



Improving Medical Group Profitability: An Alternative to Cost Containment

The Challenge

Today, medical groups feel enormous pressure from their affiliated health systems and other stakeholders to reduce operating losses and deliver better financial performance. Cost containment initiatives are present in almost every medical group ranging from basic controls to outright austerity. The struggle to improve financial performance and income erosion is intensive in an environment where CMS and commercial fee revenues are flat or increasing 0.5% each year while overhead inflation increases 3.5% per year. In response, medical group executive leaders are seeking proven, meaningful revenue enhancement opportunities.

Our client, an East Coast multi-specialty medical group affiliated with a leading non-profit health system, was led by a new physician CEO who found that some physicians had begun to stint on their E&M documentation during the past few years of EHR implementations and conversions. This presented medical-legal risks and audit risks to the organization as well as limitations on revenue. Physicians complained about prevalent confusion and conflicting answers received from various resources that resulted in a lack of provider confidence. The group's leadership team had great urgency to restore confidence, eliminate variability in documentation, and address their revenue challenges.

Result Highlights

\$1.5M

Physician revenue recovered in the first year following MediSync's engagement

255%

First year ROI with a projected second (full) year ROI of 611%, payback period was 3.4 months

E&M CodeRight's Initial Evaluation

After hearing the challenges that this organization faced, MediSync provided our initial Revenue Analysis in which the medical group provided a downloaded file from their Practice Management System containing visit count per code per physician for the prior year.

MediSync's Revenue Analysis revealed:

- Wide variation in the application of 99214 codes across the group's primary care physician population. Viewed graphically, it was clear that these physicians were not following a consistent process for documentation and coding.
- Based on comparisons to MediSync clients of similar profile, MediSync projected an incremental revenue opportunity of \$14,000 per physician per year.

Based upon the opportunity to address physician frustrations, dramatically reduce coding and documentation variability, and the incremental revenue opportunity available, the medical group accepted MediSync's proposed engagement.



The E&M CodeRight Experience

The engagement began with stakeholder alignment that included finance, operations, physician leadership and coding/compliance as it related to full commitment to the implementation process. The MediSync physician led discussion regarding the medical group's understanding of the E&M coding guidelines to facilitate agreement between coding and compliance and the stakeholders.

Next, the MediSync physician came onsite to deliver the first of three 90-minute, small group sessions over

a 60-day period focused on education regarding coding from a physician's perspective using clinical examples consistent with CMS guidelines. During the subsequent two visits, MediSync's physician reviewed charts with individual doctors to reinforce and correct behaviors, look for missed opportunities, and ensure that each doctor applied a consistent methodology to capture all physical and intuitive aspects of each E&M visit.

Our Results

Our medical group client expressed appreciation and satisfaction for the outcomes derived from E&M CodeRight.

The medical group executive team realized an average annual improvement per physician of \$14,400 or \$1.5M incremental revenue in the first year following the engagement. The investment payback period was just 3.4 months and the year one (partial) return on investment was 255% with full year projections of 611%.

The coding and compliance team was proud to demonstrate the reduction of coding variability and the evidence of reduced audit risk to the organization. The VP of Quality said that the relationship between physicians and coding and compliance had never been better.

Most importantly, the group's physicians were very satisfied, expressing wishes that they had utilized MediSync's physician-to-physician approach many years ago. Immediately, the physician team remarked about the physician-to-physician approach as the difference maker that resulted in their renewed confidence in their coding methodology.

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Unlock Revenue while Reducing Audit Risk

E&M CodeRight has been implemented with more than 150 medical groups nationwide with more than 16,000 physicians completing the program. The physician-designed and led protocol provides personalized instruction in refining coding skills to ensure every patient visit is fully and accurately documented, resulting in maximized reimbursement for the practice.

E&M CodeRight® is a product of MediSync

MediSync has led and operated medical groups since 1996, and our innovative solutions are designed to deliver meaningful improvement that results in better performing medical group clients.

Let us assess your potential revenue opportunity through our free coding analysis!