

Check the Vital Signs of Your Medical Practice

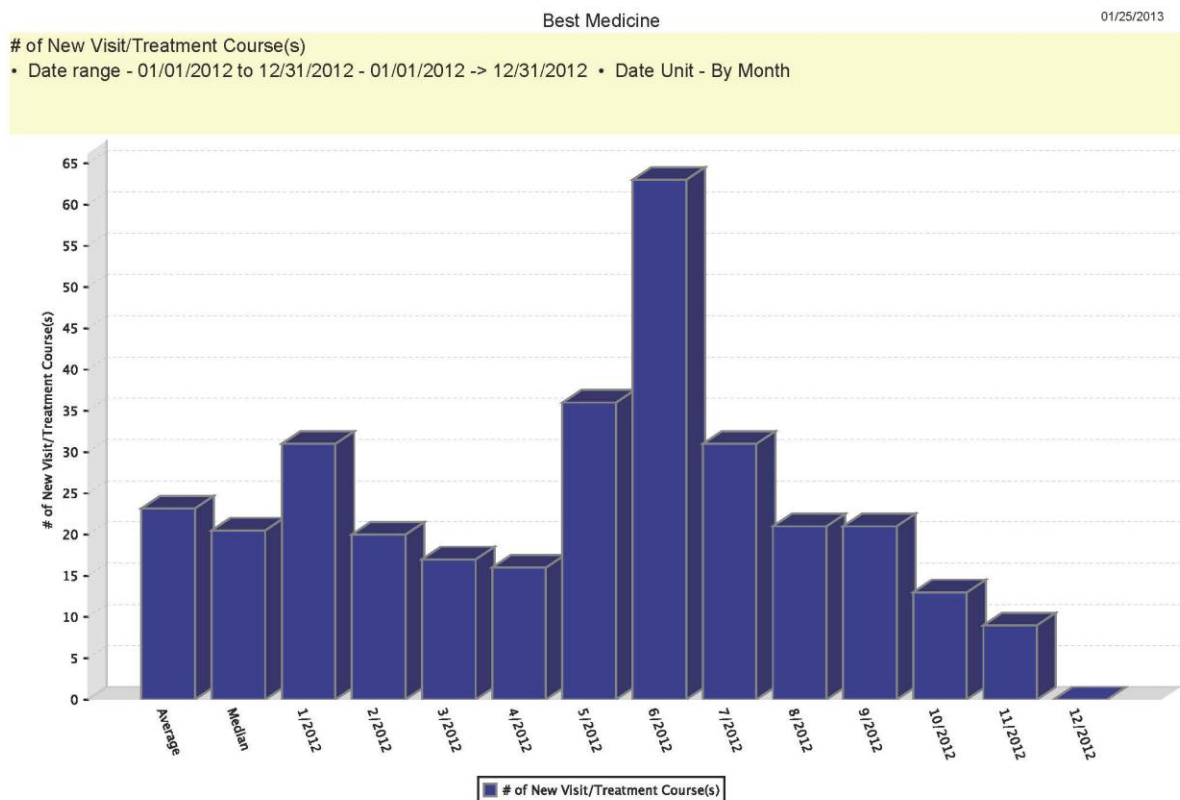
A Medical Practice is a unique business in many ways, but it is still a business and must be treated as such. Checking the health of your practice is similar to checking the health of your patients. In this three part series, we will look at these Vital Signs, pulse, blood pressure and temperature, to help you assess the financial well-being of your medical practice.



We will begin with the **Pulse** -

How many new patients are you seeing each month?

