YEO & YEO

MEDICAL BILLING & CONSULTING

The Modern Medical Practice

HOW TO RUN A MORE PROFITABLE AND EFFICIENT OFFICE

Contents

INTRODUCTION

Running a medical practice is hard work. You face the never-ending challenge of improving operational efficiency, staying on top of changing regulations, and keeping up with the fast pace of healthcare innovation, all while striving to provide exceptional care to your patients. It's exhausting, and it often feels like you're always putting out fires without ever truly getting ahead.

Imagine your practice running smoothly, with everything falling into place. What if you could optimize your operations, streamline your revenue cycle, leverage technology to cut costs, and increase profitability—while still focusing on what you do best: caring for your patients?

In this eBook, you'll discover practical strategies and actionable insights to help you overcome these challenges and unlock your practice's full potential. You'll learn how to:

- **Master your revenue cycle:** Optimize billing, coding, and claims management to maximize reimbursements and minimize costly errors.

- **Streamline your operations:** Improve workflows, eliminate inefficiencies, and boost productivity across your practice, leading to reduced overhead and a better bottom line.

- **Leverage technology:** Discover how automation and modern tools can reduce manual work, cut costs, and improve accuracy in your practice.

- **Outsource strategically:** Understand the value of working with consultants and advisors to transform your practice's performance and free up your time to focus on patient care.

Imagine a future where your practice runs efficiently, your revenue cycle is optimized, your staff are happier, and your patients are more satisfied. This isn't just a dream—it's a future you can achieve. The strategies and solutions in this book will help you create the transformation your practice needs to thrive in today's competitive healthcare landscape.

Let's begin your journey to an optimized, more profitable practice.

Chapter One: Mastering the Revenue Cycle

Smarter Billing, Coding, and Claims Management

A well-managed revenue cycle is the lifeblood of any medical practice. Without smooth and efficient billing, coding, and claims management process, even the most successful practices can struggle financially. Revenue cycle optimization is more than just a way to ensure you get paid for services rendered—it's a fundamental driver of profitability, cash flow, and long-term success.

Why Revenue Cycle Management Matters

The revenue cycle is the sequence of events that starts when a patient makes an appointment and ends when the practice receives full payment for services rendered. While it might seem straightforward, inefficient billing and coding processes can lead to delayed reimbursements, claim denials, and lost revenue. These small inefficiencies can stack up quickly without a clear and efficient system, leading to significant financial losses.

DID YOU KNOW ...

Research shows that nearly 15% of claims are denied the first time they're submitted.

The Key Components of an Optimized Revenue Cycle

To truly master the revenue cycle, you need to understand the core components that drive its success. Let's break down the key areas to focus on:

1. **Billing:** Effective billing ensures all services provided are appropriately documented and charged correctly. This encompasses precise coding, meticulous patient insurance, and consistent follow-ups on unpaid claims. Mistakes in billing, such as incorrect codes or missed charges, can result in delays, denials, potential audits, and potential revenue loss.

2. **Coding:** Accurate coding is essential for correct reimbursement. Medical coders translate patient diagnoses, procedures, and services into standardized codes recognized by insurance companies. However, coding errors—whether due to outdated codes, misinterpretation, or lack of training—can lead to claim denials and underpayments.

3. **Claims Management:** Efficient claims management is about submitting timely claims, tracking their progress, and quickly following up on unpaid claims. Claims must be processed seamlessly and accurately, but it's also crucial that your practice stays on top of denials and rejections. A proactive approach to managing claims ensures consistent cash flow and avoids costly delays.

Reducing Claim Denials

Claim denials can be one of the most frustrating and costly challenges in the revenue cycle. According to Change Healthcare, each unpaid claim can cost approximately $118 or $8.6 billion annually. But there's good news: many of these denials can be avoided with the right processes and checks in place.

The biggest thing is to focus on prevention by ensuring all claims are thoroughly checked for completeness and accuracy before submission. Train your team to identify common errors and institute a process for follow-up and appeals.

Maximizing Profitability Through Revenue Cycle Optimization

Mastering the revenue cycle is not a one-time fix—it's an ongoing effort to continuously optimize your processes and embrace new technologies. Start small—review your billing practices, check your coding accuracy, and identify one area of your claims management to improve. By taking these first steps, you're setting your practice up for financial success, and you'll soon see the results of your efforts: more revenue, fewer denials, and a more profitable practice.

