

# Developing a Viable Pain Practice Based on Quality, Efficiency, and Economic Sustainability

### David Provenzano, M.D. Pittsburgh, PA, USA





second Tuesdays of odd-numbered months



# Faculty Disclosure

Company Name	Honoraria/ Expenses	Consulting/ Advisory Board	Funded Research	Royalties/ Patent	Stock Options	Equity Position	Ownership / Employee	Other (please specify)
Abbot			Х					
Boston Scientific		Х						
Medtronic		Х	Х					
Stimgenics			Х					
Nevro		Х	Х					
Avanos		Х	Х					
Wise		Х						
Heron		Х						

### **Off-Label Product Use**

Will you be presenting or referencing off-label or investigational use of a therapeutic product?

X No





# Objectives



- Describe program development
- Identify benchmarking & revenue cycle management
  - Volume & productivity
  - Economic indicators
- Define site of service differences
- Define surgery center decision making



second Tuesdays of odd-numbered months



### **Prior Perspective**



Work Area



Exam Room



Floor Layout



Procedure Room



second Tuesdays of odd-numbered months



# Hybrid – Office and Surgery Center

**Office** 



**Surgery Center** 



#### **Multispecialty**

- Orthopedics
  - Upper extremity
  - Foot & ankle & SM
- Ophthalmology
- Ocuplastic Surgery
- Pain medicine



### **Modified Treatment Algorithm**





### Office & Program Development







second Tuesdays of odd-numbered months





# Schedule Design

#### <u>Goals $\Rightarrow$ time is your most important asset</u>

- Access & efficient flow of pts. ⇔ minimal wait time
- Flexibility to accommodate
  - Acute (HNP, cancer pain) & emergency
  - Referral Base
  - No-shows & cancellations
- Proper utilization of staff & facilities
- Analyzing patient flow
- Ready at designated times





second Tuesdays of odd-numbered months



# Overbooking vs. Double Booking

### Overbooking ≠ double booking

- Double booking
  - SCS reprogramming
  - Early in the day
- Alternatives
  - Compress time between bookings
  - Clustering
  - Wave scheduling
  - Shift staff for better productivity





# Waiting time

- 2007 Consumer Reports Survey
- 39,000 patients & 335 primary care doctors

Patient	Physician
Time spent in waiting room (24% > 30 minutes)	Noncompliance
Couldn't schedule an appointment within a week	Wait too long before making an appointment
Spent too little time with me	Reluctant to discuss symptoms
Didn't provide test results promptly	Request unnecessary tests
Didn't respond to my phone calls	Request unnecessary prescriptions



### Schedule - No-Shows

### **Reduce cancellations & no-shows**

- Wasting time & impacting revenue
- Average collection per patient x # of no-shows
- Monitor weekly & monthly
- Paid before scheduling again

### **Confirmation Calls**

- 24 hours not adequate
- Minimum of 48 hours
- Warm calls vs. automated

### **Priority waiting list**





### Physician Assistant & Nurse Practitioners

#### **2053 individuals examined - 2 scenarios**

- New primary care provider
  - 50% preferred a physician
  - 23% PA/NP & 26% no preference
- Physician (tomorrow) or PA/NP (same-day)
  - 60% PA/NP same-day
  - 25% wait
- Time significant role





# Incident to Billing

- Only applies to Medicare
- Billed under the supervising physician's NPI
- Service must take place in a noninstitutional setting
  - All settings other than a hospital or skilled nursing facility
- Cannot be rendered on the patient's first visit
- Cannot be rendered if a change of plan occurs
- Supervising physician must be in the office suite at the time of the service



second Tuesdays of odd-numbered months



### Revenue Cycle Management





# Revenue Cycle Management

### **Internal Components**

- Fee Schedule Development
  - Set by CPT code and charge for procedure
- Financial Policies
  - Enforce Compliance consistently

