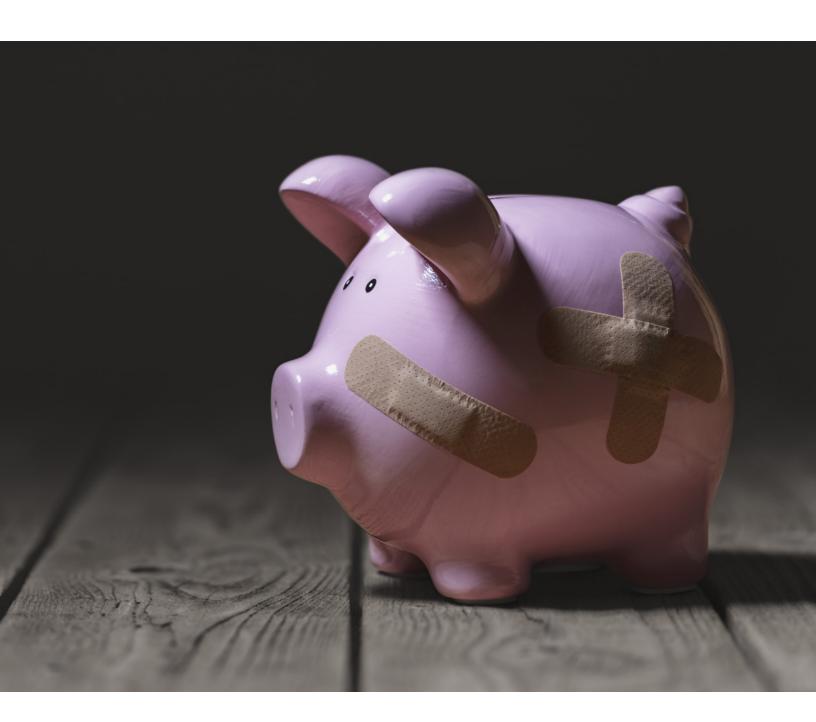# 3 TIPS FOR STOPPING REVENUE LEAKS

YOU'RE NOT JUST RUNNING A PRIVATE PRACTICE.

You're running a business, but running a private practice today is more than providing quality patient care.

It requires a plethora of administrative tasks that can quickly drain your bottom line if done incorrectly or inefficiently. In fact, the average practice has a 10% to 15% profit leak, according to Marc Lion, CEO of Lion & Company CPAs.[1]

This guide walks you through common practice management holes that are leaking time and money from your practice, and the best tools you can use to improve operational efficiency and reduce redundancy. The end result is a proficient office, happier employees and patients, and a solid, healthy financial future.

Where does your practice leak revenue?

From providing patient care to making sure cash is coming in, you've got a lot to manage. Without solid processes and tools in place, everyday tasks like billing and claims submissions may start to dry up your cash flow. The sooner you identify these problem areas, the sooner you'll be able to identify where your practice is leaking revenue, and the sooner you'll be able to find solutions and improve your revenue cycle. Here are three common culprits to look at first.

Front office processes

Your front office isn't just the face of your private practice—it's a vital access point to ensuring a complete and accurate revenue cycle. Your front office staff has the unique opportunity to verify patient information, demographics and balances, discuss billing options, and collect payments in a face-to-face interaction with your patients. Without an efficient process and the right EHR solution in place, your staff could miss this important window to address payment issues and prevent billing problems for your patients and your practice.

Claims denials

Accurate and timely claims processing and management is essential to your private practice's profitability. Yet, rejected claims are all too common in the healthcare industry—the average medical practice has between 20 to 35% of their claims rejected, according to MGMA. Reworking a rejected claim doesn't just take away valuable time from your office—it's expensive! A rejected claim can add an additional 20 to 30% to the cost of that claim. Unfortunately, the situation is only expected to worsen.

Bad debt management

One of the quickest ways to improve your practice's cash flow is to reduce slow, partial or no payments—also known as bad debt. Bad debt is defined as dollars that could have been collected but were not. Reducing bad debt by just 2% can mean tens of thousands of dollars to the bottom line of your practice.

3 TIPS FOR STOPPING REVENUE LEAKS

The revenue loss figures are staggering and are often the result of inefficient front office processes, claim denials and bad debt cost today's private practices time and revenue. The good news is there are EHR tools you can use to plug those holes and maximize your practice's revenue stream.

Vendors like AdvancedMD offer an arsenal of practice management tools that will keep your private practice flowing smoothly. With the best tools and practices in place, you'll improve operations and increase profitability. You'll also see office staff stress go down and patient satisfaction go up, creating a win-win for your practice. Here are three must-have solutions to improve operations and stop revenue leaks today.