ACTION STEP:

Consider conducting a chart audit to assess accuracy, compliance, and efficiency in documentation, coding, and billing.

Chapter Two: Streamlining Operations

The Key to Efficiency and Profitability

Rising costs, staff shortages, and regulatory pressures are all challenges that medical practices face daily. At the same time, patients expect better service and faster care. How can your practice meet these demands without sacrificing quality or running up costs? The answer is simple: by streamlining operations.

A streamlined practice is one where resources are utilized efficiently, waste is minimized, and communication flows smoothly between departments and staff. These efficiencies lead to faster patient turnaround, reduced operational costs, and, ultimately, a more profitable business.

Key Areas to Focus on for Streamlined Operations

To effectively streamline your practice's operations, focus on several key areas:

1. **Patient Scheduling and Flow Management.** Scheduling is often one of the most cumbersome and time-consuming operations in any practice. Traditional scheduling methods, where patients call in to make appointments, lead to missed calls, double booking, and delays. Even when patients show up on time, inefficient waiting room processes and a lack of organization can lead to longer wait times and frustrated patients.

    Consider implementing an online scheduling system that allows patients to book, reschedule, and confirm appointments on their own. This reduces the administrative burden on staff and gives patients more control over their schedules. Additionally, integrate patient flow management tools that help track and manage wait times, ensuring patients are seen promptly.

2. **Standardizing Internal Processes.** If internal processes are inefficient or vary from one staff member to the next, they can cause delays, confusion, and wasted time. Standardizing and documenting these processes ensures that every employee follows the same procedure, increasing efficiency and reducing errors.

Conduct a thorough review of your internal processes to identify inefficiencies. Create standard operating procedures (SOPs) for everyday tasks like patient intake, billing, and records management. Train your team regularly on these procedures to ensure consistency and accountability.

3. **Inventory Management.** Managing medical supplies, medications, and office supplies can be a logistical challenge. Poor inventory management leads to over-ordering, stockouts, and wasted resources—all of which add unnecessary costs to your practice.

Implement an inventory management system that tracks usage rates and automatically reorders supplies when they reach a low threshold. This ensures you always have the necessary materials on hand without overstocking or wasting resources.

## Creating a Culture of Efficiency

Creating a culture where everyone is aligned on the importance of efficiency can greatly impact overall operations. When every team member understands the value of streamlined processes and works together to improve workflows, your practice becomes more resilient and capable of adapting to changes.

Foster a culture of continuous improvement by regularly engaging your team in problem-solving and process optimization. Encourage open communication and feedback, and recognize and reward efforts that contribute to greater efficiency.

The Road to Operational Excellence

Streamlining your practice's operations is one of the most powerful steps you can take to improve your overall profitability and efficiency. By focusing on scheduling, internal processes, and communication, you'll free up resources to focus on what matters— providing excellent patient care.

