



Doctor Perspectives

Hall, Kistler & Company LLP

Specializing in Financial and Management Services for Health Care Organizations

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Help Wanted: Tips to Ease the Pain of Finding Suitable Office Staff

In today's competitive job market, finding and keeping qualified, dependable and hard-working staff members for a healthcare practice is a daunting task. Medical practices are faced with many challenges in recruiting and building a staff. Whether you are trying to replace an employee, add a new position or staff an entire office, you face many of the same challenges. Some of these challenges include identifying what the job specifics are, what type of qualifications are needed to best perform the job, the appropriate salary for the position, offering an appealing benefit package, staying within the staff salaries and benefits of your current staff, determining who is the best candidate for the job, and retaining your current staff, all the while keeping your practice running smoothly through the recruitment process.

Unfortunately we see that staff turnover is becoming an increasing problem in healthcare. People in today's job market shop jobs every two years for higher salaries and better benefits. Constant turnover can be devastating, not to mention discouraging to the remaining staff who have to fill in and the Practice Administrator who has to repeatedly train new employees. All of this drains precious resources from the practice that could be put to better use.

The key to success is to stop the turnover cycle. The next time you find it necessary to hire a new staff member, take the extra steps listed below before starting your search:

1. Prepare a thorough and up-to-date job description for the new position. A proper job description outlines the duties and responsibilities of the position along with the desired experience and education expected of a candidate to fill the position. A detailed job description should define the skill set that your candidate will need to properly perform their new position. While interviewing the candidates use the job description to help guide your questions regarding previous experience and training. Be honest with what the position entails and what will be expected of the candidate.

2. Determine the salary and benefits that will be offered for the position. Compare your salary and benefit information to other medical practices in your area. Salary Surveys can be obtained through your local medical society or private firms like Hall, Kistler & Co. National surveys like MGMA can also be used, but local salary surveys are more reflective of what is being offered in your distinct local job market.

3. Take time to interview candidates and don't rush to fill the position even if it means you will be shorthanded for a bit. Consider the personalities in your office and whether this new person will fit well with your team. Getting the person that you want might take some time. Be Patient! The time spent now will be a wise investment so you won't have to replace the person in six months.

Once you have designed a job description and gathered salary information, it is time to begin the search. The most common method of staff recruiting is the local classified section of the newspaper and/or online. While the newspaper is usually a great tool for finding staff, there are other alternative methods. Contact your local medical society or practice management group to see if they keep a job applicant database or will allow you to run a job ad in their quarterly newsletter. Professional groups frequently have websites where you can advertise positions. (ie., NPs, PAs, MAs, Certified Coders, X-Ray techs etc.) Another choice is to contact an employment or temporary agency; this would allow you to try the candidate out for a period of time (usually 90 days for staff, and up to 6 months for management level employees) before hiring them, however, agencies do come with a cost and it can be substantial.

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Adding a Non-Physician Practitioner to Your Team's Roster

In today's ever-changing healthcare environment, the burden on physicians to see more and more patients to make ends meet seems to be growing. Increased patient demands, hectic schedules, the revolving door of medical office staff, and reduced reimbursements from managed care companies are just a few of the concerns that can really take a toll on a physician and his/her practice. It is more and more difficult to balance the responsibilities of a medical practice with life outside the practice. Ask yourself this question—Do I have the quality of life and work that I want and deserve? If the answer to that question is no, adding a Non-Physician Provider (NPP) to your practice may be a good way to alleviate some of your own personal stress while also adding additional revenue to the practice.

An NPP could free up your demanding patient schedule (both during office hours and after hours) by taking "first call" for the practice at night and on weekends, by reviewing and relaying test results to patients, performing pre-op H&P's, pelvic exams and pap smears, and conducting physicals and preventative counseling visits. A seasoned NPP also has the clinical knowledge to answer initial patient questions and telephone calls that would normally come to you.

