

Picking Up the Pace

Colorado specialty practice uses new practice management system to improve productivity, increase revenues and grow its business.

By Lily Fitch

Determining that it is necessary to implement new practice management software is a difficult decision for any medical group. In fact, it is almost as challenging as deploying the new software system itself.

Reaching consensus on priority features and functions, and then finding and evaluating suitable alternatives, takes substantial time and effort. Once a new system is selected and contract negotiations are concluded, the real work begins: data conversion, system configuration and installation, and software training. The administrator of a group practice transitioning to a new system may have to manage through the complexities of keeping the practice running during the switch-over to new software. Replacing systems certainly requires a significant investment, so it is not unusual for a medical group to defer a decision on a new system—even as outmoded software constrains the ability of office staff to perform the business functions that physicians count on them to manage.

This was the case with Colorado West WomanCare, P.C. (CWWC). When the medical group finally moved forward on a new system, the decision paid off in improved practice efficiency and effectiveness.

Push Comes to Shove

Colorado West WomanCare, P.C. is located in Grand Junction, Colo. With three physicians, a total of five providers and an administrative staff of 16, CWWC provides a full range of obstetrical and gynecological services to a monthly average of 650 patients. It is a successful practice that is growing steadily. In 2006, our group practice added an average of 120 new patients per month.

CWWC had been running a UNIX-based practice management system since 1991, when the group was founded. Over time, system problems and software limitations became increasingly troublesome. For detailed financial reports, it took 20 to 30 minutes just to sort data, and reports would then run for hours before they finished. The software supported electronic billing, but it was unreliable. The system did not produce accurate claims rejection reports, instead generating a lengthy paper trail that was difficult to follow.

Thus, CWWC was stuck with inefficient, time-consuming processing of paper claims forms, and it could take up to 90 days to uncover rejected claims. The billing statements produced by the practice management system were running ledgers that did not clearly summarize or explain transactions. When patients are confused and cannot understand billing statements, they do not reach for their checkbooks to pay their bills. They reach for the phone to call with questions about their bills. Office staff were spending an excessive amount of time on the phone answering patients' billing questions.

Moreover, the software was complex to use, requiring navigation of multiple screens to complete any one task. Training new employees became increasingly difficult, especially as more staff people came to the medical group with experience on Windows-based software. Training typically extended over three weeks, and new employees needed 6 weeks to 8 weeks to become productive.

By 2000, it was evident that it was time to upgrade CWWC's system. However, to upgrade to the vendor's Windows version would have cost \$20,000 per provider. That was unaffordable. Plus, we were concerned whether the upgrade was just a set of Windows screens on top of the old code. The medical group continued to struggle along with the UNIX-based software and tried using a billing service. However, the billing service was expensive, and the results did not justify the costs.

For more information about MicroMD PM from Henry Schein Medical Systems, www.micromd.com

New System Selection and Implementation

CWWC explored practice management system alternatives. Recognizing that software to manage the essential business operations of a group practice is mission-critical, we decided to take the time necessary to make the right decision.

The medical group established criteria for a new system and vendor: 1) Windows-based, client/server technology for faster performance, scalability, ease of use, and integration with Microsoft applications, especially Excel; 2) detailed and fast reporting and useful accounts receivable (AR) ag-

ing reports; 3) features and functions to support electronic billing; 4) integrated appointment scheduling; and, 5) the ability to convert historic data. In addition, we wanted to get local support for new practice management software from CareTEC, our local healthcare IT consultant.

Finally, we identified three alternatives that merited formal evaluation and vendor presentations. CWWC staff also checked references and asked the group's malpractice insurer for recommendations. The software systems were inspected and tested in demo mode online, and CWWC made one site visit to another group practice.

We selected MicroMD PM from Henry Schein Medical Systems in 2003. The malpractice insurer had recommended this solution, and the system met all of our requirements. Since CareTEC is a MicroMD PM reseller, we would be able to rely on them for hardware and software support.

Price also was a key consideration. In the final analysis, the new system cost less than half of the price of upgrading to the incumbent vendor's Windows version.

In April 2003, data conversion, hardware configuration (with a server and PCs replacing dumb terminals), software installation and training took two weeks in total. User training required only one day, and CareTEC was able to manage data conversion over a weekend. Final installation started on a Friday, and CWWC was up and running the next Monday. In short, the practice was down for only one day.

The Pay-Off: Benefits Gained

For every practice, regardless of size, the proof of technology's value is in the results it enables that practice to achieve. At CWWC, we were careful to record data and track measurements of key practice indicators, and we have results that prove the value of our new practice management system.

Ease of use. MicroMD PM has reduced the learning curve for new users. Training takes only a day versus weeks for the old system.

Greater staff productivity, reduced costs. The outside billing company dedicated three full-time equivalent employees to CWWC. With the new software, we brought billing back in house and hired two employees. Net savings total \$15,000 annually.

Faster billing and payment posting. CWWC has fully implemented electronic billing and cut the amount of time it takes to process charges and post payments in half.

More accurate billing. Claims with potential problems are flagged by the software so they can be corrected prior to

submission. Our group practice has achieved a 40 percent improvement in billing accuracy.

Better reporting supports AR management. Reports that used to take hours to run are now available within minutes. With daily closing, clear and coherent AR reports, and the ability to do drill-down reporting, we have a better understanding of AR aging and that supports more effective management of receivables.

Improved collections. Straight collections as a percentage of billed charges went up by 7 percent. Within 6 months after implementing the new software, overall collections grew by 17 percent.

Better patient service. Patient-friendly billing statements generated from the system are easy for patients to understand and reduced the time spent answering billing questions over the phone.

Efficient patient registration and scheduling. MicroMD PM's patient registration and scheduling features and functions are among the system's strongest features. The software's appointment scheduling functions enable office staff to verify patient insurance coverage directly from the appointment screen, and users can view schedules for an entire day, instead of having to traverse across several screens. The software is flexible enough so that office staff can customize scheduling for each provider. For example, the system supports customizable definitions of appointment types and user-defined views of appointments. The resulting productivity in scheduling translates into our physicians being able to each see an average of two more patients per day.

Integration with immunization system. The Colorado Immunization Information System (CIIS) allows participating providers to electronically verify the immunization status of patients, no matter where they have received their immunizations. MicroMD PM produces a report that can be directly exported into the CIIS database and thereby eliminates manual data entry.

ROI, the bottom line. With net savings on staffing, greater productivity, improved claims accuracy, increased collections and scheduling support for practice growth, Colorado West WomanCare secured a positive ROI on the purchase of new practice management software in six months.



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