

Private Practice KPIs

12 DATA POINTS THAT IMPACT REVENUE





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As a private practice owner or administrator, you understand the importance of providing exceptional care to your patients. However, providing quality care is only one piece of the puzzle when it comes to running a successful practice. In today's competitive healthcare landscape, private practices must also establish financial stability and demonstrate which areas of the practice are driving revenue.

That's where data-driven processes come into play. By tracking and analyzing key performance indicators (KPIs), private practices can identify areas of improvement, streamline operations, and ultimately increase revenue.

Reports and studies have consistently shown that implementing data-driven processes into your practice's day-to-day operations can lead to increased productivity, patient satisfaction, clinical outcomes, and revenue. Moreover, establishing financial stability through accurate data tracking and analysis can set up your practice for acquisition opportunities by private equity firms or large medical networks. But many practices fail to take necessary steps to implement more data-driven tactics. In fact, a recent study from McKinsey & Co found that only [one-third of healthcare providers](#)¹ have KPIs in place. With more than 65% of providers not measuring the performance outcomes of their offerings, the time to start is now.

This guide explores the 12 data points that are critical to the success of your private practice and offers insights on how AdvancedMD can help optimize your practice and patient data. By understanding and tracking these KPIs, you'll be well-positioned to establish financial stability and thrive in today's projected \$60.7 billion healthcare market.



1. PATIENT ENGAGEMENT & MESSAGING

Patient engagement and messaging are crucial aspects of your private practice that can significantly impact your revenue. Essentially, this data includes any communication that occurs between your practice and your patients, such as appointment reminders, post-visit follow-up messages, and patient satisfaction surveys.

Why does patient engagement matter? For starters, when patients feel connected to your practice and engaged in their care, it can lead to a host of positive outcomes. This includes increased patient satisfaction, better clinical outcomes, and, ultimately, higher revenue. Patients who feel connected to your practice are more likely to return for future appointments, refer their friends and family to your practice, and even leave glowing reviews that can attract new patients.

To truly make the most of patient engagement and messaging, it's essential to track trends, and patterns over time. By analyzing this data, you can figure out which types of messages or communication channels are most effective for engaging your patients.

For example, you may discover that patients respond better to text message reminders rather than email reminders or that follow-up messages sent within a certain time frame after a visit result in higher rates of patient retention. Armed with this knowledge, you can refine your patient engagement strategy and drive more revenue for your practice.

How AdvancedMD can help

With automated appointment reminders, customizable patient surveys, and patient messaging capabilities, you can easily engage with your patients and track the impact of your communication efforts on your practice's revenue.





2. PATIENT SATISFACTION

Ensuring patient satisfaction is a vital component to the success of your private practice. Patient satisfaction data encompasses feedback from patients on various aspects of their experience, such as their interactions with staff, the quality of care they received, and their overall impression of your practice.

The impact of patient satisfaction on revenue cannot be overstated. Happy patients are more likely to return for future appointments, recommend your practice to others, and leave positive reviews that can attract new patients. Conversely, dissatisfied patients may opt for care elsewhere or leave negative reviews, which both can result in decreased revenue and fewer patients.

That's why it's crucial to track trends and patterns connected to patient satisfaction. Analyzing this data over time allows you to identify areas where your practice excels and pinpoint areas for improvement.

For example, you may discover that patients consistently praise the quality of care but express dissatisfaction with billing processes or wait times. These insights can help you make targeted improvements that increase patient satisfaction and, ultimately, boost your revenue.

How AdvancedMD can help

Our patient surveys allow you to collect feedback directly from patients, and our patient portal provides a convenient way for patients to communicate with your practice and access their medical records.

3. PATIENT DEMOGRAPHICS

Patient demographics are simply the characteristics of your patient population, such as age, gender, ethnicity, and location. Knowing this information can help you customize your services to meet the specific needs of your patients, ultimately leading to higher satisfaction and patient retention.

For example, if your patient population consists mostly of elderly patients, offering more geriatric-focused services and adjusting appointment times accordingly can attract more patients in that age group and potentially increase revenue. Additionally, monitoring patient demographics can help identify new growth opportunities by targeting specific groups of patients.

