

MISSISSIPPI BUSINESS JOURNAL

Volume 27, Number 18
May 02, 2005-May 08, 2005

Firm helping medical practices find 'lost' revenue

By LYNNE JETER,
MBJ Contributing Writer

Jackson-based GranthamPoole CPAs has developed a new software and analytical services team targeting medical practices.

The accounting firm's healthcare solutions division recently launched a novel software-based service aimed at helping physicians and medical practices overcome significantly increasing costs and declining revenue prompted by the myriad rules and regulations imposed on the healthcare industry and the decline in managed care reimbursement rates.

"Our response from clients about the new service has been extremely positive," said GranthamPoole partner George Butler, head of the firm's healthcare solutions division. "The studies we've done thus far have highlighted financial areas of concern-and areas showing potential - that our clients weren't aware of."

Using next-generation technology to retrieve and process select financial data, veteran members of the healthcare solutions division study the information, specifically analyzing categories concerning fee and reimbursement, physician productivity and compensation, procedural cost accounting and coding compliance.

"We can go straight to potential problem areas," said Butler. "Physicians can see immediately in real dollars what revenues are being 'lost' as well as the true cost of performing a procedure or delivering a service. That's information critical for analyzing profitability of managed care contracts. It also lets them know if they're making enough money for the work they're doing within their clinic."

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) alone unleashed a plethora of mandates with staggered compliance deadlines. The most recent compliance deadline was April 20, concerning EPHI (electronic protected health information) for patients. The privacy rule under HIPAA concerning PHI (protected health information) for patients, which was effective April 14, 2003, caught many medical professionals ill prepared. Even though those mandates were not financial in nature, many HIPAA regulations are, and penalties for non-compliance are prohibitive.

"Rules are changing drastically and rapidly," said Butler. "It's almost impossible for medical practices to provide enough staff members to keep up with all these changes without some type of computer-aided support. This new system allows us to accumulate all the data, sort through it, and have the trained professionals analyze it."

Butler declined to disclose the cost of the new service, but said that the investment is minimal compared to a robust return from increased reimbursements and saved expenses.

"We do an initial analysis at a very minimal cost and can determine immediately the benefits of an extensive study," he said. "Normally, they're huge compared to costs in fees to us. However, every situation is different, depending on the specialty of the clinic. But we don't get clients involved unless we're sure the benefits will far exceed the cost."

Some results are immediate, while others take several months, said Butler.

"The results depend on which problem we're attacking first," he said. "For example, because fee collection generally occurs 30 to 90 days or longer, physicians won't see a reaction on a fee collection solution until down the line."

The program is geared to automatically update as industry rules and regulations change.

"After the initial analysis, we prefer to review the financial picture at least once a year, to see what adjustments, if any, need to be made," he said.

"The beauty of our new service is it gives practice administrators peace of mind that they are doing everything they can - process-wise - to prevent revenue from slipping through the cracks. When you consider the relatively simple process of retrieving data from a client's computer, the client truly has everything to gain from the procedure."

Contact MJB contributing writer Lynne W. Jeter at lwjeter@yahoo.com.