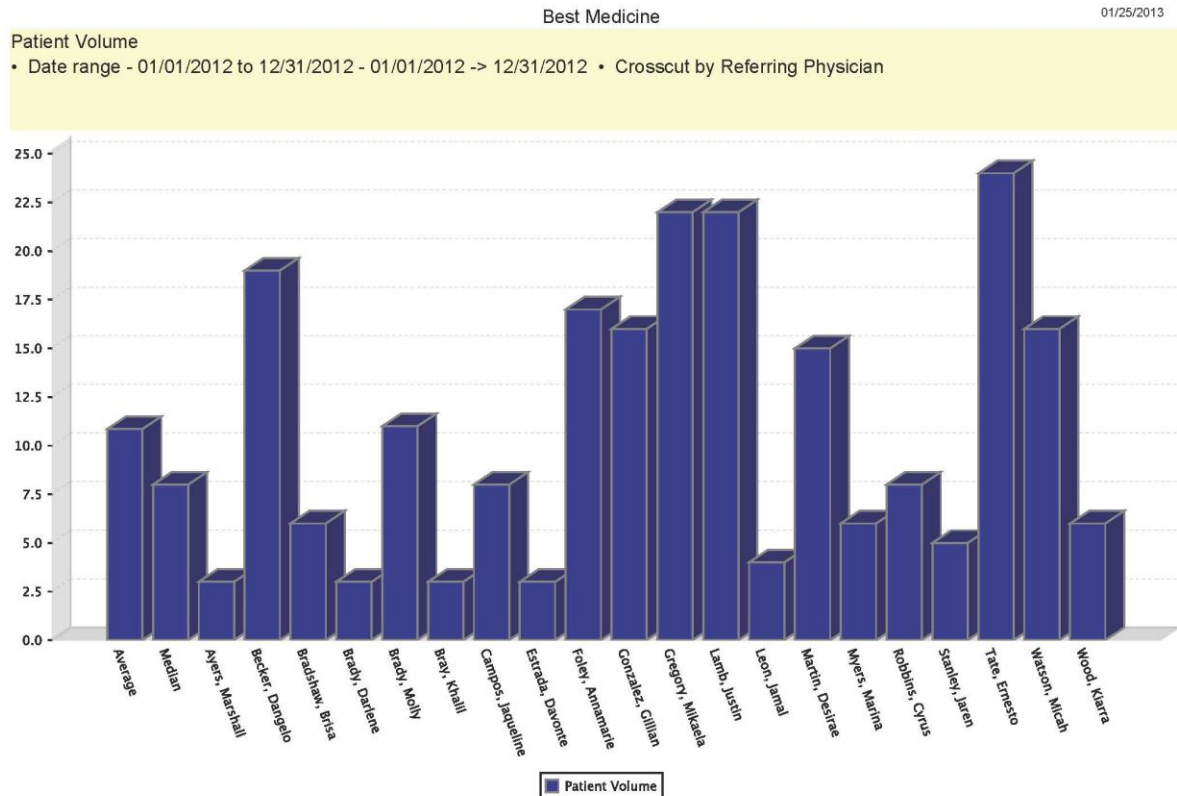
By analyzing the trends month over month, you will be able to calculate your current growth rate and estimate the potential need for increased staffing and other infrastructure changes. If close monitoring of your patient numbers shows a progressive decline or steep increase, it can give you the opportunity to research the reason why. One reason could lie in the next item on our list, referrals.



Who is referring those patients to you?

With the almighty internet, physicians have been able to reach out much more easily and cost effectively to a wider range of patients. While many people with basic medical needs may feel comfortable doctor-shopping online, there are many who have complicated issues. These referrals generally come from colleagues and satisfied patients. Know which providers in your area are referring patients to your office and always keep the lines of communication open in regards to those mutual

patients. A happy, well-taken-care-of patient is the best advertising. Many times less than stellar office staff can scare away patients who “love” their doctor, and those unpleasant episodes can make their way back to the referring colleague. Watch for trends that would show a reduction in referrals from a particular source and take the time to reach out personally.



These two reports are just a small sampling of the extensive selection of **practice management reporting** options built into the [Report Center](#) module of [Iridium Suite](#) Medical Billing Software.