It's important to track trends and patterns related to patient demographics over time, as changes in the patient population can require adjustments to services and marketing strategies. For instance, if you notice an influx of younger patients, tailoring marketing campaigns and services to appeal to that age group can help increase revenue.

How AdvancedMD can help

Reporting on patient demographics takes just seconds and allows you to track patient data by age, gender, ethnicity, and geographic location, so you can gain a comprehensive understanding of your patient population.

4. CLINICAL OUTCOMES

When it comes to running a private practice, clinical outcomes are a critical data point to track. This includes information about the effectiveness of your treatments, such as patient outcomes and the success rates of different procedures.

Why do clinical outcomes data matter for revenue? Patients are more likely to come back for future appointments and refer others to your practice if they experience positive outcomes from their treatments. And when your practice is known for successful treatments, positive reviews and a strong reputation can attract new patients and drive revenue growth.

To make the most of your clinical outcome data, it's essential to track trends and patterns over time. By doing so, you can identify which procedures are most effective for different patient populations and make informed decisions about treatment plans.

For example, you might discover that a certain type of physical therapy is highly effective for patients with back pain, leading to higher rates of patient satisfaction and increased revenue.

How AdvancedMD can help

Our electronic health record (EHR) system allows you to easily track patient outcomes and treatment success rates while our analytics dashboard provides insights into patient populations and treatment trends.

5. ACCURATE PATIENT DATA

Having accurate patient data is critical when it comes to providing quality care. It includes a patient's demographic information, medical history, medications, allergies, and other relevant health information. But did you know that accurate patient data can also impact your practice's revenue in several ways?

First and foremost, having accurate patient data can help you avoid medical errors that could lead to adverse outcomes and costly malpractice claims. Nobody wants that!

Second, accurate patient data can streamline administrative processes like billing and coding, reducing errors and improving reimbursement rates. That means more money in your pocket.

And finally, accurate patient data can help you identify areas where you may be able to offer additional services or treatments that can lead to increased revenue.

To ensure that your practice is consistently collecting and maintaining high-quality patient data, it's important to identify trends and patterns connected to this data. By analyzing this data over time, you can identify areas where productivity may be lacking and take steps to improve processes or implement additional training for staff.

How AdvancedMD can help

Our electronic health record (EHR) system allows you to easily collect and store patient data, and our customizable templates ensure that you are collecting all the necessary information for each patient. Additionally, our automated billing processes can help reduce errors and improve reimbursement rates.

6. ACCURATE BILLING CODES

Making sure your practice uses correct billing codes is mandatory to keep revenue streams flowing smoothly. Because medical billing codes enable accurate and timely reimbursements by insurance providers, using inaccurate or incomplete codes puts your practice at risk of having claims denied or delayed. This can lead to lost revenue and even compliance issues or legal consequences.

That's why it's important to track trends and patterns connected to accurate billing codes. By analyzing this data over time, you can identify areas where improvements can be made and develop strategies to prevent common errors or issues.

For example, you might notice that certain services are consistently being billed with incorrect codes or that certain staff members need additional training on proper coding procedures.

Armed with these insights, you can make targeted improvements that increase billing accuracy and boost your practice's revenue.

How AdvancedMD can help

Our billing software includes features that allow you to easily track and update billing codes, and our revenue cycle management services can help ensure that your claims are processed correctly and efficiently. The AdvancedMD 2023 CPT/HCPCS Codebook is also a valuable – and free – resource to keep up to date on all the medical billing code changes that happened this year.

7. TELEHEALTH OUTCOMES

Telehealth has become an integral part of healthcare delivery in recent years, [growing by over 3,000%²](#) during the pandemic. Telehealth outcomes refer to the data related to patient care delivered via telehealth, including patient satisfaction, clinical outcomes, and revenue generated from virtual visits.

Providing quality care through telehealth can lead to increased patient satisfaction, improved clinical outcomes, and even generate additional revenue from virtual visits. By leveraging telehealth services, you can expand your patient base and reach new patients who may not be able to visit your practice in person.