Measure your practice's operational performance before and after implementing process changes. Track key metrics like patient volume, revenue per visit, and administrative costs to assess the financial impact of your efficiency initiatives.
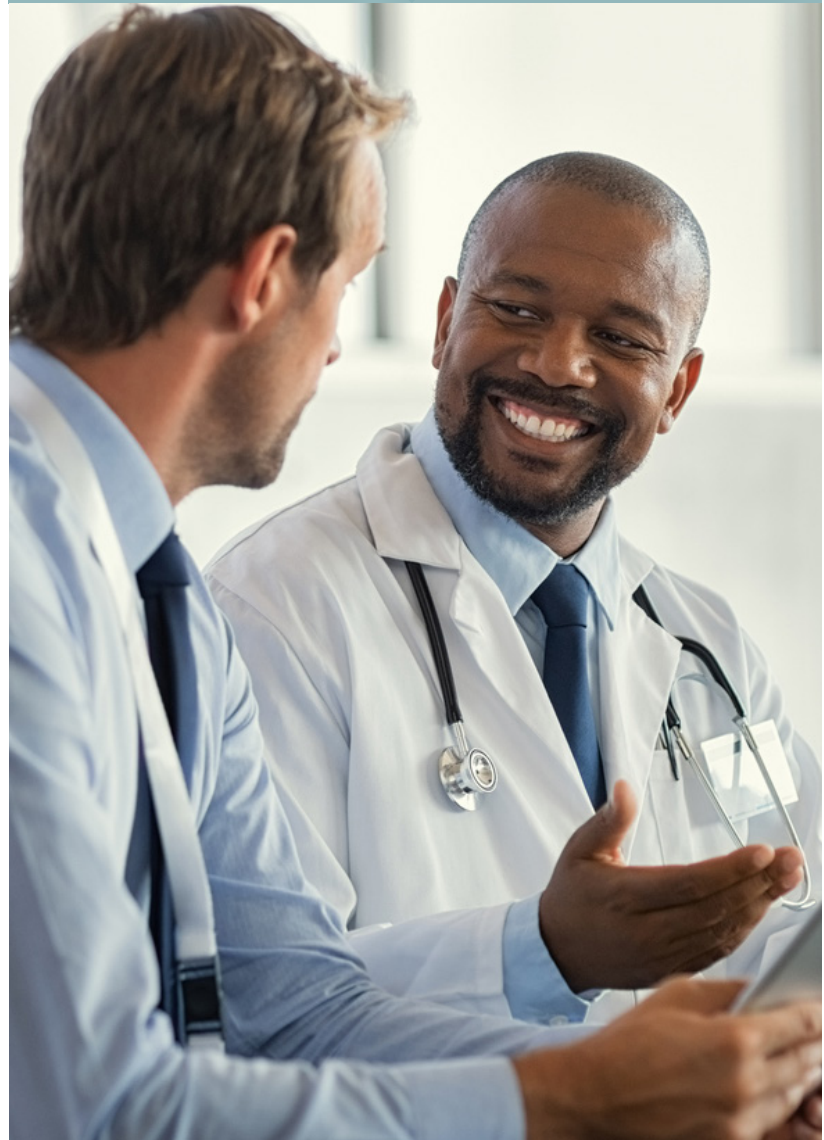
Chapter Three: Technology in Healthcare

Leveraging Automation to Boost Productivity and Cut Costs

The reality of healthcare administration today is that manual, time-consuming tasks are often the norm. Many healthcare processes are ripe for automation, from patient scheduling to billing and follow-up care. And it's no surprise—automation can reduce human error, save time, and streamline workflows in ways that weren't possible a few years ago.

Key Areas to Leverage Automation in Your Practice

To maximize the benefits of automation, it's essential to identify areas of your practice that can be enhanced through technology. Below are some of the most impactful ways for healthcare practices to implement automation, whether through software applications, robotic process automation (RPA), or artificial intelligence (AI).

1. **Appointment Scheduling and Reminders.** Automated scheduling systems allow patients to book appointments online. These systems can automatically send reminders via text, email, or push notification, reducing the chance of missed appointments.

2. **Medical Billing and Coding.** Implementing automated billing systems that integrate with your practice management software can reduce human error, speed up claim submissions, and ensure that billing codes are accurate.

3. **Patient Intake and Documentation.** Electronic forms that patients complete before their visit can integrate directly into your practice's system, allowing for more accurate and faster data entry.

4. **Patient Communication and Follow-Up.** Automating post-appointment follow-ups—whether for sending lab results, reminders for follow-up visits, or educational material—saves time and keeps patients engaged. AI chatbots can also provide 24/7 support, answering common patient questions, and reducing the burden on staff.

5. I**nventory Management.** Automating inventory management ensures you always have the right supplies at the right time, reducing waste and ensuring cost-effectiveness.

One of the most significant advantages of automation is cost reduction. While there's an initial investment in implementing technology, the long-term savings often outweigh the upfront costs. By automating repetitive tasks, thereby reducing errors and increasing productivity, your practice can save valuable time and money.

How to Implement Automation in Your Practice

Implementing automation doesn't happen overnight. It requires a strategic approach to select the right technologies and train your staff to adapt to new systems. Here's how to get started:

☐ **Assess Your Needs:** Identify which areas of your practice could benefit most from automation. Consider patient scheduling, billing, inventory, and communication as key starting points.

☐ **Choose the Right Tools:** Select automation tools that integrate seamlessly with your current systems (like EHRs and practice management software). Look for solutions that are scalable and customizable.

☐ **Train Your Team:** Ensure all team members understand how to use the new systems and are comfortable with the changes. Provide ongoing training to keep staff updated on new features and best practices.