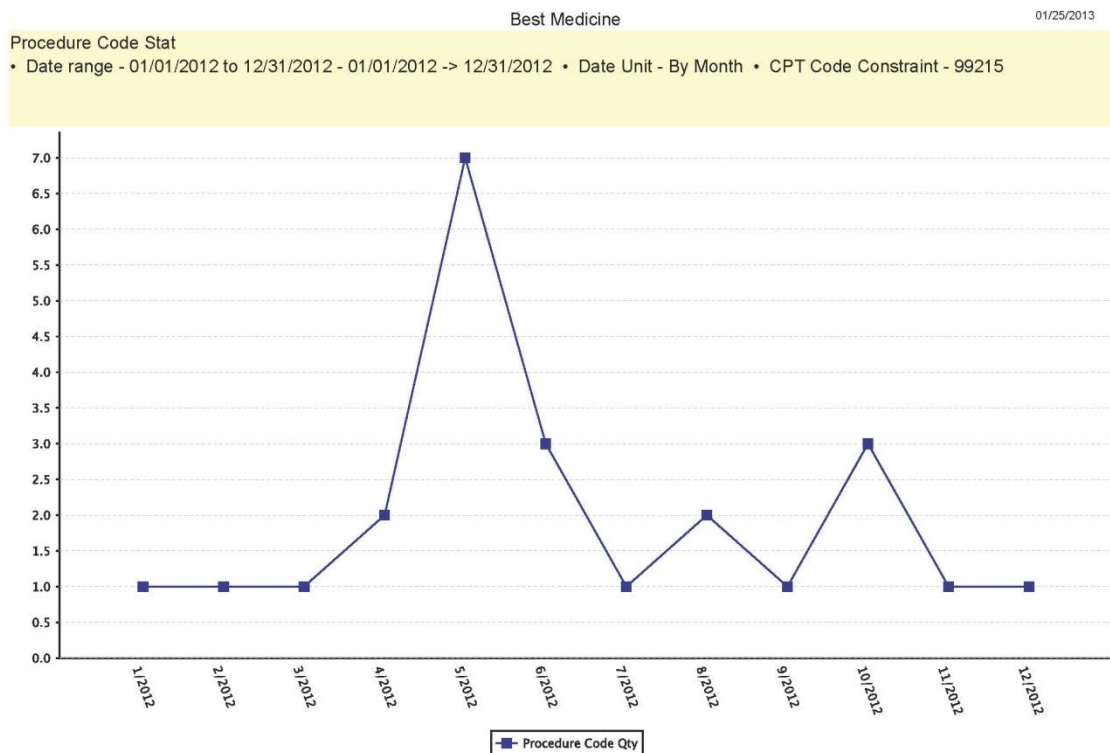


Let's check that **Blood Pressure-**

Are the numbers of services you bill increasing, decreasing, or staying the same?

Depending on your type of medical practice, you could expect to see one or two procedure codes billed per patient visit or for some specialties like Radiation Oncology, you may bill 10 procedure codes per visit. In either case, reviewing reports that show month-to-month statistics can allow you to recognize anomalies in your billing patterns. Sharp declines in a certain procedure may indicate forgotten or missed coding opportunities and therefore missed revenue. Many payers have time filing limits from the date of service. They can range from 60 days to one year. A regular review for missed charges will

enable to meet those filing limits and collect on all of your rendered services. If your report showed an unexpected procedure or an unusually high number of a certain procedure was billed, you will be able to audit the medical record(s) for appropriate documentation. If billing errors are discovered, you can get ahead of an insurance audit by quickly refunding any payments received for these non-provided services. Keeping yourself in the good graces of your payers is always important.



Is your claim reimbursement in line with your contracted fees?