To maximize the impact of telehealth on your practice's revenue, it's essential to identify trends and patterns connected to telehealth outcomes. By analyzing this data over time, you can determine which types of telehealth visits are most popular among your patients, which providers are most successful at delivering care via telehealth, and which conditions or treatments are best suited for telehealth delivery. These insights can inform your telehealth strategy and help you make data-driven decisions that lead to increased revenue for your private practice.

How AdvancedMD can help

Our telehealth platform includes features such as virtual waiting rooms, customizable intake forms, and HIPAA-compliant video conferencing, which can help you deliver quality care to your patients and track the impact of your telehealth efforts on revenue. It also comes equipped with a network strength indicator to monitor network quality during telehealth sessions and survey capabilities so that a five-star review survey is automatically delivered to the patient at the close of a session.



8. APPOINTMENT TRENDS

Appointment trends are a critical data point for any private practice looking to maximize revenue and efficiency. This data includes information on the number of appointments scheduled, the frequency of no-shows, and the time slots that are most popular among your patients.

By understanding appointment trends, you can make informed decisions about scheduling and maximize revenue. For instance, you may notice that certain days or times are always busier than others and adjust your office hours, staff headcounts, and scheduling procedures to accommodate this trend.

It's also important to track changes in appointment trends over time. By analyzing this data, you can identify shifts in patient behavior that may impact your revenue. For example, you may notice an uptick in no-shows or a drop-in appointment scheduled during a particular time slot. Armed with these insights, you can make data-driven decisions that optimize scheduling and revenue for your practice.

How AdvancedMD can help

With our scheduling software, you can easily view and analyze appointment data, identify trends and patterns, and make informed scheduling decisions to maximize revenue for your private practice.

9. PHYSICIAN BILLING & PATIENT PAYMENT TRENDS

Keeping a close eye on physician billing and patient payment trends is important for any private practice looking to improve their revenue. Essentially, this data refers to how your practice bills patients, how they make payments, and how effective your payment collection processes are.

As technology continues to advance, "card-not-present" payment processes such as online bill pay and remote payment options are becoming more popular, if not integral to a practice's success. According to [The Payment Cure: How Improving Billing Experiences Impacts Loyalty](#)³, a report based on a survey of more than 3,500 U.S. patients, 63% of those surveyed said they would consider switching healthcare providers if they are not satisfied with payment options.

This makes it all the more important to track trends specific to credit card processing. With the right practice management solution, patient billing data should already be saved in your system, allowing you to automate key billing and payment functions.

For example, if a patient calls to schedule an appointment and, upon pulling up the patient's account, your front office staff realizes an outstanding balance, the practice can collect on the spot or send an automatic payment reminder via text or email. Payment reminders that include the option to collect payments over the phone using credit card information on file enable a more efficient process all around – making it easier for the patient to pay and for the admin team to collect payment.

By keeping tabs on how often payment reminders are sent and how often payments are made in full after reminders are sent, you can refine your payment collection processes and maximize your practice's revenue.

It's also essential to identify trends and patterns in patient payment behavior. For example, you may notice that patients frequently have outstanding balances or that certain payment options are preferred over others. By recognizing these trends, you can make targeted improvements to your payment processes, such as offering automatic payment reminders or additional payment options. These improvements can help increase revenue for your practice in the long run.

How AdvancedMD can help

Our integrated payment processing solution allows you to securely accept credit card payments and automatically post payments to patient accounts, streamlining your payment collection processes. Additionally, our patient billing and payment features allow you to send payment reminders and monitor payment trends, making it easier for your practice to collect payments and drive revenue.





10. FILED CLAIMS

When it comes to your practice's revenue cycle management, one critical data point to monitor is filed claims. This data includes the number of claims your practice has filed, the amount of reimbursement received, and the percentage of claims that are denied or rejected.

Accurately filing claims in a timely manner can have a significant impact on your practice's revenue and cash flow. On the other hand, denied or rejected claims can lead to revenue loss and decreased financial stability.

