

PERSPECTIVE

A Consulting Case Study

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“In January 2010, we merged with another ENT practice, increasing the number of physicians by 50 percent. We hired MedOptima to ease the transition and help us become lean and efficient. Within two months, we saw significant results. Because of MedOptima, we have maintained the same level of billing staff even though the workload increased 50 percent. We’re now billing day-to-day instead of week-to-week. We’ve reduced our revenue cycle time and our staff is motivated and focused. I can’t say enough about MedOptima. We trust them totally. MedOptima is very, very good at what it does.”



Steve Sandquist, CEO
ENT Associates of Fort Wayne, IN

MedOptima Was Charged With:

- Transforming the billing department into a higher performing unit capable of a 50 percent increase in workload without increasing staff.
- Changing billing from once a week to a daily process to relieve staff and improve cash flow.
- “Leaning” the organization, eliminating time and resource consuming processes.
- Preparing for the successful implementation of a newer, more sophisticated practice management software.

MUSIC TO THEIR EARS:

ENT Associates’ Consulting Engagement with MedOptima Eases Merger, Accelerates Billing and Transforms Practice

Since 1953, Ear, Nose and Throat (ENT) Associates have been a member of the Fort Wayne, Indiana, medical community. Through the years, the practice has grown in size and expertise, and today includes three offices in Fort Wayne, one surgery center and ten community clinics.

In January 2010, ENT Associates merged with another practice, increasing the number of board-certified ENT physicians by 50 percent, from 10 to 15. The merger brought growth and additional patient services. It also created opportunities for improvements in how the newly expanded practice operated as a business. The decision was made to **hire MedOptima as a consultant to ease the transition and optimize performance.**

Setting Expectations

The expectations of ENT Associates CEO Steve Sandquist were clear: implement lean practices, achieve greater speed and efficiency in claims processing, and gain operational quality improvements. He made it clear that he did not want to lay people off, preferring to redirect employees to other, expanding areas of the practice. Finally, he wanted a consulting engagement that focused on results, not gamesmanship.

“Too many consultants are all for show and spend the client’s money on Powerpoints. Skip the game within a game—I don’t have time for it,” Sandquist said. “MedOptima came highly recommended by the practice we merged with, and I liked the fact that MedOptima President Eric Beier is both a physician and businessperson. He understands our challenges and opportunities.”

The MedOptima Approach

MedOptima assigned two of its executives, Melissa Doepke, Vice President of Client Services, and Amy Eavey, Director of Software Applications, to ENT Associates. Both have more than 20 years of experience in physician credentialing, compliance, billing, and health information technology system conversions. Eavey is an expert in the Allscripts Professional PM practice management software platform.

The consulting engagement began with a debriefing of MedOptima by Sandquist. Among the most immediate issues was a backlog in claims processing. The increase in physicians and the associated expansion in claims volume was overwhelming ENT Associates’ billing staff. Processes were disjointed, a further impediment to efficient claims processing. The practice management software they were using was antiquated and not fully utilized. With MedOptima’s help, the practice planned to migrate to Allscripts Professional PM in the fall of 2010.

Rather than fitting clients to a “formula” consulting template, MedOptima takes a custom approach to each of its consulting clients. Its consultants become virtual members of the client’s practice, observing workflows and talking with physicians and staff. It is an interactive, engaging, non-threatening approach that enables MedOptima to get a true understanding of how best to re-engineer a practice’s business processes.

Explains Doepke, “We ask questions, we listen, and we let clients know that if they bear with us, we’ll make their jobs easier. However, it’s not unusual for staff to be afraid of the process. We’re in their sandbox and they need to know they can trust us so we can help make their jobs and lives easier.”

Transforming the Billing Department

When MedOptima arrived at ENT Associates, they found a billing department struggling to keep up with the higher volume of claims. The staff was filing claims once a week, which created both a logjam and backlog of claims. MedOptima also identified other unnecessary steps that further slowed the process and kept payments from flowing into the practice.