This type of analysis is invaluable to any medical practice. Once you have signed on that dotted line with the payer, you are wise to ensure that you are receiving the proper reimbursement based on the agreed upon contractual rates. In the daily whirlwind of activity in the medical office, office staff seldom has the time to comb over the detail of every paid line item. A monthly report that compares the payments received to the payer's fee schedule will indicate payments that are below (as well as above) the payers contracted fees. Payments that are below should immediately prompt a call the Provider Relations Department. For payments above the contracted fees, research has to be done on the accuracy of the fee schedule you are using, for instance, perhaps the payer has updated its schedule and you have not. This type of report could also make you aware of overpayments. If those are pre-emptively refunded to the payer, it will show your practice to be following proper procedures in the eyes of the payer.

Reimbursement Analyzer

• Payer Constraint - MEDICARE B • ARs Closed within Date Range - 01/01/2012 to 12/31/2012 - 01/01/2012 -> 12/31/2012 • Only problem results displayed

Account	Code	Service Date	Qty	Paid Amount	Pass On Adjustment	Total Obligation Received	Expected Unit Rate	Total Expected Obligations	Difference
MEDICARE B									
Osborne, Timothy	31575	08/22/2012	1	\$97.94	\$24.48	\$122.42	\$80.65	\$80.65	(\$41.77)
Pierce, Reed	31575	07/30/2012	1	\$97.94	\$24.48	\$122.42	\$80.65	\$80.65	(\$41.77)
Henry, Ibrahim	31575	06/25/2012	1	\$97.94	\$24.48	\$122.42	\$80.65	\$80.65	(\$41.77)
Buckley, Camryn	77014	05/09/2012	1	\$218.35	(\$218.35)	\$0.00	\$150.59	\$150.59	\$150.59
Raymond, Susana	77014	01/16/2012	1	\$159.70	\$0.00	\$159.70	\$150.59	\$150.59	(\$9.11)
Hayden, Jordan	77014	11/10/2011	1	\$0.00	\$0.00	\$0.00	\$43.19	\$43.19	\$43.19
Buckley, Camryn	77263	05/09/2012	1	\$236.05	(\$236.05)	\$0.00	\$162.80	\$162.80	\$162.80
Conley, Maxim	77280	03/14/2012	1	\$23.34	\$7.03	\$30.37	\$35.17	\$31.12	\$0.75
Whitehead, Alonso	77280	11/15/2011	1	\$154.38	(\$175.36)	(\$20.98)	\$35.58	\$35.58	\$56.56
