

Deploying Low-Cost Technologies to Gain Efficiencies, Cut Costs, and Increase Revenues

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Advances in connectivity speeds, capacity, and product offerings have created a number of low-cost, technology-based solutions for enhancing practice revenues. Let's visit selected examples of how automated technologies can both save money and generate revenue for your financially strained practice.

Automation

Automation suggests a lack of control coupled with financial expense. In many regards, nothing could be further from the truth. There are some very cost-effective opportunities to automate medical practice operations, in whole or in part. Adoption ultimately boils down to cost/benefit and your shareholders' comfort with technology. We've already examined check-in kiosks, check-scanning utilities, and other "bells and whistles" that follow payer denials (*AE*, Summer 2008). Here are a few more.

Outsourced transcription. There are multiple transcription services available, each seeming to guarantee better results than the competition at a better price. However, transcription may boil down to customer service and perceived quality.

Farming out transcription can save you cents per dictated line and cut fixed employee costs and associated add-ons, such as profit-sharing plan contributions, workers compensation benefits, and reclaimed office space. (You may consider it worth keeping your transcription in the U.S. and paying a few cents per line more to keep jobs here.)

There is a human cost that accompanies any "letting go" of personnel replaced by an automated service (as their business increases, however, many services find themselves hiring some of those laid-off transcriptionists). Looking at the numbers, though, suppose you have two transcriptionists (\$60K salary each) transcribing about 200,000 lines per year for five

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doctors. Outsourcing might cost you \$18,000 (9 cents per line) to \$27,000 (13.5 cents per line). You could save \$33,000 to \$42,000 annually. (I've spoken with practices professing savings of more than \$100,000 per year by outsourcing.)

Items to consider in taking the leap:

- Review several (at least four) transcription companies.
- Ask if they specialize in ophthalmology and/or have any ophthalmology clients.
- Get references (query listservers, e.g., ASOA's EyeMail list).
- Obtain price/line costs (make sure

they calculate their "lines" equally, e.g., some may use 65 characters at 10 point vs. 65 at 12 point; some may count keystrokes [including spaces] and others simply characters.)

- Ask one or two MDs to demo the service(s). Make sure quality is at least comparable to (preferably better than) your current service.
- Be certain that turn-around times are good and that "stat" projects can be handled quickly and accurately.
- Keep the vetting process quiet. Though you may ultimately need to release a transcriptionist or two, you want to manage that process on your own terms. You would not want staff to get wind that you *may* cut employees.
- Look at your employee costs (including all benefits) vs. your outsourced costs.

Document management systems (DMS). For purposes of our discussion, DMSs are scanned (e.g., "image" or picture) documents whereas in an EMR, data are input and "dynamic." Today these solutions are more available and affordable. In fact, as a value-added service (with a nominal mark up), many transcription companies offer access to your transcribed work in a database that can be accessed, via secure Web portal, from anywhere in



the world. Add to that the prospect of tying in your images and you have “EMR-lite,” or a virtual EMR with a fraction of the cost.

Let’s look at a practical application. If two employees each spend one hour a day pulling 10 charts each and hunting for another 10 throughout your three-office practice, you’re losing about \$13,000 a year (including benefits) in productivity. Other savings could include paper products and other office material and a reduction of HIPAA risks associated with moving charts from office to office.

If your DMS integrates with, or is driven by, transcription, your documents are loaded and easily accessible from any of your office locations with Internet access. This means that the notes for a patient who was seen in Office 1 in Virginia Beach yesterday can be accessed from Office 2 in Chesapeake today without staff transporting charts. Not only that, you can also “data mine” any scanned images using optical character recognition (OCR) software.

To see if a DMS make sense for you,

- Calculate expenses for the following:
 - Folders, paper, other chart products.
 - Time spent pulling charts.
 - Time/fuel transporting charts.
- Get references and discuss use with others who’ve gone before you; this places you higher up on the learning curve.
- Discuss the prospect of a DMS with your MD(s). Get buy in and comfort.
- Make sure MDs can access the DMS remotely.
- Ensure that you have sufficient bandwidth throughout (if you have multiple offices; a regular DSL connection should suffice).
- Ensure that you can access all your documents (in manageable format) should you elect to terminate your relationship with the vendor.

Scanned explanations of benefits (EOBs). EOB scanning can save staff from pulling charts and researching. When I deployed a program of scanning EOBs offsite, remotely storing them, with staff accessing via secure internet connection, for example, I was spending nearly \$14,000 a year in staff time just to pull, “black out,”

Caveat Emptor

Remember that any technology implementation should translate into greater efficiencies, reduced expense, increased revenues, or, optimally, all three. To ensure your best ROI *and* preserve working relationships:

- Be wary of the “human element”; most technology ventures obviate the need for certain staff members. How will changes impact staff?
- Look to see where technology is an adjunct to staff.
 - Make sure you’ve run *your own* numbers on costs/savings.
 - Pull in necessary staff to ensure “buy-in.” Gather their input to be sure you are not missing technological traps or problems.
- Revenue gains, expense reductions, and efficiencies “sold” should be quantified internally vs. relying on vendor’s comments and data.
 - Prove it to yourself first. Examine costs of technology vs. savings and/or potential revenues.
 - *Do not* rely on salespersons’ modeling. It can be flawed.
- Obtain input from your peers—the best, most candid people around.
- Vet plenty of candidates for whatever project you undertake. Do not marry the first frog you kiss.
- Think of other solutions! How would you fix things? Healthcare is more than a \$1.5 trillion (per year) business. There are vendors with products to fit many of your needs.

and copy EOBs. After implementing our program, we could “tweak” EOBs online, print, and send them for appeals. This cost did not include the expense associated with workers’ compensation exposure that you can easily avoid.

Does a scanning solution work for your group?

- Assess your annual costs to pull EOBs (work in any costs relative to workers’ compensation, if you’ve had any claims).
- Use the ASOA EyeMail list to find at least two vendors.
- Figure the costs of outsourcing vs. purchasing new technology to scan “in house.”

Efficient use of websites. Most practices use their websites simply as static marketing devices, to show that they have a presence on the Web. (Some MDs have gone as far as allowing referring groups to schedule patients via their website and a secure portal—though many MDs are not comfortable with their schedules being so visible.)

But websites can do even more. They are relatively inexpensive marketing tools that can offer patient information and education, forms for referring clinicians, and examples of innovations that differentiate you from the competition (see the feature articles and case study in this issue).

To make good use of your website:

- Revisit your site. Does it need a facelift?
- Make sure marketing materials are available and easily accessible.
- Use your website to gather user statistics that can inform your medical and your marketing practices.

Summing Up: New Technologies, New Challenges

Deploying new technologies in your practice can be a career-enhancing (or career-limiting) endeavor. They can be exceedingly rewarding but never come without a semblance of pain. The thoughts posited in this article are decidedly low-risk propositions that involve very little downside and expense.

Simple solutions are out there if we’ll just “see” them—if we look at our problems through the lenses of an innovator rather than the tired specs of an administrator who suffers from situational inertia.

Technology is to be revered but not feared; embrace it and go for it! **AE**



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