### **External Components**

- Payer Contracts
  - Copy of contracts with fee schedules
  - Plans fees for the top 10 to 20 codes utilized
  - Payment schedule and state prompt payment law
- Patients







### **Revenue Recovery**

- Set standards
- Accurate claim submission
  - Number of claims initially rejected (less than 3 to 5%)
  - Turnaround standard
  - Rejected claim resubmitted as a clean claim
- Timely claim payments
- Timely patient billing



### Revenue Recovery

#### **Examining payors**

- Authorization
- Claims processing
- Provider relations
- Review the outstanding claims report
- Assess reimbursement rates
  - Based on the top 10 CPT codes



second Tuesdays of odd-numbered months



### Revenue Recovery: Remittance Response Time



Image: Stream interaction of the stream	Metric 2	Aetna	Anthem	Cię	gna	HCSC	Humana	Reg	ence	UHC	Medicare
(median days) <sup>23</sup> Metric 2 - First remittance response time (median days) 10 10 10 10 10 10 10 10 10 10		14	7	1	7	7	6	9	)	11	14
14 12 14 12 14 12 14 14 14 14 14 14 14 14 14 14 14 13 10 14   10 14 13 10 14 13 10 14   12009 12 8 12 9 9 14   12010 13 9 6 8 11 10 14   12011 14 9 7 6 6 15 10 14   12012 14 7 7 6 6 9 11 14	(median days) <sup>2,3</sup>		Metric 2	2 - First	remittan	ce respor	nse time (	median d	lays)		
2008 13 7 14 13 10 14   2009 12 8 12 9 9 14   2010 13 9 6 8 11 10 14   2011 14 9 7 6 6 15 10 14   2012 14 7 7 6 6 9 11 14		14 - 12 - 10 - 8 - 6 - 4 - 2 -									
• 2009128129914• 201013968111014• 2011149766151014• 201214776691114				Anthem		HCSC		Regence			
<b>1</b> 201013968111014 <b>1</b> 2011149766151014 <b>1</b> 201214776691114				7			13		10	14	
2011149766151014201214776691114		<b>2009</b>	12	8	12		9		9	14	
<b>2</b> 2012 14 7 7 6 6 9 11 14		■2010	13	9	6	8	11		10	14	
		<b>2</b> 011	14	9	7	6	6	15	10	14	
		■2012	14	7	7	6	6	9	11	14	
		2013	14	7	7	7	6	9	11	14	

- 7 to 10 days clean claim
- Understand payor mix

AMA. National Health Insurer Report Card. 2013.



### Revenue Recovery

### **Office collections**

- Over-the-counter payments Front desk policy
  - Co-pays and existing balances
  - Avoid repeated statements
- Examine claims greater than 60 days





second Tuesdays of odd-numbered months



### 2018 AMA Prior Authorization: Physician Survey

In your experience, has the PA process ever affected care delivery and led to a serious adverse event (e.g., death, hospitalization, disability/permanent bodily damage, or other life-threatening event) for a patient in your care?

# 28% reported PA led to a serious adverse event

 $\underline{https://www.ama-assn.org/practice-management/sustainability/prior-authorization-research-reports}$ 



second Tuesdays of odd-numbered months



On average, practices complete



PAs per physician, per week\* Physicians and their staff spend an average of almost



**two business days** (14.9 hours) each week completing PAs<sup>+</sup>



More than 1 in 3 36% of physicians have staff who work

exclusively on PA<sup>++</sup>



second Tuesdays of odd-numbered months



# Financial Responsibility $\Rightarrow$ Collection of Co-Pays-

	BILLED	ALLOWED	DISCOUNT	NOT COV	MEMBER PAY	INT DSC		
****	.00	.00	.00	.00	.00	.00	.00	
****	154.00	104.86	49.14	.00	25.00	.00	79.86	
****	.00	.00	.00	.00	.00	.00	.00	
****	.00	.00	.00	.00	.00	.00	.00	
****	.00	.00	.00	.00	.00	.00	.00	
****	154.00	104.86	49.14	.00	25.00	.00	79.86	