To optimize your practice's revenue cycle management, it's essential to identify trends and patterns connected to filed claims. Analyzing this data over time can help you spot patterns of claim denials or rejections and address any underlying issues.

For example, if coding errors or missing information are the primary causes of denied claims, you can take steps to improve your billing processes or provide staff training to reduce these errors.

How AdvancedMD can help

Our billing and coding software ensures an accurate and timely claims filing process while our analytics tools provide insights into trends and patterns connected to your claims data.

11. PRODUCTIVITY DATA

Productivity data refers to any information related to the day-to-day workflows and task lists within your practice, such as the number of patients seen per day, time spent on administrative tasks, and patient wait times.

Without question, productivity has a direct impact on your practice's revenue. The more efficiently your practice operates, the more patients you can see and the more revenue you can generate. Conversely, inefficient processes and workflows can lead to longer wait times, lower patient satisfaction, fewer patients, and, ultimately, less revenue for your practice.

That's why it's important to identify trends and patterns connected to productivity data. By analyzing this data, you can optimize your practice's workflow processes to increase efficiency and productivity. Analyzing productivity data also allows you to pinpoint tasks that could be automated, elevating the overall productivity of your staff.

Another benefit of analyzing productivity data: The ability to assess areas where additional staff training is necessary or more resources are needed – leading to further improvements in efficiency and revenue generation.

How AdvancedMD can help

Our task list and workflow management features allow you to streamline processes and automate tasks, while our reporting capabilities provide valuable insights into your practice's productivity data. For a deeper dive on clinical productivity by provider and site, consider looking at our reports that provide Work and Total RVUs.



12. FINANCIAL HEALTH OF THE PRACTICE

As a private practice owner or administrator, you know that financial health is a crucial factor in the success of your practice. By tracking key financial metrics like revenue, expenses, margins, and cash flow, you can understand the financial health of your practice and make informed decisions that lead to growth and expansion.

A financially healthy practice is more likely to have the resources to invest in the latest technology, attract top talent, and provide the highest quality care to patients. Conversely, a practice that is struggling financially may have to make difficult decisions that can impact the quality of care provided or even lead to closure.

That's why it's essential to track trends and patterns connected to the financial health of your practice. By analyzing your financial data over time, you can identify areas where improvements could be made. It also makes clear potential financial issues before they become massive challenges to overcome.

For example, if certain services are driving substantially more revenue than others, it may be worth spending more of your marketing budget to promote those services – or even making changes to extend, or discontinue, services depending on their impact to the overall health of your organization. Only after monitoring your practice's financial stability can you make informed decisions that lead to improved financial health and increased revenue for your practice.

How AdvancedMD can help

Our financial dashboard in our practice management provides a comprehensive view of your financial performance, allowing you to easily track revenue, expenses, and margins, as well as identify major revenue gaps that could be impacting your overall earnings.

MAXIMIZING DATA INSIGHTS WITH ADVANCEDMD HOW OUR SOLUTIONS DRIVE PRACTICE GROWTH

The connection between a private practice's financial health and patient satisfaction and outcomes cannot be overstated. By tracking and analyzing key data points, practices can make informed decisions that improve patient satisfaction, clinical outcomes, and revenue.

However, to fully leverage the power of data, practices must adopt more digital strategies that allow data to be used throughout the practice's processes and procedures. [Reports and studies⁴](#) have consistently shown that patients expect their healthcare providers to have robust digital capabilities, from online appointment scheduling to access to their medical records.

That's where AdvancedMD comes in. Our solutions and features are designed to deliver data insights that boost patient satisfaction, outcomes, and revenue. From financial reporting and analytics to patient surveys and messaging,

our platform provides a comprehensive suite of tools to help your practice drive major revenue gains in today's competitive healthcare landscape.

If you're ready to take your practice's data capabilities to the next level, we invite you to schedule a call with one of our representatives or register to receive a demo covering the full suite of AdvancedMD solutions. Our team is dedicated to helping you achieve your goals and establish long-term financial stability for your private practice.

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