When planning to add an NPP to your staff, advanced planning is vital. First things first, do you really need an NPP? Below is a list of steps that will help you to determine whether or not your practice can benefit from hiring an NPP:

Examine your practice functions and outline what duties and responsibilities your physicians perform now that could be completed by an NPP. Make sure that you consult your state regulations on the scope of practice allowed for Nurse Practitioners, Physicians Assistants, and Nurse Midwives.

Talk to your patients to see how receptive they might be to the idea of non-physician providers in your practice, especially if it

means they can be seen more quickly for acute issues. After all, they will ultimately determine the success of bringing in an NPP. You will need to define special services an NPP could perform that might add to your patient services including allowing the practice to see more sick patients each day without devastating the physicians' schedules.

Review billing and compliance issues that need attention and prework before the new provider joins the practice. Review your payor contracts to check for guidelines governing NPP's. Research incident-to billing guidelines for Medicare patients (incident-to billing allows the practice to be reimbursed for NPP services at the same rates as physicians are paid). Other payors may or may not follow Medicare guidelines but it is important to check each one.

If incident-to guidelines are not met, Medicare, as well as most other payors, will only reimburse an NPP office visit at 85% of the standard fee schedule rate that a Physician receives.

Crunch the numbers to see if bringing on an NPP is financially feasible for your practice. When doing your cost analysis, remember to take into account all of the expenses the practice will incur for the NPP:

1. Determine appropriate compensation (consult local salary surveys or NP and PA society websites)
2. Calculate additional costs (malpractice insurance, license fees, CME, fringe benefits, payroll taxes, pagers/cell phones, additional staffing needs, and other variable expenses, etc.)
3. Project estimated potential revenue

A reasonable start to your projected revenue might be to estimate two established patient visits per hour-16 visits per day. You would then multiply the charge for each code by the number of visits and then by your current practice collection percentage (averaged for at least 6 months).

See table for sample of how to estimate NPP revenue assuming they work 8 hours each day-three days a week.

Visit Code	Average NPP code distribution per day	Charge	Gross Coll%	Daily Revenue
99211	6% of total or 1 visit per day	\$ 35	50%	\$ 17.50
99212	15% or 2 visits per day	\$ 60	50%	\$ 60.00
99213	55% or 9 visits per day	\$ 85	50%	\$382.50
99214	22% or 4 visits per day	\$125	50%	\$250.00
99215	2% or 1 visit per day	\$175	50%	\$ 87.50

Estimated Total Collections: \$797.50

*Information in this table is for educational purposes only and must be personalized by each individual practice in order to reflect a more accurate estimate.

Daily Estimated Revenue = \$797.50

Annual Days Worked (minus 5-week estimate for sick, vacation, CME and holiday) = 141 clinical days

Estimated Annual Revenue = \$112,447.50

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Ask the Doctors' Perspectives Editor

Dear Editor,

It has recently come to my attention that when the physicians in my practice receive x-rays back from a radiologist, they are re-reading the x-rays and billing for interpretation. Is this allowed?

The re-reading of X-Rays and “double billing” for this service is becoming a hot topic of review for many payors, including Carefirst and Medicare. We have seen payor audits increasing in this area and the payors are denying the second interpretation as duplicate billing. The best advice we can give based on the results of these audits and Billing Guidelines is that a nonradiologist should not bill for the interpretation of an x-ray if it is evident that this service has already been billed by the radiology group performing the service.

For x-rays that are performed in a physician’s office, the practice should bill using the global code. This code covers the fee for both the technical and professional (reading of the x-ray) components.

If the x-ray was performed by another group or a hospital and the practice receives a written report, we recommend that the practice not bill for their interpretation of the x-ray. Instead, count that as a point in the medical decision making of the office visit. Just make sure that your review of the report is included in the medical record.

Dear Editor,

Recently a local carrier contacted our practice to inform us that they have retroactively denied a claim paid to us two years ago. Can they do that? If not, how do we fight this?

