

Leveraging Business Intelligence to Meet Gastroenterologists' Emerging Financial Challenges

BY GB PRATT

Physician practices are at the center of a confluence of events that are squeezing payments and profits like never before. Almost daily there is another news article about the need to reduce the federal deficit, with Medicare/Medicaid payments at the center of targeted cuts.



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One recent figure quoted a 29.5% reduction in 2012 Medicare payment rates for services, although that staggering percentage is almost certain to be substantially reduced. And where Medicare goes, private insurers tend to follow.

Added to the threat of further reductions in reimbursement are increasing costs for malpractice insurance, proposals for Accountable Care Organizations (ACOs)

which incorporate a quality measure tied to payments and rewards, evolving compliance requirements, and the need to attract and retain top talent.

This financial vise has spurred many practices to more closely examine the metrics that reflect practice performance. What many have found is that their practice management systems generate huge amounts of data but very little actionable intelligence.

Spotlight on our Partnered Physician

MEET THE NEXT PRESIDENT

The Pennsylvania Society of Gastroenterology (PSG) was founded in 1980 by the sole initiative of Edwin Cohn, MD, a highly respected clinician and teacher at the Albert Einstein Hospital in Philadelphia, where he served as the Director of Gastroenterology for many years. The proposed aims of the PSG were to serve the educational needs of state gastroenterologists, improve the level of care for gastrointestinal disorders throughout the state, and to act as an advocate for gastroenterologists and patients regarding socioeconomic issues.



Louis La Luna, MD

The educational and social aspects of these meetings brought together gastroenterologists from diverse localities and offered outstanding presentations on timely topics. The Presidents served two terms with Dr. Cohn serving as

the first President from 1981 to 1983. Subsequent Presidents were Drs. Richard Wechsler, William Mahood, Philip Bralow, Morton Goldstein, Michael Geduldig, Harris Clearfield, Robert Kania, Frank Jackson, Julian Katz, Darrell Reed, Normal Cohen, Harvey Lefton, F. Wilson Jackson and current president, Anne Saris.

Following in their esteemed footsteps, Dr. Louis La Luna, President-Elect 2012, will be taking his place among those who served before him.

EndoEconomics had a chance to sit down with Dr. La Luna and get his thoughts on his election to the position and his vision for the future of the Society.

EE: How does it feel to be inching closer to your new role with PSG?

LL: I am excited about the position. I am looking forward to facing the challenges of GI practices on both a state and national level from a more grass roots perspective, and help resolve those issues for the GI docs in our state.

EE: What new challenges do you foresee as the upcoming President of PSG?

LL: Well, dealing with insurance company issues as they arise will definitely be part of my agenda. I will look to bring value added services to the membership and strengthen as well as increase membership.

EE: Can you give us a hint on what members could look forward to?

LL: We are working to obtain some group discounts for members for GI related items. We plan to continue with community outreach and education with different projects as we have done in the past. Lastly, we will continue our great tradition of our yearly scientific meeting.

Thank you for sharing with our readers your insight and thoughts on PSG and your new position. On behalf of Physicians Endoscopy and *EndoEconomics*, we wish you much success in your new position.

A BUSINESS APPROACH TO PRACTICE MANAGEMENT

It's been said that medical school doesn't teach business management, but practices are increasingly realizing their challenges are based on business operations and are looking to the business world for ideas on how to address their issues. One of the growing trends, according to a white paper¹ from BusinessWeek Research Services (BWRS), is seeking to mine the vast amounts of data contained within practice records using business intelligence tools.

In the business world, the term "business intelligence" (BI) has a very specific meaning, usually referring to computer-based techniques used in identifying, extracting and analyzing business data. BI technologies provide historical, current and predictive views of business operations, with the goal of supporting better business decision-making.

In a medical practice, business intelligence becomes the center of informed decision-making that not only helps to improve the bottom line, but can also be employed to improve the quality of patient care and services.