Buckley, Camryn	77290	05/09/2012	1	\$618.64	(\$749.11)	\$69.53	\$564.58	\$564.58	\$495.05
Mcdowell, Bryana	77290	12/07/2011	1	\$283.50	\$70.87	\$354.37	\$550.36	\$550.36	\$195.99
Mcdowell, Bryana	77290	12/06/2011	1	\$283.50	\$70.87	\$354.37	\$550.36	\$550.36	\$195.99
Eaton, McKenna	77290	10/18/2011	1	\$283.50	\$70.87	\$354.37	\$550.36	\$550.36	\$195.99
Eaton, McKenna	77290	10/17/2011	1	\$283.50	\$70.87	\$354.37	\$550.36	\$550.36	\$195.99
Mcdowell, Bryana	77290	12/08/2011	1	\$283.50	\$70.87	\$354.37	\$550.36	\$550.36	\$195.99
Eaton, McKenna	77290	10/19/2011	1	\$283.50	\$70.87	\$354.37	\$550.36	\$550.36	\$195.99
Mcdowell, Bryana	77290	12/09/2011	1	\$283.50	\$70.87	\$354.37	\$550.36	\$550.36	\$195.99
Eaton, McKenna	77290	10/20/2011	1	\$283.50	\$70.87	\$354.37	\$550.36	\$550.36	\$195.99
Mcdowell, Bryana	77290	12/05/2011	1	\$283.50	\$70.87	\$354.37	\$550.36	\$550.36	\$195.99
Eaton, McKenna	77290	10/21/2011	1	\$283.50	\$70.87	\$354.37	\$550.36	\$550.36	\$195.99
Conley, Maxim	77290	03/13/2012	1	\$114.61	\$15.67	\$130.28	\$78.36	\$69.22	(\$61.06)
Raymond, Susana	77295	01/17/2012	1	\$522.29	\$0.00	\$522.29	\$521.67	\$521.67	(\$0.62)
Conley, Maxim	77300	03/13/2012	9	\$186.45	\$56.45	\$242.90	\$31.36	\$248.60	\$5.70
Randolph, Cristian	77300	03/22/2012	9	(\$225.79)	(\$56.45)	(\$282.24)	\$31.36	\$282.24	\$564.48
Buckley, Camryn	77334	05/09/2012	1	\$224.63	(\$202.17)	\$22.46	\$154.92	\$154.92	\$132.46
Cline, Samara	77334	01/06/2012	10	(\$1,239.36)	(\$309.84)	(\$1,549.20)	\$154.92	\$1,549.20	\$3,098.40
Conley, Maxim	77338	03/13/2012	1	\$199.10	\$43.16	\$242.26	\$215.81	\$199.71	(\$42.55)
Rosario, Juan	77338	07/08/2011	1	(\$40.92)	(\$54.55)	(\$95.47)	\$494.40	\$494.40	\$589.87
Hinton, Nadine	77418	01/28/2011	1	\$475.82	\$118.96	\$594.78	\$541.71	\$541.71	(\$53.07)
Hinton, Nadine	77418	01/27/2011	1	\$475.82	\$118.96	\$594.78	\$541.71	\$541.71	(\$53.07)
Hinton, Nadine	77418	01/26/2011	1	\$475.82	\$118.96	\$594.78	\$541.71	\$541.71	(\$53.07)
Hinton, Nadine	77418	01/25/2011	1	\$475.82	\$118.96	\$594.78	\$541.71	\$541.71	(\$53.07)
Hinton, Nadine	77418	01/24/2011	1	\$475.82	\$118.96	\$594.78	\$541.71	\$541.71	(\$53.07)