☐ **Monitor and Adjust:** Once the systems are in place, monitor performance regularly. Track metrics like patient throughput, revenue cycle efficiency, and patient satisfaction to gauge the effectiveness of the changes. Be prepared to make adjustments as needed.

The Future is Automated

The potential of automation in healthcare is enormous, and it's quickly becoming an essential tool for improving practice efficiency, productivity, and profitability. By embracing automation, your practice can reduce costs, improve patient care, and enhance the patient experience. Technology is no longer a luxury—it's a strategic advantage.

RPA SUCCESS STORY:

A central Michigan healthcare provider was transitioning to a new HR system and needed to export thousands of personnel documents, including performance reports and W-9 forms, to PDF. Their legacy system only allowed printing web-based reports, including any attached files. Yeo & Yeo Technology used Microsoft Power Automate to develop an RPA BOT that ran for three days, exporting and organizing over 4,000 reports and attachments into personnel folders. This automation saved days of manual effort, freeing up valuable staff time.

Chapter Four: The Outsourcing Advantage

Why Practice Consultants are Game-Changers

Healthcare is a multifaceted and increasingly complex industry. From evolving regulatory requirements to the growing need for technological innovation, it's difficult for practices to stay ahead without specialized knowledge and support. That's where practice consultants and outsourced solutions come in. Here are some of the benefits of outsourcing:

- **Access to Specialized Expertise.** Consultants bring a wealth of industry knowledge and specialized expertise that may not be available in-house. Whether optimizing revenue cycle management or enhancing patient experience, consultants can offer fresh perspectives, uncover hidden opportunities, and guide your practice toward better operational outcomes.

- **Cost-Effective Solutions.** Hiring full-time staff with the specific expertise you need can be expensive and may not be feasible for smaller or mid-sized practices. Consultants and outsourced services allow you to tap into specialized skills without the overhead of hiring permanent employees. This gives you access to top-tier expertise and technology at a fraction of the cost.

- **Increased Efficiency and Focus.** By outsourcing non-core activities—whether billing, coding, or human resources—your in-house staff can focus on what they do best: providing quality care to patients. This reduces burnout and improves employee satisfaction by allowing staff to concentrate on high-priority tasks.

- **Flexibility and Scalability:** As your practice grows or faces seasonal fluctuations in workload, outsourcing and consulting services offer the flexibility to scale operations up or down as needed. This can be especially beneficial for practices that experience cyclical demands, such as during flu season or following new healthcare regulations.

Key Areas to Outsource and Leverage Consulting Services

1. **Medical Billing and Coding.** Medical billing and coding can be an overwhelming task for many practices, with the ever-changing rules, complex insurance processes, and the need for accuracy in coding to avoid costly errors. Outsourcing these services or leveraging consultants can help ensure accuracy, reduce claim denials, and increase revenue cycle efficiency.

2. **Payroll.** Managing payroll involves complex calculations, tax withholding, and compliance with employment regulations, which can be especially challenging as practices grow. Outsourcing payroll services ensures accurate and timely processing while alleviating the burden of administrative tasks.

3. **Accounting.** Managing the financial health of a practice goes beyond tracking income and expenses. Proper accounting ensures that your practice is well-managed financially, tax-compliant, and prepared for audits. By leveraging outsourced accounting services, you can access expert advice on tax planning, financial forecasting, and cash flow management. Consultants can also assist with setting up systems to track performance metrics that help guide long-term decision-making.

4. **Human Resources and Staffing.** Managing staffing, recruitment, and employee benefits can be daunting for any practice. Outsourcing HR services allows you to offload tasks such as hiring, retention, and developing employee handbooks and policies that align with current regulations, ensuring your practice is compliant.

5. **IT and Cybersecurity.** Technology is crucial to running a modern medical practice, but IT management and cybersecurity can be overwhelming. Outsourcing these functions to an expert firm can ensure that your systems run smoothly and securely while protecting your patients' data.

6. **Compliance and Risk Management.** Healthcare is one of the most highly regulated industries, with constantly evolving laws and requirements. Consultants specializing in regulatory compliance can help your practice stay up to date with changes in healthcare law, HIPAA, and billing regulations.