According to the research conducted by BWRS, practices that adopt an enterprise-wide approach to BI have achieved significant results, including:

- **Cost savings** – eliminate waste and mine data stores to examine and recoup denied claims.
- **Improved margins** – one of the largest pediatric health systems in the U.S. improved its gross margins by roughly two percentage points each year since implementing a BI/balanced scorecard program.
- **Patient satisfaction** – a study from Aberdeen Group found that health-care organizations achieved a 15 percent increase in patient satisfaction scores by using BI and analytic tools.

- **Better care** – Denver Health and Hospital Authority is leveraging BI tools to improve outcomes using point-of-care information to identify high-risk and non-compliant patients.

MOVING BEYOND PRACTICE MANAGEMENT

Traditionally practice managers or lead physicians try to interpret reams of data generated by a practice management system by printing out multiple reports and analyzing current vs. past performance. The value is largely determined by the amount of time spent studying the raw data and the ability to pull specific information.



Obtaining a comprehensive picture of overall trends is like standing with your nose against a wall-sized mosaic – you can see an amazing amount of detail but the "big picture" is virtually impossible to grasp.

When physicians were asked about their primary need for practice management systems, the majority (62%) cited better reporting capability, according to the 2010 Physicians Practice Technology Survey. That statistic rings true Alejandro Fernandez, MBA, CMPE, Executive Administrator, Chief Operations Officer for Gastro Health, PL in Miami, Florida, who until recently struggled to access data and produce meaningful reports.

"I had to run 20-30 reports, dump them into Excel and then create pivot tables. The quantitative data and multiple reports it produced required hours of analysis," Fernandez says. The problem wasn't with the quality of the practice management system; these systems do the jobs they are intended to perform, but producing BI isn't one of their core capabilities.

Manufacturers of some of these systems have realized that transforming the data into actionable intelligence is valuable – so valuable that practices might be willing to pay a premium for a system that enables the generation of business intelligence. Fernandez explored the possibility of adding this component to his practice's software suite. "We looked at practice performance reporting systems, but they were extremely expensive, especially for a large GI practice like ours," Fernandez explains.

A BI SOLUTION FOR GI

During his due diligence, Fernandez discovered a BI solution created specifically for medical practices. With a GI-specific application such as EndoChoice's product, giDash™, Fernandez has the tools he needs to quickly and easily track history, trends and performance for the practice.

"I couldn't – and I wouldn't – go back to practice management without a dashboard," Fernandez says. "There is so much information that I'm accustomed to getting with just one click, which would require 50 or 60 separate reports to access with my practice management system. With a dashboard, it's just one click away."

Fernandez has designated certain reports to be emailed on a weekly basis. These can then be reviewed and shared with the physicians. "They're happy as long as everything is going well," he says. "But if we start trending

downward in any area, then they become very interested in the statistics.”

The application provides key physician metrics in real time and trending formats to help monitor and drive practice profitability. The feature-rich program incorporates a dashboard populated with key metrics that are visually displayed for at-a-glance review. Users can also view data that includes financial-payer mix, collections, aging, referrals and productivity.

CENTRALIZING ACCESS TO MULTIPLE MEASUREMENTS

Ramesh K. Gandhi, M.D., MBA is a firm believer in tracking and analyzing business data and is now using the giDash application. The President of Digestive Specialists, Inc. in Kettering, Ohio, Dr. Gandhi says, “There’s no question that you need the information, but pulling reports can be cumbersome and takes time. With giDash, it’s readily available on your computer.”

Dr. Gandhi has a history of examining metrics and tracking progress, but in the past he has had to hire someone to create programs that extract the data. With the GI specific application, accessing the data is simplified, and it’s available to a broader range of people.

“We have found that a dashboard application centralizes everything, and we can view it on a computer rather than a paper report,” he says. “It’s easier and faster, and we can control it better. For example, outside agencies may look at the service level codes. It can be a tricky business to make sure you are compliant, but with a dashboard program like giDash, you can examine your coding and make sure everyone is in line.”