These two reports are just a small sampling of the extensive selection of **practice management reporting** options built into the [Report Center](#) module of [Iridium Suite Medical Billing Software](#).



Our third and final vital sign is **Temperature**-

What is the aging breakdown of your accounts receivable?

A basic Accounts Receivable report typically includes monies due in aging “buckets”:

Less than 30 days

31-60 days

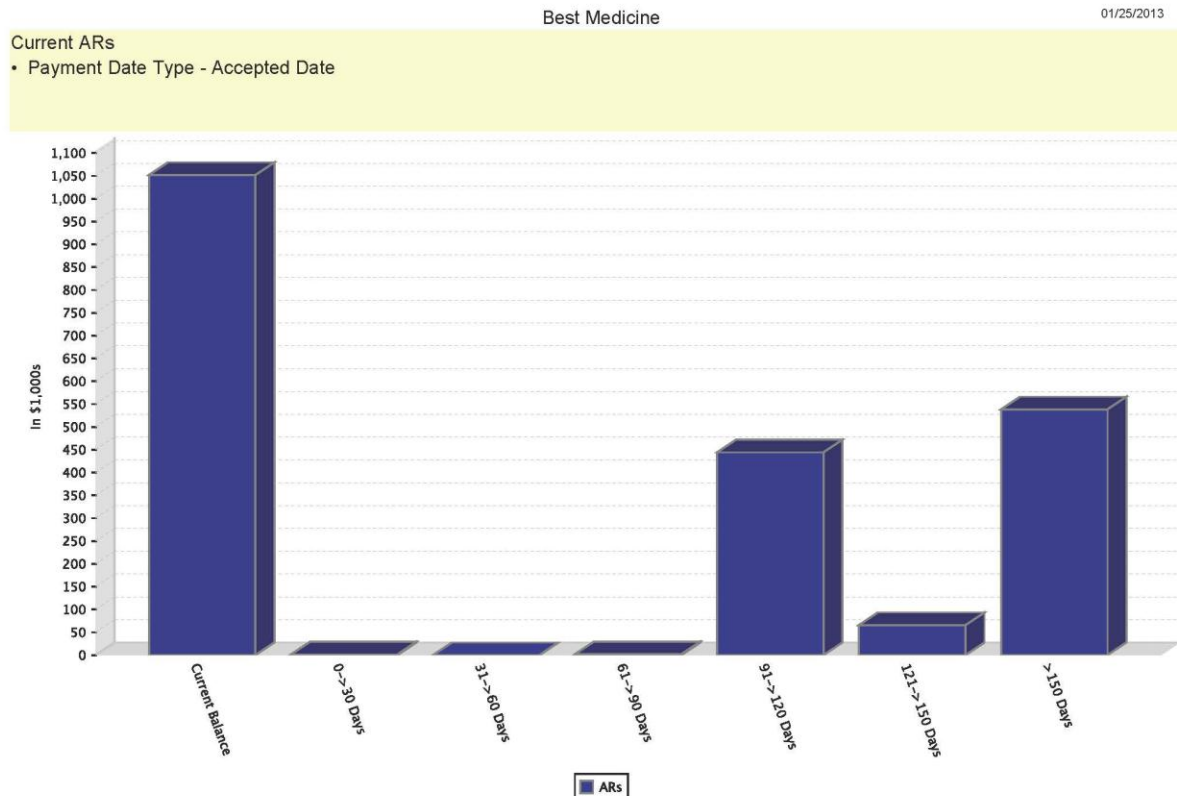
61-90 days

91-120 days

121-150 days

Over 151 days

Ideally you want to see the largest percentage of receivables in the less than 30 days bucket with balances diminishing as you progress through the older buckets. The older the receivables get, the more difficult it is to collect from the payer. It can also snowball into an increasing amount of information to go through if not addressed in a timely fashion. It can become so overwhelming, office staff may not know where to start.



Do you have adequate procedures to ensure quick collection of monies due?

Your receivables in the 31-60 days category, when analyzed by payer, can indicate if most of the money is based on secondary payer balances. Due to the nature of processing turnaround time, it is not unusual to see secondary payer balances in this bucket and to some extent in 61-90 days also. If you notice a large amount of primary payer monies landing in the 31-60 days bucket, checking the claim status with the payer is advised. It could indicate the claim was not received by the payer and resubmittal is necessary in order to avoid those timely filing issues. If you wait until they hit 61-90 days or more, it could be too late. Claim denials should also be addressed frequently; if not daily as received by the payer, but at least monthly during the accounts receivable analysis. Payers also have timely filing limits for appeals that are usually only 60 -180 days after the date of the EOB. The quicker the appeal is sent, the quicker you may receive your reimbursement.

Aged Trial Balance

• Crosscut by Payer • Payment Date Type - Accepted Date • Accounts Receivable Date - 01/25/2013