1 Clean up your processes

With so many changes impacting today's private practice, your front office may be feeling scattered and unorganized, which means everyday administrative tasks like verifying patient information, collecting payment and submitting claims can become tedious. Imagine having an all-inclusive practice management solution to complete daily tasks effortlessly.
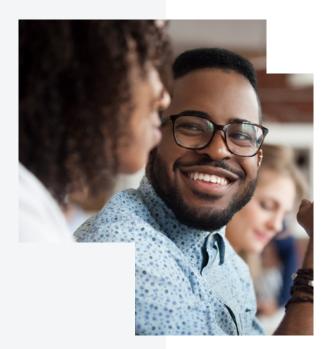
It's possible with the AdvancedMD practice management, a revenue management solution that turns time-consuming and monotonous front office tasks into a streamlined process that is convenient, intuitive, and productive. Processes like medical scheduling, billing, and reporting can be done effortlessly, easing up your staff's workflow and increasing productivity.

With AdvancedMD, your front office will be able to:

- Verify patient information, including patient demographics and balances

- Determine copay, deductibles and insurance coverage

- Collect copay and outstanding balances

- Enter charges online and on the go

By implementing a practice management solution like AdvancedMD, you won't have to worry about whether your front office is missing a window of opportunity to discuss payment issues and prevent billing problems. With the right tools in place, collecting payment will be easier than ever for your staff and patients. Moreover, you'll increase staff efficiency, cost management and patient satisfaction, resulting in a higher revenue stream.

2 Double Check Claims

If you're like most private practices, denied claims are costing your office too much time and money. With the AdvancedMD billing solution, you can manage your entire claims process in one place.

Our clearinghouse is robust and automates manual processes and improves workflow from beginning to end. Your practice will save significant time, effort, and revenue if you invest in a claims process that results in the highest volume of clean claims, as opposed to concentrating your efforts on tracking and resolving errors and denials.

Before you submit
You can easily identify claim issues before submission with ClaimInspector, which automatically scrub claims for potential errors. It runs more than 3.5 million edits on each claim for CCI, HIPAA, LCD and carrier-specific requirements before the claim is submitted. As a result, you get a first-pass claim acceptance rate of nearly 100%.

A smoother process
Our ClaimsCenter gives you auto-generated worklists, claims status tracking and centralized billing for multiple providers and sites. Our systematic processes guide you through the claim progression where adjustments and changes can occur with checks and balances to ensure maximum revenue. This all-in-one billing solution and powerful productivity tools will keep your billing cycle moving effortlessly.

The results speak for themselves
The AdvancedMD reporting and analytics features give you control and visibility without affecting workflow. You will notice improved communication and faster billing results. Your investment pays for itself as your practice collects more revenue, faster. You'll see more cash to your bottom line, while improving workflow and saving time and stress across your entire practice.

3 Improve payment collections with better patient interaction

Effective patient interaction will not only improve the patient experience, but it will also create a seamless process that will help you close bad debt holes and capture lost revenue.

Modern tools like the AdvancedMD patient engagement offer solutions that streamline check-in procedures and ease the payment process. For example, patients can easily view their balances and make secure payments online through the patient portal. They can include a credit card on file, which means they can pay with one easy click. And when the payment process is easy, you're more likely to see that cash sooner.

Our patient portal is integrated with AdvancedMD to deliver a single, unified solution for efficiency and maximization of staff time and productivity. All that is required is a link from your practice's website, an Internet connection and authorization to access the patient portal.

Your patients can privately and proactively:

- Access lab results
- Securely communicate sensitive health information
- Manage account balances and make payments
- Pay their bill using credit cards on file

CONCLUSION

Chances are high that your practice is leaking significant revenue due to poor practice management processes. Modern tools found in AdvancedMD will plug common practice management holes that are costing you time and money.

With these tools, your staff will be able to manage claims, reduce coding errors and collect payments easier than ever before. Don't let your practice lose revenue with time-consuming and expensive operational inefficiencies and redundancies. Implement a progressive PM system and see a notable difference in your private practice's workflow and cash flow.

If you feel like a fish out of water when it comes to improving practice management, it's time to reevaluate. Advanced technology has made operating an efficient and profitable medical practice easier than ever. With the right practice management tools in place, you can rest assured knowing that your private practice is functioning efficiently and will ensure that your revenues don't leak.

AdvancedMD is one of the world's largest providers of cloud-based software, with an all-in-one EHR and practice management solution that allows you to capture and pursue revenue, and measure financial performance.

1. "*How to Avoid 'Unclean' Claims.*" MGMA. March 2014.

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