The first place you should check is your state regulations. Many states have passed laws that mandate time limits for “retroactive adjustments”. Usually the only exceptions are for COB issues and inappropriately coded services. The next place you should check is your payor contract. If you signed a contract that states you are agreeing to a longer time period for these adjustments and there is no state amendment attached to your contract, the payor may try to hold you to the contract terms, rather than the state regulations. Checking with your county or state medical society is another avenue you may want to explore to see if they have dealt with this issue with other practices. From our experience, Federal or state laws supersede in these matters and you should have a case to appeal the refund request based on that.

If you have a practice management question you need answered, please contact us via email: karenm@hallkistler.com, fax: 330-453-9366 Attn: Karen M. Brenneman, CPA, MT via mail: Attn: Karen M. Brenneman, CPA, MT, Hall, Kistler & Company LLP, 220 Market Ave S, ste 700, Canton OH 44702 or phone at 330-453-7633.

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Now, make your decision based on your projection. Once you have calculated your estimated revenue, and subtracted the projected expenses the practice will incur for an NPP you will get a reasonable idea about the feasibility of considering this option. Many practices find that they can make an NPP profitable very quickly. The practice has more coverage for patient visits, the costs are more than covered and the stress level in the office and for the physicians decreases.

After the Analysis is done and the Decision is made:

If you decide to move forward with your decision to hire an NPP, the next step should be preparing a job description and writing up policies and procedures to govern the position. This is an important step to complete before you start your search for the right candidate. It is also important to develop a “Supervision Policy” for your practice to define how closely the NPP will be supervised and what methods of supervision will be utilized.

Hiring the right candidate will be the next hurdle to overcome, but with persistence and perseverance you will be able to find a NPP that fits perfectly into your practice. It is crucial that you find someone that will not only add patient services to your practice, but will also fit in with your staff and develop a caring and considerate manner with your patients. You may need to utilize an employment agency to aid in the search. Also, check with the local professional associations by type of provider.

At this time you will also need to start drafting an employment contract template that will be negotiated once you identify an NPP and make an offer. Consult with a healthcare attorney to ensure that your employment contract contains all the necessary language and is compliant with Federal, state and local laws.

Once the NPP has been hired, it is now important to introduce them to your patients. Your staff must be educated and trained to schedule patients with the NPP properly, based on type of visit and the patient’s choice. There will be some patients who are not comfortable seeing anyone other than a physician when they come in for a visit and that is to be expected. No patient should ever be forced to see an NPP. It is important to give your patients the choice. Your staff should explain to the patients the benefits of seeing the NPP (i.e. same day appointments, extra visit time, and always under the direct supervision of a physician). It is critical that appointment calls are triaged correctly by your staff. New patients and patients with serious and prolonged complaints should be scheduled with the physician, whereas established patients with minor complaints, follow-ups and even preventative exams may be scheduled with the NPP. If you are interested in doing this analysis and need some assistance, please give us a call at 330-453-7633.

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The contents of your ad can help exclude many unwanted applicants. The ad should include the following: title of position, job description highlights, qualifications needed, required special training (ie., PM System, Accounting package) and experience needed. Require that the applicant send their salary history along with their resume. By having this information you will be able to make informed decisions about which candidates to pursue without wasting interviewing time.

Now you are ready to screen the interested candidates. Screening is best completed in four stages:

1 Resume Review – Using the job description you have tailored to the position, compare all resumes to the necessary attributes listed. No matter how quickly you want to fill the position, eliminate any of the resumes that do not match the job description. The remainder of the applicants should then be scheduled for a phone interview.

2 Phone Interview – Phone interviews are a great tool to use when hiring new staff. Not only does it allow you to get a first impression of the candidate, but it is also a quick screening method that will not take up a great deal of your time. In the phone interview, make sure you address their work experience, special training, references; hours required of the position, salary requirements, and current job status and ask if you may contact their current employer for a reference. You will be able to observe the level of professionalism in the answers as well as the demeanor of the candidate. Phone interviews will more than likely cut your list of potential candidates to a manageable number that you can then schedule for face-to-face interviews.