Account	Balance	Due Patient	Due Insurer	0->30 Days	31->60 Days	61->90 Days	91->120 Days	121->150 Days	>150 Days
AARP	\$4,297.53	\$0.00	\$4,297.53	\$0.00	\$0.00	\$0.00	\$3,716.19	\$581.34	\$0.00
Aetna	\$11,821.26	\$0.00	\$11,821.26	\$0.00	\$0.00	\$2,033.00	\$9,788.26	\$0.00	\$0.00
Alaska Teamsters	\$1.94	\$0.00	\$1.94	\$0.00	\$0.00	\$1.94	\$0.00	\$0.00	\$0.00
AmeriHealth	\$205.14	\$0.00	\$205.14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$205.14
Anthem Blue Cross of CA	\$4,781.09	\$0.00	\$4,781.09	\$0.00	\$0.00	\$0.00	\$0.00	\$4,781.09	\$0.00
Blue Cross Blue Shield	\$203,466.27	\$0.00	\$203,466.27	\$0.00	\$0.00	\$0.00	\$66,582.71	\$9,738.39	\$127,145.17
CDS Insurance Plan	\$327.85	\$0.00	\$327.85	\$0.00	\$0.00	\$0.00	\$327.85	\$0.00	\$0.00
EQUITABLE LIFE & CASUALTY	\$536.25	\$0.00	\$536.25	\$0.00	\$0.00	\$0.00	\$536.25	\$0.00	\$0.00
GEHA	\$494.25	\$0.00	\$494.25	\$0.00	\$0.00	\$0.00	\$494.25	\$0.00	\$0.00
Hartford Life	\$335.71	\$0.00	\$335.71	\$0.00	\$0.00	\$0.00	\$335.71	\$0.00	\$0.00
HealthSCOPE Benefits	\$14,712.59	\$0.00	\$14,712.59	\$0.00	\$0.00	\$0.00	\$5,768.41	\$7,637.42	\$1,306.76
Hometown Health Plan EPO	(\$3,772.78)	\$0.00	(\$3,772.78)	\$0.00	\$0.00	\$0.00	\$250.00	\$0.00	(\$4,022.78)
John Alden	\$67,754.95	\$0.00	\$67,754.95	\$0.00	\$0.00	\$0.00	\$67,754.95	\$0.00	\$0.00
Lifestyle Health Plans	\$3,674.79	\$0.00	\$3,674.79	\$0.00	\$0.00	\$0.00	\$3,674.79	\$0.00	\$0.00
MEDICAID	\$8,506.34	\$0.00	\$8,506.34	\$0.00	\$0.00	\$0.00	\$7,364.56	\$128.38	\$1,013.40
MEDICARE B	\$220,334.75	\$0.00	\$220,334.75	\$0.00	\$0.00	\$0.00	\$219,438.66	\$370.69	\$525.40
Mutual of Omaha	\$536.03	\$0.00	\$536.03	\$0.00	\$0.00	\$0.00	\$536.03	\$0.00	\$0.00
PINNACLE CLAIMS MGMNT, INC	\$14,086.49	\$0.00	\$14,086.49	\$0.00	\$0.00	\$0.00	\$0.00	\$14,086.49	\$0.00
Railroad Retirement Board	\$1,461.70	\$0.00	\$1,461.70	\$1,461.70	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Self Pay Accts.	\$894,604.88	\$894,604.88	\$0.00	\$0.00	\$0.00	\$0.00	\$427.10	\$62.50	\$894,115.28
Senior Dimensions HP	\$571.70	\$0.00	\$571.70	\$0.00	\$0.00	\$0.00	\$250.00	\$321.70	\$0.00
Sierra Health and Life Insurance Co.	\$431.00	\$0.00	\$431.00	\$0.00	\$0.00	\$0.00	\$431.00	\$0.00	\$0.00
St. Mary's Health First	\$16,706.62	\$0.00	\$16,706.62	\$0.00	\$0.00	\$0.00	\$0.00	\$16,706.62	\$0.00
TriCare	\$209.01	\$0.00	\$209.01	\$0.00	\$0.00	\$0.00	\$29.22	\$179.79	\$0.00
United Healthcare	\$58,604.57	\$0.00	\$58,604.57	\$0.00	\$0.00	\$0.00	\$53,604.41	\$4,928.16	\$72.00
Universal Health Network	\$125.00	\$0.00	\$125.00	\$0.00	\$0.00	\$0.00	\$125.00	\$0.00	\$0.00
Totals	\$1,524,814.93	\$894,604.88	\$630,210.05	\$1,461.70	\$0.00	\$2,034.94	\$441,435.35	\$59,522.57	\$1,020,360.37
% of total aged		59%	41%	0%	0%	0%	29%	4%	67%

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Now that we have completed a review of the medical practice vital signs, adhere to the same recommendations you give to your patients. Follow through with regular check-ups to maintain your practice health. A **medical practice management software** like [Iridium Suite](#) has built in report scheduling to assist you in keeping that close eye on the pulse, blood pressure and temperature of your medical practice.

