The Path to the Future

Illinois specialty practice finds that replacing a practice management system can deliver all the efficiencies on its "must have" list.

By Polly Walgren, M.B.A., F.A.C.M.P.E.

Automation by itself isn't enough. A physician practice with a practice management (PM) system that doesn't serve its needs will soon be challenged to replace it or risk the financial consequences.

Midwest Orthopaedic & Neurosurgical Specialists, S.C., in Sycamore, Ill., is primarily an orthopedic group with five orthopedic surgeons, one neurosurgeon, one podiatrist and 40 staff members. We see approximately 130 patients a day, and we are team physicians for the Northern Illinois University Huskies and Kishwaukee Community College.

In July 2003, we created a strategic business plan designed to take us to the next level of patient care and efficiency. A key component included improved transaction support to streamline workflow and to gear us up for eventual implementation of an electronic medical record (EMR).

Polly Walgren, M.B.A., F.A.C.M.P.E., is practice administrator for Midwest Orthopaedic & Neurosurgical Specialists, S.C., Sycamore, Ill. Contact her at pwalgren@midwestortho-neuro.com.

Needed: New PM System

Our PM system was UNIX-based utilizing dumb terminals. It required a license for each dumb terminal, and every time we added a license, we had to pay. It was expensive to upgrade. Whenever I requested a new feature for the system, it added an upfront cost to buy the new module, and then in addition, ongoing licensing fees. The collection module did not interface with the rest of the system and had to be opened and viewed separately. Reports were limited, and I even noticed inaccuracies when I was closing out one month in the fall 2003.

In the summer of 2003, two of our key physicians and I attended the MGMA sectional conference in Chicago, where we saw a Windows-based PM system called MicroMD by Microsys Computing Inc. We were impressed with the features and reports, and felt this new system could support our day-to-day workflow and a future EMR.

After the conference, we received a quote from our local vendor and were ecstatic. MicroMD's costs were per doctor, not per user, a big difference from the situation we experienced with licensing fees. We could have unlimited users and only pay a small per-station fee for the database engine, a fraction of the fee we had been paying.

Converting With Ease

We purchased MicroMD that fall and set a go-live date of Dec. 15, 2003. Several weeks before the

conversion, a copy of the software was made available on everyone's PC for staff members to experiment with. We formally trained the week prior to conversion.

The Friday before conversion, we completed all work by noon, ran a backup tape and were off the old system. The data was converted over the weekend; we balanced to the penny, and we were up and running on Monday, Dec. 15, by 8 a.m. Our vendor and four of his employees assisted us that Monday.

Patient registration was slower than usual. We originally purchased one scanner for two receptionists to use with insurance cards, but immediately ordered a second scanner. We soon realized we could eliminate backup at the front desk by completing full registrations in the call center when patients were given appointments, rather than waiting until they were standing in front of us.

Within two weeks of conversion, call center staff were very comfortable with their job tasks on the new system. Within one month, the front desk was functioning without major backups. The billing department entered charges and posted payments without problems, although it took about a month for our electronic submission of claims to be operational.

In working through this process, we discovered that prior to conversion, the billing department staff was not aware that once claims were submitted to a carrier, not all of them were actually received. Reports from carriers following claims submission had been filed without checking for rejected claims. We corrected that situation and our AR cycle improved.

Gains Throughout the Office
We have found MicroMD to be intuitive and workflow-oriented. User-required options are where they are needed, eliminating the need to jump from screen to screen to perform simple tasks. Most features considered options in our previous system are standard in MicroMD and easy to use. We can fully integrate patient forms, collection letters, recall letters, charge slips and other documents from Microsoft Word and Excel easily into the system. We can scan insurance cards and driver's licenses and sort by account and specific plans.

Any report created in the PM system can be sent to an Excel spreadsheet. This feature allows us to send files via e-mail to a consultant who uses data from payment postings and allowable amounts from insurance carriers to help us set fees

> *Our new practice management system has provided the transaction support that we needed to fulfill our strategic plan.*

that maximize revenue. Previously, he had to visit the practice in person and spend time copying EOBs. Now all he needs is an e-mail file, which saves us 75 percent of the cost of his fee analysis.

One feature we use extensively is mail merge. We create our own forms that merge with stored data and print custom-designed documents. We have created custom letters to patients that pull in demographic information: patient name, address, date of birth, balance, last payment date and whatever else we want from the system. These letters can be sent to patients who owe money on their accounts or to insurance companies that need additional information.

We create route slips that electronically pull data from patient accounts when they are printed. We can pull the name, date of birth, address, type of appointment, account balance, notes about the appointment entered by staff and the doctor involved. We used to look up this information for each patient coming in the next day and write it by hand on the route slip. Our two receptionists dedicated about two hours each to do this every day.

If a patient was added onto the schedule, they didn't have time to look up the information, so balances were not collected when the patient arrived. With the mail merge feature alone, we save 20 hours per week in handwriting time, plus collecting proper balances. That is the equivalent of a part-time employee and then some.

Streamlined Check-in
Check-in now takes just five minutes, about 50 percent of the time we used to spend. We print a patient data sheet using mail merge with patient demographic information, insurance information and emergency contact information, hand this to the patient at registration and ask him or her to review it, correct it and sign it. Simultaneously, the receptionist ensures that we have a scanned insurance card in our computer.

We save two hours of medical records staff time each day by printing medical records packets for next-day scheduled patients. This packet includes a route slip, patient data sheet and outguide. Before our new system, it took one minute to write one outguide—and with a full day of 130 patients, this required more than two hours each day. To save time with the old system, we printed labels as outguides for charts being pulled, but the labels alone cost $2,500 per year. By printing outguides with mail merge, we save 10 hours a week of staff time plus $2,500 a year in label costs.

Mail-merged route slips have increased our efficiency as well. We can change a code in seconds on the merge document and update our route slips immediately, eliminating preprinted route slips. We ordered 19,710 route slips in 2003, totaling approximately $3,000. Not only are we saving the annual $3,000 cost, but also the time spent revising and reordering.

Split Sequences and Improved A/R
Quite often, when a patient is seen in the office or has a surgical procedure performed, more than one procedure code is needed to accurately bill for the service. Because of this, a patient's computerized billing history consists of many lines of characters, making it difficult to discern which lines together comprise one service provided.

MicroMD created sequences to help distinguish one service provided. Sequences consist of several procedure codes, each code being a separate line item. This allows fast data entry and easy claims and collections management. However, we were unable to send some codes to a secondary carrier and resubmit others in the same sequence. Splitting sequences has allowed us to do this. We believe this will expedite a strong A/R, since we can send line items to the next level for payment sooner.

Our new practice management system has provided the transaction support that we needed to fulfill our strategic plan. As we continually find new ways to save time and money, we are moving ahead toward an eventual EMR and are ready to thrive in the future.

For more information about **MicroMD from Microsys Computing Inc.,** www.rsleads.com/502ht-200