3 Face-to-face interviews – For the face-to-face interviews, you should prepare a list of pertinent questions beforehand so that your interview will be focused and directed. Obviously, your questions will vary depending on the position you are filling, but here are

examples of informative questions to ask:

What do you like most about your current job?

What would your boss say are your strengths?

Weaknesses? (Pause here and let them think about this one and answer it.)

What is the most difficult thing that you have had to deal with in your current position? In other jobs in the past?

Are you a team player? Give an example.

How do you deal with conflict? Give an example.

Why do you want to leave your current job?

What do you like least about your current job?

Give the applicant a scenario in your practice and see how they would solve it.

Are you familiar with HIPAA and OSHA guidelines for medical practices?

Do you feel comfortable collecting money from patients?

How would you deal with an irate patient?

Are you accustomed to a fast paced, demanding environment?

Are you flexible with the job duties you are asked to perform?

Are you flexible with your work hours, (i.e. staying late, coming in early)?

Tell me about your prior experience in patient/customer service.

How do you believe your references will describe you?

Is there any reason why you would expect not to work here on a regular basis for at least the next two years?

Each interview should take 30 minutes to an hour depending on the level of staff you are hiring. Involving other staff in the interview can sometimes help you in your decision-making, and give the job applicant an idea of how the office operates. If you like the candidate introduce them to the office staff, show them the office, and see how they react. Sometimes you will find that it is best to do a second interview with a candidate just to confirm your initial impression of the candidate.

4. Review references and credentials

– Do not skip this step! Complete a reference check for every potential candidate. Although it may take time and resources, it is absolutely necessary to determine the character and honesty of the potential candidates. Call past employers. For example, a candidate may have a great resume, personality, and credentials, but they may also have a history of absence and tardiness or an un-prosecuted embezzlement in their past. When asking reference questions, listen to their tone, and any hesitation in their voice when answering the questions. Ask if they would hire the person again, and the type of employee they were. This information will be very beneficial to you in your decision process. This is a very important step for all positions. Many employers skip this step for entry-level positions and we believe that is a big mistake. Finally, you may want to consider doing a background check. While this may seem excessive, many practices are opting for this as part of their hiring process.

At this point you are ready to make a decision on which candidate you will offer the position. Send an offer letter to the top applicant. The offer letter should include the title of the position, salary, benefits, holidays, vacation and sick leave, start date and expected work hours. Once the candidate accepts the offer, inform the other job candidates that the position has been filled, although it may be a good idea to hold off on informing the other applicants that the position has been filled until the new employee has accepted and final references have been checked.

The good news is that there is light at the end of the tunnel. By taking time, following these steps and using good judgment in hiring, your practice will begin to build and hopefully retain a winning team of staff members. A dedicated staff will impress the most important part of your practice—your patients!

Updates

CMS News

NPI Contingency Plan

On April 24, 2007 CMS clarified their standing on the implementation of the HIPAA National Provider Identifier (NPI) Rule. In general, their expectation is that all required entities are expected to be compliant on May 23, 2007. CMS's approach will be on a voluntary compliance basis, and at this time they will enforce it on a complaint-driven basis. If a complaint is filed, the entity will be investigated. The entity will be notified in writing. Once notified, the entity will have three options:

- 1 Demonstrate compliance
- 2 Provide proof, including documentation, of its good faith efforts to comply with the standards and/or
- 3 Submit a Corrective Action Plan.

What this means for providers, is that they should show they have done or are in the process of doing the following:

- Applied for their NPI numbers
- Document any testing done with their software vendor and clearinghouse
- Attempted to notify referring providers of their NPI number and requested the NPI number of these same providers.
- Notified Private Payors of their NPI number

NOTE: New Providers and those who are updating or making changes to their Medicare enrollment information must provide NPI numbers to Medicare on their applications or the forms will be rejected and sent back.

