



Since its inception more than two years ago, the **AGA Center for GI Practice Management and Economics** has helped over 30 GI practices throughout the continental US and Puerto Rico solve a variety of practice management problems and improve the operation of their practices.

Center consulting projects fall into two general categories: practices in crisis and practices doing well but would like to do better. In the below case study, which represents a composite of several practices that fall into the second of the two categories mentioned above, you will see how the Center, through its consulting services, provided GI-specific guidance to successfully address the needs of the client practices.

Practice 1 is a multiple GI physician private practice in a suburban neighborhood of a small city. The office was recently renovated and a certified Ambulatory Surgical Center was built adjacent to the office. Both the office and ASC are solely owned by the GI practice. The GI practice is the only large GI group in the area; its only competition is a solo GI physician. Historically, revenue has been good, demand for services high and the practice has expanded by steadily increasing the number of GI physicians and staff over the last few years.

Step 1: Assessment

When the Center staff visited the practice, our first impression is that no expense had been spared in the construction of the office and ASC. The décor was modern and comfortable, the exam and procedure rooms fully equipped with the latest technology, and the design of the space was open and functional. The practice was managed by a professional administrator with a nursing background. The questions the practice wanted answered were whether they 1) were functioning at maximum efficiency, and 2) had the right number of staff performing the appropriate functions.

The project consisted of interviews with all the physicians and key staff representing each functional area, i.e., appointment scheduling, clinical support, front desk, and billing. Observation of the clinical area and billing office was conducted. Evaluation of financial reports was performed, including the following:

- **Service Analysis** - A report that includes the volume of each service (CPT Code) performed by each provider within a one year designated time period.

- **Aged Trial Balance** - Identifies outstanding charges by payer that fall within designated periods from the date of service; 30 days, 60 days, 90 days, 120 days, over 120 days.
- **Balance Sheet** - Shows all income and expenses by category for the previous year.
- **Employee List** - By name, title, and salary.

Step 2: Conclusions

Several of the problems and impediments to maximum efficiency that were identified through the project analysis included:

- Difficulty for patients and referring physicians to obtain telephone access to the practice.
- A high rate of data entry errors related to patient demographics and insurance information
- Sub-optimal use of the ASC facility
- Physicians were working longer hours than they would like
- Lack of recognized internal accounting controls
- Undercoding of E/M levels of service compared to national norms
- Excessively high accounts receivable (total outstanding charges)
- Compliance issues related to billing categories of service

Step 3: Recommendations

To address these issues, our recommendations included the following:

- Reassigning the staff to specific functions, eliminating conflicting job responsibilities
- Setting parameters for telephone calls not related to appointments
- Adding physician extenders (Nurse Practitioners and Physician Assistants) to handle routine follow-ups and urgent patients that otherwise could not be fit into the schedule.
- Training for physicians and staff on coding, billing, reimbursement and compliance

Step 4: One-year Follow-up

The practice has added several physician extenders, shortening the workday for the physicians and the wait for appointments. A number of our recommendations have been implemented, with success. Net revenue is up, patient and referring physician satisfaction has increased and the physicians and staff are more comfortable in their jobs.

Find out how the Consulting Services of the AGA GI Practice Management Consulting Center can help you! CALL TODAY!

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