79.86

EXPLANATION LEGENDS:

ADJUSTMENT CODE LEGEND:

OA = PAID AT CONTRACTED RATE - DO NOT BILL MEMBER

Co-pay = 24% of total payment

✓ Point of service co-pay collection rate > 95%



second Tuesdays of odd-numbered months







second Tuesdays of odd-numbered months





### Key Performance Indicators



### **Billing**

- Gross and net charges
- Gross and net collections
- GCR & NCR
- DRO 45 to 55 days
  - 12 month average = 40.4
- Monthly average
  - 12 month average & percent variance



second Tuesdays of odd-numbered months





# Key Performance Indicators



### **Billing**

- %ARO > 60 days 12 to 15%
  - 8.5% to 20.3%
- Net bad debt
- $\hat{U}$  pt. responsibility  $\hat{U}$  co-pays & deductibles
  - 3% to 4% (better performers closer to 2%)
- Average net collection per patient encounter
  - Approximately \$110 to 120



second Tuesdays of odd-numbered months



### Where Should I Perform My Cases?









### Site of Service - Lumbar Epidural (CPT 62323)\*

PROCEDURE	OFFICE	ASC	HOSPITAL
62323	\$282.64	322.32	\$634.6
Physician Reimburseme	nt	\$101.89	\$101.89
Total Reimbursement	\$282.64	\$424.21	\$736.49
Cost Difference			Cost Difference
<u>Office – HOPD</u> • Difference = \$453.85 • 160%			ASC-HOPD ifference = \$312.28 • 110%
	*Based on 2021 final fee	schedule	



second Tuesdays of odd-numbered months



# Surgery Center Decision-Making

#### **Important considerations**

- New vs. established
- Participating partners (e.g., years for clinical practice)
- Stability
- Multispecialty vs. single specialty
- Number of physician owners
- Management structure
- Billing structure
- Distributions over time
- Site of service payment differential
- Exit plan





second Tuesdays of odd-numbered months



# Decision-Making - Calculation

### **Compare**

- Office-based reimbursement vs. additional ASC reimbursement
- Office-based
  - Gross income based on procedures (mix and procedure type)
  - Supply costs and labor
  - Efficiency
- Surgical center
  - K-1 distribution/case number = increase in reimbursement per case
  - Professional fee
  - Professional fee + reimbursement per case





second Tuesdays of odd-numbered months

### How to Discourage a Doctor

		IS					
HOME	CURRENT ISSUE	Topics 🗸	COLUMNS 🗸	BLOGS 🗸	GET THE MAGAZINE	ADVERTISE	
YOU ARE AT:	Home » Blogs » Ho	ow To Discourage A D	octor				
How To	Discourage A	Doctor					

• Transform physicians from decision-makers to decision implementers

"Convince them that their professional judgment regarding particular patients no longer constitutes a reliable compass. Hiring, firing, promotion, and all rewards should be based on conformity to hospital-mandated policies and procedures"



second Tuesdays of odd-numbered months



### Leaders





# Conclusions

- Healthcare uncertainty → ability to adapt
- Leaders and all in this together
  - No safe harbor
- Site of services changes
- Revenue management
- Business
  - Based on patient care & quality
  - Economically viable





## **ASRA Coder App – CPT Codes at Your Fingertips Now Updated for 2021!**

- Updated payment rates for common codes used by acute ۲ and chronic pain physicians
- Search by procedure category or E&M with ۲ anatomical/procedural descriptions; CPT codes and their descriptions; Medicare National Average Rates including physician fee schedules for facility and non-facility, hospital outpatient, and total RVUs
- Coding tips and special instructions to aid in obtaining ٠ accurate and timely payments

### Available for Android and iOS devices



8:39 AM

Verizon



#### Learn more at www.asra.com/apps



# **Thank You**

davidprovenzano@hotmail.com @DprovenzanoMD