patient Practice Perception (PPPP)**?
3. Do the policies and procedures of your office **Minimize Practice Liability (MPL)**?
4. Do the policies and procedures of your office provide a means to **Maximize (and justify) Practice Reimbursement (MPR)**?
5. Do the policies and procedures of your office provide a means to accomplish numbers 1-4 while still **Maximizing Practice Efficiency (MPE)**?

Everything you do as an office manager or practice administrator should be done with one or more of the five benchmarks listed above in mind!

Let's take a closer look at each one:

BPC – Best Possible (Patient) Care

Providing quality patient care must be the primary goal of any medical practice. After all, providing quality patient care is the reason all healthcare practitioners enter the medical profession. All other practice issues (legal, financial, and governmental) are secondary issues to providing quality care.

PPPP – Positive Patient Practice Perception

A recent survey of attorneys who defend physicians in malpractice litigation concluded that almost 70 percent of all malpractice lawsuits could be traced back to a lack of patient satisfaction. This survey concluded that most of a patient's dissatisfaction was either due to a real or perceived lack of communication or an inappropriate attitude on the part of the physician and/or his staff.

MPL – Minimize Practice Liability

According to the Physician's News Digest (July 2008), medical malpractice claims cost the health care industry more than \$4.4 Billion in 2006 – not counting the accompanying increase in malpractice insurance premiums. Perhaps your practice is part of that statistic. In addition to improving patient perception, you need to take a serious look at your practice to determine where else you might be at risk. The article referenced above points out that reducing malpractice claim exposure requires leadership, a commitment to formulating an administrative system that will be adhered to and taking a long-term view of the issue.

MPR – Maximize Practice Reimbursement

Your job is to maximize practice reimbursement (while reducing your risk of an audit) by ensuring that you are coding/billing properly. Additionally, the majority of third-party payers require adequate medical record documentation to justify and confirm services for which payment has been requested via the health insurance claim. The basic rule of thumb is, "If it is not documented; it does not exist." This is true not only from a legal standpoint but from a reimbursement standpoint as well. Additionally, the proper recordkeeping system should increase the probability of the practice billing for the appropriate treatment at the maximum amount of potential compensation.

MPE – Maximize Practice Efficiency

Here at *Efficiency in Practice*, this one is near and dear to our hearts. You must run an efficient operation in order to run a profitable practice. You must accomplish all of the other goals listed above – and do so efficiently. Your practice's largest expense is personnel cost (both physician and staff). If you can save personnel time; you have just saved the practice money.

During the coming weeks, we will take a closer in-depth look at each of these benchmarks and the specific things that you can put in place in your practice to make it run as efficiently as possible.

Sue Kay, Senior Consultant at InHealth, is the editor of Efficiency in Practice, the free eNewsletter for medical practice managers who want to save time, money and reduce risk. For more information and to access your FREE report, The 8 Things You MUST Know About CMS' RAC Program, visit www.encyinpractice.com
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