How to Choose the Right Consultant or Outsourcing Partner

Selecting the right consultant or outsourcing partner can make or break the success of these initiatives. Here's how you can ensure you make the right choice:

☐ **Identify Your Needs:** Clearly define what you need help with—whether it's improving RCM, handling marketing, or managing compliance. Understanding your practice's pain points will guide you in selecting the right service provider.

☐ **Research Potential Partners:** Look for consultants or outsourcing providers with proven experience in your specific area of need. Read case studies, ask for references, and ensure that the provider has worked with practices similar to yours.

☐ **Consider Scalability:** Your chosen provider should be able to grow with your practice. Make sure they offer scalable solutions that can adapt as your practice expands.

☐ **Evaluate Communication and Support:** A good partner should provide clear communication, quick responses to questions, and excellent customer support. Make sure the company you choose is accessible and responsive.

Working with consultants or leveraging outsourced solutions can dramatically transform your practice's operations. By bringing in external experts, you gain access to specialized knowledge, reduce overhead costs, and improve efficiency. This allows your practice to stay competitive, provide better patient care, and achieve greater profitability.

The key to successful outsourcing is to identify areas of need, select the right partners, and implement a clear strategy. With the right support, your practice can not only navigate the challenges of today's healthcare environment but thrive in it.

Conclusion

Unlocking Your Practice's Full Potential

Throughout this eBook, we've explored critical areas that can make the difference between a good practice and a great one. But the journey doesn't end here. With these strategies in mind, it's time to take stock of where you are and where you want to go. Here are some key action points to get started:

1. **Evaluate Your Current Operations:** Take a step back and review your practice's revenue cycle, operational workflows, and patient satisfaction. What are the bottlenecks? What's working well, and where are the opportunities for improvement?

2. **Set Clear Goals:** Define specific, measurable goals for your practice. Whether you want to improve your claim rejection rates, reduce patient wait times, or increase patient retention, having clear goals will help you measure success and stay focused.

3. **Embrace Technology:** Take a look at the technology tools you're currently using. Are there automation tools, EHR systems, or patient engagement solutions that could make a tangible difference in your efficiency? Research available options and determine which ones will help streamline your processes.

4. **Consider Outsourcing and Consulting:** If you're struggling with specific areas of your practice, consider consulting or outsourcing. Find a partner with the knowledge and experience to tackle these complex areas on your behalf.

The practices that thrive are those that stay proactive, constantly seeking new ways to enhance their financial performance, operational efficiency, and patient satisfaction. The future of your practice is in your hands, and the key to long-term success lies in a commitment to evolving—both in the way you operate and in the way you serve your patients.

Our Solutions.

MEDICAL BILLING

Complete coding, claim submission, and collections designed to maximize revenues.

PRACTICE MANAGEMENT

Optimize administrative support to keep your practice compliant and running with maximum effectiveness.

PRACTICE TRANSITIONS

Start, sell, merge, or transition your practice with professional guidance.

PRACTICE VALUATION

Expert medical practice appraisals to determine the value of your practice.

PRACTICE CONSULTING

Best practices and ongoing consultation with regard to compensation plans, efficiency, benchmarking, fee structure, and a comprehensive view into pressing operational challenges.

AUDIT & ASSURANCE

AR reviews, billing and chart audits, plus in-depth analysis of financial statements, internal controls, and operational efficiency. All with an independent and experienced eye.

OUTSOURCING

Complete customizable accounting, bookkeeping, and payroll solutions.

TAX PLANNING

Tax strategies and solutions tailored to meet your individual and practice goals. Helping stay compliant and providing every advantage.

HR ADVISORY SOLUTIONS

Recruiting, training, compensation, employee handbooks and more. Helping you build better teams, grow, and succeed.

TECHNOLOGY SOLUTIONS

Managed IT services for medical practices including security risk assessments, cybersecurity, compliance, and beyond.

WEALTH MANAGEMENT

All encompassing, tax-efficient approach to financial planning. Giving you and your practice a bright, well-planned future.

Let's thrive.

At Yeo & Yeo, we understand the challenges you face and are here to help you navigate them. With a team that includes Certified Professional Medical Auditors (CPMA®), Certified Physician Practice Managers (CPPM®), and Certified Professional Compliance Officers (CPCO™), we can help your practice thrive.

If you're ready to take your practice to the next level, contact us today. We'd love to discuss your unique needs and help you find solutions to drive your success.

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989.797.1400

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