KPI	Actual	Goal	%Goal	Trend
Average Daily Billings	91,695.00	95,276.79	96.15%	↔
Average Days To Bill	10	8	35.33%	↔
Average Days To Pay	30	34	111.66%	↔
Gross Charges	2,785,778.81	3,165,454.62	88.04%	↔
Patient Visit Count	3,614.00	3,830.00	94.36%	↔
Payments Per a RVU	151.86	156.07	97.30%	↔
PCD Cash Collected	43,871.83	54,402.50	80.64%	↔
RVU Work Unit	7,788.9875	7,585.6963	102.68%	↔
Total Cash Collections	1,182,890.98	1,168,416.22	101.23%	↔

MEASURING METRICS THAT MATTER

It’s been said that “You can’t manage what you don’t measure.” So while tracking financials is well accepted and widespread, delving deeper into specific metrics offers new and valuable insight. One example of the value of BI is the visibility it can provide to a core business driver such as referring physician patterns.

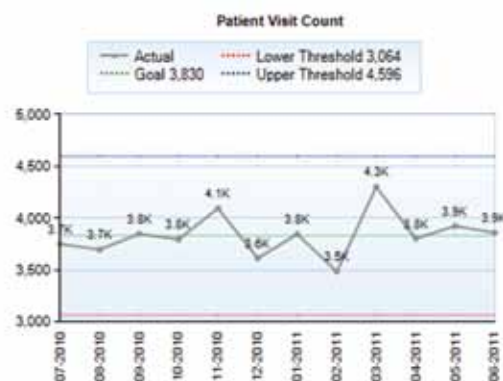
While most gastroenterologists are aware of their key referring physicians, if a particular physician trends up or down, it generally takes some time for this to come to the forefront. To dig deeper and evaluate the payer mix and procedure types by referring physician is challenging with most systems. The ability to trend by patient counts, payer mix, and procedure type provides insight into who’s really driving the practice and provides the visibility to impact change.

“We like to track referrals and determine if they are changing. If so, we can determine the cause and take immediate action,” says Dr. Gandhi. “When you dig deep, you may find that you are losing money in so many places. After three months, you can’t file some claims so we use the technology to ensure the claims are filed and followed up in a timely manner.”

Another helpful metric is the payer mix, which has a direct bottom line impact. Using this type of dashboard program, a practice can determine the overall profitability, timeliness of payments, the degree of exertion required to collect and the cost/benefit of each payer.

EXAMINING PHYSICIAN PRODUCTIVITY

One of the most sensitive subjects in a practice is often individual physician performance and productivity. A dashboard application removes the subjective observation and replaces it with objective measurements. Individual performance



can be sent to a single physician for historical comparison and trending, or the information can be de-identified and shared within the practice.

This approach allows the individual physician to view his or her performance as compared with peers within the practice. Someone who is not performing at their maximum level can be informed without creating a damaging environment. Conversely, this level of tracking offers the opportunity to better manage all assets and resources to improve productivity and profitability.

THE BUSINESS OF MEDICINE

Recent advances in the practice of medicine are not limited solely to diagnosing and treating – the practice itself is undergoing a dramatic transformation in order to function more efficiently and cost effectively. This has necessitated new approaches to practice management, which are aided by technological tools like giDash that simplify and streamline the measurement process.

¹Business Intelligence for Healthcare: The New Prescription for Boosting Cost Management, Productivity and Medical Outcomes, BusinessWeek Research Services.

For more information on giDash, please contact Endochoice by **calling 888-682-3636** or sending an e-mail to **CustomerCare@EndoChoice.com**.

GB Pratt is the General Manager of Practice Management at EndoChoice, Inc. Prior to joining EndoChoice, Mr. Pratt has served as CEO, Vice President and Director at leading medical service and electronic medical record companies focused on integration platforms linking hospital and physician practices on services such as pathology and imaging. Mr. Pratt holds a BS in Marketing from Pennsylvania State University.