Explains Doepke, “ Instead of the front desk capturing demographic data, it was shifted to the billing department. They were collecting information no longer needed by payers. When there were mistakes on a claim, it was sent back to the billing department, adding to the backlog of data.”

Based on the findings, MedOptima re-engineered the entire claims filing process, eliminating unnecessary steps and streamlining others. Though staff was sometimes reluctant to change, once they understood the reason and saw the value, they adopted new processes.

The biggest change, however, was processing claims on a daily rather than weekly basis. What once was a dreaded, high-pressure day of toil, became easy to manage and far less stressful on staff. It did not take long for the backlog of claims to be eliminated. Gone, too, were the multi-page weekly payment Remittance Advices from CMS, considered an administrative nightmare. These were replaced with smaller, more manageable daily batches. Also gone were the overtime hours the practice previously paid the billing department to keep claims moving through an inefficient system.

What amazed ENT Associates’ Sandquist the most was that the existing billing department was able to increase its workload by 50 percent without adding staff. The department is now focused, less stressed, and with higher morale. “Billing day-to-day instead of week-to-week has evened out our work flow and our cash flow. Although it is still early, we have reduced revenue cycles from a four-to five-week lag time for charge entry to 24-hour turnaround due to MedOptima’s efficiency and process expertise,” Sandquist says.

Leaner, More Efficient

ENT Associates’ more efficient claims process created a new opportunity for going lean, this time in payment processing. Prior to the merger, the payment processing person for ENT Associates was challenged to keep up. The higher volume coupled with the steady stream of payments almost doubled her workload. Too, she was doing everything manually, threatening another barrier to the lean operation sought by Sandquist.

MedOptima’s Eavey stepped in with a solution. “Even though their practice management system was antiquated,

it did have Electronic Remittance Advice (ERA) functionality. It just wasn’t being used. Therefore, we worked with the practice and their clearinghouse to initiate remits. ENT Associates is now implementing ERAs with multiple insurance carriers, which will allow one staff person to process all payments efficiently even with the increased volume,” says Eavey.

Comments Sandquist, “What we’ve seen is a better utilization of our people and our technology. Adopting leaner processes means we are doing things better, which takes stress off of our people and helps the practice achieve optimal financial performance.”

A Work in Progress

MedOptima is now helping ENT Associates prepare to migrate to a newer, more sophisticated practice management software in early October, AllScripts Professional PM. MedOptima’s Doepke and Eavey are part of a strategic implementation team that includes Sandquist, physicians, nurses, and IT and billing personnel. MedOptima’s role is to customize the solution to the practice, help transfer and in some cases redesign old processes to the new system, and train staff.

Sandquist says MedOptima’s involvement is a key to success. “They know the system and now they know us. Our goal is as few interruptions to our organization and our billing function as possible.”

For both ENT Associates and MedOptima, it has been a highly productive, results-driven consulting engagement. “MedOptima has allowed us to transition from two separate practices into one smooth running, efficient business. There were no games within a game, just regular pointed communications and reporting on progress. Our board is extremely pleased with the work done by MedOptima. We totally trust them; we’re totally satisfied,” says Sandquist.

“Steve set us up for success. He communicated expectations clearly, was always available, and that made it easy to be accountable,” said MedOptima’s Doepke.

“MedOptima is on the cusp of how medical practices should and must change,” Sandquist added. “MedOptima is very, very good at what it does.”

“MedOptima’s consultants, Melissa Doepke and Amy Eavey, were very intuitive to our practice and our people. They came onsite and were nonthreatening and respectful. Once our people saw MedOptima was here to help, they got on board and we began seeing results.”

*Steve Sandquist, CEO
ENT Associates of Fort Wayne, IN*

Keys to Success:

- Implicit trust between ENT Associates and MedOptima
- Clear, open communications between management, staff and MedOptima
- Respect for the practice’s people, culture and budget

MedOptima offers its consulting services to medical practices with the express intent of optimizing the business of medicine using methods proven in business, industry and healthcare.

To learn more, contact MedOptima’s president, Eric Beier, MD, MBA, at ebeier@medoptima.net or call 260.969.1950 ext. 101. Or, visit www.MedOptima.net.

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