At this time, providers should continue to submit both their Legacy and NPI numbers, even beyond the May 23, 2007 date. CMS will notify providers once they move to an "NPI number only" system. For Private Payors, practices should contact the Payor to see what their requirements are. Our information shows a number of payors will still require both the NPI and legacy numbers, at least for the near future. We have found that the easiest way to notify Private Payors of your NPI number and to find out what their current requirement for claim submissions is by going online to the Payor's website.

If this information is not available online, contact the carrier by phone.

The bottom line is that this contingency plan requires you to be actively working towards becoming compliant. For a copy of CMS's "Guidance on Compliance with the HIPAA National Provider Rule, after the May 23, 2007, Implementation Deadline" go to the following website:

http://www.cms.hhs.gov/NationalProvIdentStand/Downloads/NPI_Contingency.pdf

New Screening Allowed Under the Initial Preventive Physical Examination

Effective January 1, 2007 Medicare will pay for a one-time ultrasound screening for beneficiaries who are at risk for an Abdominal Aortic Aneurysms. People identified as "at risk" include anyone with a family history of an AAA and men who have smoked more than 100 cigarettes in their lifetime and are between the ages of 65 to 75 years old. In order to have this screening covered the beneficiary must receive a referral for the screening at the time of their preventive physical examination. In addition, there is no Part B deductible, only the coinsurance/copayment applies.

Form CMS1500 (1290) Still Being Accepted

Initially, as of April 1, 2007, providers submitting paper claims were to cease using the old version of the 1500 form as Medicare carriers were only going to accept the new version, Form CMS1500 (0805). Because a number of suppliers, including the Government Printing Office sent out incorrectly formatted versions of the new form, an extension has been granted to allow continued acceptance of the old form. The new deadline target date is now June 1, 2007. CMS has issued a notice to their intermediaries to return any of the new, incorrectly formatted forms that are submitted. This should alert providers that they have the wrong forms and allow them to contact their form supplier to obtain the correctly formatted form. For complete details go to: <http://www.cms.hhs.gov/ElectronicBillingEDITrans/Downloads/1500%20problems.pdf>

In addition to the new form, reporting requirements on the form have also been revised. These include:

- Reporting of the provider's social security number in Box 25 is no longer required, however, CMS recommends supplying the tax ID number in Box 25 to help reduce the chance of delays in processing.
- In Box 17a, before entering the referring provider's UPIN number, put in the qualifier 1G. This will help CMS map the UPIN to the referring provider's NPI number during the transition period.
- The PIN number of SNF (Skilled Nursing Facilities) no longer needs to be reported in Box 23.

For complete details go to:

<http://www.cms.hhs.gov/Transmittals/downloads/R1215CP.pdf>

On a related note, the UB92 has finally been updated. It will be replaced by the UB40. The transitional period goes into effect March 1, 2007. During this period, either the UB92 or the UB40 may be used. Effective May 23, 2007, only the UB40 will be accepted. To see the MedLearn Article go to: <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5072.pdf>

Interest Rates and Minimum Amount Raised for Federal District Court Appeals

The new interest rate for 2nd quarter FY 2007 for Medicare overpayments and underpayments is 12.5%.

As of January 1, 2007, the minimum amount needed for requesting a Federal District Court Appeal rose from \$1,090.00 to \$1,130.00. The amount to request an ALJ hearing remains at \$110. For complete details, go to <http://www.cms.hhs.gov/Transmittals/downloads/R1211CP.pdf>

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Competitive Bidding Program for DMEPOS

In order for suppliers to participate in CMS's new Competitive Bidding Program, they will be required to meet quality standards and obtain accreditation from a CMS approved "Deemed Accreditation Organization." For details on both the new program and how to obtain accreditation

go to: www.cms.hhs.gov/CompetitiveAcqforDMEPOS/

CareFirst & NPI

CareFirst requests, if you have not already done so, to submit your provider's NPI number to them. The quickest and easiest way to do this is to go to www.carefirst.com, then click on "Providers & Physicians" and go to NPI

Submission Form. They have also provided valuable information in both their January/February and March/April Blue Link. If you do not have a copy of these Blue Links you can access them via CareFirst's web site.



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